

FPT Corporation (FPT)

Securing ongoing double-digit growth

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2Q 2024 revenue and earnings continued to show encouraging results

In 2Q 2024, FPT Corporation (FPT) delivered profit after taxes (NPAT) of VND2,283 billion (+23.07% YoY) on revenue of VND15,246 billion (+22.11% YoY) and gross profit margin of ~37.06%. During this quarter, global IT revenue soared to VND7,574 billion (+30.76% YoY), driven by new signed value of VND8,853 billion (+76.6%).

Global IT witnessed impressive growth as FPT broadened footprint in the US market New signed value totaled VND18,671 billion (+22.4% YoY), largely due to the corporation's proactive efforts to secure new contracts since late 2023. In 1H 2024, FPT continued to attract high-value contracts with international partners, winning 27 major projects (double YoY) valued at over USD5 million each, with a particular focus on the Japanese and Asia-Pacific markets.

Education & Investment made significant contribution to growth

Education & Investment also demonstrated robust growth in 1H 2024, generating VND3,017 billion in revenue (+32% YoY) and VND987 billion in NPAT (+20% YoY). With ongoing capital expenditures (CAPEX) directed towards education over the coming years and enhanced educational standards, FPT is well-positioned to maintain and attract new student enrollments, thus supporting its overall growth.

We maintain our NEUTRAL stance towards FPT with a target price of VND142,800/share Based on FCFF and P/E multiple valuation methods, business outlook, and potential risks, we reiterate our NEUTRAL stance towards FPT with a target price of VND142,800 per share, 7.4% higher than the closing price on September 17, 2024.

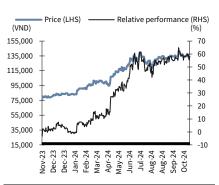
Neutral maintain

| Target price | VND142,800 |
|------------------------------|-------------|
| Upside | 7.4% |
| Current price (Sep 17, 2024) | VND 132,900 |
| Consensus target price | VND141,600 |
| Market cap (VNDtn/USDbn) | 194.2/7.9 |

| Trading data | | |
|--------------------------------|--------|------------------|
| Free float | | 85.9% |
| 3M avg trading value (VNDbn/US | SDmn) | 725.2/28.7 |
| Foreign ownership | | 45.8% |
| Major shareholder | Truong | Gia Binh (6.99%) |

| (%) | 1M | 3M | 6M | 12N |
|----------|-----|-----|------|------|
| Absolute | 1.8 | 1.5 | 31.9 | 56.9 |
| Relative | 1.9 | 3.7 | 32.8 | 54.9 |
| | | | | |

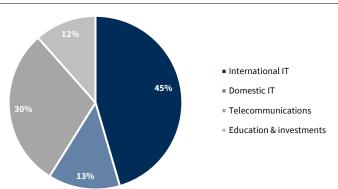
| FY-end | 2022A | 2023A | 2024F | 2025F |
|-------------------------------|--------|--------|--------|--------|
| Net revenue (VNDbn) | 44,010 | 52,618 | 62,457 | 72,957 |
| Operating income/loss (VNDbn) | 6,491 | 7,788 | 9,358 | 11,213 |
| NPAT-MI (VNDbn) | 5,310 | 6,465 | 7,861 | 9,419 |
| EPS (VND) | 5,802 | 5,854 | 7,276 | 8,955 |
| EPS growth (%) | 33.4 | 0.9 | 24.0 | 23.0 |
| P/E (x) | 23.7 | 23.5 | 18.9 | 15.4 |
| P/B (x) | 4.9 | 4.2 | 3.6 | 3.0 |
| ROE (%) | 25.6 | 26.0 | 26.7 | 27.3 |
| Dividend yield (%) | 1.8 | 3.0 | 3.5 | 3.5 |



Source: Bloomberg, KB Securities Vietnam



Revenue composition (2023)



Business operation

FPT Corporation (FPT) is a leading technology and IT services conglomerate in Vietnam, with a diverse portfolio spanning software services, telecommunications, and education. Founded in 1988, FPT has expanded globally, serving key markets including Japan, the EU, the U.S., and Southeast Asia. The IT segment contributes 46% of the group's total revenue, supported by a tech team of nearly 24,000 engineers.

Source: FPT Corporation, KB Securities Vietnam

Investment Catalysts

Robust growth in digital transformation adoption will drive revenue. Continued expected increases in global IT spending will be a key factor supporting FPT's IT segment in 2024. Accordingly, we forecast a 22.11% growth in IT revenue for 2024.

The education business is a strategic component in addressing long-term workforce shortages. FPT has introduced new training programs aimed at developing a workforce aligned with emerging technology trends. Revenue from the education and investment segments is projected to reach VND1,649 billion (+22.88% YoY).

Please find more details below

Notes

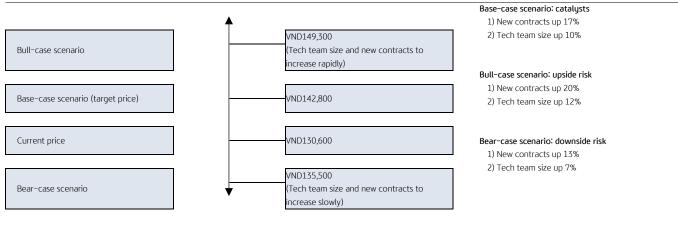
Please see more details below

Revised earnings estimates

| (VNDbn) | KBSV estimates | | Change vs previous estimates | | | Consensus* | | |
|-------------|----------------|--------|------------------------------|-------|--------|------------|-------|-------|
| | 2024E | 2025E | 2024E | 2025E | 2024E | 2025E | 2024E | 2025E |
| Revenue | 62,457 | 72,957 | 0% | -1% | 63,408 | 76,436 | -1% | -5% |
| EBIT | 10,484 | 12,330 | -1% | -5% | 10,322 | 12,571 | 2% | -2% |
| NP after MI | 8,028 | 9,766 | 7% | 21% | 7,840 | 9,826 | 2% | -1% |

Source: Bloomberg, KB Securities Vietnam

Investment opinion & risks





Business performance

2Q 2024 revenue and earnings continued to show encouraging results

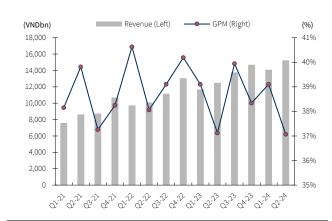
In 2Q 2024, FPT delivered profit after taxes (NPAT) of VND2,283 billion (+23.07% YoY) on revenue of VND15,246 billion (+22.11% YoY) and gross profit margin of \sim 37.06%. Halfway through the year, the group generated VND4,447 billion (+51% YoY) in NPAT and VND29,339 billion (+47% YoY) in revenue. Specifically, new signed value for 1H 2024 was VND18,671 billion (+22.4% YoY), which included 113 projects valued at over USD5 million, an increase of 10.8% YoY.

Table 1. FPT - 2Q 2024 business performance

| (VNDbn) | 2Q 2023 | 2Q 2024 | +/-%YoY | Notes |
|---------------------------|---------|---------|------------|---|
| Revenue | 12,484 | 15,246 | 22.12% | |
| Global IT | 5,792 | 7,573 | 30.75% | Revenue growth was driven by a 37% YoY increase in digital transformation revenue, spurred by the adoption of new technologies. |
| Japan | 2,204 | 3,017 | 36.89% | The number of deals valued at over USD5 million reached 27 contracts, double the amount from the same period last year, primarily from the Japanese and APAC markets. |
| US | 1,633 | 1,861 | 13.96% | |
| EU | 425 | 692 | 62.82% | |
| APAC | 1,530 | 2,003 | 30.92% | |
| Domestic IT | 1,568 | 2,032 | 29.59% | Revenue from service provision decreased in proportion, offset by hardware provision, which has lower profit margins. |
| Telecommunications | 3,728 | 4,080 | 9.44% | Revenue growth was driven by a 5.3% rise in broadband subscriptions (reaching over 4.2 million), and a 3.8% increase in Pay TV subscriptions (reaching nearly 3 million). |
| Education | 1,342 | 1,649 | 22.88% | |
| Gross profit | 4,634 | 5,651 | 21.95% | |
| Gross profit margin | 37.12% | 37.07% | -0.05 ppts | |
| Financial income | 623 | 569 | -8.67% | |
| Financial expenses | -288 | -338 | 17.36% | |
| Profits from affiliates | -66 | 59 | | |
| SG&A | -2,714 | -3,301 | 21.63% | |
| Operating income/loss | 2,190 | 2,640 | 20.55% | |
| Other income | -19 | 1 | -105.26% | |
| Profit before taxes (PBT) | 2,218 | 2,669 | 20.33% | |
| Profit after taxes (NPAT) | 1,856 | 2,288 | 23.28% | |
| NP after MI | 1,509 | 1,875 | 24.25% | |
| NPAT margin | 14.87% | 15.01% | 0.14 ppts | |
| | | | | |

Source: FPT Corporation, KB Securities Vietnam

Fig 2. FPT - Revenue, gross profit margin (VNDbn, %)



Source: FPT Corporation, KB Securities Vietnam

Fig 3. FPT – Global IT revenue, pre–tax profit margin (VNDbn, %)



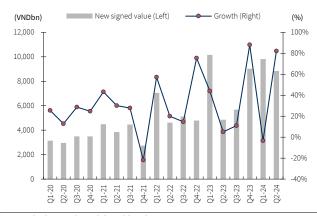
Source: FPT Corporation, KB Securities Vietnam

Global IT revenue sustained double-digit growth

Despite the gloomy economic outlook, global IT spending remains elevated, which will be a stimulus for FPT's IT segment in 2024. According to Gartner, worldwide spending on IT services and software is projected to expand by +13% and +7% YoY in 2024, respectively, as businesses accelerate digital transformation and adopt new technologies.

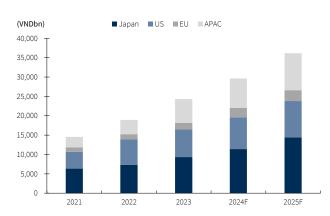
Accordingly, we project a 22.11% growth in IT revenue for 2024 based on (1) high expertise combined with market understanding, which will help FPT expand its market share, achieving growth rates of 22% and 25% in Japan and APAC, respectively; (2) strong demand for digital transformation, information security, and the trend toward hybrid work models, creating significant growth momentum; and (3) maintained competitive advantage through low-cost capabilities, allowing the business to ensure growth momentum as demand for digital transformation spending increases.

Fig 4. FPT - New signed value growth (VNDbn, %)



Source: FPT Corporation, KB Securities Vietnam

Fig 5. FPT - Global IT revenue breakdown (VNDbn)



Source: FPT Corporation, KB Securities Vietnam

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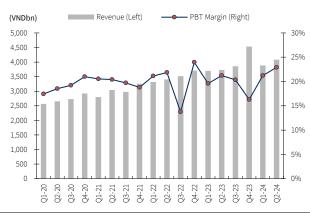
Education & Investment made significant contribution to growth

In 1H 2024, the Education segment continued to demonstrate stable growth, with revenue amounting to VND4,435 billion (+24% YoY). FPT also marked a significant milestone by launching the education complex project in Thanh Hoa, which was completed in less than six months of construction. This timely achievement enabled the enrollment of approximately 500 students in grades 1, 2, 6, 7, and 10 for the 2024–2025 school year.

FPT has consistently invested in expanding its training system, with a focus on emerging trends in IT Apart from putting new educational institutions into operation, FPT has also introduced new teaching programs to cultivate a high-quality workforce aligned with emerging technology trends. In 2Q 2024, FPT University collaborated with FPT Automotive to launch Automotive Software Engineering aimed at developing skilled talent to meet market demands. This program allows students to gain comprehensive knowledge, from basic principles of automobile design and operation to in-depth understanding of electronic and software systems. Regarding integrated circuit (IC) design, FPT announced it will admit 1,000 students in 2024, with a focus on comprehensive training in IC design and fostering research within Vietnam's semiconductor major. Upon graduation, they will be equipped to take on various roles, including designing, simulating, and verifying analog-digital circuits; developing specification documents, consulting on design processes; managing and overseeing the semiconductor wafer and chip production processes; testing chips, managing the quality of materials and components in packaging and inspection; researching and developing materials and component structures; and developing boards and firmware to support chip applications.

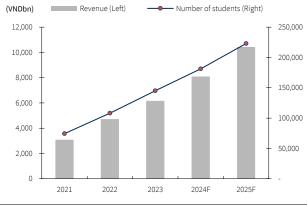
As a crucial strategic component for the group's development, the education segment will not only continue to generate significant revenue and profit for FPT given elevated student enrollment in private schools but will also create a high-quality IT workforce, driving FPT's growth in the coming time. We anticipate that revenue from the education and investment segments will increase by 31.25% and 29.15% YoY to VND8,083 billion and VND10,609 billion in 2024 and 2025, respectively, driven by an expected increase in the number of students to 181,000 and 222,000 (+25% and +23% YoY).

Fig 6. FPT – Telecommunications revenue & pre-tax profit margin (VNDbn, %)



Source: FPT Corporation, KB Securities Vietnam

Fig 7. FPT – Education revenue & student headcount (VNDbn, students)



Source: FPT Corporation, KB Securities Vietnam



Telecommunications is powered by PayTV and Data Center

We believe that PayTV and Data Center (DC) will drive telecommunications revenue in the coming years, as the broadband market has become saturated and will unlikely see significant growth. The broadband segment can provide stable flow from the existing customer base but may only achieve single-digit growth. Regarding PayTV, FPT is heavily investing in acquiring rights to entertainment programs to attract more subscribers. As for DC, the operation of two DCs in Ho Chi Minh City in 2024 could enhance the profitability of the telecommunications segment, as the gross profit margin for this segment is much better than the average for the telecommunications sector.

We project that telecommunications revenue will grow by 8.52% and 7.48% in 2024 and 2025, respectively, thanks to the growth of the DCs and a revival in online advertising after a period of cost-cutting by businesses. We expect the DC business to expand amid the rising demand for cloud computing. FPT plans to continue expanding its DC operations with the opening of an additional DC in Ho Chi Minh City, alongside the four existing DCs: Duy Tan DC in Hanoi, Tan Thuan DC in Ho Chi Minh City, Fornix HN01 (District 9) DC in Ho Chi Minh City, and Fornix DC in Hanoi.

Table 8. FPT - 2023A-2024F business performance

| (VNDbn) | 2023A | 2024F | +/-%YoY | Notes |
|---------------------------|---------|---------|---------|--|
| Revenue | 52,618 | 63,131 | 19.98% | |
| Global IT | 24,288 | 29,658 | 22,11% | |
| Japan | 9,324 | 11,405 | 22,32% | Revenue from the Japanese market is expected to take the lead and continue to grow thanks to deep market understanding and the ability to maintain a competitive cost advantage. |
| US | 7,115 | 8,182 | 15.00% | Digital transformation spending should drive FPT's revenue growth as the company actively expand its presence through M&A. |
| EU | 1,736 | 2,430 | 39.98% | FPT continues to broaden market footprint in the EU thanks to active penetration into the automotive software engineering, a new trend in software development. |
| APAC | 6,113 | 7,641 | 25.00% | |
| Domestic IT | 7,161 | 8,235 | 15.00% | FPT would accelerate IT service provision after slow domestic growth. |
| Telecommunications | 15,806 | 17,155 | 8.53% | |
| Education | 6,159 | 8,084 | 31.26% | |
| Gross profit | 20,320 | 24,838 | 22,23% | |
| Gross profit margin | 39% | 39% | 0 ppts | |
| Financial income | 2,336 | 2,117 | -9.38% | |
| Financial expenses | -1,718 | -1,586 | -7.68% | |
| Profits from affiliates | 0 | 0 | 0.00% | |
| SG&A | -11,868 | -14,236 | 19.95% | |
| Operating income/loss | 9,112 | 10,602 | 16.35% | |
| Other income | -110 | 70 | n.a | |
| Profit before taxes (PBT) | 9,203 | 11,204 | 21.74% | |
| Profit after taxes (NPAT) | 7,788 | 8,139 | 4.51% | |
| NP after MI | 6,465 | 8,139 | 25.89% | |
| NPAT margin | 14.80% | 12.89% | -2 ppts | |

Source: FPT Corporation, KB Securities Vietnam

6



Valuation

FPT is trading at over +2 standard deviations above its historical mean P/E ratio, reflecting strong market expectations for the company's growth potential as the number of high-value contracts increases substantially. We anticipate FPT's earnings will maintain a compounded annual growth rate of 17–20% over the next three to four years. Therefore, FPT should be valued in relation to comparable companies within developing Asian countries. Specifically, we have selected firms in the same sector with market capitalizations similar to FPT to assess the value of its IT and telecommunications segments. As for the education and investment segments, we believe the current price accurately reflects the value of these business operations.

We use a combination of two valuation methods, discounted cash flow (DCF) and the P/E multiple, each weighted equally at 50%. Accordingly, we determine a target price for FPT shares at VND142,800 per share, 7.4% higher than the closing price on September 17, 2024.

Table 9. FPT - FCFF valuation

| | Valuation method | Contribution to FPT |
|---|------------------|---------------------|
| Accumulated value | | 58,933 |
| Terminal value | EV/EBITDA 9x | 106,207 |
| Total value | | 165,140 |
| (+) Cash & Short-term investments | | 28,297 |
| (-) Net Debt | | -13,185 |
| (-) Minority interest | | -4,959 |
| Owner's equity | | 175,293 |
| Number of shares outstanding (million shares) | | 1,270.00 |
| Value per share | | 138,100 |
| Current price (Sep 17, 2024) | | 132,900 |
| Upside | | 3.91% |

Source: KB Securities Vietnam

Table 10. FPT - P/E multiple valuation

| Segments | P/E | Contribution to FPT |
|------------------------|-------|---------------------|
| IT | 28.75 | 75,357 |
| Telecommunications | 19.53 | 37,350 |
| Education & Investment | 26.70 | 34,101 |
| Target price | | 146,900 |
| Upside | | 10.53% |

Source: KB Securities Vietnam

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Table 11. FPT - Valuation results

| Valuation method | Forecast price | Weighting | Weighted price |
|------------------------------|----------------|-----------|----------------|
| FCFF | 138,100 | 50% | 69,300 |
| P/E | 146,900 | 50% | 73,450 |
| Target price | | | 142,500 |
| Current price (Sep 19, 2024) | | | 132,900 |
| Upside | | | 7.4% |

Source: KB Securities Vietnam

Fig 12. FPT - P/E during 2019-2024 (x)



Source: Bloomberg, KB Securities Vietnam

Ticker - 2022A-2025F financials

| Income Statement (VND billion) | 2022 | 2023 | 2024F | 2025F | Balance Sheet (VND billion) | 2022 | 2023 | 2024F | 202 |
|---|---------|---------|---------|---------|--------------------------------|--------|--------|--------|------|
| Net sales | 44,010 | 52,618 | 63,131 | 73,680 | TOTAL ASSETS | 51,650 | 60,283 | 67,940 | 78,8 |
| Cost of sales | -26,842 | -32,298 | -38,293 | -44,607 | CURRENT ASSETS | 30,938 | 36,705 | 43,578 | 51,3 |
| Gross Profit | 17,167 | 20,320 | 24,838 | 29,073 | Cash and cash equivalents | 6,440 | 8,279 | 10,342 | 14, |
| Financial income | 1,999 | 2,336 | 2,136 | 2,542 | Short-term investments | 13,047 | 16,104 | 18,685 | 19, |
| Financial expenses | -1,687 | -1,718 | -1,586 | -1,495 | Accounts receivable | 8,503 | 9,674 | 11,607 | 13, |
| of which: interest expenses | -646 | -833 | -1,586 | -1,495 | Inventories | 1,966 | 1,593 | 1,889 | 2, |
| Gain/(loss) from joint ventures (from 2015) | 687 | 484 | 484 | 484 | LONG-TERM ASSETS | 20,712 | 23,578 | 24,362 | 27, |
| Selling expenses | -4,526 | -5,243 | -6,288 | 7,339 | Long-term trade receivables | 0 | 0 | 0 | |
| General and admin expenses | -5,846 | -6,625 | -7,948 | -9,276 | Fixed assets | 10,714 | 12,382 | 14,733 | 17, |
| Operating profit/(loss) | 7,794 | 9,554 | 11,636 | 28,667 | Investment properties | 0 | 0 | 0 | |
| Other incomes | 73 | 91 | 91 | 91 | Long-term incomplete assets | 3,238 | 3,335 | 3,335 | 3, |
| Other expenses | -184 | -201 | -201 | -201 | Long-term investments | 0 | 0 | 0 | ĺ |
| · | 257 | 292 | 292 | 292 | LIABILITIES | 26,294 | 30,350 | 32,370 | 34, |
| Net other income/(expenses) | 0 | 1 | 2 | 3 | | 24,521 | 29,652 | 31,881 | 34, |
| Income from investments in other entities | 8,051 | 9,846 | 11,928 | 28,959 | Current liabilities | 13,617 | 15,814 | 18,749 | 21 |
| Net accounting profit/(loss) before tax | | | | | Trade accounts payable | | | | 21, |
| Corporate income tax expenses | 23 | -1,745 | -2,100 | -2,563 | Advances from customers | 0 | 0 | 0 | 40 |
| Net profit/(loss) after tax | 6,491 | 7,788 | 9,478 | 11,403 | Short-term unrealized revenue | 10,904 | 13,838 | 13,132 | 12 |
| Minority interests | 1,181 | 1,323 | 1,516 | 1,824 | Short-term borrowings | 1,773 | 698 | 490 | |
| Attributable to parent company | 5,310 | 6,465 | 7,962 | 9,579 | Long-term liabilities | 0 | 0 | 0 | |
| | | | | | Long-term trade payables | 0 | 0 | 0 | |
| Margin ratio | | | | | Long-term advances from | 0 | 0 | 0 | |
| | | | | | customers | | | | |
| | 2022 | 2023 | 2024F | 2025F | Unrealized revenue | 1,478 | 208 | 0 | |
| Gross profit margin | 39.0% | 38.6% | 39.3% | 39.5% | OWNER'S EQUITY | 25,356 | 29,933 | 35,569 | 44 |
| EBITDA margin | 19.6% | 20.4% | 20.6% | 40.1% | Paid-in capital | 10,970 | 12,700 | 14,605 | 16 |
| EBIT margin | 15.4% | 16.1% | 16.8% | 36.8% | Share premium | 0 | 0 | 0 | |
| Pre-tax profit margin | 17.4% | 17.5% | 18.9% | 39.3% | Undistributed earnings | 7,712 | 8,674 | 11,749 | 15 |
| Operating profit margin | 17.7% | 18.2% | 18.4% | 38.9% | Others fund | 2,364 | 3,600 | 3,607 | 5 |
| Net profit margin | 14.8% | 14.8% | 15.0% | 15.5% | Minority interests | 4,310 | 4,959 | 5,608 | 6 |
| Cook Flour Statement | | | | | Key ratios | | | | |
| Cash Flow Statement (VND billion) | 2022 | 2023 | 2024F | 2025F | (x, %, VND) | | | | |
| Net profit/(loss) before tax | 7,662 | 9,203 | 11,223 | 13,503 | Multiple | | | | |
| | 1,833 | 2,287 | 2,422 | 2,422 | P/E | 24.5 | 24.3 | 19.3 | |
| Depreciation and amortisation | -1,987 | -1,976 | -2,136 | -2,542 | | 24.5 | 24.3 | 19.3 | |
| Profit/loss from investing activities | 646 | 833 | 1,586 | 1,495 | P/E diluted | 6.2 | 6.0 | 5.9 | |
| Interest expense Operating profit/(loss) before changes in | 040 | 033 | 1,360 | 1,433 | P/B | 0.2 | 0.0 | 3.3 | |
| Working Capital | 9,042 | 10,991 | 13,094 | 14,877 | P/S | 3.6 | 3.4 | 3.3 | |
| (Increase)/decrease in receivables | -1,949 | -1,163 | -1,933 | -1,940 | P/Tangible Book | 6.2 | 6.0 | 5.9 | |
| (Increase)/decrease in inventories | -498 | 396 | -296 | -312 | P/Cash Flow | 30.9 | 19.0 | 19.9 | |
| Increase/(decrease) in payables | 1,300 | 1,380 | 2,935 | 3,092 | EV/EBITDA | 19.3 | 19.5 | 19.4 | |
| | -634 | 65 | 0 | 0 | | 24.5 | 24.8 | 23.9 | |
| (Increase)/decrease in prepaid expenses Trading stocks, interest expenses, taxes and | | | | | EV/EBIT | 24.5 | 24.0 | 23.3 | |
| others | -2,194 | -2,136 | -3,316 | -3,580 | | | | | |
| Net cash inflows/(outflows) from operating activities | 5,054 | 9,517 | 10,470 | 12,123 | Operating performance | | | | |
| Purchases of fixed assets and other long | -3,215 | -3,978 | -4,773 | -5,571 | ROE | 25.6% | 26.0% | 26.7% | 25 |
| Proceeds from disposal of fixed assets | 6 | 29 | 0 | 0 | ROA | 12.6% | 12.9% | 14.0% | 14 |
| Loans granted, purchases of debt | | | | | | | | | |
| nstruments | -32,995 | -33,536 | -33,039 | -31,529 | ROIC | 21.5% | 23.4% | 27.3% | 64 |
| Collection of loans, proceeds from sales of lebts instruments | 40,669 | 30,458 | 30,458 | 30,458 | Financial structure | | | | |
| Investments in other entities | -557 | -1,754 | -1,754 | -2,754 | Cash Ratio | 0.8 | 0.8 | 0.9 | |
| Proceeds from divestment in other entities | 56 | 95 | 95 | 95 | Quick Ratio | 1.1 | 1.2 | 1.3 | |
| Dividends and interest received | 1,794 | 2,137 | 2,136 | 2,542 | Current Ratio | 1.3 | 1.2 | 1.4 | |
| Net cash inflows/(outflows) from investing activities | 5,757 | -6,548 | -5,218 | -4,099 | LT Debt/Equity | 6% | 1% | 0% | |
| Proceeds from issue of shares | 77 | 73 | 0 | 0 | LT Debt/Total Assets | 3% | 0% | 0% | |
| Payments for share returns and | | | | | , | | | | |
| epurchases | 0 | 0 | 0 | 0 | Debt/Equity | 43% | 46% | 37% | |
| Proceeds from borrowings | 28,120 | 34,271 | 34,271 | 34,271 | Debt/Total Assets | 21% | 23% | 19% | |
| Repayment of borrowings | -35,740 | -32,552 | -35,185 | -35,112 | ST Liabilities/Equity | 97% | 99% | 90% | |
| Finance lease principal payments | -8 | -30 | 0 | 1 | ST Liabilities/Total Assets | 47% | 49% | 47% | |
| Dividends paid | -2,222 | -2,931 | -2,275 | -2,751 | Total Liabilities/Equity | 104% | 101% | 91% | |
| Interests, dividends, profits received | 0 | 0 | 0 | 1 | | 51% | 50% | 48% | |
| Net cash inflows/(outflows) from financing | | | | | Total Liabilities/Total Assets | J170 | 30 /0 | 70 /0 | |
| activities | -9,773 | -1,168 | -3,189 | -3,592 | Activity ratios | | | | |
| Net increase in cash and cash equivalents | 1,038 | 1,800 | 2,063 | 4,432 | Account Receivable Turnover | 5.7 | 6.0 | 6.0 | |
| Cash and cash equivalents at the beginning of period | 5,418 | 6,440 | 8,279 | 10,342 | Inventory Turnover | 15.5 | 20.3 | 20.3 | |
| or period Cash and cash equivalents at the end of | | | | | | | | | |
| caon equivalents at the that | 6,441 | 8,279 | 10,342 | 14,774 | Account Payable Turnover | 3.4 | 3.6 | 3.8 | |

9



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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 |

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