

Analyst Nguyen Hoang Duy Anh

Digiworld (DGW)

Prioritizing non-ICT expansion

March 12, 2025	anhnhd@kbsec.com.vn (+84) 24-7303-5333
Mobile phones remained DGW's leading revenue source	In 4Q2024, DGW achieved net revenue of VND5,859 billion (+20.8% YoY), with the mobile phone segment contributing 45.9% of total revenue. Net profit surged 62.3% YoY to VND146 billion, while the gross profit margin stood at 9.9% (-0.6 percentage points YoY, +0.5 percentage points QoQ).
A notable recovery was observed in most ICT products during 4Q2024	Mobile phone sales reached VND2,687 billion (+21.9% YoY) in 4Q2024, bolstered by new Xiaomi and Apple launches. The laptop & tablet segment generated VND1,144 billion (+6.7% YoY), indicative of a seasonal contraction subsequent to the peak sales period in 3Q. The office equipment segment posted VND1,367 billion (+21.6% YoY) in revenue, driven by PC clients and IoT devices.
Non–ICT segments experienced double–digit growth	By the end of 4Q2024, the home appliances segment delivered net revenue of VND364 billion (+55.6% YoY), as 4Q typically represents the peak period for home appliance purchases, fueled by heightened consumer expenditure in anticipation of the Tet holiday. The consumer goods segment reported net revenue of VND297 billion (+38.1% YoY), mainly attributable to the implementation of ABInBev's new on-trade distribution network in 3Q2024.
We reiterate our NEUTRAL rating on DGW with a target price of VND44,100/share	We project DGW's net revenue at VND24,432 billion (+10.7% YoY) and NPAT at VND530 billion (+18.2% YoY), given its strategic focus on product categories with long-term growth potential, including office equipment, home appliances, and consumer goods. Consequently, we reiterate our NEUTRAL rating on DGW in 2025, with a target price of VND44,100 per share.

Neutral maintain

Target price	VND44,100
Upside	9.4%
Current price (Mar 12, 2025)	VND40,300
Consensus target price	VND46,100
Market cap (VNDtn/USDbn)	9.1/0.4

Trading dataFree float58.8%3M avg trading value (VNDbn/USDmn)47.6/1.9Foreign ownership19.1%Major shareholderCreated Future Co., Ltd(31.73%)

(%)	1M	3M	6M	12M
Absolute	9.8	-1.2	-11.0	-14.9
Relative	4.6	-6.3	-17.0	-21.9

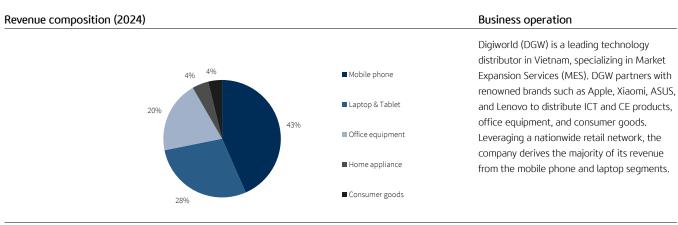
Forecast earnings & valuation

FY-end	2023	2024	2025F	2026F
Net revenue (VNDbn)	18,817	22,078	24,432	26,886
Operating income/loss (VNDbn)	417	527	603	694
NPAT-MI (VNDbn)	354	444	525	606
EPS (VND)	1,653	2,045	2,418	2,792
EPS growth (%)	-47.0	23.7	18.2	15.4
P/E (x)	25.0	20.2	17.1	14.8
Р/В (х)	3.6	3.1	2.7	2.3
ROE (%)	0.1	0.1	0.2	0.2
Dividend yield (%)	1.8	0.9	0.6	0.7



Source: Bloomberg, KB Securities Vietnam





Source: Digiworld, KB Securities Vietnam

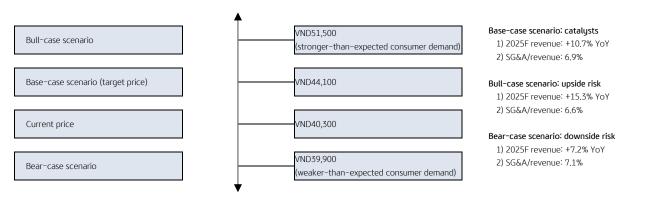
Investment Catalysts	Notes
ICT product sales may slow down in 2025 due to market saturation. The laptop & tablet segment is expected to grow by 4.7% YoY, while the mobile phone segment is projected to expand by 7.5% YoY.	Please find more details below
Non-ICT segments are anticipated to maintain double-digit growth, driven by continued portfolio diversification and the introduction of new distribution channels.	Please find more details below
Network & security solutions are expected to lead office equipment revenue, given the growing investment in data centers and cloud computing.	Please find more details below

Revised earnings estimates

(VNDbn)	KB	SV estimates	Change vs previo	us estimates		Consensus*		Difference
	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E
Revenue	24,432	26,886	-4%	n/a	25,292	28,338	4%	5%
EBIT	603	694	-40%	n/a	698	908	16%	31%
NP after MI	525	606	-21%	n/a	533	658	2%	9%

Source: Bloomberg, KB Securities Vietnam

Investment opinion & risks





Business performance

DGW attained 96% of its 2024 net revenue target

DGW concluded 2024 with net revenue of VND22,078 billion (+17.3% YoY) and net profit of VND449 billion (+23.7% YoY), meeting 96% and 91% of its fullyear targets, respectively. The mobile phone segment remained DGW's primary revenue driver, accounting for 43.4% of total revenue in 2024. Notably, it was the only business segment to surpass management's revenue target, reaching 110% of the planned revenue. While other segments fell short of expectations, most still posted strong double-digit growth, except for the laptop & tablet segment.

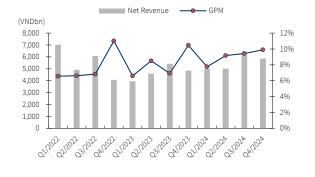
Table 1. DGW - 2023-2024 financial results

(VNDbn)	4Q2023	4Q2024	+/-%Yo Y	2023	2024	+/-%YoY	Notes
Revenue	4,849	5,859	20.8%	18,817	22,078	17.3%	
– Laptops & tablets	1,072	1,144	6.7%	5,906	6,279	6.3%	Driven by the product replacement cycle and the launch of a slew of AI-integrated laptops, despite industry saturation
- Mobile phones	2,204	2,687	21.9%	8,067	9,580	18.8%	Driven by new Xiaomi and Apple launches, including Mi 14T, Mi Note 14, Redmi 14C, and iPhone 16
- Office equipment	1,124	1,367	21.6%	3,441	4,386	27.5%	Driven by contributions from PC clients and IoT devices, along with the consolidation of Achison's personal protective equipment (PPE) revenue
- Home appliances	234	364	55.6%	728	993	36.4%	Driven by Xiaomi air purifiers and robot vacuums, along with Philips home appliances
- Consumer goods	215	297	38.1%	676	840	24.3%	Driven by Nestlé, Lion, AB InBev, Lotte Chilsung, and other brands.
Gross profit	521	608	16.6%	1,559	2,055	31.8%	Supported by an increased revenue share from high-margin
Gross profit margin	10.7%	10.4%	-0.4ppts	8.3%	9.3%	1.0ppts	products, particularly office equipment and consumer goods.
Financial income	66	56	-16.1%	195	192	-1.6%	
Financial expenses	-28	-67	138.8%	-138	-163	17.9%	
SG&A	-435	-421	-3.1%	-1,142	-1,529	33.9%	SG&A/revenue increased by 0.8 percentage points YoY in 2024, mainly due to a 47.2% YoY rise in marketing and sales support expenses.
Shared profits from affiliates	-5	-2	-67.7%	-4	1	-130.1%	
Profit before tax (PBT)	118	189	59.7%	471	569	20.9%	
Net profit after tax (NPAT)	90	146	62.3%	363	449	23.7%	
NPAT-MI	90	140	56.7%	354	444	25.3%	
NPAT margin	1.9%	2.5%	0.6ppts	1.9%	2.0%	0.1ppts	

Source: Digiworld, KB Securities Vietnam



Fig 2. DGW – Net revenue, gross profit margin (VNDbn, %)



Source: Digiworld, KB Securities Vietnam

Fig 4. DGW - Revenue growth by segment (%)

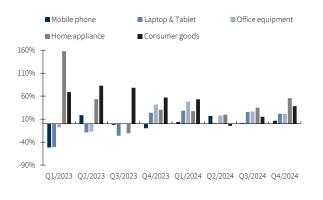
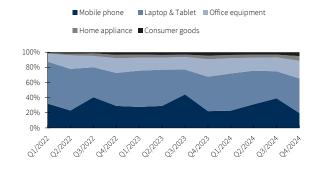


Fig 3. DGW - Revenue breakdown by quarter (%)



Source: Digiworld, KB Securities Vietnam

Source: Source: Digiworld, KB Securities Vietnam

Fig 5. DGW – Office equipment revenue breakdown (VNDbn)

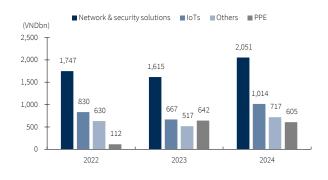


Table 6. DGW - New office equipment

	Brand	Product
Smartwatch	KOSPET SUUNTO	
Network & security solutions	Ptp-link	
PC monitor	ЛОС	
Graphics card	🎯 msi	

Source: Digiworld, KB Securities Vietnam

Source: Digiworld, KB Securities Vietnam



Both the laptop & tablet segment and the mobile phone segment are expected to slow down in 2025 KBSV estimates revenue from the laptop & tablet segment and the mobile phone segment to reach VND6,576 billion (+4.7% YoY) and VND10,301 billion (+7.5% YoY), respectively, in 2025. We observe that Vietnam's ICT sector has entered a saturation phase due to the following factors:

- Mobile cellular subscriptions per 100 people in Vietnam are relatively high compared to other Southeast Asian countries. According to the World Bank, Vietnam had 140 mobile subscriptions per 100 people in 2022 (Figure 7), exceeding the regional average by 11 subscriptions.
- Major ICT retail chains have undergone restructuring and store reductions.
 Revenue of Mobile World Investment (MWG)'s The gioi Di dong (TGDD)
 returned to positive growth after shutting down 55 stores in 2024, while
 FPT Digital Retail's (FRT) FPT Shop also managed to narrow its revenue
 decline by closing 121 underperforming stores (Figure 8).

Fig 7. Southeast Asia – Mobile cellular subscriptions per 100 people in 2022

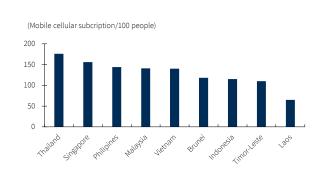


Fig 8. MWG, FRT - TGDD & FPT Shop store count



Source: World Bank, KB Securities Vietnam

Non-ICT product segments should maintain double digit growth

KBSV expects DGW to further expand its non-ICT product segments in the coming period, leveraging their strong growth potential and higher gross profit margins compared to ICT products.

Source: Mobile World Investment, FPT Digital Retail, KB Securities Vietnam

- Office equipment: Revenue is projected at VND5,261 billion (+19.9% YoY), driven by the increasing long-term investments in data centers and cloud computing. Additionally, DGW plans to introduce new brands into its distribution network (Figure 6).
- Consumer goods: Revenue is expected at VND1,008 billion (+20.0% YoY), supported by an anticipated recovery in purchasing power and the expansion plans of major retail chains. MWG's Bach Hoa Xanh (BHX) plans to open 200–400 new stores, Masan Group's (MSN) Winmart targets 400–700 new locations, and FRT's Long Chau aims to launch 400 new pharmacies in 2025. Furthermore, the newly implemented on-trade distribution channel is expected to make a significant revenue contribution to this segment.
- Home appliances: Revenue is estimated at VND1,286 billion (+29.5% YoY). DGW's current market share in this segment remains relatively low; however, given its expertise, we believe the company has strong potential to expand its presence in this category.

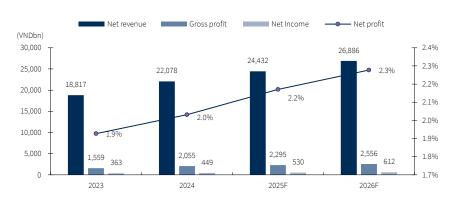
Forecast & Valuation

Table 9. DGW - 2024A-2026F financials & forecast

(VNDbn)	2024	2025F	+/-%YoY	2026F	+/-%YoY	Notes
Revenue	22,078	24,432	10.7%	26,886	10.0%	
- Laptops & tablets	6,279	6,576	4.7%	6,884	4.7%	Growth may slow in 2025 as the ICT industry has reached
- Mobile phones	9,580	10,301	7.5%	10,783	4.7%	saturation. The mobile phone segment is expected to expand by 7.5% YoY this year, driven by the ongoing smartphone replacement cycle.
- Office equipment	4,386	5,261	19.9%	6,271	19.2%	Revenue is expected to be driven by new partnerships with major brands, including TP-Link for cybersecurity solutions and MSI for graphics cards.
- Home appliances	993	1,286	29.5%	1,690	31.4%	The home appliances segment is projected to expand by 29.5% YoY this year, supported by brands like Westinghouse and Xiaomi, particularly Xiaomi's air conditioner products.
- Consumer goods	840	1,008	20.0%	1,258	24.8%	The consumer goods segment may grow by 20.0% YoY in 2025, benefiting from the addition of a new on-trade distribution channel.
Gross profit	2,055	2,295	11.7%	2,556	11.4%	The gross profit margin is expected to improve by 0.1
Gross profit margin	9.3%	9.4%	0.1ppts	9.5%	0.1ppts	percentage points, driven by a higher revenue contribution from non-ICT product segments, including office equipment, consumer goods, and home appliances.
Financial income	192	212	10.4%	235	11.0%	
Financial expenses	-163	-155	-4.8%	-167	8.0%	
SG&A	-1,529	-1,692	10.7%	-1,862	10.0%	SG&A/ revenue is expected to remain high, as DGW is likely to introduce multiple promotional programs to drive demand and attract customers to its new products.
Shared profits from affiliates	1	1	10.7%	2	10.0%	
PBT	569	663	16.5%	765	15.4%	
NPAT	449	530	18.2%	612	15.4%	
NPAT-MI	444	525	18.2%	606	15.4%	
NPAT margin	2.0%	2,2%	0.1ppts	2,3%	0,1ppts	

Source: Digiworld, KB Securities Vietnam

Fig 10. DGW - 2023A-2026F financial results



Source: Digiworld, KB Securities Vietnam



We recommend BUY for DGW with a target price of VND44,100/share

We value DGW using two methods, discounted cash flow (DCF) and comparative valuation, to determine a fair target price.

(1) DCF valuation:

We apply the free cash flow to firm (FCFF) approach, with the assumptions outlined below. Based on this method, we derive a target price of VND44,000 per share.

(2) Comparative valuation:

For this approach, we use a target P/E ratio of 18.3x, equivalent to the three-year average, and a target EPS of VND2,418. This method results in a target price of VND44,200 per share.

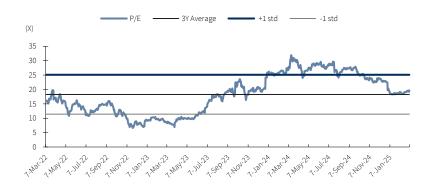
By assigning equal weight (50–50) to both valuation methods, we arrive at a final target price of VND44,100 per share, reflecting a 9.4% premium to the closing price on March 14, 2025. While the growth potential of non–ICT segments remains strong in the coming years, much of this optimism has already been priced into the stock. As a result, we maintain our NEUTRAL recommendation for DGW.

Table 10. DGW - FCFF valuation & assumptions

Cost of equity	13.7%	PV of terminal value (VNDbn)	8,059
Risk-free rate	4.7%	PV of FCFF (VNDbn)	10,279
Beta	1.2	Number of shares outstanding	219,320,619
Risk premium	7.8%		
Terminal growth	3.0%		
Forecst duration	5 years		
Value per share (VND/share)			44,022

Source: KB Securities Vietnam

Fig 11. DGW - P/E in 2022-2025



Source: Bloomberg, KB Securities Vietnam

Table 12. DGW - Valuation results

Valuation method	Derived price	Weighting	Weighted price
FCFF	44,044	50%	22,022
P/E	44,164	50%	22,082
Target price			44,104
Source: KB Securities Vietnam			



DGW - 2023A-2026F summarized financials & forecasts

income Statement (VND billion)	2023	2024	2025F	2026F
Net sales	18,817	22,078	24,432	26,886
Cost of sales	-17,258	-20,023	-22,137	-24,329
Gross Profit	1,559	2,055	2,295	2,556
Financial income	195	192	212	235
Financial expenses	-138	-163	-155	-167
of which: interest expenses	-122	-96	-117	-132
Gain/(loss) from joint ventures (from 2015)	-4	1	1	2
Selling expenses	-944	-1,285	-1,422	-1,564
General and admin expenses	-199	-244	-270	-29
Operating profit/(loss)	469	556	661	763
Other incomes	11	22	11	11
Other expenses	-10	-9	-9	. <u>e</u>
Net other income/(expenses)	1	12	2	3
Income from investments in other entities	0	Ō	Ō	(
Net accounting profit/(loss) before tax	471	569	663	765
Corporate income tax expenses	-92	-143	-133	-153
Net profit/(loss) after tax	363	449	530	612
Minority interests	8	5	6	6
Attributable to parent company	354	444	525	60
Margin ratio	2023	2024	2025F	2026F
Gross profit margin	8.3%	9.3%	9.4%	9.5%
EBITDA margin	3.4%	3.3%	3.3%	3.4%
EBIT margin	3.2%	3.0%	3.2%	3.3%
Pre-tax profit margin	2.5%	2.6%	2.7%	2.89
Operating profit margin	2.5%	2.5%	2.7%	2.8%
Net profit margin	1.9%	2.0%	2.1%	2.3%
Cash Flow Statement	2022	2024	20255	2020
Cash Flow Statement (VND billion) Net profit/(loss) before tax	2023 471	2024 569	2025F 663	
(VND billion)				76
(VND billion) Net profit/(loss) before tax	471	569	663	76 <u>:</u> 2:
(VND billion) Net profit/(loss) before tax Depreciation and amortisation Profit/loss from investing activities	471 42 -87	569 55	663 20	765 23 (
(VND billion) Net profit/(loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense	471 42	569 55 -50	663 20 0	765 23 (132
(VND billion) Net profit/(loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Operating profit/(loss) before changes in Working Capital	471 42 -87 120 546	569 55 -50 96 671	663 20 0 117 800	765 23 (132 921
VVD billion) Net profit/(loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables	471 42 -87 120	569 55 -50 96 671 -528	663 20 0 117 800 310	765 23 (132 921 -244
VVD billion) Net profit/(loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories	471 42 -87 120 546 -566 322	569 55 -50 96 671 -528 -493	663 20 0 1117 800 310 -148	765 23 (132 921 -244 -325
VVD billion) Net profit/(loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease in payables	471 42 -87 120 546 -566 322 575	569 55 -50 96 671 -528 -493 444	663 20 0 117 800 310 -148 -138	765 2: (132 921 -244 -325 327
VVD billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease in prepaid expenses	471 42 -87 120 546 -566 322 575 -15	569 55 -50 96 671 -528 -493 444 12	663 20 0 117 800 310 -148 -138 2	2026F 765 23 0 (133 921 -244 -329 327 -5
Opposition Net profit/(loss) before tax Depreciation and amortisation Profit/(loss from investing activities Interest expense Opperating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase//decrease in prepaid expenses (Increase)/decrease in trading securities, interest expense, taxes and or	471 42 -87 120 546 -566 322 575 -15 0	569 55 -50 96 671 -528 -493 444 12 0	663 20 0 117 800 310 -148 -138 2 0	765 23 (133 921 -244 -325 327 -5 (
VVD billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in trading securities, interest expense, taxes and o' Net cash inflows/(outflows) from operating activities	471 42 -87 120 546 -566 322 575 -15	569 55 -50 96 671 -528 -493 444 12	663 20 0 117 800 310 -148 -138 2 0 528	765 23 (133 921 -244 -325 327 -5 (
VVD billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in trading securities, interest expense, taxes and or Net cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets	471 42 -87 120 546 -566 322 575 -15 0 568 -30	569 55 -50 96 671 -528 -493 444 12 0 -112 -45	663 20 0 117 800 310 -148 -138 2 0 528 -24	765 2: (133 -244 -329 322 -329 ((399 -399
Operation Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in trading securities, interest expense, taxes and or Net cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3	663 20 0 1117 8000 3100 -148 -138 2 0 528 -24 0	765 21 (133 921 -244 -325 327 -5 ((395 -26 ((
Operation Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in trading securities, interest expense, taxes and or Net cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Loans granted, purchases of debt instruments	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167	663 20 0 1117 8000 3100 -148 -138 2 0 528 -24 0 528 -24 0 0	763 21 133 922 -244 -329 32 32 32 32 32 32 (0 399 -24 0 0 0 0 0 0
Operation Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in trading securities, interest expense, taxes and or Net cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Loans granted, purchases of debt instruments Collection of loans, proceeds from sales of debts instruments	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152	663 20 0 1117 800 310 -148 -138 2 0 528 -24 0 0 0 0 0 0	763 21 133 922 -244 -329 322 -24 (329 32 -24 (399 -21 (0 (0 (0) () () () () () () (
Operation Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in trading securities, interest expense, taxes and or Net cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Loans granted, purchases of debt instruments Collection of loans, proceeds from sales of debts instruments Investments in other entities	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 -48 30 -153	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53	663 20 0 1117 8800 310 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0	763 22 (133 -24 -329 32 -32 (399 -24 (0 (0 (0 (0 (0 (0)))))))))))))))
	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 -48 30 -153 9	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0	663 20 0 1117 800 310 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0	766 2 (1333 -24 -24 -322 -24 -322 -24 (() () () () () () () () ()
	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 -48 30 -153 9 75	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48	663 20 0 1117 800 310 -148 -138 2 0 528 -24 0 0 528 -24 0 0 0 0 0 0 0 0 0 0	7667 2 2 4 1333 922 -244 -322 -24 -322 -24 -339 -24 -339 -24 -4 -4 -4 -4 -4 -4 -4 -4 -4 -4 -4 -4 -4
Web billion) Net profit/loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Depreciation profit/loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase//decrease in inventories (Increase)/decrease in prepaid expenses (Increase)/decrease in trading securities, interest expense, taxes and or Net cash inflows/(outflows) from operating activities Proceeds from disposal of fixed assets Loans granted, purchases of debt instruments Collection of loans, proceeds from sales of debts instruments Investments in other entities Proceeds from divestment in other entities	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 -153 9 75 -117	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62	663 20 0 1117 800 310 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	766 2 2 3 3 2 2 2 4 3 2 3 2 3 2 3 3 9 3 9 3 9 3 9 3 9 3 9 3
Web billion) Net profit/loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Depreciation profit/loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase//decrease in inventories (Increase)/decrease in prepaid expenses (Increase)/decrease in trading securities, interest expense, taxes and of Net cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Collection of loans, proceeds from sales of debts instruments Collection of loans, proceeds from sales of debts instruments Investments in other entities Proceeds from divestment in other entities Dividends and interest received Net cash inflows/(outflows) from investing activities	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 -153 9 75 -117 40	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62 53	663 20 0 1117 8800 310 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	7667 22 (((1333 922-244 -222-24 322 -22 (((((((((((((((((
Web billion) Net profit/loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Depreciation and amortisation Operciating profit/loss before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase//decrease in prepaid expenses (Increase)/decrease in trading securities, interest expense, taxes and of Net cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Collection of Loans, proceeds from sales of debt instruments Collection of Loans, proceeds from sales of debt instruments Investments in other entities Proceeds from divestment in other entities Dividends and interest received Net cash inflows/(outflows) from investing activities Dividends and interest received	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 -153 9 75 -117 40 0	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -117 -12 -53 0 48 -62 53 0	663 20 0 1117 800 310 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	7667 2 2 2 2 3 3 3 3 9 2 2 3 2 2 3 2 3 3 3 9 3 9 3 9 3 9 3 9 3 9 3 9 3 9 3 9
VVD billion) Net profit/loss) before tax Depreciation and amortisation Profit/loss from investing activities Interest expense Depreciation and amortisation Operciating profit/loss before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase//decrease in propaid expenses (Increase)/decrease in propaid expenses (Increase)/decrease in frading securities, interest expense, taxes and of Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Collection of loans, proceeds form sales of debts instruments Collection of loans, proceeds form sales of debts instruments Dividends and interest received Vecceds from divestment in other entities Dividends and interest received Vecceds from issue of shares Payments for share returns and repurchases	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 4 8 30 0 -153 9 75 -117 40 0 10,602	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -117 -152 -53 0 48 -62 53 0 11,779	663 20 0 1117 800 310 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	766 2 1333 922 -244 -322 322 322 -24 - (() () () () () () () () 22 -24 -24 -24 -24 -24 -24 -24 -24 -24
Web billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) form investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses (Increase)/decrease in prepaid expenses (Increase)/decrease in prepaid expenses (Increase)/decrease in prepaid expenses (Increase)/decrease in for poperating activities Proceeds from disposal of fixed assets Collection of loans, proceeds form sales of debt instruments Collection of loans, proceeds form sales of debts instruments Investment in other entities Proceeds from divestment in other entities Dividends and interest received Net cash inflows/(outflows) from investing activities Proceeds from issue of shares Payments for share returns and repurchases Proceeds from borrowings	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 0 -153 9 75 -117 40 0 10,602 -10,304	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62 53 0 11,779 -11,620	663 20 0 1117 800 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 13,035 -12,582	7667 2: 1333 922 -244 -322 322 322 -24 (() () () () () () () () ()
Wbbillion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) form investing activities Interest expense Depreciation and amortisation Profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease in propaid expenses (Increase)/decrease in trading securities, interest expense, taxes and or Vect cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Collection of loans, proceeds form sales of debti instruments Collection of there entities Proceeds from divestment in other entities Proceeds from divestment in other entities Dividends and interest received Vec cash inflows/(outflows) from investing activities Proceeds from issue of shares Payments for share returns and repurchases Proceeds from borrowings Repayment of borrowings Repayment of borrowings	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 -153 9 75 -117 40 0 10,602 -10,304 0	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62 53 0 48 -62 53 0 11,779 -11,620 0	663 20 0 1117 800 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	7667 2 1333 9 2 -244 -322 32 32 32 -24 (()) ()) () ()) () ()) ()) ()) ()) ()) ()) ())) ())) ()) ()) ()) ()) ())) ())) ())) ())) ())) ())))))) ()))))))))))))
Web billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) form investing activities Interest expense Depreciation and amortisation Profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in trading securities, interest expense, taxes and or Vect cash inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Collection of loans, proceeds form sales of debti instruments Collection on ther entities Proceeds from divestment in other entities Proceeds from disposal of fixed assets Proceeds from divestment in other entities Proceeds from divestment in other entities Proceeds from issue of shares Payments for share returns and repurchases Proceeds from borrowings Repayment of borrowings Repayment of borrowings Finance lease principal payments	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 0 -48 30 -153 9 75 -117 40 0 10,602 -10,304 0 -167	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62 53 0 48 -62 53 0 11,779 -11,620 0 -84	663 20 0 1117 800 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	7659 2: 1333 9222-244 -3292 3323 33999 -24 (((((((((((((((((((
Web billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories (Increase)/decrease in propaid expenses (Increase)/decrease in trading securities, interest expense, taxes and or Vectash inflows/(outflows) from operating activities Proceeds from disposal of fixed assets Collection of loans, proceeds from sales of debts instruments Collection on divestment in other entities Proceeds from divestment in other entities Proceeds from issue of shares Proceeds from sales of shares Proceeds from borrowings Repayment of borrowings Repayment of borrowings Finance lease principal payments Dividends paid Dividends paid	471 42 -87 120 546 -566 322 575 -15 0 558 -30 0 -48 30 -153 9 75 -117 40 0 10,602 -10,304 0 -167 0	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62 53 0 48 -62 53 0 11,779 -11,620 0 -84 0	663 20 0 1117 800 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	76597 2:2 9222-244 -32922-244 -32922-24 -24 -32922-24 () () () () () () () () () (
Web billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) form investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories (Increase)/decrease in propaid expenses (Increase)/decrease in trading securities, interest expense, taxes and or Vectorase inflows/(outflows) from operating activities Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Collection of loans, proceeds form sales of debts instruments Collection of loans, proceeds from sales of debts instruments Proceeds from divestment in other entities Proceeds from divestment in other entities Proceeds from issue of shares Payments or share returns and repurchases Proceeds from borrowings Repayment of borrowings Repayment of borrowings Finance lease principal payments	471 42 -87 120 546 -566 322 575 -15 0 568 -30 0 -48 30 0 -48 30 -153 9 75 -117 40 0 10,602 -10,304 0 -167	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62 53 0 48 -62 53 0 11,779 -11,620 0 -84	663 20 0 1117 800 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	7667 22 922-244 -322 322 322 322 322 322 4 ((() () () () () () () () (
Web billion) Net profit/(loss) before tax Depreciation and amortisation Profit/(loss) from investing activities Interest expense Operating profit/(loss) before changes in Working Capital (Increase)/decrease in receivables (Increase)/decrease in inventories (Increase)/decrease in propaid expenses (Increase)/decrease in trading securities, interest expense, taxes and or Vectash inflows/(outflows) from operating activities Proceeds from disposal of fixed assets Collection of loans, proceeds from sales of debts instruments Collection on divestment in other entities Proceeds from divestment in other entities Proceeds from issue of shares Proceeds from sales of shares Proceeds from borrowings Repayment of borrowings Repayment of borrowings Finance lease principal payments Dividends paid Dividends paid	471 42 -87 120 546 -566 322 575 -15 0 558 -30 0 -48 30 -153 9 75 -117 40 0 10,602 -10,304 0 -167 0	569 55 -50 96 671 -528 -493 444 12 0 -112 -45 3 -167 152 -53 0 48 -62 53 0 48 -62 53 0 11,779 -11,620 0 -84 0	663 20 0 1117 800 -148 -138 2 0 528 -24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	7659 2: 1333 9222-244 -3292 3323 33999 -24 (((((((((((((((((((

Balance Sheet (VND billion)	2023	2024	2025F	2026F
CURRENT ASSETS	7,501	8,500	9,266	10,526
Cash and cash equivalents	6,842	7,774	8,582	9,834
Short-term investments	1,450	1,407	2,315	2,988
Accounts receivable	0	0	0	0
Inventories	1,982	2,383	2,105	2,317
LONG-TERM ASSETS	3,130	3,628	3,776	4,106
Long-term trade receivables	659	726	685	692
Fixed assets	17	61	23	25
Investment properties	131	172	176	178
Long-term incomplete assets	15	2	2	2
Long-term investments	19	14	14	14
TOTALASSETS	353	342	342	342
LIABILITIES	4,874	5,488	5,772	6,481
Current liabilities	4,858	5,483	5,761	6,468
Trade accounts payable	1,557	2,303	2,081	2,350
Advances from customers	139	159	178	196
Short-term unrealized revenue	2,321	2,487	2,939	3,303
Short-term borrowings	16	5	11	13
Long-term liabilities	0	0	0	0
Long-term trade payables	0	0	0	0
Long-term advances from customers	11	5	11	13
Unrealized revenue	6	0	0	0
Long-term borrowings	2,627	3,012	3,494	4,046
OWNER'S EQUITY	1,672	2,193	2,193	2,193
Paid-in capital	61	61	61	61
Share premium	867	730	1,203	1,748
Undistributed earnings	0	0	0	0
(x,%,VND) Multiple				
P/E	24.4	19.7	16.7	14.4
P/E diluted	24.4	19.7	16.7	14.4
P/B	3.5	3.0	2.6	2.2
P/S	0.5	0.4	0.4	0.3
P/Tangible Book	3.5	3.0	2.6	2.2
P/Cash Flow	15.6	-79.0	16.7	22.4
EV/EBITDA	21.2	17.1	15.2	12.8
EV/EBIT	23.3	18.9	15.7	13.2
Operating performance				
ROE	13	16	16	16
ROA	5	6	6	6
ROIC	7	8	8	8
Financial structure				
Cash Ratio	0.3	0.3	0.4	0.5
Quick Ratio	0.8	0.8	0.8	0.9
Current Ratio	1.4	1.4	1.5	1.5
LT Debt/Equity	0.0	0.0	0.0	0.0
LT Debt/Total Assets	0.0	0.0	0.0	0.0
Debt/Equity	0.9	0.8	0.8	0.8
Debt/Total Assets	0.3	0.3	0.3	0.3
ST Liabilities/Equity	1.8	1.8	1.6	1.6
ST Liabilities/Total Assets	0.6	0.6	0.6	0.6
Total Liabilities/Equity	1.9	1.8	1.7	1.6
Total Liabilities/Total Assets	0.6	0.6	0.6	0.6
Activity ratios				
Account Receivable Turnover	10.8	10.1	11.6	11.6

Source: Company report, KB Securities Vietnam

5.3

13.6

Inventory Turnover

Account Payable Turnover

5.9

11.4

5.9

11.7

5.9

11.4



KB SECURITIES VIETNAM RESEARCH

Research Division research@kbsec.com.vn

Financials

Nguyen Anh Tung - Manager tungna@kbsec.com.vn

Pham Phuong Linh – Analyst linhpp@kbsec.com.vn

Real Estate

Pham Hoang Bao Nga – Manager ngaphb@kbsec.com.vn

Nguyen Thi Trang – Analyst trangnt6@kbsec.com.vn

Macro & Strategy

Tran Duc Anh – Head of macro & strategy anhtd@kbsec.com.vn

Nghiem Sy Tien – Analyst tienns@kbsec.com.vn

Nguyen Dinh Thuan – Analyst thuannd@kbsec.com.vn

Support Team

Nguyen Cam Tho - Assistant thonc@kbsec.com.vn

Nguyen Thi Huong – Assistant huongnt3@kbsec.com.vn Nguyen Xuan Binh – Head of research binhnx@kbsec.com.vn

Consumer

Nguyen Duc Quan – Analyst quannd@kbsec.com.vn

Nguyen Hoang Duy Anh – Analyst anhnhd@kbsec.com.vn

Industrials & Materials

Nguyen Thi Ngoc Anh – Analyst anhntn@kbsec.com.vn

Nguyen Duong Nguyen – Senior Analyst nguyennd1@kbsec.com.vn

Energy, Utilities & IT

Pham Minh Hieu – Analyst hieupm@kbsec.com.vn

Nguyen Viet Anh – Analyst anhnv3@kbsec.com.vn



KB SECURITIES VIETNAM (KBSV)

Head Office:

Levels 16&17, Tower 2, Capital Place, 29 Lieu Giai Street, Ba Dinh District, Hanoi, Vietnam Tel: (+84) 24 7303 5333 - Fax: (+84) 24 3776 5928

Hanoi Branch:

Level 1, VP Building, 5 Dien Bien Phu, Ba Dinh District, Hanoi, Vietnam Tel: (+84) 24 7305 3335 - Fax: (+84) 24 3822 3131

Ho Chi Minh Branch:

Level 2, TNR Tower Nguyen Cong Tru, 180–192 Nguyen Cong Tru Street, District 1, HCMC, Vietnam Tel: (+84) 28 7303 5333 – Fax: (+84) 28 3914 1969

Saigon Branch:

Level 1, Saigon Trade Center, 37 Ton Duc Thang, Ben Nghe Ward, District 1, HCMC, Vietnam Tel: (+84) 28 7306 3338 - Fax: (+84) 28 3910 1611

CONTACT INFORMATION

Institutional Client Center: (+84) 28 7303 5333 - Ext: 2656 Private Customer Care Center: (+84) 24 7303 5333 - Ext: 2276 Email: ccc@kbsec.com.vn Website: www.kbsec.com.vn

Investment ratings & definitions

Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)				
Buy:	Neutral:	Sell:		
+15% or more	+15% to -15%	-15% or more		

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)					
Positive:	Neutral:	Negative:			
Outperform the market	Perform in line with the market	Underperform the market			

Opinions in this report reflect the professional judgment of the research analyst(s) as of the date hereof and are based on information and data obtained from sources that KBSV considers reliable. KBSV makes no representation that the information and data are accurate or complete and the views presented in this report are subject to change without prior notification. Clients should independently consider their own particular circumstances and objectives and are solely responsible for their investment decisions and we shall not have liability for investments or results thereof. These materials are the copyright of KBSV and may not be reproduced, redistributed or modified without the prior written consent of KBSV. Comments and views in this report are of a general nature and intended for reference only, not authorized to use for any other purposes.