

Coteccons Construction JSC (HSX: CTD)

Strong construction performance along with residential property earnings in 2026–27

- During the 2026–27 period, CTD's backlog is forecast to grow 10%/9% yoy, thereby driving revenue to improve 13%/10% yoy.
- We expect 2026–27 net profit to rise by 61%/26% yoy, driven by recovery of gross margin and earnings from the real estate.
- We recommend **ADD** rating for CTD with a target price of VND 94,200/share.

The revenue is forecasted to grow 13%/10% YoY thanks to favorable backlog expansion

CTD's backlog are forecast to grow 10%/9% yoy in 2026–27, supported by key segments: residential, industrial and infrastructure. Specifically, thanks to real estate supply and “repeat sale”, the residential segment is expected to grow 11%/10% yoy. In term of industrial segment, with expectations from FDI inflows and CTD's competitive advantage in ESG standards, backlog could improve 10%/9% YoY. In addition, the infrastructure construction segment is expected to perform positively by favorable public investment disbursement, supporting backlog growth of 10%/15% YoY. Backlog expansion will serve as a key work pipeline for the company and positively impact revenue in 2026–27. Accordingly, we forecast revenue to grow 13%/10% YoY.

Net profit is forecast to grow 61%/26% in 2026–27 thanks to strong construction performance and earnings recognition of real estate segment

We estimate gross margin would rise by 0.3/0.2 % pts yoy thanks to (1) a favorable project pipeline amid the acceleration of real estate supply and (2) supply chain initiatives for raw materials that help mitigate input price pressures. In addition, the Emerald 68 project is expected to recognize profit from its joint venture (49% ownership), having launched sales in early 2025 and achieved an absorption rate of over 70%. With gross margin improvement and profit recognition from the real estate segment, net profit could reach VND 730 bn in 2026 and VND 921 bn in 2027, representing respective growth of 61%/26% YoY.

ADD recommendation with a target price of VND 94,200/share

We value CTD stock based on PB and FCFF valuation methods, arriving at a target price of VND 94,200/share. As a leading company in the industry, CTD stands to benefit from the construction market recovery, supported by the positive momentum of the real estate market. In addition, CTD's valuation remains attractive with a PB ratio of 0.8, lower than our expected level of 0.95x during the recovery phase of the construction market.

Financial indicators	2024	2025	2026	2027
Net revenue	21,045	24,867	28,125	30,850
Net profit	310	454	730	921
Net revenue growth	27.3%	18.2%	13.1%	9.7%
Net profit growth	64.9%	46.5%	60.7%	26.2%
Gross profit margin	3.4%	3.1%	3.4%	3.6%
EBITDA margin	0.8%	2.4%	2.3%	2.6%
ROAE	3.6%	5.1%	7.5%	8.8%
ROAA	1.4%	1.5%	2.4%	2.8%
EPS (VND/share)	3,320	4,474	7,191	9,075
BVPS (VND/share)	82,925	86,515	90,004	91,838

Source: CTD, MBS Research forecasts

ADD

Target price

94,200VND

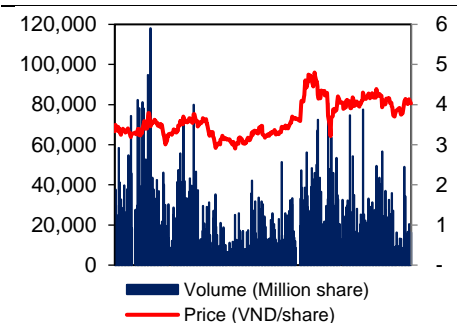
Upside potential

17.0%

Key changes in the report

N/A

Stock Information



Source: FiinproX, MBS Research

Market price (VND)	80,600
52-week high (VND)	95,000
52-week low (VND)	72,100
Market cap (VND bn)	8,300
P/E (TTM)	25.5
P/B	0.90
Dividend yield (%)	0
Foreign ownership (%)	42.9

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

Ownership structure (%)

Kustoshem Ltd	17.9
Thanh Cong Investment Ltd	14.4
Nguyen Ba Duong	4.1
Others	62.6

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

Research analyst



Le Hai Thanh

Thanh.LeHai@mbs.com.vn

Investment thesis and valuation

Investment thesis

We recommend ADD rating with a target price of VND 94,200/share for CTD, based on the following key points:

- As a leading company in the industry, CTD will strongly benefit from the construction sector recovery by key segments: residential, industrial, and infrastructure. Accordingly, revenue may grow 13%/10% yoy in 2026–27.
- Gross margin is expected to recover by 0.3/0.2 % pts yoy, supported by a more favorable project pipeline and the company's measures to mitigate the impact of rising raw material costs.
- Higher receivables quality allows the company to reduce provisioning expenses. The real estate market recovery is expected to help CTD avoid recognizing non-performing loans during 2026–27, thereby leading to a projected 30% reduction in SG&A expenses compared with the 2022–24 period.
- The current P/B valuation is lower than the sector average during the construction industry's recovery phase.

Valuation

- We apply two valuation methods, FCFF and P/B, to value CTD with a fair value of VND 94,200/share. We expect the company's net profit to grow strongly by 61%/26% YoY in 2026–27, supported by favorable backlog growth and profit recognition from the real estate segment.
- We apply a P/B multiple of 0.95x to value CTD. This P/B level is based on the company's 5-year average P/B plus one standard deviation (+1 std), reflecting the recovery cycle of the construction sector. During the recovery phase, the company is expected to be valued above the long-term average (estimated at around +1 standard deviation, accounting for 35% of the high-valuation phase in a sector cycle), supported by gross margin improvement and the absence of provisioning risks.

Figure 1: Valuation Summary

Methodology	Weighting	Price (VND)
FCFF	50%	94,900
P/B (Target P/B 2026 = 0.95) with target P/B = 5-year average P/B + 1 std	50%	93,600
Target price		94,200

Source: MBS Research

Figure 2: FCFF Forecast

	2026	2027	2028	2029	2030
Net profit	730	921	790	933	1,072
Non-cash expenses	(185)	(100)	(110)	(121)	(133)
After-tax interest expense	114	123	127	130	134
Capital expenditure	150	165	181	198	218
Working capital	148	216	235	223	220
FCFF	360	563	390	522	576

Figure 3: FCFF Valuation

(+) Present value of FCFF from 2026–2030	VND bn	1,975
(+) Present value of terminal value	VND bn	5,382
(+) Cash and cash equivalents	VND bn	5,532
(-) Borrowings	VND bn	3,076
Enterprise value	VND bn	9,623
Outstanding shares	mn shares	101.5
Share price	VND	94,900

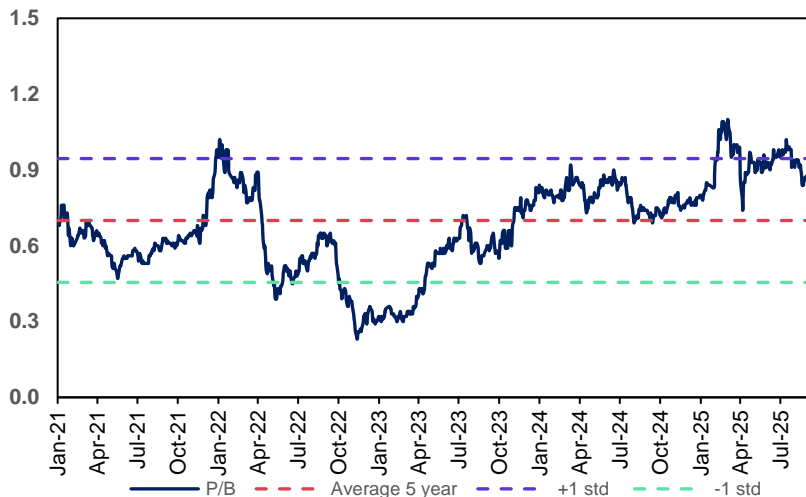
Cost of equity

Risk-free rate	3.0%
Beta	1.20
Risk premium	9.6%
Cost of equity	13.1%

WACC and long-term growth rate

Cost of equity	12.0%
Tax rate	20.0%
WACC	11.2%
Long-term growth	2%

Figure 4: CTD's P/B during the growth phase of the cycle



Source: FinproX, CTD, MBS Research

Investment Risks

- Real estate supply may not recover as expected.
- Risks from executing large-scale projects could increase non-performing loans, leading to higher G&A expenses.

Figure 5: Comparison of companies across sectors

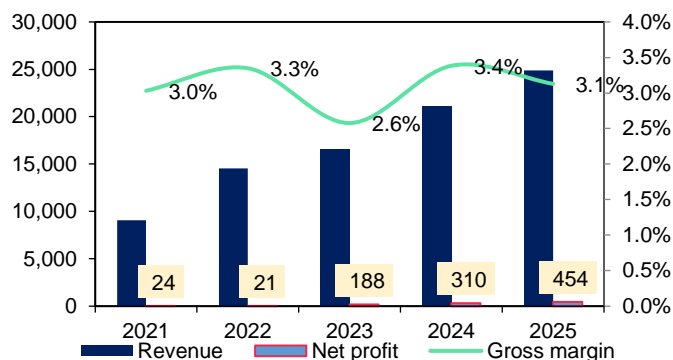
Company	Ticker	Current price	Target	Recommendation	Market Cap.	P/E (x)		P/B (x)		ROA (%)		ROE (%)	
	Bloomberg	VND/share	VND/share		Billion VND	TTM	2025	TTM	2025	TTM	2025	TTM	2025
Vietnam Construction and Import-Export Company	VCG VN Equity	28,000	30,000	ADD	18,100	22.1	5.2	1.6	1.3	3.1%	10.2%	7.2%	17.5%
Fecon Group	FCN VN Equity	18,300	NA	NA	2,800	40.1	38.2	0.7	0.6	0.2%	1.6%	0.9%	2.2%
Deo Ca Group	HHV VN Equity	16,750	NA	NA	8,350	12.3	11.2	0.8	0.7	1.3%	1.8%	3.9%	4.3%
HCM Infrastructure Investment Joint Stock Company	CII VN Equity	26,000	NA	NA	15,500	36.8	19.3	0.8	0.6	0.9%	1.3%	2.9%	3.2%
Cienco 4 Group	C4G VN Equity	9,500	NA	NA	3,900	16.8	14.5	0.7	0.6	2.2%	2.5%	5.6%	6.1%
Mean					9,730	25.6	17.7	0.9	0.8	1.5%	3.5%	4.1%	6.7%
Coteccons Group	CTD VN Equity	80,600	94,200	ADD	9,950	25.1	21.5	0.9	0.8	1.5%	1.7%	3.7%	4.1%

Source: Bloomberg, MBS Research

Company overview and FY2025 results (30/06/2025)

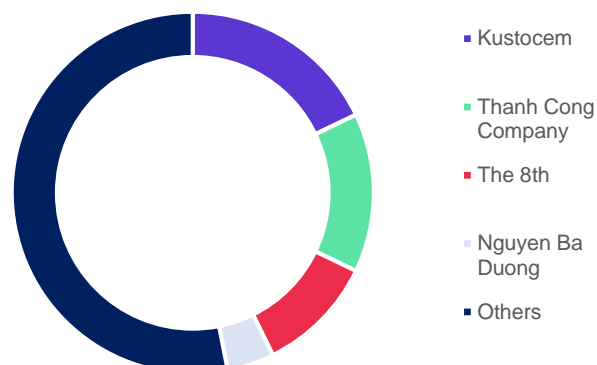
Coteccons Construction Joint Stock Company was established in 2004 with an initial charter capital of VND 15.2 bn. During the 2022–24 period, the company experienced a leadership transition from former chairman Nguyen Ba Duong to the Kusto shareholder group, which led to difficulties in business performance. Since 2023, under the leadership of chairman Bolat Duisenov, CTD is expected to rebuild its former market position through its three core construction segments: residential, industrial, and infrastructure.

Figure 6: Financial results of the company during 2021–25



Source: Fiinpro, MBS Research

Figure 7: Shareholding structure of CTD (as of 30/06/2025)

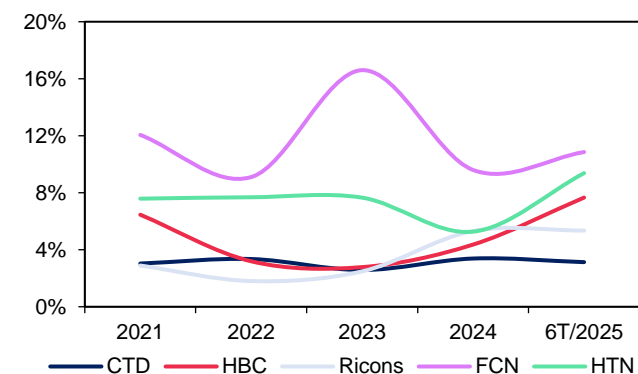


Source: CTD, MBS Research

CTD's competitive advantages stem from its workforce scale and a healthy financial structure, which enable the company to complete large projects within tight deadlines. In addition, with a solid financial base, CTD can expand receivables to ease financial pressure for partners during project execution. Moreover, the company is capable of providing turnkey solutions to developers through its mechanical and electrical installation (MEP) segment. In the industrial park segment, CTD holds a strong position by being a pioneer in ESG practices, thereby enhancing its ability to win bids for FDI projects such as Lego, Pandora, and Logos, where investors place emphasis on environmental considerations.

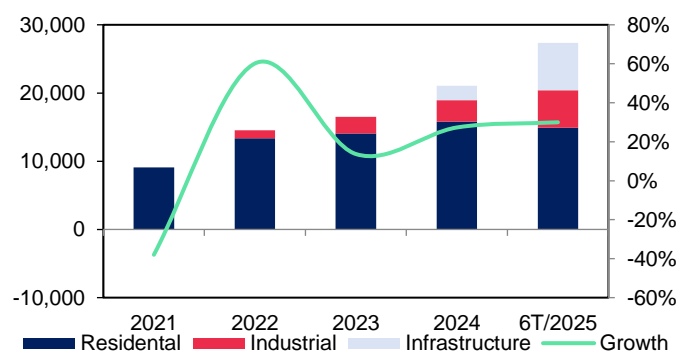
In the construction sector, CTD's gross profit margin is lower than that of its peers, mainly because the company primarily undertakes large-scale contract packages, which requires hiring subcontractors and results in lower gross profit margins compared with the industry average. However, the company benefits from a sizeable backlog and strong relationships with major developers, which helps keep non-performing loans at a lower level relative to other companies in the sector.

Figure 8: CTD's gross profit margin is lower than the industry average due to reliance on subcontractors in large-scale projects



Source: Fiinpro, MBS Research

Figure 9: CTD's revenue from 2021–25 (Unit: VND bn)



Source: CTD, MBS Research

During 2021–25, the company's revenue structure shifted significantly toward other construction segments such as industrial and infrastructure in order to diversify its revenue sources. CTD pursues a strategy of balancing revenue contribution across construction segments by focusing on strengthening industrial and infrastructure construction going forward. We assess this as a reasonable strategy in the context of intense competition in the residential segment, which can help CTD achieve more sustainable revenue growth by reducing its dependence on the real estate market.

Figure 10: Comparison of the company's financial results in fiscal year 2025 (as of 30/06/2025) (Unit: VND bn)

Financial performance indicators	4Q25	QoQ (%)	YoY (%)	2025	YoY (%)	Assessment
Backlog	6.351	-29%	20%	35.000	32%	Around 70% of the backlog consists of repeat sales from major developers such as Vinhomes, Sun Group, and MIK Group. Backlog growth is supported by the recovery of real estate supply, which positively impacts the project pipeline of construction companies.
Revenue	8,351	67%	27%	24,887	18.26%	
- Construction and installation	8,279	69%	26%	24,494	16.57%	Revenue grows YoY amid the recovery of real estate supply, which positively impacts the company's project pipeline and backlog. The equipment sales segment is a new business line this year, supported by two subsidiaries in the mechanical and electrical installation segment.
- Equipment sales	61	15%	N/A	296	N/A	
- Real estate transfer	0	NA	0%	33	N/A	
- Others (including equipment leasing, office leasing, and others)	11	38%	4%	43	34.38%	
Gross profit	217	39%	-2%	798	12%	
Gross profit margin	2.6%	-0.4 % pts	-0.8 % pts	3%	-0.2 % pts	Gross profit margin declined due to a sharp YoY increase in raw material prices such as sand and stone.
- Construction and installation	2.5%	+0.2 % pts	-0.7 % pts	2.9%	-0.4 % pts	
- Equipment sales	11.5%	-3.5 % pts	NA	16%	N/A	
- Real estate transfer	NA	NA	NA	3%	N/A	
- Others (including equipment leasing, office leasing, and others)	58.0%	+9 % pts	-2 % pts	58%	-0.1 % pts	
Financial income	72	29%	4%	256	-9%	Financial income increased in 4Q thanks to bank deposits; however, for the full year it declined 9% due to lower interest income from lending and equity investments.
Financial expenses	87	89%	190%	205	97%	
- Interest expenses	39	18%	56%	143	55%	Interest expenses increased as a result of expanding borrowings to finance working capital.
Selling and general & administrative expenses	22	-122%	-111%	298	-49%	General and administrative expenses declined sharply thanks to the company reversing provisions from the Saigon Glory project.
Other gains (losses)	7	-450%	-13%	20	-75%	
Profit before tax	230	265%	207%	549	42%	
Net profit	196	244%	184%	454	46%	Full-year net profit grew 46% YoY driven by (1) revenue growth and (2) a sharp YoY decline in general and administrative expenses.

Source: CTD, MBS Research

Forecast of financial results for fiscal years 2026–27: Net profit is expected to grow 61%/26% YoY, driven by gross margin improvement and a positive real estate segment

Figure 11: Forecast of the company's financial results for fiscal years 2025–27 (Unit: VND bn)

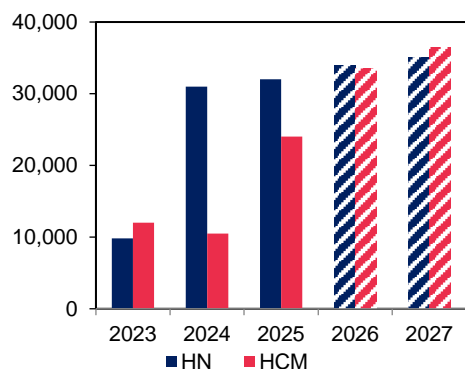
Financial performance	2025	2026	YoY (%)	2027	YoY (%)	Assessment
Backlog	35.000	38.500	10%	41.965	9%	Backlog grows strongly amid the recovery of real estate supply, a sharp YoY increase in the number of FDI projects, and accelerated public investment disbursement.
Revenue	24.887	28.125	13%	30.850	10%	
- Construction and installation	24.494	27.779	13%	30.488	10%	Construction revenue increases thanks to backlog growth of 9%/10% YoY, supported by favorable conditions in the residential, infrastructure, and industrial segments. The mechanical and electrical equipment sales segment grows steadily thanks to general contractor contracts.
- Equipment sales	296	305	3%	320	5%	
- Real estate transfer	33	0	-100%	-	-100%	
- Others (including equipment leasing, office leasing, and others)	43	41	-5%	42	2%	
Gross profit	798	953	511%	1.103	16%	
Gross profit margin	3,1%	3,4%	+0.3 % pts	3,6%	+0.2 % pts	Gross profit margin recovers thanks to contributions from the construction segment.
- Construction and installation	2,9%	3,2%	+0.3 % pts	3,4%	+0.2 % pts	The construction segment achieves better gross profit margin thanks to (1) higher bidding prices and (2) the establishment of a raw material supply chain that helps mitigate raw material price risks.
- Equipment sales	16%	16%	0đ %	16%	0đ %	
- Real estate transfer	3%	NA	NA	NA	N/A	
- Others (including equipment leasing, office leasing, and others)	58%	58%	+0 % pts	58%	-0.1 % pts	
Financial income	256	268	5%	262	-2%	
Financial expenses	205	211	3%	217	3%	Financial expenses increased slightly due to interest expense pressure.
- Interest expenses	143	154	7%	158	3%	Interest expenses rose slightly as the company expanded borrowings to execute large-scale projects.
Selling and general and administrative expenses	298	387	30%	412	6%	Selling expenses increased in line with revenue scale and due to lower provision reversals compared with 2025.
Share of profit/loss from joint ventures and associates	-	257	100%	370	44%	Profit from the Emerald 68 real estate project is expected from 2Q26, with construction ongoing, sales underway, and an absorption rate of about 60%.
Other gains (losses)	20	35	77%	45	28%	
Profit before tax	549	984	79%	1.228	25%	
Net profit	454	730	61%	921	26%	Net profit grows strongly driven by (1) gross profit margin recovery and (2) profit recognition from the real estate segment.

Source: CTD, MBS Research

The company's backlog is forecast to grow 10%/9% YoY amid the recovery of real estate supply, thereby construction revenue in 2026–27 is expected to increase 13%/10% YoY

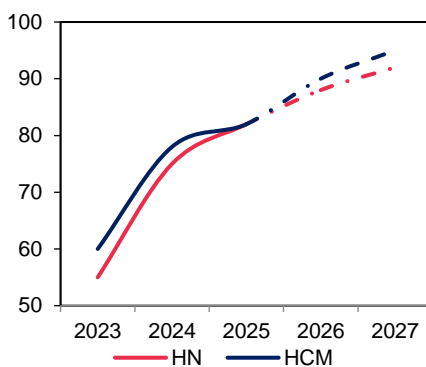
Driven by growth across the three construction segments – residential, industrial, and infrastructure – CTD's backlog is forecast to rise 10%/9% YoY during 2026–27, with construction revenue expected to grow 13%/10% YoY.

Figure 12: Apartment supply in Hanoi and Ho Chi Minh City (Unit: apartments)



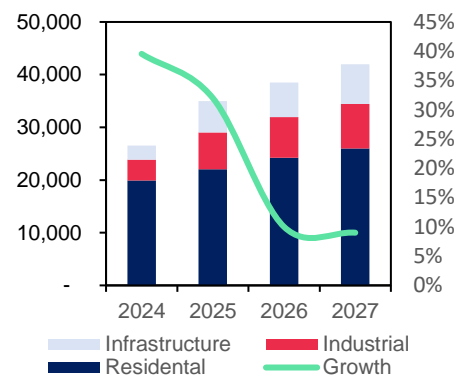
Source: CBRE

Figure 13: Real estate selling prices remain high (Unit: VND mn/m²)



Source: CBRE

Figure 14: CTD's backlog is forecast to grow 10%/9% YoY in 2026–27



Source: CTD, MBS forecasts

- We forecast CTD's residential construction backlog to grow 11%/8% YoY, reaching VND 23,814 bn and VND 25,545 bn in 2026–27, supported by around 70% contributions from repeat sales as major developers accelerate project execution. The recovery of real estate supply positively impacts the company's backlog margin. According to CBRE, apartment supply in Hanoi and Ho Chi Minh City is expected to grow YoY as legal bottlenecks related to land use fees, compensation, and site clearance (GPMB) are partly resolved. Specifically, during 2026–27, supply will mainly come from high-end projects as selling prices remain elevated; therefore, we believe CTD will benefit from this trend given its expertise in executing premium projects within short timelines and with complex technical requirements.
- The industrial construction backlog is expected to grow 8%/9% YoY, reaching VND 7,560 bn/VND 8,240 bn in 2026–27, driven by FDI projects. Currently, industrial construction accounts for about 20% of the company's total backlog, with major FDI factories such as Pandora, Logos, and Suntory Pepsico. Vietnam is emerging as a leading FDI destination in the region thanks to factors such as lower effective tax rates compared with competitors like India and Indonesia. In addition, Vietnam could further attract FDI inflows as the Fed's rate cuts have a positive impact on the exchange rate.
- We estimate that the infrastructure construction backlog could grow 8%/15% YoY in 2026–27. The infrastructure segment is accelerating in line with faster public investment disbursement. Specifically, disbursement is forecast to grow 18% YoY, focusing on the completion of 3,000 km of expressways and the Long Thanh airport project. According to the company, CTD plans to accelerate this segment to capture opportunities as infrastructure investment becomes a government priority in 2026–27. Currently, the company's project

portfolio is mainly concentrated on Long Thanh airport and the Chon Thanh – Gia Nghia expressway.

Figure 15: CTD's key residential construction projects in 2026–27

Numbering	Contract package information	Project name	Investor	Scale
1	General contractor phase 2 Selavia Phu Quoc	Selavia Phu Quoc	TTC Land	290 ha
2	Eaton Park phase 3 (general contractor)	Eaton Park 3	Gamuland	4 ha
3	Design and build general contractor for HH2 apartment complex – sub-zone 1A-2	Ecopark Central Park	Ecopark	200 ha
4	New urban area in Xuan Canh and Dong Hoi communes	New urban area (apartment complex)	MIK	10 ha
5	Nam Phuong Hotel block (MEP package)	Nam Phuong Hotel Hon Thom Beach Resort & Entertainment Complex	Phu Quoc Sun Ltd	20 ha
6	Hon Thom – Phu Quoc complex (MEP package)		Phu Quoc Civil Ltd	310 ha
7	General contractor of Vinhomes Giang Vo project	VHM Gallery Giang Vo	Vinhomes	7 ha

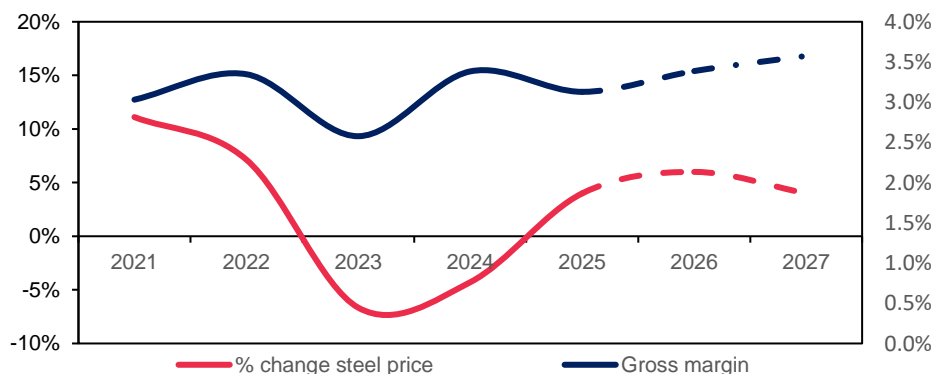
Source: CTD, MBS Research

Gross profit margin is forecast to recover to 3.4%/3.6% in 2026–27, supported by higher winning bid prices amid a favorable project pipeline

We assess that, as construction companies secure more projects supported by the recovery of real estate supply, CTD's winning bid prices are expected to remain higher thanks to (1) its position as a leading contractor capable of completing technically complex projects within tight deadlines, and (2) its partnerships with major developers that possess strong financial capacity.

According to the company, raw material costs account for around 70% of its cost of goods sold, alongside labor and other expenses. CTD has implemented several measures to mitigate the negative impact of rising raw material prices such as construction stone and sand, including: (1) partnering with suppliers to establish a raw material supply chain for multiple projects, thereby securing more stable pricing, and (2) negotiating contract clauses with developers that allow for price adjustments if raw material costs rise beyond controllable levels.

Figure 16: CTD's forecast gross profit margin in 2026–2027



Source: CTD, MBS Research

Therefore, we assess that CTD's gross profit margin will reach 3.4%/3.6% in 2026–27, corresponding to an increase of 0.3 % pts and 0.2 % pts YoY.

Real estate segment: Profit contribution from the Emerald 68 project

Figure 17: CTD's real estate project information



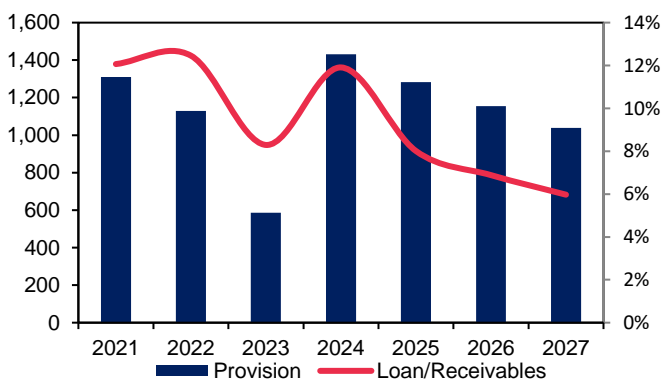
Project name: Emerald 68

- Ownership ratio: 49%
- Location: Vinh Phu Street, Vinh Phu Ward, Binh Duong Province
- Scale: 7,100 m² including 2 towers and 770 apartments
- Main product: Condominium apartments in the mid-range segment with a selling price of about VND 42 mn/m²
- Progress: The project has completed all legal procedures and is under construction. As of September 2025, construction has reached the 26th out of 37 floors and is expected to be completed in 2026. Sales began in 2024 with an absorption rate of about 60%, and full sales are expected by 2026.

Given the high apartment absorption rate in Binh Duong supported by increasingly complete infrastructure connections with Ho Chi Minh City, and mid-range selling prices (around VND 2–2.5 bn/unit) that suit the majority of investors, Emerald 68 is expected to achieve full sales by 2026. We forecast a handover ratio of 40%/60% in 2026–27 with a gross margin of about 56%. However, as CTD holds only a 49% stake, it is expected to record profit from associates of VND 257 bn and VND 370 bn over the next two years.

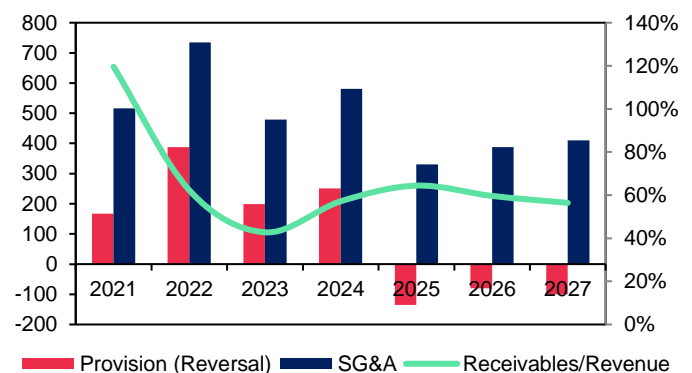
Non-performing loans are likely to decline in 2026–27 thanks to a recovery in the construction market

Figure 18: Ratio of non-performing loans to receivables



Source: CTD, MBS Research

Figure 19: General and administrative expenses in 2026–27 decrease by about 25% compared with 2022–24 thanks to provision reversals



Source: CTD, MBS Research

According to the company, the warming real estate market has a positive impact on the financial position of developers, as real estate firms are able to launch new projects and generate cash inflows. Therefore, in 2026 CTD does not expect to make additional provisions for non-performing loans, having already completed recognition of all existing NPLs. We estimate the ratio of non-performing loans to receivables will gradually decline to 7% in 2026 and 5% in 2027, supported by the absence of new NPLs and potential provision reversals. Meanwhile, receivables-to-revenue could increase to 0.6–0.7x as the company strengthens partnerships with developers to execute large projects. We assess that the quality of receivables will remain high and will not pose risks to the company.

We conservatively forecast that CTD could record provision reversals of VND 80 bn and VND 100 bn in 2026–27 as real estate developers improve their financial position. Although general and administrative expenses will be higher than in 2025 due to lower reversals (about VND 80/100 bn compared with VND 135 bn), we project these expenses will reach VND 387 bn and VND 410 bn, representing a decline of about 30% compared with 2022–24, as no new non-performing loans are expected over the next two years.

FINANCIAL STATEMENTS

Income statement	2024	2025	2026	2027	Cash flow statement	2024	2025	2026	2027
Net revenue	21,045	24,867	28,125	30,850	Pretax profit	387	549	912	1,151
Cost of sales	(20,333)	(24,089)	(27,172)	(29,747)	Depreciation & amortisation	44	114	91	100
Gross profit	712	778	953	1,103	Interest Paid	92	143	154	158
Gen & admin expenses	(580)	(298)	(387)	(410)	Other operating cash flow	68	(327)	(2,840)	(1,854)
Selling expenses	(1)	(1)	(2)	(2)	Change in working capital	(566)	(1,633)	331	132
Total operating costs	131	478	563	691	Cash flow from operations	24	(1,159)	(1,352)	(312)
Operating EBITDA	175	592	654	791	Capex	(551)	(467)	(509)	(488)
Operating EBIT	131	478	563	691	Proceeds from assets sales	791	770	980	1,591
Interest expense	(92)	(143)	(154)	(158)	Cash flow from investing activities	240	303	471	1,103
Financial expense	(105)	(205)	(211)	(217)	New share issuance	7	15	-	-
Net other income	80	20	35	45	Net borrowings	57	1,437	90	92
Income from associates & JVs	-	-	257	370	Other financing cash flow	(1)	-	1,001	-
Pre-tax profit	386	549	912	1,151	Dividends paid	-	(100)	(0)	(0)
Tax expense	(76)	(95)	(182)	(230)	Cash flow from financing activities	63	1,352	1,091	92
Profit after tax	310	454	730	921	Cash and equivalents at beginning of period	1,883	2,210	2,712	2,921
Minority interest	-	-	-	-	Total cash generated	327	502	209	883
Net profit	310	454	730	921	Cash and equivalents at the end of period	2,210	2,712	2,921	3,804
Dividends paid	-	-	-	-					
Retained earnings	310	454	730	921					
Consolidated balance sheet	2024	2025	2026	2027	Key Ratios	2024	2025	2026	2027
Cash and equivalents	2,210	2,712	2,921	3,804	Revenue growth	16.7%	18.2%	18.2%	13.1%
Short term investments	1,868	1,589	1,728	1,658	Operating EBITDA growth	26.6%	28.0%	238.3%	10.5%
Accounts receivable	12,246	15,315	15,928	16,405	Operating profit growth	27.0%	28.4%	364.9%	117.8%
Inventories	3,126	5,698	5,669	6,222	Pretax profit growth	57.0%	58.4%	42.2%	66.1%
Total current assets	20,456	27,845	29,282	31,061	Net profit growth	63.5%	64.9%	46.5%	60.7%
Net PPE	353	339	373	410	EPS growth	45.0%	46.4%	46.5%	58.7%
Construction in progress	115	50	83	66	Gross margin	1.9%	3.4%	3.1%	3.4%
Property Investment	331	308	333	361	EBIT margin	1.0%	2.5%	3.2%	4.1%
Others long term asset	503	595	427	427	EBITDA margin	1.0%	1.5%	1.8%	2.6%
Investment in JVs and associati	309	315	315	315	ROAE	2.2%	3.6%	5.2%	7.8%
Accounts receivables	699	29	29	29	ROAA	-0.1%	1.4%	1.7%	2.4%
Total non-current assets	2,413	1,738	1,662	1,710	ROIC	1.6%	3.1%	3.8%	5.7%
Total assets	22,869	29,584	30,944	32,771	Asset turnover	90.6%	0.9	0.9	0.9
Short-term debt	14,224	20,588	21,117	22,245	Dividend payout ratio	-1.5%	0.0%	0.0%	0.0%
Accounts payable	6,161	7,554	7,705	8,090	Total liabilities to assets	16.5%	18%	33%	31%
Other current liabilities	4,068	5,199	4,937	5,067	Net debt to equity	-9.2%	-8%	3%	2%
Total current liabilities	14,224	20,588	21,117	22,245	Net debt to assets	-4.4%	-2.9%	0.9%	0.5%
Total long-term debt	1,540	2,986	3,076	3,168	Interest coverage ratio (x)	140.9%	1.4	3.3	3.7
Other current liabilities	117	67	140	131	Days account receivable	212.4	212.4	224.8	206.7
Other liabilities	54	33	37	36	Days inventory	56.1	56.1	86.3	76.1
Total liabilities	14,278	20,621	21,153	22,282	Days creditor	110.6	110.6	114.5	103.5
Share capital	1,036	1,036	1,088	1,142	Current ratio	1.4	1.4	1.4	1.4
Additional paid-in capital	2,880	2,715	2,715	2,715	Quick ratio	1.2	1.2	1.1	1.1
Treasury shares	(445)	(265)	-	-	Cash ratio	0.3	0.2	0.3	0.2
Retained earnings reserve	698	1,052	1,563	2,207					
Other reserves	4,422	4,425	4,425	4,425	Valuations				
Shareholders' equity	8,591	8,963	9,791	10,490	EPS	3,320	4,474	4,382	6,872
Minority interest	-	-	(0)	(0)	BVPS	81,925	82,925	86,515	90,004
Total equity	8,591	8,963	9,791	10,490	P/E	30.5	20.6	15.8	10.2
Total liabilities & equity	22,869	29,584	30,944	32,771	P/B	1.4	1.2	1.1	1.0

DISCLAIMER

This report is written and published by the Research Division - MBS Securities Joint Stock Company (MBS). The information presented in the report is based on sources believed to be reliable at the time of publication, but MBS does not assume any responsibility or guarantee as to the accuracy, completeness, timeliness of this information for any specific purpose. The views in this report do not represent the general views of MBS and are subject to change without notice. This report is issued for generic purposes, and any of the recommendations contained herein are not related to the specific investment objectives, financial situation and specific needs of any particular recipient. This report and all content are the property of MBS; The recipient is not permitted to copy, republish in any form or redistribute in whole or in part for any purpose without the prior written consent of MBS.

MBS INVESTMENT RECOMMENDATION SYSTEM

Stock investment recommendations

MBS's investment recommendation is based on the expected profitability of the stock, which is calculated as the sum of (i) the percentage difference between the target price and the market price at the time of publication, and (ii) the expected dividend yield. Unless specified in the report, the investment recommendations have an investment period of 12 months.

ADD	The profitability of shares is 15% or higher
HOLD	The profitability of the stock ranges from -15% to 15%
REDUCE	The profitability of the stock is lower than 15%

Industry investment recommendations

POSITIVE	Stocks in the industry have a Buy recommendation on the basis of weighted market capitalization
NEUTRAL	Stocks in the industry with a Hold recommendation on the basis of weighted market capitalization
NEGATIVE	Stocks in the industry with a Sell recommendation on the basis of weighted market capitalization

MB SECURITIES JOINT STOCK COMPANY (MBS)

Established in May 2000 by Military Commercial Joint Stock Bank (MB) with the predecessor name Thang Long Securities Joint Stock Company, MB Securities Joint Stock Company (MBS) is one of the first 6 securities companies in Vietnam. After many years of development, MBS has become one of the leading securities companies in Vietnam, continuously ranked in the Top 10 market shares at both exchanges (Ho Chi Minh City and Hanoi).

Address:

MB Building, 21 Cat Linh, O Cho Dua Ward, Hanoi

Tel: +8424 7304 5688 - Fax: +8424 3726 2601

Website: www.mbs.com.vn

RESEARCH DIVISION MB SECURITIES JOINT STOCK COMPANY

Director of Research

Tran Thi Khanh Hien

Department Manager

Nguyen Tien Dung

Macro & Market Strategy

*Ngo Quoc Hung
Nghiem Phu Cuong
Dinh Ha Anh
Vo Duc Anh*

Banking – Financial Services

*Dinh Cong Luyen
Pham Thi Thanh Huong*

Real Estate

*Nguyen Minh Duc
Le Hai Thanh
Pham Thi Thanh Huyen*

Service - Consumer

Nguyen Quynh Ly

Industry – Energy

*Nguyen Ha Duc Tung
Mai Duy Anh*