

PV Power (POW)

NT3&4 should benefit from new policies

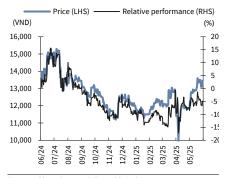
June 10, 2025	Analyst Nguyen Viet Anh (+84) 24–7303–5333 anhnv3@kbsec.com.vn
1Q results recovered positively	In 1Q25, PV Power (POW) posted VND445 billion (+ 60% YoY/+ 139% QoQ) in NPAT on revenue of VND8,150 billion (+ 31% YoY/-4% QoQ) mainly thanks to PV Power Nhon Trach 2 (NT2) generating power again. The core business, Vung Ang coal-fired power, has maintained a large operating capacity with 1,760 million kWh (+ 3% YoY), earning VND3,144 billion in revenue (7.2% YoY).
Gas–fired power recovers, expected to contribute VND25,227 billion in revenue this year	The corporation generated 2,175 million kWh in gas-fired power in 1Q25, which is a strong growth (+39% YoY) compared to the 1Q24 low base. It is expected that in 2025, the decrease in hydropower capacity due to unfavorable weather will help increase Qc output of gas-fired power. 2025F gas-fired power revenue/output (excluding Nhon Trach 3&4 – NT3&4) are VND20,770 billion (+15% YoY)/10,097 million kWh (+12% YoY).
A 28% increase in LNG electricity price should help NT3&4 operate more stably	The announced specific regulations on price framework and minimum Qc output will help NT3&4 project to be put into operation as planned and ensure long-term profit. In the conservative scenario, we estimate the plant's revenue and gas-fired power output in 2025 at VND4,666 billion and 1,576 million kWh, with the base assumption for the electricity price being at VND3,000/kWh.
Valuation: NEUTRAL rating – Target price VND14,800/share	Based on SOTP and EV/EBITDA valuation, business prospects, and possible risks, we recommend NEUTRAL for POW shares with a price target price of VND14,800 apiece.

Neutral maintain

Taraat arica		Trading data		
Target price	VND14,800	Free float		20.0%
Upside	13%	3M avg trading value (\	'NDbn/USDmn)	132.9/5.1
Current price (Jun 9, 2025)	VND13,100	Foreign ownership		3.5%
Consensus target price	VND14,000	Major shareholder	PetroVietnan	n (PVN, 79.9%)
Market cap (VNDtn/USDbn)	31.5/1.2			
Forecast earnings & valuation				
FY-end	2023	2024	2025F	2026F
Net revenue (VNDbn)	28,329	30,180	37,196	51,604
Operating income/loss (VNDbn)	1,436	1,074	1,149	1,804
NPAT-MI (VNDbn)	1,038	1,252	315	588
EPS (VND)	443	535	135	251
EPS growth (%)	-49.0	0.0	-67.0	86.0
P/E (x)	33.4	27.7	109.6	59.0
Р/В (х)	1.0	1.0	1.0	1.0
ROE (%)	3.8	3.9	1.1	1.9
Dividend yield (%)	0.0	0.0	0.0	0.0

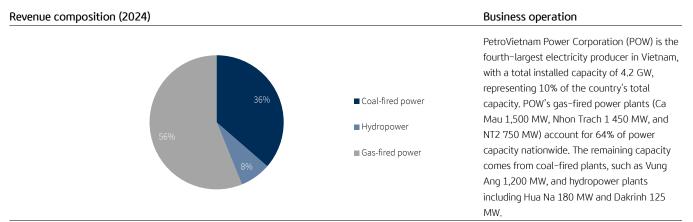
Share price performance

(%)	1M	3M	6M	12M
Absolute	13.5	9.3	6.3	0.0
Relative	4.5	7.3	-0.6	-4.4



Source: Bloomberg, KB Securities Vietnam





Source: PV Power, KB Securities Vietnam

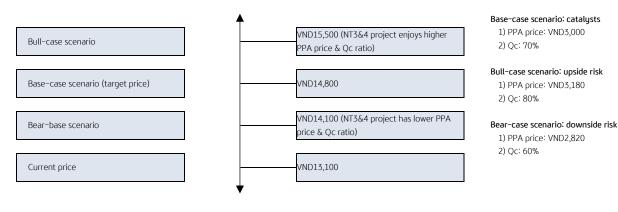
Investment Catalysts	Notes
NT2 will benefit from domestic gas sources after GPAs of BOT power plants expire. The plant will be given priority to generate electricity at a lower price thanks to the use of domestic gas, which may raise its 2025F revenue to VND7,018 billion (+19% YoY) or 19% of POW's consolidated revenue.	Please see more details below
NT3&4 will strengthen POW's growth momentum. The pioneer project for signing long-term PPAs and GPAs should be prioritized for mobilization. 2025/2026F revenue is VND4,702/19,457 billion, accounting for 13%/38% of consolidated revenue.	Please see more details below
Vung Ang thermal power plant should maintain power generation capacity . It will continue to be mobilized and maintain a high capacity thanks to demand growth. The plant may achieve VND10,408 billion in 2025F revenue (-4% YoY), accounting for 28% of total revenue generated by POW.	Please find more details in <u>4Q24 update</u> report

Revised earnings estimates

(VNDbn)	KBSV estimat	es	Change vs previou	s estimates	Consensus	*	Difference	2
	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E
Revenue	37,232	51,689	1%	3%	40,973	48,143	-9%	7%
EBIT	1,703	2,193	28%	29%	3,880	4,327	-56%	-41%
NP after MI	704	853	60%	78%	1,334	1,970	-47%	-57%

Source: Bloomberg, KB Securities Vietnam

Investment opinion & risks



Business performance

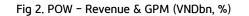
1Q25 earnings & revenue strongly rebounded by 60% & 31% YoY

In 1Q25, POW posted VND445 billion (+ 60% YoY/+ 139% QoQ) in NPAT on revenue of VND8,150 billion (+ 31% YoY/-4% QoQ). The contribution from hydropower was modest as the rainy season ended in 4Q last year, so gas-fired power has been mobilized more. Thanks to the advantage of abundant fuel supply compared to plants in the Southeast region, Ca Mau gas-fired power plant plays a pivotal role in generating electricity, with a total output of 1.465 million kWh (+ 4% YoY). Vung Ang coal-fired power was mobilized at maximum capacity to offset low hydropower output, generating 1.760 million kWh (3% YoY).

Table 1. POW - 1Q25 updated results

(VNDbn, %)	1Q24	1Q25	+/-%YoY	Notes
Revenue	6,243	8,150	30.5%	
Gas-fired power	2,951	4,450	50.8%	
Coal-fired power	2,932	3,144	7.2%	
Hydropower	256	323	26.2%	
Sales volume	3,481	4,245	21.9%	
Gas-fired power	1,563	2,175	39.2%	The gas supply in the Southeastern region improved, ensuring the capacity for NT2 from 2H24, helping 1Q25 output reach 593 million kWh (+292% YoY). Ca Mau output increased slightly by 4% YoY.
Coal-fired power	1,708	1,760	3.0%	
Hydropower	210	310	47.6%	Water flow into the reservoirs improved compared to the same period in 2024 thanks to favorable weather, primarily contributed by Hua Na hydropower plant and the new plant.
Average PPA price	1,793	1,920	7.1%	
Gas-fired power	1,953	1,944	-0.5%	
Coal-fired power	2,218	2,135	-3.7%	
Hydropower	1,223	1,184	-3.2%	The full market price (FMP) was 13% lower than the same period last year.
Gross profit	377	816	116.4%	
Gross profit margin	6.0%	10.0%	4.0 ppts	GPM increased thanks to higher power output.
Financial income	101	208	105.9%	The higher income mainly came from an increase of VND63 billion in deposit interests and VND40 billion in distributed profit dividends.
Financial expenses	-154	-176	14.3%	
Profits from affiliates	0	1		
SG&A	-116	-338	191.4%	Expenses skyrocketed as the company made provision for VND411 billion in receivables from PVI related to the insurance of the Vung Ang thermal power plant.
Operating income/loss	207	511	146.9%	
Other income	71	-3	-104.2%	
Profit before taxes (PBT)	278	510	83.5%	
Profit after taxes (NPAT)	216	472	118.5%	
NP after MI	278	445	60.1%	
NPAT margin	3.5%	5.8%	2.3 ppts	





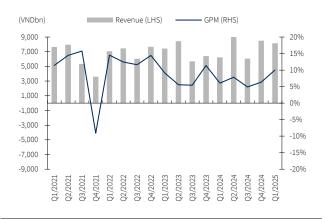
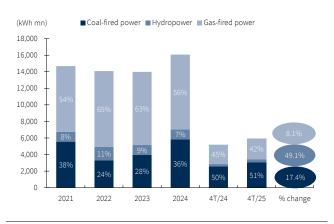


Fig 3. POW - Sales output in 2021-2024 (million kWh)



Hydropower output benefited from favorable weather

Source: PetroVietnam Power, KB Securities Vietnam

La Nina facilitated the output of hydropower plants in 1Q. The rainfall in Nghe An started to decline from October 2024 to February 2025 and then recovered to 234mm in May, equivalent to the rainfall recorded in the same period a year earlier. The rainfall in Quang Ngai peaked in November at 356mm and then dropped until May 2025. As the rainy season began in 3Q, Qc ratio at plants should be lower than the same period in 2024 due to the end of La Nina. KBSV forecasts hydropower sales and output may hit VND1,350 billion and 1,325 million kWh this year.

In 2026, the probability of El Nino increases, which may squeeze the operating capacity of hydropower plants. Therefore, hydropower lakes will limit power generation to store water early from the beginning of the year and operate mainly during peak electricity consumption months in the summer. The average CGM price is expected to improve, so the revenue and output of the hydropower segment in 2026 are estimated at VND1,253 billion (-2% YoY) and 1,217 million kWh (-10% YoY).

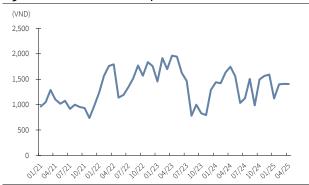
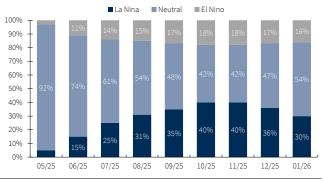


Fig 4. Vietnam – Full market price (VND/kWh)

Fig 5. Global – Weather pattern forecast (%)



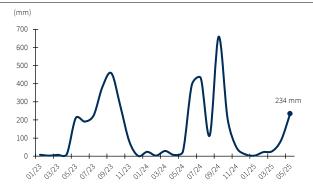
Source: International Research Institute, KB Securities Vietnam

Source: PetroVietnam Power, KB Securities Vietnam

Source: Genco 3, KB Securities Vietnam





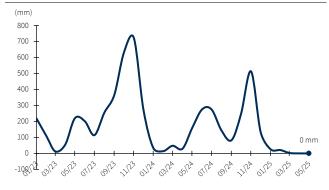


Source: Vrain, KB Securities Vietnam

Gas-fired power generation demand should be met by domestic gas in the short term

A number of new effective documents brighten the outlook for LNG power plants





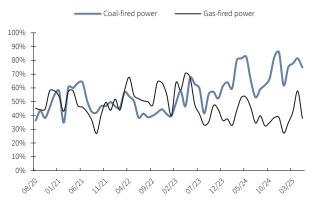
Source: Vrain, KB Securities Vietnam

In the first four months of 2025, NT2's output touched 851 million kWh (+56% YoY). At the AGM, the Management also expects the Southeast gas supply will meet the plant's demand until the end of 2026 thanks to the expiration of the GPAs for Phu My 2.2 and 3 power plants, thereby consolidating the competitive advantage in production costs and helping the plant optimize its capacity. For 2025/2026, we maintain our forecast of electricity generation output reaching 3,324/3,474 million kWh (+21%/5% YoY), bringing in VND7,018/7,577 billion in revenue (+19%/8% YoY) for the plant.

For Ca Mau 1&2 thermal power plants, we assess that the 20-year extension of the GPA between Malaysia's Petronas Group and PVN will ensure the stable operation for the plants, reassuring concerns about the termination of the oil and gas production sharing agreement. Current production capacity is about 20,000 barrels of oil and about 200 million cubic meters of gas per day. We believe in the sustainable growth prospects for output and revenue in 2025/2026, respectively estimated at 6 billion kWh (+7% YoY) and VND12,484 billion (+9% YoY) based on: (i) The role of the exclusive distribution of gas power in the Southwest region will not be replaced until the Block B gas field is exploited in 2027. (ii) Power plants using domestic fuel sources are prioritized to increase self-efficiency and national energy security. Decree 100, replacing Decree 58, stipulates that the minimum Qc output between the power plant and EVN is 65% of the average annual output (~ 68% of the plant's design capacity) and lasts no more than 10 years during the debt repayment period. Regarding the PPA price, the Ministry of Industry and Trade has approved the LNG electricity selling price in 2025 at VND 3,327/kWh (28% higher than the price frame in 2024). In the conservative scenario, we forecast that NT3&4's 2025/2026 Qc power output will reach 65%/70% of the average annual output with a PPA price of VND3,000/kWh (9% lower than the ceiling price), thereby bringing in VND4,702 billion/VND19,058 billion in 2025/2026 revenue and -VND407 billion/-VND348 billion in profit.



Fig 8. POW - Maximum output/designed capacity %)



Source: NSMO, KB Securities Vietnam

NT2 expects to earn from forest environmental service fees and foreign exchange gains Source: PV Power, KB Securities Vietnam

In 2025, NT2's management expects to earn profits from revaluation of exchange rate differences and revenue from forest environmental service fees in 2019–2024 with a total value reaching up to VND268 billion. In the conservative case, we expect the extraordinary income to be recorded twice in 2025/2026 with values of VND120/148 billion, respectively.

Fig 9. POW – Gas power output when NT3&4 operate (million kWh)



Forecast & valuation

Table 10. POW - 2023A-2025F business performance

		periormane	C			
(VNDbn, %)	2024	2025F	+/-%YoY	2026F	+/-%YoY	Assumptions
Revenue	30,180	37,232	23%	51,689	39%	
Gas-fired power	17,983	25,474	42%	39,632	56%	
Coal-fired power	10,794	10,409	-4%	10,804	4%	
Hydropower	1,185	1,350	14%	1,253	-7%	
Sales volume	16,072	18,961	18%	23,500	24%	
Gas-fired power	9,024	11,674	29%	16,123	38%	Output increases sharply thanks to NT3&4 units operating at 65%/70% capacity in 2025/2026F.
Coal-fired power	5,846	5,962	2%	6,160	3%	
Hydropower	1,202	1,325	10%	1,217	-8%	
Average PPA price	1,878	1,964	5%	2,200	12%	
Gas-fired power	1,993	2,182	9%	2,458	13%	
Coal-fired power	1,846	1,746	-5%	1,754	0%	
Hydropower	986	1,019	3%	1,030	1%	
Gross profit	1,948	2,623	35%	3,504	34%	GPM forecast was raised mainly because NT3&4 PPA prices were increased to VND3,000.
Gross profit margin	6.5%	7.0%	0.5 ppts	6.8%	-0.2 ppts	
Financial income	616	711	15%	722	2%	
Financial expenses	667	1,497	124%	1,804	21%	
Profits from affiliates	40	40	0%	40	0%	
SG&A	874	1,080	24%	1,499	39%	
Operating income/loss	1,074	1,543	44%	2,005	30%	
Other income	493	120	-76%	148	23%	POW expects extraordinary income from subsidiary NT2 with VND120/148 billion in 2025/2026 respectively.
Profit before taxes (PBT)	1,517	917	-40%	1,111	21%	
Profit after taxes (NPAT)	1,346	816	-39%	989	21%	
NP after MI	1,252	704	-44%	853	21%	
NPAT margin	4.1%	1.9%	-2,2 ppts	1.7%	-0.2 ppts	2025 & 2026: Profit margin will improve 0.6/0.6ppts respectively compared to previous forecast thanks to higher PPA price of NT3&4.



We reiterated our NEUTRAL rating with a target price of VND14,800

We used the SOTP and the EV/EBITDA method, weighing 50/50, to value POW shares. As a result, we maintained our NEUTRAL recommendation on POW shares with a target price of VND14,800/share, equivalent to an upside of 13% compared to the closing price on June 9, 2025. For the multiple method, we use the average EBITDA level of 2025F-2027F to accurately reflect the profitability of the project after stable operation and apply the target EV/EBITDA coefficient at 8x, +1Std compared to the five-year average in 2019-2024 to reflect the advantage of the pioneering enterprise in LNG power plants.

Table 11. POW - EV/EBITDA valuation

(VNDbn)	Value
EBITDA 2024F	5,638
Target EV/EBITDA	8
Total value	45,104
(+) Cash & Short-term investments	16,442
(-) Net debt	-22,659
(-) Minority interest	-2,696
Owner's equity	36,191
Number of shares outstanding (million shares)	2,342
Value per share	15,453

Source: KB Securities Vietnam

Table 12. POW - SOTP valuation

(VNDbn)	Valuation method	Contribution to POW
Ca Mau 1&2	DCF	4,976
Nhon Trach 1	DCF	973
Nhon Trach 2	DCF	2,846
Hua Na	DCF	3,594
Dakdrinh	DCF	3,372
Vung Ang 1	DCF	10,934
Nhon Trach 3	DCF	7,613
Nhon Trach 4	DCF	7,748
Total value		42,056
(+) Cash & short-term investments		16,442
(-) Net debt		-22,659
(-) Minority interest		-2,696
Owner's equity		33,143
Number of shares outstanding (million shares)		2,341.90
Value per share		14,152

Source: KB Securities Vietnam



Table 13. POW - Final valuation results

Valuation method	Forecast price	Weighting	Weighted price
SOTP	14,152	50%	7,076
EV/EBITDA (8x)	15,453	50%	7,727
Target price (rounded)			14,800
Current price (Dec 11, 2024)			13,100
Upside			13.0%
Source: KB Securities Vietnam			

Fig 14. POW - EV/EBITDA (x)



Source: Bloomberg, KB Securities Vietnam

Table 15. POW - Correlation between PPA price & Qc ratio

				Qc ratio		
		60%	65%	70%	75%	80%
	-20%	-25.2%	-25.2%	-24.4%	-24.4%	-23.7%
	-15%	-8.4%	-6.9%	-5.3%	-4.6%	-3.8%
+/-% PPA price (Base price: VND3,000/kWh)	-10%	8.4%	10.7%	13.0%	15.3%	16.8%
	-5%	26.0%	28.2%	32.1%	35.1%	37.4%
	0%	42.8%	45.8%	51.2%	54.2%	58.0%

POW - 2023A-2026F summarized financials & forecasts

Income Statement (VND billion)	2023	2024	2025F	2026F
Netsales	28,329	30,180	37,232	51,689
Cost of sales	-25,625	-28,232	-34,609	-48,185
Gross Profit	2,704	1,948	2,623	3,504
Financial income	544	616	711	722
Financial expenses	-730	-667	-1,497	-1,804
of w hich: interest expenses	-565	-382	-1,137	-1,371
Gain/(loss) from joint ventures (from 2015)	53	40	40	4(
Selling expenses	0	0	0	(
General and admin expenses	-1,268	-874	-1,080	-1,499
Operating profit/(loss)	1,303	1,063	797	963
Other incomes	162	1,191	120	148
Other expenses	-10	-698	0	(
Net other income/(expenses)	152	493	120	148
Income from investments in other entities	0	0	0	(
Net accounting profit/(loss) before tax	1,455	1,556	917	1,111
Corporate income tax expenses	-159	-171	-101	-122
Net profit/(loss) after tax	1,283	1,346	816	989
Minority interests	245	94	112	136
Attributable to parent company	1,038	1,252	704	853
Margin ratio	2023	2024	2025F	2026
Gross profit margin	9.5%	6,5%	7,1%	6.8%
EBITDA margin	15.0%	12.9%	11,1%	14.6%
EBIT margin	5.1%	3.6%	4,1%	3.9%
Pre-tax profit margin	5.1%	5.0%	2,5%	2,2%
Operating profit margin	4.6%	3.5%	2,1%	1.9%
Net profit margin	4.5%	4.5%	2,2%	1.9%
Net profit/(loss) before tax	2023 1,442	2024 1,517	2025F 917	2026F
Depreciation and amortisation	2,809	2,818	2,596	5,554
Profit/loss from investing activities	-678	-863	-751	-762
Interest expense	565	382	1,137	1,37
Operating profit/(loss) before changes in Working Capital	505	4,231	3,939	
	5 488			7 314
(Increase)/decrease in receivables	5,488 -3.491		-6.066	
(Increase)/decrease in receivables	-3,491	2,328	-6,066 -1.066	-7,152
(Increase)/decrease in receivables (Increase)/decrease in inventories	-3,491 -21	2,328 392	-1,066	-7,152 -983
(Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables	-3,491 -21 6,225	2,328 392 -276		-7,152 -983 7,439
(Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses	-3,491 -21	2,328 392	-1,066 -2,461	-7,152 -983 7,439
(Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses	-3,491 -21 6,225 -3,962	2,328 392 -276 -1,401	-1,066 -2,461 0	-7,152 -983 7,439 (5,125
(Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow	-3,491 -21 6,225 -3,962 3,352	2,328 392 -276 -1,401 4,398	-1,066 -2,461 0 -6,892	-7,152 -983 7,439 (5,125 -1,022
(Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow Purchases of fixed assets and other long term assets	-3,491 -21 6,225 -3,962 3,352 -6,312	2,328 392 -276 -1,401 4,398 -9,819	-1,066 -2,461 0 -6,892 -14,000	-7,152 -983 7,439 (5,125 -1,022 (
(Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets	-3,491 -21 6,225 -3,962 3,352 -6,312 125	2,328 392 -276 -1,401 4,398 -9,819 3	-1,066 -2,461 0 -6,892 -14,000 0	-7,152 -983 7,439 (5,129 -1,022 (-6,334
(Increase)/decrease in receivables (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Loans granted, purchases of debt instruments	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334	-1,066 -2,461 0 -6,892 -14,000 0 -6,334	-7,152 -983 7,439 (5,129 -1,022 ((-6,334 6,334
(Increase)/decrease in inventories (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow 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	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071 2,330	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738	-1,066 -2,461 0 -6,892 -14,000 0 -6,334 6,222	-7,152 -983 7,439 (5,125 -1,022 (-6,334 6,334
(Increase)/decrease in inventories (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow 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	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071 2,330 -30	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0	-1,066 -2,461 0 -6,892 -14,000 0 -6,334 6,222 0	-7,152 -983 7,439 () 5,129 -1,022 () -6,334 6,334 () ()
(Increase)/decrease in inventories (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow 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 Proceeds from divestment in other entities Dividends and interest received	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071 2,330 -30 0	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0	-1,066 -2,461 0 -6,892 -14,000 0 -6,334 6,222 0 0 0	-7,152 -98: 7,439 () 5,129 -1,022 () -6,334 6,334 () () () () 722
(Increase)/decrease in inventories (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow 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 Proceeds from divestment in other entities Dividends and interest received	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071 2,330 -30 0 473	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0 547	-1,066 -2,461 0 -6,892 -14,000 0 -6,334 6,222 0 0 0 0 711	-7,157 -983 7,439 () 5,129 -1,022 () -6,334 6,334 () () () () 722 -300
(Increase)/decrease in inventories (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow 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 Proceeds from divestment in other entities Dividends and interest received	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071 2,330 -30 0 473 -6,485	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0 547 -10,867	-1,066 -2,461 0 -6,892 -14,000 0 -6,334 6,222 0 0 0 7111 -13,401	-7,15; -98; 7,439 () 5,129 -1,022 () -6,334 () () () () 722 -300 () ()
(Increase)/decrease in inventories (Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Loans granted, purchases of debts instruments Colection of loans, proceeds from sales of debts instruments Investments in other entities Proceeds from divestment in other entities Dividends and interest received Investing cash flow Proceeds from sue of shares	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071 2,330 -30 0 473 -6,485 82	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0 547 -10,867 21	-1,066 -2,461 0 -6,892 -14,000 -6,334 6,222 0 6,222 0 0 0 7111 -13,401	-7,152 -98: 7,439 () 5,129 -1,022 () () -6,334 () () () () () 722 -300 () () () () () () () () () () () () ()
(Increase)/decrease in inventories Increase)/decrease in inventories Increase/(decrease) in payables (Increase)/decrease in prepaid expenses Operating cash flow Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Loans granted, purchases 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 Investing cash flow Proceeds from sue of shares Payments for share returns and repurchases	-3,491 -21 6,225 -3,962 3,352 -6,312 125 -3,071 2,330 -30 0 473 -6,485 82 0	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0 547 -10,867 21 0	-1,066 -2,461 0 -6,892 -14,000 -6,334 6,222 0 6,222 0 0 0 711 -13,401 0 0 0 0	-7,152 -983 7,439 () 5,129 -1,022 () -6,334 () () () () () () () () () () () () ()
Increase//decrease in inventories Increase//decrease in inventories Increase//decrease in prepaid expenses Operating cash flow 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 Inves trments in other entities Proceeds from divestment in other entities Dividends and interest received Investing cash flow Proceeds from is sue of shares Payments for share returns and repurchases Proceeds from sue of shares Payments for share returns and repurchases	-3,491 -21 6,225 -3,962 -3,352 -6,312 125 -3,071 2,330 -30 0 473 -6,485 82 0 13,107	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0 547 -10,867 21 0 27,050	-1,066 -2,461 0 -6,892 -14,000 -6,334 6,222 0 0 0 0 7111 -13,401 0 0 38,071	-7,15: -983 7,439 () () () () () () () () () ()
Increase)/decrease in inventories Increase//decrease in inventories Increase//decrease in prepaid expenses Operating cash flow Purchases of fixed assets and other long term assets Proceeds from disposal of fixed assets Collection of loans, proceeds from sales of debts instruments Collection of loans, proceeds from sales of debts instruments Proceeds from divestment in other entities Dividends and interest received Investing cash flow Proceeds from sue of shares Payments for share returns and repurchases Proceeds from borrowings	-3,491 -21 6,225 -3,962 -3,352 -6,312 125 -3,071 2,330 -30 0 473 -6,485 82 0 13,107 -9,503	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0 547 -10,867 21 0 27,050 -17,185	-1,066 -2,461 0 -6,892 -14,000 -6,334 6,222 0 0 -6,334 -13,401 -13,401 0 38,071 -17,185	-7,152 -983 7,439 5,122 -1,022 ((((((((((((((((((
Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in prepaid expenses Operating cash flow 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 Proceeds from divestment in other entities Dividends and interest received Investing cash flow Proceeds from issue of shares Payments for share returns and repurchases Proceeds from borrow ings Repayment of borrow ings Finance lease principal payments	-3,491 -21 6,225 -3,962 -3,352 -6,312 125 -3,071 2,330 -30 0 473 -6,485 82 0 13,107 -9,503 0	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 0 547 -10,867 21 0 27,050 -17,185 0	-1,066 -2,461 0 -6,892 -14,000 -6,334 6,222 0 0 0 7,11 -13,401 0 38,071 -17,185 0	-7,152 -9833 7,439 (5,125 -1,022 (6,334 (6,334 (0 (0 (0 (13,761 -17,188 (0 -18.25) -18.25 -18.25 -19.25 -1
Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in prepaid expenses Operating cash flow 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 Proceeds from divestment in other entities Dividends and interest received Investing cash flow Proceeds from issue of shares Payments for share returns and repurchases Proceeds from borrow ings Repayment of borrow ings Finance lease principal payments Dividends paid Interest ts, dividends, profits received	-3,491 -21 6,225 -3,962 -3,352 -3,071 2,330 -30 0 473 -6,485 82 0 13,107 -9,503 0 -365	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 547 -10,867 21 0 27,050 -17,185 0 -137	-1,066 -2,461 0 -6,892 0 -6,334 6,222 0 0 0 711 -13,401 0 38,071 -17,185 0 -17,185	-7,152 -983 7,439 5,124 -1,022 (0,5,124 -1,022 (0,5,124 (0,6,334) (0,6,334) (0,6,34) (0,6,34) (0,6,34) (0,6,34))(0,6,34))((0,6,34))((0,6,34))((0,6,34))((0,6,34))((0,6,34))((0,6,34))((0,
Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in prepaid expenses Operating cash flow 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 Proceeds from divestment in other entities Dividends and interest received Investing cash flow Proceeds from issue of shares Payments for share returns and repurchases Proceeds from borrow ings Repayment of borrow ings Finance lease principal payments Dividends paid	-3,491 -21 6,225 -3,962 -3,352 -3,071 2,330 -30 0 473 -6,485 82 0 13,107 -9,503 0 -365 0	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 547 -10,867 21 0 27,050 -17,185 0 -137 0	-1,066 -2,461 0 -6,892 0 -6,334 6,222 0 0 0 711 -13,401 0 38,071 -17,185 0 -183	-7,152 -9833 7,439 5,129 -1,022 (3,44) -1,022 (3,44) -1,022 (3,44) -1,022 (4,14) -1,022 (5,129 (5,129) -1,022 (6,334) (1,022)
Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in inventories Increase)/decrease in prepaid expenses Operating cash flow 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 Proceeds from divestment in other entities Dividends and interest received Investments for share returns and repurchases Payments for share returns and repurchases Payments of borrow ings Repayment of borrow ings Finance lease principal payments Dividends paid Interests, dividends, profits received	-3,491 -21 6,225 -3,962 3,352 -3,071 2,330 -30 0 473 -6,485 82 0 13,107 -9,503 0 -365 0 3,321	2,328 392 -276 -1,401 4,398 -9,819 3 -6,334 4,738 0 0 547 -10,867 21 0 0 27,050 -17,185 0 -17,185 0 -1377 0	-1,066 -2,461 0 -4,000 0 -6,334 6,222 0 0 0 711 -13,401 0 38,071 -17,185 0 38,071 -17,185 0 17,185 0 18,071	7,314 7,314 -7,152 -983 7,439 0 5,125 -1,022 0 0 5,125 -1,022 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0

Balance Sheet (VND billion)				
	2023	2024	2025F	2026F
TOTAL ASSETS	70,362	81,281	100,079	104,900
CURRENT ASSETS	29,042	30,171	37,590	46,943
Cash and cash equivalents	8,440	11,720	12,131	13,349
Short-term investments	2,391	3,956	3,800	3,800
Accounts receivable	14,560	11,941	18,055	25,207
Inventories	2,167	1,795	2,845	3,828
LONG-TERMASSETS	41,320	51,110	62,489	57,957
Long-term trade receivables	0	0	0	0
Fixed assets	26,402	24,321	52,366	47,834
Investment properties	9,032	19,743	3,077	3,077
Long-term incomplete assets	0	0	0	0
Long-term investments	0	0	0	0
LIABILITIES	36,243	46,675	65,048	69,063
Current liabilities	26,785	35,134	42,263	50,398
Trade accounts payable	15,947	17,159	14,669	22,108
Advances from customers	1	3	1	1
Short-term unrealized revenue	0	0	0	0
Short-term borrow ings	5,507	13,508	23,131	23,827
Long-term liabilities	9,458	11,540	22,785	18,665
Long-term trade payables	0	0	0	0
Long-term advances from customers	0	0	0	0
Unrealized revenue	0	0	0	0
Long-term borrowings	7,172	9,151	20,616	16,496
OWNER'S EQUITY	34,166	34,607	35,031	35,837
Paid-in capital	23,419	23,419	23,419	23,419
Share premium	0	0	0	0
Undis tributed earnings	3,959	4,032	4,405	4,906
Minority interests	4,074	4,460	4,708	5,076

	2023	2024	2025F	2026F
Multiple				
P/E	33.4	27.7	49,2	40.7
P/E diluted	33.4	27.7	49.2	40.7
P/B	1.0	1.0	1.0	1.0
P/S	1.2	1.2	0.9	0.7
P/Tangible Book	1.0	1.0	1.0	1.0
P/Cash Flow	10.3	7.9	-5.0	6.8
EV/EBITDA	9.8	12,4	16.6	8.5
EV/EBIT	29.0	45.1	44.6	32.0
Operating performance				
ROE	4.00	4.00	2,00	3.00
ROA	2.00	2,00	1.00	1.00
ROIC	4.00	2.00	2,00	3.00
Financial structure				
Cash Ratio	0.4	0.5	0.4	0.3
Quick Ratio	1.0	0.8	0.8	0.8
Current Ratio	1.1	0.9	0.9	0.9
LT Debt/Equity	0.2	0.3	0.6	0.5
LT Debt/Total Assets	0.1	0.1	0.2	0.2
Debt/Equity	0.2	0.4	0.7	0.7
Debt/Total Assets	0.1	0.2	0.2	0.2
ST Liabilities /Equity	0.8	1.0	1.2	1.4
ST Liabilities /Total Assets	0.4	0.4	0.4	0.5
Total Liabilities /Equity	1,1	1.3	1.9	1.9
Total Liabilities/Total Assets	0.5	0.6	0.6	0.7
Activity ratios				
Account Receivable Turnover	2.1	2,3	2,5	2,4
Inventory Turnover	12.1	14.3	12,2	12.6
Account Payable Turnover	1.5	1.3	1.7	2.1



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

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

Energy, Utilities & IT

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

Ho Chi Minh Branch:

Level 21, Vietinbank Tower, 93–95 Ham Nghi 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 Street, District 1, HCMC, Vietnam Tel: (+84) 28 7306 3338 - Fax: (+84) 28 3910 1611

CONTACT INFORMATION

Hotline: 1900 1711 Email: info@kbsec.com.vn Website: www.kbsec.com.vn

Investment ratings & definitions

Investment Ratings for Stocks (Based on the expectation of 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 the assessment of sector prospects 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 circumstances and objectives and are solely responsible for their investment decisions. 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.