VNDIRECT
WISDOM TO SUCCESS

March 13, 2025
Update Report

Vinhomes JSC (VHM)

PROPERTY

Current Price	VND46,950
52Wk High/ Low	VND46,950/ 34,500
Target Price	VND54,300
Previous Target Price	VND48,800
TP vs Consensus	+5.2%
Upside	15.7%
Dividend Yield	0 %
TSR	15.7%

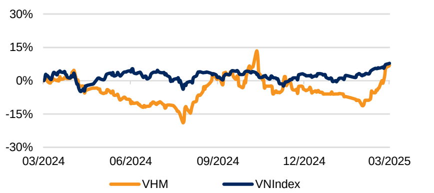
Growth rating	Positive
Value rating	Positive
ST Technical Analysis	Positive

Market Cap	USD7.3bn
3MADTV	USD8.1mn
Avail Foreign Room	USD2.8mn
Outstanding Shares	4,107mn
Fully Diluted O/S	4,107mn

	VHM	Peers	VNI
P/E TTM	6.1x	54.1x	13.2x
P/B Current	0.9x	1.4x	1.7x
ROA	6.3%	1.7%	2.1%
ROE	15.6%	3.8%	13.0%

as of 03/12/2025

Share Price Performance



Share price (%)	1M	3M	12M
VHM	23.6	15.2	10.0
VNINDEX	5.3	5.3	7.2

Ownership

Vingroup JSC.	73.5%
Others	27.5%

Business Descripton

VHM is the largest listed property developer in Vietnam, with a market share of 27% across all segments, with higher shares in mid-range (38%) and high-end (39%) condominiums and landed properties (37%). The company has a substantial land bank of nearly 20,000ha, strategically located in prime areas or areas with potential for tourism development.

Analyst(s):

Huyen Phan
huyen.phanthanh@vndirect.com.vn

www.vndirect.com.vn

ADD (Maintained)

Capitalizing on market rebound, tackling challenges

- We maintain our ADD rating with a 15.7% upside. We revised up our TP by 11.3% while the share price has increased 13.7% since our last report.
- Our higher TP was impacted by a higher RNAV valuation as we decrease discounts on projects' NPV, based on legal procedures and sales progress.
- At the current 0.9x P/B, the stock is trading below its book value, suggesting an undervaluation relative to its fundamentals.

Financial Highlights

- FY24 revenue declined 1.5% YoY to VND102tn (USD4.0bn), as an 18.4% YoY drop in property sales revenue was partially offset by a 146.4% spike in construction revenue. FY24 net profit decreased 5.5% YoY to VND31.5tn (VND1.2bn), while profit after tax exceeded the company's guidance, reaching VND35.1tn (USD1.4bn).
- FY24 GPM contracted 2.7% pts YoY to 31.8%, mainly due to higher contributions from construction services (which normally have lower GPM).
- We forecast net profit to +0.9%/-4.7% YoY to VND31.8tn (USD1.3bn) and VND30.3tn (USD1.2bn) in FY25-26, respectively, as new projects will contribute stronger earnings growth in subsequent years.

Investment Thesis

Several key projects to be launched in FY25-26

Wonder City was launched in March, while VHM has made significant progress on other projects like Golden City, Green City, City Royal, and Sai Gon Golf, which are likely to launch in FY25 or early FY26. Successful launches could enable VHM to secure early cash flow from bulk sales, with revenue recognition expected in FY25-26. We estimate VHM's new contracts value to decrease 0.2% YoY to VND103.7tn (USD4.1bn) in FY25, before rising 9.7% YoY to VND113.7tn (USD4.5bn) in FY26.

FY25 revenue will be lower while waiting for new projects to be delivered

We expect VHM's FY25 property revenue to reach VND63.6tn (USD2.5bn, -13.1% YoY), driven by recognition of remaining units in launched projects such as Ocean Park 1-2-3 and Golden Avenue. With contributions from Royal Island and potential bulk sales transactions from upcoming projects, we estimate VHM's adjusted total property revenue in FY25 to reach VND108.8tn (USD4.3bn, -3.7% YoY).

Dual-sales strategy supports Vinhomes' sales growth

Vietnam's residential property market is in the early phase of a recovery, with expanding supply thanks to regulatory improvements and strong demand supporting steady absorption. However, high housing prices remain a key risk, constraining affordability and potentially slowing the pace of recovery. VHM is addressing these challenges through bulk sales while offering financing incentives to sustain retail buyer interest.

Heavy investment in mega-scale projects

At end-FY24, Vinhomes' construction in progress surged 37.7% YTD, while land clearance advances spiked 66.7% YTD, reflecting its accelerated development of mega projects. The expansion has driven a 43.4% YTD increase in total debt. While the net D/E ratio rose to 22.2%, still below the industry average, adjusted interest coverage declined to 6.0x, the lowest since FY18, as earnings growth lagged debt expansion. Historically, Vinhomes' leverage peaked ahead of major project launches, followed by improved solvency as projects were delivered.

Financial summary (VNDbn)	12-24A	12-25E	12-26F	12-27F
New contracts value	103,900	103,685	113,716	122,247
Net revenue	102,045	96,087	86,845	117,061
Gross profit margin (%)	31.8%	33.4%	31.9%	33.0%
Net profit growth (% YoY)	-5.5%	0.9%	-4.7%	26.7%
P/B (x)	0.8	1.0	1.0	1.1
Land bank ('000 ha)	19.0	19.8	20.6	21.4
D/E (%)	36.9%	39.9%	38.2%	30.3%
ROE (%)	15.6%	14.0%	12.7%	18.7%

Source: VHM, VNDIRECT RESEARCH

Company Profile

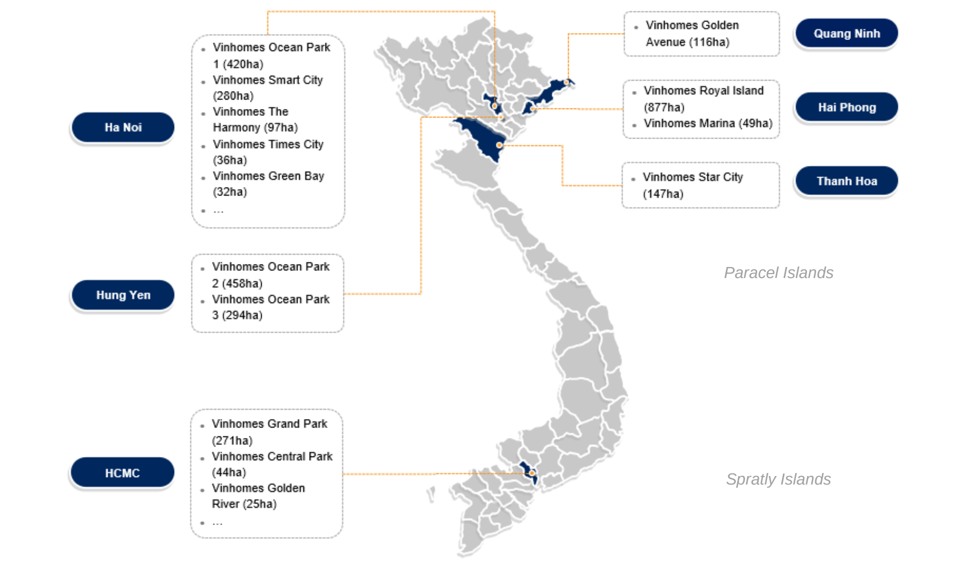
A leading developer in Vietnam's residential property market

Vinhomes was established in 2008 and listed on the Ho Chi Minh Stock Exchange (HoSE) in May 2018. VHM has become Vietnam's largest listed property developer by market cap *(at USD7.3bn as of March 12, 2025).*

The company is recognized as a leading developer in the domestic residential property industry, with a market share of 27% across all segments, including 38%/39% in mid-range and high-end condominiums, and 37% in landed properties *(data as of end-FY24)*.

By December 2024, VHM had a total land bank of nearly 20,000 ha, most of which are situated at prime locations across populous areas or areas with strong economic and tourism potential.

Figure 1: Vinhomes' notable launched projects



Source: VHM, VNDIRECT RESEARCH

A key player in Vingroup's ecosystem

Vinhomes (VHM) is majority-owned by Vingroup (HOSE: VIC), Vietnam's largest private conglomerate, which integrates complementary services such as healthcare, education, and retail into its ecosystem. As Vingroup's flagship property arm, Vinhomes is a key earnings driver through large-scale residential and commercial developments.

Figure 2: Vinhomes forms part of the residential property services of Vingroup's ecosystem

Source: VIC, VNDIRECT RESEARCH

4Q results recap: Earnings soar on higher property deliveries

Figure 3: 4Q24 results comparison

(VNDbn)	4Q24	% YoY change	% QoQ change	2024	% YoY change	FY24 actual/ forecast
New contract sales	14,400	-52.5%	-62.0%	103,900	19.4%	107.9%
Cumulative unbilled bookings at the end of the period	94,200	-5.5%	-23.4%	94,200	-5.5%	
Revenue	**33,136**	**271.5%**	**2.5%**	**102,045**	**-1.5%**	**106.0%**
Sale of inventory properties	25,727	554.3%	0.5%	73,203	-18.4%	99.6%
Construction services	2,982	-0.6%	-16.6%	16,526	146.4%	109.4%
Gross profit	**11,957**	**565.9%**	**19.5%**	**32,425**	**-9.2%**	**109.9%**
Gross profit margin (%)	*36.1%*	*16.0% pts*	*5.1% pts*	*31.8%*	*-2.7% pts*	
Sale of inventory properties (%)	*41.0%*	*11.5% pts*	*6.1% pts*	*38.8%*	*1.2% pts*	
Construction services (%)	*24.9%*	*15.2% pts*	*15.0% pts*	*11.0%*	*2.0% pts*	
SG&A expense	**(3,576)**	**19.3%**	**40.5%**	**(8,784)**	**13.3%**	**135.3%**
% SG&A to sales	*10.8%*	*-22.8% pts*	*2.9% pts*	*8.6%*	*1.1% pts*	
Financial income	**10,500**	**129.4%**	**80.9%**	**26,343**	**32.0%**	**92.3%**
Income from BCC projects	8,429	11581.1%	98.1%	19,209	1467.4%	84.5%
Financial expenses	**(2,961)**	**81.4%**	**69.6%**	**(8,629)**	**123.0%**	**90.2%**
Interest and bond issuance expenses	(2,539)	160.6%	53.5%	(7,301)	139.2%	115.4%
Pre-tax profit	**15,853**	**556.2%**	**40.9%**	**40,860**	**-5.7%**	**99.5%**
Net profit	**11,537**	**517.9%**	**40.4%**	**31,527**	**-5.5%**	**102.0%**
Net profit margin (%)	*34.8%*	*13.9% pts*	*9.4% pts*	*30.9%*	*-1.3% pts*	

Source: VHM, VNDIRECT RESEARCH

4Q24 revenue growth driven by acceleration of property deliveries

4Q24 revenue surged 271.5% YoY and increased 2.5% QoQ, reaching VND33.1tn (USD1.3bn), mainly attributable to the acceleration of property deliveries. FY24 revenue modestly declined 1.5% YoY to VND102tn (USD4.0bn), as property sales revenue was 18.4% lower than in FY23.

4Q24 property sales revenue rose 554.3% YoY and 0.5% QoQ to VND25.7tn (USD1.0bn), driven by deliveries in Vinhomes Ocean Park 1-2-3, Grand Park, and Golden Avenue. FY24 property sales revenue reached VND73.2tn (USD2.9bn). If including both Vinhomes' bulk sales transactions and BCC projects from which gains were recognized as financial income, total adjusted property sales revenue in FY24 increased 4.9% YoY to VND113tn (USD4.4bn).

Revenue from construction services decreased 0.6% YoY and 16.6% QoQ in 4Q24 (to VND2.98tn/USD117mn). FY24 construction revenue spiked 146.4% YoY in FY24 (VND16.5tn/USD648mn), increasing its share of total revenue to 16.2%, from 6.5% in FY23.

Net profit recovered QoQ thanks to gross margin (GPM) improvement

4Q24 GPM increased 16.0% pts YoY and 5.1% QoQ to 36.1%, thanks to a higher contribution from the property sales segment, which generated higher GPM during the period. The property sales segment's GPM rose 11.5% pts YoY to 42.6%, due to a one-time cost allocation reconciliation for sold products incurred in 4Q23, and increased 6.5% pts QoQ.

FY24 GPM contracted 2.7% pts YoY to 31.8%, mainly due to higher contributions from construction services (which normally have lower GPM).

4Q24 net profit jumped 517.9% YoY and 40.4% QoQ to VND11.5tn (USD452mn). FY24 net profit dropped 5.5% YoY to VND31.5tn (VND1.2bn).

Figure 4: Balance sheet analysis

	4Q23	1Q24	2Q24	3Q24	4Q24
BS items (VNDbn)					
Cash, cash equivalents and short-term investments	17,936	13,154	20,854	23,527	32,261
Inventories	55,318	58,756	58,660	55,915	48,723
Receivables from customers	19,513	19,156	20,661	20,105	19,318
Construction in progress	60,790	67,386	73,554	80,211	83,691
Advances for land clearance	39,499	48,479	56,518	93,307	65,836
Deposits to VIC and related partners	66,204	66,544	48,660	36,735	35,300
Advances from customers	35,137	43,551	47,710	48,690	46,383
Deposits from customers	58,270	49,417	56,858	43,001	44,052
Interest bearing debts	56,684	63,897	70,501	73,428	81,292
Key ratios					
A/R Days	*61*	*97*	*93*	*94*	*69*
Inventories Days	*214*	*266*	*268*	*261*	*186*
Cash conversion cycle	*180*	*233*	*231*	*232*	*153*
Equity/Assets	*41.1%*	*42.2%*	*41.9%*	*41.6%*	*39.3%*
Net Debts/Equity	*21.2%*	*25.9%*	*24.0%*	*23.1%*	*22.2%*

Source: VHM, VNDIRECT RESEARCH

Heavy investment in mega-scale projects

At end-FY24, construction in progress rose 37.7% YTD to VND83.7tn (USD3.3bn), while advances for land clearance spiked 66.7% YTD to VND65.8tn (USD2.6bn). This increase reflects Vinhomes' accelerated implementation of mega projects, primarily in the South, including Vinhomes International University Town (924ha) and Green Paradise (2,870ha), along with two additional projects in Long An and Thu Duc.

Borrowing has also increased in line with project development. Total debt increased 43.4% YTD to VND81.3tn (USD3.2bn) at the end of 4Q24.

Management recently said it has received principal approval from the SSC and local markets for its international bond issuance plan (up to USD500mn, with a maximum tenor of five years, unsecured and non-convertible). VHM is exploring opportunities to optimize tenor and pricing with potential investors.

At the end of FY24, the net debt-to-equity (D/E) ratio rose 1.0% pts YoY to 22.2%, lower than the industry average of 33%. However, the interest coverage (adjusted EBIT[1]/interest expenses) ratio for FY24 declined by 7.3x YoY to 6.0x, the lowest since FY18, as earnings growth did not keep pace with the increase in debt.

We refer to the company's leverage and solvency in the past to provide context for its current position, as it is now preparing for its next mega-scale project.

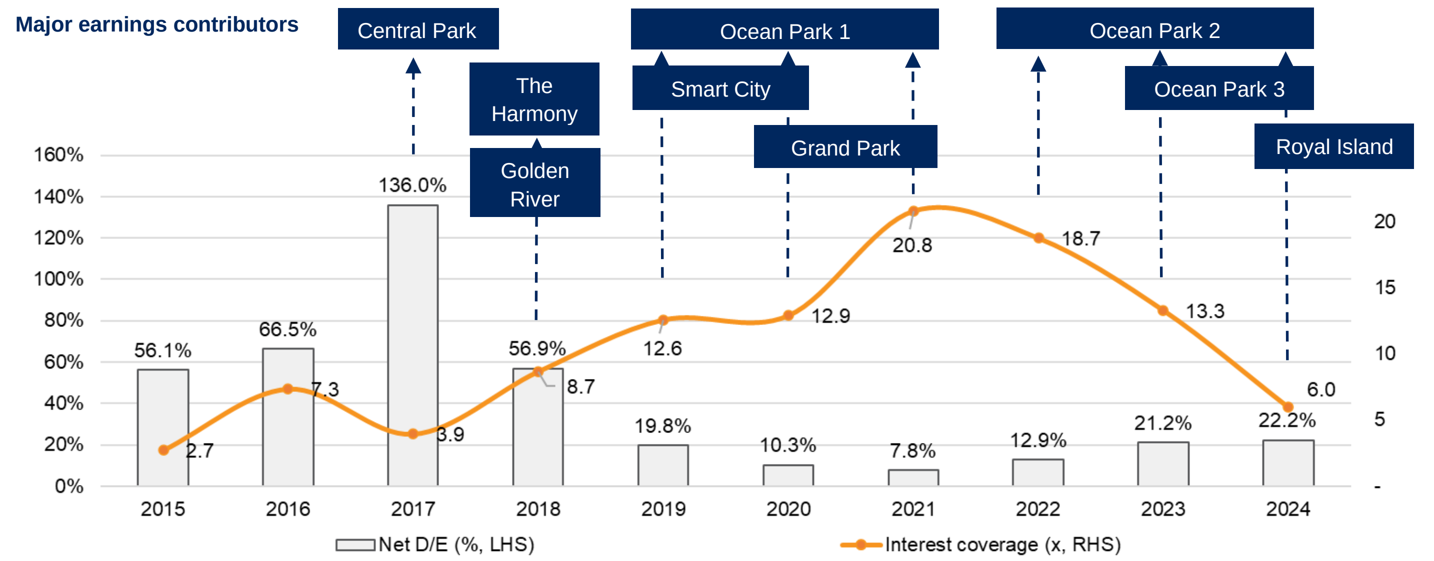
The net D/E ratio has risen to its highest level since FY18 (when it was 56.9%). From FY15 to FY18, VHM's leverage remained above 50%, a period when the company prepared for mega projects like Vinhomes Ocean Park 1, Vinhomes Smart City (Hanoi), and Vinhomes Grand Park (HCMC). Leverage then decreased in the following years.

In the same context, interest coverage increased from 8.7x in FY18 to 12.6x in FY19, driven by the successful delivery of projects, notably Vinhomes Ocean Park 1 and Vinhomes Smart City. Interest coverage remained above 10x in

[1] *Adjusted EBIT = EBIT + income from bulksales and BCC property projects which are recognized in financial income*

subsequent years, supported by strong earnings from Vinhomes Grand Park and Vinhomes Ocean Park 2 and 3 (Hung Yen).

Figure 5: Vinhomes' solvency typically improves after the delivery of mega-scale projects but declines during periods of increased funding requirements for new developments



Source: VHM, VNDIRECT RESEARCH

FY25-26 Outlook: Temporary revenue slowdown before a growth surge

FY25-26 forecast revision

Figure 6: FY25-26 forecast revision

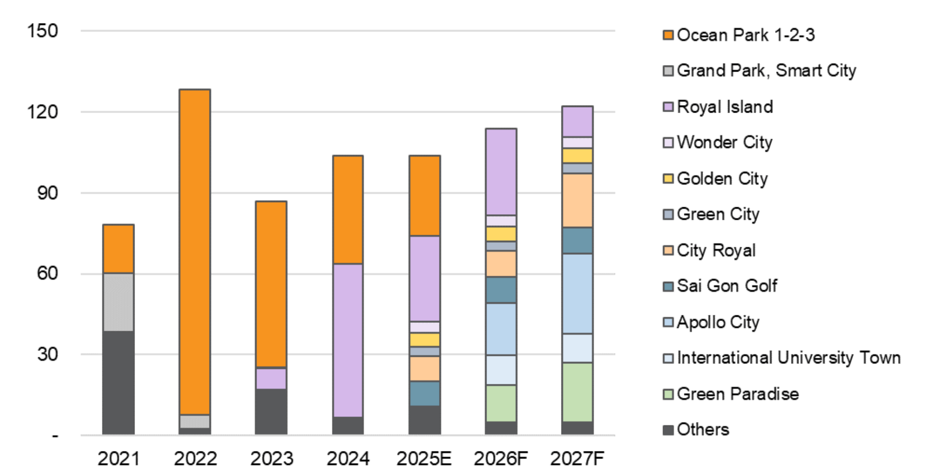
(VNDbn)		Old		New				
	FY24	FY25	FY26	FY25	% YoY	FY26	% YoY	Comment
Revenue	**102,045**	**97,696**	**107,165**	**96,087**	***-5.8%***	**86,845**	***-9.6%***	We reduce our FY25 revenue forecast by 1.6% vs our previous estimate, mainly because unit recognition in FY24 was faster than expected, leaving fewer units to be recognized in FY25. For FY26, we lower our revenue forecast by 19%, as we anticipate that most contributions will come from projects launched before FY24, while projects launched in FY25-26 will be delivered in subsequent years.
Sale of inventory properties	73,203	71,472	78,447	63,633	*-13.1%*	50,275	*-21.0%*	
Construction service	16,526	18,130	19,943	19,815	*19.9%*	23,282	*17.5%*	
Others	12,317	8,095	8,776	12,639	*-1.1%*	13,288	*-13.5%*	
Gross profit	**32,425**	**36,033**	**39,741**	**32,081**	***-1.1%***	**27,742**	***-13.5%***	
Blended gross profit margin (%)	31.8%	36.9%	37.1%	33.4%	*1.6% pts*	31.9%	*-1.4% pts*	
Sale of inventory properties gross profit margin (%)	38.8%	43.4%	43.3%	39.2%	*0.4% pts*	39.7%	*0.5% pts*	
SG&A expenses	**(8,784)**	**(7,404)**	**(8,201)**	**(6,250)**	***-28.8%***	**(6,044)**	***-3.3%***	
Financial income	**26,343**	**26,825**	**26,579**	**29,358**	***11.4%***	**30,231**	***3.0%***	We raise our FY25 financial income forecast by 9.4%, expecting recognition of Vinhomes Royal Island and new bulk sales deals. For FY26, we increase financial income by 13.7%, factoring in bulk sales recognition from FY25-26 launches.
Financial expense	**(8,629)**	**(9,475)**	**(9,444)**	**(9,181)**	***6.4%***	**(9,198)**	***0.2%***	
Pre-tax profit	40,860	44,826	49,194	45,353	*11.0%*	43,214	*-4.7%*	
Net profit	**31,527**	**33,398**	**36,659**	**31,818**	***0.9%***	**30,317**	***-4.7%***	
EPS	7,257	8,131	8,925	7,746	*6.7%*	7,381	*-4.7%*	

Source: VHM, VNDIRECT RESEARCH

We revise up our FY25 new contract value forecast by 0.5% to VND103.7tn (USD4.1bn, -0.2% YoY). Compared to our previous forecast, we now expect the launches of three projects in Long An (Vinhomes Green City, City Royal, Sai Gon Golf) and a project in Hai Phong (Golden City) to be brought forward to early FY25, while the mega-scale projects Apollo City and Green Paradise are adjusted to launch in FY26.

As a result, we forecast new contract value to grow 9.7% YoY to VND113.7tn (USD4.5bn) in FY26.

Figure 7: Our estimate of the value of VHM's new contracts by project (Unit: VNDtn)



Source: VHM, VNDIRECT RESEARCH

Capitalizing on a market rebound while tackling challenges

Opportunities and headwinds in Vietnam's property market recovery

Vietnam's residential property market is in the early phase of a recovery, with supply expanding thanks to regulatory improvements and strong demand supporting steady absorption. However, high housing prices remain a key risk, constraining affordability and potentially slowing the pace of recovery. Vinhomes has been addressing these challenges through bulk sales while offering financing incentives to sustain retail buyer interest.

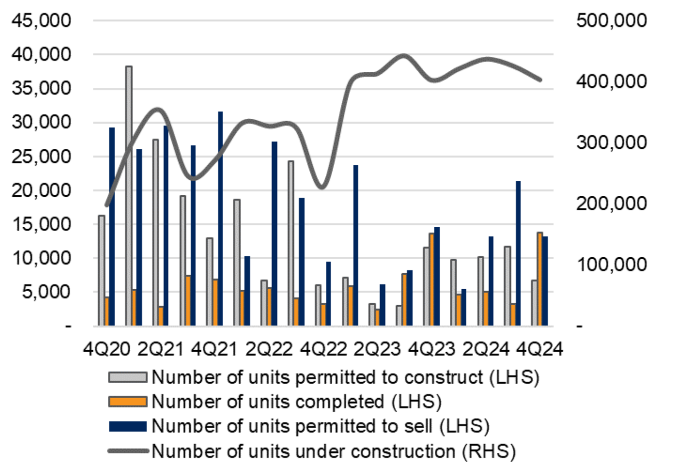
Supply is expected to recover, driven by regulatory improvements

The easing of regulatory bottlenecks and improved licensing processes have contributed to a notable increase in new project approvals. According to the Ministry of Construction, in 2024, 79 new projects (~38,345 housing units) received construction permits, from 67 new projects (~24,993 units) in FY23.

Construction activities have picked up, indicating an increase in future supply. In FY24, short-term trade receivables and customer advances for residential contractors grew by 8.6% YoY and 7.3% YoY, respectively.

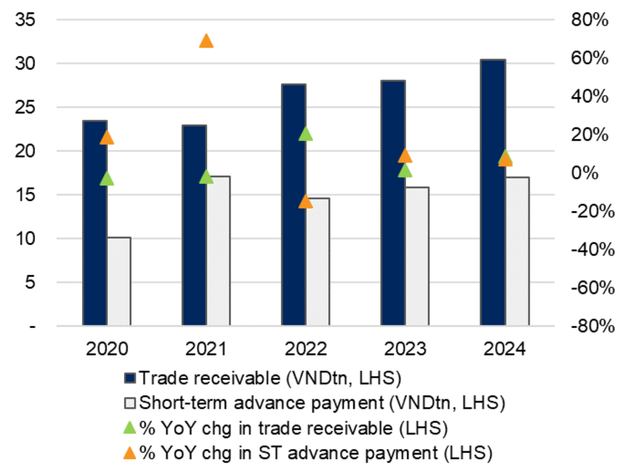
In addition, Resolution No. 171/2024/QH15 is set to take effect in April 2025 for a five-year period, with a draft decree guiding its implementation currently in progress. The resolution aims to help alleviate housing supply shortages by allowing commercial housing projects that meet specific criteria to acquire or utilize existing land use rights, addressing gaps left by amended laws as the 2024 Land Law restricts commercial housing development on non-residential land. However, the total residential land area within these pilot projects must not exceed 30% of the additional residential land allocated in the approved local master plan for 2021–2030.

Figure 8: The number of housing units receiving construction permits rose 53.4% YoY in FY24



Source: MINISTRY OF CONSTRUCTION, VNDIRECT RESEARCH

Figure 9: Rising trade receivables and short-term advances from customers in FY24 signal recovery for residential contractors (*)



Source: COMPANY REPORTS, VNDIRECT RESEARCH

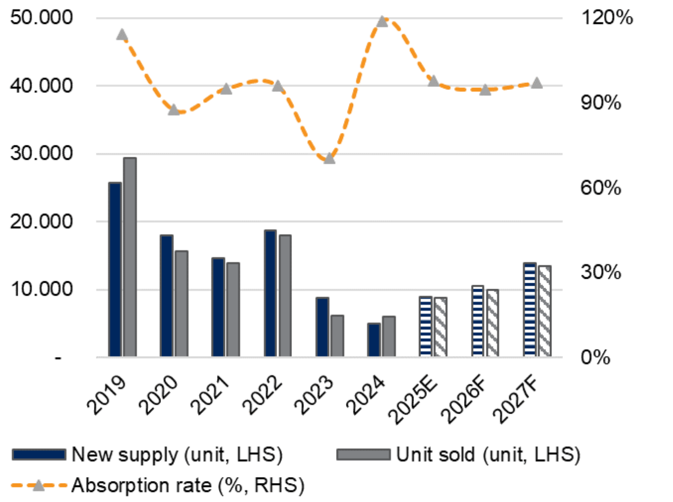
**data from 42 listed companies*

Resilient housing demand to sustain high absorption

Both the Hanoi and HCMC markets continue to show strong housing demand, with absorption rates (number of units sold during the period/number of new units introduced) exceeding 100% in 2024. Demand in Hanoi remained robust, with an absorption rate of 100.5% following a 202.6% YoY surge in new supply, reaching its highest level since 2019. Meanwhile, in HCMC, the absorption rate jumped from 70.6% in 2023 to 118.8% in 2024, due to a 42.2% YoY decline in new supply.

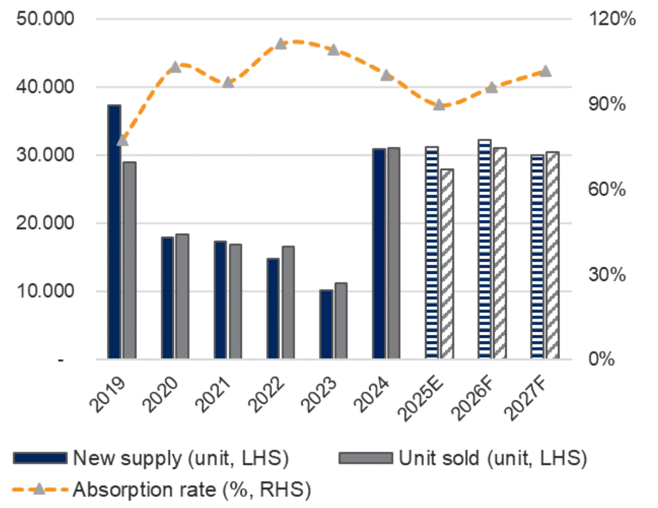
Looking ahead to FY25-27, we expect an absorption rates in both markets to remain above 95%.

Figure 10: Absorption rate rose sharply in HCMC due to lower new supply in 2024



Source: CBRE, VNDIRECT RESEARCH

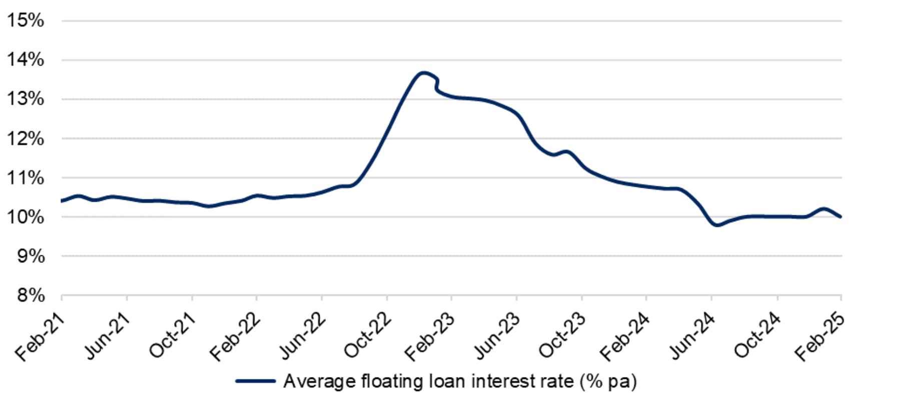
Figure 11: Hanoi maintained absorption rate above 100% in 2024 even with robust new supply



Source: CBRE, VNDIRECT RESEARCH

A key short-term catalyst supporting homebuyer demand in 2025 is that lending rates will remain low, in line with SBV policy. The average floating loan interest rate at commercial banks edged up in January 2025, before declining in February, following the SBV's directive to support the economy.

Figure 12: Average floating loan interest rates in commercial banks (%)



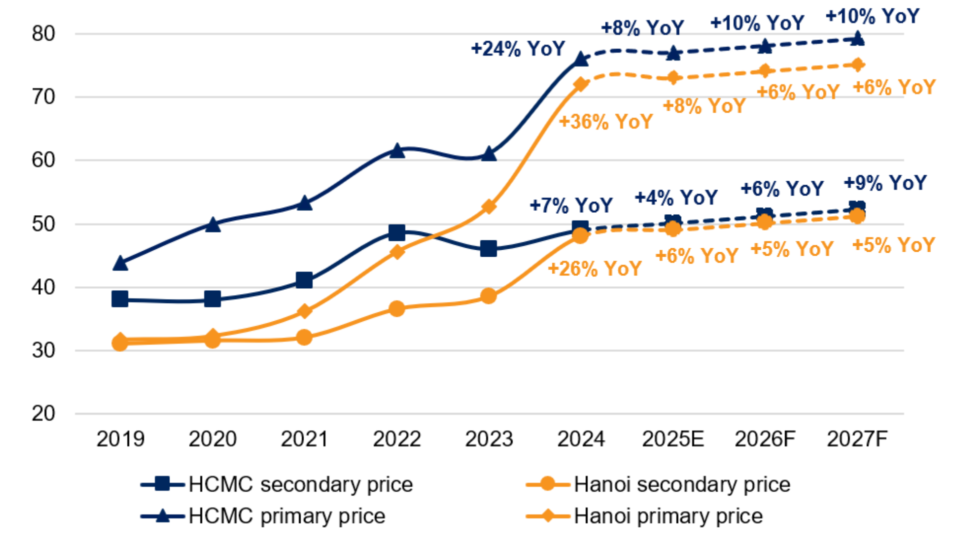
Source: CBRE, VNDIRECT RESEARCH

Continuous price increase poses a risk to housing affordability

The factors driving apartment prices higher include: 1) the dominance of high-end projects in new supply; 2) limited inventory pushing up mid-range prices; and 3) rising development costs for developers. While the supply of mid-range and lower-end housing is expected to improve, the new local land price framework may drive up land costs, contributing to further price increases.

Although rising prices indicate strong demand, persistent price hikes could pose risks to housing market affordability. While we expect sustainable price growth in the coming years, with the pace moderating from 2025 as supply expands, it is worth noting that price trends can influence the market's recovery trajectory.

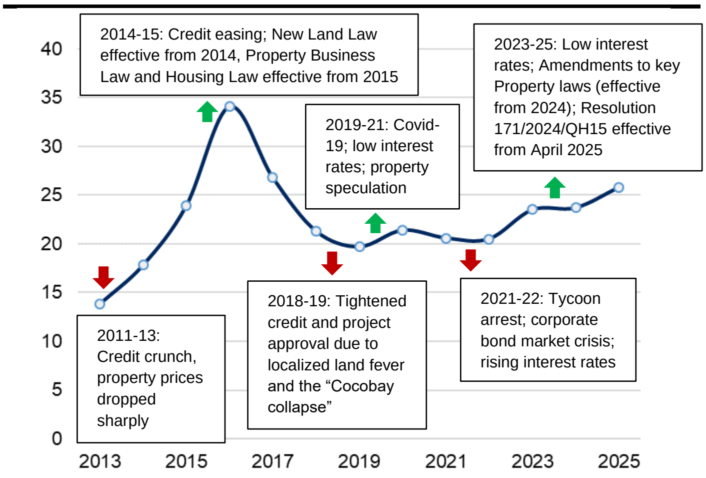
Figure 13: Apartment prices are expected to increase in the next couple of years, though the pace may be slower from 2025 (Unit: VND/sqm)



Source: CBRE, VNDIRECT RESEARCH

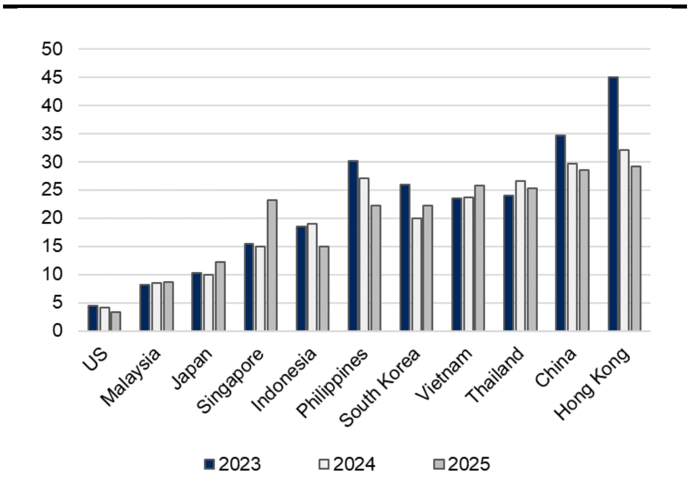
Data from NUMBEO show that Vietnam's housing price to income ratio[2] reached 25.8 at the beginning of FY25, indicating that a median-income household would need 25.8 years to afford a home. This suggests that homeownership remains challenging for typical-income households. The ratio has been rising over the past three years and is higher than in most Southeast Asian markets.

Figure 14: Vietnam's housing price to income ratio (x) and market events triggering price direction



Source: NUMBEO, VNDIRECT RESEARCH

Figure 15: Vietnam's housing price to income ratio (x) is higher than in most Southeast Asian markets



Source: NUMBEO, VNDIRECT RESEARCH

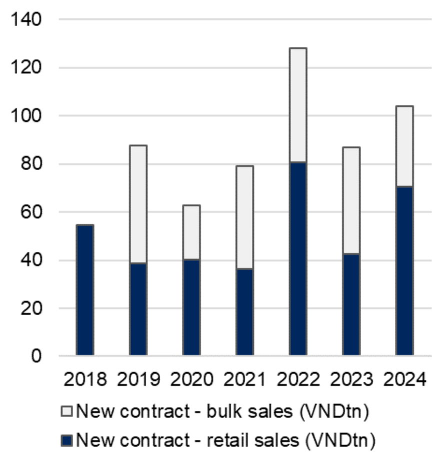
[2]: *NUMBEO's "Property Price to Income ratio": calculated as the ratio of median apartment prices to median familial disposable income. The formula assumes a net disposable family income of 1.5 times the average net salary (assuming 50% female workforce participation) and a median apartment size of 90sqm.*

Dual-sales strategy supports Vinhomes' sales growth

Vinhomes maintains a dual-sales strategy, combining bulk and retail sales. Bulk sales customers include reputable foreign developers (e.g., Nomura, Mitsubishi, CapitaLand) and domestic groups (e.g., Masterise, MIK), leveraging their strong brand presence to expand customer reach. This strategy ensures swift cash flow, which is particularly beneficial during periods of weak market sentiment.

In FY24, strong housing demand in Northern Vietnam and Vinhomes' attractive buyer incentives drove retail new contract sales surging ~66% YoY.

Figure 16: VHM's retail and bulk sales



Source: VHM, VNDIRECT RESEARCH

Figure 17: Some sales policies to draw home-buyer interest to Vinhomes' project

Project	Payment Incentives	*Note*
Ocean Park 3	0% interest support for 30 months, early payment discount up to 14.5% + 11% annual return.	*Currently effective*
The Beverly (Grand Park)	5.5% discount for standard payment, 11% discount for full payment within 15 days, additional early payment incentives based on 11% annual interest rate.	
Glory Heights (Grand Park)	80% bank loan support, 0% interest for 24 months; developer interest support: 8% for the next 36 months, 5% for the following 25 months.	
Royal Island	0% interest support for 24 months on 70% of unit value, up to 10.5% early payment discount; extra discounts for early move-in (up to 12%), special promotions (gold bars & vouchers), and rental commitment up to 18% over 3 years.	
Ocean Park	Pay 20% of total unit value to receive the unit, 80% loan support with 0% interest until Feb 2024.	*Previous policies, provided for reference only*
Ocean Park 2	VND200mn VinFast voucher, 5.5%-6.5% discount for early payment, 70% loan support, 0% interest for 12 months.	
Golden Avenue	70% loan support (0% interest for 30 months), 36-month principal grace period, 13%/year discount for early payment, 12%/year rental guarantee.	

Source: VHM, VNDIRECT RESEARCH

Temporary revenue slowdown before a growth surge

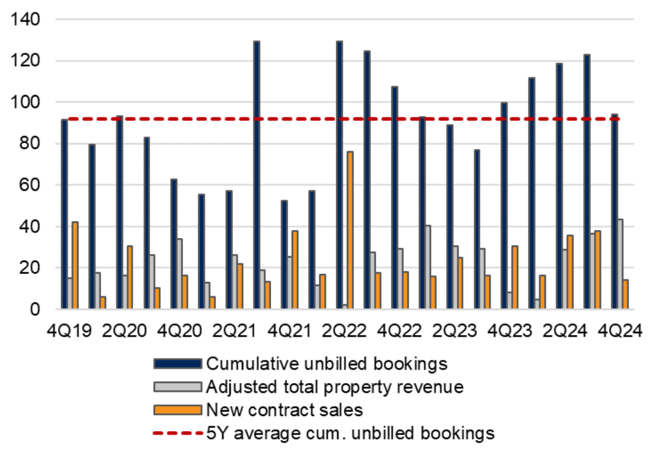
FY25 revenue will be lower while waiting for new projects to be delivered

Vinhomes reported VND103.9tn (USD4.1bn) in new contract sales for FY24, marking a 19.4% YoY increase. As of December 2024, total unbilled bookings declined 5.5% YoY to VND94.2tn (USD3.7bn), with Vinhomes Royal Island contributing the most at 33% of the total backlog.

We expect VHM's FY25 property revenue to reach VND63.6tn (USD2.5bn), a decline of 13.1% YoY, driven by recognition of remaining units in launched projects such as Vinhomes Ocean Park 1-2-3 and Golden Avenue.

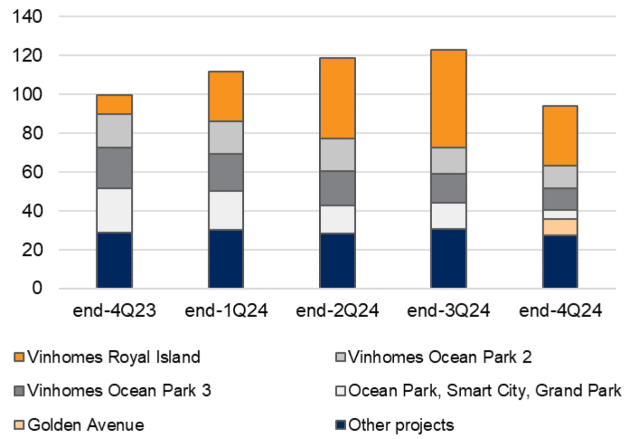
Vinhomes Royal Island will continue contributing to adjusted total property revenue [3] through financial income. Combining with potential bulk sales transactions from upcoming projects, we estimate the adjusted total property revenue in FY25 to reach VND108.8tn (USD4.3bn), -3.7% YoY.

Figure 18: Strong new contract sales in FY24 support future earnings (Unit: VNDtn)



Source: VHM, VNDIRECT RESEARCH

Figure 19: Vinhomes Royal Island covers the largest proportion in unbilled bookings (Unit: VNDtn)



Source: VHM, VNDIRECT RESEARCH

Figure 20: Vinhomes Royal Island

- *Location: Thuy Nguyen, Hai Phong*
- *Total project area: 877ha (NSA: 258.9ha)*
- *Developer: Vingroup (VIC). Vinhomes has a cooperation contract with VIC for a 95% economic interest*
- *Key components: Townhouse/Villa/Shophouse*
- *Current progress: Launched in March 2024 and started delivery to retail homebuyers since 3Q24.*
- *Number of units: 8,300 low-rise & 1,700 shophouses*
  (% units sold = 91% of launched units, % unit handed over = 61%)
- *Expected handover timeline: 2024-2028*

Source: VHM, VNDIRECT RESEARCH

[3]*: Adjusted total property revenue = revenue from inventory properties sales + BCC property sales and + property projects divestment*

Several key projects to be launched in FY25-26

Vinhomes Wonder City (Dan Phuong, Hanoi) was launched in March 2025; while Green City (Hau Nghia, Long An), City Royal (Phuoc Vinh Tay, Long An), Sai Gon Golf (Tan My, Long An), and Golden City (Hai Phong) have recently made significant progress and are likely to launch in FY25 or early FY26. Successful launches could enable Vinhomes to secure early cash flow from bulk sales, with revenue recognition expected in FY25-26.

Upcoming projects for FY26 include Vinhomes Apollo City (Quang Ninh) Phase 1, Green Paradise (Can Gio, HCMC), and International University Town (Hoc Mon, HCMC).

Figure 21: Our estimation on Vinhomes' projects pipeline

Project	Location	Developer	Area (ha)	Execution time frame* 2023A	2024A	2025E	2026F	2027F	2028F onward
Ocean Park	Ha Noi	VHM	420						
Smart City	Ha Noi	VHM	280						
Grand Park	HCMC	VHM	272						
Ocean Park 2	Hung Yen	VHM	458						
Ocean Park 3	Hung Yen	VHM	294						
Golden Avenue	Quang Ninh	VHM	116						
Quang Hanh	Quang Ninh	VIC	162						
Léman Golf	HCMC	VHM	200						
Royal Island	Hai Phong	VIC	877						
Wonder City	Ha Noi	VIC	133						
Golden City	Hai Phong	VHM	241						
Lang Van	Da Nang	VPL	512						
My Lam	Tuyen Quang	VHM	540						
Green City	Long An	VHM	197						
Sai Gon Golf	Long An	VHM	931						
City Royal	Long An	VHM-VIG	1,090						
Apollo City	Quang Ninh	VIC-VHM	5,545						
International University Town	HCMC	VHM	924						
Green Paradise	HCMC	VHM	2,870						
Ven Vinh Cam Ranh	Khanh Hoa	VHM-VinES	1,254						
Tan Lieu	Bac Giang	VHM	66						

Source: VHM, VNDIRECT RESEARCH

**: Projects' execution time frame from first launch to delivery completion (in navy blue highlight) is based on our estimates and is subject to the company's plans and market conditions*

The following provides a breakdown of projects by location:

- **Hanoi:** Capitalizing on Hanoi's strong market recovery, Vinhomes Wonder City was launched in March 2025. Surrounded by major roads on all sides, the project will also benefit from the completion of a connecting segment to Tay Thang Long Road, providing direct access to the West Lake area. Additionally, with Dan Phuong district approved to transition into an urban district by 2025, we expect a positive market reception, attracting both end-users and investors, akin to the success of Vinhomes Global Gate in Dong Anh.

Figure 22: Vinhomes Wonder City

- *Location: Dan Phuong, Hanoi*
- *Total project area: 133ha (NSA: 36.4ha)*
- *Developer: Vingroup (VIC); however, VHM is the main executor and will derive the majority of economic benefits from this project.*
- *Key components: Apartment/Townhouse/Villa*
- *Number of units: 2,000 low-rise, 1,000 high-rise commercial housing units*
- *Current progress: Finalizing financial obligation. Infrastructure and facilities are under construction.*

Source: VHM, VNDIRECT RESEARCH

- **Hai Phong:** Amid a supportive policy environment and strong property demand in Hai Phong, Vinhomes/Vingroup is developing its second project in the city. Vinhomes Golden City received approval for specific land pricing to calculate land use fees and annual land lease payments in January 2025, and it is expected to be launched in 2Q25.

  The project is strategically located along the key traffic route of Rao 3 Bridge, and is bordered by four roads, including direct frontage on the Hanoi – Hai Phong Expressway. It enjoys a prime location with convenient access to Hanoi, Quang Ninh, and other neighboring areas and is just 6 km from Cat Bi International Airport.

Figure 23: Vinhomes Golden City

- *Location: Duong Kinh, Kien Thuy, Hai Phong*
- *Total project area: 240.6ha*
- *Developer: Vinhomes (VHM)*
- *Key components: Townhouse/Villa, Social housing*
- *Number of units: 6,300 low-rise commercial units, high-rise blocks for social housing*
- *Current progress: The project has received 1/500 planning approval and is undergoing land clearance. Groundbreaking is expected in 1Q25, with deliveries starting in 2026.*

Source: VHM, VNDIRECT RESEARCH

- **Quang Ninh:** Vinhomes Apollo City is ideally located adjacent to the Hai Phong – Ha Long – Van Don expressway, making it highly accessible and attractive to tourists and tourism property investors. We expect that the project will be launched in early FY26.

Figure 24: Vinhomes Apollo City

- *Location: Ha Long, Quang Ninh*
- *Total project area: 5,545ha (NSA:1,890ha)*
- *Developer: Vingroup (VIC) and Vinhomes (VHM), respectively owning 30%/70%*
- *Key components: Apartment/Townhouse/Villa/ Shophouse/Shopping mall/School/Hotel*
- *Current progress: Received planning approval and completed land clearance for phase 1.*

Source: VHM, VNDIRECT RESEARCH

- **HCMC:** The upcoming projects are located on the outskirts of HCMC, with a plan to launch in FY26.

  Vinhomes International University Town, situated 20km northwest of the city center, lies at the intersection of National Highway 22 and Dang Cong Binh Street. It offers seamless connectivity to Long An, Binh Duong, Dong Nai, and Tay Ninh provinces via key expressways and the Ben Thanh – Tham Luong Metro Line 2, which is currently under development.

  Vinhomes Green Paradise is set to become Vietnam's first coastal reclamation urban area. To the north, it borders Bien Dong 1 Road, Bien Dong 2 Road, and the internal coastal road of the 30/4 tourism area, while the remaining sides face the East Sea. The project is located 50km from downtown HCMC by road and 12km from Vung Tau by sea.

Figure 25: Vinhomes International University Town

- *Location: Hoc Mon, HCMC*
- *Total project area: 924ha*
- *Developer: Vinhomes (VHM)*
- *Key components: Apartment/Townhouse*
- *Number of units: 255 low-rise, 2,000 high-rise units for phase 1*
- *Current progress: Finalizing legal procedure and implementing land clearance.*

Figure 26: Vinhomes Green Paradise

- *Location: Can Gio, HCMC*
- *Total project area: 2,870ha (NSA: 810ha)*
- *Developer: Vinhomes (VHM)*
- *Key components: Apartment/Townhouse/Villa*
- *Number of units: 48,150 low-rise, 15,640 high-rise units*
- *Current progress: Waiting for 1/500 planning approval.*

Source: VHM, VNDIRECT RESEARCH

- **Long An:** Vinhomes obtained 1/500 planning approvals for its three projects in Hau Nghia, Tan My (Duc Hoa district) and Phuoc Vinh Tay (Can Giuoc district). These projects are scheduled to be launched in FY25.

  The swift progress in legal approvals is driven by Long An's proactive execution of its 2030 development plan, which aims to establish 27 urban cities. Among them, Ben Luc, Can Giuoc, and Duc Hoa are set to become Class III cities, attracting residential shifts from HCMC. This vision is supported by key infrastructure projects enhancing connectivity between HCMC and Long An, including the expansion of National Road 1A, the HCMC – Trung Luong Expressway, and Vo Van Kiet Road. Additionally, the Ben Luc – Long Thanh Expressway (HCMC Ring Road 3) is expected to be completed by 3Q25, while construction of Ring Road 4 is scheduled to begin in 2025.

  Vinhomes Green City is strategically positioned near major roads, including National Route N2, the HCMC – Western Expressway, and

Ring Road 4, connecting to key neighboring areas such as HCMC and the Southwestern provinces.

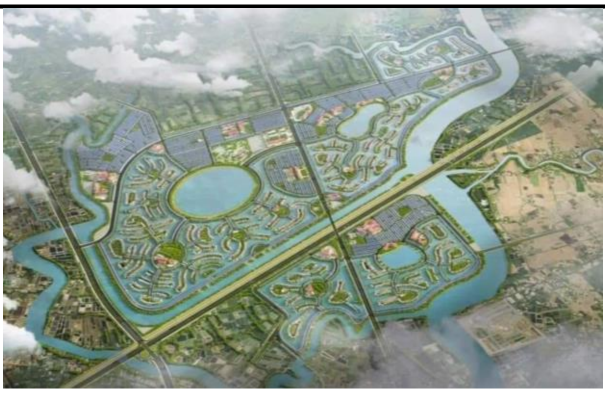
Vinhomes City Royal enjoys a prime location surrounded by the Can Giuoc and Rach Van rivers, ~25 km from downtown HCMC.

Meanwhile, Vinhomes Sai Gon Golf is situated in the northern part of Duc Hoa district, bordering HCMC.

Figure 27: Vinhomes Green City

- *Location: Hau Nghia, Duc Hoa, Long An*
- *Total project area: 197.2ha*
- *Developer: Green City Development JSC (Vinhomes owns 67.0% interest)*
- *Key components: Apartment/Townhouse/Villa, Resettlement and Social housing area*
- *Number of units: 5,027 low-rise units, 25 high-rise towers of commercial housing*
- *Current progress: Finalizing legal procedures. Land clearance is underway, with construction scheduled to begin in 1Q25 and handovers expected between 2026-28.*

Figure 28: Vinhomes City Royal



- *Location: Phuoc Vinh Tay, Can Giuoc, Long An*
- *Total project area: 1,090ha*
- *Developer: Vinhomes – Vietnam Investment Group (VIG) consortium*
- *Key components: Townhouse/Villa, Social housing and Resettlement area*
- *Number of units: 15,250 low-rise commercial units, 13,440 social housing and 2,370 resettlement units*
- *Current progress: Finalizing legal procedures. Land clearance and compensation are scheduled for 2025, followed by infrastructure development and resettlement from 1Q26 to 4Q27. The project is expected to be completed and delivered between 2028-30.*

Figure 29: Vinhomes Sai Gon Golf

- *Location: Tan My, Duc Hoa, Long An*
- *Total project area: 931ha*
- *Developer: Thai Son Investment and Construction JSC – Dai An Investment Construction JSC (66.5%/99.9% own by VHM)*
- *Key components: Apartment/Townhouse/Villa, Social housing*
- *Number of units: 13,000 low-rise and 7,280 high-rise commercial units, 7,050 social housing units*
- *Current progress: Legal procedures are being finalized. Construction is anticipated to be completed by 2030, though a detailed plan has not yet been announced.*

Source: VHM, VNDIRECT RESEARCH

Industrial property can be a new long-term earnings driver

Vinhomes gains approval for two new industrial park developments

On July 13, 2024, Vinhomes Industrial Zone Investment JSC (VHIZ) received investment approval for Vinhomes Vung Ang Industrial Park in Ha Tinh. The project covers 964.8ha with a total investment of VND13.3tn (521mn), in which the developers' equity contribution is ~VND2.0tn (USD78mn).

VHIZ is a 99.3% Vinhomes-owned subsidiary. In November 2024, Vinhomes separated Vinhomes Vung Ang IZ and Vinhomes Hai Phong IZ from VHIZ, aiming to enhance investment and operational management of its industrial park projects. Vinhomes retains a 99.3% ownership stake in these subsidiaries.

On January 14, 2025, Vinhomes Hai Phong IZ JSC received investment approval for the Nam Trang Cat Industrial Park in Hai Phong. The project spans 200.4ha with a total investment of VND2.2tn (USD88mn), including an investor equity contribution of VND338bn (USD13mn).

Currently, VHIZ is operating an industrial park within the Dinh Vu – Cat Hai Economic Zone (Hai Phong), where VinFast's auto manufacturing factory is located. In December 2024, Vinhomes commenced construction on an EV manufacturing facility at Vinhomes Vung Ang Industrial Park. The facility spans 36ha and is expected to be leased to VinFast on a long-term basis before eventual acquisition.

Vinhomes is steadily expanding into the industrial property sector. This market presents significant potential, driven by Vietnam's growing role as a key manufacturing hub in the global technology supply chain and continuous infrastructure development, which enhances new supply and attracts more investors. Expanding into this segment will allow Vinhomes to diversify its revenue streams. We have not yet incorporated these projects into our valuation model, but we will continue to monitor their progress and provide updates in future reports.

Valuation

Reiterate ADD with a higher target price of VND54,300/share

Our valuation is based on an equal weighting combination of RNAV valuation and P/B multiple:

- RNAV: We employ a DCF method with an assumed WACC for each project's valuation given the detailed execution and pre-sales plans announced by VHM to revise its inventory and investment assets. To fairly compensate for risks on project execution and pre-sales performance, we applied discounts on each project's NPV, depending on the execution period and land acquisition, as well as market absorption. In this report, we use a risk-free rate of 3.0% (the Vietnamese Government's 10-year bond yield as of December 31, 2024) and an equity risk premium of 8.35% (according to adjustments from NYU Stern). Our WACC is 10.85%, higher than the previous report (Figure 32).

  We maintain a discount rate of 20% for our RNAV valuation, due to risks related to parent Vingroup.

  However, we remove the discount on the NPV of projects launched before FY25 due to solid sales progress. For projects expected to launch in FY25, we reduce the discount from 80% to 50%, reflecting improvements in legal procedures. These adjustments lead to a higher target price by RNAV.

- We apply a target P/B of 1.0x on our estimated FY25 book value, as it reflects the company's fair value based on its book assets. This multiple is higher than the company's current P/B (0.9x) and lower than its historical figures of 3Y average (1.4x) and 5Y average (2.3x). Due to cautious investor sentiment, VHM trades at a lower P/B ratio compared to the peer average, despite delivering a higher ROE than its peers (Figure 34, 36).

  VHM can drive a valuation re-rating through faster project launches, optimized bulk sales, and efficient construction to accelerate revenue. Strengthening retail sales via buyer incentives and flexible payment plans could boost pre-sales. Securing early legal approvals for key projects would reduce uncertainty and improve market confidence, while disciplined landbank expansion and prudent financial management could further enhance its intrinsic value.

Figure 30: Valuation summary (Unit: VND)

Method	Implied value per share	Weight (%)	Weighted price
RNAV	56,322	50%	28,161
P/B	52,251	50%	26,126
Target price (rounded)			**54,300**

Source: VNDIRECT RESEARCH

Figure 31: RNAV valuation (Unit: VNDbn)

Inventory and investment		Fair value	Method
	Residential property	**311,106**	DCF
	Major contributors:		DCF
	Ocean Park 1-2-3	11,080	DCF
	Royal Island	35,741	DCF
	Wonder City, Golden City	11,520	DCF
	Green City, City Royal, Sai Gon Golf	34,309	DCF
	Apollo City	27,872	DCF
	Green Paradise	44,850	DCF
	International University Town	19,626	DCF
	Office lease	**40,398**	DCF
	Industrial property	**12,133**	DCF
Total property value		**363,637**	DCF
Add:			Book value at end-FY24
	Cash and cash equivalent	28,991	Book value at end-FY24
	Short-term investments	3,270	Book value at end-FY24
Less:			Book value at end-FY24
	Total debt (including CB)	81,292	Book value at end-FY24
	Minority interest	18,362	Book value at end-FY24
	Outstanding loan receivable from related parties	7,072	Book value at end-FY24
Discounted RNAV		**289,171**	
Shares outstanding (m)		4,107	
Discount rate		*20%*	
Implied value per share (VND)		**56,322**	

Source: VHM, VNDIRECT RESEARCH

Figure 32: WACC assumptions

Assumptions	Old	New
Beta (YTD, Dstock)	0.8	1.0
Market premium (NYU Stern)	7.8%	8.4%
Risk-free rate (VN Gov. bond yield)	2.7%	3.0%
Cost of equity	8.9%	11.4%
Cost of debt	10.0%	10.0%
WACC	9.3%	10.9%

Source: VNDIRECT RESEARCH

Figure 33: Sensitivities to our TP by discount factors to RNAV assumptions

			WACC (%)				
					Base case		
			9.9%	10.4%	10.9%	11.4%	11.9%
Discount rate to RNAV (%)		0%	73,122	71,704	70,402	69,201	68,089
		10%	65,810	64,534	63,362	62,281	61,280
	Base case	20%	58,498	57,363	**56,322**	55,361	54,471
		30%	51,186	50,193	49,282	48,441	47,662
		40%	43,873	43,023	42,241	41,521	40,853

Source: VNDIRECT RESEARCH

Figure 34: P/B valuation

FY25 estimated book value per share					52,251
P/B (x)	Current P/B	1Y average	3Y average	5Y average	
VHM	0.9	0.9	1.4	2.3	
Sector average	1.2	1.3	1.6	2.1	
FY25 target P/B (x)					**1.0**
Implied value per share (VND)					**52,251**

Source: BLOOMBERG, VNDIRECT RESEARCH

Figure 35: Sensitivities to our TP by P/B assumption

			Target P/B (x)			
			Base case			
0.5	0.7	0.9	**1.0**	1.1	1.3	1.5
26,126	36,576	47,026	**52,251**	57,477	67,927	78,377

Source: VNDIRECT RESEARCH

Figure 36: Peer comparison *(data as of 03/12/2025)*

Company	Ticker	Current price	Market cap	P/E (x)		P/B (x)		3-year EPS growth	ROE (%)		ROA (%)		D/E (%)
		LC$	USDmn	TTM	FY25	Current	FY25	CAGR (%)	TTM	FY25	TTM	FY25	
Khang Dien House Trading and Investment JSC	KDH VN	32,400	1,303.6	41.6	31.6	1.9	1.8	5.0	4.9	6.5	2.8	5.4	36.5
Nam Long Investment Corp	NLG VN	33,100	506.3	26.4	20.8	1.3	1.3	7.0	5.1	7.8	1.7	3.7	47.8
No Va Land Investment Group Corp	NVL VN	10,500	807.4	N/A	N/A	0.5	0.7	N/A	N/A	N/A	N/A	N/A	129.0
Phat Dat Real Estate Development Corp	PDR VN	20,500	705.9	34.1	31.0	1.6	1.5	(33.9)	5.0	5.1	2.3	2.2	46.8
Dat Xanh Group JSC	DXG VN	16,550	570.8	49.5	53.9	1.2	1.2	38.9	2.5	2.2	0.9	1.6	43.1
Development Investment Construction JSC	DIG VN	20,150	487.1	118.7	N/A	1.6	N/A	(11.7)	1.4	N/A	0.6	N/A	47.7
Average				***54.1***	***34.3***	***1.4***	***1.3***	***1.0***	***3.8***	***5.4***	***1.7***	***3.2***	***58.5***
Median				***41.6***	***31.3***	***1.5***	***1.3***	***5.0***	***4.9***	***5.8***	***1.7***	***3.0***	***0.5***
Vinhomes JSC	**VHM VN**	**46,950**	**7,334.7**	**6.1**	**8.1**	**0.9**	**1.0**	**(5.3)**	**15.6**	**14.0**	**6.3**	**5.5**	**36.9**

Source: BLOOMBERG, VNDIRECT RESEARCH

Key investment thesis sensitivities

Potential re-rating catalyst:

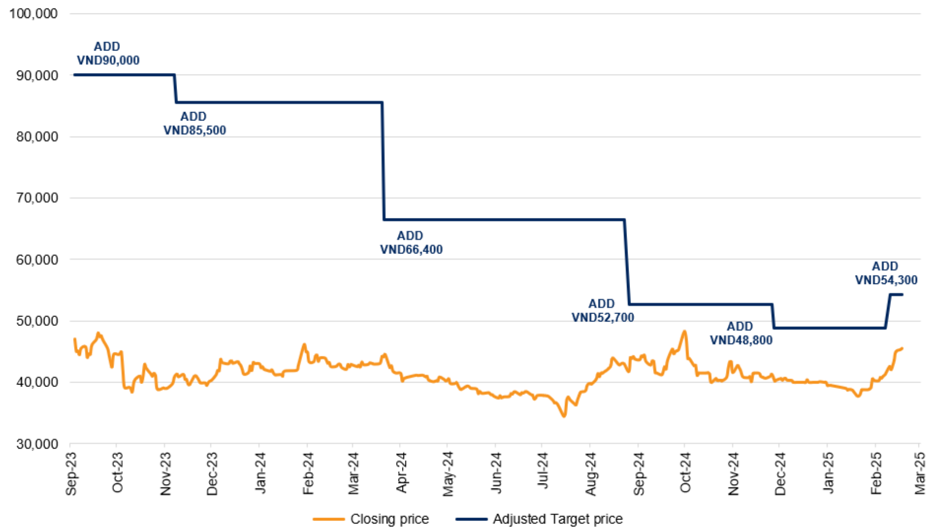
- Supporting policies take effect and lending rates continue to decline, helping the market warm up sooner-than-expected.

Downside risk:

- Slower-than-expected progress on legal bottlenecks or construction activities, which would result in delays in obtaining permits for new launches.
- High price levels dent home affordability and lead to lower-than-expected pre-sales.

Recommendation history

Figure 37: Our historial recommendation vs actual stock price performance (VND/share)



Source: VNDIRECT RESEARCH

**Graph begins at the date the current analyst took over coverage.*

Income Statement

(VNDbn)	2020A	2021A	2022A	2023A	2024E	2025F	2026F
Net revenue	71,547	84,986	62,393	103,557	102,045	96,087	86,845
Cost of sales	(45,611)	(36,526)	(31,696)	(67,850)	(69,620)	(64,006)	(59,103)
Gross Profit	**25,936**	**48,460**	**30,696**	**35,707**	**32,425**	**32,081**	**27,742**
Gen & admin expenses	(2,193)	(3,769)	(2,644)	(4,093)	(4,846)	(2,439)	(2,541)
Selling expenses	(2,681)	(2,289)	(2,432)	(3,663)	(3,938)	(3,811)	(3,502)
Operating EBIT	**21,062**	**42,402**	**25,621**	**27,951**	**23,641**	**25,831**	**21,698**
Depreciation and amortization	542	1,088	1,217	1,436	1,670	2,631	2,776
Operating EBITDA	**21,604**	**43,490**	**26,837**	**29,387**	**25,311**	**28,462**	**24,474**
Financial income	20,245	7,995	16,690	19,954	26,343	29,358	30,231
Interest expense	(3,002)	(2,348)	(2,076)	(3,053)	(7,301)	(7,827)	(7,816)
Net other income	(2,349)	(1,007)	(2,866)	(2,989)	(3,495)	(4,643)	(3,678)
Income from associates & JVs	19	54	56	11	3	3	3
Pre-tax profit	**36,517**	**48,183**	**38,643**	**43,310**	**40,860**	**45,353**	**43,214**
Tax expense	(8,310)	(9,234)	(9,481)	(9,777)	(5,808)	(9,978)	(9,507)
Net profit after tax	**28,207**	**38,948**	**29,162**	**33,533**	**35,052**	**35,376**	**33,707**
Adj. net profit to ordinary	27,351	38,825	28,831	33,371	31,527	31,818	30,317

Balance Sheet

(VNDbn)	2020A	2021A	2022A	2023A	2024E	2025F	2026F
Cash and equivalents	13,714	4,626	10,817	14,103	28,991	23,653	21,378
Short term investments	2,054	4,979	6,297	3,834	3,270	3,720	4,305
Accounts receivable	34,592	37,750	96,209	132,871	171,858	163,748	162,546
Inventories	42,984	28,579	64,362	55,318	48,723	63,488	80,544
Other current assets	8,968	18,503	18,851	36,215	34,624	34,386	34,333
Total current assets	**102,312**	**94,437**	**196,535**	**242,341**	**287,466**	**288,996**	**303,106**
Fixed assets	5,907	7,498	9,340	11,671	14,693	14,394	14,078
Total investments	18,455	23,019	23,015	24,797	30,065	27,877	26,724
Other long-term assets	88,652	105,562	132,923	165,822	228,500	265,066	277,552
Total assets	**215,326**	**230,516**	**361,813**	**444,631**	**560,724**	**596,331**	**621,461**
Short-term debt	10,998	251	15,330	18,290	43,306	43,439	43,630
Accounts payable	11,401	12,507	15,031	20,452	18,765	17,252	15,930
Other current liabilities	80,986	62,643	157,401	172,331	228,279	241,212	257,714
Total current liabilities	**103,385**	**75,401**	**187,762**	**211,073**	**290,350**	**301,902**	**317,274**
Total long-term debt	13,958	19,668	20,876	38,394	37,986	49,504	49,189
Other liabilities	8,853	4,040	4,652	12,527	11,945	11,945	11,945
Share capital	33,495	43,544	43,544	43,544	41,074	41,074	41,074
Retained earnings reserve	56,259	79,413	99,934	133,392	166,651	179,189	189,261
Shareholder equity	**89,130**	**131,407**	**148,522**	**182,636**	**220,443**	**232,981**	**243,053**
Total liabilities & equity	**215,326**	**230,516**	**361,813**	**444,631**	**560,724**	**596,331**	**621,461**

Cash Flow Statement

(VNDbn)	2020A	2021A	2022A	2023A	2024E	2025F	2026F
Pretax profit	**36,517**	**48,183**	**38,643**	**43,310**	**40,860**	**45,353**	**43,214**
Depreciation & amortization	542	1,088	1,217	1,436	1,670	2,631	2,776
Interest expenses	3,002	2,348	2,076	3,053	7,301	7,827	7,816
Other adjustments	(19,274)	(7,248)	(12,599)	(16,696)	(23,763)	2,382	75
Change in working capital	4,095	(27,297)	2,185	(29,586)	(47,505)	(77,325)	(89,204)
Cash flow from operations	**24,882**	**17,074**	**31,520**	**1,517**	**(21,436)**	**(19,131)**	**(35,323)**
Capex	(3,500)	(17,898)	(18,299)	(9,988)	(11,905)	(33,821)	(12,092)
Proceeds from asset sales	430	46	48	2,775	3,032	(2,393)	(85)
Loans to other parties	(4,826)	(16,805)	(7,989)	(33,625)	(15,803)	(10,450)	(585)
Other non-current asset changes	(14,524)	12,661	(589)	22,206	47,694	-	-
Cash flow from investing activity	**(22,420)**	**(21,996)**	**(26,829)**	**(18,632)**	**23,018**	**(46,664)**	**(12,762)**
New share issuance	62	6,515	-	6	24	-	-
Share buyback	(848)	-	-	-	(10,485)	-	-
Net borrowing	19,663	13,820	24,760	53,108	67,028	74,354	74,255
Other financing cash flow	(20,740)	(19,301)	(13,877)	(32,712)	(43,261)	(13,896)	(28,445)
Dividends paid	(218)	(5,199)	(9,384)	-	-	-	-
Cash flow from financing activity	**(2,081)**	**(4,165)**	**1,500**	**20,401**	**13,306**	**60,458**	**45,810**
Beginning cash and equivalents	13,332	13,714	4,626	10,817	14,103	28,991	23,653
Total cash generated	381	(9,088)	6,191	3,286	14,887	(5,338)	(2,275)
Ending cash and equivalents	**13,714**	**4,626**	**10,817**	**14,103**	**28,991**	**23,653**	**21,378**

Key ratios

Valuation Ratios	2020A	2021A	2022A	2023A	2024E	2025F	2026F
EPS (VND)	8,166	8,916	6,621	7,664	7,676	7,746	7,381
Price to Earnings	8.1x	8.9x	7.2x	5.6x	5.2x	8.1x	8.1x
1-yr PEG	N/A	1.0x	(0.3x)	0.4x	33.9x	6.0x	(1.2x)
EV to EBIT	10.9x	8.4x	8.9x	8.1x	9.0x	10.5x	12.5x
EV to EBITDA	10.7x	8.2x	8.5x	7.7x	8.4x	9.5x	11.1x
Price to Sales	0.9x	0.9x	0.8x	0.4x	0.4x	0.5x	0.6x
Price to Book	0.7x	0.6x	0.6x	0.8x	0.8x	1.0x	1.0x
Growth Rates							
Net Revenue YoY	38.6%	18.8%	-26.6%	66.0%	-1.5%	-5.8%	-9.6%
Gross Profit YoY	-5.5%	86.8%	-36.7%	16.3%	-9.2%	-1.1%	-13.5%
Net Profit YoY	25.8%	41.9%	-25.7%	15.7%	-5.5%	0.9%	-4.7%
EPS YoY	N/A	9.2%	-25.7%	15.7%	0.2%	0.9%	-4.7%
Profitability Ratios							
Gross Margin	36.3%	57.0%	49.2%	34.5%	31.8%	33.4%	31.9%
EBITDA Margin	30.2%	51.2%	43.0%	28.4%	24.8%	29.6%	28.2%
Operating Margin	29.4%	49.9%	41.1%	27.0%	23.2%	26.9%	25.0%
Net Profit Margin	38.2%	45.7%	46.2%	32.2%	30.9%	33.1%	34.9%
Return on Avg Assets	13.3%	17.4%	9.7%	8.3%	6.3%	5.5%	5.0%
Return on Avg Equity	35.6%	35.2%	20.6%	20.2%	15.6%	14.0%	12.7%
Leverage Ratios							
Interest Coverage Ratio (EBIT/I)	12.9x	20.8x	18.7x	13.3x	6.0x	6.3x	6.0x
EBITDA / (I + Cap Ex)	332.3%	214.8%	131.7%	225.3%	131.8%	68.3%	122.9%
Total Debt/Capital	21.9%	13.2%	19.6%	23.7%	26.9%	28.5%	27.6%
Total Debt/Equity	28.0%	15.2%	24.4%	31.0%	36.9%	39.9%	38.2%
Net Debt/Equity	10.3%	7.8%	12.9%	21.2%	22.2%	28.1%	27.6%
Liquidity Ratios							
Asset Turnover	0.3	0.4	0.2	0.3	0.2	0.2	0.1
Accounts Receivable Turnover	7.3	6.6	4.1	6.0	5.3	5.0	4.7
A/R DOH	49.7	55.7	88.6	60.9	69.4	72.4	77.7
Accounts Payable Turnover	8.2	7.1	4.5	5.8	5.2	5.3	5.2
A/P DOH	44.6	51.3	80.5	62.5	70.1	68.4	69.7
Inventory Turnover	1.4	2.4	1.3	1.7	2.0	1.7	1.2
Inv DOH	263.4	153.7	271.9	210.9	186.1	213.1	302.7
Current Ratio	1.0x	1.3x	1.0x	1.1x	1.0x	1.0x	1.0x
Quick Ratio	0.6x	0.9x	0.7x	0.9x	0.8x	0.7x	0.7x

DISCLAIMER

This report has been written and distributed by Research Department, VNDIRECT Securities Corporation. The information contained in this report is prepared from data believed to be correct and reliable at the time of issuance of this report. Unless otherwise stated, this report is based upon sources that VNDIRECT considers to be reliable. These sources may include but are not limited to data from the stock exchange or market where the subject security is listed, or, where appropriate, any other market. Information on the company(ies) are based on published statements, information disclosure and announcements of the company(ies), and information resulting from our research. VNDIRECT has no responsibility for the accuracy, adequacy or completeness of such information.

All estimates, projections, forecasts and expression of opinions contained in this report reflect the personal views and opinions of the analyst(s) responsible for the production of this report. These opinions may not represent the views and position of VNDIRECT and may change without notice.

This report has been prepared for information purposes only. The information and opinions in this report should not be considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments. VNDIRECT takes no responsibility for any consequences arising from using the content of this report in any form.

RECOMMENDATION FRAMEWORK

Stock Ratings	Definition:
Add	The stock's total return is expected to reach 15% or higher over the next 12 months.
Hold	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock's total return is expected to fall below negative 10% over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Steven Woo – Manager

Email: le.canthu@vndirect.com.vn

Huyen Phan – Analyst

Email: huyen.phanthanh@vndirect.com.vn

VNDIRECT Securities Corporation

1 Nguyen Thuong Hien Str – Hai Ba Trung Dist – Ha Noi

Tel: +84 2439724568

Email: research@vndirect.com.vn

Website: https://vndirect.com.vn