

Ha Do Group JSC (HSX: HDG) Regain profit growth momentum

- 4Q24 NP declined 37% yoy, mainly due to provisions from Hong Phong 4. 2024 NP decreased by 13% yoy, completing 80% of MBS's projections.
- 2025-26 net profit is expected to grow at a 48% CAGR, primarily driven by the handover of Charm Villa Phase 3 (108 units).
- Reiterate ADD with lower TP of 32,700VND/share.

4Q24 business results: Power's provisions weigh on profitability

4Q24 revenue declined by 7% yoy, mainly due to the absence from real estate as the company postponed the handover of Charm Villa to 2025. This resulted in a corresponding decrease in gross profit, with a GPM of 68%. Notably, SG&A expenses surged by 89% yoy, driven by a VND203bn provision related to the Hong Phong 4, reflecting the company's cautious approach to handling the project. Financial income rose by 44% yoy due to new bond investments, while financial expenses fell sharply, supported by lower interest expenses and foreign exchange gains from EUR-denominated loans. As a result, 4Q24 NP declined by 37% yoy, dragging full-year NP down by 13% yoy, completing 80% of MBS's projections.

2025-26 Outlook: Growth drivers from real estate and expected policy changes

While the power and leasing segments are expected to remain stable, real estate—particularly Charm Villa Phase 3 will be the primary driver for high NP growth of 48% CAGR over 2025-26. The company expects to sell 30 units in 2025, with the majority (45% of total units) in 2026, and the remainder in 2027, bringing over VND1,050bn in NP. In the medium term, we see HDG to benefit from new key policies supporting its two main businesses: power and real estate. In particular, the pricing framework for wind power will be crucial for HDG to advance its expansion plans, given its extensive pipeline of projects included in the PDP8. Meanwhile, the pilot mechanism allowing commercial housing development on non-residential land presents an opportunity for HDG to resolve long-standing legal bottlenecks and capitalize on its large, high-quality land bank.

Reiterate ADD with lower TP of 32,700VND/share

We maintain ADD rating with a TP of VND32,700/share (-4% vs. previous forecast), primarily reflecting adjustments in the revenue recognition timeline for Charm Villa P3 and a downward revision of our valuation for the Hong Phong 4 solar project. We believe that risks associated with the final resolution of these solar projects are not overly significant, as HDG has proactively made provisions. As such, we view HDG's current valuation as attractive for accumulation.

VNDbn	2023	2024	2025F	2026F
Revenue	2,882	2,719	3,152	3,503
Net profit	712	576	874	1,278
Revenue growth	-19.5%	-5.6%	15.9%	11.1%
Net profit growth	-35.1%	-19.0%	51.6%	46.3%
Gross margin	59.5%	58.4%	64.3%	63.5%
EBITDA margin	66.6%	62.8%	66.4%	71.4%
ROAE (%)	11.9%	9.1%	12.0%	14.8%
ROAA (%)	4.9%	4.1%	5.7%	7.6%
EPS (VND/share)	1,948	1,549	2,348	3,425
BVPS (VND/share)	17,851	18,818	21,630	25,605

Sources: HDG, MBS Research

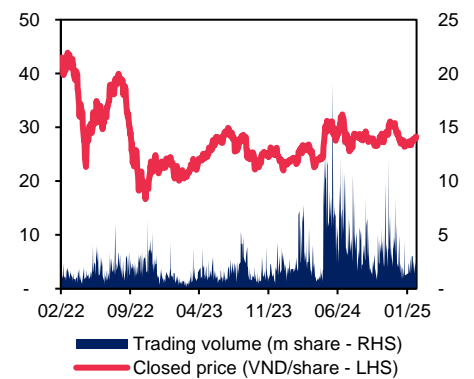
Target price **VND32,700**
Upside **18.00%**

ADD

Key changes in the report

Revise 2025/26 EPS by -32% /+5%

Price performance



Sources: FiiPro, MBS Research

Current price (VND)	28,250
52W High (VND)	32,400
52W Low (VND)	22,560
Market Cap (VNDbn)	9,468
P/E (TTM)	16.4
P/B	1.5
Dividend yield (%)	3.5
Foreign ownership (%)	17.5%

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

Ownership

Nguyen Trong Thong	28.9%
Nguyen Van To	7.4%
PYN ELITE FUND	5.1%
Others	63.7%

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

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Ha Do Group JSC (HSX: HDG)

Investment thesis and Recommendation

Investment thesis

- A leading energy enterprise, demonstrating strong capabilities in project execution and operation with a low investment cost, averaging VND25bn/MW across its total portfolio of 461MW. Looking ahead to 2025-2030, HDG maintains an ambitious plan to double its current power generation capacity, with notable projects in the pipeline, including Son Linh (15MW), Son Nham hydropower (9MW), Phuoc Huu wind power (50MW), and Binh Gia wind power (80MW).
- Impressive 2025-26 net profit CAGR of 48%, driven by the handover of Charm Villa Phase 3 (~108 units). Additionally, HDG stands to benefit from the pilot program allowing commercial housing development on non-residential land. This policy is expected to resolve a major bottleneck in HDG's real estate projects, which have been hindered by land-use conversion issues. However, developers must wait until April 01, 2025, when the policy takes effect. Until then, the government needs to issue specific implementation guidelines and an official list of eligible projects.
- HDG's strong financial position is a key factor enabling it to withstand market challenges. The company faces minimal financial cost pressures due to the high efficiency of its operating projects and its proactive approach in negotiating new loans at lower interest rates, particularly for its hydropower plants.

Reiterate ADD with lower TP of 32,700VND/share

We maintain ADD rating with a TP of VND32,700/share (-4% vs. previous forecast), mainly reflecting the downward valuation adjustment of Hong Phong 4 and the revised timeline for Charm Villa Phase 3, now extending from 2025-26 to 2025-27. As a result, we adjust our EPS forecasts for 2025/26 by -32%/+5%. Our SOTP valuation applies the DCF method (WACC: 10.6%) for the power, office leasing, and hotel segments (Cap rate: 8.0%), while using the RNAV method (Discount Rate: 10%) for the residential real estate segment. We believe that risks associated with the final resolution of solar power projects are mitigated as HDG has proactively made provisions. HDG remains an attractive investment with a solid pipeline of energy projects supporting long-term profit growth and the potential resolution of legal bottlenecks in its real estate projects.

Upside catalysts:

- A better-than-expected recovery in the real estate market, facilitating the successful launch of Charm Villa Phase 3.
- Earlier-than-expected issuance of the pricing framework for renewable energy, accelerating the development of new projects.
- Clear implementation guidelines for the pilot program on commercial housing development on non-residential land.

Downside Risks:

- Lower-than-expected hydropower output.
- Unfavorable final resolution for solar power projects, as HDG faces delays in payments from EVN amid ongoing legal proceedings.

Figure 1: SOTP-based valuation

SOTP-based valuation			
	Metric	Method	Weight
	VNDbn		%
Power	11,100	DCF (WACC: 10.4%)	
Property + Construction	2,654	RNAV (Discount rate: 12%)	
Office leasing & Hotel services	1,920	DCF (Cap rate: 8%)	
Other	149	Book value at end-4Q24	
(+) Cash & cash equivalent	1,382		
(-) Debt	4,639		
(-) Minority interest	1,585		
Equity value	10,982		
No of shares (million share)	336		
Implied share price (VND/share)			32,654
Rounded share price (VND/share)			32,700

Sources: MBS Research

Figure 2: Peer comparison

Company name	Ticker	Price	Target price	Recom.	Mkt Cap	P/E(x)		P/BV(x)		EV/EBITDA (x)		ROE (%)	
						TTM	2025	current	2025	TTM	2025	TTM	2025
	Bloomberg	LC\$	LC\$		US\$m								
Conglomerate peer													
PC1 Group JSC	PC1 VN	24,100	29,200	ADD	333	20.4	13.7	1.5	1.2	7.6	7.4	8.0	10.1
Bamboo Capital Group JSC	GEX VN	23,500	NA	NR	782	12.0	20.0	1.2	1.3	5.6	5.7	7.3	5.5
REE Corp	REE VN	72,400	75,300	ADD	1,233	15.7	12.8	1.7	1.4	10.4	8.5	11.0	9.3
<i>Average</i>						16.0	15.5	1.5	1.3	7.9	7.2	8.8	8.3
Gia Lai Electricity JSC	GEG VN	13,000	NA	NR	184	46.5	17.2	1.2	1.0	8.8	8.8	2.7	5.3
Central Hydropower JSC	CHP VN	35,000	NA	NR	206	17.0	NA	2.9	NA	16.8	NA	17.0	NA
Vinh Son - Song Hinh JSC	VSH VN	52,500	NA	NR	476	32.0	17.5	2.5	NA	11.5	NA	7.7	15.7
<i>Average</i>						31.8	17.4	2.2	1.0	12.4	8.8	9.1	10.5
Ha Do Group JSC	HDG VN	28,300	32,700	ADD	365	16.1	11.9	1.5	1.3	8.2	7.4	9.4	12.0

Sources: Bloomberg, MBS Research

4Q24 business results: Power segment's provisions weigh on profitability

Figure 3: 4Q24 & 2024 business recap

VNDbn	4Q24	%yoy	%qoq	2024	%yoy	% vs forecast	Comment
Revenue	812	-7%	43%	2,719	-6%	93%	
Power	685	6%	54%	1,891	-2%	100%	
Property + Construction	19	-81%	na	426	-18%	85%	Revenue from the residential real estate & construction segment fell short of expectations, mainly due to the absence of construction revenue recognition in 4Q24.
Office leasing + Hotel	108	-8%	-12%	459	9%	106%	
Gross profit	552	-7%	64%	1,589	-8%	92%	
%GPM	68%	0%pts	9 d%	58%	-1%pts		
Power	529	10%	71%	1,284	-4%	99%	
Property + Construction	15	-65%	na	160	-16%	68%	
Office leasing + Hotel	52	-14%	17%	202	4%	98%	
SG&A	227	116%	425%	358	54%	188%	4Q24 SG&A expenses surged by 116% yoy, as the company set aside a VND203bn provision for the Hong Phong 4, significantly higher than our initial forecast.
EBIT	325	-33%	11%	1,231	-17%	82%	
Financial income	19	44%	14%	57	41%	81%	4Q24 financial income increased by 44% yoy, driven by new short-term bond investments made earlier in the year.
Financial expenses	64	-58%	-37%	348	-28.6%	87%	Financial expenses dropped by 58% yoy, supported by lower interest and FX gains from revaluing EUR-denominated loans at year-end.
Profit before tax	233	-35%	15%	880	-9%	80%	
%PBT	29%	-13%pts	-20%	32%	-1%pts	0%	
Taxes	25	-7%	19%	122	35%	64%	
Profit after tax	208	-37%	14%	880	-9%	89%	
Minority interest	55	-40%	23%	177	-12%	84%	
Net profit	153	-37%	11%	576	-13%	80%	4Q24 NP declined by 37% yoy, while full-year 2024 NP reached VND576bn (-13% yoy), completed only 80% of MBS's projections

Sources: HDG, MBS Research

2025-26 Outlook: Awaiting opportunities from policy resolutions

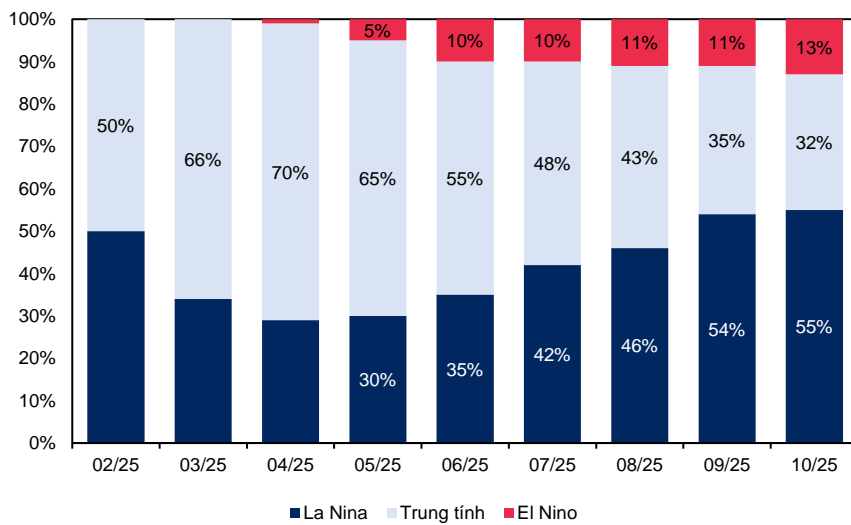
Power Segment: Expanding generation capacity from 2025

Hydropower: Stable volume outlook

In 2025, for major hydropower plants such as Song Tranh 4 and Dak Mi 2, we do not foresee significant room for price increases as the market-dispatched volume (Qm) assigned for 2025 remains at 2%. However, we believe the impact will be minimal as these plants currently operate under high contract prices (Pc). Moreover, HDG's small-scale hydropower plants (accounting for 38% of total capacity) will remain unaffected by price declines due to the avoided cost tariff policy. Consequently, for 2025-26, we forecast that hydropower selling prices will remain stable, with an annual increase of ~2%.

Regarding production outlook, recent updates from IRI suggest a gradual return of the La Niña phase by year-end, albeit with low certainty. As a result, we adopt a conservative view, forecasting a stable power output at the three-year average level. Revenue for 2025-26 is projected at VND1,442bn (+12% yoy) and VND1,371bn (-5% yoy), respectively.

Figure 4: La Niña Phase expected to return according to latest IRI updates



Sources: IRI, MBS Research

Renewable Energy: Awaiting final resolution for non-compliant solar projects

Although general guidelines for addressing renewable energy (RE) projects have been proposed, there are still no official resolutions for specific projects, including HDG’s Hong Phong 4. However, HDG’s management has taken a prudent stance, anticipating a reduction in the FIT price and a retrospective revenue adjustment for FIT differentials. In 2024, HDG set aside a total provision of VND293bn, covering electricity receivables from EVN from August 2023 to December 2024. Until an official resolution is reached, the company has indicated it will continue provisioning throughout 2025. Currently, we base our forecast for Hong Phong 4 on a scenario where the selling price is adjusted from FIT1 (9.35 US cents/kWh) to FIT2 (7.09 US cents/kWh) from 2025. However, risks remain, as the project may be subject to transitional tariffs, potentially leading to a 47% decline in selling price. Further clarity is required before drawing definitive conclusions.

Regarding power generation outlook, we expect HDG’s solar plants to maintain optimal production levels, with a consistent 88-93% utilization rate since operations began, ensuring stable revenue streams in the coming years. Accordingly, for 2024-26, we forecast an average production volume of 171m kWh per year. For wind power, we project a stable utilization rate of 78-80% of designed capacity in 2025-26. Consequently, we estimate wind power revenue at VND233bn (+6.5% yoy) in 2025 and VND231bn (-1.1% yoy) in 2026.

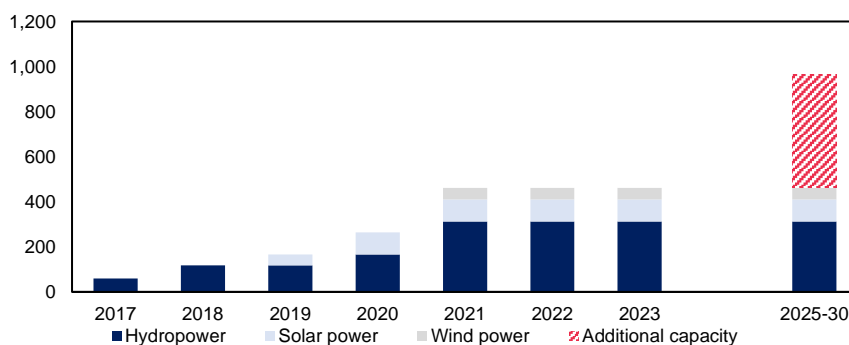
Figure 5: Power segment outlook for 2025-26 period

	Capacity	Designed output	2020	2021	2022	2023	2024F	2025F	2026F
	MW	million kWh							
Output	461	1,547	558	902	1,652	1,450	1,387	1,541	1,471
%yoy			-	62%	83%	-12%	-4%	11%	-4%
Hydropower	313	1,211	442	709	1,390	1,168	1,104	1,259	1,190
Solar power	98	184	116	168	171	170	176	172	173
Wind power	50	152	-	25	91	112	107	110	108
Average selling price	VND/kWh		1,775	1,789	1,761	1,781	1,822	1,872	1,875
Hydropower			1,213	1,233	1,124	1,146	1,159	1,145	1,153
Solar power			2,153	2,165	2,181	2,171	2,261	2,342	2,342
Wind power			1,957	1,968	1,978	2,027	2,047	2,129	2,129
Revenue	VNDbn		786	1,276	2,115	1,935	1,896	2,026	1,956
%yoy	%		-	62%	66%	-9%	-2%	7%	-3%
Hydropower			536	874	1,563	1,339	1,279	1,442	1,371
Solar power			250	364	373	369	398	351	354
Wind power			-	49	180	227	219	233	231
Gross profit	VNDbn		568	926	1,472	1,301	1,265	1,387	1,321
%yoy	%		-	63%	59%	-12%	-3%	10%	-5%
Hydropower			381	631	1,096	884	828	982	915
%GPM	%		71%	72%	70%	66%	65%	68%	67%
Solar power			188	270	279	275	303	259	261
%GPM	%		75%	74%	75%	75%	76%	74%	74%
Wind power			-	24	96	141	134	147	145
%GPM	%		NA	49%	54%	62%	61%	63%	63%

Sources: HDG, MBS Research

In term of capacity expansion outlook, HDG remains committed to doubling its current generation capacity by 2030, with a strong pipeline of upcoming projects. The company is currently in the process of M&A acquisitions for two small hydropower plants, Son Linh (15MW) and Son Nham (9MW). In renewable energy, HDG is pursuing a new wind power project, Binh Gia (80MW) in Lang Son, along with Phuoc Huu Wind Power (50MW) in Ninh Thuan. Additionally, the company is exploring several projects under PDP8, including: Ea H'leo Wind Power (57MW), Huong Phung Wind Power (30MW), Soc Trang Wind Power (40MW), An Phong Wind Power (300MW). At present, we have not incorporated these projects into our valuation model due to the lack of an official pricing framework for renewable energy. However, we believe that if a new pricing mechanism for RE is announced in 2025, it will serve as a catalyst for HDG to advance these projects.

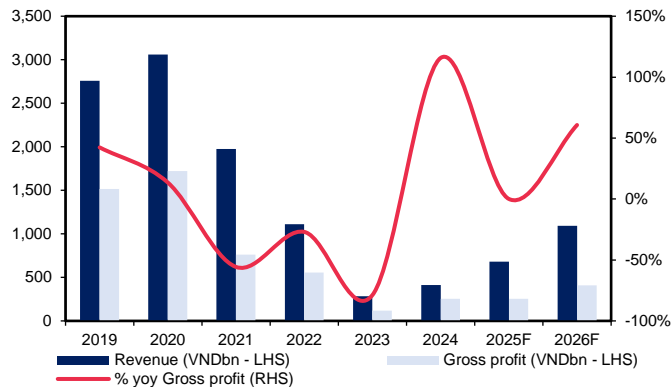
Figure 6: HDG aims to double its total power generation capacity between 2025 and 2030, focusing on hydropower and wind power expansion.



Sources: HDG, MBS Research

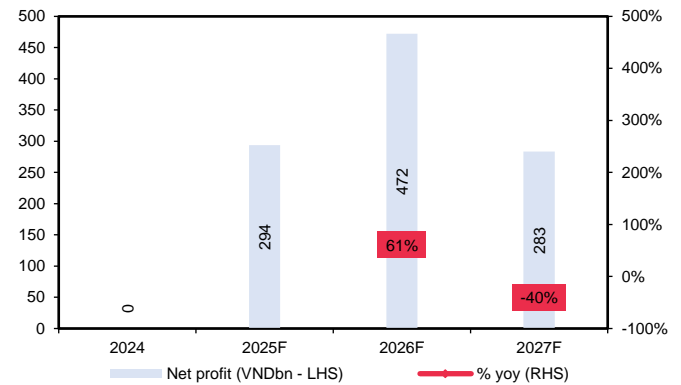
Residential property: Charm Villa Phase 3 sales expected to launch in 2Q25

Figure 7: Revenue growth in 2025-27 is tied to the sales and handover schedule of Charm Villa Phase 3...



Sources: HDG, MBS Research

Figure 8: ... Consequently, we anticipate strong profit growth from Charm Villa Phase 3 in 2025-26.



Sources: HDG, MBS Research

In 2025, HDG plans to launch sales for Charm Villa phase 3, offering ~30 units (out of 108 total units) from 2Q25. The selling price is projected at VND150-170 million/m². Given HDG's strong financial position and low cash flow pressure, the company has adopted a cautious approach to sales volume, and we expect a 100% absorption rate. The remaining units are expected to be handed over in 2026 (45%) and 2027 (27%) via our estimation, generating an estimated total revenue of VND2,430bn and a NP of VND1,050bn, with an estimated project net margin of 43%.

For future projects, we see positive prospects for resolving legal bottlenecks for key developments in Ho Chi Minh City, including Green Lane and Minh Long. In December 2024, the National Assembly approved a pilot resolution allowing land-use conversion for commercial housing development, with HDG's projects among those expected to be selected. From now until April 2025, when the pilot program takes effect, the government is expected to issue detailed implementation guidelines and an official list of eligible projects, helping investors address legal obstacles. HDG aims to include Green Lane and Minh Long in this pilot program. If conditions are favorable, Minh Long could be the first to launch, as it already has a more completed legal framework. For Green Lane, HDG plans to revise the 1/500 master plan to optimize design and profitability. As of now, we have not incorporated these projects into our valuation model due to limited concrete information. However, we believe that this new regulatory framework will significantly enhance HDG's real estate development potential, leveraging its large and high-quality land bank.

2025-26 forecast revision

Figure 9: 2025-26 forecast revision

VNDbn	2024	%yoy	2025	%yoy	Δ%	2026	%yoy	Δ%	Comment
Revenue	2,719	-6%	3,152	16%	-18%	3,503	11%	-4%	
Power	1,891	-2%	2,026	7%	-4%	1,956	-3%	-5%	
Residential property	414	47%	680	64%	-43%	1,094	61%	9%	Reduced 2025 revenue by 41% and increased 2026 forecast by 9%, reflecting the adjustment in Charm Villa Phase 3 handover timeline from 2025-26 to 2025-27.
Office leasing & Hotel	459	9%	432	-6%	3%	440	2%	3%	
Other	13	-95%	13	0%	-90%	13	0%	-92%	
Gross profit	1,589	-7%	2,028	28%	-16%	2,224	10%	-1%	
%GPM	58%	-1%	64%	6%	3%	63%	-1%	3%	
Power	1,284	-4%	1,387	8%	-5.5%	1,321	-4.8%	-7.5%	
Residential property	159	-3%	426	168%	-41%	684	61%	15%	
Office leasing & Hotel	202	4%	214	6%	6%	218	2%	3%	
Other	1	-96%	1	0%	-92%	1	0%	-94%	
SG&A	358	100%	462	29%	89%	249	-46%	3%	Increased 2025 SG&A expense projection by 89%, adopting a cautious approach, as the company is expected to continue provisioning for Hong Phong 4 until further developments arise.
EBIT	1,212	-17%	1,547	28%	-28%	1,954	26%	-2%	
Financial income	57	42%	123	116%	5%	180	47%	4%	
Financial expenses	348	-29%	339	-3%	-4%	318	-6%	-5%	
Pretax profit	880	-13%	1,332	51%	-28%	1,817	36%	4%	
%pretax margin	32%	-3%	42%	10%	-12%	52%	10%	8%	
Tax expenses	127	26%	229	80%	-28%	313	37%	5%	
NPAT	753	-17%	1,103	47%	-28%	1,504	36%	3%	
Minority interest	177	-9%	230	30%	-5%	226	-1%	-5%	
Net profit	576	-19%	874	52%	-32%	1,278	46%	5%	Accordingly, 2025-26 NP projections have been adjusted by -32%/+5% compared to previous estimates.
EPS (VND/share)	1,549	9%	2,348	52%	-34%	3,425	46%	3%	

Sources: HDG, MBS Research

Financial statements

Income statement					Cash flow statement				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Net revenue	2,882	2,719	3,152	3,503	Pre-tax profit	1,007	880	1,332	1,817
Cost of sales	(1,166)	(1,130)	(1,124)	(1,279)	Depreciation & amortization	461	494	545	545
Gross profit	1,716	1,589	2,028	2,224	Tax paid	(127)	(229)	(313)	(304)
Gen & admin expenses	(171)	(353)	(396)	(162)	Other adjustments	(962)	(485)	722	(295)
Selling expenses	(8)	(5)	(66)	(87)	Change in working capital	32	180	334	(8)
Operating profit	1,454	1,212	1,547	1,954	Cash flow from operations	426	930	2,692	1,739
Operating EBITDA	1,920	1,706	2,093	2,500	Capex	(248)	6	(485)	(50)
EBIT	1,496	1,228	1,671	2,135	Proceeds from assets sales	21	19	21	24
Interest income	40	57	123	180	Cash flow from investing activities	(674)	(320)	(764)	(447)
Financial expense	(489)	(348)	(339)	(318)	New share issuance	612	306	-	-
Net other income	2	(41)	1	1	Net borrowings	(693)	(542)	(245)	(409)
Income from associates	-	-	-	-	Other financing cash flow	-	-	-	-
Pre-tax profit	1,007	880	1,332	1,817	Dividends paid	(119)	(283)	-	-
Tax expense	(101)	(127)	(229)	(313)	Cash flow from financing activities	(201)	(519)	(245)	(409)
NPAT	906	753	1,103	1,504	Cash and equivalents at beginning of period	694	246	337	2,020
Minority interest	(194)	(177)	(230)	(226)	Total cash generated	(449)	92	1,682	882
Net profit	712	576	874	1,278	Cash and equivalents at the end of period	246	337	2,020	2,902
Ordinary dividends	(176)	(338)	(84)	(126)					
Retained earnings	592	294	874	1,278					
Balance sheet					Key ratios				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Cash and equivalents	246	337	2,020	2,902	Net revenue growth	-19.5%	-5.6%	15.9%	11.1%
Short term investments	388	752	1,052	1,473	EBITDA growth	-23.8%	-11.1%	22.7%	19.4%
Accounts receivables	1,941	1,353	1,732	2,009	EBIT growth	-28.4%	-16.7%	27.7%	26.3%
Inventories	1,050	863	655	546	Pre-tax profit growth	-37.2%	-12.6%	51.4%	36.4%
Other current assets	37	46	54	60	Net profit growth	-35.1%	-19.0%	51.6%	46.3%
Total current assets	3,661	3,352	5,513	6,989	EPS growth	-42.6%	-20.5%	51.5%	45.9%
Tangible fixed assets	10,465	9,931	9,151	9,022	Gross profit margin	59.5%	58.4%	64.3%	63.5%
Intangible fixed assets	278	193	192	192	EBITDA margin	66.6%	62.8%	66.4%	71.4%
Construction in progress	894	850	250	250	Net profit margin	24.7%	21.2%	27.7%	36.5%
Investments in subsidiaries	2	3	4	5	ROAE	11.9%	9.1%	12.0%	14.8%
Investments in associates	63	43	43	43	ROAA	4.9%	4.1%	5.7%	7.6%
Other long-term investments	759	725	691	656	ROIC	5.6%	4.6%	6.5%	8.7%
Other long-term assets	140	417	484	537	Asset turnover ratio	24.3%	22.9%	26.6%	29.5%
Total non-current assets	10,946	10,584	9,870	9,794	Dividend payout ratio	16.8%	49.0%	0.0%	0.0%
Total assets	14,607	13,936	15,383	16,783	D/E	74.2%	63.6%	52.4%	40.6%
Short-term borrowings	617	631	737	680	Net debt to total equity	102.3%	86.3%	71.8%	59.2%
Trade accounts payable	379	60	376	408	Net debt to asset	35.9%	35.5%	32.6%	28.0%
Other payables	1,399	1,225	1,414	1,617	Interest coverage ratio	3.1	3.5	4.6	6.2
Total current liabilities	2,395	1,916	2,527	2,705	Days account receivable	246	182	201	209
Long-term borrowings	4,809	4,253	3,901	3,549	Days inventory	329	279	213	156
Other long-term payables	88	83	96	107	Days account payable	26	13	20	16
Total long-term liabilities	4,897	4,336	3,998	3,656	Current ratio	1.5	1.7	2.2	2.6
Total liabilities	7,292	6,252	6,524	6,361	Quick ratio	1.1	1.3	1.9	2.4
Common shares	3,058	3,363	3,363	3,363	Cash ratio	0.1	0.2	0.8	1.1
Share premium	-	-	-	-					
Treasury shares	-	-	-	-	Valuation				
Undistributed earnings	2,377	2,512	3,386	4,664	EPS (VND/share)	1,948	1,549	2,348	3,425
Investment and development funds	569	453	525	584	BVPS (VND/share)	17,851	18,818	21,630	25,605
Foreign exchange differences	-	-	1	2	P/E (x)	15.4	18.1	11.9	8.2
Shareholders' equity	5,435	5,875	6,749	8,027	P/B (x)	1.7	1.5	1.3	1.1
Minority interest	1,311	1,355	1,585	1,811					
Total shareholders' equity	6,003	6,328	7,274	8,611					
Total liabilities & equity	14,607	13,936	15,383	16,783					

Sources: Company report, MBS Research

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MBS RECOMMENDATION FRAMEWORK

Stock Ratings

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

Add The stock's total return is expected to reach 15% or higher over the next 12 months

Hold The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.

Reduce The stock's total return is expected to fall below negative 10% over the next 12 months.

Sector Ratings

Positive Stocks in the 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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