Poised for a major profit upswing
PC1 Group JSC (HSX: PC1)

- 3Q25 net profit surged 89% yoy, marking a clear recovery after the weak 1H25 period, supported by robust growth in the construction segment.
- 2025/26/27 NP to grow 78%/31%/34% yoy, driven by the handover of residential and IP projects. The construction segment is also expected to remain a key growth pillar, supported by a bright industry outlook under the Revised PDP8.
- Reiterate **ADD** with higher target price of VND28,100/share.

ADD

Target price	**VND28,100**
Upside	*29%*

Key changes in the report

Revised up 2025/26/27F EPS by 6%/11%/3% versus previous forecast

3Q25 Recap: Strong profit growth led by the construction segment

3Q25 revenue rose 47% yoy, driven by strong performance in construction segment thanks to handover of major projects, while other segments remained stable. Gross profit increased 41% yoy, with construction standing out at +402% yoy, its gross margin improving by 4%pts from last year's low base. Power generation and mining segments also recorded mild gross profit growth. Associates' profit reached VND50bn from a loss of VND13bn last year, supported by Western Pacific's positive handover progress at Yen Phong IIA. Financial income increased 85% yoy, supported by a high cash balance at end-3Q. Meanwhile, financial expenses rose 106% yoy, as PC1 recorded a VND22bn FX loss versus a VND92bn gain in 3Q24. As a result, 3Q25 net profit rose 89% yoy, contributing to 9M25 net profit of VND498bn (+25% yoy), completed 65% MBS's full-year forecast.

2025–27 Outlook: Profit growth driven by real estate and construction

In 2025-27, PC1's key growth drivers come from real estate and power construction. In residential real estate, Thap Vang is expected to recognize revenue in 2025–26. In the IP segment, besides Nomura 2 scheduled to start construction in 4Q25, Western Pacific with its ~370 ha land bank will be major contributor during 2025–28. For the construction segment, strong growth is expected thanks to a sizable 2025 backlog of VND 8,000bn, supported by several large-scale packages. In the medium term, the company targets revenue growth of ~15% per year, driven by abundant workloads in transmission lines and power plant EPC under the Revised PDP8. We forecast net profit growth of +78%/+31%/+34% yoy in 2025/26/27, respectively.

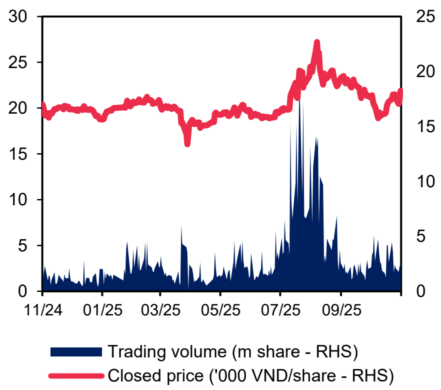
Reiterate ADD with higher target price of VND28,100/share

Recommend ADD with a target price of VND 28,100/share, 7% higher than previous estimate after raising EPS forecasts for 2025/26/27 by 6%/11%/3%, respectively, reflecting a more positive outlook for the construction segment. PC1 is currently trading at 15.9x P/E, a 15% discount to its 2-year average. The combination of earnings recovery and an attractive valuation discount supports our view that PC1 is a compelling investment opportunity at this stage. Key downside risks include: 1) Slower-than-expected legal progress at real estate projects; 2) Construction-related risks such as weaker-than-expected gross margin and a lower backlog.

VNDbn	2024	2025F	2026F	2027F
Revenue	10,078	13,015	15,220	17,536
Net profit	460	819	1,071	1,433
Revenue growth	29.6%	29.1%	16.9%	15.2%
Net profit growth	228.9%	78.0%	30.7%	33.8%
Gross margin	20.7%	20.3%	20.1%	20.1%
EBITDA margin	24.2%	22.2%	21.7%	21.9%
ROAE (%)	8.6%	13.2%	14.3%	15.9%
ROAA (%)	2.2%	3.5%	3.9%	4.8%
EPS (VND/share)	1,377	2,291	2,994	4,006
BVPS (VND/share)	15,416	19,209	22,647	27,624

Sources: PC1, MBS Research

Price performance



Sources: FiinPro, MBS Research

Current price (VND)	21,850
52W High (VND)	27,220
52W Low (VND)	16,040
Market Cap (VNDbn)	9,007
P/E (TTM)	15.9
P/B	1.5
Dividend yield (%)	0%
Foreign ownership (%)	12.6%

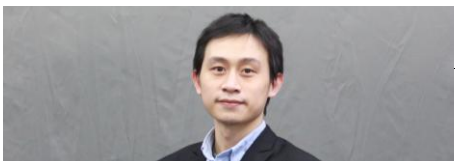
Sources: https://s24.mbs.com.vn/

Ownership

Trinh Van Tuan	21.4%
VIX	4.9%
Others	73.7%

Sources: https://s24.mbs.com.vn/

Analyst(s)



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PC1 Group JSC (HSX: PC1)

Investment thesis & Recommendation

Vietnam's top-tier power construction contractors, backed by decades of experience executing critical national transmission and generation projects. We expect a stronger outlook for the segment from 2025 onward, supported by: 1) A new RE investment cycle enabled by key policies that unlock long-standing bottlenecks, including the RE price framework, competitive bidding mechanisms, and the implementation roadmap of the Revised PDP8; 2) Sustained demand for grid construction, with annual investment needs averaging USD1.6bn per year under the national plan. Aiming to expand beyond major domestic projects into regional markets, PC1 has achieved early international success by winning the 58MW wind EPC contract in the Philippines, reaffirming its capability to secure more sizeable contracts in the future.

PC1 targets increasing total installed capacity to 1,000MW by 2030 and 1,300MW thereafter, with renewables as the core driver. The company expects two small hydropower plants Bao Lac A (30MW) and Thuong Ha (13MW) to commence operation in 2026–27. The company has demonstrated strong project execution ability, most notably with the 144MW wind cluster, one of the few projects in Vietnam that successfully secured concessional financing from ADB at ~5-6% per year. We believe this financing advantage will continue to support the company when deploying future renewable projects.

Earnings is projected to grow at a strong 46% CAGR during 2025-27F, powered by the ramp-up of the real estate segment. Key contributors include the successful auction and handover of Thap Vang, alongside potentially smoother legal progress at PC1 Gia Lam and Vinh Hung. PC1 is also doubling down on industrial real estate expansion. Beyond Western Pacific which holds major IP projects such as Yen Phong IIA, Đong Van 5, and Yen Lu Expansion (~370 ha), the company is moving to directly invest in Nomura 2 (~200 ha) in Hai Phong, a highly strategic location. With a strategy of fast and sizable capital deployment, we believe PC1 has a solid pipeline to sustain medium-term earnings growth.

Reiterate ADD with higher target price of VND28,100/share

We maintain ADD rating with a target price of VND 28,100/share, based on an SOTP valuation. The revised target is 8% higher than our previous estimate after raising EPS forecasts for 2025/26/27 by 6%/11%/3%, mainly reflecting the more positive outlook for the construction segment. PC1 is currently trading at 15.9x P/E, a 15% discount to its 2-year average (18.5x). With business performance showing a clear turnaround in 3Q25 and the stock already 23% below its peak, we believe this is a favorable time to accumulate PC1 - a company that is gradually overcoming the challenges of 2023 and entering a stronger profit-growth cycle.

Upside Risks

- Continued success in winning large EPC contracts.
- Mining segment delivers better-than-expected gross margins.

Downside Risks

- Further declines in nickel prices, pressuring mining margins.

- Higher FX volatility affecting earnings performance.
- Delays in legal procedures for residential real estate projects, impacting execution and sales timelines.

Figure 1: Summary of SOTP valuation

Valuation Table

Methods	Metrics	Valuation method	Weight Value
	VNDbn		VND per share
SOTP:			
M/E & Industrial production	1,567	EV/EBITDA - 7.0x	
Real Estate	671	NPV	
Industrial park (IP)	1,848	NPV	
Power	15,381	FCFF - 10yrs	
Nickel mining	2,434	FCFF - 20yrs	
Investment in affiliates (excluding IP)	456	Book value	
(+) cash & ST Investment	5,113		
(-) debt	(13,118)		
(-) minority interest	(2,777)		
Equity value	**11,575**		
No of share (mn)	411		
Implied share price (VND/share)			**28,143**
Rounded share price (VND/share)			**28,100**

Sources: MBS Research

Figure 2: Peer comparison

Company	Ticker	Mkt cap	P/E(x)		P/BV(x)		EV/EBITDA (x)		ROA (%)		ROE (%)		D/E
	Bloomberg	US$m	TTM	2026	Current	2026	TTM	2026	2025	2026	2025	2026	Current
Conglomerate													
Ha Do Group JSC	HDG VN	442	33.5	8.2	1.7	1.6	9.4	6.2	2.4	9.7	5.4	19.8	60.4
REE Corp	REE VN	1,347	13.7	13.0	1.8	1.6	9.6	8.3	7.0	7.2	13.4	11.7	42.8
Average			*23.6*	*10.6*	*1.7*	*1.6*	*9.5*	*7.3*	*4.7*	*8.5*	*9.4*	*15.8*	*51.6*
Power consulting & construction													
Power Engineering Consulting JSC 2	TV2 VN	92	37.0	13.3	1.8	1.7	26.6	8.8	3.1	7.5	5.1	15.2	7.0
FECON Corp	FCN VN	91	86.4	na	0.9	na	15.5	na	0.3	na	1.1	na	152.3
Average			*61.7*	*13.3*	*1.0*	*1.7*	*20.6*	*8.8*	*-3.4*	*7.5*	*-2.5*	*15.2*	*79.6*
Power													
Gia Lai Electricity JSC	GEG VN	208	9.1	12.0	1.2	1.0	6.7	7.5	4.2	3.0	15.6	7.7	126.8
Central Hydropower JSC	CHP VN	178	9.6	na	2.4	na	6.2	na	19.1	na	26.1	na	22.4
Vinh Son - Song Hinh Hydropower	VSH VN	406	13.0	13.8	2.1	na	7.7	na	9.2	na	16.8	16.0	62.3
Trung binh			*10.6*	*12.9*	*1.9*	*1.0*	*6.9*	*7.5*	*10.8*	*3.0*	*19.5*	*11.9*	*70.5*
PC1 Group JSC	**PC1 VN**	**340**	**17.9**	**10.2**	**1.5**	**1.3**	**7.2**	**6.7**	**2.5**	**3.6**	**8.7**	**13.3**	**142.6**

Sources: Bloomberg, MBS Research

3Q25 Recap: Strong profit growth led by the construction segment

Figure 3: 3Q25 & 9M25 business recap

VNDbn	3Q25	%yoy	9M25	%yoy	% vs previous report	Comment
Revenue	**3,278**	*47%*	**8,073**	*7%*	*68%*	**3Q25 revenue grew 47% yoy, driven mainly by the construction segment and steel pole supply**
Power	478	*7%*	1,266	*6%*	*11%*	Power revenue increased 7% yoy, as plants operated stably, with most of the growth coming from hydropower thanks to more favorable hydrology.
Power construction	1,738	*146%*	4,034	*64%*	*84%*	3Q25 marked the peak construction and completion for several major projects, including the 500kV Lao Cai – Vinh Yen line and the Con Dao submarine cable EPC package. Corresponding equipment supply packages for these projects also contributed to the revenue increase.
Steel pole manufacturing	337	*109%*	1,050	*-15%*	*74%*	Corresponding equipment supply packages for these projects also contributed to the revenue increase.
IPs	183	*8%*	483	*9%*	*81%*	
Real estate	4	*-3%*	12	*-52%*	*1%*	PC1 launched sales for Thap Vang in 2Q25 and expects handover to begin from late 2025.
Nickel	443	*-21%*	902	*-37%*	*69%*	21% yoy decline in revenue in 3Q25 due to LME nickel prices dropping from ~16-17,000USD/ton to 15,000/ton.
Other	94	*-48%*	325	*-57%*	*0%*	
Gross profit	**682**	***41%***	**1,650**	***11%***	***69%***	
%GPM	*21%*	*-1 đ%*	*20%*	*1 đ%*		3Q25 gross margin declined slightly, mainly because of a higher contribution from low-margin segments such as construction and steel pole manufacturing.
Power	264	*13%*	705	*12%*	*80%*	3Q25 gross profit still rose 13% yoy, supported by strong electricity dispatch and wind power prices improved slightly as the USD strengthened.
Power construction	161	*402%*	343	*101%*	*85%*	Gross margins improved sharply from last year's low base, when PC1 had to accelerate the completion of the 500kV Circuit 3, resulting in elevated costs.
Steel pole manufacturing	28	*62%*	122	*9%*	*91%*	
IPs	26	*-28%*	90	*-24%*	*64%*	
Real estate	2	*-22%*	6	*-56%*	*2%*	
Nickel	193	*20%*	366	*-16%*	*87%*	Mining segment delivered a 43% gross margin in 3Q25, the highest since operations. Management explained that this came from higher extraction efficiency, likely due to a higher metal content in the ore mined during the quarter. Large-scale mining projects typically use blending yards to stabilize ore quality. However, PC1's project is relatively small and has no blending yard, leading to fluctuating ore quality and, consequently, volatile margins.
Other	8	*8100%*	19	*-88%*	*85%*	
SG&A	136	*27%*	386	*8%*	*61%*	
EBIT	**545**	***46%***	**1,265**	***12%***	***72%***	
Associates profit	51	*-491%*	37	*-26%*	*36%*	3Q25 continued to record positive contributions from Western Pacific, which is in the process of handing over the Yen Phong IIA. However, it was partially offset by losses from Cao Bang Steel during the first half of the year.
Financial income	53	*85%*	153	*25%*	*77%*	3Q25 financial income surged, primarily due to higher interest income.
Financial expenses	202	*106%*	637	*0%*	*82%*	3Q25 financial expenses rose 106% yoy, although interest expenses fell 4% yoy. The difference came mainly from a ~VND23bn FX loss in 3Q25, compared to a VND92bn FX gain in the same period last year.
(1) Interest expenses	175	*-4%*	510	*-10%*	*73%*	
(2) FX gain/loss	22	*-123%*	115	*123%*	*144%*	
PBT	**446**	*54%*	**811**	*22%*	*67%*	
%PBT margin	*14%*	*1 đ%*	*10%*	*1 đ%*		
Income tax	53	*86%*	100	*10%*	*63%*	
NPAT	**394**	*53%*	**704**	*22%*	***68%***	
Minority interest	94	*-6%*	206	*15%*	*80%*	
Net profit	**301**	*89%*	**498**	*25%*	***65%***	**As a result, 3Q25 net profit increased sharply 89% yoy, supporting 9M25 net profit growth of 25% yoy, achieving 65% of MBS's full-year forecast.**

Sources: PC1, MBS Research

2025-27 Outlook: Real estate to be the main growth engine

Figure 4: 2025-27 revenue and gross profit forecast by segment (Unit: VNDbn)

Unit: VNDbn	2024	2025F	%yoy	% weight	2026F	%yoy	% weight	2027F	%yoy	% weight
Revenue	**10,078**	**13,015**	**29.1%**		**15,220**	**16.9%**		**17,536**	**15.2%**	**0%**
Power	1,706	1,799	5.4%	13.8%	1,835	2.0%	12.1%	1,993	8.6%	11.4%
Power construction	3,686	6,200	68.2%	47.6%	7,176	15.7%	47.1%	8,252	15.0%	47.1%
Steel pole	1,456	1,499	2.9%	11.5%	1,723	15.0%	11.3%	1,982	15.0%	11.3%
IPs	599	596	-0.5%	4.6%	951	59.6%	6.2%	2,158	126.9%	12.3%
Residential property	39	818	1990%	6.3%	1,297	59%	8.5%	759	-41%	4.3%
Nickel mining	1,701	1,172	-31.1%	9.0%	1,174	0.2%	7.7%	1,177	0.2%	6.7%
Other	890	931	4.7%	7.2%	1,063	14.2%	7.0%	1,215	14.3%	6.9%
Gross profit	**2,082**	**2,648**	**27.2%**		**3,052**	**15.2%**		**3,528**	**15.6%**	**0.0%**
%GPM	*21%*	*20%*	*-0.3 đ%*		*20%*	*-0.3 đ%*		*20%*	*0.1 đ%*	*0%*
Power	948	1,031	8.8%	38.9%	1,035	0.4%	33.9%	1,096	5.9%	31.1%
Power construction	258	521	102.3%	19.7%	607	16.5%	19.9%	714	17.6%	20.2%
Steel pole	144	160	10.9%	6.0%	175	9.8%	5.7%	203	15.7%	5.8%
IPs	149	149	0.1%	5.6%	264	77.5%	8.7%	753	184.7%	21.3%
Residential property	21	330	1490%	12.5%	522	58%	17.1%	309	-41%	8.7%
Nickel mining	553	436	-21.2%	16.4%	426	-2.3%	13.9%	432	1.5%	12.2%
Other	10	22	125.0%	0.8%	22	-1.2%	0.7%	21	-2.0%	0.6%

Sources: PC1, MBS Research

Figure 5: 2025-27 forecast revision

Unit: VNDbn	2025	%yoy	∆%	2026	%yoy	∆%	2027	%yoy	∆%	Comment
Revenue	**13,015**	**29%**	**9%**	**15,220**	**17%**	**16%**	**17,536**	**15%**	**22%**	**We raised revenue forecasts for 2025–27, primarily reflecting higher construction revenue and revised handover schedules for real estate projects.**
Power	1,799	5%	10%	1,835	2%	4%	1,993	9%	4%	2025 revenue edges higher due to better-than-expected hydrological conditions.
Power construction	6,200	68%	29%	7,176	16%	36%	8,252	15%	45%	Raised 2025–27 forecasts incorporates PC1's large 2025 backlog (~VND 8,000bn) and our expectation that momentum will be sustained into 2026–27. PC1 has won several high-quality packages, with major projects completed in 2025 such as the 500kV Lao Cai – Vinh Yen line and the Con Dao submarine cable EPC contract. In addition, several strategic projects under implementation are expected to drive 4Q25 and 2026 results, including Camarines Sur Wind (Philippines), the 500kV Thai Binh – Hai Phong line, and the Tan Son Nhat – Thuan An submarine cable. Supported by abundant workloads under the Revised PDP8 for both transmission construction and renewable energy EPC, PC1 remains confident in maintaining 15% annual revenue growth through 2030.
Steel pole manufacturing	1,499	3%	5%	1,723	15%	8%	1,982	15%	7%	Revised up manufacturing forecasts as production activities are expected to improve in 4Q25, supported by steel pole supply packages for the 500kV Thai Binh – Hai Phong project. From 2026 onward, growth will benefit from the construction ecosystem, export opportunities, and incremental capacity from new factories.
Industrial park	596	-1%	0%	951	60%	60%	2,158	127%	12%	increased the assumed leasing price for Nomura 2 from USD120/m²/lease term to USD140/m²/lease term, reflecting the attractive of tier 1 IP - Hai Phong. We expect a small portion of handovers to begin in late 2026, with the bulk concentrated in 2027–28.
Residential property	818	1990%	-28%	1,297	59%	-18%	759	-41%	33%	Postponed the handover schedule for Thap Vang to primarily 2026 under a more conservative assumption, and delayed PC1 Dinh Cong to 2027. PC1 plans to wholesale Thap Vang to a partner at an estimated price of VND120–130million/m², implying a ~20% discount to the current retail market price (VND150–170 million/m²). Meanwhile, PC1 Gia Lam and Vinh Hung have been officially included in the pilot list under Resolution 171, and are expected to complete legal procedures in 2026, enabling presales from 2027 onward.
Nickel mining	1,172	-31%	-14%	1,174	0%	-14%	1,177	0%	-14%	Reduce revenue assumptions from 2025 onward as the company will no longer record the previous 20% export tax as part of revenue. For 2025–27, nickel prices are expected to stabilize around ~USD15,000/ton, down ~9% yoy, while refined ore output remains at 49-51,000 tons/year. Inventory risks remain low as production is essentially fully contracted.
Other	931	5%	6%	1,063	14%	15%	1,215	14%	25%	
Gross profit	**2,648**	**27%**	**11%**	**3,052**	**15%**	**17%**	**3,528**	**16%**	**27%**	**We raised gross profit forecasts in line with higher revenue and increasing contributions from the real estate segment.**
%GPM	*20%*	*-0.3%*		*20%*	*-0.3%*		*20%*	*0đ%*		

Power	1,031	9%	18%	1,035	0%	13%	1,096	6%	6%	Revised upward in line with the larger revenue base, with the segment expected to deliver stable contributions and account for a sizable share of total profits.
Power construction	521	102%	30%	607	17%	42%	714	18%	60%	Gross profit was revised up to reflect (1) higher revenue and (2) a 1%pts higher margin than previously expected, as 9M25 actual margin performance exceeded our estimates. The strong yoy margin expansion in 2025 also reflects a low base in 2024, when PC1 accelerated execution of the 500kV Circuit 3, resulting in inflated costs. Looking into 2026-27, we expect PC1 to maintain optimal gross margins, supported by high-quality EPC packages and increasing workloads outside EVN, particularly in wind power EPC and industrial infrastructure.
Steel pole manufacturing	160	11%	19%	175	10%	13%	203	16%	14%	For manufacturing, we assume a marginal decline in gross margin from 2026 as the new plant comes online.
Industrial park	149	0%	0%	264	77%	77%	753	185%	49%	Industrial park margins will begin contributing meaningfully from 2027, coinciding with the main handover phase of Nomura 2.
Residential property	330	1490%	-15%	522	58%	-11%	309	-41%	71%	
Nickel mining	436	-21%	-10%	426	-2%	-12%	432	2%	-10%	
Other	22	125%	44%	22	-1%	61%	21	-2%	64%	
SG&A	694	22%	9%	834	20%	16%	948	14%	22%	
EBIT	**1,955**	**29%**	**11%**	**2,218**	**13%**	**18%**	**2,580**	**16%**	**28%**	
Associates profit	93	105%	-8%	122	31%	-2%	188	53%	-2%	Slightly lowered associate profit forecasts due to losses at Cao Bang Steel. Assumptions for Western Pacific remain largely unchanged. In 2025, WP will mostly record the remaining handover of Yen Lenh and Yen Phong IIA, while 2026–27 growth will come from new IPs such as Đong Van 5 and Yen Lu expansion.
Financial income	148	-20%	18%	172	16%	5%	192	12%	4%	Raised financial income forecasts to reflect a higher-than-expected cash balance as of end-3Q25.
Financial expenses	908	-2%	17%	883	-3%	14%	838	-5%	11%	Financial expenses were revised upward due to a larger-than-expected FX loss.
PBT	**1,280**	**54%**	**6%**	**1,632**	**28%**	**10%**	**2,119**	**30%**	**4%**	
Income tax	167	33%	-7%	264	58%	4%	365	38%	2%	
NPAT	**1,113**	**58%**	**8%**	**1,368**	**23%**	**11%**	**1,754**	**28%**	**4%**	
Minority interest	293	21%	13%	298	1%	10%	321	8%	11%	
Net profit	**819**	**78%**	**6%**	**1,071**	**31%**	**11%**	**1,433**	**34%**	**3%**	**Overall, we raise our net profit forecasts for 2025/26/27 by 6% / 11% / 3% versus the previous estimates.**
EPS (VND/share)	1,992	78%	6%	2,603	31%	11%	3,484	34%	3%	

Sources: PC1, MBS Research

Power segment: Stable generation outlook for 2025–27

Hydropower: ENSO conditions have remained in a La Nina phase in recent months, although probabilities are still unclear and a Neutral phase continues to dominate. In Vietnam, extreme weather patterns in parts of the North and Central regions, driven by multiple storms, have resulted in significantly higher rainfall. This trend is expected to persist through year-end before returning to a Neutral phase in 2026. Accordingly, we forecast hydropower output to increase 8% yoy, remain stable in 2026, and grow 14% yoy in 2027 with the commissioning of the Bao Lac (30MW) and Thuong Ha (13MW) plants.

Wind power: Wind generation has performed well in 9M25, supported by strong wind conditions in the Central region. However, since September, NSMO reports that the Quang Tri area where PC1's wind farms are located has experienced curtailment, with output cuts of roughly 50% in October alone. Severe storms and flooding have led to abundant water and wind resources, allowing plants to operate continuously while demand remained weak during this period. We view these impacts as short-term. Wind output is expected to be soft in 4Q25, bringing full-year production down 5% yoy, before normalizing again from 2026 onward.

Figure 6: 2025-27 projection of power segment (Unit: VNDbn)

	Capacity (MW)	Designed output (million kWh)	2020	2021	2022	2023	2024	2025F	2026F	2027F
Output	**313**	**1,115**	**593**	**623**	**1,087**	**852**	**1,084**	**1,121**	**1,115**	**1,205**
%yoy			-	*5%*	*74%*	*-22%*	*27%*	*3%*	*-1%*	*8%*
Hydropower	169	620	593	513	669	402	636	683	667	760
Wind power	144	495	-	110	418	450	448	439	448	445
Average selling price	*VND/kWh*		**1,214**	**1,662**	**1,652**	**1,685**	**1,639**	**1,701**	**1,730**	**1,760**
Hydropower			1,214	1,357	1,320	1,346	1,222	1,258	1,296	1,335
Wind power			-	1,968	1,983	2,024	2,056	2,143	2,164	2,186
Revenue	*VNDbn*		**720**	**912**	**1,712**	**1,452**	**1,700**	**1,799**	**1,835**	**1,993**
%yoy	*%*		-	*27%*	*88%*	*-15%*	*17%*	*6%*	*2%*	*9%*
Hydropower			720	696	883	541	777	859	865	1,020
Wind power			-	216	829	911	923	940	970	973
Gross profit	*VNDbn*		**382**	**475**	**954**	**706**	**938**	**1,031**	**1,035**	**1,096**
%yoy	*%*		-	*24%*	*101%*	*-26%*	*33%*	*10%*	*0%*	*6%*
Hydropower			382	312	487	165	386	464	440	499
%GPM	*%*		*53%*	*45%*	*55%*	*31%*	*50%*	*54%*	*51%*	*49%*
Wind power			-	163	466	541	552	567	595	597
%GPM	*%*		*0%*	*76%*	*56%*	*59%*	*60%*	*60%*	*61%*	*61%*

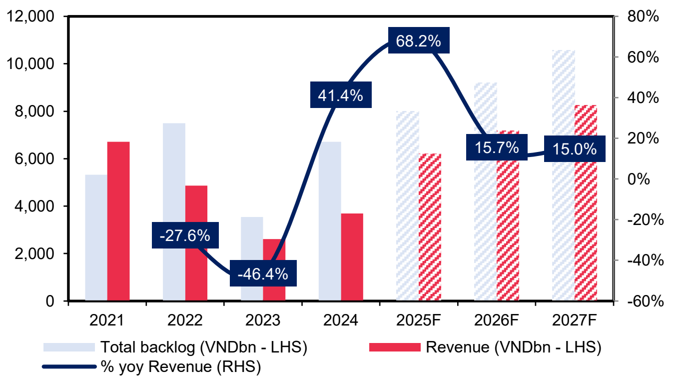
Sources: PC1, MBS Research

Power Construction: Workload secured by Large contract wins

~VND8,000bn backlog as of 9M25 underscores the segment's abundant workload. Several major packages completed in 3Q25, including the 500kV Lao Cai - Vinh Yen line and the Con Dao submarine cable, which drove strong revenue growth. Toward late 2025 and into 2026, key upcoming contracts include the 58MW wind project in Philippines, the 500kV Thai Binh - Hai Phong, and the Tan Son Nhat - Thuan An submarine cable. Management also indicates ongoing negotiations for several domestic renewable-energy EPC packages, which could serve as meaningful growth drivers over the next few years.

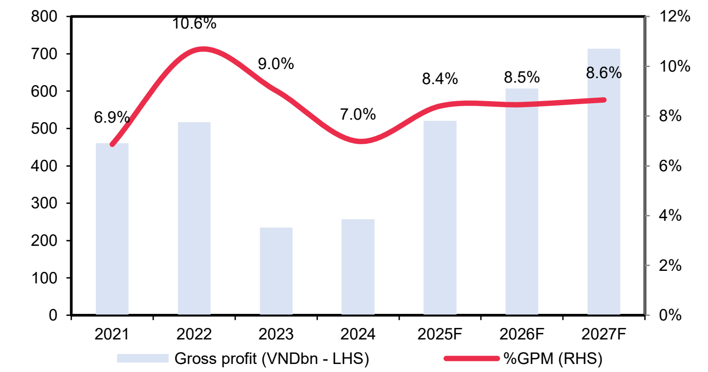
A consistently large workload is the clearest indicator of the segment's long-term visibility. Furthermore, PC1 is expanding its construction activities into high-growth areas such as renewable-energy EPC and industrial-park infrastructure construction. We believe the company is fully capable of sustaining 15-16% annual revenue growth in the construction segment through 2030.

Figure 7: Construction revenue continue rising in 2025-27, supported by a strong backlog and the execution of large-scale EPC packages



Sources: PC1, MBS Research

Figure 8: 2025 gross profit improve from the low base thanks to quality contracts, margins expected to remain stable through 2026-27



Sources: PC1, MBS Research

Mining segment: Stable medium-term outlook

PC1's nickel ore project does not have a blending yard - whereas large-scale mines typically blend ore to ensure consistent quality across batches. Instead, PC1 primarily aggregates sufficient refined ore for each shipment before exporting. As a result, the segment's gross margin can fluctuate meaningfully from quarter to quarter due to two key factors: 1) Timing of revenue recognition, as shipment schedules may shift and delay revenue into the following quarter; 2) Variability in ore quality at the time of extraction, which leads to differences in processing costs for each batch of refined ore. In our view, these factors are inherently difficult to observe or forecast. On a full-year basis, however, output remains stable thanks to secured contracts. We project the plant to operate at full capacity, producing 49–51,000 tons of refined ore per year.

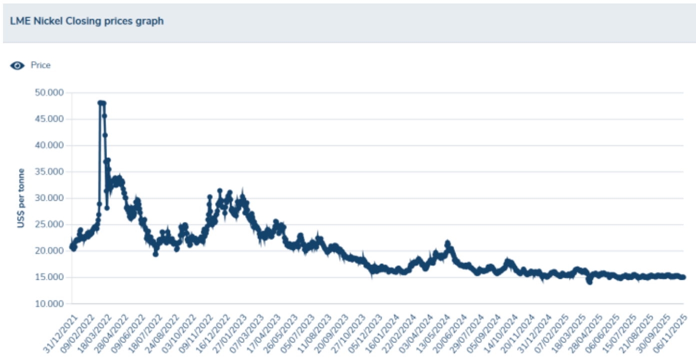
Nickel prices are expected to remain around USD15,000/ton in the long term, according to Fitch. At present, nickel lacks meaningful price catalysts due to global oversupply, while on the demand side, China's EV sector is showing signs of slowing, leading to a softer outlook for battery-related nickel demand compared with previous growth cycles.

Figure 9: Summary of mining segment over 2025–2027 period

	2023	2024	2025	2026	2027
Refined ore volume	**29,000**	**65,660**	**49,000**	**49,000**	**49,000**
Nickel (tonne)	2,074	4,695	3,504	3,504	3,504
Copper (tonne)	326	739	551	551	551
Cobalt (tonne)	48	108	81	81	81
	-	-	-	-	-
Nickel price (US$/tonne)	17,000	15,000	15,000	15,000	15,000
Copper price (US$/tonne)	8,400	8,400	8,800	9,000	9,200
Cobalt price (US$/tonne)	33,420	33,420	33,420	33,420	33,420
	-	-	-	-	-
Revenue (VNDbn)	722	1,761	1,172	1,174	1,177
Gross profit (VNDbn)	257	599	436	426	432
%GPM	*36%*	*34%*	*37%*	*36%*	*37%*
Net profit (VNDbn)	**74**	**302**	**218**	**217**	**230**
% NP margin	*10%*	*17%*	*19%*	*19%*	*20%*

Sources: PC1, MBS Research

Figure 10: Nickel prices remain near the cyclical bottom, with limited upside catalysts in the medium term (Unit: USD/ton)



Sources: LME, MBS Research

Industrial Parks: Growth driven by newly approved projects

Recent updates on the U.S. reciprocal tariff framework (0%–20%) for Vietnam show meaningfully improved signals compared to April. Alongside this, Vietnam continues to hold key advantages in attracting FDI, including competitive land-lease prices, low labor costs, and affordable electricity tariffs.

Western Pacific: As of 9M25, Yen Lenh has leased out ~90% of its area. Yen Phong IIA, which began leasing in early 2025, has already handed over ~30 ha (absorption rate: 34%), reflecting the strong appeal of the Bac Ninh region. Land-lease prices remain high at USD160-170/m²/lease term. Meanwhile, Đong Van 5 (237 ha) officially began construction in 3Q25 and is expected to start leasing from late 2026. Yen Lu Expansion (120 ha) has also received investment approval, with expected leasing beginning from 2027. WP's industrial parks benefit from prime locations such as the Tier 1 industrial hubs of Bac Ninh - Bac Giang, and Ha Nam (now Ninh Binh), all provinces adjacent to Hanoi with favorable transportation networks and logistics infrastructure.

Nomura 2 Hai Phong (200ha): PC1 will be the 100% owner and developer of Nomura 2, located adjacent to the highly successful Nomura 1 industrial park in Hai Phong. Historical tenants comprise mainly Japanese automotive and electronic component manufacturers, suggesting strong potential demand for the upcoming project. PC1 targets groundbreaking in 4Q25, with initial handover expected in late 2026 and the majority of leasing taking place in 2027-28. Nomura 2 is expected to be a major earnings driver, with estimated total revenue of ~VND4,850bn and net profit of ~VND1,400bn.

Figure 11: Portfolio of ongoing industrial park developments (PC1 & Western Pacific)

Project	Developer	ownership - PC1 (%)	Location	Total area (ha)	Estimated leasing area (ha)	Estimated leasing price (US$/m2)	Total investment (VNDbn)	Current status
Yen Phong IIA	Western Pacific	19%	Bac Ninh	158	86	160	1,830	Ready for lease
Yen Lenh LIC	Western Pacific	30%	Ha Nam	69	45	85	624	Ready for lease
Dong Van V	Western Pacific	30%	Ha Nam	237	171	105	2,911	Commenced in 3Q25
Yen Lu Expansion	Western Pacific	30%	Bac Giang	120	64	130	1,543	Investment approval at 3Q24
Nomura 2	PC1	100%	Hai Phong	194	~130	140	2,682	Commenced in end-25

Sources: PC1, Western Pacific, MBS Research

Figure 12: Estimated earnings contribution to PC1 by project

VNDbn		2025F	2026F	2027F	2028F	2029F	Total
Handover status	**Diện tích**	**62**	**75**	**131**	**141**	**74**	**484**
Yen Phong IIA	86	32	43	11	0	0	86
Yen Lenh	45	30	8	0	0	0	38
Yen Lu	64	0	0	21	42	0	64
Dong Van 5	171	0	14	57	57	43	171
Nomura 2	126	0	11	42	42	32	126
Project revenue		**1,862**	**2,571**	**4,365**	**4,958**	**2,605**	**16,361**
Yen Phong IIA		1,181	1,654	430	-	-	3,265
Yen Lenh		681	179	-	-	-	860
Yen Lu		-	0	784	1,650	-	2,434
Dong Van 5		-	378	1,589	1,668	1,314	4,948
Nomura 2		-	360	1,562	1,640	1,292	4,854
Contrubuted profit for PC1	**% ownership**	**123**	**222**	**643**	**767**	**539**	**2,294**
Yen Phong IIA	19%	67	100	30	-	-	197
Yen Lenh	30%	56	15	-	-	-	72
Yen Lu	30%	-	0	54	130	-	184
Dong Van 5	30%	-	27	126	144	122	419
Nomura 2	100%	-	80	433	493	417	1,424

Sources: PC1, MBS Research

Residential Real Estate: Thap Vang as the key growth driver in 2025

Thap Vang are progressing well, with the project conducting its third sales batch in 3Q25. According to available information, the first two batches have sold ~140 out of 182 units, reflecting a solid absorption rate at selling prices of VND150-170 million/m² per our estimation. PC1 has indicated that the project will be wholesaled to a strategic partner, meaning absorption risk is relatively limited. Based on our forecast, PC1's wholesale price will be discounted to around VND120-130 million/m². The project is expected to be ready for handover by December 2025, allowing revenue recognition to begin. However, under our conservative assumptions regarding progress and sales speed, we expect only ~30% of units to be handed over in 2025, with the majority of revenue shifting into 2026.

In April 2025, Hanoi authorities approved the implementation of pilot real estate projects under National Assembly Resolution 171, which allows developers to negotiate land-use rights directly with agricultural and non-agricultural landholders (including commercial/service land) for the development of commercial housing projects. Out of the 148 approved projects, PC1 Gia Lam and Vinh Hung were included. Management noted that Gia Lam, Vinh Hung, and Đinh Cong are all seeking investment approval. We expect legal procedures for these projects to be completed in 2026, enabling revenue contribution starting from 2027. While no detailed timelines have been disclosed, these are generally small-scale projects, which typically allow for faster sales progress once legal steps are cleared. At this stage, we include only Gia Lam and Đinh Cong in our valuation model under conservative assumptions. Vinh Hung and the Bac Tu Liem project are not yet incorporated due to limited publicly available information.

Figure 13: PC1 residential project pipeline, except Thap Vang current in sale, the other projects faced prolonged legal bottlenecks

Project	Location	Area (ha)	Total investment (VNDbn)	Project type	Expected presale	Legal status
Thap Vang	Gia Lam, HN	1.5	~1500	182 low rise unit	2025	Currently selling
PC1 Gia Lam	Gia Lam, HN	0.5	163	Low-rise	2027	Approved under Resolution 171 pilot program
PC1 Dinh Cong	Dinh Cong, HN	1.5	na	Low-rise	2027	Legal procedures in progress
Vinh Hung	Hoang Mai, HN	2.1	547	Apartment	2027	Approved under Resolution 171 pilot program
Thang Long (BTL)	Bac Tu Liem, HN	5.2	na	na	na	Proposal documentation in progress

Sources: PC1, MBS Research

Figure 14: Revenue allocation by project over 2025-27 (Unit: VNDbn)

Revenue	2024F	2025F	2026F	2027F	Total
Thap Vang	-	802	1,227	-	**2,029**
PC1 Gia Lam	-	-	54	165	**219**
PC1 Dinh Cong	-	-	-	577	**577**
Total	**-**	**802**	**1,281**	**743**	**2,826**

Sources: PC1, MBS Research

Figure 15: Profit contribution by project over 2025-27 (Unit: VNDbn)

Net profit	2024F	2025F	2026F	2027F	Total
Thap Vang	-	236	365	-	**601**
PC1 Gia Lam	-	-	16	48	**63**
PC1 Dinh Cong	-	-	-	157	**157**
Total	**-**	**236**	**381**	**205**	**822**

Sources: PC1, MBS Research

Financial statements

Income statement	2024	2025F	2026F	2027F
Net revenue	10,078	13,015	15,220	17,536
Cost of sales	(7,995)	(10,367)	(12,168)	(14,008)
Gross profit	2,083	2,648	3,052	3,528
Gen & admin expenses	(488)	(545)	(677)	(788)
Selling expenses	(79)	(148)	(157)	(159)
Operating profit	1,516	1,955	2,218	2,580
Operating EBITDA	2,380	2,774	23,800	23,800
EBIT	**1,516**	**1,955**	**33,100**	**33,100**
Interest income	186	148	172	192
Financial expense	(929)	(908)	(883)	(838)
Net other income	11	(8)	3	(4)
Income from associates	45	93	122	188
Pre-tax profit	**829**	**1,280**	**1,632**	**2,119**
Tax expense	(125)	(167)	(264)	(365)
NPAT	704	1,113	1,368	1,754
Minority interest	(243)	(293)	(298)	(321)
Net profit	**460**	**819**	**1,071**	**1,433**
Ordinary dividends	(203)	-	-	-
Retained earnings	258	819	1,071	1,433

Cash flow statement	2024	2025F	2026F	2027F
Pre-tax profit	829	1,280	1,632	2,119
Depreciation & amortization	864	819	795	875
Tax paid	(75)	(167)	(264)	(365)
Other adjustments	81	(584)	(467)	(586)
Change in working capital	(628)	(252)	(108)	(295)
Cash flow from operations	**1,072**	**1,097**	**1,588**	**1,748**
Capex	(434)	(2,024)	(2,084)	(302)
Proceeds from assets sales	32	-	-	-
Cash flow from investing activities	**(728)**	**(1,876)**	**(1,912)**	**(110)**
New share issuance	44	-	-	-
Net borrowings	(109)	2,127	96	(352)
Other financing cash flow	20	537	159	347
Dividends paid	(203)	-	-	-
Cash flow from financing activities	**(247)**	**2,664**	**255**	**(5)**
Cash and equivalents at beginning of period	2,082	2,177	4,062	3,993
Total cash generated	97	1,885	(69)	1,633
Cash and equivalents at the end of period	**2,179**	**4,062**	**3,993**	**5,627**

Balance sheet	2024	2025F	2026F	2027F
Cash and equivalents	2,177	4,062	3,993	5,627
Short term investments	1,119	1,119	1,119	1,119
Accounts receivables	3,123	4,632	5,263	5,823
Inventories	1,588	1,511	1,652	2,019
Total current assets	8,099	11,584	12,249	14,890
Tangible fixed assets	8,959	8,917	10,158	11,011
Construction in progress	373	1,619	1,667	242
Investments in subsidiaries	112	112	112	112
Investments in associates	-	-	-	-
Other long-term investments	1,709	1,802	1,924	2,112
Other long-term assets	528	965	1,156	1,353
Total non-current assets	12,856	14,591	16,194	16,005
Total assets	**20,955**	**26,175**	**28,443**	**30,895**
Short-term borrowings	2,950	4,027	4,536	5,861
Trade accounts payable	1,110	1,839	2,167	2,532
Other payables	1,002	1,534	1,695	1,939
Total current liabilities	5,062	7,401	8,397	10,332
Long-term borrowings	7,831	8,994	8,582	6,905
Other long-term payables	363	431	587	680
Total long-term liabilities	8,193	9,425	9,169	7,585
Total liabilities	**13,255**	**16,826**	**17,566**	**17,917**
Common shares	3,576	3,576	3,576	3,576
Share premium	-	-	-	-
Treasury shares	-	-	-	-
Undistributed earnings	814	1,633	2,704	4,137
Investment and development funds	1,123	1,660	1,819	2,166
Shareholders' equity	5,514	6,870	8,099	9,879
Minority interest	2,186	2,479	2,777	3,099
Total shareholders' equity	7,700	9,349	10,876	12,978
Total liabilities & equity	**20,955**	**26,175**	**28,443**	**30,895**

Key ratios	2024	2025F	2026F	2027F
Net revenue growth	21.9%	16.5%	8.6%	14.7%
EBITDA growth	127.4%	128.9%	113.5%	116.3%
EBIT growth	113.1%	54.4%	27.6%	29.8%
Pre-tax profit growth	228.9%	78.0%	30.7%	33.8%
Net profit growth	228.9%	78.0%	30.7%	33.8%
EPS growth	228.9%	78.0%	30.7%	33.8%
Gross profit margin	20.7%	20.3%	20.1%	20.1%
EBITDA margin	24.2%	22.2%	21.7%	21.9%
Net profit margin	4.6%	6.3%	7.0%	8.2%
ROAE	8.6%	13.2%	14.3%	15.9%
ROAA	2.2%	3.5%	3.9%	4.8%
ROIC	2.5%	3.7%	4.5%	5.6%
Asset turnover ratio	0.5	0.6	0.6	0.6
Dividend payout ratio	44.0%	0.0%	0.0%	0.0%
D/E	140.0%	139.3%	120.6%	98.4%
Net debt to total equity	111.7%	95.8%	83.9%	55.0%
Net debt to asset	41.1%	34.2%	32.1%	23.1%
Interest coverage ratio	2.0	2.5	2.5	3.1
Days account receivable	113.1	129.9	126.2	121.2
Days inventory	72.5	53.2	49.6	52.6
Days account payable	50.7	64.8	65.0	66.0
Current ratio	1.6	1.6	1.5	1.4
Quick ratio	1.3	1.4	1.3	1.2
Cash ratio	0.7	0.7	0.6	0.7
Valuation				
EPS (VND/share)	1,377	2,291	2,994	4,006
BVPS (VND/share)	15,416	19,209	22,647	27,624
P/E (x)	20.8	12.5	9.6	7.1
P/B (x)	1.9	1.5	1.3	1.0

Sources: Company reports, MBS Research

DISCLAIMER

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 sector have, on a market cap-weighted basis, a positive absolute recommendation
Neutral	Stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Negative	Stocks in the sector 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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