Amended PDP8: Accelerating renewable energy expansion

- On February 19, 2025, the appraisal council unanimously approved the "Proposal for Power Development Plan 8 Amended,".
- Under higher power demand growth scenario, the renewable energy (RE) sector continuing to be strongly promoted.
- The RE segment, including construction and consulting contractors **(PC1, TV2)** along with prominent developers **(HDG, REE, GEG)** poised to benefit.

The MOIT has introduced more ambitious scenarios for electricity demand growth, reflecting the government's strong commitment to GDP expansion.

On February 19, 2025, the appraisal council officially approved the "Proposal for Amended PDP8." Based on this, the MOIT will update and complete the required procedures to ensure timely submission to the Prime Minister for approval. Under the base-case scenario, power consumption will grow at an average annual rate of 10.3% over 2025-30. In the high scenario, this rate is expected to rise to 12.5%. Notably, the Amended PDP8 introduces an additional ultra-high economic growth scenario, projecting electricity consumption growth of up to 12.8%. We see the strong electricity demand growth will be a crucial factor underpinning the medium-term outlook for the power sector, especially given the current delays in power generation expansion compared to the original PDP8 timeline.

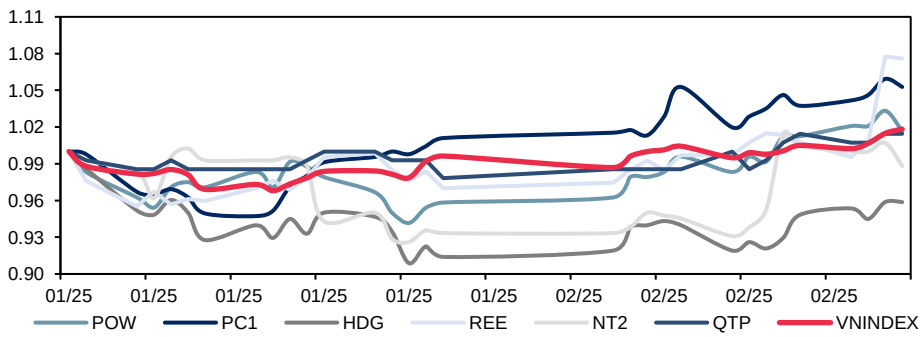
In terms of capacity structure, the continued expansion of RE power and the reintroduction of nuclear power are key highlights

There has been a substantial downward revision of approximately 13,500MW in gas-fired power and 6,000MW in offshore wind power, with these projects being postponed until after 2030 due to delays, caused by regulatory and financing challenges. To compensate for the capacity shortfall, the Amended PDP8 proposes an increase of 3,949-5,321MW in onshore wind power and a significant expansion of 25,867-52,825MW in solar power, primarily to facilitate DPPA. Additionally, there is a proposed increase in flexible power sources, small hydropower, battery storage, and biomass energy. With positive policy signals for the RE sector, including guidelines for DPPA, preliminary pricing frameworks, and auction mechanisms draft, we see RE market to experience a revival starting in 2025. Notably, the Amended PDP8 marks the restart of nuclear power development, adding 6,400MW with a target completion timeframe between 2030 and 2031.

Within the adjustment noted in the Amended PDP8 ,renewable energy enterprises are expected to be the most significant beneficiaries.

We believe that companies in the RE sector, including construction and consulting contractors such as **PC1, TV1, and TV2**, will benefit early from a surge in project volumes. Meanwhile, leading RE developers such as **REE, HDG, and GEG** are set to accelerate their capacity expansion ambitions, driven by supportive policies and regulatory directives that are being implemented in 2025.

Figure 1: Price performance among MBS's power coverage versus VNI-Index in 2025



Sources: FiinproX, MBS Research

Manager

Dung Nguyen Tien

Dung1.NguyenTien@mbs.com.vn

Analyst

Tung Nguyen

Tung.NguyenHaDuc@mbs.com.vn

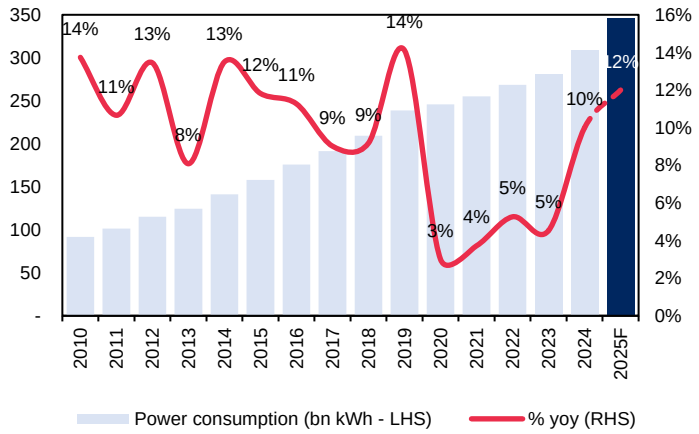
Amended PDP8: Accelerating renewable energy expansion

Current power supply status and implementation of PDP8

Electricity demand growth is rebounding strongly

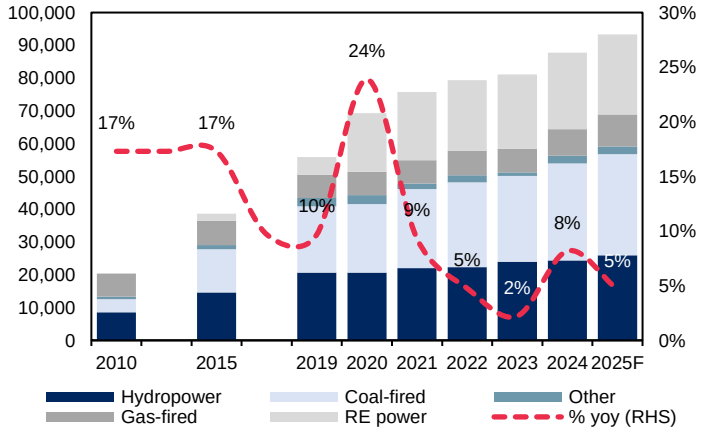
Since 2016, Vietnam's total electricity consumption has consistently remained high, averaging around 8% annual growth over 2016-20 and 7.2% from 2021 to 2024. The slowdown in recent years has primarily been attributed to the Covid-19 pandemic, followed by the global economic downturn, which also affected Vietnam. We have observed a clear recovery trend starting in 2024 as the Vietnamese economy enters a revitalization phase. On the power supply side, despite Vietnam's total power generation capacity nearly doubling since 2016 to approximately 75GW (excluding rooftop solar), this expansion has largely been driven by the rapid rise of unstable sources such as RE. As a result, despite the capacity surge, the reserve margin of power capacity has been declining. Moreover, when zooming in three-year period from 2021 to 2024, the growth rate of new power sources has slowed significantly. We believe that the task of expanding power generation remains a pressing issue, especially as electricity demand is projected to grow by approximately 12% from 2025 to support the government's commitment to economic growth. At the same time, the risk of power shortages during peak months remains a significant concern.

Figure 2: 2012-23 demand growth remained relatively low due to the Covid-19 pandemic and the global economic downturn. However, there was a strong rebound in 2024 as the economy recovered.



Sources: MOIT, MBS Research

Figure 3: Capacity growth since 2021 has lagged behind demand, leading to a decline in the reserve capacity ratio, occurring in the context of rising RE in the overall power mix (Unit: MW)



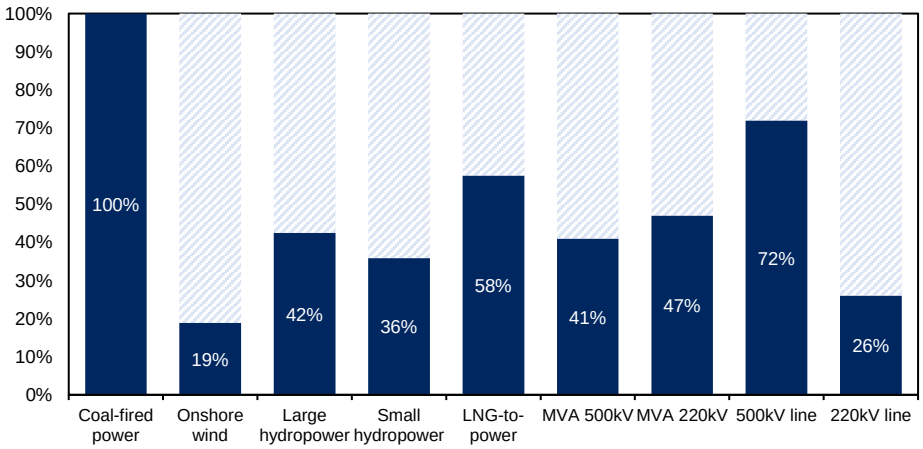
Sources: EVN, MOIT, MBS Research

Implementation progress of PDP8 over 2021-25 is slower than expected

Regarding the implementation of the assigned tasks under PDP8 for the 2021-25 period, apart from coal-fired power—which has achieved 100% of the planned capacity addition (due to the completion of Van Phong 1 in 2024)—other power sources have shown relatively low completion rates compared to projections in the execution plan of PDP8. LNG projects scheduled for operation by 2025 are still under construction, including Nhon Trach 3&4 (1,624 MW) and the first phase of Hiep Phuoc LNG (1,200 MW).

The expansion of the transmission grid in recent years has also been limited due to various challenges encountered during project execution. These include legal and regulatory hurdles, land clearance and compensation difficulties, as well as rising material costs.

Figure 4: The overall progress of PDP8 for the 2021-25 period has been slow, with particularly low completion rates in wind and hydropower projects.

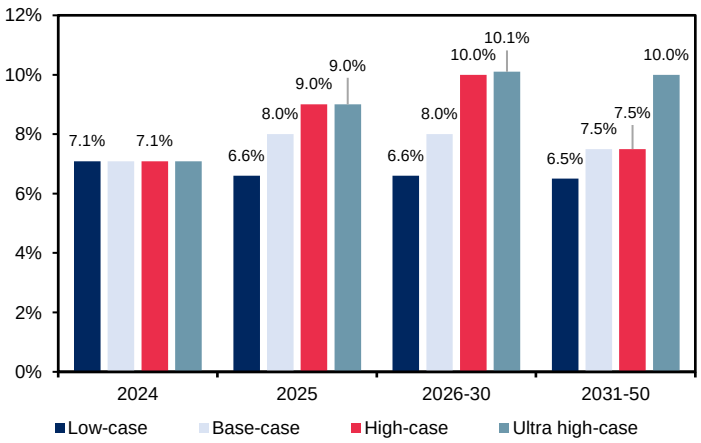


Sources: PDP8, MBS Research

New scenarios for capacity development show significant changes compared to the intitial PDP8, with a stronger focus on renewable energy

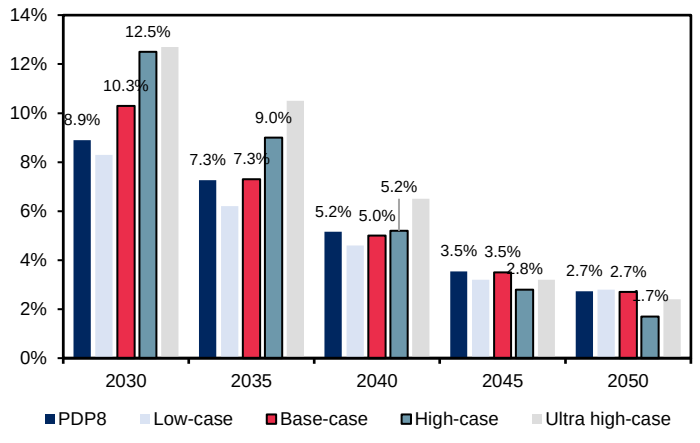
On February 19, 2025, the appraisal council unanimously approved the "Proposal for Adjustments to Power Development Plan 8." Based on this approval, the Ministry of Industry and Trade will update, finalize the necessary documentation and procedures in accordance with regulations, and submit it to the Prime Minister for review and approval. The research council has conducted calculations and revisions, introducing scenarios corresponding to different GDP growth projections, including the addition of an ultra-high growth scenario. From an operational planning perspective, to balance energy security with the financial burden of power investments, the base-case and high-growth scenarios are typically the primary focus of the plan. Meanwhile, the low-growth and ultra-high growth scenarios are considered less likely to occur.

Figure 5: The Ministry of Industry and Trade has outlined economic growth scenarios for the period through 2050…



Sources: MOIT, MBS Research

Figure 6:…Correspondingly, demand scenarios have been developed, with the two key option—base-case and high-growth—both projecting an annual growth rate of over 10% for 2025-30 period.



Sources: MOIT, MBS Research

In the base-case scenario, power consumption forecasts remain largely in line with the initial plan of PDP8. However, there is a slight shift in demand distribution, with a higher proportion of electricity consumption expected in the Northern region. In the high-growth scenario, assuming GDP grows at 10%

annually from 2026 to 2030, electricity demand is projected to increase at an average annual rate of 12.5%. This would result in approximately 53 billion kWh of additional electricity demand compared to PDP8. For the ultra-high growth scenario, GDP is assumed to grow at 10.1% annually until 2030 and continue expanding at a double-digit rate of around 10% per year through 2050. Under this scenario, electricity consumption is projected to be approximately 430 billion kWh higher than the original PDP8, according to the Institute of Energy.

Under each economic growth scenario, the Amended PDP8 proposes corresponding power generation development strategies. The plan has incorporated the latest updates on various critical factors, including: the status of power source development post-PDP8, implementation progress and potential of different energy sources, updated investment and operating costs, as well as environmental impact assessments and net-zero commitments. We summarize the calculations for the two most crucial scenarios—the base-case and high-growth scenarios—recently approved in the revised version:

Figure 7: New scenarios for 2025-2030 prioritize RE power, particularly solar power, while gas-fired power development faces significant delays

Unit: MW	PDP8 plan	Amended PDP8: Base case	(+/-) versus PDP8	Amended PDP8: High case	(+/-) versus PDP8	Comment
Coal-fired power	30,199	31,055	856	31,055	856	The coal power development capacity remains unchanged, with adjustments reflecting actual plant capacity updates
Solar power (farm & rooftop)	20,591	46,459	25,868	73,416	52,825	Solar power capacity expansion has been reinforced, with strong policy signals supporting DPPA mechanism. According to assessments from the Institute of Energy, large electricity consumers—those using over 1 million kWh/year—currently account for approximately 25% of total national consumption, with more than 1,500 customers meeting this criterion. Assuming that 50% of these large consumers participate in DPPA, it would represent about 30% of total renewable energy capacity.
Onshore wind power	21,888	27,791	5,903	28,058	6,170	To offset the significant reduction in gas-fired power and offshore wind projects, additional renewable energy capacity must be integrated into both planning scenarios to compensate for the shortfall. Wind power will continue to be a key component, projected to account for 15% of total generation capacity.
Hydropower	29,346	33,294	3,948	34,667	5,321	A review of Vietnam's small hydropower potential indicates an additional 3,900MW capacity beyond the initial PDP8 estimates. Meanwhile, for medium and large-scale hydropower, existing plants could be expanded by approximately 4,250MW.
Flexible power sources	300	2,000	1,700	3,000	2,700	Given the increasing share of RE, stable and flexible power sources are becoming increasingly critical. The pumped-storage hydropower projects Bac Ai and Phuoc Hoa (1,200MW), are expected to be operational before 2030. Bac Ai is currently in the contractor selection phase and remains on schedule, whereas Phuoc Hoa is still in the FS submission stage. However, these projects face high investment costs and lack clear pricing mechanisms, making their economic feasibility uncertain. Regarding BESS, deployment times are relatively short, requiring only a few months for installation. However, high investment costs remain a significant barrier to widespread adoption.
Battery Energy Storage	2,700	12,394	9,694	22,271	19,571	
Biomass and other RE power	2,270	2,979	709	4,881	2,611	
Import	5,000	9,360	4,360	9,360	4,360	To compensate for the delays in gas-fired and offshore wind power projects, Vietnam is set to increase electricity imports from Laos and China.
Domestic gas-fired power	10,861	10,861	-	10,861	-	
LNG-to-power	22,400	8,824	(13,576)	8,824	(13,576)	Only six gas-fired power projects of 8.8GW have been put into operation, 13.5GW lower than the original plan. These include Nhon Trach 3 & 4, Hiep Phuoc Phase 1, Quang Trach II, Quang Ninh, Hai Lang, and Thai Binh. Most of other projects are facing challenges in PPA negotiations and financing, pushing their commissioning dates beyond 2030.
Offshore wind power	6,000	-	(6,000)	-	(6,000)	The commissioning timeline for 6GW of offshore wind power has been postponed to beyond 2030 due to delays in project implementation.
Total capacity	**155,644**	**183,291**	**27,647**	**236,363**	**80,719**	
Nuclear power (after 2030)	-	6,000	6,000	6,400	6,400	Government officially relaunched nuclear power development program, assigning EVN and PVN to lead the investment of two plants, Ninh Thuan 1&2 (4,400MW). The government has committed to completing these plants within the 2030-31 period.

Sources: MOIT, MBS Research

MBS summary and assessment

The Amended PDP8 has introduced new projections for Vietnam's electricity consumption growth, forecasting an average annual increase of 10.3% under

the base-case scenario and 12.5% under the high-growth scenario through 2030. We believe this will be a key driver shaping the overall outlook of the power sector from 2025 onward, facilitating capital mobilization for all power sources, particularly thermal power. Regarding capacity development, over 2025-30, major adjustments will be made to the power generation mix, primarily delaying the development of 13.5GW of gas-fired power and 6GW of offshore wind power until after 2030. To compensate for these delays, there will be substantial increases in renewable energy capacity, as well as in pumped-storage hydropower and battery storage systems. In light of these adjustments, we provide the following assessment of listed power companies:

Figure 8: Within the framework of these revisions, we believe that key renewable energy players such as REE, HDG, GEG, along with construction and design consulting firms like PC1, TV2, and TV1, stand to benefit the most.

Power sources	Degree of benefit	Comment
Wind power	↑	We believe that the leading listed wind power companies will benefit from the opportunity to add more projects to the power development plan. With the significant task of wind power development from now until 2030, we anticipate the introduction of attractive investment mechanisms and an improved regulatory environment to encourage further market participation. In 2025, several expected policy frameworks, such as pricing guidelines for wind power and auction mechanisms for energy projects, will provide a foundation for investors to execute new projects. For this thesis, we highlight **REE, HDG, and GEG** as key beneficiaries. At an earlier stage, the expansion of wind power presents a significant opportunity for major construction and design consulting contractors, including **PC1, TV2, and TV1**.
Solar power	↑	Solar power is strongly promoted under the adjusted PDP8, and we believe that the DPPA will serve as a key enabler to accelerate solar power development. With the rising demand for "clean energy," aligning with global sustainability trends, this presents an opportunity for investors to reinvigorate the development of solar energy, especially as investment costs for solar projects continue to decline. The DPPA mechanism was issued in mid-2024, followed by a regulatory circular in December 2024 outlining participation guidelines. Based on MBS's observations, two listed companies—REE and TV2—have demonstrated interest in this mechanism. TV2 has signed MOUs with multiple customers for direct power supply through DPPA. Meanwhile, REE, with its extensive hydropower portfolio, has submitted proposals to include floating solar projects in the power development plan. Given the relatively low solar power purchase prices offered by EVN, we see DPPA as the preferred mechanism that will drive further investment in this sector. Based on this analysis, we continue to favor leading renewable energy companies such as **TV2, REE, HDG, and GEG.**
Gas-fired power	–	Regarding the gas power sector, the postponement of multiple projects beyond 2030 has had only a minor impact on the overall industry outlook, primarily by delaying the pressure to meet completion deadlines. For specific listed companies such as POW, key projects—including LNG Nhon Trach 3&4 (1,624MW) and LNG Quang Ninh (1,200MW)—are still on track for completion before 2030.
Nuclear power	↑	As PVN and EVN have been assigned to lead the development of Ninh Thuan 1&2 nuclear power plants, we see potential opportunities for companies specializing in research, consulting, and feasibility studies, particularly TV1 and TV2. These two companies, as subsidiaries of EVN, already possess a skilled workforce trained in nuclear energy. However, at this stage, we have not yet been able to quantify the specific workload or revenue potential from these projects.

Sources: MBS Research

Investment strategy among MBS's Power coverage

Company	Rcm.	Target price (VND/share)	Investment thesis
PC1	ADD (+22%)	29,200	• PC1 is a top-tier power construction contractor with a proven track record in delivering nationally significant projects. We maintain a positive outlook for this segment from 2025 onwards, supported by: 1) Pending renewable energy policies such as DPPA mechanisms and pricing frameworks, which will foster further investment in power plants.; 2) Consistent transmission grid expansion workload, with an average investment of USD1.6bn per year under PDP8; 3) International market expansion, exemplified by the successful EPC contract for a 58MW wind power plant in the Philippines (~VND1,200bn), reinforcing PC1's capabilities in securing high-value contracts. • PC1 aims to increase its total power generation capacity, focusing on hydropower and wind energy. The company plans to commission two new small hydropower plants—Bảo Lạc A (30MW) and Thượng Hà (13MW)—between 2026-2027. For wind power PC1 is actively considering new wind power projects in Quang Tri, the company has proven its strong capability in term of project implementation as one of a few to secure financing from ADB at preferential interest rates (5-6% per annum), providing a competitive advantage in future project execution. • 2025-26 PC1's EPS robust growth of 44% CAGR will be driven by real estate segment. Particularly, the recent successful auction of Thap Vang and the ongoing legal processes for PC1 Gia Lam and Dinh Cong indicate a solid foundation for revenue generation in the residential sector over 2025-27. Moreover, PC1 is making gradual strides into the IPs market through its investment in joint venture with ongoing projects like Western Pacific, as well as independently developing NHIZ IP Phase 2. We believe this to position them well for sustained profit growth through 2028.
POW	ADD (+22%)	14,900	• POW stands to gain significantly from the Vietnamese government's long-term strategy to develop LNG-based power until 2035. particularly through major LNG power projects listed as national priorities, including Nhon Trach 3&4 (1,600MW – 2024-25) and Quang Ninh LNG (1,500MW – 2029-30).

			• Mid-term revenue growth driven by Nhon Trach 3&4: Operations for Nhon Trach 3&4 are scheduled to commence in 2025. The recent signing of the Power Purchase Agreement (PPA) in October 2024 marked a major milestone following decisive actions to resolve pricing mechanism issues, land clearance, and financing. We expect Nhon Trach 3&4 to drive POW's growth from 2026-27. • Improving utilization rates across power plants to support net profit growth of 25% CAGR over 2025-26 thanks to: 1) Strong power consumption growth is anticipated amidst recovering industrial demand; 2) EVN's improved financial position, following an electricity price rise, is expected to facilitate a higher mobilization level for gas-fired power. • Attractive valuation: The current price level corresponds to a P/B of 0.8x, well below the industry average (~1.5x). POW's valuation is appealing, presenting a compelling opportunity for long-term investment, given its expected business recovery and potential capacity growth from 2025-30.
NT2	ADD (+18%)	23,900	• Output is expected to recover from the low base of 2023-24, supported by national demand growth of 11-13% in 2025 and 9.1% CAGR during 2026-30, as projected in PDP8. This is particularly critical as power supply growth lags behind demand growth. Additionally, the improved transmission capacity from South to North following the operation of the 500kV Circuit 3 will mitigate oversupply issues in the southern region. • From 2025, NT2 is anticipated to receive priority gas allocation due to its existing gas off-take agreement with GAS, whereas competitors such as Phu My 2.2 and Phu My 3 will lose priority upon the expiration of their BOT contracts in 2024-25. Furthermore, an improved dispatch environment is expected as EVN's financial position strengthens with successive electricity price hikes. • Earnings inflection point: NT2 is forecast to achieve a turning point in profitability from 2025, with net profit CAGR of 35% over 2024-26, driven by a high likelihood of business recovery. The stock is well-suited for a defensive sector investment strategy, offering an attractive average dividend yield of 7% at the current price.
HDG	ADD (+20%)	33,600	• Leading power company, with proven capability in implementing and operating projects with low investment cost, averaging VND25bn/MW across total portfolio of 461MW. Looking ahead 2025-30, HDG set ambitious plans to double current power capacity, in which some of the outstanding projects include hydropower Son Linh (15MW), Son Nham (9MW), as well as wind power Phuoc Huu (50MW), Binh Gia (80MW). • 2025-26 robust NP growth of 25% CAGR mainly driven by Charm Villa Phase 3 (~130 units). Specifically, HDG has high chance to benefit from the issuance of the pilot implementation of commercial housing projects on non-residential land, which untie the biggest knot among the company prolonged delayed projects in term of convert land-used purpose. However, developer have to wait until April 1, 2025 when the policy officially takes effect. Until then, Government need to issue a guideline for the implementation of the new policy as well as a specific list of projects to be pilot. • Robust financial health enable HDG to withstand market difficulties. The company bears minimal pressure from interest expenses due to owning effectively operating projects, and its proactive approach in negotiating new loans with lower interest rate, especially for their hydropower plants.
QTP	ADD (+21%)	16,100	• In 2025, coal-fired power plants, particularly those in Northern Vietnam, are expected to maintain high output levels. This trend will be driven by increased electricity demand during the summer months and persistent risks of power shortages amid less favorable hydropower conditions. • QTP may witness profit improvements as their plants become fully depreciated starting in 2025, with debt anticipated to be fully repaid by 2026. Additionally, input costs are expected to benefit from the declining trend in imported coal prices beginning in December 2024. • The company hold the potential to distribute higher dividends (9-10% dividend yield at current price) in the coming years as they transition into a phase of debt repayment completion and depreciation, alongside stable medium-term dispatch prospects.
REE	ADD (+9%)	75,300	• In the latter half of 2024, growth momentum is expected to stem from the property segment, driven by the phase 1 launch of the low-rise residential project The Light Square and the opening of E.Town 6, a new office building. • M&E activities to enjoy robust NP recovery of 25% CAGR from 2025-26, backed by substantial back-log new signed from the Long Thanh Terminal as well as the comeback of HCMC property market. • REE long-term growth trajectory is supported by planned investments, including the development of two RE projects: Tra Khuc 2 hydropower (30MW) and Duyen Hai wind power (48MW), both expected to commence operations in 2026. Furthermore, REE is pursuing the development of three additional wind power projects in Tra Vinh with a total capacity of 344MW, reinforcing its commitment to renewable energy expansion. • REE presents a compelling investment case within the defensive sector, thanks to its solid financial position, superior profitability, and an expected EPS CAGR of 15% over 2025-26.

Figure 9: Peer comparision

Company	Ticker	Price	Target price	Recom.	Mkt Cap	P/E (x)		P/BV (x)		ROA (%)		ROE (%)		EV/EBITDA (x)		D/E
	Bloomberg	LC$	LC$		US$m	TTM	2025	TTM	2025	TTM	2025	TTM	2025	TTM	2025	Current
Gas-fired power peer																
PVPower	POW VN	12,000	14,900	ADD	1,167.7	22.8	20.3	0.9	0.8	1.8	1.4	3.7	3.9	8.6	8.4	0.6
GENCO 3	PGV VN	19,900	NA	NR	852.4	na	1.5	1.2	1.1	(1.6)	na	(6.0)	na	7.8	5.9	2.1
Nhon Trach 2 JSC	NT2 VN	20,600	23,900	ADD	221.8	82.6	16.0	1.5	1.3	0.8	3.5	1.7	8.2	6.6	5.7	-
Average						*52.7*	*12.6*	*1.2*	*1.1*	*0.3*	*2.5*	*(0.2)*	*6.1*	*7.7*	*6.7*	*1.4*
Median						*52.7*	*16.0*	*1.2*	*1.1*	*0.8*	*2.5*	*1.7*	*6.1*	*7.8*	*5.9*	*1.4*
Coal-fired power peer																
HAI Phong Thermal Power JSC	HND VN	12,700	NA	NR	262.1	15.1	10.9	1.1	1.1	5.5	8.7	7.1	10.7	4.7	4.4	0.1
Quang Ninh Thermal Power JSC	QTP VN	13,900	16,100	ADD	260.7	9.7	8.9	1.2	1.1	8.9	11.2	12.2	14.7	4.3	4.2	0.1
Pha Lai Thermal Power JSC	PPC VN	11,050	NA	NR	145.3	8.9	Na	0.8	na	7.1	12.3	9.1	7.7	41.2	15.2	-
Average						*11.2*	*9.9*	*1.0*	*1.1*	*7.2*	*10.7*	*9.5*	*11.0*	*16.7*	*7.9*	*0.1*
Median						*9.7*	*9.9*	*1.1*	*1.1*	*7.1*	*11.2*	*9.1*	*10.7*	*4.7*	*4.4*	*0.1*
Hydropower peer																
Vinh Son - Song Hinh Hydropower	VSH VN	51,000	NA	NR	465.6	31.3	na	2.5	na	4.1	na	7.6	na	10.9	na	0.7
Hua Na Hydropower JSC	HNA VN	24,600	NA	NR	230.4	22.9	na	1.8	na	7.1	na	7.9	na	9.8	na	-
Central Hydropower JSC	CHP VN	35,300	NA	NR	194.0	15.9	na	2.7	na	11.1	na	16.8	na	8.8	na	0.4
Average						*23.4*	*na*	*2.3*	*na*	*7.4*	*na*	*10.8*	*na*	*9.8*	*na*	*0.4*
Median						*22.9*	*na*	*2.5*	*na*	*7.1*	*na*	*7.9*	*na*	*9.8*	*na*	*0.4*
RE power peer																
Gia Lai Electricity JSC	GEG VN	13,000	NA	NR	154.6	40.3	15.9	1.0	0.9	0.7	1.7	2.0	5.2	8.5	8.6	1.7
BGE	BGE VN	6,100	NA	NR	296.4	na	na	1.0	na	na	na	na	na	16.4	na	0.7
Multi-segment peer																
REE Corp	REE VN	72,000	75,300	ADD	1,251.2	17.0	12.4	1.8	1.3	5.6	6.7	9.4	10.5	9.3	8.5	0.6
Ha Do Group JSC	HDG VN	28,000	33,600	ADD	406.3	16.1	14.7	1.5	1.4	4.1	6.8	7.7	10.7	8.2	7.7	0.7
PC1 Group JSC	PC1 VN	23,850	29,200	ADD	322.1	20.4	13.7	1.5	1.2	2.4	3.4	8.0	10.6	7.7	7.0	1.6
Bamboo Capital Group JSC	BCG VN	6,180	NA	NR	222.0	13.5	na	0.5	na	0.9	na	2.0	na	22.3	na	0.6
Average						*16.8*	*13.6*	*1.3*	*1.3*	*3.3*	*5.6*	*6.8*	*10.6*	*11.9*	*7.7*	*0.9*
Median						*16.6*	*13.7*	*1.5*	*1.3*	*3.3*	*6.7*	*7.9*	*10.6*	*8.8*	*7.7*	*0.7*

Sources: Bloomberg, MBS Research

Figure 10: FY25-26F key financial metrics of stock under our coverage

Unit: VNDbn	PC1			POW			REE			HDG			NT2			QTP		
	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F
Revenue (VNDbn)	10,078	11,889	13,167	30,180	46,694	51,798	8,395	9,874	10,551	2,719	3,350	3,947	6,089	7,557	8,212	11,908	11,983	12,065
% growth	*29.6%*	*18.0%*	*10.8%*	*8.0%*	*54.7%*	*10.9%*	*-2.2%*	*17.6%*	*6.8%*	*-5.6%*	*23.2%*	*17.8%*	*-4.7%*	*24.1%*	*8.7%*	*-1.2%*	*0.6%*	*0.7%*
Gross profit	2,083	2,396	2,608	1,948	4,595	5,106	3,124	3,815	3,982	1,589	2,045	2,396	49	429	688	858	1,012	952
Gross margin (%)	*20.7%*	*20.2%*	*19.8%*	*6.5%*	*9.8%*	*9.9%*	*37.2%*	*38.6%*	*37.7%*	*58.4%*	*61.0%*	*60.7%*	*0.8%*	*5.7%*	*8.4%*	*7.2%*	*8.4%*	*7.9%*
EBITDA	2,380	2,582	2,740	3,891	6,898	7,257	3,692	4,483	4,654	1,706	2,080	2,432	676	872	738	1,305	1,496	1,436
EBITDA margin (%)	*23.6%*	*21.7%*	*20.8%*	*12.9%*	*14.8%*	*14.0%*	*44.0%*	*45.4%*	*44.1%*	*62.8%*	*62.1%*	*61.6%*	*11.1%*	*11.5%*	*9.0%*	*11.0%*	*12.5%*	*11.9%*
Net profit (VNDbn)	460	771	961	1,252	1,543	1,597	1,994	2,508	2,686	576	766	1,102	85	333	543	650	759	672
% growth	*228.9%*	*67.4%*	*24.7%*	*16.5%*	*23.2%*	*3.5%*	*-8.9%*	*25.8%*	*7.1%*	*-19.0%*	*32.9%*	*43.9%*	*-81.9%*	*289.1%*	*63.1%*	*6.2%*	*16.8%*	*-11.5%*
EPS (VND/share)	1,287	2,155	2,688	535	659	682	4,243	5,337	5,715	1,549	2,051	2,945	297	1,156	1,885	1,444	1,602	1,418
BVPS (VND/share)	18,388	20,319	22,579	14,777	16,635	17,801	44,738	50,140	56,086	18,627	21,274	24,902	14,402	14,085	15,021	11,302	11,493	11,492
Net cash/share (VND/share)	(20,927)	(19,481)	(16,805)	(2,982)	(9,977)	(7,523)	(7,875)	(5,431)	(247)	(11,296)	(10,122)	(8,083)	4,361	4,993	4,197	810	1,151	1,084
D/E (x)	1.7	1.8	1.6	0.7	0.8	0.8	0.6	0.5	0.5	0.8	0.7	0.5	1.3	1.3	1.2	0.4	0.0	0.0
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.4%	102.4%	202.4%	3.3%	3.3%	3.3%	7.9%	7.9%	7.9%	10.2%	10.0%	10.0%
ROAE (%)	7.0%	10.6%	11.9%	4.2%	4.8%	4.7%	9.5%	10.6%	10.2%	9.2%	10.7%	13.2%	2.1%	8.2%	12.5%	12.8%	14.7%	13.0%
ROAA (%)	2.2%	3.4%	3.8%	1.7%	1.8%	1.6%	5.6%	6.7%	6.8%	4.0%	4.9%	6.5%	1.0%	3.5%	5.7%	8.7%	11.2%	9.9%

Sources: MBS Research

DISCLAIMER

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.

Address:
MB Building, 21 Cat Linh, Dong Da Dist., Hanoi
Tel: + 8424 7304 5688 - Fax: +8424 3726 2601
Website: www.mbs.com.vn

MBS RESEARCH TEAM

Director, Head of Research
Hien Tran Thi Khanh

Deputy Head of Equity Research
Dzung Nguyen Tien

Macro & Market Strategy
Hung Ngo Quoc
Ha Anh Dinh
Cuong Phu Nghiem
Vo Duc Anh

Banking – Financial Services
Luyen Dinh Cong
Hao Nguyen Duc

Real Estate
Duc Nguyen Minh
Thanh Le Hai

Industrials – Energy
Tung Nguyen Ha Duc
Huyen Pham Thi Thanh

Consumer - Retail
Ly Nguyen Quynh