

FPT DIGITAL RETAIL JSC (HSX: FRT)

Long Chau rides the wave in Vietnam's fragmented pharmacy

(VND bn)	Q2-FY25	Q1-FY25	+/- qoq	Q2-FY24	+/- yoy
Net Revenue	11,390.3	11,669.9	-2.40%	9,239.5	23.3%
Net Profit (Parent Company)	118.7	167.9	-29.4%	26.7	343.7%
EBIT	237.2	317.9	-25.4%	129.0	83.9%
EBIT Margin	2.1%	2.7%	-0.6 pps	1.4%	0.7%

Source: FRT, RongViet Securities

Q2-FY25: FRT maintained growth momentum thanks to Long Chau accelerating store opening plan and benefiting from a tightening market. On the other hand, FPT Shop managed to reduce its losses

- In Q2-FY25, FRT recorded a positive performance with net revenue/NPAT-MI reaching VND 11,390.3 bn (-2.4% QoQ, +23.3% YoY) and VND 118.7 bn (-29.4% QoQ, +343.7% YoY), respectively. This was led by Long Chau (70% of revenue, 123% in total NPAT-MI) thanks to favorable new openings (70% QoQ), the shifting consumer habit trend from GT to MT channels and benefiting from the pharmaceutical origin tightens, e-invoice process standadization. Thereby, Long Chau's revenue/store/month reached VND 1.17 bn (+3% YoY) in H1/2025, but recorded a slight decrease of 3% QoQ due to the rapid opening. Cost management efficiency continued to improve when the profit margin reached 1% (+0.7 pps YoY) thanks to a reduction in SG&A costs/revenue (-0.3 pps YoY) despite the increase in stores number of pharmacies/VC by 248 and 52, respectively, compared to the end of 2024.
- On the other hand, FPT Shop was a grey segment of FRT in unfavorable seasonality and continued to record VND -27 billion (-47.4% QoQ, +55.8% YoY) while major competitors such as TGDD&DMX are growing well. Additionally, after restructuring in 2024 (closing 124 stores in 2024 and 9 stores in H1/2025), FPT Shop had to implement numerous promotional activities to attract customers and regain the ICT market share by increasing discount rate (Q2 gross margin reached 12.6%, -1.14% YoY) and increasing SG&A/revenue (+0.5 pps QoQ) in return for improved revenue/store/month reached VND 1.83 billion (+5.8% YoY) in Q2.

Q3 outlook: Expect a brighter picture with market advantages for modern retail chains and the ICT new product launch season in the second half of the year

- In H2/2025, we expect Long Chau to continue to be a "pillar" of FRT by accelerating the expansion to get additional market share in rural areas (reaching >21% of the pharmaceutical retail market share, +5 pps YoY, especially in the context of tightening market of pharmaceuticals origin, with a total of 400 new stores.
- The "revival" of FPT Shop is gradually taking shape as it returns to profitability by further optimizing its operating system. Some strategies will continue to be maintained: Cooperation with third-party payment service providers to offer discounts on selling prices, expansion to CE items (higher gross margin than ICT items). In addition, Apple's new product launch season is also predicted to drive demand for ICT in upcoming period.
- Thereby, we forecast Q3/2025 results with net revenue and net profit of VND 12,828 bn (+23.6 YoY) and VND 274 bn (+75.5% YoY), respectively: Long Chau's expansion continues and maintains revenue/store growth rate at 3% YoY; FPT Shop gradually stabilized the operation after restructuring and seasonality is relatively supportive for the second half of the year.

Valuation and Recommendation

We believe that Long Chau continues to underpin FRT's performance over the coming year, driven by a new-store rollout and higher revenue per store (3-5%). This will offset the seasonal trough in FPT Shop's ICT segment when the chain focuses on operational optimization throughout 2025.

Using the 5-year FCF method for long-term valuation and the SoTP method for the short- and mid-term, we maintain our **OBSERVE** recommendation for FRT and provide additional valuation information under different risk scenarios for investor reference.

OBSERVE

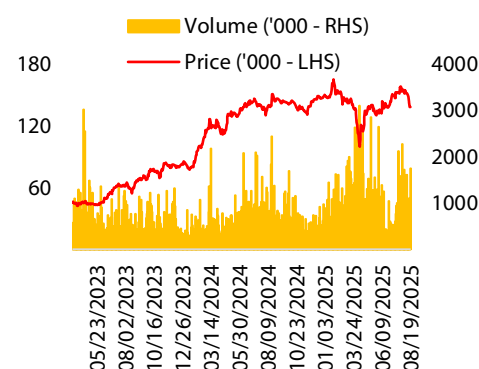
Current market price (VND) 128,100

Stock Info

Sector	Retail
Market Cap (VND bn)	21,825.7
Current Shares O/S	170.3
Avg. Daily Volume (in 20 sessions)	777,650
Free Float (%)	55.0
52 weeks High	164,800
52 weeks Low	99,280
Beta	1.0

	FY2024	Current
EPS	2,331	3,160
EPS Growth (%)	191.9%	N.A
P/E	76.4	40.5
P/B	12.6	8.5
EV/EBITDA	30.9	22.9
ROE (%)	16.6	24.9

Price performance



Major Shareholders (%)

FPT Corp.	46.5
Remaining Foreign Room (%)	17.3

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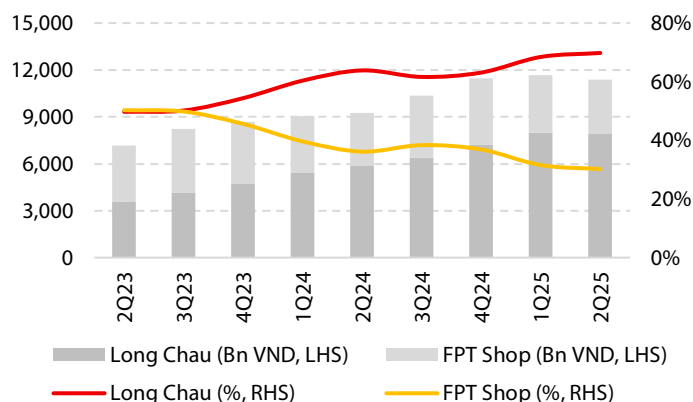
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Q2-FY25 results: Positively recording 2-digit YoY growth, entirely thanks to Long Chau's favorable new opening process, which shows a good understanding of consumer demand and maintains competitive advantages. In contrast, FPT Shop was still in the red, albeit with a significant YoY reduction in losses.

FRT's net revenue reached VND 11,390 billion (-2.4% QoQ, +23.3% YoY), which was a positive result and on track with expectations:

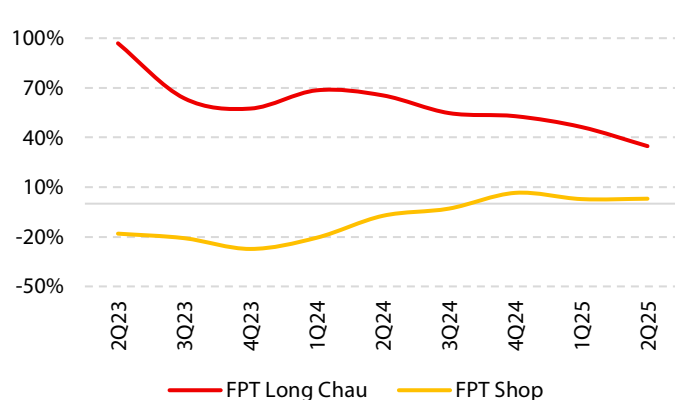
- **FPT Long Chau: reached VND 7,950 billion (-1.3% QoQ and +34.8% YoY).** As a result, the proportion contributing to FRT's total revenue increased to 69.8%, a significant improvement compared to 63.1% in Q4/2024 and 68.4% in Q1/2025.
- **FPT Shop: modestly reached VND 3,440 billion (-6.6% QoQ and +3.0% YoY),** growth over the same period mainly thanks to revenue per store increased by 5.8% YoY after continuing to close additional 3 stores in the quarter (-9 stores in H1/2025) and retaining stores with stable operating frequency.

Figure 1: Contribution of FPT Shop and Long Chau to total revenue



Source: FRT, RongViet Securities

Figure 2: Revenue growth rate (YoY) of FPT Shop and Long Chau



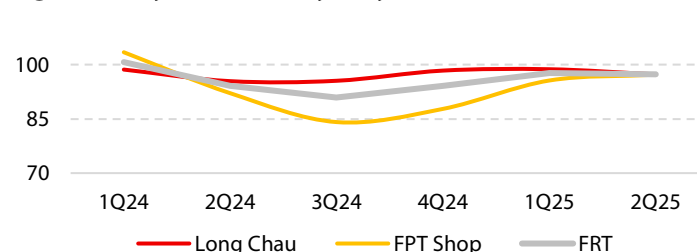
Source: FRT, RongViet Securities

This result showed FRT's efforts in expanding the chain of pharmacies and vaccination center, which is close to the initial strategy, in addition to restructure the ICT segment:

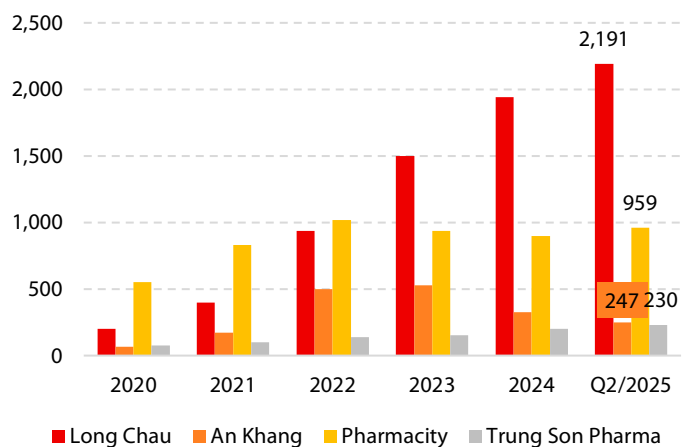
- At the end of Q2/2025, FRT owned 2,191 pharmacies nationwide (+169 in Q2 and +248 in H1). The strategy of opening new stores is being implemented continuously. Investing in customer service is one of Long Chau's strengths:
 - **Pharmaceutical segment,** owning a diversified and reputable drug product portfolio, is cheaper in almost all products than other pharmacy chains such as Pharmacy, An Khang or small private pharmacies thanks to its purchasing scale.
 - **Vaccination segment,** the number of vaccine SKUs of Long Chau (48) is almost catching up with VNVC (53). In addition, the price of vaccines is generally 2-4% cheaper than at VNVC and Nhi Dong 315, depending on the segment and type of vaccine.
 - "Freeship" policy is a great competitive advantage: Actively paid the delivery cost for all orders. This shows the effort in optimizing customer experience and expanding market share. However, this requires strict compliance throughout Long Chau system in the purchase and sale of prescription drugs, which must be accompanied by a doctor's prescription in accordance with current laws.
- **ICT segment,** closing an additional 3 stores in Q2, showing that FPT Shop is still in the process of evaluating to optimize the number of stores operating effectively.
- DOI remained stable for 90-97 days, despite an increase in the number of stores and customers thanks to the temporary shutting down of small pharmacies due to the problem of strict product traceability and not yet able to adapt to the standard e-invoice process (*). This helps the chain to ensure the supply of goods to always meet consumer demand.

(*) Recorded a decrease of 1/3 no. of customers, according to our survey at retail drug stores in Hanoi, HCMC and some provinces and cities across the country.

Figure 3: Days of inventory (Days)

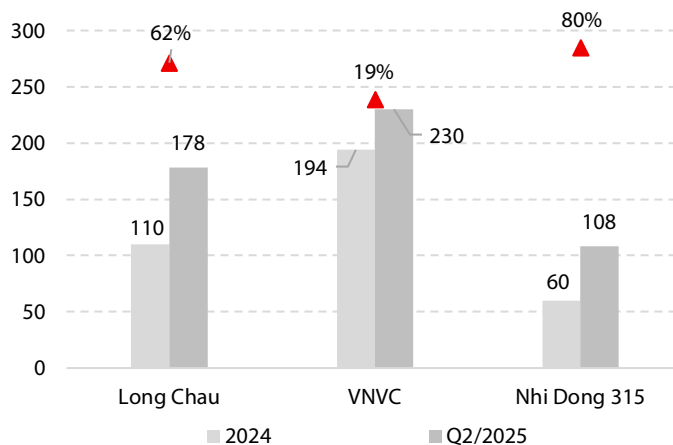


Source: FRT, RongViet Securities

Figure 4: Store number of Long Chau and other pharmacy chains

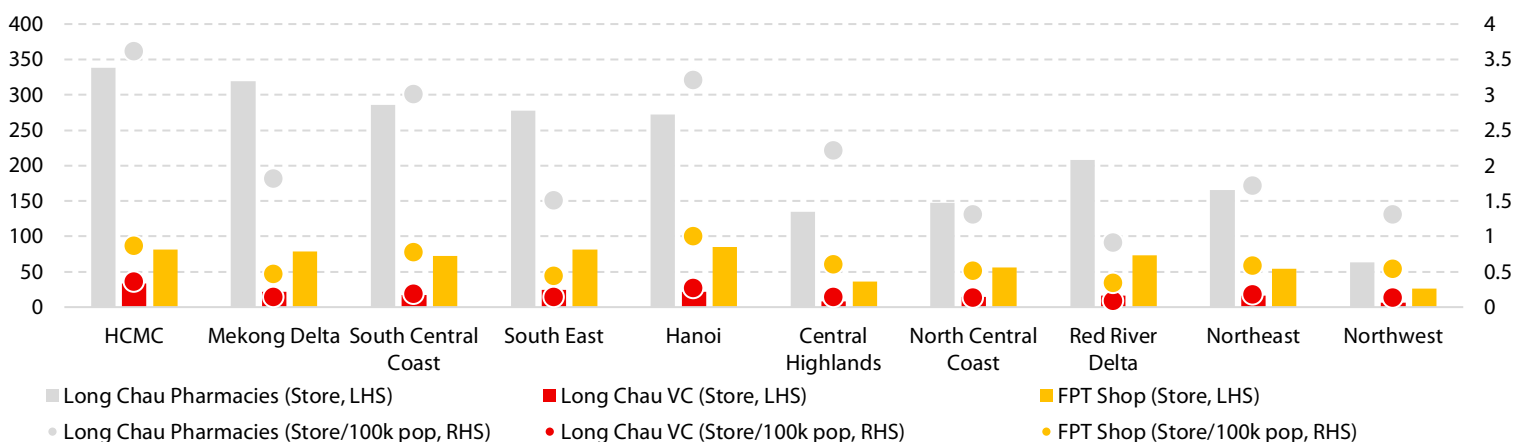
Source: RongViet Securities

Note: Data was extracted at the end of 7/2025

Figure 5: Number of vaccination center of Long Chau, VNVC and Nhidong 315

Source: RongViet Securities

Note: Data was extracted at the end of 7/2025

Figure 6: Store number of FRT by chains and store distribution density per population in areas

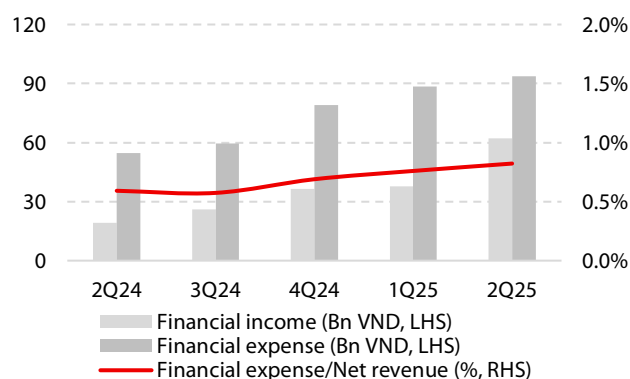
Source: RongViet Securities- Note: Data was compiled and estimated at the end of 7/2025

Costs: SG&A expenses and financing expenses tend to increase from Q3/2024, reaching 18% and ~1%, respectively.

Meanwhile, NPAT-MI and net margin have improved well ([Exhibit 2](#)). This reflects the company's efforts in the strategy of increasing reasonable spending on business activities at the stage of expanding Long Chau chain but still maintaining debt/total asset ratio <55%. (*)

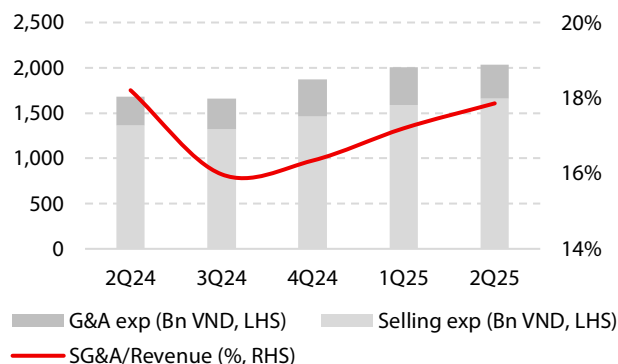
- SG&A increased at a growth high rate of 20.9% YoY in Q2/2025, which was mainly attributable to labor costs and depreciation (increased 29% and 28% YoY, respectively) ([Exhibit 1](#)).
- On the other hand, revenue and financial expenses did not fluctuate too much, maintaining a 1% proportion of total net revenue.

Note: One of the risk aspects of FRT needs to be observed because total debt is short-term debt, which is highly leveraged.

Figure 7: Financial income and expenses

Source: FRT, RongViet Securities

Figure 8: SG&A



Source: FRT, RongViet Securities

Exhibit 1: Structure of SG&A (Billion VND)

Indicators	Q2-FY25	Q1-FY25	+/- (qoq)	Q2-FY24	+/- (yoy)
Labor costs	1,150.4	1,212.5	-5.1%	892.0	Δ 29.0%
Depreciation	98.2	90.4	8.7%	76.7	Δ 28.0%
Other expenses	785.3	703.8	11.6%	713.2	Δ 10.1%
Total	2,033.9	2,006.7	1.4%	1,682.0	Δ 20.9%

NPAT-MI reached VND 118.7 billion (+29.4% QoQ and 343.7% YoY), fully contributed by FPT Long Chau and offset the loss after tax of VND -27 billion of FPT Shop:

- Pharmaceutical and vaccination segment: reached VND 145.9 billion (-21.8% QoQ and +88.5% YoY),** equivalent to a net margin of 1.8% (-0.46 pps QoQ and +0.3 pps YoY). Notably, Long Chau's profit not only accounted for the entire consolidated profit of FRT but also exceeded 100% (contributing 123% of profit to NPAT-MI in the quarter). thereby completely offsetting the loss from the ICT-CE retail segment and maintaining the company's overall growth momentum.
- ICT-CE segment: recorded VND -27 billion (+55% YoY),** equivalent to net margin of -0.8% (-0.3 pps QoQ, +1.1 pps YoY). This result is in line with our expectation, given that Q2 was the off-peak season for ICT demand: There are no big events (such as new product launches of brands) and the Vietnamese ICT market is also in saturation stage with high competition. FPT Shop needs to increase spending on promotional activities, SG&A and other expenses (shutting down stores) during the off-peak period.

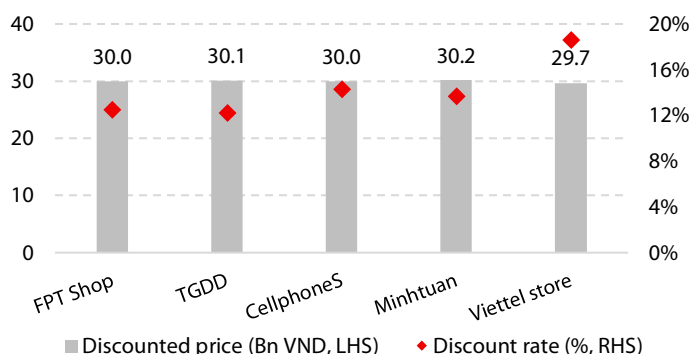
FPT Shop's after-tax loss in Q2/2025 is in line with our expectations, when we witnessed some unfavorable points:

- The demand for ICT-CE items has not generally recovered in FPT Shop's store system. And Q2 is not the peak season for this demand, so businesses spend more on SG&A/revenue (-1.6 pps YoY, +0.5 pps YoY) to maintain revenue.
- Although the electronics industry has just been added to the FPT Shop retail chain's business portfolio and the initial implementation has recorded some positive signals when contributing about <10% to the system's total revenue. However, the performance per point of sales remains modest: The average revenue per store in Q2/2025 reached VND 1.83 bn/month (-6% QoQ, +5.8% YoY), showing that purchasing power has slowed down, compared to Q1.

We keep our opinion of not highly expecting the potential of the new CE segment at FPT Shop in the short and medium term.

Because this market is currently relatively saturated, with the dense presence of both independent stores & large retail chains such as TGDD&DMX. Additionally, the wide product range results in intense competition in terms of pricing, operations and margin cutting.

Figure 9: Price of Iphone 16 Pro Max 256GB, Desert Titanium



Source: RongViet Securities - Data was extracted on 19/08/2025

Figure 10: SKUs of some ICT-CE items in modern chains

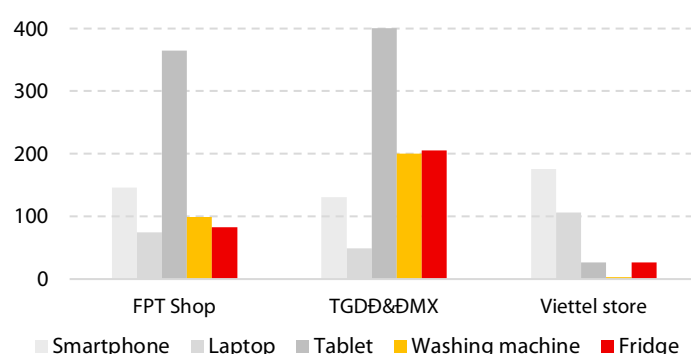


Exhibit 2: Q2 and H1-FY25 Results

(VND Bn)	Q2-FY25	Q1-FY25	+/- (qoq)	Q2-FY24	+/- (yoy)	H1-FY25	+/- (yoy)	%Target
Net revenue	11,390.3	11,670.0	-2.4%	9,239.5	23.3%	23,060.3	26.1%	47.9%
FPT Shop	3,439.9	3,682.2	-6.6%	3,339.9	3.0%	7,122.1	2.9%	
FPT Long Chau	7,950.5	8,054.0	-1.3%	5,899.6	34.8%	16,004.5	40.9%	
Gross profit	2,271.1	2,324.5	-2.3%	1,811.0	25.4%	4,595.6	27.0%	
FPT Shop	434.4	459.7	-5.5%	459.9	-5.5%	894.1	-4.9%	
FPT Long Chau	1,836.7	1,864.9	-1.5%	1,351.1	35.9%	3,701.6	38.2%	
<i>Gross profit margin</i>	19.9%	19.9%	0.04 pps	19.6%	0.34 pps	19.9%	0.14 pps	
<i>FPT Shop</i>	12.6%	12.5%	0.13 pps	13.8%	-1.14 pps	12.6%	-1.02 pps	
<i>FPT Long Chau</i>	23.1%	23.3%	-0.20 pps	22.9%	0.20 pps	23.1%	-0.45 pps	
Financial income	62.2	37.9	64.1%	19.2	223.8%	100.1	125.1%	
Financial expenses	-93.7	-88.7	5.6%	-54.7	71.3%	-182.4	58.1%	
SG&A	-2,033.9	-2,006.7	1.4%	-1,682.0	20.9%	-4,040.6	20.1%	
FPT Shop	-444.7	-457.5	-2.8%	-485.9	-8.5%	-902.2	-9.9%	
FPT Long Chau	-1,589.2	-1,549.1	2.6%	-1,196.1	32.9%	-3,138.4	32.8%	
<i>SG&A/ Net revenue</i>	17.9%	17.2%	0.66 pps	18.2%	-0.3 pps	17.5%	-0.88 pps	
<i>FPT Shop</i>	12.9%	12.4%	0.50 pps	14.5%	-1.6 pps	12.7%	-1.79 pps	
<i>FPT Long Chau</i>	20.0%	19.2%	0.75 pps	20.3%	-0.3 pps	19.6%	-1.20 pps	
EBIT	237.2	317.8	-25.4%	129.0	83.9%	555.0	119.0%	
FPT Shop	-10.4	2.2	-570.7%	-26.0	-60.2%	-8.2	-86.7%	
FPT Long Chau	247.5	315.6	-21.6%	155.0	59.7%	563.1	78.9%	
<i>EBIT margin</i>	2.1%	2.7%	-0.62 pps	1.4%	0.7 pps	2.4%	1.02 pps	
<i>FPT Shop</i>	-0.3%	0.1%	-0.40 pps	-0.8%	0.5 pps	-0.1%	0.77 pps	
<i>FPT Long Chau</i>	3.1%	4.0%	-0.89 pps	2.6%	0.5 pps	3.5%	0.75 pps	
PBT	206.7	272.5	-24.2%	71.8	187.9%	479.2	198.5%	53.2%
NPAT-MI	118.7	168.0	-29.4%	26.7	343.7%	286.7	337.6%	
FPT Shop	-27.3	-18.5	-47.4%	-61.7	55.8%	-45.8	-59.3%	
FPT Long Chau	145.9	186.5	-21.8%	88.4	65.0%	332.4	86.7%	
<i>NPAT-MI margin</i>	1.0%	1.4%	-0.36 pps	0.3%	0.8 pps	1.2%	0.88 pps	
<i>FPT Shop</i>	-0.8%	-0.5%	-0.29 pps	-1.8%	1.1 pps	-0.6%	0.98 pps	
<i>FPT Long Chau</i>	1.8%	2.3%	-0.46 pps	1.5%	0.3 pps	2.1%	0.51 pps	
No. of stores (store)	2,994	2,794	200	2,348	646			
FPT Shop	625	628	-3	642	-17			
Long Chau (Pharmacy)	2,191	2,022	169	1,619	572			70.9%
Long Chau (Vaccination center)	178	144	34	87	91			65.0%
Revenue/store (VND Bn)								
FPT Shop	1.83	2.00	-8.3%	1.73	5.8%	1.89	13.7%	
Long Chau (Pharma + VC)	1.12	1.23	-9.1%	1.15	-3.0%	1.17	3.5%	

Source: FRT, RongViet Securities

FRT's outlook in Q3-FY25: Expecting better performance than the first two quaters for both Long Chau and FPT Shop

Exhibit 3: Q3-FY25 forecast

(VND Bn)	Q3/2025F	+/-QoQ	+/-YoY	
Net revenue	12,827.7	12.6%	23.6%	<ul style="list-style-type: none"> FRT's net revenue is expected to grow thanks to positive outlook for both Long Chau and FPT Shop
FPT Shop	4,002.4	16.4%	0.5%	<ul style="list-style-type: none"> FPT Shop's performance is estimated to be better due to entering the period of demand for "replacing/buying" new ICT items, especially when this is the season of new products launches from Apple, which are the best-selling items at FPT Shop. (*) We see that FPT Shop is in the process of streamlining the number of inefficient stores in H1 to optimize operating costs and improve avg revenue/store. Q3 forecast is based on the expectation that FPT Shop can improve revenue/store/month to > VND 2 bn (+6% YoY, up from VND 1.83 bn in Q2). Keeping the estimation of Long Chau's newly opened stores reaching 400 and 85 VCs in 2025, considering the current pace, and maintaining the average revenue per store at VND 1.25 – 1.3 billion. (**)
FPT Long Chau	8,825.3	11.0%	38.0%	<ul style="list-style-type: none"> In addition, this expectation comes from the positive performance in H1/2025 due to the tightening of the market for counterfeit drug products - counterfeit <i>dietary supplement</i> and tax management of Vietnamese government (household business tax, VAT), e-invoice process, which is likely to have positive effect on modern pharmacy chains and modern retail chains in general. (***)
Gross profit	2,563.4	12.9%	35.6%	
FPT Shop	510.2	17.5%	-5.6%	
FPT Long Chau	2,053.2	11.8%	52.1%	
Gross profit margin	20.0%	0.04 pps	1.8 pps	<ul style="list-style-type: none"> Q3 gross margin improved thanks to FPT Shop's CE segment gradually recording revenue contribution in FPT Shop (5-10% in Q1-2), this segment has a higher gross margin than ICT items. In addition, the arrangement and distribution of SKUs number in Long Chau systems shows that the company is promoting the sale of dietary supplement products (25-30% of the total SKUs, ranking 2nd in terms of quantity. Therefore, this trend sets expectations for the gross margin of the pharmacy segment to improve.
FPT Shop	12.7%	0.12 pps	-0.8 pps	
FPT Long Chau	23.3%	0.16 pps	2.2 pps	
SG&A	2,199.9	8.2%	32.7%	<ul style="list-style-type: none"> The upward trend of SG&A costs is relatively in line with revenue as the number of new stores opening in rural areas is gradually increasing. This requires a more complex management process as the number of employees/regional managers increases in new store areas.
As % of revenue	17.1%	-0.71 pps	1.2 pps	
EBIT	363.5	53.3%	56.3%	
EBIT margin	2.8%	0.75 pps	0.6 pps	
NPAT-MI	247.4	108.5%	75.5%	
NPAT-MI margin	1.9%	0.9 pps	0.6 pps	

Source: RongViet Securities

(*) **FPT Shop:** Although performance in H1/2025 remained weak, revenue per store grew by 13.7% YoY. The temporary post-tax losses return was mainly due to more aggressive promotions early in the year and the seasonal “demand trough” for ICT in Q2. At the same time, the chain is streamlining underperforming outlets and gradually converting some into CE-focused stores, which incurred additional costs while revenue only showed marginal improvement (nearly flat YoY). Nevertheless, we expect FPT Shop to pick up momentum in Q3, coinciding with Apple’s new product launches and a potential rebound in consumption in H2, though competition is likely to intensify.

(**) **Long Chau:** Compared with its 2025 expansion plan, Long Chau is opening new stores ahead of schedule, while average revenue per store in H1/2025 grew slightly YoY. The operating model for each store has been fine-tuned in terms of costs and staffing. In addition, the chain is actively expanding into high-population rural areas, whereas other retail pharmacy chains are mostly maintaining their existing footprint or modest expansion (see [Figure 4](#)). Combined with certain competitive advantages, these factors are expected to drive Long Chau’s retail pharmacy market share to 21.7% in 2025 (+4 pps YoY).

(Reference AP: [FRT – Steadfast in shaping a healthcare ecosystem with certain advantages](#))

(***) **Regulatory tailwinds:** Circular No. 26/2025/TT-BYT issued by the Ministry of Health on June 30, 2025, is relatively favorable for retail pharmacies amid tighter prescription drug sales regulations. Specifically, it extends the maximum prescription validity for outpatient treatment from 30 days to up to 90 days for 252 diseases (across 16 categories). This change could reduce the frequency of follow-up visits (currently required if prescriptions expire after 30 days) and make it easier for patients to obtain medicines by prescription.

(Reference: [Circular No. 26/2025/TT-BYT](#))

Valuation

Using the 5-year discounted cash flow (DCF) method with assumptions largely unchanged, we provide long-term valuation information for FRT stock.

Exhibit 4: Long-term valuation by FCFF method

Discounted cash flow method (DCF)			
DCF assumptions	New	Valuation summary	Unit: VND bn
WACC 2025	10.94%	DCF forecast duration	5 years
Effective tax rate	20.0%	Discountable Free Cash Flow	29,876.5
Cost of equity	13.6%	+ Cash & equivalents at valuation date	3,951.7
Risk-free rate	4.6%	- Debt	10,091.4
Equity risk premium	9.0%	Equity value	23,736.8
Beta	1,0	No. of shares outstanding (million shares)	170.3

Exhibit 5: Sensitivity scenario for FRT’s Equity Value per Share (VND)

WACC	Exit EV/EBITDA					
		8.5	9.5	10.5	11.5	12.5
	10.9%	112,802	126,091	139,381	152,67	165,960
	11.9%	107,489	120,272	133,055	145,837	158,62
	12.9%	102,418	114,717	127,017	139,316	151,616
	13.9%	97,574	109,413	121,251	133,09	144,928
	14.9%	92,947	104,345	115,744	127,142	138,541

Source: RongViet Securities

Short-term valuation by multiple methods

We also conducted a sensitivity analysis of FRT shares across its three core business segments using P/E and P/S multiples, allowing investors to refer and determine target prices aligned with their individual risk appetites.

Exhibit 6: Sensitivity scenario for FPT Shop's Equity Value per Share (VND)

Equity value (VND)	Year	EPS	P/E					
			11.4	13.4	15.4	17.4	19.4	21.4
	2025	114	1,306	1,535	1,764	1,993	2,222	2,451
	2026	289	3,295	3,873	4,450	5,028	5,606	6,184

Source: RongViet Securities

Exhibit 7: Sensitivity scenario for FPT Long Chau – Pharmaceutical chain's Equity Value per Share (VND)

Equity value (VND)	Year	Net revenue (Bn VND)	P/S					
			0.2	0.5	0.8	1.1	1.4	1.7
	2025	24,096	31,127	73,574	116,02	158,467	200,913	243,359
	2026	32,156	41,540	98,185	154,83	211,475	268,120	324,765

Source: RongViet Securities

Exhibit : Sensitivity scenario for FPT Long Chau – Vaccination chain's Equity Value per Share (VND)

Equity value (VND)	Year	Net revenue (Bn VND)	P/S					
			0.1	0.2	0.3	0.4	0.5	0.6
	2025	883	681	1,199	1,717	2,235	2,754	3,272
	2026	2,945	2,272	4,001	5,731	7,460	9,190	10,920

Source: RongViet Securities

Appendix

Exhibit 9: Q2-FY25 Results

(VND bn)	Q2-FY25	Q1-FY25	+/- (fr)	Q2-FY24	+/- (yoy)
Net revenue	11,390.3	11,670.0	-2.4%	9,239.5	23.3%
Gross profit	2,271.1	2,324.5	-2.3%	1,811.0	25.4%
SG&A	2,033.9	-2,006.7	-201.4%	-1,682.0	-220.9%
Operating income	205.7	267.1	-23.0%	93.5	120.0%
EBITDA	349.1	419.6	-16.8%	213.0	63.9%
EBIT	237.2	317.8	-25.4%	128.9	84.0%
Financial expense	-93.7	-88.7	5.6%	-60.6	54.6%
- Interest expense	-93.7	-88.6	5.8%	-54.6	71.6%
Dep. and amortization	98.2	90.4	8.6%	76.7	28.0%
PBT	206.7	272.5	-24.1%	71.8	187.9%
NPAT	157.2	212.8	-26.1%	48.5	224.1%
NPAT-MI	118.7	168.0	-29.3%	26.7	344.6%

Source: FRT, RongViet Securities

Exhibit 10: Q2-FY25 Performance Analysis

Particulars	Q2-FY25	Q1-FY25	+/- (fr)	Q2-FY24	+/- (yoy)
Profitability Ratios (%)					
Gross Margin	19.9%	19.9%	0.02 pps	19.6%	0.34 pps
EBITDA Margin	3.1%	3.5%	-0.53 pps	2.3%	0.76 pps
EBIT Margin	2.1%	2.7%	-0.64 pps	1.4%	0.69 pps
Net Margin	1.0%	1.8%	-0.40 pps	0.3%	0.75 pps
Turnover (x)					
- Inventories	0.94	0.93	0.01	0.96	-0.02
- Receivables	61.4	67.9	6.5	68	-6.6
- Payables	2.4	2.6	-0.2	2.7	-0.3
Leverage					
Total Debt/Equity	2.7	3.8	-1.1	3.4	-0.7

Source: FRT, RongViet Securities

VND Bn					VND Bn				
INCOME STATEMENT	2023A	2024A	2025F	2026F	BALANCE SHEET	2023A	2024A	2025F	2026F
Revenue	31,850	40,105	50,579	59,755	Cash	961	2,098	2,646	3,126
COGS	26,688	32,521	40,703	47,849	Short term investment	1,194	986	986	986
Gross profit	5,162	7,583	9,876	11,906	Account receivables	395	417	661	962
Selling expense	4,170	5,527	711	8,688	Inventories	8,427	10,235	12,406	14,390
Administrative expense	1,076	1,366	1,557	1,737	Other short-term assets	439	291	366	433
Finance income	80	107	189	218	Fixed tangible asset	1,080	1,165	1,283	1,245
Finance expenses	285	253	387	412	Fixed intangible asset	228	289	325	353
Other income	22	24	23	23	Long term financial investment				
PBT	-294	527	1,024	1,300	Other long-term assets	375	352	444	525
Prov. of Tax	35	119	205	260	Total asset	13,098	15,833	19,116	22,019
Minority's Interest	16	91	179	224	Account payables	3,271	4,912	6,513	7,734
PAT to Equity S/H	-346	318	640	816	Customers pay in advance	8,108	8,800	9,664	10,305
EBIT	-92	690	1,209	1,480	Short term debt				
EBITDA	141	1,008	1,631	1,960	Long term debt	0.6	0.6	0.7	0.8
				%	Bonus and welfare fund	10.7	5.7	0.0	0.0
FINANCIAL RATIOS	2023A	2024A	2025F	2026F	Science and technology funds				
Growth					Total liabilities	11,379	13,713	16,178	18,040
Revenue	5.6	25.9	26.1	18.1	Common stock and APIC	1,362	1,362	1,362	1,362
EBITDA	na	na	75.3	22.4	Treasury stock (enter as -)				
EBIT	-78.2	613.8	61.8	20.1	Retained earnings	237	549	1,189	2,005
PAT	-1.1	0.8	1.3	1.4	Other comprehensive income				
Total assets	24	21	21	15	Inv. and Dev. Fund				
Total equity	-20	20	33	32	Total equity	13,098	15,833	19,116	22,019
					Minority interests	120	208	387	611
Profitability					VALUATION RATIO	2023A	2024A	2025F	2026F
Gross margin	16.2	18.9	19.5	19.9	EPS (VND/share)	-2,537	2,331	4,695	5,991
EBITDA margin	0.4	2.5	3.2	3.3	P/E (x)	-78.2	76.4	34.1	26.7
EBIT margin	-0.3	1.7	2.4	2.5	BV (VND/share)	11,738	14,032	14,982	19,776
Net margin	-1.1	0.8	1.3	1.4	P/B (x)	16.9	12.7	8.5	6.5
ROA	-26	2	3.3	3.7	DPS (VND/share)	500	0	0	0
ROE	-21.6	16.6	25.1	24.2					
Efficiency									
Receivables turnover	252.7	227.7	267.6	299.8					
Inventories turnover	3.2	3.2	3.3	3.3					
Payables turnover	11.7	10.2	9.3	9.2					
Liquidity									
Current	1	1	1,1	1,1					
Quick	0.2	0.3	0.3	0.3					
Finance Structure									
Total debt/equity	5.1	4.6	3.8	3.1					
ST debt/equity	5.1	4.6	3.8	3.1					
LT debt/equity	0	0	0	0					

RESULT UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process. The report comprises analyses and projections that are based on the most up-to-date information with the objective that is to determine the reasonable value of the stock at the time such analyses are performed. Through this report, we strive to convey the complete assessment and opinions of the analyst relevant to the discussed company. To send us feedbacks and/or receive more information, investors may contact the assigned analyst or our client support department.

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Ratings	BUY	ACCUMULATE	REDUCE	SELL
Total Return including Dividends in 12-month horizon	>20%	5% to 20%	-20% to -5%	<-20%

In some cases, we do not provide specific buy/sell recommendations but instead offer a few reference valuations to give investors additional insights, categorized under the recommendation of **OBSERVE**

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