

BAF Viet Nam Agriculture JSC (HOSE: BAF)

Maintain strong growth momentum

- Swine prices in 2025–26 is expected to remain elevated at VND 65,000–70,000/kg (+10% compared to the 2024 average), driven by a decline in smallholder farmers' supply due to the impact of the Livestock Law 2025, while pork consumption demand remains stable and growing.
- We forecast that BAF's net profit in 2025 will reach VND 685 billion, increasing 116.2% yoy, mainly driven by a 43% growth in pig sales volume and a 10% increase in swine prices compared to the previous year.
- We recommend ADD with the target price of 35,500 VND/share

Average swine prices expected to increase 10% in 2025–26

Swine prices in 2025–26 is expected to remain at a high base compared to 2024 due to supply shortages caused by ASF outbreaks and livestock restructuring. In the first two months of 2025, hog prices surged to VND 80,000/kg, driven by the early sale of piglets before the Lunar New Year and disease-related supply disruptions. The Livestock Law 2025 has also accelerated the restructuring of the farming model toward more professional and large-scale operations, reducing supply from small-scale household farms. As household production gradually declines while demand remains high, we expect hog prices to remain elevated at VND 65,000–70,000/kg in 2025–26 (+10% compared to 2024).

2025–26 Outlook: Farm expansion and herd scaling as key profit drivers

In 2025–26, BAF will continue to accelerate their strategy of expanding livestock farms and scaling up its hog herd, which we view as the main driver of profit growth. The company plans to increase its total number of farms to 50 during this period, targeting 90,000 breeding sows and 1,000,000 commercial hogs by 2025. In addition, BAF's integrated 3F model (Feed - Farm - Food) allows better control over input costs, particularly feed costs, which account for 60–70% of total COGS. The company also signed a strategic partnership with Muyuan, a leading Chinese livestock enterprise, to transfer high-tech farming models, helping reduce disease risks and improve operational efficiency. With an aggressive expansion plan and a cost-optimization strategy, BAF is expected to sustain strong profit growth in 2025–26, further strengthening its position in Vietnam's livestock industry.

Recommend ADD with a target price of 35,500 VND/share

We prefer BAF due to (1) its rapid expansion in scale and market share driven by the 2025 Livestock Law, and (2) the livestock industry being less impacted by U.S. countervailing duties. The recent market correction has resulted in a 19.2% discount from its peak, while BAF's 2025-26 earnings outlook remains strongly positive. Therefore, we believe this is an appropriate time to accumulate the stock.

Financial indicators	Dec-23	Dec-24	Dec-25	Dec-26
Net revenue	5,199	5,641	6,506	8,162
Net profit	26	317	685	949
Net revenue (yoy)	-26.6%	8.5%	15.3%	25.5%
Net profit (yoy)	-90.8%	1102.1%	116.2%	38.5%
Gross margin	6.6%	12.7%	20.7%	21.8%
EBITDA margin	1.2%	7.8%	12.2%	10.0%
ROAE	1.5%	13.9%	18.9%	19.9%
ROAA	0.5%	4.5%	7.5%	7.6%
EPS (VND/share)	184	1,326	2,525	3,122
BVPS (VND/share)	12,264	11,666	14,725	16,648

ADD

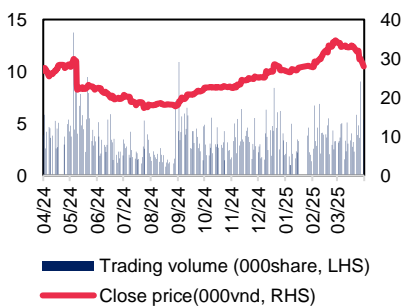
Target price 35,500 VNĐ

Upside 17.9%

Changes in the report

N/A

Infomation



Source: Fiinpro, MBS Research

Market price (VND)	30,100
52 Week High (VND)	34,750
52 Week low (VND)	17,050
Market Cap (VNDbn)	8,634
P/E (TTM)	19.46
P/B	2.3
Dividend yield (%)	0
Foreign ownership ratio (%)	22.8

Source: <https://s24.mbs.com.vn/>

Ownership structure

Bùi Hương Giang	3.2%
CTCP Siba Holdings	40.5%
Other	56.3%

Source: BAF, MBS Research

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BAF Viet Nam Agriculture Group JSC

Investment Thesis and Recommendation

Investment Thesis

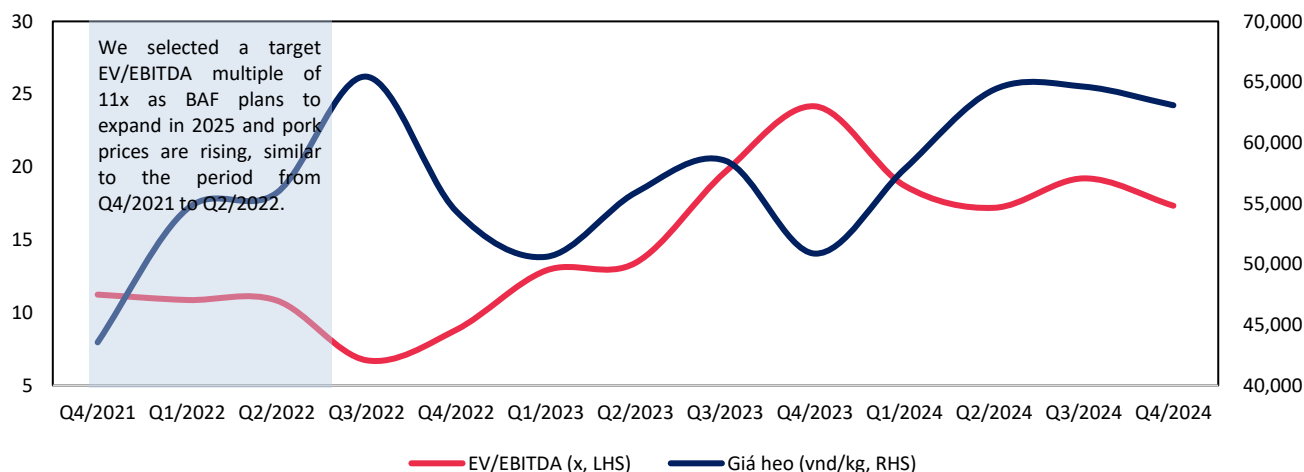
We recommend ADD with a target price of 35,500 VND/share based on:

- BAF operates an optimized business model with a fully integrated 3F (Feed – Farm – Food) value chain, allowing full control over feed production, farming, and meat distribution. This model enables the company to secure input sources and mitigate price volatility risks. Additionally, the use of high-tech farming systems helps reduce disease risks and ensures farming efficiency.
- In the first three months of 2025, swine prices increased by 7% compared to the beginning of the year and may slightly decline in Q2/2025 as supply recovers. However, we still expect prices to remain elevated at VND 65,000–70,000/kg, supported by rising consumption demand and supply shortages in the first two months of the year.
- The new Livestock Law effective from 2025 is accelerating the shift in market share from smallholder farms to large-scale enterprises
- We forecast net profit in 2025 to reach VND 685 billion, up 116.2% compared to 2023. Net profit in 2026 is expected to further grow by 38.5% yoy, as BAF achieves a stable scale in its pig farming operations.

Valuation

We apply two valuation methods: FCFF (with WACC of 8.7%) and EV/EBITDA, arriving at a fair value for BAF shares of VND 35,500/share, implying an upside potential of 19.3%. We use an EV/EBITDA multiple of 11x, based on the average EBITDA level during Q4/2021–Q2/2022, as a benchmark for the 2025–2026 period. This is because 2022 marked the beginning of BAF's farm expansion, and late 2021 was part of a pork price upcycle, both comparable to the conditions expected in 2025–2026. Therefore, we assign a target EV/EBITDA multiple of 11x for BAF to reflect the company's growth potential in the upcoming cycle.

Figure 1: The average of the swine price and EV/EBITDA



Source: MBS Research

Figure 2: Valuation method summary

Method	Weight	Price (VND/share)
FCFF	50%	34,934
EV/EBITDA (với EV/EBITDA 25-26 = 11x)	50%	36,000
Target price		35,500
Current price (10/4/2025)		30,100
Upside		17.9%

Source: MBS Research

Figure 3: Projected DCF

	2025	2026	2027	2028	///	2034
(+) EBIT	825	1,081	1,129	1,236		2,242
(+) Depreciation	249	543	822	964		1,544
(-) CAPEX	(2,940)	(2,787)	(1,426)	(1,498)		(472)
(+) Change in WC	131	817	(332)	88		1,272
FCFF discounted	(1,791)	(389)	92	542		2,080
PV of terminal value						8,291

Source: MBS Research

Figure 4: FCFF valuation

FCFF		
(+) PV of FCFF for the 25-34e period	VNDbn	5,519
(+) PV of terminal value	VNDbn	8,291
Enterprise value	VNDbn	13,810
(+) Cash & cash equivalent	VNDbn	214
(-) Short-term and long-term borrowings	VNDbn	2,168
Equity value	VNDbn	10,621
Number of outstanding share	Million shares	304
Target price	VND/share	34,934

Source: MBS Research

WACC and long-term growth

E/V	53%
D/V	47%
Cost of equity	9%
Cost of debt	10%
Tax rate	20%
WACC	8.65%
Long term growth	3.0%

Source: MBS Research

Figure 5: EV/EBITDA valuation

EV/EBITDA valuation

EBITDA 2025F	VNDbn	1,280
EBITDA 25-26	x	11.0
Total debt	VNDbn	3,404
Minority interest	VNDbn	-
Cash and cash equivalent	VNDbn	214
Enterprise value	VNDbn	10,889
Number of outstanding share	Million shares	304
Target price	VND/share	36,000

Source: MBS Research

Figure 6: Peer comparison

Company	Nation	Ticker	Mtk cap (VNDbn)	P/E (x)		P/B (x)		ROA (%)		ROE (%)	
				TTM	2025	TTM	2025	TTM	2025	TTM	2025
New Hope Liuhe	China	NHC	4,116	8.6	6.3	1.1	1.2	14.2%	16.1%	18.8%	19.3%
Charoen Pokphand Food	Thailand	CPF	187,941	9.5	10.9	0.7	0.7	2.2%	2.6%	8.6%	7.8%
Dabaco group JSC	Viet Nam	DBC	9,278	12	9.5	1.3	1.2	5.7%	5.1%	13.5%	11.0%
Masan MeatLife JSC	Viet Nam	MML	9,016	289.3	n/a	1.7	n/a	-3.0%	n/a	-7.4%	n/a
Hoang Anh Gia Lai JSC	Viet Nam	HAG	12,741	12.5	n/a	1.4	n/a	4.6%	n/a	13.4%	n/a
Average				66.4	8.9	1.3	1.0	4.7%	7.9%	9.4%	12.7%
BAF agriculture VN JSC	Viet Nam	BAF	9,151	17.4	11.0	2.4	2.1	4.5%	7.3%	13.1%	21.1%

Source: Bloomberg, MBS Research

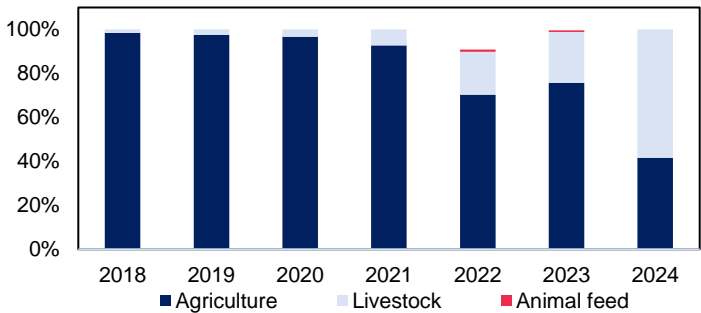
The downside risk

- Fluctuations in input material prices, as BAF entirely imports animal feed raw materials from external suppliers.
- Risk of declining hog prices if supply increases significantly, which could negatively impact BAF's profitability.
- In 2025–2026, BAF plans to make large capital investments to expand its farming scale. If sales volume falls short of expectations, the company may fail to meet its profit targets.

Company Overview and 2024 Business result

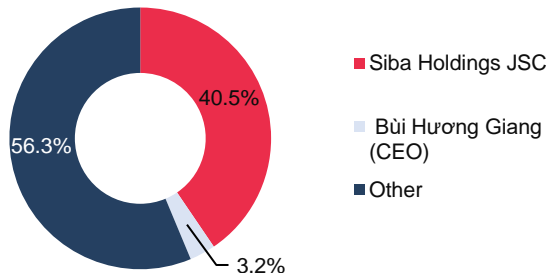
BAF was established in 2017, operating mainly in the fields of agricultural trading, livestock farming, and animal feed production. In 2019, BAF shifted development strategy to focus on livestock farming, implementing a closed-loop 3F model (Feed – Farm – Food), also known as the “farm-to-fork” approach. In March 2019, BAF rebuilt their farm system under a standardized 4.0 model, equipped with high-tech solutions that meet European standards. In 2021, BAF conducted its initial public offering (IPO) at a price of VND 20,000/share, increasing its charter capital from VND 500 billion to VND 780 billion

Figure 7: Revenue structure by sector of BAF (%)



Source: BAF, MBS Research

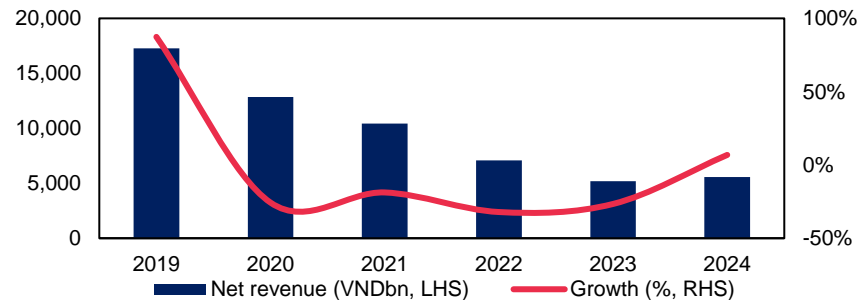
Figure 8: BAF ownership



Source: BAF, MBS Research

BAF benefits from its closed-loop livestock model, which optimizes farming costs. The 3F model (Feed – Farm – Food) is superior to traditional farming as it enables full control over the entire value chain, from feed production to farming and final product distribution. This integration ensures consistent product quality, reduces disease risk, optimizes cost structures, and stabilizes pricing. In contrast, traditional livestock farming faces multiple challenges such as higher costs, greater disease risk, and limited quality control. BAF is currently self-sufficient in animal feed production through two feed mills located in Tay Ninh and Nghe An, with a total capacity of 450,000 tons/year. In 2022, BAF successfully developed its proprietary “vegetarian feed” formula and launched the Heo An Chay (Vegetarian-fed Pork) brand under BAF Meat. The company distributes pork mainly through traders (70%) and via 300 Meatshop stores and 60 Siba Food outlets (20–25%). Currently, the livestock segment accounts for ~58% of total revenue, with a gross margin of 14.1%.

Figure 9: Revenue growth of BAF from 2019 to 2024 (billion VND)



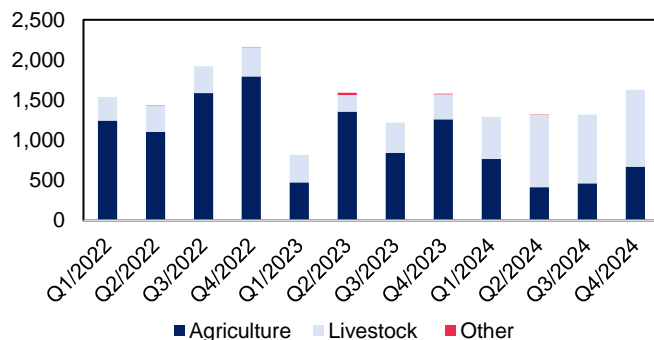
Source: BAF, MBS Research

Figure 10: 4Q24 and 2024 business result (VNDbn)

VNDbn	Q4/2024	yoy (%)	qoq (%)	2024	yoy (%)	Comments
Net revenue	1,627	0.1%	23.8%	5,554	6.8%	Revenue in Q4/2024 remained flat yoy, but total revenue for the entire year of 2024 increased by 6% compared to 2023, with the livestock segment accounting for 58% of the total revenue.
<i>Agriculture</i>	669	-46.9%	45.1%	2,313	-41.2%	BAF proactively reduced the proportion of its agricultural trading segment.
<i>Livestock</i>	958	190.8%	0.6%	3,241	160.9%	The livestock segment increased by 190.8% yoy bases on (1) the average live hog price in Q4/2024 reaching 63,087 VND/kg, up 24% YoY, and (2) sales volume in Q4 reaching 140,000 heads, up 185% YoY
Gross profit	230	456.7%	3.0%	716	108.7%	
Gross margin	14.1%	11.6dpt	-2.85dpt	12.70%	6.10dpt	
Selling expense	20	-23.6%	-71.0%	77	-17.8%	
G&A expense	46	77.0%	34.3%	137	11.0%	
% SG&A/revenue	4.1%	0.9dpt	-3.7dpt	3.9%	0.2dpt	
Financial revenue	4	-60.1%	9.9%	22	-41.4%	In 2024, BAF did not record any gains from the liquidation of investments.
Financial expense	58	6.0%	6.0%	222	43.0%	Interest expenses in 2024 increased by 52% YoY to support the company's farm expansion projects.
Profit before tax	119	167.4%	75.8%	406	1556.8%	
Tax	(9.4)	-163.0%	25.7%	(144.0)	-1603.9%	
Net profit	109	270.9%	82.0%	317	1102.1%	Net profit in Q4 and for the full year 2024 surged due to: (1) a sharp increase in sales volume driven by BAF's expanded scale, and (2) a strong recovery in pork prices, which helped boost the 2024 gross profit margin by 6.69 percentage points yoy

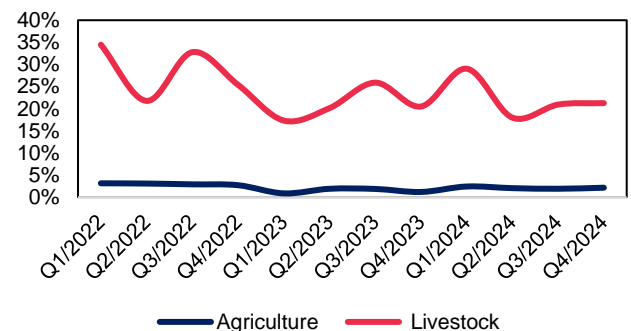
Source: BAF, MSB Research

Figure 11: Revenue by business segment of BAF (tỷ đồng)



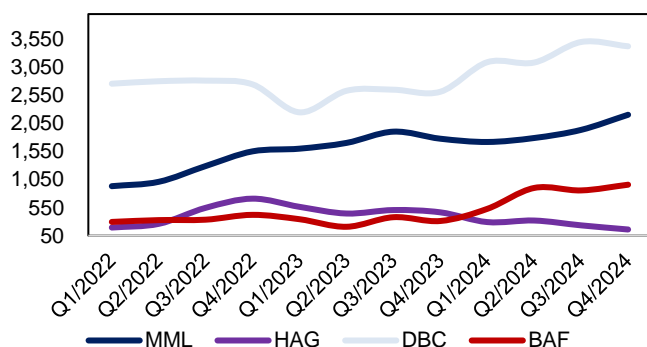
Source: BAF, MBS Research

Figure 12: Gross profit margin by BAF's business segment during 2020-2024(%)



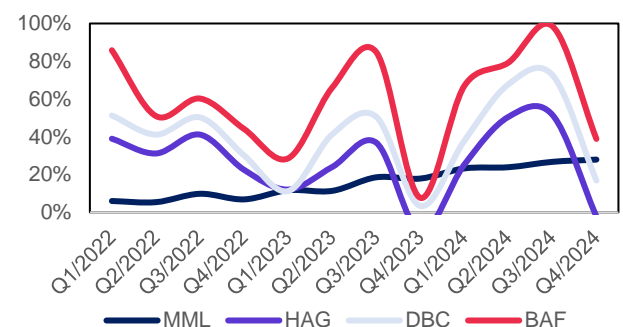
Source: BAF, MBS Research

Figure 13: Revenue from pig farming and animal feed business of listed companies (yoy)



Source: MML, DBC, BAF, MBS Research

Figure 14: Gross profit margin of pig farming and animal feed business of listed companies (%)



Source: MML, DBC, BAF, MBS Research

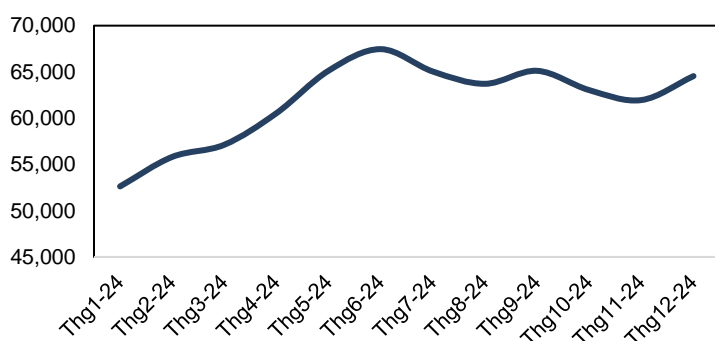
Positive average swine price trend in 2025–2026

Swine price levels offer strong profit growth opportunities for BAF

2024 witnessed significant volatility in the hog market

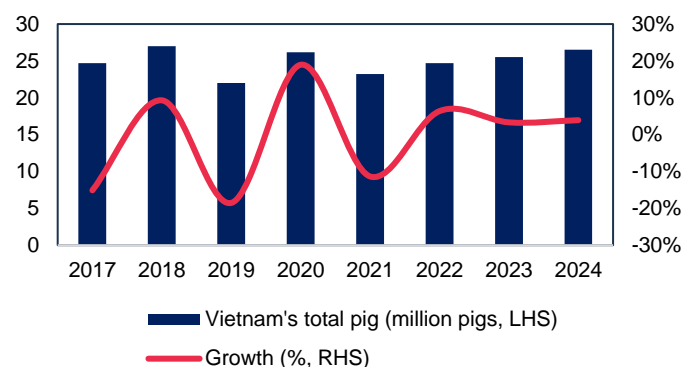
At the beginning of 2024, swine prices started at VND 50,000/kg and peaked at VND 67,000/kg in June 2024, driven by an outbreak of African Swine Fever (ASF) which caused a severe supply shortage. Vietnam reported 1,575 ASF outbreaks across 48 provinces in 2024, up 79% yoy. In September 2024, prices rose further due to Typhoon Yagi in Northern Vietnam, which disrupted restocking efforts and exacerbated the supply shortage. Toward the end of 2024, pre-Tet holiday demand pushed hog prices up to VND 70,000/kg, enabling livestock companies to post strong profits in Q4/2024. Overall, in 2024, the total pig herd increased by 4%, while the livestock production value rose 5.3% yoy.

Figure 15: Live hog price movements in 2024 (VND/kg)



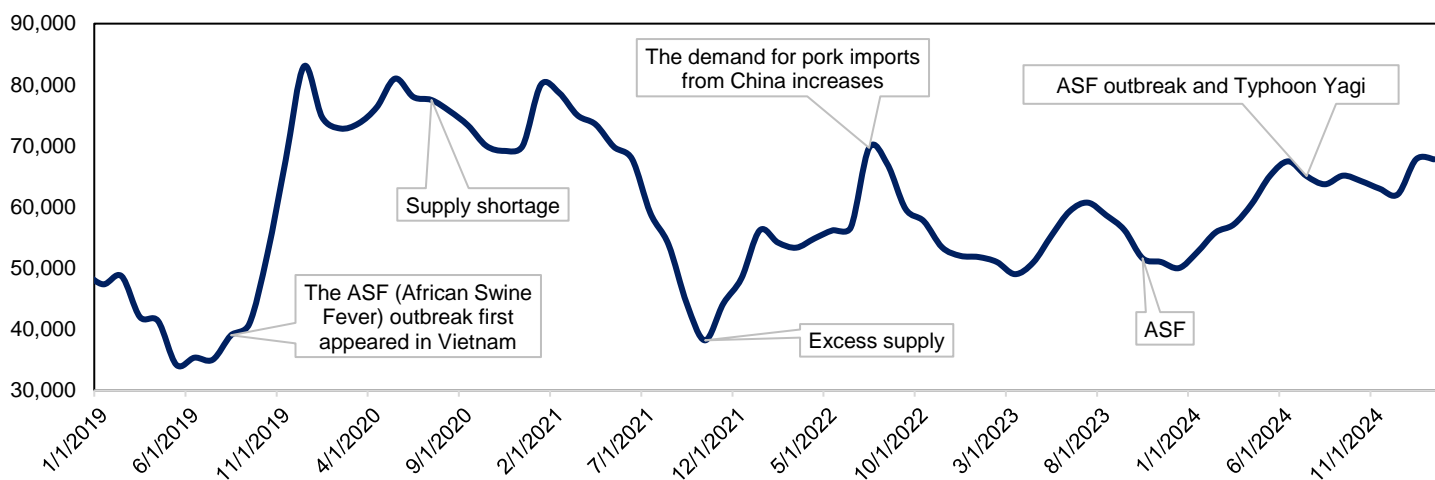
Source: Anovafeed, MBS Research

Figure 16: Growth of Vietnam's pig herd from 2017 to 2024



Source: MBS Research

Figure 17: Average monthly live hog price trend from 2019 - 2025 (VND/kg)



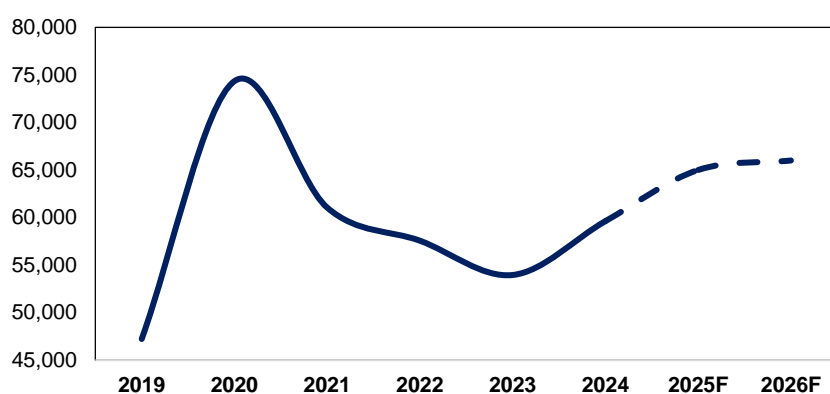
Source: Anovafeed, MBS research

Swine Prices Expected to Remain Elevated at VND 65,000–70,000/kg in 2025–2026

After the 2025 Lunar New Year, swine prices continued to rise sharply, reaching a new high of VND 83,000/kg, up approximately 9% from early 2025. The main driver was a supply shortage, as farmers had not yet restocked following the strong year-end sales in late 2024. In addition, ASF outbreaks were reported in four provinces in Ha Tinh, raising concerns over post-Tet disease risks. Although prices may ease in mid-2025 as supply recovers, we expect hog prices to remain elevated in the range of VND 65,000–70,000/kg due to:

- The 2025 Livestock Law, which accelerates the structural shift in Vietnam's farming sector. According to Article 12, Clause 1 of the 2018 Livestock Law (No. 32/2018/QH14), livestock operations located in areas not permitted for animal farming—such as cities, towns, townships, and residential zones—must relocate. This regulation favors companies like BAF, which operate professional farming models and possess available land banks, allowing them to expand market share. The law's impact became evident when import demand for breeding pigs surged in January 2025, while a shortage of piglets pushed prices up to VND 2 million/head in February 2025.
- Stable growth in pork consumption. According to the latest USDA data, Vietnam ranked 4th globally in pork consumption, with per capita pork consumption estimated at 37 kg/person in 2024 and a CAGR of 3.8% during 2024–2026. Total pork consumption in Vietnam is projected to reach 3.9 million tons in 2025 (+3.3% yoy), and 4.7 million tons by 2030, implying an average growth rate of 3.1% per year.

Figure 18: Forecast for live pig prices in 2025–2026. (VND/kg)



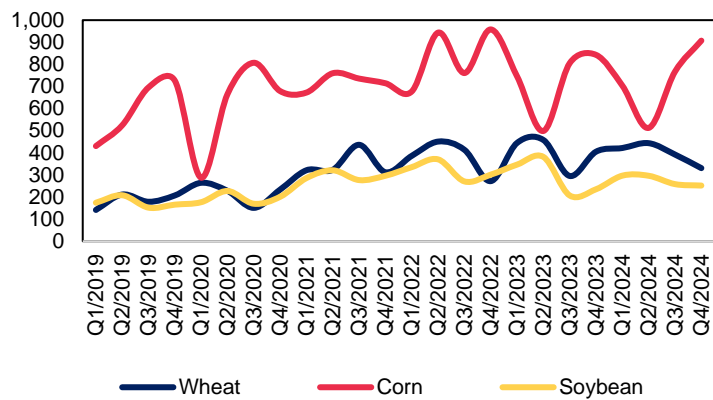
Source: MBS Research

Feed raw material prices may see a mild rebound

In 2024, prices of key animal feed ingredients declined by 10–15%, driven by weaker demand and unfavorable weather conditions. Specifically: Corn prices dropped by 15.7%, Soybean prices fell by 18%, Wheat prices declined by 21%. This provided significant relief for livestock companies in terms of input costs. We forecast that feed ingredient prices may rebound slightly in 2025–2026, increasing around 5% YoY, primarily due to rising demand for animal feed. According to the World Meteorological Organization (WMO), La Niña conditions could emerge between February and April 2025, potentially disrupting crop yields in Brazil and Argentina—two of the world's major grain exporters.

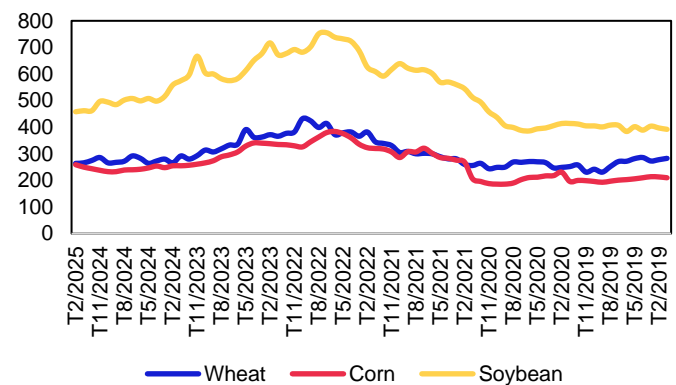
Additionally, global corn prices may rise in 2025 as demand recovers, particularly from China.

Figure 19: Total import value of animal feed ingredients in Vietnam during 2019-2024 (million USD)



Source: GSO, MBS Research

Figure 20: Animal feed ingredient prices (USD/ton)

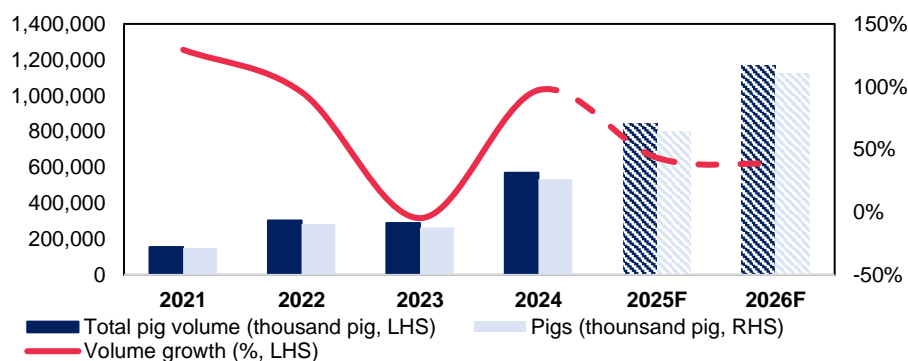


Source: GSO, MBS Research

Aggressive Expansion Remains the Key Growth Driver for BAF in 2025–2026

BAF owned 36 farms and plans to bring an additional 14 farms into operation in 2025. Since December 2024, the company has conducted M&A activities involving 13 livestock companies through equity acquisitions. These companies possess existing land banks and farming infrastructure and are in the process of completing legal procedures to begin operations. In September 2024, BAF entered a strategic partnership with Muyuan Foods—China's largest livestock group—with a focus on constructing multi-storey pig farms and biotechnology transfer. As of year-end 2024, BAF recorded a total herd size of approximately 800,000 finishing pigs and 75,000 sows. The 13 new farms are expected to house 63,000 sows and 500,000 finishing pigs and are scheduled to commence operations by March 2025. In addition, BAF is finalizing legal documents for the development of vertical pig farms. According to company estimates, a 6-storey pig farm, with an annual capacity of 4,000 sows and 100,000 finishing pigs, could reduce labor costs by up to 27%. Given the rapid expansion in farm capacity, BAF's pig sales volume is projected to grow by 48% and 38% in 2025 and 2026, respectively.

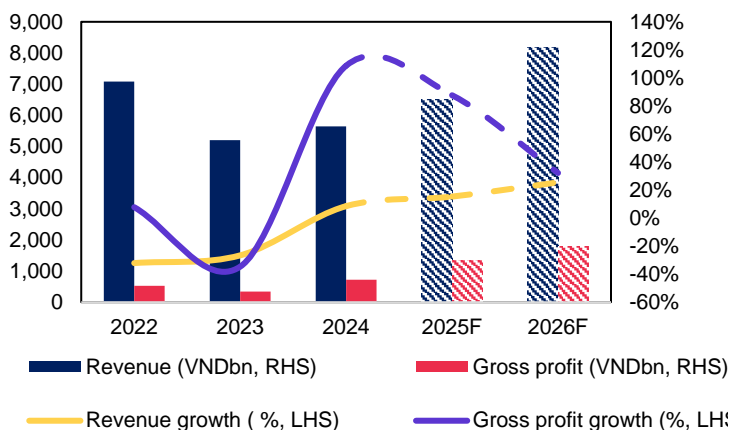
Figure 21: Projected growth of livestock production volume and revenue in 2025–2026.



Source: BAF, MBS Research

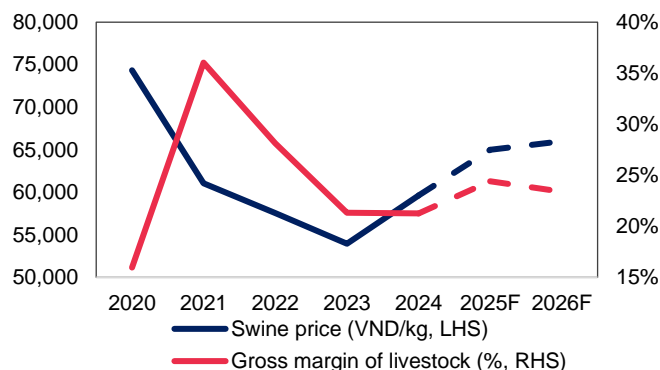
We expect BAF's livestock revenue in 2025–2026 to reach VND 6,506 billion, representing a 15.3% YoY increase, driven by the following factors: Pig output is projected to grow by 43% in 2025, supported by aggressive farm expansion and a tightened supply environment stemming from disease outbreaks and a structural shift in the livestock industry away from smallholders. Average swine prices are expected to rise 10% YoY compared to 2024, as consumer demand remains on a stable growth trajectory.

Figure 21: Revenue growth and gross profit growth of BAF's livestock segment and projections for 2025–2026 (billion VND)



Source: BAF, MBS Research

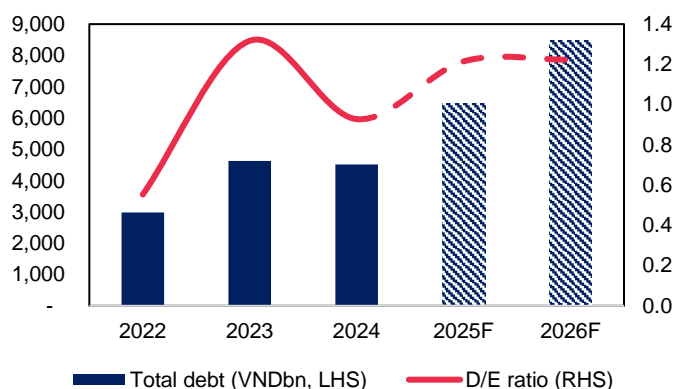
Figure 22: Pork price and gross profit margin of BAF's livestock segment (VND/kg)



Source: BAF, MBS Research

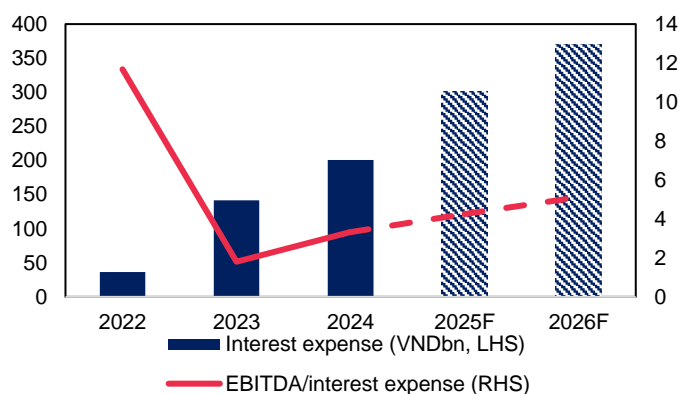
BAF plans to allocate VND 3,000 billion in capital expenditure in 2025, funded 70% by debt and 30% by equity. The projected debt-to-equity ratio (D/E) for 2025–2026 is 1.2, indicating that BAF is leveraging debt to drive its aggressive expansion strategy. Although the current ratio (short-term assets/short-term liabilities) is expected to decline compared to 2024, it remains at a safe level, indicating BAF's continued ability to meet its short-term obligations during 2025–2026. To support its farm expansion plan, long-term debt is expected to increase by 31% YoY in 2025. However, the EBITDA-to-interest coverage ratio is projected to remain healthy at 4x, thanks to a significant increase in EBITDA during the period. On March 25, 2025, BAF successfully completed a private placement of 65 million shares at VND 15,500/share, raising a total of VND 1,008 billion in equity capital.

Figure 23: Total liabilities and D/E ratio



Source: BAF, MBS Research

Figure 24: Interest expenses and EBITDA/interest expenses ratio



Source: BAF, MBS Research

2025-2026 Business results forecast

Figure 25: BAF's earnings forecast in 25-26

VNDbn	2024	2025F	%svck	2026F	%svck	Comments
Net revenue	5,641	6,506	15.3%	8,162	25.5%	
<i>Agriculture</i>	2,313	1,104	-52.3%	638	-42.3%	
<i>Livestock</i>	3,241	5,401	66.7%	7,525	39.3%	We expect BAF to be able to achieve their 2025 production plan, with sales volume increasing by 43% in 2025 and by 38% in 2026. The average swine price during the 2025–2026 period is projected to increase by 10%.
Gross profit	716	1,344	87.6%	1,776	32.2%	
Gross margin	13%	20.7%	+7.7dpt	21.8%	+1.1dpt	
<i>Agriculture</i>	2.1%	2.0%	-0.1dpt	2.0%	0.0dpt	BAF is gradually reducing its agricultural trading segment to increase the proportion of livestock farming, as the gross profit margin of agricultural trading is not high despite its significant contribution to total revenue.
<i>Livestock</i>	21%	24.5%	+3.5dpt	23.4%	-1.1dpt	The pig sales volume in 2025 is expected to increase by 43%, and the selling price of pigs is projected to rise by 10%, resulting in a higher gross margin. In 2026, as the pig herd grows at a slower pace and pig prices stabilize, the gross margin is expected to slightly decrease
Sale expense	77	144	88.4%	200	38.5%	Selling expenses increase due to the expansion of distribution channels
G&A expense	137	169	22.8%	225	33.2%	
%SG&A expense/revenue	3.9%	4.8%	+0.9dpt	5.2%	+0.4dpt	
Financial revenue	22	13	-41.8%	10	-26.3%	
Financial expense	222	300	35.1%	332	10.8%	
Profit before tax	406	741	82.4%	1,026	38.5%	
Tax	-144	-56	-61.4%	-77	38.5%	
Net profit	317	685	116.2%	949	38.5%	We forecast strong profit growth in the 2025-26 period due to (1) increased sales volume from expanding livestock scale and (2) the price of pigs in 2025-26 at 65,000 VND/kg, a 10% increase compared to 2024.

Source: MSB's projection

Financial statements

Income statement	31/12/23	31/12/24	31/12/25	31/12/26	Cash flow statement	31/12/23	31/12/24	31/12/25	31/12/26
Net revenue	5,199	5,641	6,506	8,162	Pre-tax profit	25	406	736	1,019
Cost of sales	(4,856)	(4,924)	(5,162)	(6,386)	Depreciation & amortization	105	165	249	543
Gross profit	343	716	1,344	1,776	Tax paid	(58)	(25)	(56)	(77)
Gen & admin expenses	(100)	(137)	(169)	(225)	Other adjustments	109	104	-	-
Selling expenses	(93)	(77)	(144)	(200)	Change in working capital	(600)	(942)	(275)	859
Operating profit	151	502	1,031	1,351	Cash flow from operations	(420)	(292)	655	2,344
Operating EBITDA	255	668	1,280	1,894	Capex	(1,012)	(798)	(2,940)	(2,787)
EBIT	151	502	1,031	1,351	Proceeds from assets sales	(200)	203	44	127
Interest income	21	14	11	7	Cash flow from investing activities	(1,155)	(574)	(2,896)	(2,660)
Financial expense	(155)	(222)	(300)	(332)	New share issuance	138	711	1,008	-
Net other income	8	112	-	-	Net borrowings	1,381	215	1,300	365
Income from associates	-	1	2	3	-	(4)	-	-	-
Pre-tax profit	25	406	741	1,026	Other financing cash flow				
Tax expense	6	(87)	(56)	(77)	Dividends paid	-	(2)	-	-
NPAT	30	319	685	949	Cash flow from financing activities	1,519	919	2,307	365
Minority interest	4	2	-	-		151	95	149	214
Net profit	26	317	685	949	Cash and equivalents at beginning of period				
					Total cash generated	(56)	54	65	49
					Cash and equivalents at the end of period	95	149	214	263
Balance sheet	31/12/23	31/12/24	31/12/25	31/12/26	Financial ratios	31/12/23	31/12/24	31/12/25	31/12/26
Cash and equivalents	95	149	214	263	Net revenue growth	-26.6%	8.5%	15.3%	25.5%
Short term investments	327	291	260	245	EBITDA growth	-39.9%	161.7%	91.7%	48.0%
Accounts receivables	890	189	205	257	EBIT growth	-58.8%	233.8%	105.2%	31.1%
Inventories	1,593	2,156	2,407	2,513	Pre-tax profit growth	-92.8%	1556.8%	82.4%	38.5%
Total current assets	3,148	3,081	3,422	3,642	Net profit growth	-90.8%	1102.1%	116.2%	38.5%
Tangible fixed assets	1,430	2,370	5,061	7,305	EPS growth	-90.8%	621.8%	90.3%	23.7%
Construction in progress	902	892	976	1,143	Gross profit margin	6.6%	12.7%	20.7%	21.8%
Property Investment	-	-	(0)	(1)	EBITDA margin	1.2%	7.8%	12.2%	10.0%
Investments in subsidiaries	-	-	-	-	Net profit margin	0.5%	5.6%	10.5%	11.6%
Investments in associates	-	-	-	-	ROAE	1.5%	13.9%	18.9%	19.9%
Other long-term assets	866	1,082	1,311	1,808	ROAA	0.5%	4.5%	7.5%	7.6%
Total long-term assets	3,386	4,368	7,534	10,418	ROIC	0.7%	6.5%	8.7%	10.7%
Total assets	6,534	7,449	10,956	14,060	Asset turnover ratio	0.9	0.8	0.7	0.7
Short-term borrowings	704	1,139	1,236	1,469	Dividend payout ratio	0.0%	0.7%	0.0%	0.0%
Trade accounts payable	2,188	1,771	1,789	2,773	D/E	105.7%	75.5%	76.0%	74.5%
Other payables	33	64	59	82	Net debt to total equity	100.3%	70.1%	70.2%	69.3%
Total current liabilities	3,011	3,065	3,216	4,494	Net debt to asset	27.0%	26.2%	29.1%	24.9%
Long-term borrowings	1,156	965	2,168	2,300	Interest coverage ratio	1.1	2.5	3.4	4.1
Other long-term payables	458	483	558	699	Days account receivable	62.5	12.2	11.5	11.5
Total long-term liabilities	1,763	1,596	3,263	4,504	Days inventory	119.7	159.8	170.2	143..6
Total liabilities	4,774	4,661	6,479	8,999	Days account payable	164.4	131.3	126.5	158.5
Common shares	1,435	2,390	3,040	3,040	Current ratio	1.0	1.0	1.1	0.8
Share premium	-	-	358	-	Quick ratio	0.5	0.3	0.3	0.3
Treasury shares	-	-	-	-	Cash ratio	0.1	0.1	0.1	0.1
Undistributed earnings	325	398	1,079	2,021	Định giá				
Investment and development	-	-	-	-	EPS	184	1,326	2,525	3,122
Shareholders' equity	1,760	2,788	4,477	5,061	BVPS	12,264	11,666	14,725	16,648
Minority interest	-	-	-	-	P/E	163.8	22.7	11.9	9.6
Total shareholders' equity	1,760	2,788	4,477	5,061	P/B	2.5	2.6	2.0	1.8
Total liabilities & equity	6,534	7,449	10,956	14,060					

Source: BAF, MBS's projection

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MBS RECOMMENDATION FRAMEWORK

Stock Ratings

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.

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

Sector Ratings

POSITIVE - Stocks in the segment have, on a market cap-weighted basis, a positive absolute recommendation

NEUTRAL - Stocks in the segment have, on a market cap-weighted basis, a neutral absolute recommendation

NEGATIVE - Stocks in the segment have, on a market cap-weighted basis, a negative absolute recommendation

ABOUT MBS

Founded in May 2000 by the Military Commercial Joint Stock Bank (MB), MB Securities Joint Stock Company (MBS) is one of the first six securities companies in Vietnam. After years of development, MBS has grown into one of the premier brokerage houses in the country. In two consecutive years between 2009 and 2010, MBS leads the brokerage house in terms of market share on both Hanoi Stock Exchange (HNX) and HCMC Stock Exchange (HOSE) and continuously ranked among the Top 5 of market share at both stock exchanges.

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