

# CONSUMER

**WINNER TAKES ALL**



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## 2026 OVERVIEW

*Goods and services retail sales grew by 9.0% YoY in 11M-2025, extending the post-2024 recovery but remaining below pre-COVID levels (11-12% YoY) due to weak consumer confidence. In 2026, purchasing power is expected to gradually improve, with a “rebound from the trough” in 2H driven by: (1) spillover effects from public and private investment into household income and employment; (2) continued consumer-supportive policies; (3) normalization among segments “adversely affected by the 2025 policy changes” - small merchant and household businesses; and (4) positive wealth effects from equities and real estate. This outlook aligns with the Government’s target of achieving over 11.0% growth in total retail sales during the 2026–2030 period.*

*Against this backdrop, leading companies in sectors such as grocery retail, electronics, pharmaceuticals, jewelry, and food & beverage manufacturing are likely to further strengthen their market positions and outperform industry growth. Key drivers include strong market share, solid financial health, and effective cost optimization capabilities. **Our top picks in line with these trends include MWG and MSN (grocery retail), DGW (consumer electronics)***

## 2026 HIGHLIGHTS

**Retail – Revenue and profit growth of modern retail chains is set to accelerate** as consumer spending continues to shift from traditional to modern channels. Policy measures since late 2025 such as e-invoicing and stricter controls on counterfeit and smuggled goods, have reinforced this trend, favoring large-scale retailers like MWG (Bach Hoa Xanh), MSN (WinMart), FRT (Long Chau), and PNJ (jewelry).

**F&B manufacturing – While not among our top picks given relatively modest revenue and earnings growth amid the ongoing transition between GT and MT, the sector aligns with a value-oriented investment approach. Most players are expected to see profit recovery in 2026 and are trading below their three-year average P/E multiples.** Companies are actively: (1) restructuring distribution systems to reduce reliance on wholesale channels (less standardized processes), while strengthening direct distribution to retail points (agents, GT and MT groceries); and (2) continuing product innovation strategies in packaging and flavors initiated in 2025. Revenue and profit growth will depend on execution efficiency of these strategies but it is generally expected to remain in the single-digit range given already high market share levels.

**Distribution – DGW stands out as the sole representative in this segment, having identified a new “growth beacon” by staying true to its core success formula:** diversifying across distribution categories and brand portfolios. This strategy targets emerging growth waves, including home appliances (Xiaomi, Philips), AI servers, and IoT devices, underpinned by disciplined cost management and stable margins across multiple economic cycles.

## 2026 RISKS

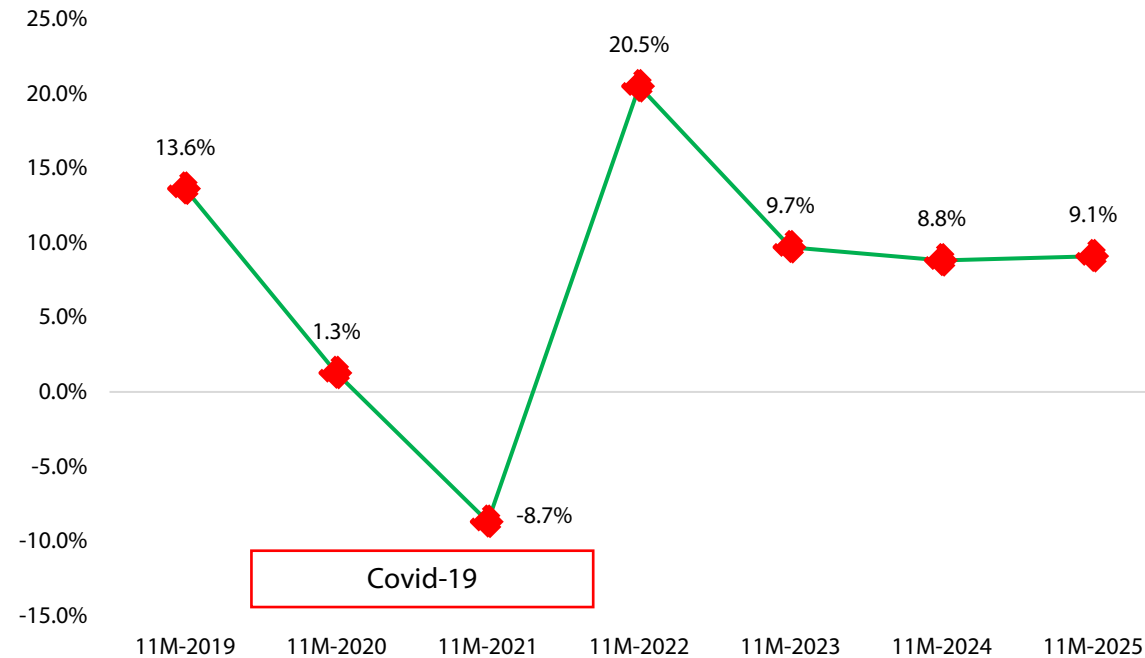
The entry of large foreign manufacturing and retail players, accompanied by sizable investments within the year, could intensify competition across key segments.

Financial transactions such as divestments or IPO at both group and subsidiary levels may drive short-term stock price appreciation, potentially increasing volatility.

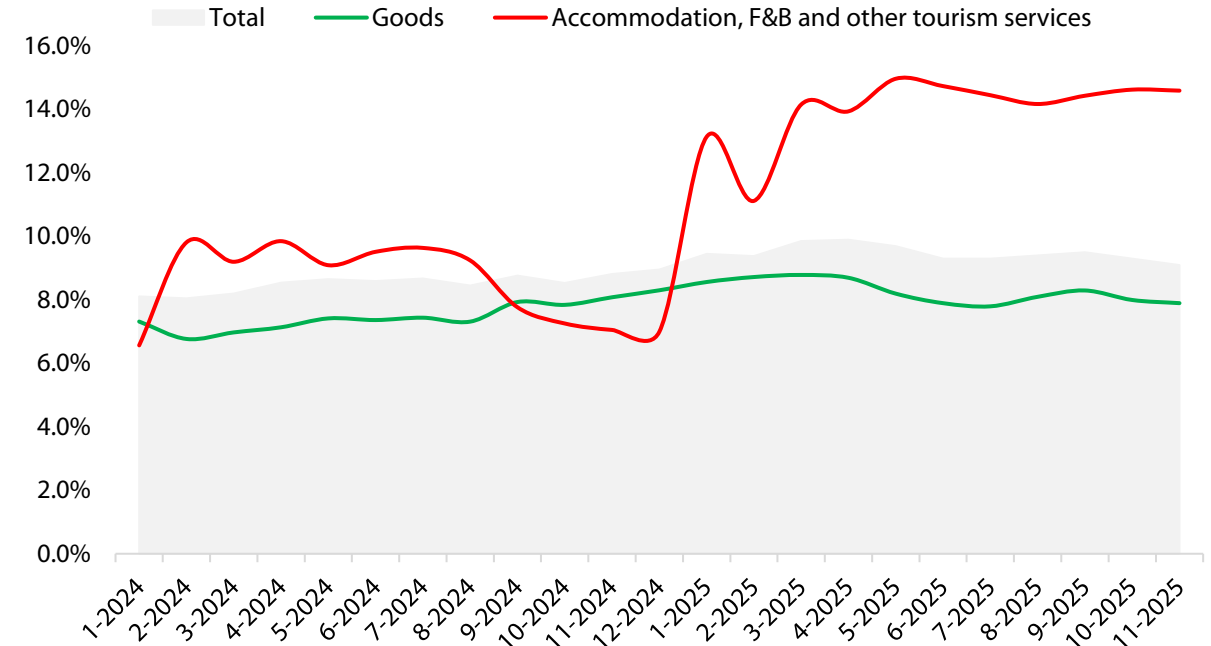
# Retail goods and consumer services growth in 2025 recovered compared with 2024...

Total retail sales of goods and services grew by approximately 9.1% YoY in 11M2025, reflecting a recovery from 2024 (8.8% YoY), with contributions from both goods (7.9%) and services (14.6%). This was driven by tourism and leisure activities, alongside stable domestic consumption of food & beverages.

**Retail sales growth in 11M-2025 reached 9.3% YoY**



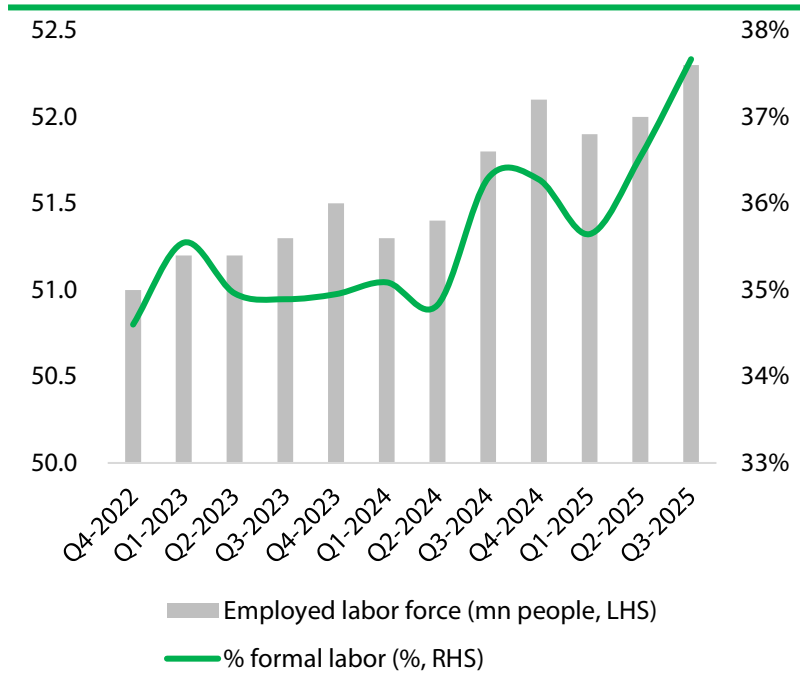
**Services growth was the main driver of overall retail growth in 2025**



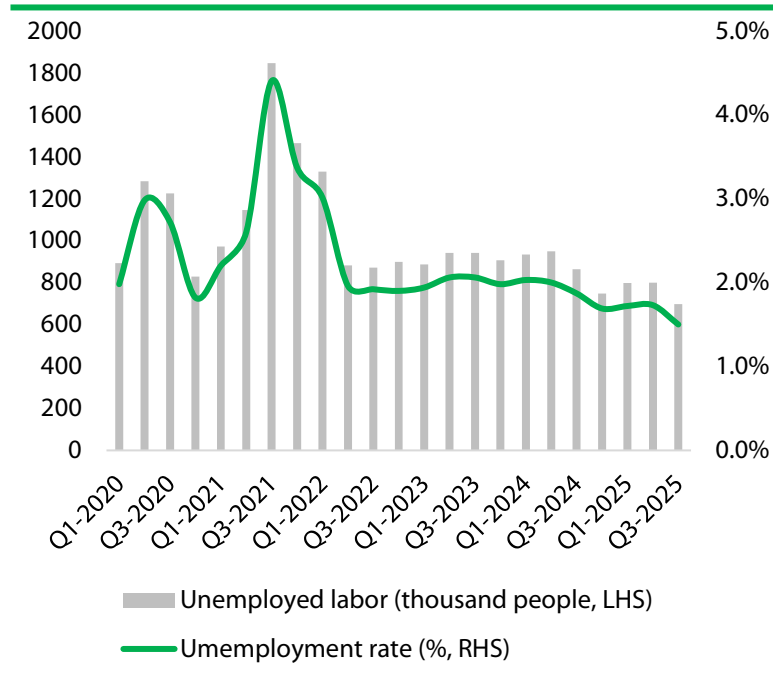
However, this growth rate of goods and consumer services sale (~9.1% YoY) has not yet return to the pre-Covid-19 levels (11.0-12.0% YoY), primarily due to weak consumer confidence rather than income constraints, in our view.

Employment indicators (particularly in the formal sector, which offers higher and more stable incomes), the unemployment rate and average income growth, have remained well managed by the Government throughout 2025.

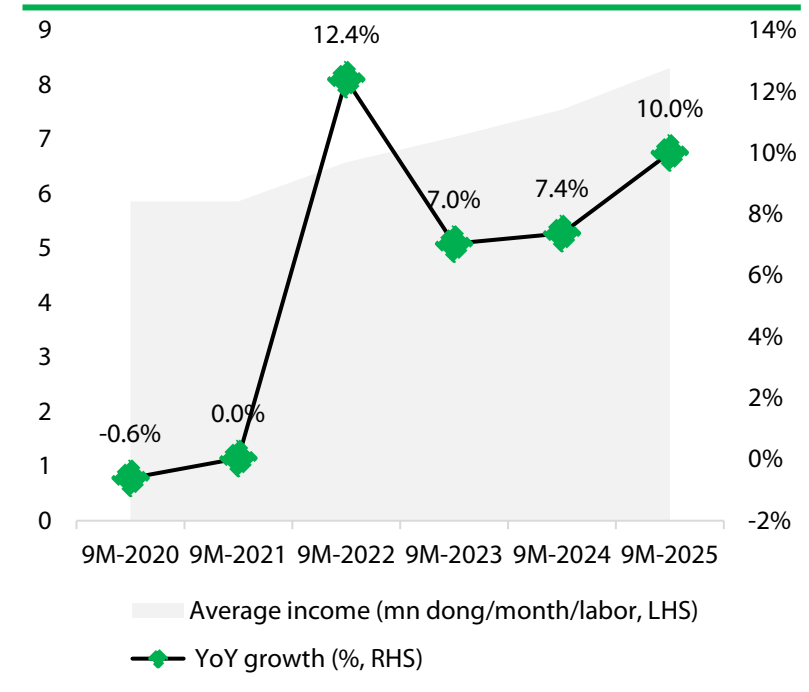
**Employment has improved steadily, particularly in the formal sector**



**Unemployment rate remains at the lowest level over the years - ~1.5%**

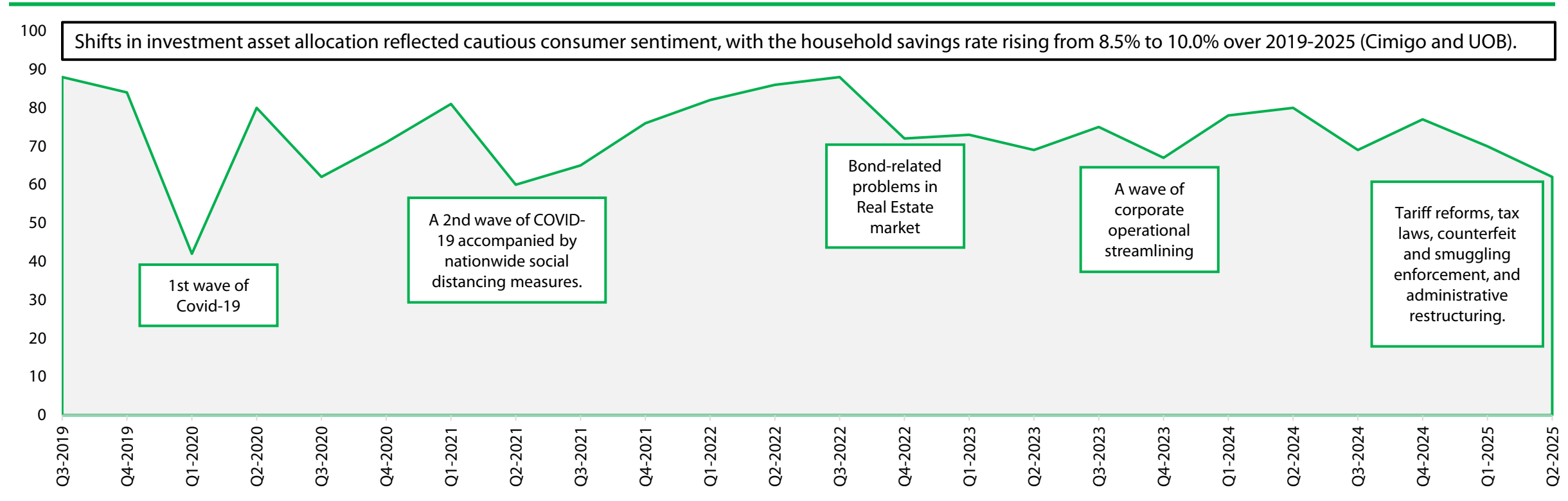


**Average income grew by 10.0%, aligning with employment expansion in the formal sector**



Three notable external shocks weighed on consumer sentiment this year, peaking from 2Q2025: (1) U.S. tariff in early 2Q2025; (2) heightened income uncertainty among informal workers (accounting for ~62% of the labor force) amid stringent reforms related to taxation and counterfeit goods in late 2Q2025; and (3) natural disasters, including floods and storms in Northern and Central Vietnam in early 4Q2025.

**Consumer confidence index by Kantar WorldPanel over the quarters**



Source: Kantar Worldpanel, RongViet Securities



Entering 2026, we expect purchasing power to gradually improve, with a “rebound from the trough” in the second half of the year, in line with the Government’s target of achieving over 11.0% growth in total retail sales during the 2026-2030 period.

## 04 key drivers are...

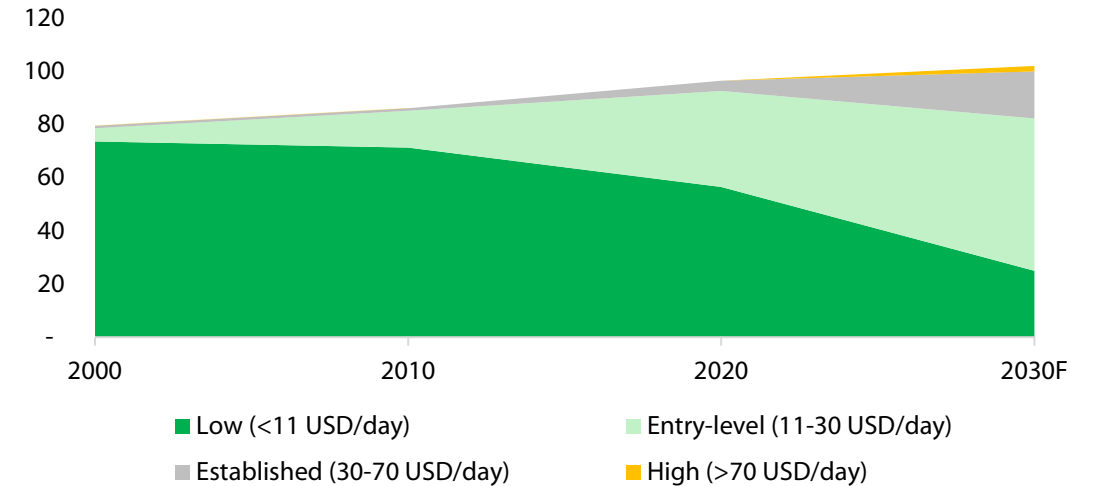
- 1 Spillover effects from public and private investment into household income and employment
- 2 Reducing the influence of informal employment within the private sector
- 3 Continued consumer-supportive policies from the Government
- 4 Normalizing operation among segments “adversely affected by the 2025 policy changes” - small merchant and household businesses



## ...Vietnamese consumer entering the new growth cycle from 2026

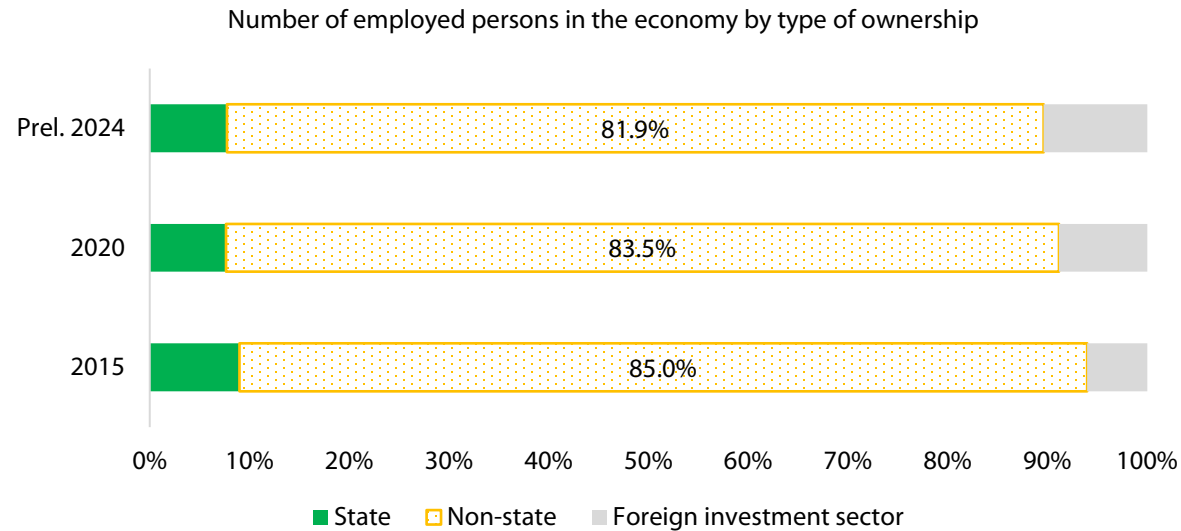
	The main economic indicator	2021-25	2026-30
Indices related to total consumption	YoY GDP growth	6.2%	> 10.0%
	YoY retail sales growth	9.0%	> 11.0%

## Vietnam’s middle class is expected to expand from 42% to 75% of the total population

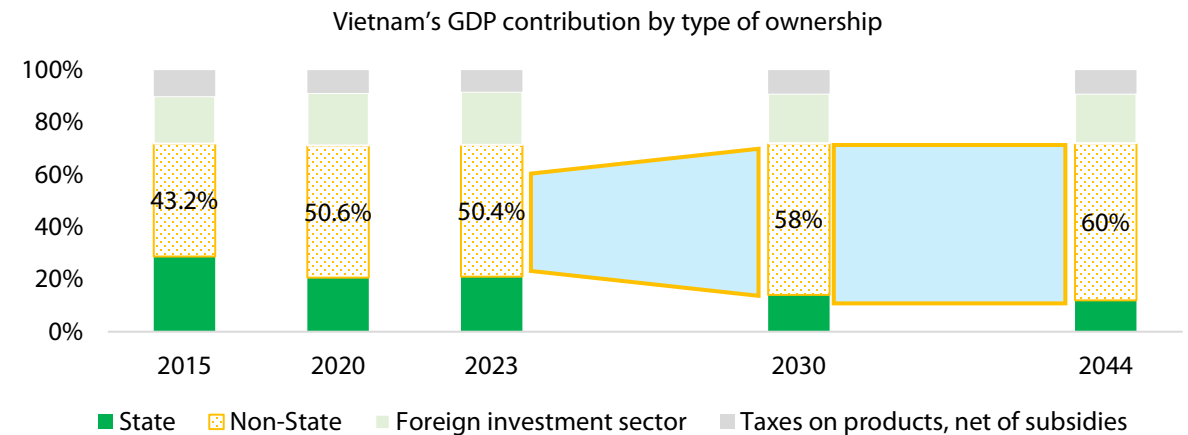
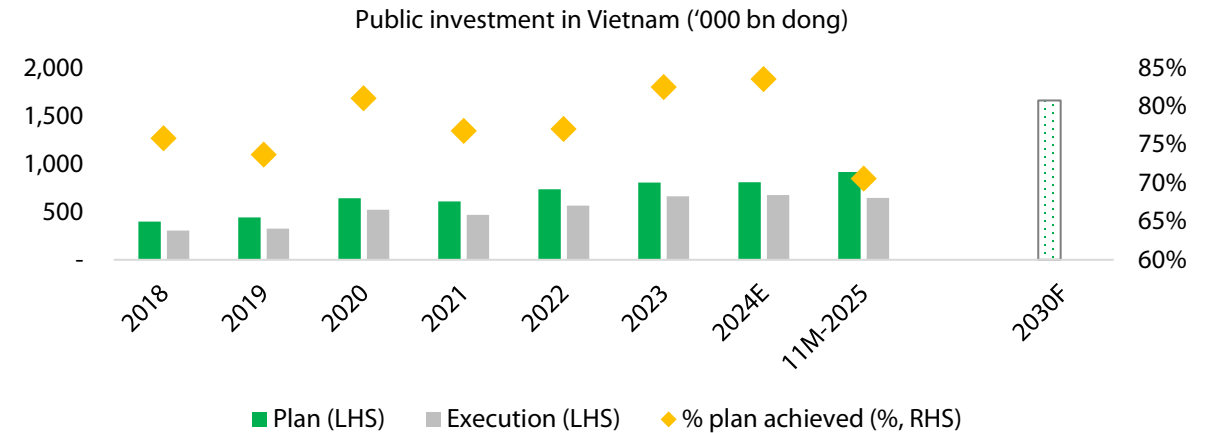


Spillover effects from public and private investment into average income and job creation are a key prerequisite under the Government's 2026-2030 agenda.

## Private sector hold the important position in Vietnamese GDP structure and total labour force ...



## ..., therefore, accelerating private & public investment with private-sector participation is essential to improving employment and income levels



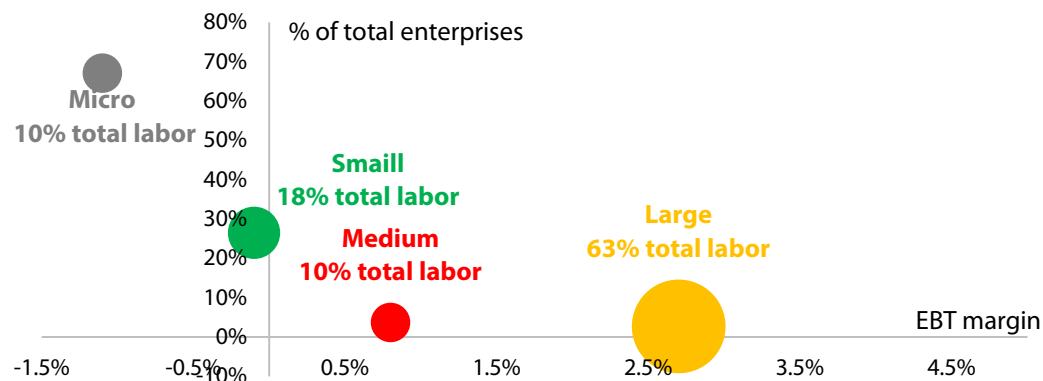
## ...however, the ambitious 2026-2030 target of 10–12% annual growth is achievable

Within the private sector, the Government has introduced policies encouraging businesses to scale up operations to enhance overall economic efficiency and reduce reliance on informal employment, which is typically linked to lower and more volatile incomes.

### Transforming small household businesses into larger, more scalable and efficient enterprises helps raise average income per capita and create more sustainable employment

- **Abolishing presumptive taxation and standardizing operating processes** through the initial adoption of e-invoicing – advantage of larger enterprises
- **Simplified/cut 87/16 administrative procedures, and removed 12 business conditions** to encourage business expansion within the private sector
- **Corporate income tax exemptions for SMEs during the first 03 years after registration** have been introduced to further incentivize private-sector expansion.

### Large enterprises demonstrate higher operating efficiency and substantially better average labor income than small enterprises



Source: Vietnamese Whitebook 2024-25, RongViet Securities compiled

### ...Vietnamese consumer entering the new growth cycle from 2026

	Economic indicator	2021-25	2026-30
Private sector-related indicator	GDP contribution of non-state sector	50.4%	> 55.0%
	Private investment growth	5.8%	20.0%
	Average labor productivity (TFP)	4.8%	8.5%
	Total enterprises (year-end 2021-24)	940,078	2,000,000
	Total newly established enterprises (2021-24)	36,294	211,984

Source MOF, Resolution No. 306/NQ-CP, RongViet Securities

The Government has released many consumer-supportive policies since H2-2025

The amended PIT law, approved on 10/12/2025, is expected to increase individuals’ after-tax income and address tax-related uncertainties for household businesses

Individuals	Household businesses
<ul style="list-style-type: none"> <li>➤ <b>The progressive PIT were reduced from 7 to 5 brackets:</b> the top marginal rate remains at 35%. The highest bracket was raised from VND 80 bn/month to over VND 100 mn/month.</li> <li>➤ <b>Personal deductions were increased</b> to VND 15.5 bn/month for the taxpayer and VND 6.2 mn/month for each dependent (effective from 01/01/2026).</li> <li>➤ <b>Tax exemptions were expanded to 21 types of income</b>, including real estate transfers among family members, the sale of a sole residential property/land, bank deposit interest, and remittances...</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Exemption from PIT and VAT for businesses with annual revenue of ≤ VND 500 mn</b> (increased from the previous threshold of VND 200 mn).</li> <li>➤ For annual revenue of VND 500 mn to VND 3 bn: <b>taxpayers may choose between:(i) taxation based on actual income</b> (15% tax rate on taxable income with input and output invoices provided); <b>or(ii) taxation based on a percentage of revenue exceeding VND 500 mn</b> (after deducting the initial VND 500 mn).</li> <li>➤ These measures <b>simplify tax compliance procedures and encourage business transparency.</b></li> </ul>

Personal income before tax/month	20.0	30.0	40.0	80.0	100.0	150.0
<b>1. Family deduction (after amending)</b>	<b>21.7</b>	<b>21.7</b>	<b>21.7</b>	<b>21.7</b>	<b>21.7</b>	<b>21.7</b>
- Taxpayer	15.5	15.5	15.5	15.5	15.5	15.5
- Each dependent	6.2	6.2	6.2	6.2	6.2	6.2
2. Mandatory social insurance (10.5%)	2.1	3.2	4.2	8.4	10.5	15.8
- Taxable income	0.0	5.2	14.1	49.9	67.8	112.6
- PIT		0.3	0.9	6.5	10.8	24.9
<b>Progressive PIT brackets – 5 brackets</b>	<b>0%</b>	<b>5%</b>	<b>5-10%</b>	<b>5-10-20%</b>	<b>5-10-20-30%</b>	<b>5-10-20-35%</b>
<b>Income after tax (after amending)</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>
	11.0	11.0	11.0	11.0	11.0	11.0
<b>1. Family deduction (before amending)</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>
- Taxpayer	2.1	3.2	4.2	8.4	10.5	15.8
- Each dependent	2.5	11.5	20.4	56.2	74.1	118.9
2. Mandatory social insurance (10.5%)	0.1	1.0	2.4	11.8	17.2	32.5
- Taxable income	<b>5%</b>	<b>5-10-15%</b>	<b>5-10-15-20%</b>	<b>5-10-15-20-25-30%</b>	<b>5-10-15-20-25-30%</b>	<b>5-10-15-20-25-30-35%</b>
- PIT	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>
<b>Progressive PIT brackets – 7 brackets</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>
<b>Income after tax (before amending)</b>	<b>17.8</b>	<b>25.9</b>	<b>33.4</b>	<b>59.8</b>	<b>72.3</b>	<b>101.7</b>
<b>Difference between before and after amendment</b>	<b>0.1</b>	<b>0.7</b>	<b>1.5</b>	<b>5.3</b>	<b>6.3</b>	<b>7.7</b>
<b>% change</b>	<b>0.7%</b>	<b>2.7%</b>	<b>4.6%</b>	<b>8.9%</b>	<b>8.8%</b>	<b>7.5%</b>

Source: Law on PIT (amended) 2025, RongViet Securities compiled

The Government has released many consumer-supportive policies since 2H2025

### Education-supportive policy reform

#### The National Target Program

on modernization and quality enhancement of education and training for the 2026-2035 period, approved on December 10, 2025

→ aimed at ensuring the effective implementation of **Decree No. 238/2025/ND-CP** dated September 3, 2025.

- **Total planned investment of VND 580,133 bn (~USD 23 bn).**
- **Annual state budget spending: VND 30,000 bn to fund tuition exemptions for public preschool and high school students,** vulnerable groups, and key vocational training programs serving socio-economic development and national defense and security. **This also includes upgrading school infrastructure** to national standards at all levels by 2030, practice labs, STEM/STEAM facilities, dorm, boarding schools in disadvantaged areas.
- **Increased preferential allowances for teachers, with a minimum allowance of 70%** for pre to high school teachers, special incentives for those in disadvantaged, border, island, and minority regions.
- **Development of digital education, including widespread digital skills training, digital technologies & AI application** in teaching, management, and training: Targeting **95% of teachers receiving digital competency training** and **at least 30% of educational institutions effectively adopting digital technologies.**

### The 2% VAT reduction policy remains in effect through the end of 2026

**Resolution No. 204/2025 /QH15** was passed in 1/7/2025

- Maintain 2% VAT reduction for most of goods including foods, beverages, ICT
- State budget revenue is expected to decline by VND 39,540 bn in 2H2025 and VND 82,200 bn in full-year 2026 as a result of the policy..

### Healthcare-supportive policy reform

#### The National Target Program

on Healthcare, Population, and Development for the 2026-2035 period, approved on December 10, 2025

→ aimed at ensuring the effective implementation of **Resolution No. 72-NQ/TW** dated September 9, 2025.

- **Annual state budget spending of approximately VND 6,000 billion to provide periodic health check-ups for priority groups.**
- All citizens will be entitled to **at least one free annual health check-up or screening**, with an electronic health record to manage healthcare throughout their lifetime.
- The Resolution **targets health insurance coverage of over 95%** of the population by 2026, progressing toward universal coverage by 2030.
- The proportion of the population regularly engaging in physical activity is expected to **increase by 10%.**
- **Basic medical expenses** within the scope of health insurance benefits **will be exempted** from fees, following a roadmap with a target completion by 2030.

### A 7.2% increase in the regional minimum salary

**Degree No. 293/2025 /ND-CP** was issued on 10/11/2025

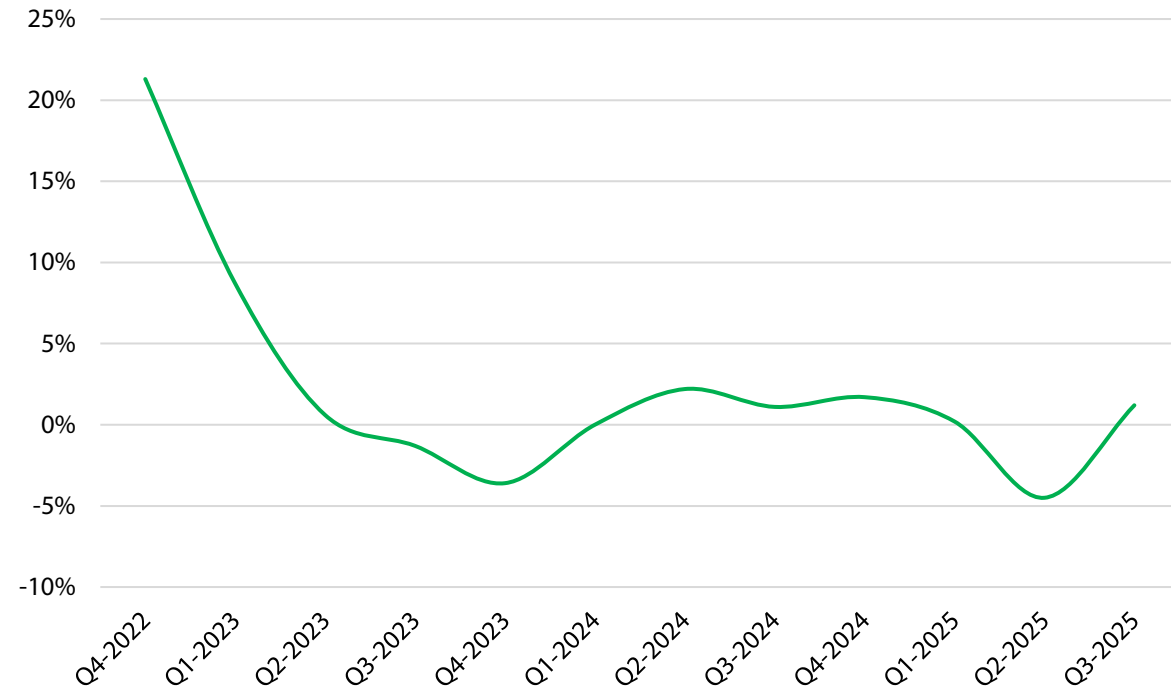
- 7.2% increase in regional minimum salary in 4 regions (I, II, III, IV)
- Applicable to employees working under labor contracts, aimed at offsetting inflation, improving income, and ensuring a minimum standard of living

Source: Decree No. 238/2025/ND-CP, Resolution No. 72-NQ/TW, National Assembly session Dec-2025, RongViet Securities compiled



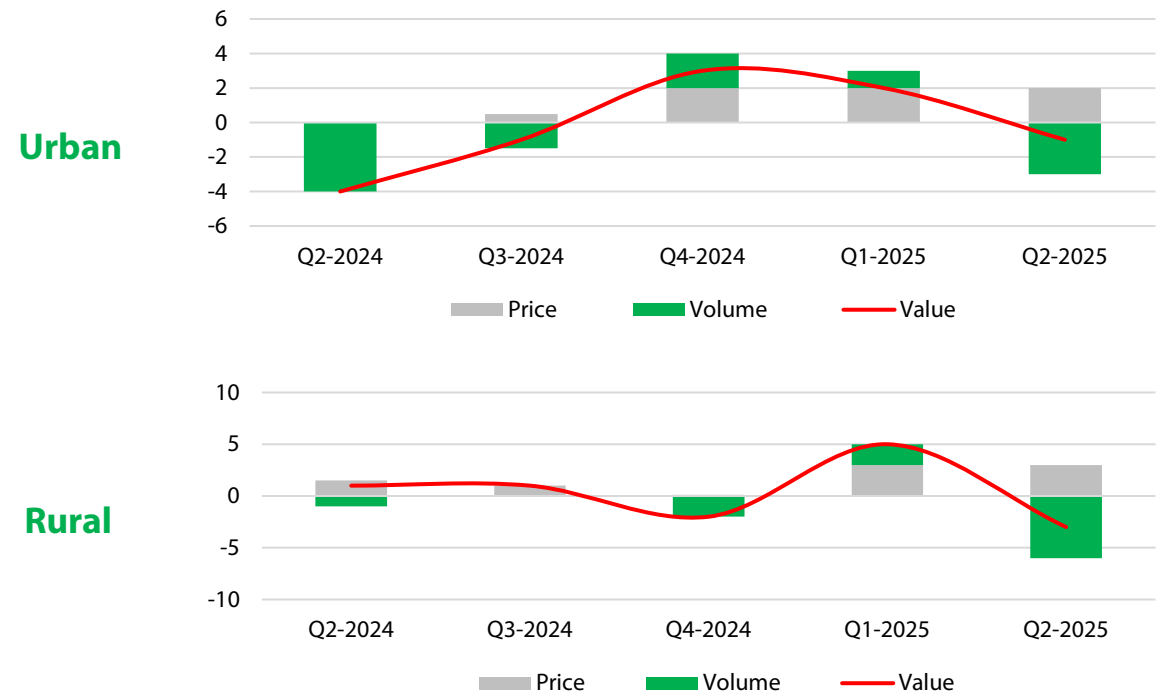
Sell-in channel (manufacturers to distributors) value growth of the grocery sector in 2025 is expected to be modest at 0-5%, despite solid price growth across both rural and urban areas, driven by premiumization in consumer experience/products (health-oriented, diverse choices). This is mainly due to a significant decline in volumes, reflecting weak consumer confidence and the impact of Decree No.70 on consumption in the core GT channel, which accounts for 80% of market share (particularly from 2Q2025 onward). We expect volume dynamics in 2026 to improve compared with 2025 as consumer confidence gradually recovers toward year-end and disruptions in the traditional distribution channel are increasingly absorbed. However, a strong rebound is unlikely, given that the grocery sector has structurally reached saturation in terms of consuming population and per-capita grocery spending over the medium to long term.

**Revenue growth rate of grocery sector (% YoY)**



Source: AC Nielsen, RongViet Securities

**Stagnant grocery retail growth in both urban and rural areas (%)**



Source: Kantar Worldpanel, RongViet Securities

## Changes in tax regulations for household businesses and tighter enforcement against counterfeit and smuggled goods...

### Before

- Presumptive tax method applied to household businesses, based on estimated revenue (0.5–3%).
- Average presumptive tax of around VND 672,300/month, regardless of actual revenue.
- Fixed business license tax (VND 0.3–1.0 million/year, depending on revenue).
- Use of simplified input/output invoices.

### After

- **Abolition of the presumptive tax regime** for household businesses with annual revenue above VND 1 billion from July 1, 2025, and a roadmap to apply it to all household businesses from January 1, 2026.
- **Taxes to be levied based on declared revenue:** 1-5% VAT and 0.5-2.0% PIT.
- **Mandatory use of e-invoices** for both input and output transactions via POS systems connected to the tax authorities.

**Decree No. 70/2025/N D-CP**

**Amended PIT law**

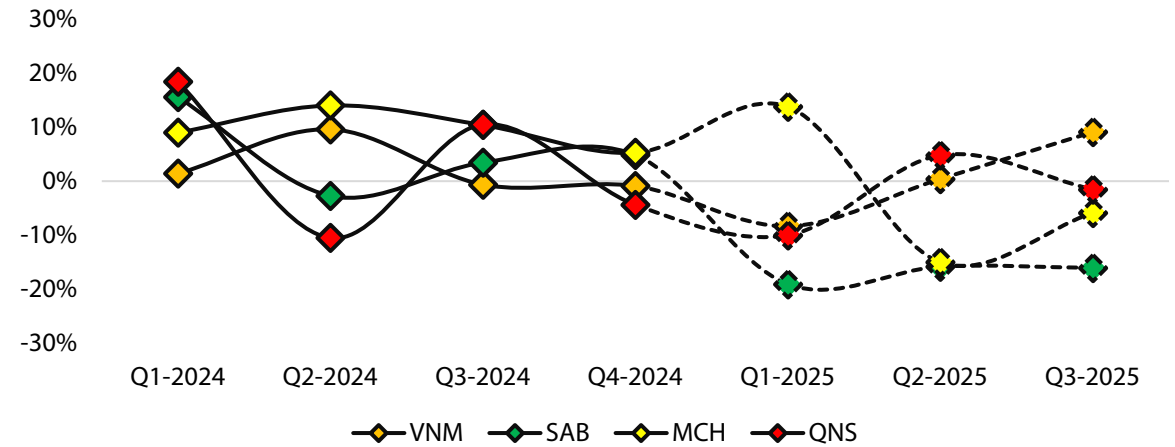
- Household businesses with annual revenue below VND 100 million are exempt from tax.

**Directive 13/CT-TTg**

- In 9M2025, authorities handled 81,700 cases of smuggling, trade fraud, counterfeit goods, and tax evasion, generating ~ VND 10.1 trillion in state budget revenue.
- During the peak month, agencies and local authorities seized and processed more than 10,400 cases of smuggling, trade fraud, and counterfeit goods (up 80.5% MoM).

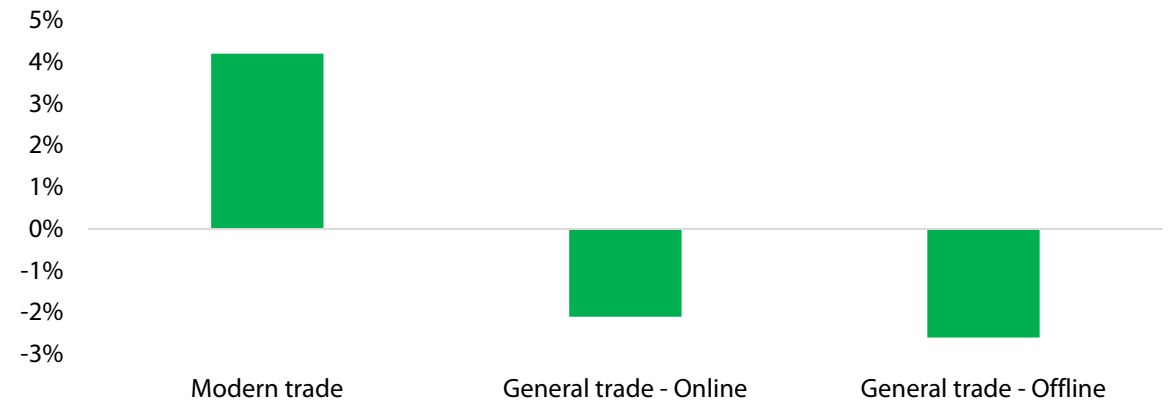
## ...disrupting the traditional trade (GT) channel from 2Q2025 and slowing down the grocery retail growth

YoY sales growth of grocery manufacturers (%)



Note: SAB faced additional special consumption tax impact following the SBB deal, while QNS is affected by declining sugar price

YoY sales growth of grocery sector by channel in 5M-2025 (%)

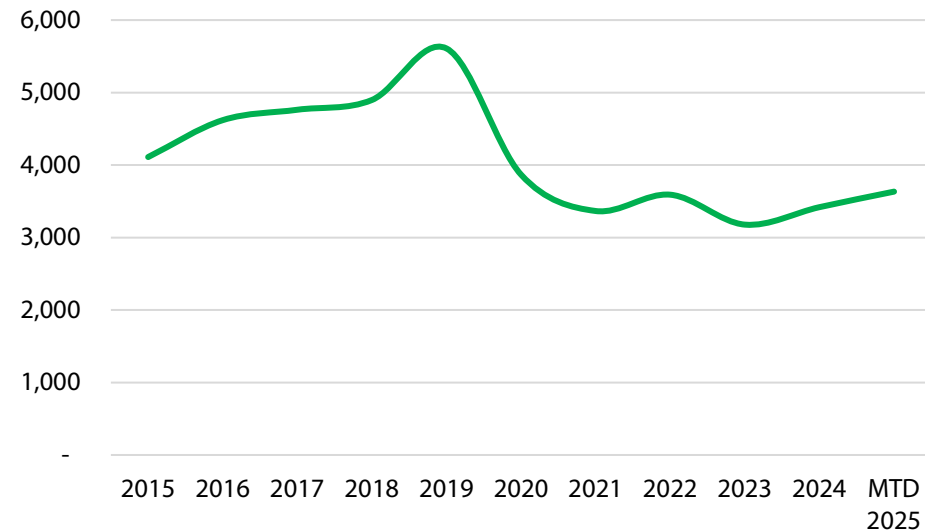


“Distribution” and “product” emerges as the key strategic focus for grocery manufacturers, rather than large-scale capacity expansion, indicating a strategic shift to adapt to volume saturation and the declining relevance of traditional wholesale and local distribution channels.

As of 3Q2025, most manufacturers have largely completed distribution channel restructuring, reflecting earnings improving sequentially. Large players are set to recover revenue and market share in 2026, off a low 2025 base and early distribution stabilization.

Amid rapidly evolving regulations and consumer preferences, manufacturers are prioritizing product portfolio renewal and distribution system upgrades over large-scale CAPEX investment

## CAPEX investment has been flat over the years (VND bn)



## Major players are launching premium, health-focused products and more flexible packaging formats

Premiumization trend toward more diverse flavors and product choices

Diversifying trend toward product packaging

### Vinasoy

Veyo nut milk, Greensoy 100% natural fiber, Vinasoy multigrain powder

### Masan Consumer

Self-heating rice / hotpot, Nam Ngu fish sauce with Ly Son chili and garlic, premium fresh anchovies, Quan Xa Chau A instant noodles

Chinsu chili sauce (500g, 1kg, 2kg – alongside traditional 250g)

### Vinamilk

Greenfarm milk, 100% organic pure fresh cow's milk

Condensed milk: Phuong Nam, Ong Tho (tube, small can – alongside traditional can size)

### Sabeco

Smooth 333 Plisner – premium version of traditional 333

250 ml version of Saigon Chill – it is expected to launched the same size for others

**Manufacturers are accelerating restructuring general trade channel, implying ...**

	Wholesalers	Traditional distributors	Strategic distributors
Definition	Short-term spot purchases, centralized and limited transactions	Indirect purchasing of large quantities, always having stock/inventory	Partnering with manufacturers in operating, planning, tracking of small quantities by region
Autonomy level	Very high – independently deciding on sources/SKUs	Medium – Following manufacturers' purchasing policies	Low – many activities depend on manufacturers' direction
Contribution in market development	Close to none, only focus on short-term sales/profit	Support co-selling: actively promote sales, cover the channel	High – collaborating with manufacturers in developing current/new markets
Couterfeit, smuggled goods	HIGH	MODERATE	LOW
Manufacturer orientation	ELIMINATE/REDUCE DEPENDENCE	REDUCE DEPENDENCE	STRENGTHEN

**...trade-off short-term for long-term gains under unchanged cost structure (lower discounts to the wholesale, offset by higher personnel expenses)**

	Detail of strategies	Time
QNS	<ul style="list-style-type: none"> <li>Reduce dependence on major wholesalers by connecting directly with retail stores more deeply than usual through sales staff teams and delivery/ordering apps.</li> </ul>	2024-25
MCH	<ul style="list-style-type: none"> <li>Reduce the proportion of wholesalers (remaining 30% of revenue vs 60% previously), total retail sales coverage reaching 345 thousand points (+40% vs previous structure).</li> <li>Number of employees unchanged (~3,500 people) but sales responsibility/person increased 50% vs previous at previous structure, reaching 102 points/month/person.</li> </ul>	2024-25, peak in Q2,3-2025
VNM	<ul style="list-style-type: none"> <li>Increase the number of strategic distributors/trading team, increase frequency of 1 sales staff's sales visits to 1 point sale, inventory of 1 point sale significantly reduced.</li> <li>Apply digital transformation technology in SKUs/inventory tracking and management in each region.</li> </ul>	2024-25, peak in Q1-2025
SAB	<ul style="list-style-type: none"> <li>SAB increases retail coverage to end-distributors by expanding both the entire distribution system and sales staff (+20,000 new sales points in Mekong River Delta in 2 years).</li> </ul>	2024-25

Source: VNM, SAB, MCH, QNS, SBT, BHN, RongViet Securities

MT retailers under the minimart model are in “favorable timing, geographical advantages, and human harmony” unlocking a wave of high growth from 2025-26

**Favorable timing** – Regulatory changes of GT channel operation

## Tax reforms for retail businesses in 2025-26

**Moving toward greater transparency of retail market in terms of e-invoice, taxation, which are:**

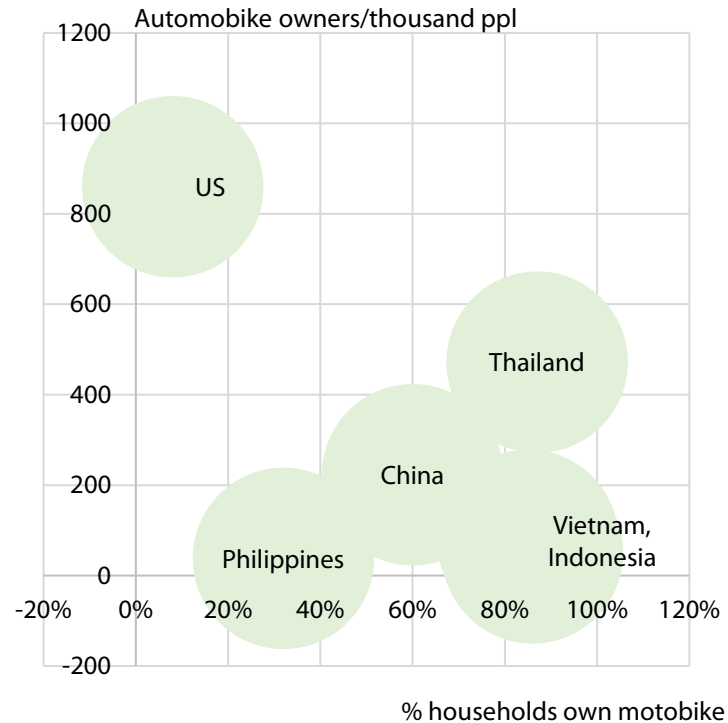
- Advantages of MT channel
- Weakness of fragmented GT channel and early-stage e-commerce

**Decree 70 and Decision No. 3389/QĐ-BTC** on tax payment regulations and the use of e-invoices for household businesses  
(Refer to page 12)

**Decree No. 117/2025/ND-CP** regulating tax obligations and tax administration for business activities conducted on e-commerce platforms.

Directive No. 13/CT-TTg, Notices No. 341/TB-VPCP and 11554/VPCP-V.I on tightening controls over smuggled and counterfeit goods  
(Refer to page 13)

**Geographical advantages** – infrastructure favoring motorcycles over cars



**Human harmony** – Premiumization trend in shopping experience from the consumer segment

## Convenience

Supermarkets provide one-stop shopping services with many different types of goods, helping customers quickly and easily get everything they need in just one trip.

## Quality of goods

Supermarkets have established supply chains that ensure a reliable and consistent inventory.

## Shopping space

Cool air-conditioned space, good odor control, nice design, standard and attractive shelving; comfortable shopping.

## Pricing

An advantage over traditional markets is the transparent price listing. Prices at traditional markets may increase due to new tax regulations related to household businesses.

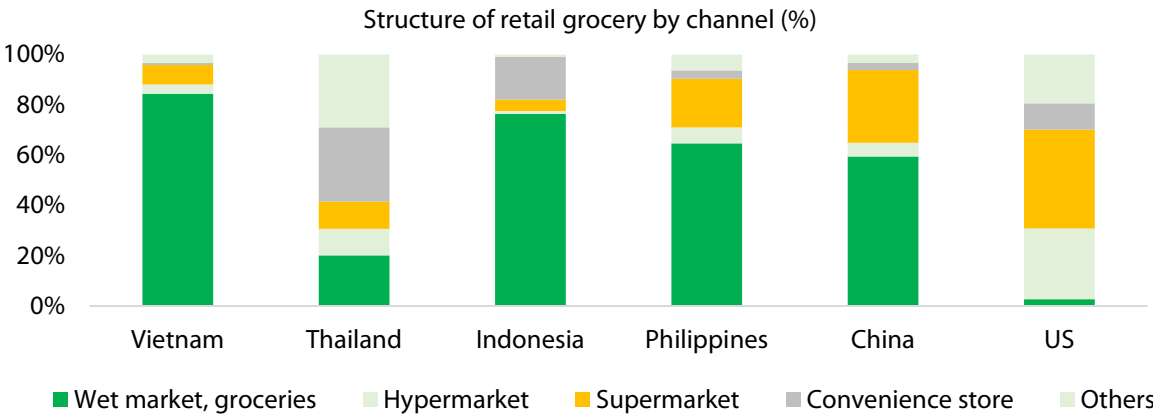
## Target customers

Suitable for young people and office workers (Gen Y, Z) with good income, who prioritize saving time and high-quality shopping experiences.



The dual strategy of 'opening new stores based on an established profitable operating model' is the differentiating factor for the development phase of minimart chains in 2025-2030, instead of expanding stores regardless of losses as seen in 2016-2021

**There is significant room for market share expansion compared to culturally similar Southeast Asian countries**

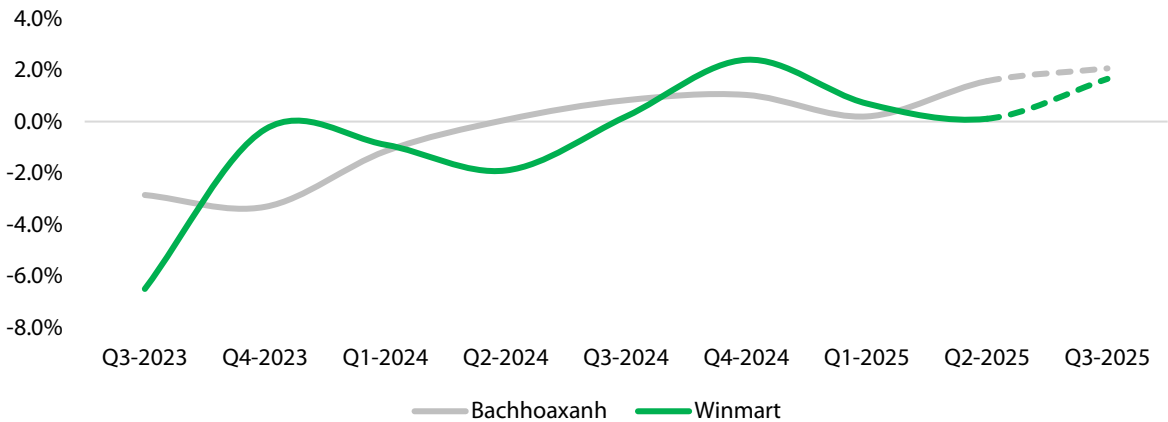


Taking advantage of great opportunities, minimart chains will (1) expand their store networks and (2) increase SSSG at existing stores in 2026.

		2022	2023	2024	2025F	2026F	SSSG 9M-2025
Bach Hoa Xanh	Grocery market share	2.2%	2.4%	3.0%	3.4%	5.2%	2.0%/year
	New stores/year	-378	-30	72	600	1,000	
Winmart	Grocery market share	2.40%	2.30%	2.40%	2.80%	3.90%	9.0-11.0%/year
	New stores/year	657	235	195	600	1.000	

Source: MWG, MSN, Euromonitor, RongViet Securities

**NI margins of grocery chains are expected to remain at 2.0-3.0% in 2026 during the rapid store expansion phase of 2026**

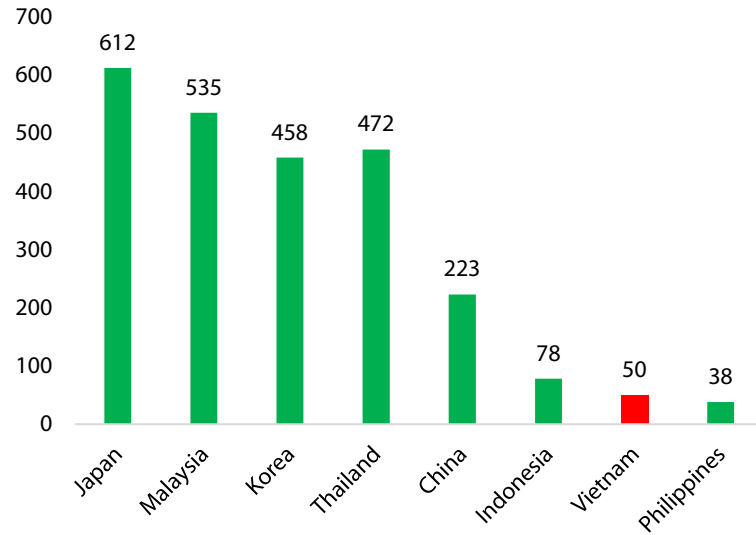


**System-wide profitability formula has been gradually taking shape since 2H2024 - MWG's strategy**

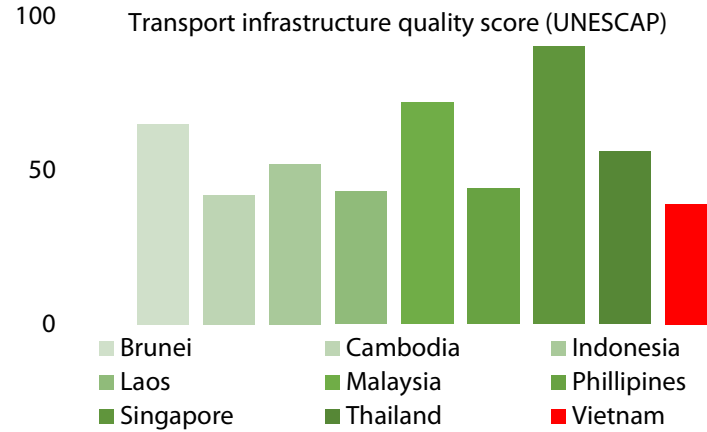
**Controlling shrinkage** through the selection of location-appropriate SKUs, particularly in the fresh food category, by leveraging data analytics technology. Consequently, MWG reduces wastage costs (included in COGS/selling expenses) and decreases inventory days (from 55-60 days in 2023-24 to 45 days in 2025).  
**Optimizing operating costs of central warehouses** (reduce from 5% to 3% as a percentage of revenue).  
**Converting major fixed costs, such as rent and a portion of personnel expenses, into variable costs.**  
**Through the "familyship" program, MWG partners directly with large-scale farm households:** (1) Bypass wholesale distributors; (2) Support farm in reducing costs related to packaging, warehousing, and transportation; (3) Utilize the saved cost margins for related discounts and advertising within the chain.

The automotive sector continues to post subdued volume growth despite low penetration rates, as underlying drivers—household income growth and the quality of transport infrastructure, have yet to improve sufficiently

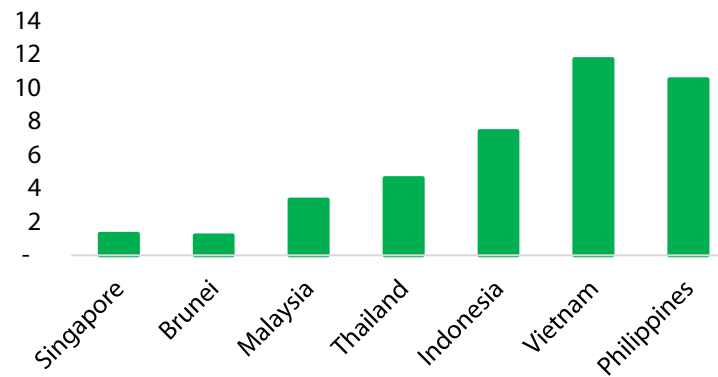
## Despite low car ownership rates...



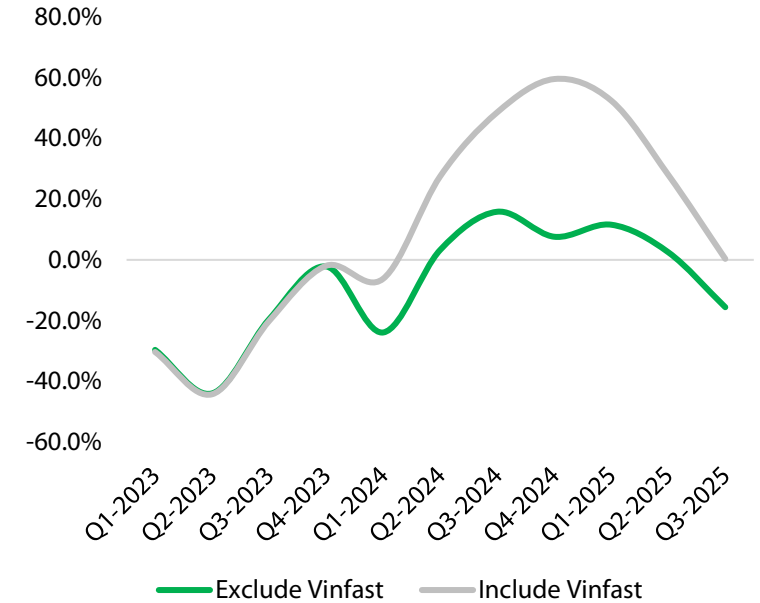
## ...the lack of improvements in transport infrastructure and household income...



## Per person average year to afford a car



## ...has kept YoY sales growth of the automotive sector (excl. VinFast) subdued in the post-COVID



## New policies in the Vietnamese auto market create a strong growth springboard for electric vehicles...

### Discontinuation of the 50% registration fee reduction (from 2025)

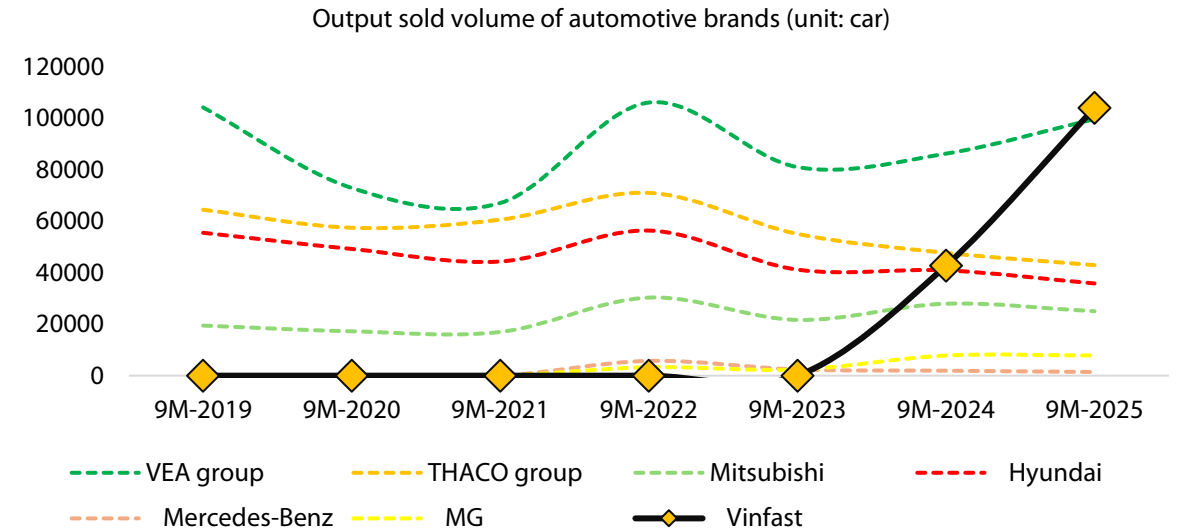
- The auto market will no longer have the "tax incentive push," which, combined with low consumer sentiment, will cause industry-wide growth to slow down significantly starting from H2-2025 (the first year following three years of policy implementation).
- Vietnam Motor Show 2025 was canceled due to a gloomy market and a lack of new models.

### Policy shift towards electric vehicles in Hanoi & HCMC (from 2026)

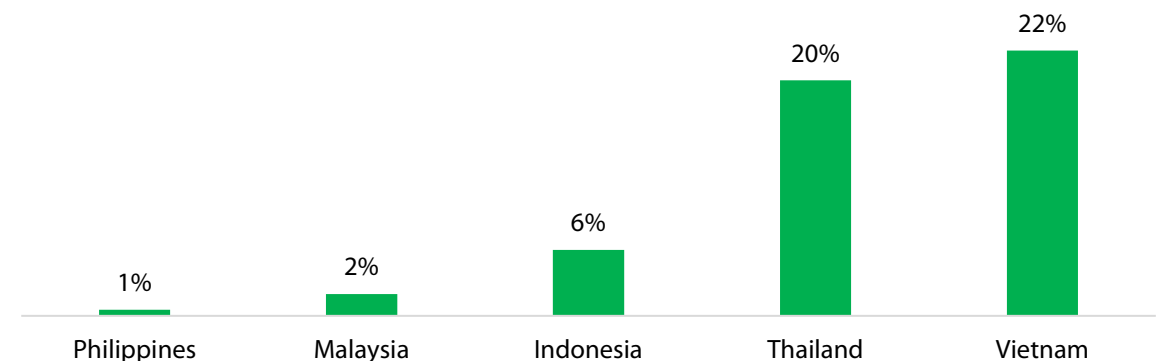
City	Applicable area	Detailed plan
HCMC	Central areas (Districts 1, 3, 5, 6, 8, 10, 11, Binh Thanh, Tan Binh, Tan Phu, Phu Nhuan), Can Gio, Con Dao	<p>2026: Ban new registrations of gasoline motorbikes in LEZ; restrict service vehicles below Euro 2 and cars below Euro 4 standards; ban heavy diesel trucks</p> <p>2027-2032: Expand restrictions on substandard vehicles; implement motorbikes emission testing</p>
Hanoi	Ring Road 1 (Cau Giay, Tay Ho, Ba Dinh, Hoan Kiem, Hai Ba Trung, Dong Da), expanding to Ring Road 2 (2028), and Ring Road 3 (2030)	<p>1/1/2026: Ban gasoline motorbikes within Ring Road 1; Apply to all fossil-fuel-powered vehicles</p> <p>1/1/2028: Expand the gasoline motorbike ban to Ring Road 2; restrict private gasoline cars</p> <p>2030: Expand the ban/restriction to Ring Road 3, applicable to all private fossil-fuel-powered vehicles</p>

Source: VAMA, Hyundai TC, Internation Counsel on Clean Transportation, RongViet Securities

## ...support VinFast to rapidly expand its market share in the automotive retail sector over the past two years

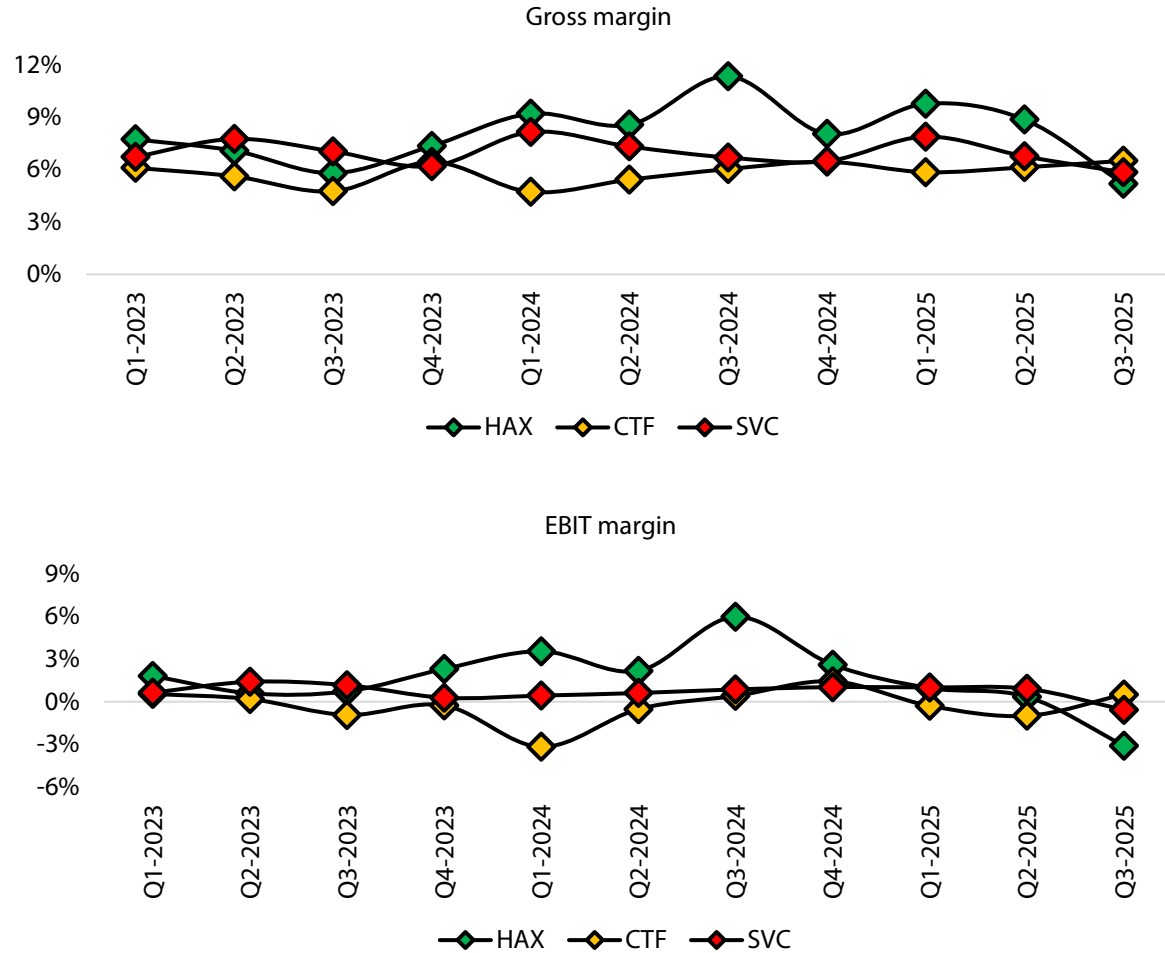


Electric car market share in Vietnam is highest



# Automobile sector – a tough playing field for players outside VinFast

Dealers of gasoline- automotive (HAX – Mercedes-Benz, MG; CTF – Ford; SVC – Toyota, Mitsubishi, Honda, etc.) repeatedly decrease selling prices, increase discounts - pressuring profit margins, yet sales volumes remain weak...



Source: HAX, CTF, SVC, RongViet Securities

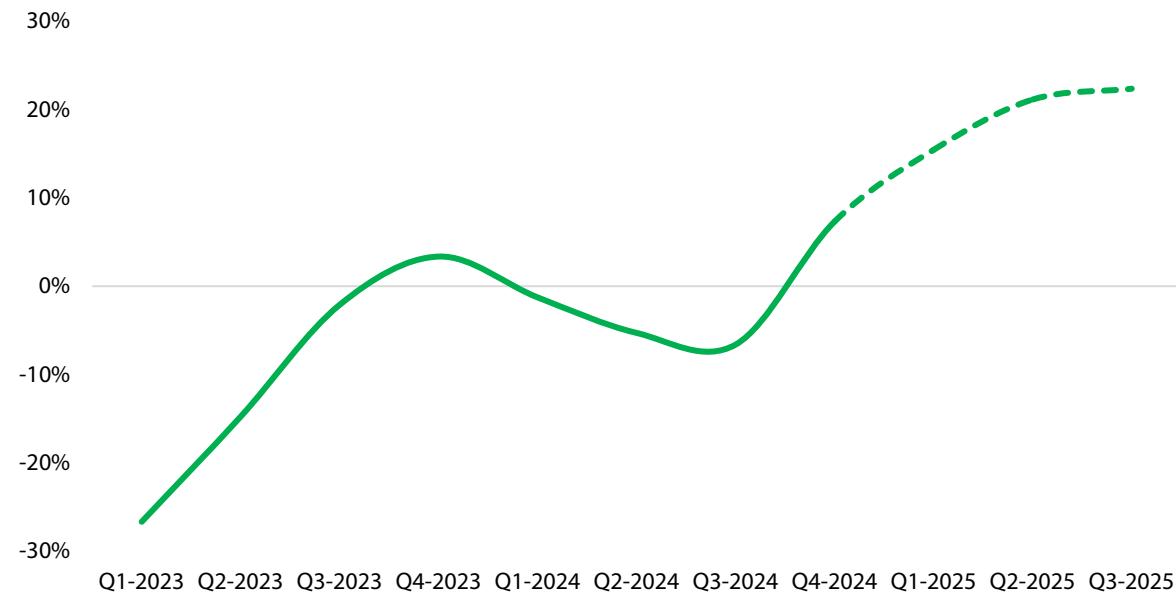
...therefore, gasoline vehicles dealers face three strategic options for 2026, in our view

Car dealerships face three choices	Our Assessment	Representative Dealer
Become a VinFast distributor (e.g., HAX transitioning dealerships to replace Mercedes-Benz on the same land plot)	This is a feasible option, but profit growth depends on partnership terms with VinFast - which have not yet been clarified	HAX
Continue accompanying existing gasoline car brands but face profit growth challenges for 2026 similar to 2025	Recovering profit margins after a sharp drop to clear hard-to-sell inventory, but it will be difficult to reach high historical levels (3-5%)	HAX, CTF, SVC
Distribute new electric vehicle (EV) brands from China, the US, and Europe	Requires more signals regarding a shared charging station network platform between different brands	SVC

Retail YoY value growth in the ICT sector surged by ~ 20% this year, driven by AI breakthroughs in laptop and tablet products, alongside a rapid increase in premium iPhone adoption among the population.

These trends are expected to continue into 2026 but at a slower growth rate (10-15%), as iPhone market share has reached high levels and the momentum of AI-integrated products has already spread significantly over the past two years.

## YoY growth rate of ICT retail revenue is attractive in 2025 (%)...



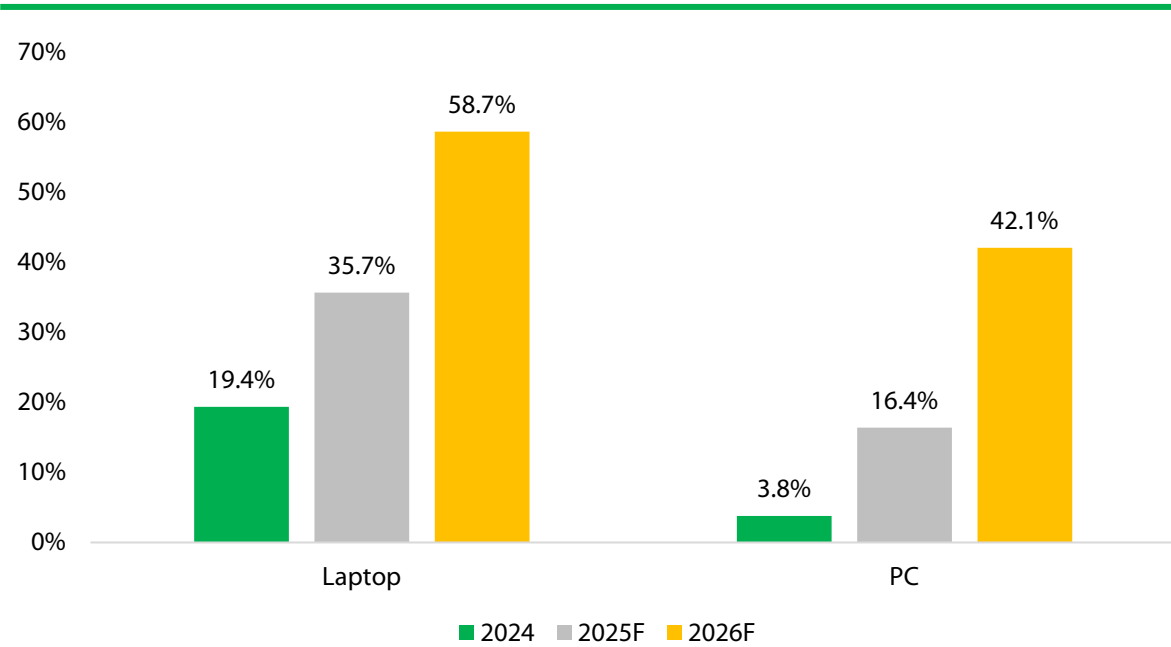
## ... and spread out over to all segments

	Laptop	Tablet	Smartphone	Monitor	PC
Contribution in total ICT market value	13.9%	4.2%	79.3%	1.2%	1.4%
YoY growth in volume	11.0%	35.9%	-1.6%	20.5%	9.7%
YoY growth in price	4.6%	-1.5%	22.4%	-3.6%	1.9%
YoY growth in value	16.1%	33.9%	20.4%	16.1%	11.7%

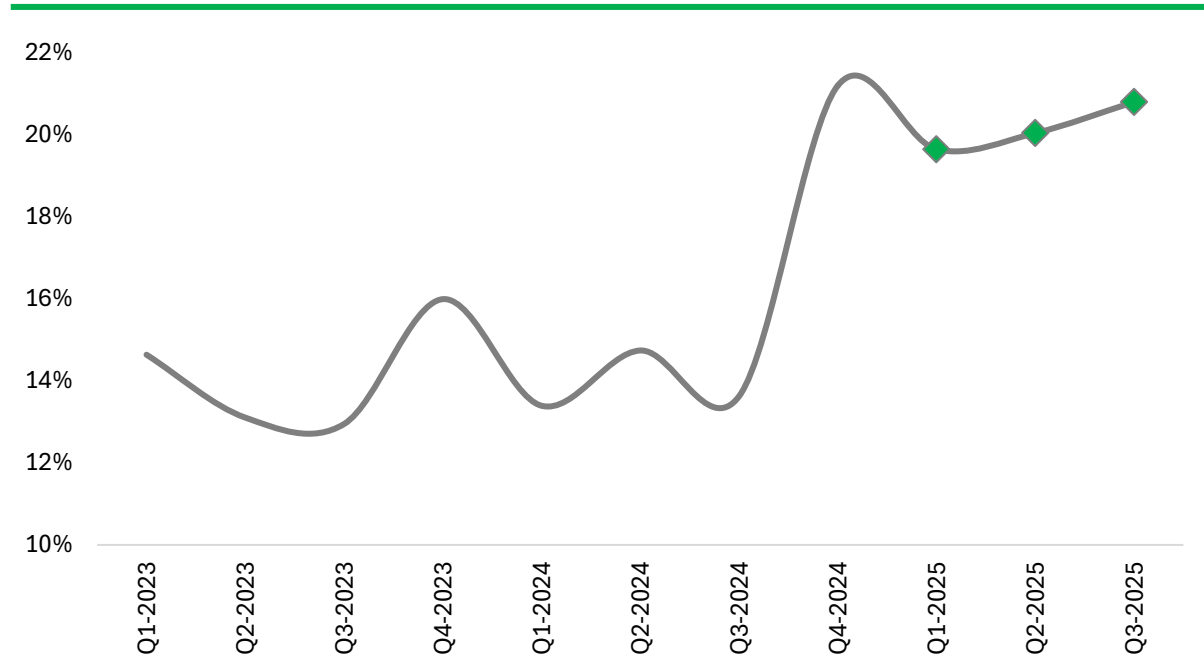
Source: GfK, Gartner, RongViet Securities. Including segment: Mobile phone, laptop, tablet, screen, PC account for over 98% total ICT market value



**AI is stimulating new purchases and replacement demand, supporting both volume growth and pricing across computer categories**



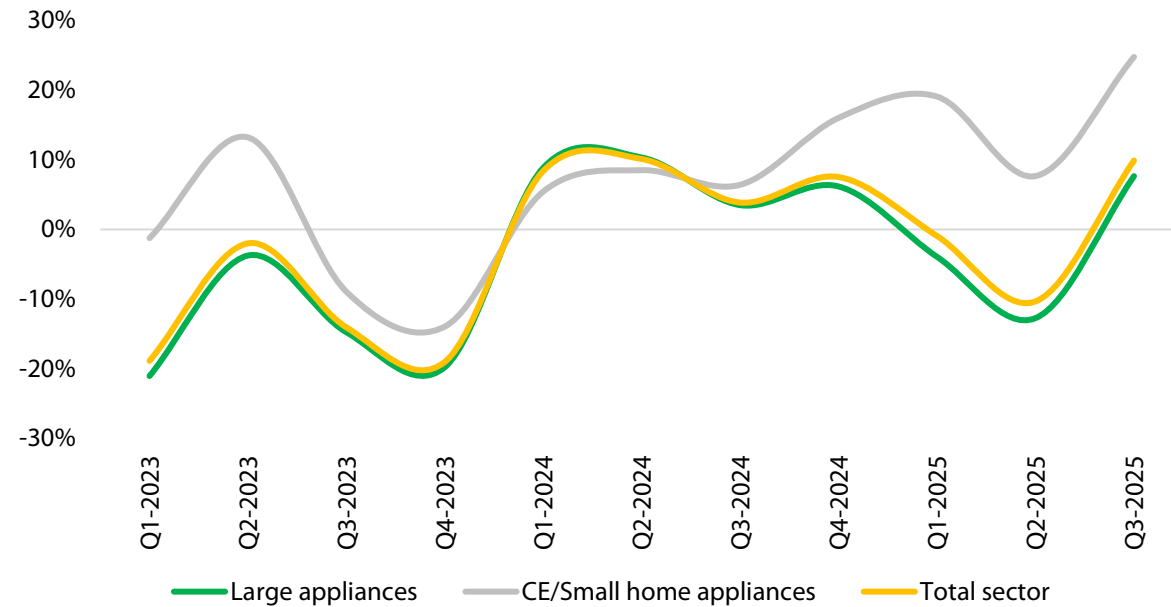
**Switching from Android to iOS supports higher average selling prices, but volumes remain unchanged as phone penetration in the population is already saturated**



Source: GFK, Gartner, RongViet Securities

YoY value growth in retailing CEs and home appliances sectors remain flat this year, with significant divergence between product groups: high-value electronics decreased by 4-5%, while small-value electronics and home appliances grew by 15-20%. This indicates a consumer trend towards diversifying home utilities (such as air purifiers and water heaters) with smaller order values. Meanwhile, large appliances are gradually reaching a growth saturation point as household penetration rates remain high - a trend expected to persist into 2026.

## YoY retail revenue growth for the CE and home appliances remain stable at 8-10% in 2025, with significant differentiation across sub-sectors



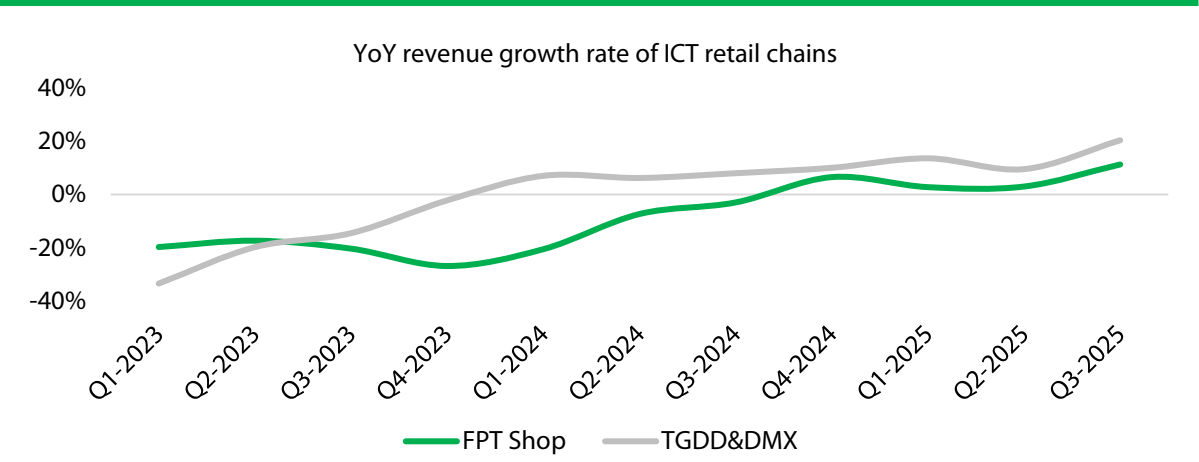
## ... and spread out over to all segments

	Air-cons	Washing machine	Fridge	TV	Air treatment	Water purifier	Water heater
	LARGE APPLIANCES				CE/SMALL HOME APPLIANCES		
CE/home appliances contribution in total sector revenue	25.1%	16.2%	20.2%	23.6%	1.9%	5.4%	1.4%
YoY growth in volume	-4.3%	5.9%	-0.9%	-4.2%	-3.4%	11.0%	36.3%
YoY growth in price	-10.7%	2.4%	1.9%	1.5%	-2.2%	15.3%	1.7%
YoY growth in value	-14.5%	8.5%	1.0%	-2.8%	-5.5%	27.9%	38.6%

# Electronics sector – “brand partnership” & “surplus services” are the keys for retail chain

The phase of shifting from GT to MT channels in the ICT retail industry has been completed; businesses have stopped opening new stores since 2024, a trend expected to last over the mid-term. “Brand partnetship” and “surplus services” are key strategies utilized by retail giants to increase SSSG at existing locations.

**Electronics chains, aware that their store network is near the industry’s equilibrium point, should prioritize increasing SSSG**



		2022	2023	2024	2025F	2026F	SSSG 9M-2025
TGDD&DMX	ICT market share	38.6%	35.7%	38.7%	42.2%	44.4%	~14-15.0% /year
	New stores/year	359	116	-276	-57	0	
FPT Shop	ICT market share	8.3%	7.5%	6.8%	6.9%	6.8%	~7-8.0% /year
	New stores/year	139	-31	-121	-6	0	

Source: MWG, FRT, RongViet Securities

**TGDD & DMX have implemented multiple ‘alpha’ strategies, significantly boosting revenue and gradually setting a new industry standard**

**Familyship" campaign with brands, exemplified by Apple: Committed to exclusive/niche product volumes on shelves; challenging output sales targets**

➤ Thanks to economies of scale, the chain easily achieves target sales, make tighter partnerships.

**% installment policy: Partnering with numerous financial companies (Home Credit, Mirae Asset...) and over 30 credit card banks**

➤ Leveraging scale, the chain easily popularizes 0% installment policies in rural areas (lower incomes, price-sensitive consumers, prioritizing in-store purchases, and low electronics penetration.

**Increasing discounts to 10-20% and strengthening after service – warranty – 0% year installment**

➤ Neutralizing the price competitiveness of rivals as "malls" on e-commerce platforms no longer offer deep discounts of 20-40% (only 10-20% in 2024–25). Higher platform fees cause non-mall shops to lose price advantage.

**Free initial services or low & consistent fees, executed quickly by the “Tận Tâm” service team**

➤ Creating a competitive advantage in after-sales service compared to FPT Shop, CellphoneS, Hoang Ha, and e-commerce platforms that lack a sufficiently large store network, offer few after-sales incentives, and compete almost exclusively on price.

# Electronics sector – maximizing profit is the top priority across all chains

Chains are striving to reduce fixed-cost pressures and increase off-store revenues, creating room for more competitive pricing and discount strategies in the market.

## MWG has also changed its cost optimization formula since 2024, which is gradually becoming a new industry standard

Closing inefficient stores and retaining old stores with low remaining depreciation

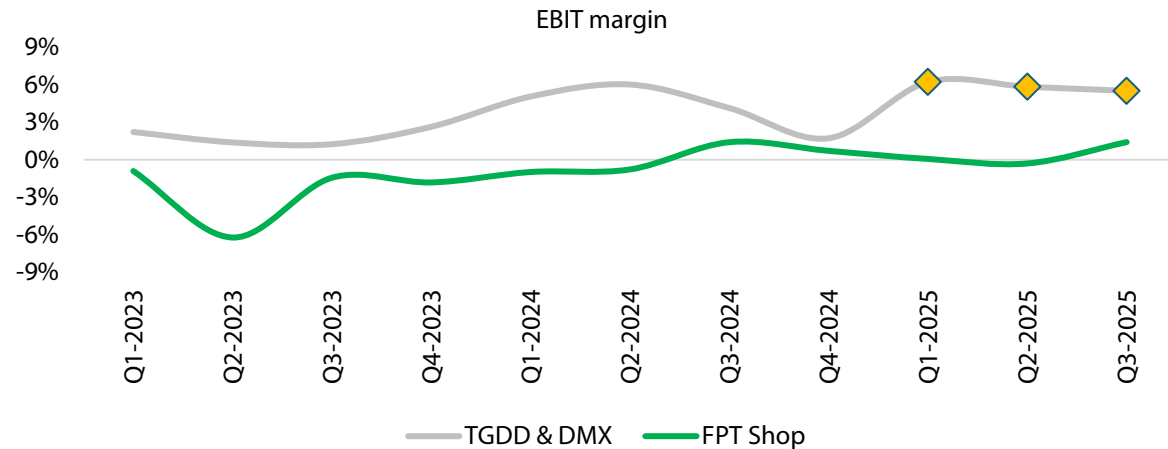
Closed 443 stores over the past 3 years, saving 236 billion VND per quarter in depreciation expenses for 2025.

Reducing the average headcount per store

Decreased the number of internal MWG staff (down from 7-10 to 3 per store on average); collaborating with brands to deploy their own sales personnel (with salaries funded by the brands).

Flexible management of rental costs relative to revenue

Converting rental expenses from fixed costs into variable costs, closely linking them to revenue performance.



## Trend of leveraging scale and dense store networks to drive non-core business activities

Direct profit growth through financial investments

- MWG is a pioneer in capital trading since 2019: invested in deposits & bonds, reached VND ~35,000 bn by the end of Q3-2025 (CAGR 2020-25 of 39.3%).
- FRT: Recognizing this opportunity and accelerating financial investments from 2025 with a scale of VND ~5,200 bn (up 7.0x YoY).

**INCREASE DIRECT INCOME**

Payment agency

- MWG/FRT partnered with VPB/VCB to deploy this service at 3,000 and 600 retail points, respectively. (from Dec 2024 to May 2025)

**INCREASE STORE'S FOOT TRAFFIC**

Charging station partnership

- MWG/FRT are collaborating with VinFast to deploy over a thousand EV charging and battery-swapping points at TGDD, DMX, and FPT Shop locations nationwide through the end of 2026.

Mobile network business (MVNO)

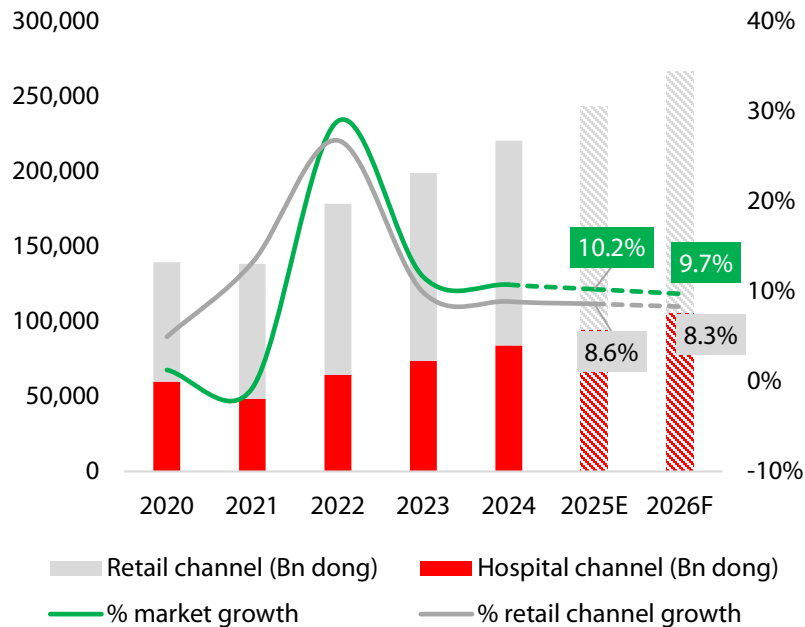
- FPT Shop utilizes MobiFone's infrastructure to provide mobile services, SIMs, and integrated data packages. However, MVNO revenue contribution remains insignificant.

Source: MWG, FRT, RongViet Securities

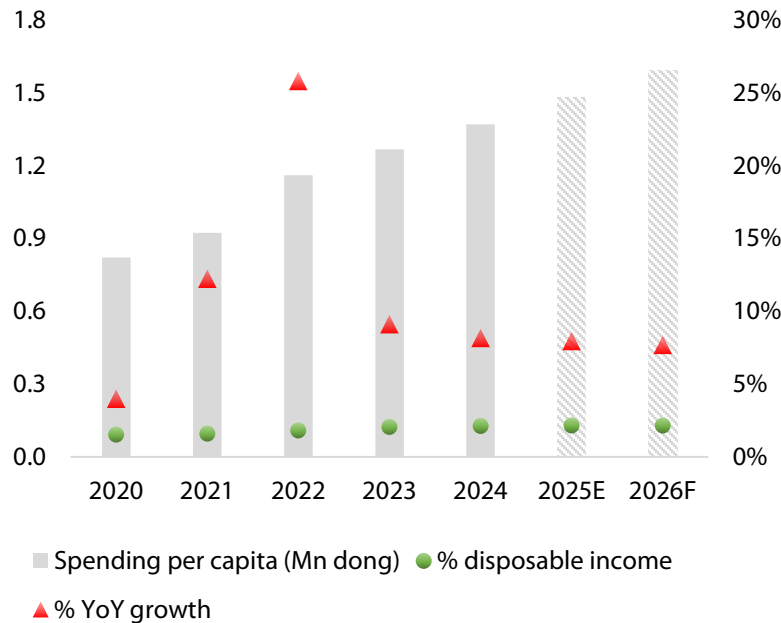
# Pharmaceutical retail – to sustain growth momentum driven by rising health awareness

YoY growth in pharmaceutical retail sales has remained strong at around 10.2%, driven by both volume (population aging with the share of people aged over 60 expected to rise from 13% to 27% in 2025–2069 period) and value factors (spending) from rising health awareness post-COVID-19. This will persist into 2026 with forecast of 9.7% YoY growth by IQVIA. Government support through social welfare and healthcare policies is expected to improve accessibility (medical check-ups, treatment).

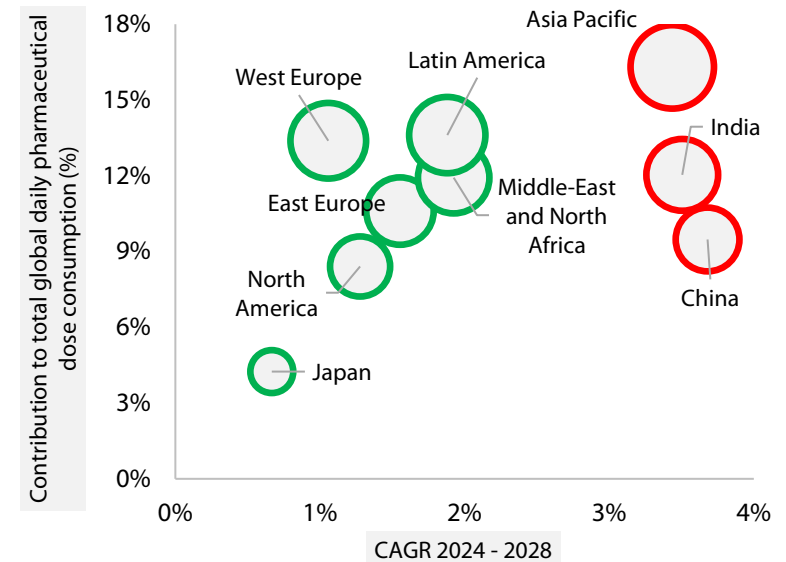
## Vietnamese pharmaceutical retail sales stably increase at ~10%/year...



## ...thanks to higher pharmaceutical spending per capita over the years...



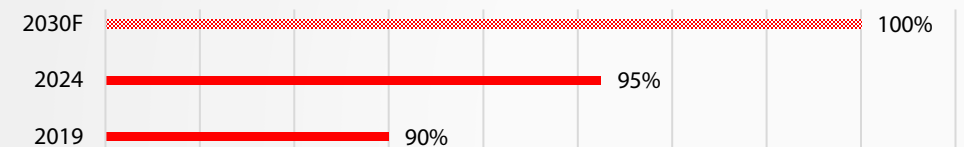
## ... this still has room for further growth, compared with regional pharmaceutical consumption levels



## Government support for social welfare (particularly healthcare) has been increasingly strengthened

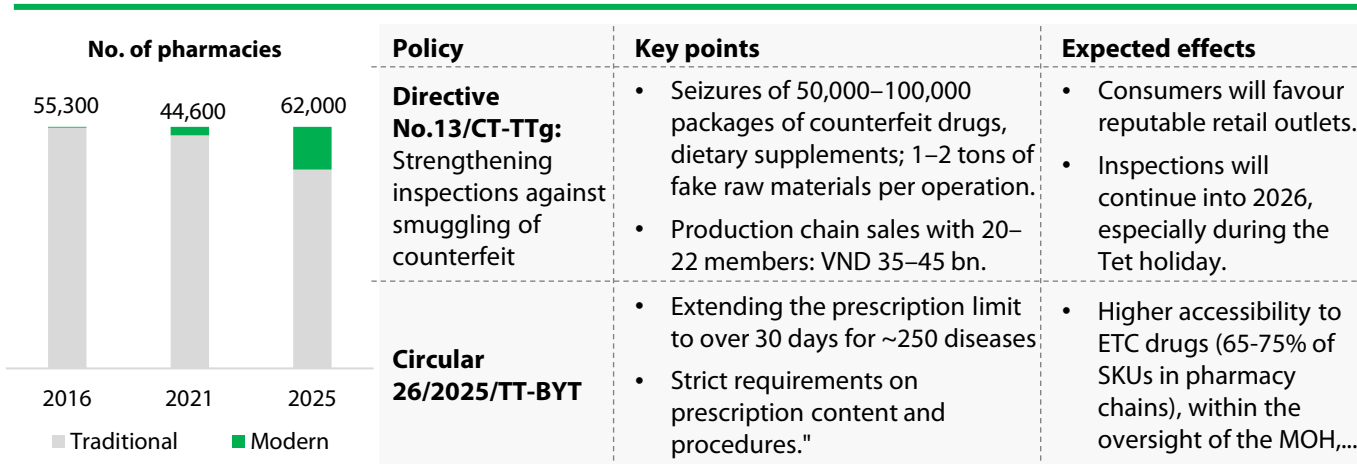
- **Resolution No. 72-NQ/TW** of the Political Bureau on breakthrough solutions to enhance the protection, care, and improvement of public health. ([refer to slide 10](#))
- **Directive No. 52-CT/TW (10/2025)** on achieving universal health insurance coverage rates and benefit scope

## Social health insurance coverage over total population



Within the steadily market growth, modern pharmacy chains are gradually gaining dominance thanks to (1) their standardized business operation (origin & quality of medicines, dietary supplements inspection activities and tighter e-invoice process from 2025 highlight this alpha of the chains); and (2) their ability to access and meet the growing demand for generic medicines - a category that accounts for a large proportion and is properly distributed through chains.

## The management framework is gradually standardized, with the stricter oversight

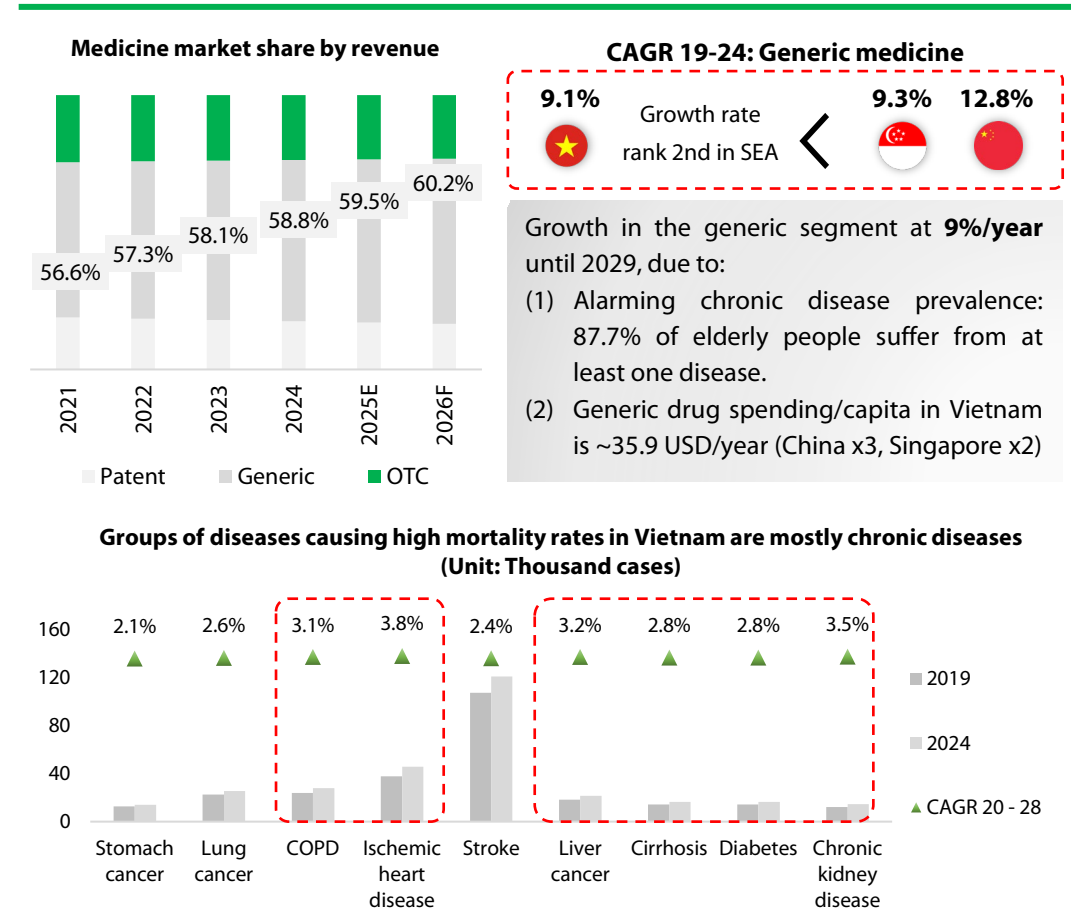


## Core differences in services/products that make traditional pharmacies struggle to keep up with the growth rate of modern chains

Factor	Origin	Drug portfolio	Service and procedure
Modern	Centralized system control helps ensure consistent quality; Drug information is publicly disclosed	Diverse with 2,000 – 4,000 SKUs: 65-75% are ETC drugs; Optimized based on real data on demand/disease in area	Staff are trained to provide consultations tailored to needs and prescriptions Increase access rate to ordering services
Traditional	Hard to trace the origin; Inconsistent quality (counterfeit goods, hand-carried imports)	1,000 – 2,000 SKUs: mainly OTC drugs for common illnesses; Often face drug shortages	Uneven consultation quality, often encountering cases of prescribing drugs "based on demand"; Unable to meet convenience needs

Source: BMI, GSO, KPMG, RongViet Securities

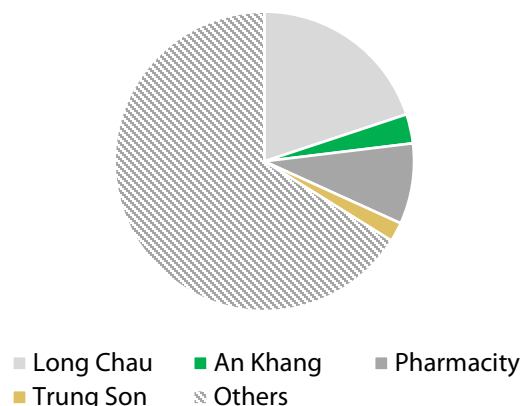
## Increasing accessibility to generic drugs\*



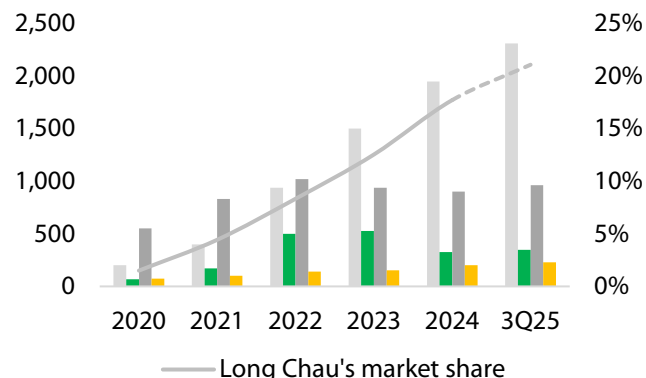
(\*) **Generic drugs** are "copies" of patent drugs (when the patent expires after a certain period), having the same dosage, ingredient, indications, and bioequivalence as the patent drug but at a **lower price**. This is expected to **help improve people's accessibility to medical check-ups and treatment**.

## Long Chau leads the journey in the modern trade channel...

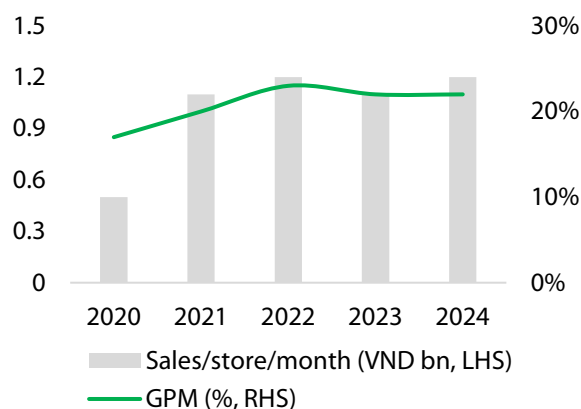
Market share by modern pharmacies



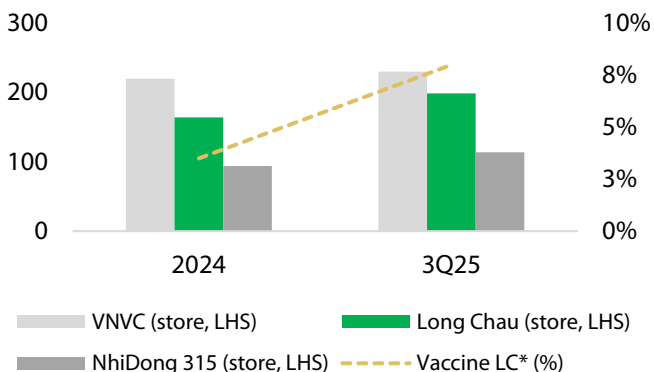
Long Chau exceeds the rivals in terms of store number (LHS) and revenue market share (RHS)



SSSG/month reached 24%/year (2021-24), GPM improved and remained stable after 2022



Vaccine segment gradually holds a good position in the market, support the long-term growth



(\*) Estimated contribution of Vaccine segment in Long Chau's sales

## ... by leveraging scale advantages & a dense store network to promote business activities beyond core retail

### Offline channel – increasing store coverage



**2026 target:** Newly open **350 – 400 pharmacies** and maintain sales per store per month of **VND 1.2-1.3 bn**

- Deeper penetration into **tier 2 and 3** areas as well as the **Northern** region
- Rapidly expand **close-to-home stores** in residential areas, **near schools, hospitals, and wet markets**
- Increase brand awareness by locating in high-traffic areas

### Online channel - O2O expansion (Online to offline)



#### Online drug ordering and 1:1 consultation with pharmacists:

- ETC drugs: Ordered online and picked up at store to increase conversion rate
  - OTC drugs: Ordered and delivered to home via app, with no delivery fee
- App integration with VNeID electronic health record (Long Chau, An Khang, Pharmacy): Increases touchpoints and boosts conversion rate

### Preventive healthcare ecosystem with vaccination



**Long Chau's vaccine segment is an "alpha" in long term with a target of 50-70 new VCs/year:** Gradually building position and brandname

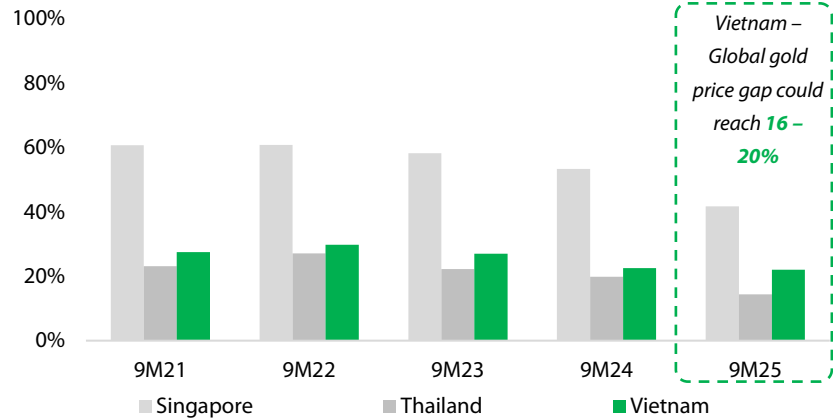
- High potential market: Low population vaccination access rate (<5%)
- High entry barriers: High demand while supply is insufficient due to production capacity constraints; Distributors and retailers must meet strict requirements for storage technology
- Competition is not too fierce: VNVC, Long Chau, NhiDong 315



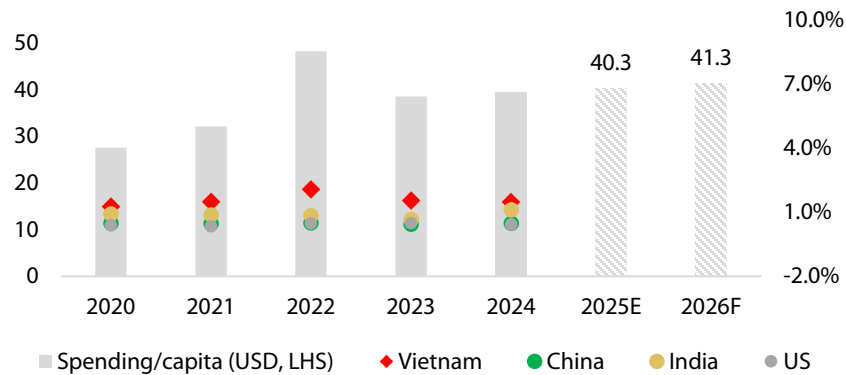
# Jewelry retail – pressure in 2025 has not yet completely eased and may continue into 2026

The jewelry retail sector remains quite sluggish in 2025 due to supply shortages and weak purchasing power, as consumers are more cautiously allocating their asset classes toward gold and savings deposits. We believe the industry has entered a saturation phase and will maintain stable growth in 2026 as: (1) Sustained gold-buying demand amid instability concerns and rising price expectations; (2) Vietnamese jewelry spending in total disposable income is at the high level.

## Gold is preferred over jewelry over time

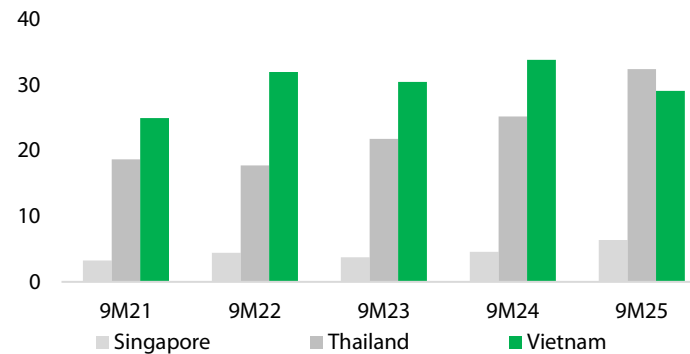


## Jewelry spending in total disposable income (%) reached high level



## Cash flows shifting into gold or savings deposits

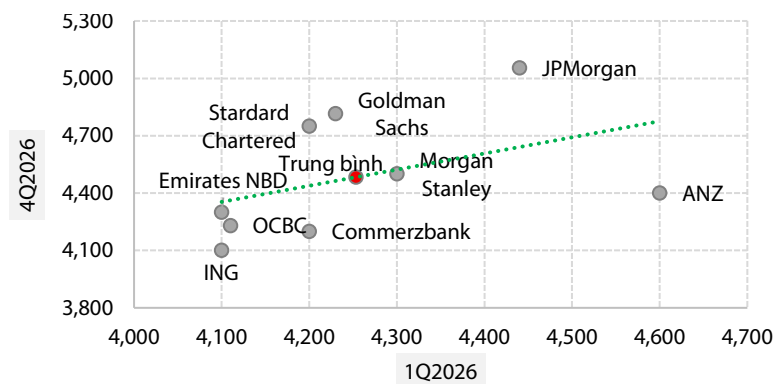
Vietnam's gold demand (tons) in 2025 decreases due to scarce supply, but remains at a high level



Resident deposits in banks reached a record high, up 10.9% from end-2024 in the first 9 months of 2025.

Indicator	Deposit (VND bn)	% YTD
Total	19,980,717	11.6
Including:		
- Institutional customer	8,350,231	8.9
- Individual customer	7,832,399	10.9

## 2026 gold price forecast



- According to consensus forecasts, the estimated average increase from 9 global financial institutions (from Bloomberg) is 11% YoY (Q4/2025 – Q4/2026).
- Goldman Sachs, JPMorgan, Standard Chartered expect global gold prices to potentially exceed 4,700 USD/ounce, driven by two main factors: CBs' increasing gold reserves and the FED cutting interest rates.
- This is a relatively cautious forecast compared to the high increase of 50-60% YTD (Late 2024 – early 4Q2025)

Decree 232/2025/ND-CP marks a turning point for the gold market with competition in gold imports and production, reducing risks of raw gold supply shortages for manufactures in the mid- long term. Jewelry demand is expected to recover better than the tough context of 2025, though varying across customer segments.

## Gold supply: Waiting for “activating” Decree No. 232/2025/ND-CP

**(1) Abolish the monopoly mechanism** on raw gold imports and gold bar production held by SBV



(2) Regarding import and production: Grant licenses to enterprises and commercial banks that meet the conditions and has charter capital:

- Enterprises: >1,000 VND bn



- Commercial banks: >50,000 VND bn



**(3) Regarding payment and gold trading:** Transactions valued at VND 20 million/day or more must be fully done through payment accounts (bank transfers) between individuals and gold trading organizations.



### Expected positive impacts:

- Create a competitive mechanism, close the price gap between domestic and international gold
- Increase transparency in gold trading and ownership with a stricter management mechanism



### However, risks still remain:

- The annual import quota allocation remains controlled, potentially causing manufactures to face supply shortages relative to their actual production capacity (not yet considering other sources from the free market)
- Risks of exchange rate fluctuations and high foreign currency demand for gold import activities.

## Decree No. 340/2025/ND-CP details sanctions for administrative violations

On 25 December 2025, the Government issued **Decree No. 340** stipulating administrative sanctions in the fields of monetary and banking activities, including **violations related to gold trading, gold buying and selling, and payment activities.**

➤ The policy framework is being gradually finalized to support the consistent implementation of Decree No. 232, thereby enhancing market transparency. Specifically, **Article 28** provides as follows:

**Tier 1: Warning**  
(Clause 1)

- Trading gold bars with organizations or individuals without a valid license (\*);
- Using cash for gold trading transactions.

**Tier 2: Monetary fines**  
(Clauses 2-8)

- 2/ VND 10-20 mn: Repeat violation of clause 1; Not conduct payment via bank account;
- 3/ VND 30-50 mn: Failure to publicly disclose prices of gold bars and gold jewelry;
- 4/ VND 80-100 mn: Trading/ carrying gold across borders in violation of regulations;
- 5/ VND 140-180 mn: (a) Trading gold bars through unauthorized agents; (b) Failure to comply with regulations on gold inventory status; producing or processing gold without a valid license;
- 6/ VND 200-250 mn: (a) Using imported gold raw materials inconsistent with the import license;
- 7/ VND 250-300 mn: Producing gold bars in violation of regulations;
- 8/ VND 300-400 mn: Trading or producing gold bars or importing gold raw materials without a valid license.

**Tier 3: Additional sanction**  
(Clause 9)

- Confiscation of gold involved in violations under Clause 8;
- Suspension of trading activities for 6-9 months for violations under Clause 5a;
- Suspension of import activities for 9-12 months for violations under Clause 6a.

**Remedial measures**

- Revocation of business licenses, gold bar trading licenses for violations under Clause 6b (Repeating violations of gold trading through unauthorized agents).

Source: Decree No. 232/2025/ND-CP, Decree No. 340/2025/ND-CP, RongViet Securities

(\*) Licenses refer to licenses for trading in gold bars and/or importing gold raw materials. Business, production, and processing activities refer to gold and gold jewelry/fine-art gold. Import activities refer specifically to the importation of gold raw materials.

Player integrates from manufacturing to retail such as PNJ are currently prioritizing store quality upgrades and retail network expansion to enhance market coverage, as existing production capacity is sufficient to meet demand thanks to modern technological platforms and flexible manufacturing lines serving a wide range of products. Consumer demand has shown a clear recovery from the 2H2025; however, the it remains polarized across customer groups and segments.

## Investment is now focused on retail network ...

### CAPEX

Active prior to 2020, mainly for factory upgrades and production line expansion  
(Unit: Bn dong)

Year	2016	2017	2018	2019
PNJ	87.3	115.4	336.4	223.8

- Network expansion: 38 new store/year
- Invested in the 2nd factory in Long An
- Invested in production lines meeting international standards to enhance productivity and technological content.
- Multi-purpose production lines were implemented to enhance flexibility and lower capital intensity versus specialized equipment.

### CAPEX

Post-2020 period focused more on network expansion  
(Unit: Bn dong)

Year	2020	2021	2022	2023	2024
PNJ	85.4	61.3	52.4	83.1	90.4

- Production capacity was upgraded from 4 million to 5 million units per year;
- However, CAPEX has been primarily directed toward network expansion, albeit at a slower pace (15-17 stores per year),
- Reflecting a cautious approach amid a slower-than-expected recovery in post-COVID consumer demand.

Source: PNJ, RongViet Securities compiled

## ... and product lines meeting diverse and polarized demand

### The development orientation for product portfolio needs to revolve around two demand groups

#### Group 1

Available to pay for the higher expectations

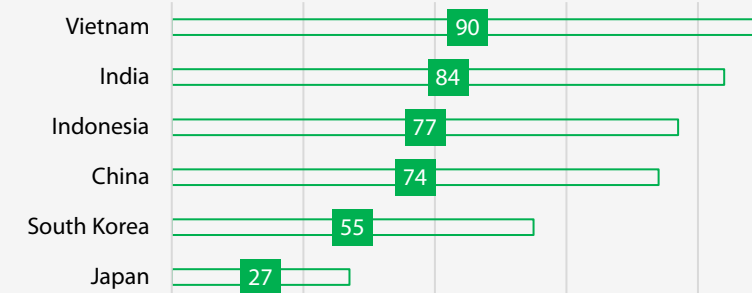
- “Asset accumulation” and “safe investment” mindset: **Gen X and Gen Y** view gold jewelry as a long-term investment channel. Recently, noticing the upward price trend, they are willing to pay higher prices for **gold jewelry products**.
- **Origin, transparency, and post-sales service:** Concerns about counterfeit goods and inconsistent purity in traditional markets may drive customers toward organized retailers – even if prices are somewhat higher.

#### Group 2

Prioritizing “personalization” and experience

- The explosion of **KOLs and online jewelry sales** has emerged, focusing on the new generation “**Gen Z**” to accelerate product discovery, prioritizing **trendy/event-based products that embody “stories” and uniqueness**.

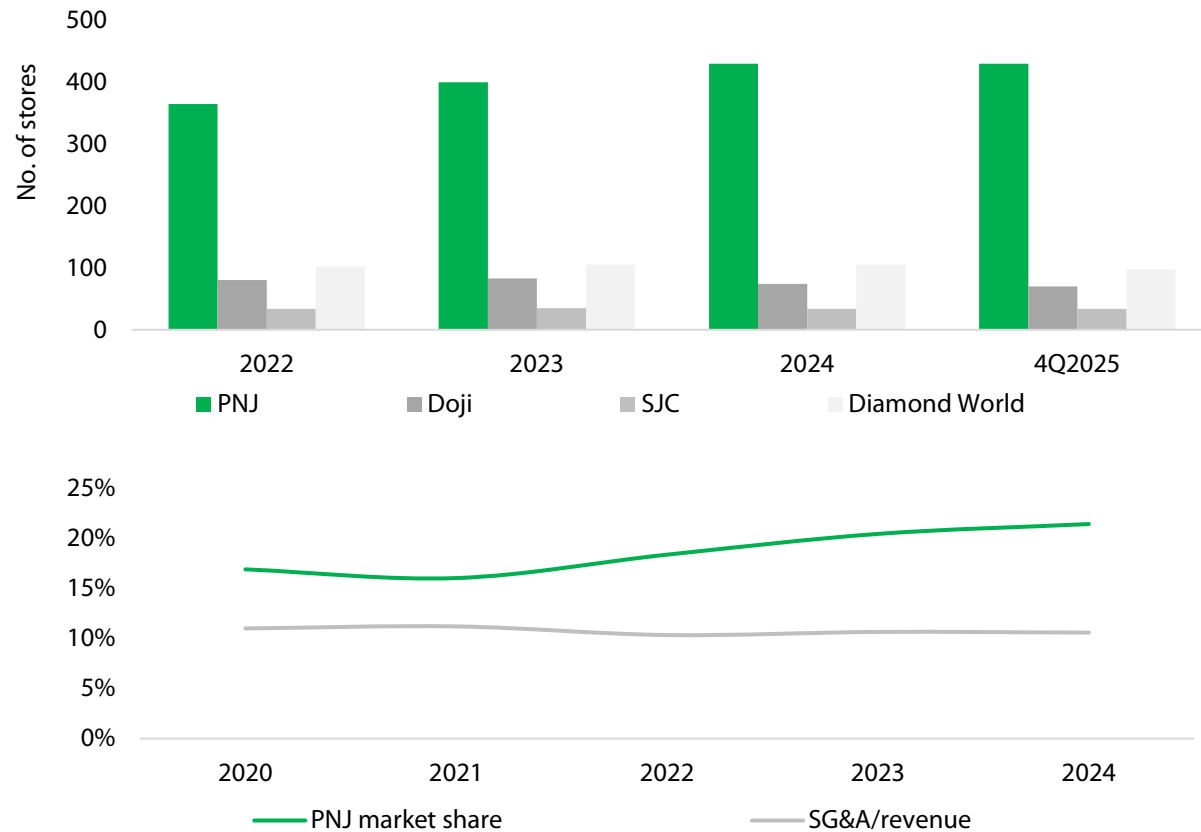
### This chart showed flexibility in proactively changing shopping habits (fashion, jewelry) to optimize the experience



# Jewelry retail – PNJ stands out among jewelry retail brands in the same segment

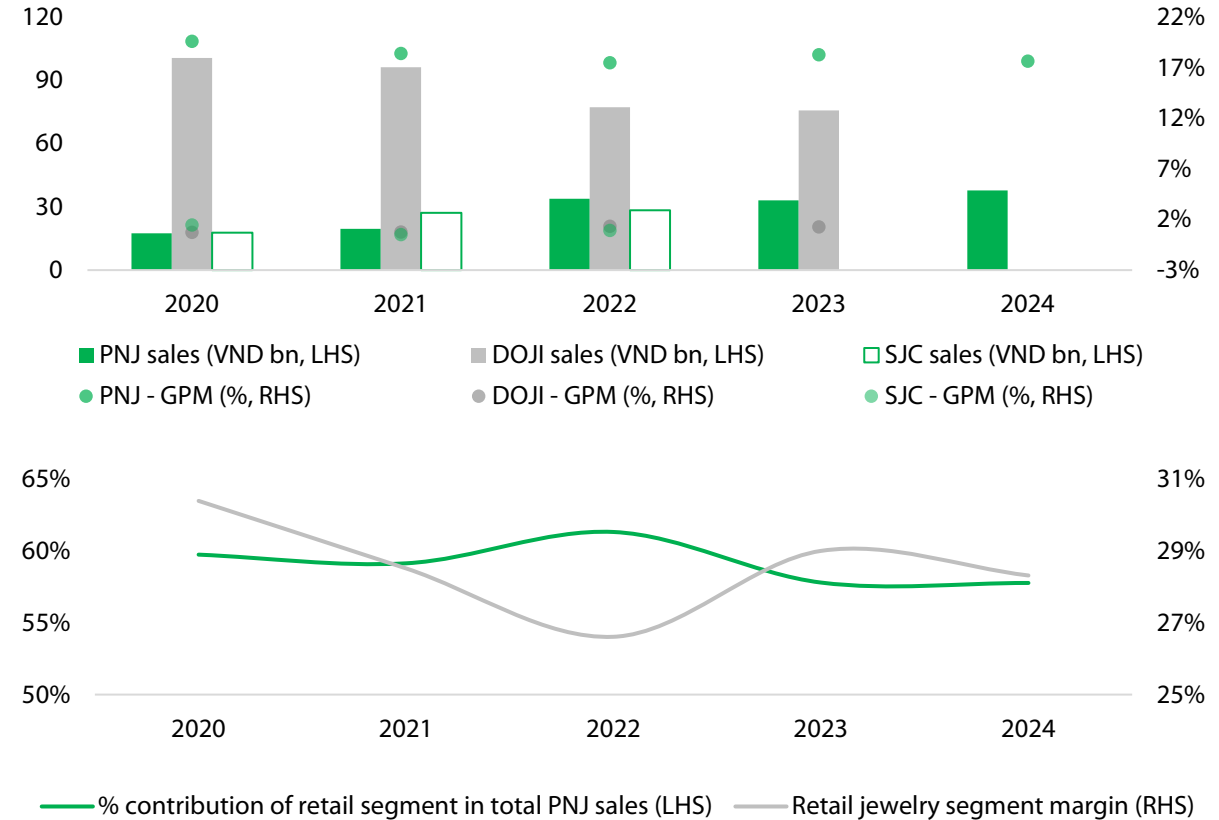
- PNJ demonstrates favorable business performance in terms of profit and margins compared to peers in the same industry (DOJI and SJC) thanks to its focus on the retail jewelry segment, which offers superior margins compared to the wholesale segment (mainly processing) and the gold trading segment.
- In terms of brand awareness, PNJ is almost "top of mind" for jewelry retail in the Vietnamese market and can serve a wide range of customer segments, rather than focusing on just one customer group or one business segment that creates risks of low flexibility.

**Stable sales per store/month of VND 4–4.5 bn while opening 15-18 stores/year, combined with controlled cost, supporting market share growth**

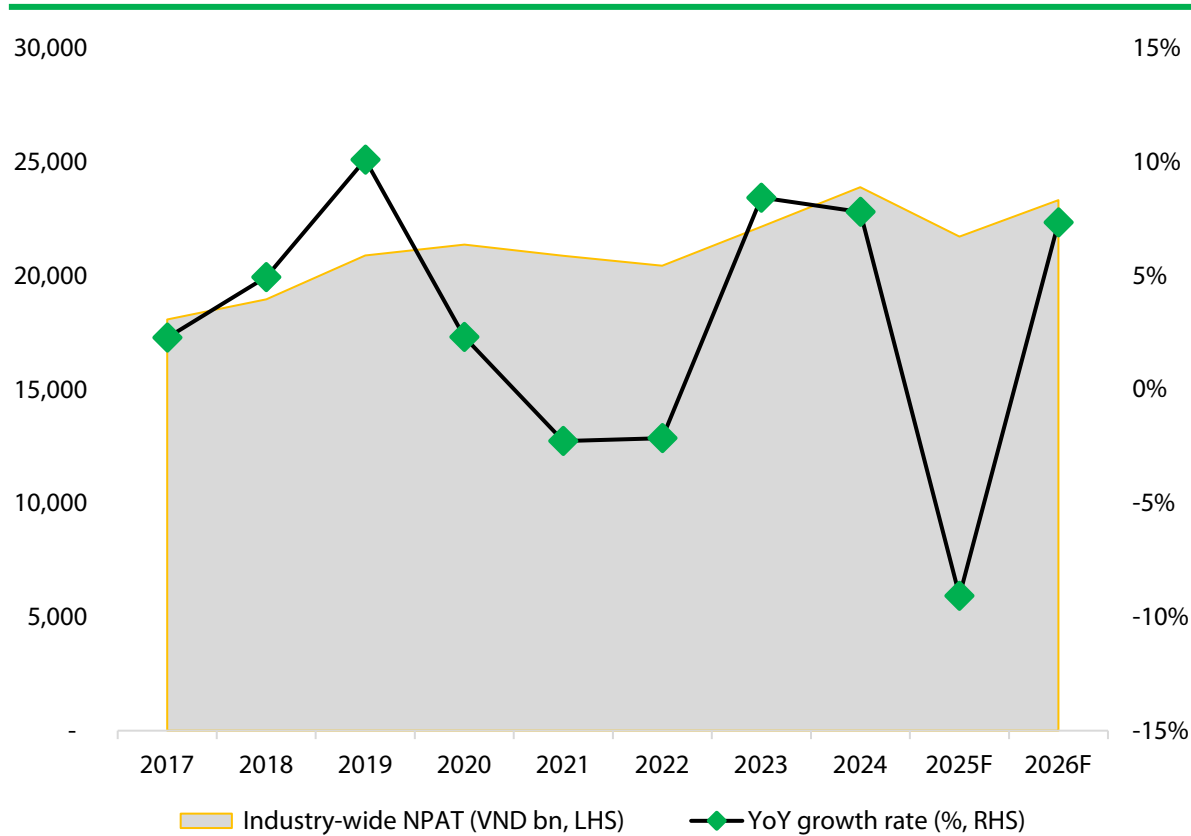


Source: PNJ, RongViet Securities

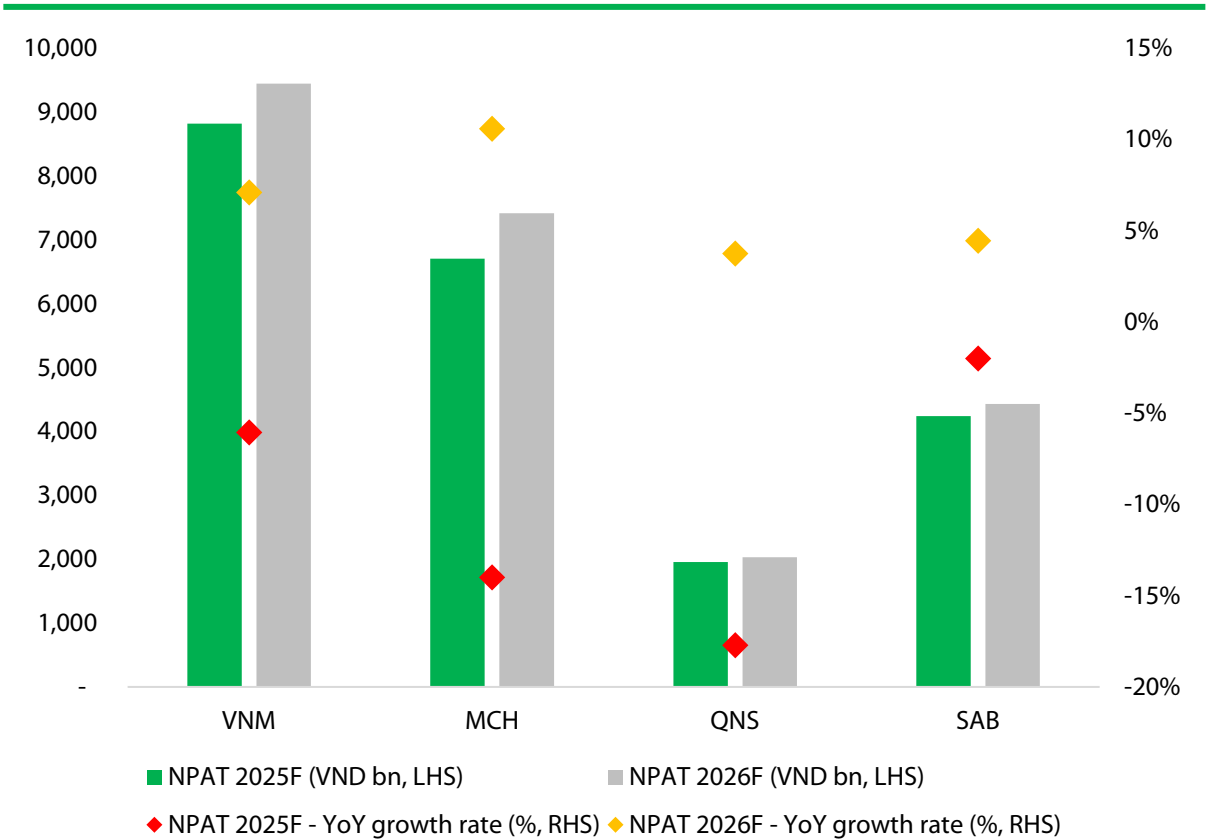
**PNJ's GPM is higher than that of SJC and DOJI despite modest revenue, thanks to its focus on the retail jewelry segment, which offers better margins**



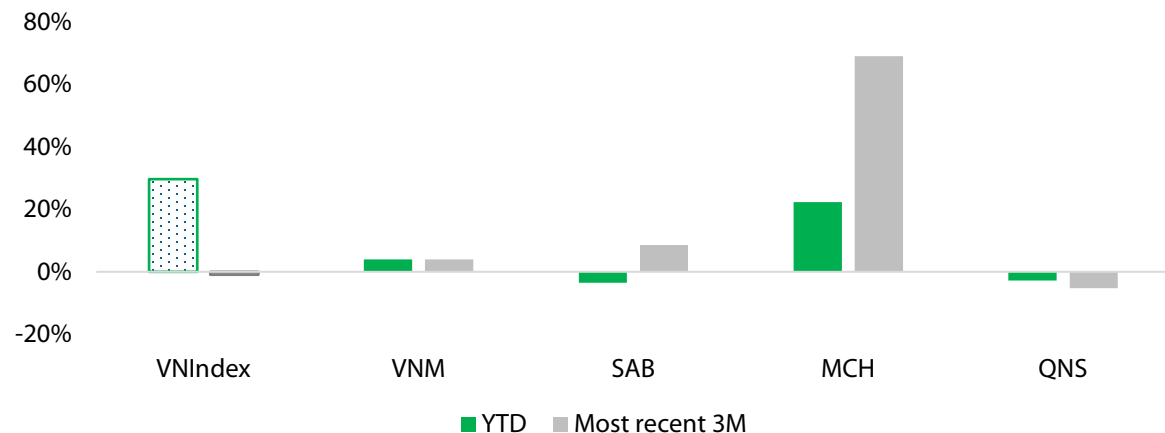
**2026 Industry-wide NPAT growth rate is expected to revert to a stable 5-6% YoY, following a volatile 2025...**



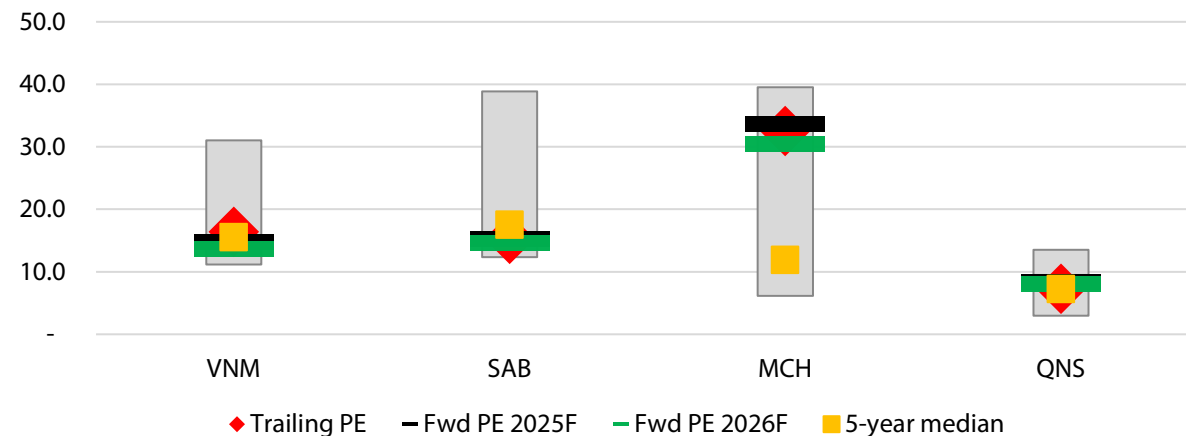
**..., supported by major players completing distribution channel restructuring, benefiting from more favorable input material prices, and effective control of selling expenses**



## Share price performance of the F&B industry has significantly underperformed the VN-Index, except for MCH



## PE of F&B stocks (Closed price at 12/12/2025)



## Investment stories 2026

Attracting foreign capital inflows via passive index baskets

SAB, VNM

Trading below avg. multiple

Market upgrade

Potential deal

Earnings recovery outlook in 2026, with valuations trading below the 3-year average

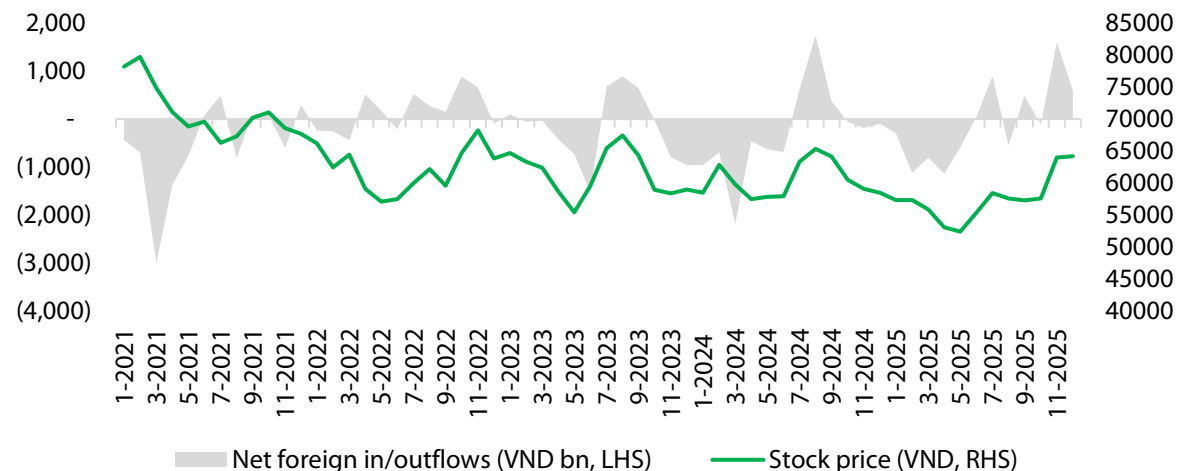
SAB, VNM

Execution of potential divestment/IPO transactions, in our view

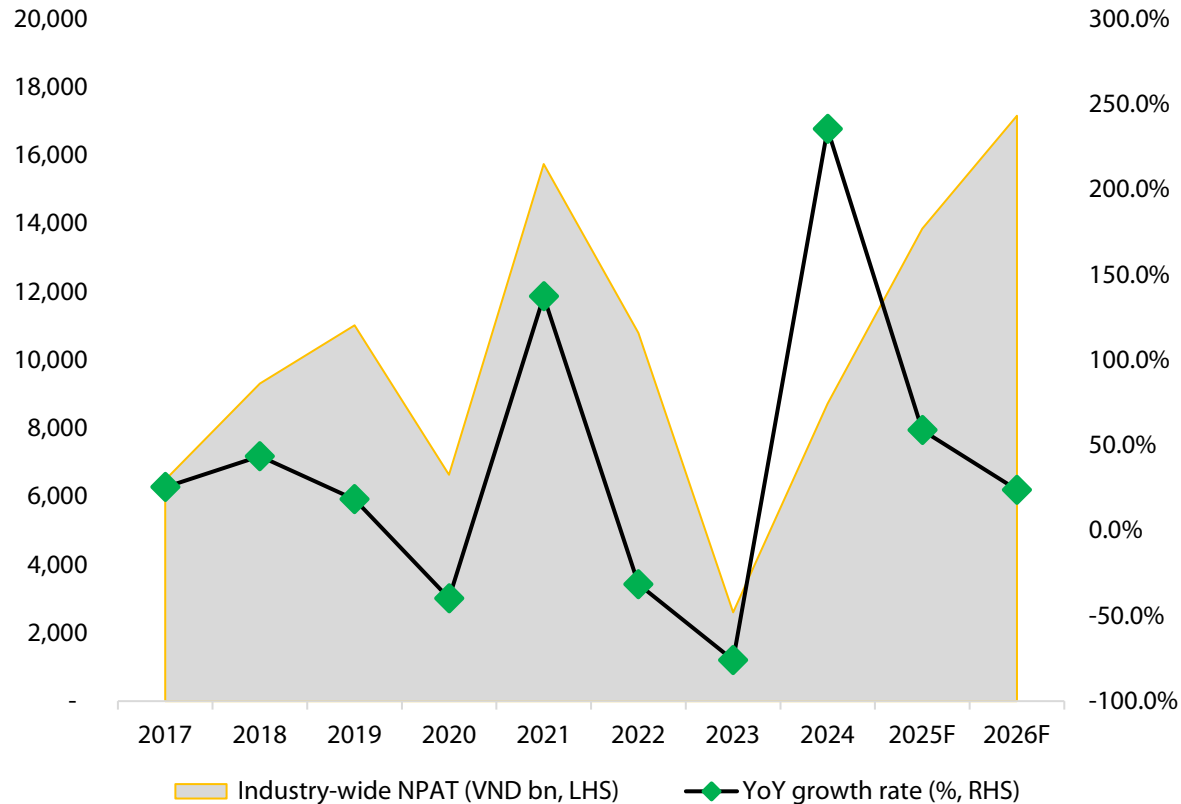
SAB, VNM, MCH

Source: VNM, SAB, QNS, MCH, RongViet Securities

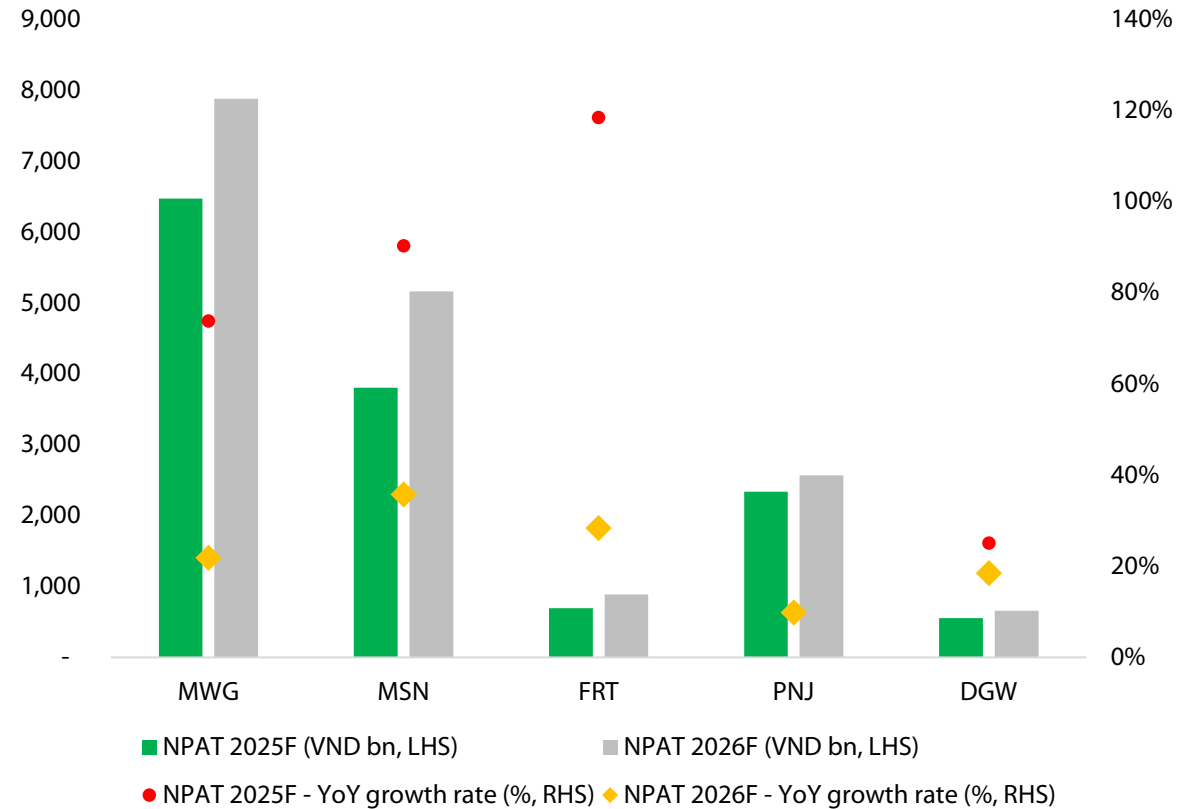
## Foreign capital flows into VNM have turned positive following the FTSE market upgrade announcement (Sep-2025)



## 2026 Industry-wide NPAT maintains high growth rate of 24-25% post-COVID-19...

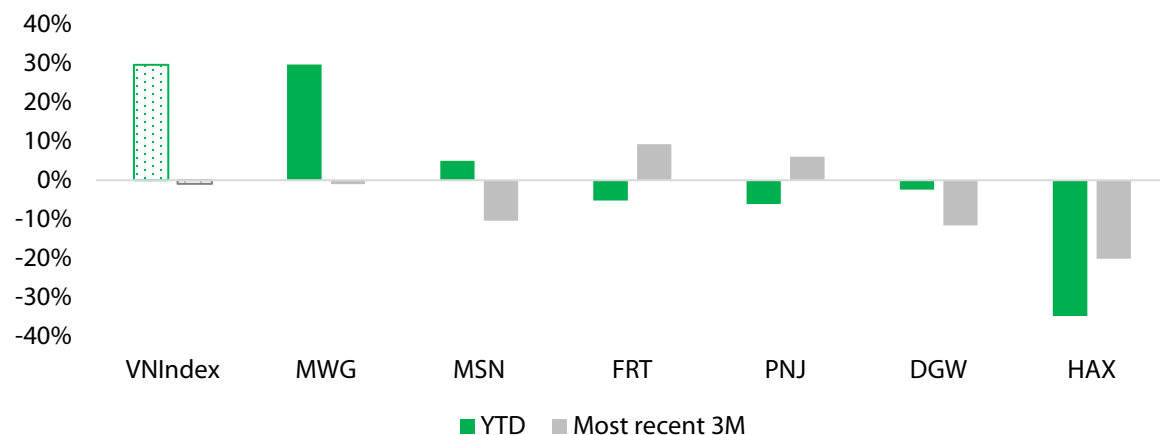


## ...with MWG, MSN, FRT, and DGW each growing by more than 20%, while PNJ is expected to reach ~10% growth

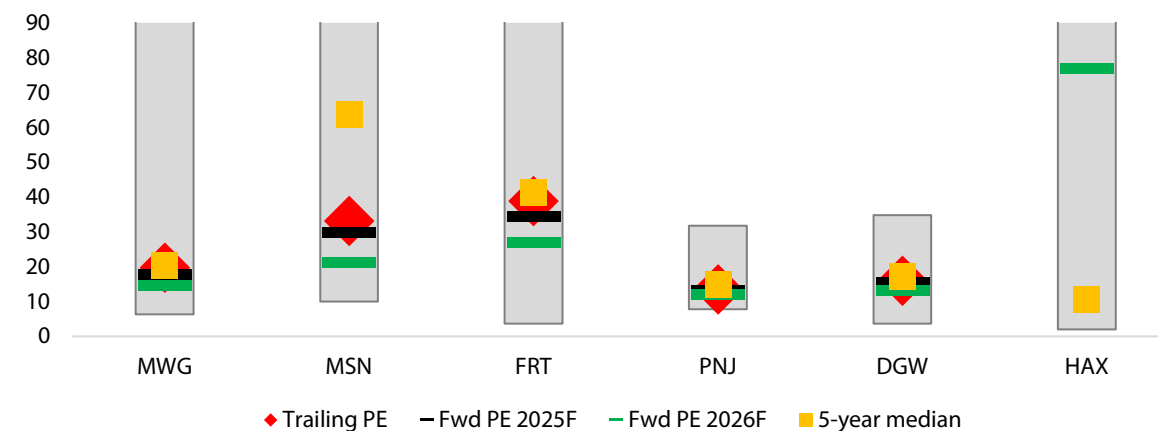




**Retail stocks have materially underperformed the VN-Index despite strong profit recovery and improved industry positioning**



**PE of retail/distribution stocks (Closed price at 12/12/2025)**



## 2026 INVESTMENT STORY

A new consumer growth cycle

Market share expansion

Potential deal

Wave of stock market upgrade

### MWG



TGDD & DMX IPO (2026),  
BHX IPO(2028)

### MSN



MCH's exchange transfer (2025); strategic  
investor for WCM, MSR (2026–30)

Currently included in the VN30 with 77%  
foreign ownership room remaining

### FRT



Long Chau IPO  
(2028-30)

### PNJ



### DGW



### HAX



Source: MWG, MSN, FRT, PNJ, DGW, HAX, RongViet Securities compiled

Ticker	Mkt Cap. (\$mn)	AVG. 3M Daily Trading value (VND mn)	Target price (VND)	Closing price	Cash dividend Nxt 12M	Total return Nxt 12M	Foreign room leftover %	P/E		P/B		ROE Forward	EPS			Book value per share			2026 Growth	
								2026F	5 Yr. AVG	2026F	5 Yr. AVG		2024A	2025F	2026F	2024A	2025F	2026F	Sales%	NPAT-MI%
VNM	126,024	274,745	68,000	60,300	3,800	12.8	49.4	13.3	19.3	3.3	5.3	18.3	4,494	4,222	4,520	15,445	17,807	18,199	5.5	7.1
QNS	17,243	6,010	45,600	46,900	3,500	-2.8	40.8	8.5	8.9	1.5	1.7	22.3	6,467	5,319	5,519	27,206	28,922	31,478	4.1	3.8
SAB	61,691	57,942	55,000	48,100	5,000	14.3	41.4	13.9	22.5	3.0	4.4	14.0	3,291	3,308	3,456	18,150	17,486	16,078	4.6	4.5
MCH	233,743	88,000	N.R	221,200	2,500	N.A	35.0	31.5	14.4	18.2	6.4	28.4	7,378	6,347	7,019	10,720	11,096	12,146	9.0	10.6
MSN	111,046	603,173	97,800	76,800	0	27.3	81.3	21.5	84.6	2.3	4.9	13.7	1,345	2,500	3,393	21,025	29,302	32,695	26.0	35.7
MWG	129,217	580,787	99,600	87,400	1,000	14.0	1.8	16.4	88.9	3.2	3.4	21.5	2,546	4,373	5,327	18,987	22,653	27,486	24.9	21.8
DGW	9,223	67,548	50,900	41,700	1,000	22.1	27.6	14.0	16.6	2.4	3.6	12.0	2,025	2,509	2,972	13,592	15,483	17,388	17.9	18.4
PNJ	33,603	56,391	104,000	98,500	2,000	5.6	0.0	12.8	18.3	1.8	3.3	18.7	6,253	7,071	7,694	50,925	53,514	54,358	8.1	9.8
FRT	26,073	81,631	160,000	153,100	0	4.5	16.5	30.0	N.A	7.5	6.7	20.6	2,331	3,974	5,100	14,032	15,200	20,300	17.3	28.4
HAX	1,117	6,562	10,800	10,400	0	3.8	43.3	78	14.0	1	1.4	1	1,163	8	134	13,875	13,140	13,480	8.0	1,558

Source: Bloomberg, RongViet Securities, Data retrived on 01/05/2026.

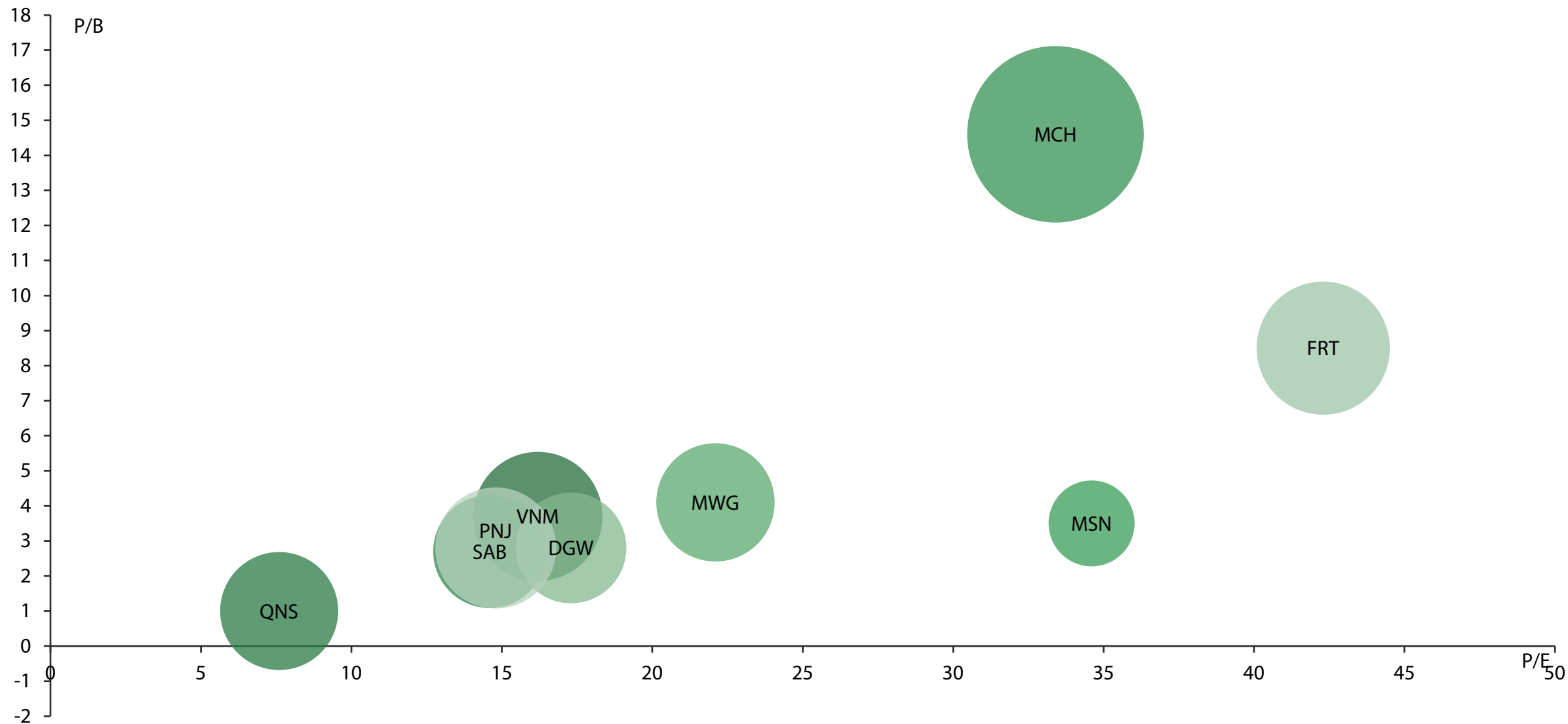
\* For stocks in the recommended portfolio: ROE, ROA, P/B and P/E forward are calculated based on the 2026 profit forecast .

For stocks we are monitoring: results are updated based on the data of the last four quarters

N.R: Not Rated

N.A: Not forecasted or No Data

NPAT: Net profit after tax for parent company



Source: FiinPro, RongViet Securities – Bubble size reflects relative ROE indicator. Closed price at 05/01/2026

<div> <div>ACCUMULATE: +19%</div> <div>MP: 60,300</div> <div>TP: 68.000</div> </div> <div> <div>12M relative performance</div>  </div>	<div> <div>STOCK INFO</div> <div> <div>Sector</div> <div>Market Cap (VND bn)</div> <div>Current Shares O/S (Mn shares)</div> <div>3M Avg. Volume (K)</div> <div>3M Avg. Trading Value (VND bn)</div> <div>Remaining foreign room (%)</div> <div>52-week range ('000 VND)</div> </div> <div> <div>Food &amp; Beverage</div> <div>4,798</div> <div>2,090</div> <div>4,467</div> <div>275</div> <div>61.2</div> <div>51.4 – 66.2</div> </div> </div>	<div> <div>FINANCIALS</div> <div> <div>Revenue (VND bn)</div> <div>NPAT-MI (VND bn)</div> <div>ROA (%)</div> <div>ROE (%)</div> <div>EPS (VND)</div> <div>Book Value (VND)</div> <div>Cash dividend (VND)</div> <div>P/E (x)</div> <div>P/B (x)</div> </div> <div> <div>61,783</div> <div>9,392</div> <div>17.1</div> <div>26.0</div> <div>4,494</div> <div>15,445</div> <div>3,850</div> <div>14.1</div> <div>4.1</div> </div> </div>	<div> <div>2024A</div> <div>2025E</div> <div>2026F</div> </div> <div> <div>62,866</div> <div>8,823</div> <div>16.0</div> <div>23.7</div> <div>4,222</div> <div>17,807</div> <div>4,090</div> <div>14.5</div> <div>3.4</div> </div>	<div> <div>2026F</div> </div> <div> <div>66,309</div> <div>9,446</div> <div>16.8</div> <div>24.8</div> <div>4,520</div> <div>18,199</div> <div>4,150</div> <div>13.3</div> <div>3.3</div> </div>
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INVESTMENT THESIS

Domestic Market – Old Bottle, New Wine

- The “old bottle” represents the longstanding challenges of the dairy market and VNM – its dominant position in a saturated market. The “new wine” refers to the fresh strategies [\(Refers to page 15\)](#) that VNM has consistently implemented this year, centered on the two core competitive pillars: distribution system (restructuring the GT channel) and products (complete rebranding of product packaging and expansion to 600 specialty stores). These “new wine” initiatives have helped VNM regain market share, particularly in powdered milk, but the company remains constrained by the “old bottle” narrative, resulting in single-digit domestic revenue growth of +4.0%.

Overseas Markets – Accelerating in Developing Regions (Middle East, Africa, Southeast Asia)

- Overseas revenue hit a new peak in Q3-2025, fueled by expansion into Asian and African markets—particularly developing nations with limited presence from global dairy giants, where VNM’s condensed and powdered milk offerings align well with local needs and offer compelling pricing. In Southeast Asia, VNM benefits from government-backed export initiatives to Cambodia and a sharp spike in Cambodian demand for Vietnamese imports amid the Thailand-Cambodia tensions. Overseas revenue growth forecasted at +11.2% in 2026.

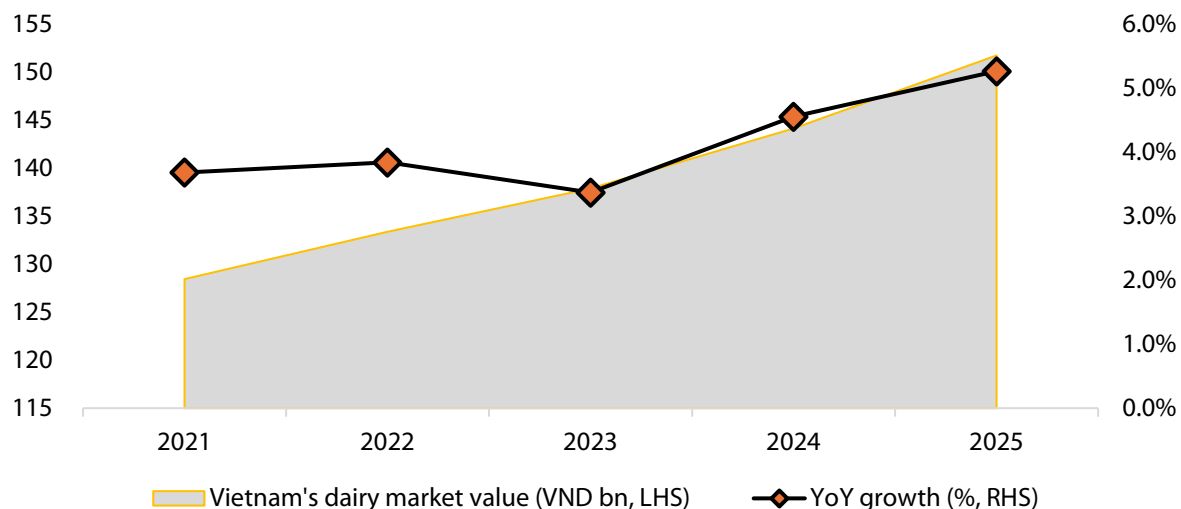
Resuming decline in milk powder prices, coupled with rising overseas revenue contribution, should support net margin expansion (14.2%, +200bps YoY).

- Supply is increasing (driven by New Zealand—the world’s top milk powder producer/exporter—bolstered by favorable weather boosting yields and secured farmer profitability). Demand in major regions remains soft: (1) China, the largest global consumer/importer, weighed by subdued spending; (2) Algeria, Africa’s third-largest importer, due to stricter import controls and push for domestic production.

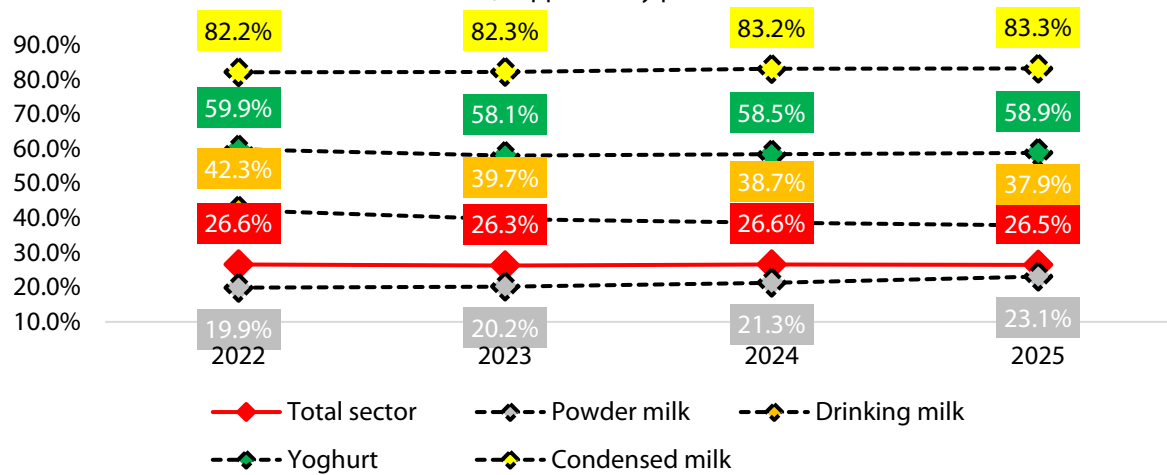
Beyond the profit recovery outlook, an attractive dividend yield (6.1% p.a.) and potential market upgrade narrative (driving foreign inflows) could provide additional catalysts for share price appreciation.

**RISK TO OUR CALL** Impressive performance from Vinabeef (fresh beef), but associated risks remain low as the chilled beef/pork market is not yet ripe for strong growth

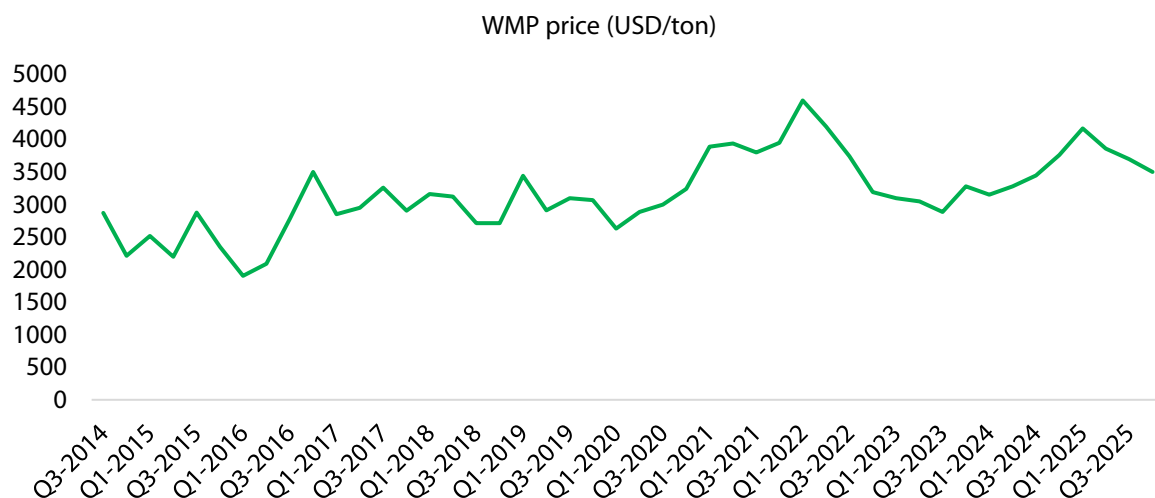
## VNM's market share eroding amid a subdued domestic landscape



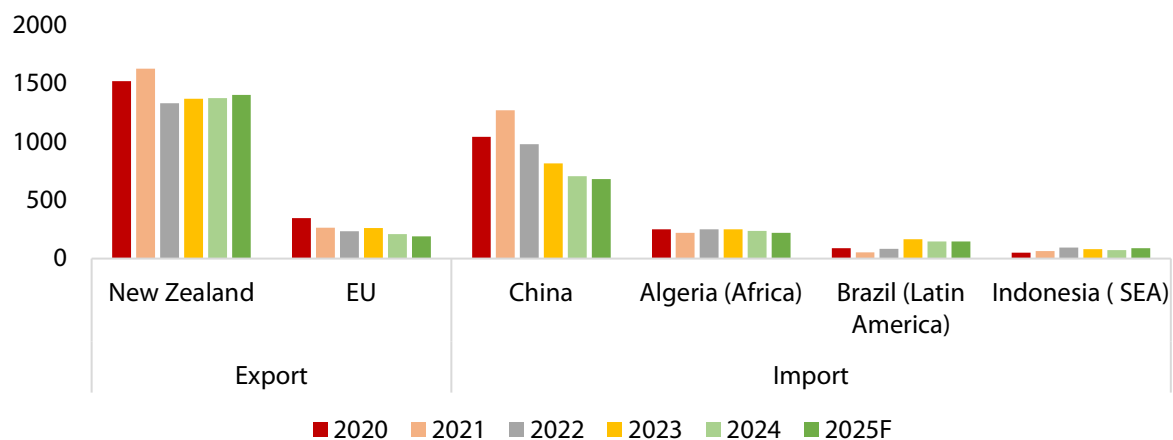
### VNM's market share remains flat, supported by powdered milk and condensed milk



## Supply outstripping demand driving raw milk powder price from Q2-2025



### Value of importing & exporting WMP in main countries (K.MT)



Source: Euromonitor, Bloomberg, USDA, RongViet Securities

## Key financial ratios

Y/E Dec	FY24	FY25F	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>61,783</b>	<b>62,866</b>	<b>66,309</b>	<b>68,981</b>
Domestic	50,799	49,998	52,000	53,615
Export	5,664	7,447	8,519	9,156
Oversea subsidiaries	5,319	5,422	5,789	6,210
<b>YoY growth (%)</b>				
Net sales	2.3%	1.8%	5.5%	4.0%
NPAT-MI	5.8%	-6.1%	7.1%	2.0%
<b>Profitability (%)</b>				
Gross margin	41.4%	41.5%	41.6%	41.3%
Net margin	15.2%	14.0%	14.2%	14.0%
ROE	26.0%	23.7%	24.8%	24.8%
<b>Finance structure (%)</b>				
Debt/Equity	25.6%	25.3%	24.4%	21.7%

## VNM's valuation summary

VNM'S VALUATION SUMMARY (VND/SHARE)		
Method	Weight	Target price
DCF (5 years, WACC: 10.2%, Exit EVEBITDA 10.5x)	50%	63,500
PE (EPS 2025F, PE 16.0x)	50%	72,300
<b>Total VNM</b>	<b>100%</b>	<b>68,000</b>
1-year expected cash dividends (VND/share)		<b>3,800</b>
2026F target P/E		15.0

### Sensitivity scenario for VNM's Equity Value per Share by PE method (VND/share)

EPS (VND)	P/E					
			14.0	15.0	16.0	17.0 18.0
	2025F	4,222	59,106	63,328	67,550	71,771 75,993
	2026F	4,520	63,279	67,799	72,319	76,839 81,359

### Sensitivity scenario for VNM's Equity Value per Share by DCF method (VND/share)

WACC	Exit EV/EBITDA					
			7.5	8.5	9.5	10.5 11.5
	7.2%	58,439	62,478	66,518	70,557	74,596
	8.2%	56,512	60,368	64,224	68,081	71,937
	9.2%	54,683	58,365	62,048	65,731	69,413
	10.2%	52,944	56,463	59,981	63,500	67,018
	11.2%	51,291	54,654	58,017	61,381	64,744
	12.2%	49,719	52,935	56,151	59,367	62,583
	13.2%	48,223	51,299	54,376	57,452	60,528

**NEUTRAL: +5%**

**MP: 46,900**

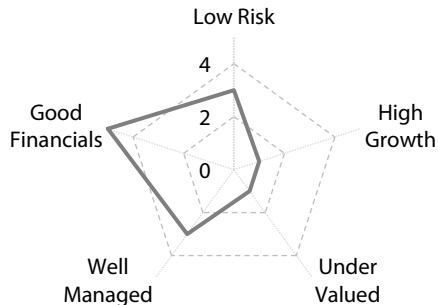
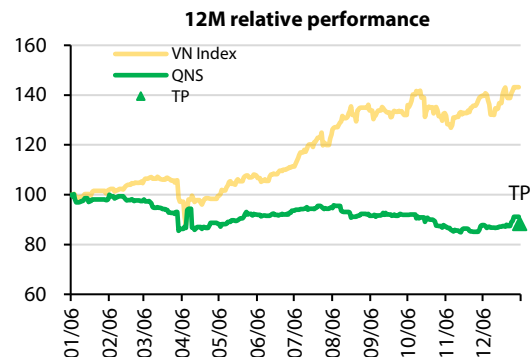
**TP: 45,600**

## STOCK INFO

<b>Sector</b>	Food & Beverage
<b>Market Cap (VND bn)</b>	656
<b>Current Shares O/S (Mn shares)</b>	368
<b>3M Avg. Volume (K)</b>	132
<b>3M Avg. Trading Value (VND bn)</b>	6
<b>Remaining foreign room (%)</b>	47.0
<b>52-week range ('000 VND)</b>	43.0 – 51.9

## FINANCIALS

	2024A	2025E	2026F
<b>Revenue (VND bn)</b>	10,243	10,200	10,623
<b>NPAT-MI (VND bn)</b>	2,377	1,956	2,029
<b>ROA (%)</b>	17.2	14.0	13.3
<b>ROE (%)</b>	23.8	18.4	17.5
<b>EPS (VND)</b>	6,467	5,319	5,519
<b>Book Value (VND)</b>	27,206	28,922	31,478
<b>Cash dividend (VND)</b>	4,000	3,500	3,500
<b>P/E (x)</b>	7.7	8.8	8.5
<b>P/B (x)</b>	1.8	1.6	1.5



## INVESTMENT THESIS

### Soy Milk Segment – A solid foundation but limited high-growth potential remaining

- Vinasoy's soy milk market share expected to improve modestly by 50bps to 92.5% in 2026, driven by core "Fami" brand and new premium offerings "FamiGold & Greensoy" (sales volume growth of +60% YoY in 10M-2025), deeply aligned with Vietnamese consumer preferences. With stable costs (lower soybean input prices offsetting higher trade discounts), NPAT growth to mirror revenue at +2.0-3.0% YoY, signaling the segment entering a mature phase.

### Government control over liquid corn syrup and smuggled cane sugar key to sugar segment growth

- Liquid corn syrup and smuggled cane sugar have rapidly gained share over the past two years, reaching 12.0% and 32.6% respectively per our estimates. Limited concrete government action to curb these has forced QNS to sacrifice An Khe sugar pricing (-17.6% YoY) to boost competitiveness and volume (+9.6% YoY, reached 230k tonnes), resulting in declining revenue of -6.2% YoY to VND 3.692 bn in 2025.
- In 2026, we expect intensified crackdowns on smuggled/liquid corn syrup to peak, supporting modest sugar price recovery (~2.0% YoY) from current levels—aligning with QNS's ambitious planting and output targets of 36.5k ha (+4.5k ha YoY) and 2.3mn tonnes (+0.2mn tonnes YoY).

### High cash dividend yield appeals to low-risk investors

- QNS has delivered cash dividend yields ranging 6.3–11.0% p.a. over the past five years. Forward 12-month yield projected at 6.6%, significantly above deposit rates (5.0% p.a.).

## RISK TO OUR CALL

- Stronger penetration by liquid corn syrup (capturing 12% of Vietnam's sugar consumption in just two years)
- Low effectiveness in government efforts to curb smuggled sugar



## Domestic sugar prices dropped by ~18% YoY in 2025 on surging supply from domestic supply, smuggled thai cane sugar, and liquid corn syrup

	2020/21	2021/22	2022/23	2023/24	2024/25	2025-26
<b>Vietnam sugarcane production</b>						
Harvested sugarcane area (thous ha)	152.9	146.9	145.6	163.0	189.4	201.3
Sugarcane crushed (mn tonnes)	6.7	7.5	9.6	11.2	12.4	13.3
<b>Sugar production (mn tonnes)</b>	<b>0.7</b>	<b>0.7</b>	<b>0.9</b>	<b>1.1</b>	<b>1.3</b>	<b>1.4</b>
<b>YoY growth (%)</b>		<b>8.8%</b>	<b>19.0%</b>	<b>23.6%</b>	<b>14.3%</b>	<b>8.2%</b>
Sugar yield (tonnes/ha)	4.5	5.1	6.1	6.7	6.8	6.8

<b>Vietnam sugar consumption (mn tonnes)</b>						
<b>Total</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>2.5</b>	<b>2.6</b>	<b>2.7</b>
<b>YoY growth (%)</b>		<b>9.8%</b>	<b>4.4%</b>	<b>4.6%</b>	<b>4.0%</b>	<b>4.0%</b>

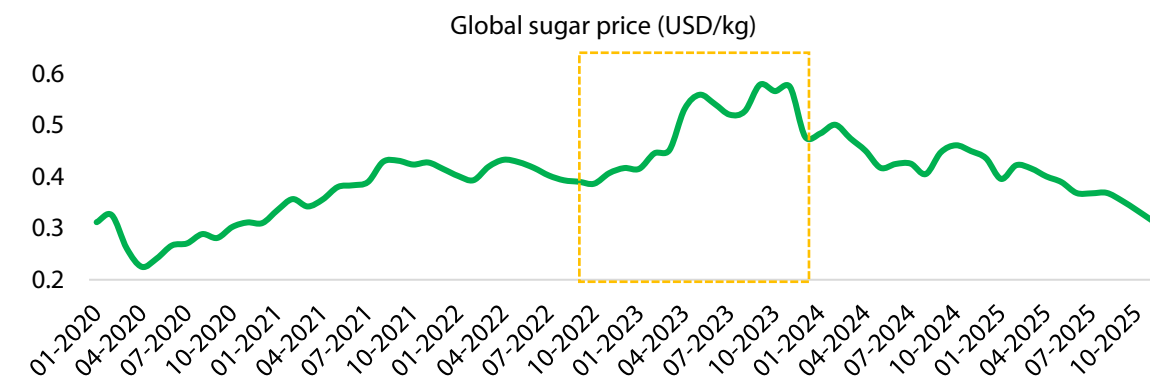
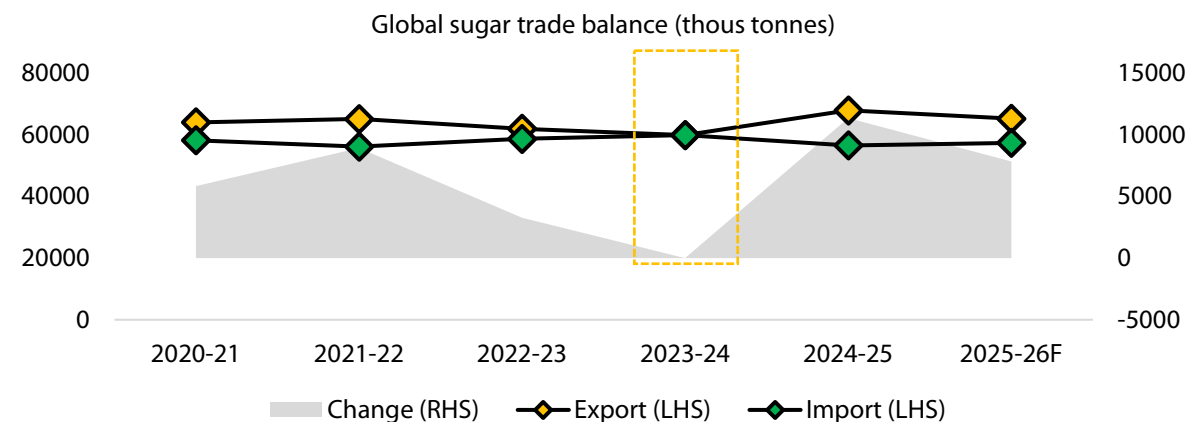
<b>Vietnam liquid corn syrup import (mn tonnes)</b>						
<b>Total</b>	<b>164.1</b>	<b>185.0</b>	<b>N.A</b>	<b>241.5</b>	<b>139.9 (7M)</b>	<b>N.A</b>
<b>YoY growth (%)</b>				<b>+8.7%</b>	<b>-2.6%</b>	

<b>Vietnam smuggled sugar import (mn tonnes)</b>						
<b>Total (mainly imported from Laos, Cambodia, originating from Thailand)</b>	<b>0.4</b>	<b>0.7</b>	<b>0.6</b>	<b>0.8</b>	<b>N.A</b>	<b>N.A</b>
<b>YoY growth (%)</b>		<b>67.5%</b>	<b>-10.4%</b>	<b>+39.8%</b>		

Government Issuances on Smuggling Intensified in H2-2025, Expected to Gradually Enhance Crackdown Effectiveness from 2026 Onward (Directive No. 13, 30/CT-TTg; Official Letter No. 11554/VPCP-V.I.)

Source: Vietnam Sugarcane and Sugar Association (VSSA), RongViet Securities

## Relative to global sugar price, upside potential limited as supply-demand surplus persists



### 2026 HIGHLIGHTS

- Low ethanol price reduces incentives for sugar mills to curtail output, particularly in Brazil and India.
- India plans to ease sugar export ban, allowing 1.5 mn tonnes (~40% of 2025 Export Volume) for Shipment in 2026.

**Key financial ratios**

Y/E Dec	FY24	FY25F	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>10,243</b>	<b>10,200</b>	<b>10,623</b>	<b>11,448</b>
<i>Soy milk</i>	4,174	4,614	4,778	5,044
<i>Sugar</i>	3,939	3,697	3,968	4,615
<i>Biomass</i>	358	375	431	478
<i>Others</i>	1,772	1,515	1,446	1,311
<b>YoY growth (%)</b>				
<i>Net sales</i>	2.2%	-0.4%	4.1%	7.8%
<i>NPAT-MI</i>	8.8%	-17.7%	3.8%	1.3%
<b>Profitability (%)</b>				
<i>Gross margin</i>	34.0%	33.5%	34.4%	33.7%
<i>Net margin</i>	23.2%	19.2%	19.1%	17.9%
<i>ROE</i>	23.8%	18.4%	17.5%	16.4%
<b>Finance structure (%)</b>				
<i>Debt/Equity</i>	27.1%	21.6%	23.1%	26.0%

**QNS's valuation summary**

**QNS's valuation summary by PE method (VND/share)**

Unit: VND/share	2026F
Sugar (P/E 7.6x)	14,060
Soy milk (P/E 10.0x)	26,117
Others (Thanh Phat, biomass) (P/E 5.0x)	5,287
<b>Total QNS</b>	<b>45,600</b>
1-year expected cash dividends (VND/share)	3,000
2026F target P/E	8.3

**Sensitivity scenario for QNS's Equity Value per Share by DCF method (VND/share)**

WACC	Exit EV/EBITDA					
	3.0		4.0	5.0	6.0	7.0
	8.4%	48,250	54,044	59,838	65,632	71,425
	9.4%	47,199	52,780	58,360	63,941	69,522
	10.4%	46,193	51,570	56,947	62,324	67,701
	11.4%	45,229	50,411	55,594	60,777	65,959
	12.4%	44,304	49,301	54,298	59,295	64,292
	13.4%	43,418	48,238	53,057	57,877	62,696
	14.4%	42,568	47,218	51,868	56,517	61,167

**BUY: +23%**

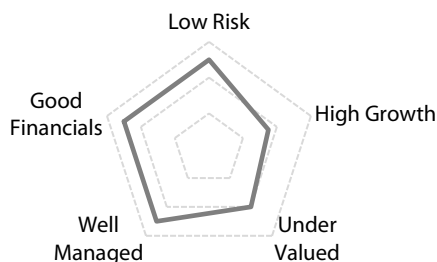
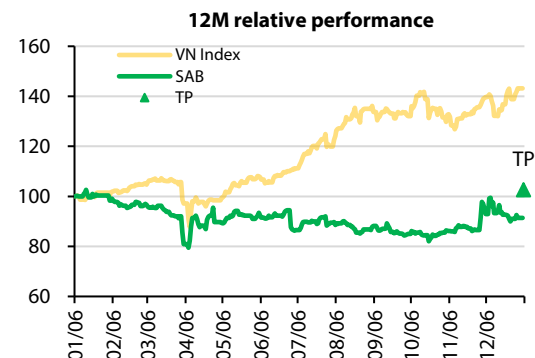
**MP: 48,100**

**TP: 55,000**

## STOCK INFO

## FINANCIALS

**2024A 2025E 2026F**



<b>Sector</b>	Food & Beverage
<b>Market Cap (VND bn)</b>	64,769
<b>Current Shares O/S (Mn shares)</b>	1,283
<b>3M Avg. Volume (K)</b>	1,133
<b>3M Avg. Trading Value (VND bn)</b>	55
<b>Remaining foreign room (%)</b>	41
<b>52-week range ('000 VND)</b>	41.5 – 58.1

<b>Revenue (VND bn)</b>	31,782	26,867	28,102
<b>NPAT-MI (VND bn)</b>	4,330	4,243	4,432
<b>ROA (%)</b>	13.3	14.4	16.0
<b>ROE (%)</b>	18.4	18.9	21.5
<b>EPS (VND)</b>	3,291	3,308	3,456
<b>Book Value (VND)</b>	18,150	17,486	16,078
<b>Cash dividend (VND)</b>	5,000	5,000	5,000
<b>P/E (x)</b>	16.9	14.8	13.9
<b>P/B (x)</b>	3.1	2.8	3.0

## INVESTMENT THESIS

### Beer industry growth expected to recover in 2025 driven by seasonality catalysts

- Tet holiday:** Tet 2026 falls late (mid-February) and 2027 early (early February), supporting demand pull-forward in 2026, as distributors/retailers typically stock up 1-1.5 months in advance for peak demand. In 2025, SAB's sales declined partly due to a deliberate reduction in sell-in volumes, allowing distributors and retailers to clear previously accumulated inventories, avoid overstocking, and prepare for a new stocking cycle ahead of the year-end festive season. At the same time, SAB has been preparing new Tet-themed packaging for Tet 2026, being among the earliest brands to launch Tet products this year (with shipments starting from Oct-Nov 2025), prompting distributors to resume new orders.
- Sporting events:** The World Cup taking place throughout the summer is expected to stimulate beer consumption. Consumer reactions to Decree No. 168/2024/ND-CP have become less severe compared to the initial phase. Notably, 2026 is the final year before a potential demand shock due to SCT increase of 5% per year starting from 2027.

**Lower raw material costs supporting GPM recovery:** SAB has locked in raw material prices (malt, rice, hops) and aluminum can contract for 2025-2026 in early 2025 (at levels significantly lower than the 2021-2022 peak), after fully running off previous high-cost inventories. In addition, malt prices have declined sharply since Oct 2025 to ~USD 250/ton (-26% YoY), returning to early COVID-era levels. [\(Refers to Appendix\)](#)

**Post-M&A benefits:** Leveraging SBB's existing distribution network and sales force to penetrate the lower mainstream segment, alongside SAB's core mainstream and mass-premium segments; Cost savings thanks to 1/ In-house recycling at SBB's factory and 2/ Utilization of excess raw materials for SBB's product lines.

## RISKS TO OUR CALL

- Downside risks:** 1/ SAB's market share may fall short of expectations due to fierce competition from foreign beer brands; 2/ Lower-than-expected pricing power if consumers react more negatively to price increases.
- Upside risks:** 1/ Distribution channel restructuring could reduce intermediary distributors, improve cost efficiency, and increase focus on MT (in line with evolving consumption trends); 2/ Potential strategic transaction if SCIC divests its stake (36% of SAB) under the 2021–2025 state divestment roadmap.

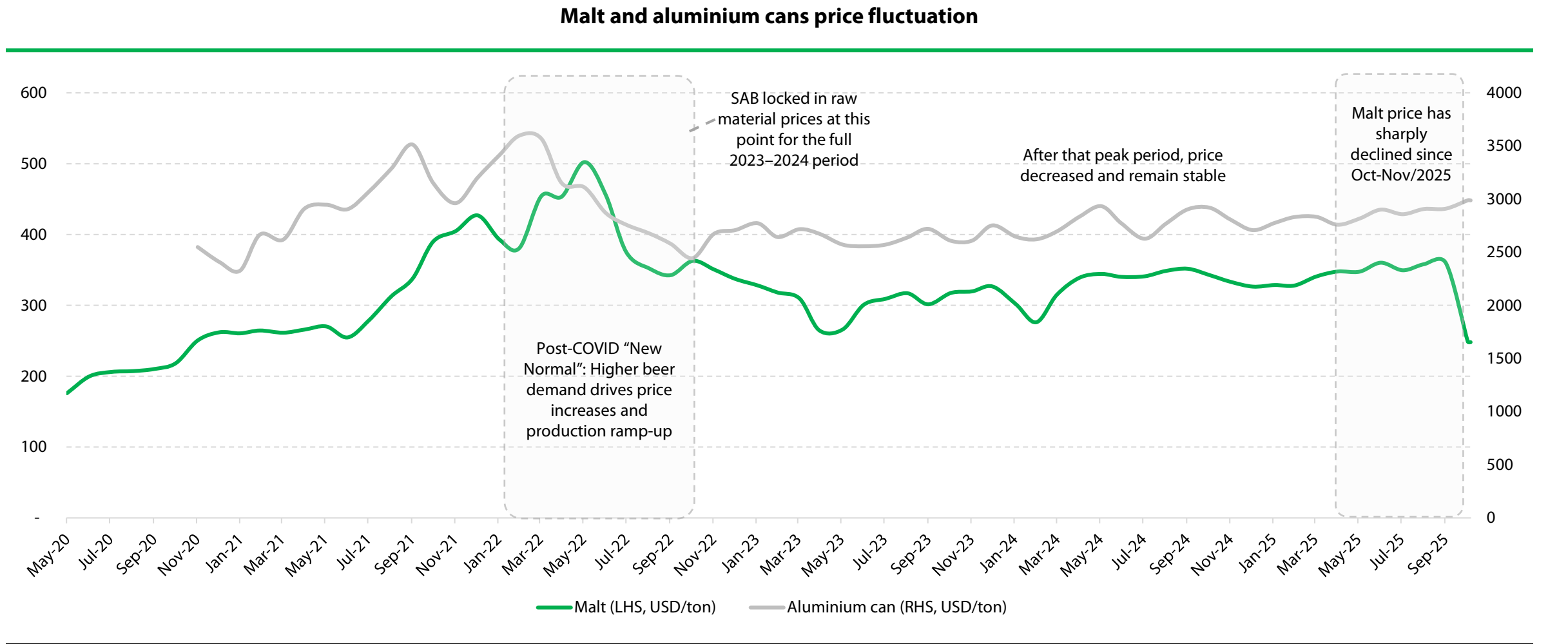
**Key financial ratios**

Y/E Dec	FY24	FY25F	FY26E	FY27F
<b>Net sales (VND bn)</b>	<b>31,872</b>	<b>26,867</b>	<b>28,102</b>	<b>26,954</b>
Beer	28,083	25,458	26,654	25,557
Materials trading	3,715	1,273	1,333	1,278
Others	75	136	115	119
<b>YoY growth (%)</b>				
Net sales	4.6%	-15.7%	4.6%	-4.1%
NPAT-MI	6.4%	-2.0%	4.5%	-9.3%
<b>Profitability (%)</b>				
Gross margin	29.2%	32.0%	33.4%	33.2%
Net margin	13.6%	15.8%	15.8%	14.9%
ROE	17.7%	18.9%	21.5%	21.9%
<b>Finance structure (%)</b>				
Debt/Equity	1.7%	0.7%	0.8%	0.9%

**SAB's valuation summary**

SUMMARY OF VALUATION (VND/SHARE)						
Method			Weight		Target price	
DCF (5 years; WACC 11.9%; Exit EVEBITDA 10.5x)			50%		50,953	
EVEBITDA (2026F; 10.5x)			50%		59,565	
Total SAB			100%		55,000	
1-year expected cash dividend (VND/share)					5,000	
2026F target P/E					15.9	
Sensitivity scenario for SAB’s Equity Value per Share by EVEBITDA method (VND/share)						
EBITDA (VND bn)	EV/EBITDA					
			8.5	9.5	10.5	11.5    12.5
	2025F	4,893	47,447	51,262	55,077	58,892    62,707
	2026F	5,576	50,870	55,217	59,565	63,912    68,260
Sensitivity scenario for SAB’s Equity Value per Share by DCF method (VND/share)						
WACC	Exit EV/EBITDA					
			8.5	9.5	10.5	11.5    12.5
	10.0%	48,276	50,803	53,331	55,858	58,385
	11.0%	47,245	49,68	52,116	54,551	56,986
	12.0%	46,257	48,605	50,953	53,300	55,648
	13.0%	45,311	47,575	49,839	52,103	54,367
	14.0%	44,404	46,588	48,772	50,956	53,139

While global aluminum prices have been edging up (with SAB having hedged input price volatility since early 2025), global barley malt prices fell sharply in Oct–Nov 2025 to USD 248/ton (-26% YoY, Bloomberg), returning to early COVID-era levels. The decline was mainly driven by weaker global malt demand amid a broad slowdown in beer consumption, while supply remained ample. This trend is particularly evident in high per-capita consumption markets such as the US, China, and Vietnam.



Source: Bloomberg, RongViet Securities

OBSERVE	MP: 221,200	TP: N.A	STOCK INFO	FINANCIALS	2024A	2025E	2026F
<div>12M relative performance</div> 			<div>Sector</div> Food & Beverage <div>Market Cap (VND bn)</div> 8,899 <div>Current Shares O/S (Mn shares)</div> 1,057 <div>3M Avg. Volume (K)</div> 468 <div>3M Avg. Trading Value (VND bn)</div> 88 <div>Remaining foreign room (%)</div> 22.2 <div>52-week range ('000 VND)</div> 101.8 – 230.0	<div>Revenue (VND bn)</div> 30,897 <div>NPAT-MI (VND bn)</div> 7,797 <div>ROA (%)</div> 23.0 <div>ROE (%)</div> 68.8 <div>EPS (VND)</div> 7,378 <div>Book Value (VND)</div> 10,720 <div>Cash dividend (VND)</div> 22,300 <div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	30,897	30,274	32,991
				<div>NPAT-MI (VND bn)</div> 7,797 <div>ROA (%)</div> 23.0 <div>ROE (%)</div> 68.8 <div>EPS (VND)</div> 7,378 <div>Book Value (VND)</div> 10,720 <div>Cash dividend (VND)</div> 22,300 <div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	7,797	6,707	7,418
				<div>ROA (%)</div> 23.0 <div>ROE (%)</div> 68.8 <div>EPS (VND)</div> 7,378 <div>Book Value (VND)</div> 10,720 <div>Cash dividend (VND)</div> 22,300 <div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	23.0	24.5	25.4
				<div>ROE (%)</div> 68.8 <div>EPS (VND)</div> 7,378 <div>Book Value (VND)</div> 10,720 <div>Cash dividend (VND)</div> 22,300 <div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	68.8	57.2	57.8
				<div>EPS (VND)</div> 7,378 <div>Book Value (VND)</div> 10,720 <div>Cash dividend (VND)</div> 22,300 <div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	7,378	6,347	7,019
				<div>Book Value (VND)</div> 10,720 <div>Cash dividend (VND)</div> 22,300 <div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	10,720	11,096	12,146
				<div>Cash dividend (VND)</div> 22,300 <div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	22,300	2,500	2,500
				<div>P/E (x)</div> 24.3 <div>P/B (x)</div> 16.7	24.3	35.0	31.5
				<div>P/B (x)</div> 16.7	16.7	20.0	18.2

INVESTMENT THESIS

Revamping traditional distribution with the “Subprime” strategy

([Refers to page 15](#))

- MCH is willingly sacrificing 2025 revenue/EBIT (-2.0%/-5.1% YoY) to complete the traditional channel restructuring (by Sep-2025), targeting two medium-to-long-term goals: (1) adapting to evolving channel dynamics by reducing reliance on informal wholesaler networks with irregular operations/tax compliance, and (2) enabling faster rollout of new products/categories across the system by eliminating risk-averse intermediaries. This positions MCH for a strong recovery in 2026 from a low base, with revenue/NPAT growth rebounding to +10.0% YoY.
- MCH continues its effective “Go Global” push, with international segment revenue up 35.8% YoY in 9M-2025, though still contributing modestly to total revenue (~5.0%).

Growth recovery outlook already fully priced In following strong share price rally over the past six months

- The upcoming listing transfer from UpCOM to HOSE on 25-Dec-2025 may provide short-term price support; however, with the stock already up ~75.0% in H2-2025—implying trailing P/E of 32.6x and forward 2025/26F P/E of 31.0x/28.3x—valuations are significantly above the 5-year average (11.9x) and sector average (21.0x). This suggests the current price looks expensive relative to next year’s expected recovery growth (9.0-10.0% YoY).

RISK TO OUR CALL

New segments such as beverages and personal/family care could gain strong traction supported by the Subprime campaign.

(\*) Subprime: Masan Consumer's (MCH) Retail Supreme campaign is a direct distribution model to hundreds of thousands of traditional retail outlets, instead of relying heavily on wholesale systems. This allows for better control over real-time data, product display, pricing, and new product promotion.

**Key financial ratios**

Y/E Dec	FY24	FY25F	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>30,897</b>	<b>30,274</b>	<b>32,991</b>	<b>35,510</b>
<i>Seasonings</i>	11,198	10,523	11,173	11,755
<i>Convenience foods</i>	9,155	8,721	9,079	9,675
<i>Coffee</i>	1,770	1,817	2,016	2,142
<i>Beverages</i>	5,247	4,840	5,080	5,328
<i>Home personal care</i>	1,808	1,967	2,876	3,428
<i>Others (mainly export)</i>	1,719	2,406	2,767	3,183
<b>YoY growth (%)</b>				
<i>Net sales</i>	9.4%	-2.0%	9.0%	7.6%
<i>NPAT-MI</i>	10.8%	-14.0%	10.6%	7.2%
<b>Profitability (%)</b>				
<i>Gross margin</i>	46.6%	46.1%	46.1%	46.0%
<i>Net margin</i>	25.2%	22.2%	22.5%	22.4%
<i>ROE</i>	68.8%	57.2%	57.8%	54.9%
<b>Finance structure (%)</b>				
<i>Debt/Equity</i>	95.6%	101.0%	88.0%	70.4%

**MCH's valuation summary**

**Sensitivity scenario for MCH's Equity Value per Share by PE method (VND/share)**

EPS (VND)	P/E						
			19.0	20.0	21.0	22.0	23.0
	2025F	6,378	121,188	127,567	133,945	140,323	146,702
	2026F	7,055	134,036	141,091	148,145	155,200	162,255

**Sensitivity scenario for MCH's Equity Value per Share by DCF method (VND/share)**

WACC	Exit EV/EBITDA					
	13.0		14.0	15.0	16.0	17.0
	5.4%	112,433	119,791	127,149	134,507	141,865
	5.9%	109,863	117,049	124,234	131,420	138,606
	6.4%	107,362	114,381	121,399	128,418	135,437
	6.9%	104,929	111,785	118,641	125,497	132,353
	7.4%	102,562	109,260	115,958	122,656	129,354
	7.9%	100,258	106,802	113,347	119,891	126,435
	8.4%	98,016	104,410	110,805	117,200	123,595



BUY: +27%

MP: 76,800

TP: 97,800

Hiệu suất sinh lời tương đối 12 tháng





STOCK INFO

Sector

Market Cap (VND bn)

Current Shares O/S (Mn shares)

3M Avg. Volume (K)

3M Avg. Trading Value (VND bn)

Remaining foreign room (%)

52-week range ('000 VND)

Retail

4,228

1,446

7,499

603

77.0

50.3 – 94.0

FINANCIALS

Revenue (VND bn)

NPAT-MI (VND bn)

ROA (%)

ROE (%)

EPS (VND)

Book Value (VND)

Cash dividend (VND)

P/E (x)

P/B (x)

83,178

1,999

1.4

4.9

1,345

21,025

-

52.0

3.3

82,768

3,801

3.0

8.5

2,500

29,302

-

30.8

2.6

104,272

5,160

3.8

10.4

3,393

32,695

-

22.6

2.3

INVESTMENT THESIS

Core “cash cow” segments of MSN Continue steady performance, led by MCH and TCB

- Long-standing pillar MCH (66.0% owned by MSN) sustains stable profit contribution growth to MSN (+10.1% YoY in 2025) following completion of the “Subpreme” restructuring ([Refer to page 15](#)).
- Non-consumer segment TCB (19.9% owned by MSN) delivers robust growth (25.0% YoY in 2026) supported by a comprehensive customer ecosystem and real estate expertise; recent re-rating of the bank standalone has further bolstered overall MSN valuation.

New segments transitioning to profitability from 2025 (MML, WCM, PLH), while MSR narrows losses post H.C. Starck divestment

- MML expected to maintain similar profitability as 2025 (VND 650-700 bn), aided by: (1) pork prices maintain high level like 2025, and (2) shift toward higher-margin processed meat versus farm-gate products.
- Favorable industry tailwinds for minimarts/general stores ([Refer to page 16](#)), combined with a proven profitability model established in 2025, position WCM for accelerated expansion (+1,000 stores in 2026) and strong same-store sales growth (10-12% YoY since Q1-2024). This drives NPAT to VND 1,100 bn (+191% YoY), with net margin stabilizing at ~2.0% from Q2-2025.
- MSR to halve losses next year (-VND 54 bn), supported by elevated output prices (copper, tungsten) amid surging rare metal demand, reduced operational disruption risks from resolved explosives supply (secured since Q2-2025), and resolved legal hurdles at Nui Phao mine (approval secured for ~28mn tonnes of underground ore via combined open-pit and underground mining, previously restricted to open-pit only).

Annual financial expenses (~VND 8,000 bn) projected to decline to VND 6-7,000 bn from 2025 onward, driven by optimized USD loans at favorable rates and improved subsidiary performance.

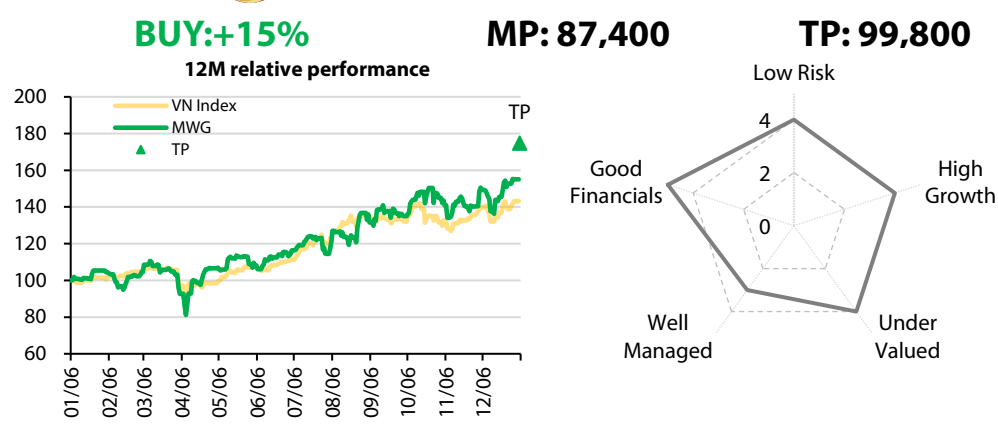
**RISK TO OUR CALL** Persistent concerns over potential foreign shareholder divestments continue to cap the stock’s ability to fully unlock expected growth re-rating.

**Key financial ratios**

Y/E Dec	FY24	FY25F	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>83,178</b>	<b>82,768</b>	<b>104,272</b>	<b>116,464</b>
<i>MCH</i>	30,897	30,274	32,991	35,510
<i>WCM</i>	32,964	39,617	57,694	65,929
<i>MML</i>	7,650	9,114	10,386	11,704
<i>MSR</i>	14,336	7,133	7,753	8,441
<i>Phúc Long</i>	1,621	1,913	2,104	2,314
<i>Others</i>	-4,291	-5,283	-6,656	-7,434
<b>YoY growth (%)</b>				
<i>Net sales</i>	6.3%	-0.5%	26.0%	11.7%
<i>NPAT-MI</i>	377.4%	90.2%	35.7%	29.2%
<b>Profitability (%)</b>				
<i>Gross margin</i>	29.6%	32.0%	30.7%	30.4%
<i>Net margin</i>	2.4%	4.6%	4.9%	5.7%
<i>ROE</i>	4.9%	8.5%	10.4%	11.8%
<b>Finance structure (%)</b>				
<i>Debt/Equity</i>	160.8%	138.8%	127.5%	111.8%

**MSN's valuation summary**

Unit: bn VND	Method	Target multiple	MSN's economic interest	2026F
Masan Consumer (MCH)	EVEBITDA	13.0	65.7%	71,857
WinCommerce (WCM)	PS	WACC 12.0%, Exit EVEBITDA 14.0x (equivalent to Alfamart)	85.4%	36,945
Masan Meat Life (MML)	EVEBITDA	9.0	91.2%	8,673
PhucLong Heritage (PLH)	PE	12.0	85.0%	2,777
Other SHERPA (Mobicast, WinEco...)	Cost			3,248
Masan High-techs (MSR)	EVEBITDA	4.0	94.9%	8,600
Techcombank	Based on our valuation from our banking analyst		19.7%	57,934
Other affiliates (Cholimex, Vissan)	Cost			2,540
Other long-term investments (Trusting Social, Nyobolt)	Cost			1,721
<b>Enterprise value</b>				<b>194,295</b>
- Net debt				46,351
<b>Equity value</b>				<b>147,944</b>
Number of shares (mn shares)				1,513
<b>Target price (VND/share)</b>				<b>97,800</b>
1-year expected cash dividend (dong/share)				0
2026F target P/E				29.0



STOCK INFO		FINANCIALS			
			2024A	2025E	2026F
Sector	Retail	Revenue (VND bn)	134,341	158,911	198,478
Market Cap (VND bn)	4,919	NPAT-MI (VND bn)	3,722	6,465	7,876
Current Shares O/S (Mn shares)	1,478	ROA (%)	5.3	7.8	7.7
3M Avg. Volume (K)	7,076	ROE (%)	13.4	19.4	18.5
3M Avg. Trading Value (VND bn)	581	EPS (VND)	2,546	4,373	5,327
Remaining foreign room (%)		Book Value (VND)	18,987	22,653	27,486
52-week range ('000 VND)	45.75 – 90.00	Cash dividend (VND)	1,000	1,000	1,000
		P/E (x)	24.0	20.2	16.4
		P/B (x)	3.2	3.9	3.2

INVESTMENT THESIS

Market share recovery in consumer electronics retail driven by a leaner store network

- MWG has executed industry-leading strategies: deep manufacturer partnerships, 0% installment plans, comprehensive after-sales services (installation/cleaning), and narrowed price gaps versus competitors (other chains and e-commerce). These are underpinned by a cost-optimized store footprint (reduced headcount, lower rental costs) and minimized depreciation (retaining only low-depreciated legacy stores) [\(Refer to pages 24, 25\)](#). This has driven impressive 2025 revenue/NPAT growth for TGDD & DMX (+18.5%/+31.7% YoY), expected to continue into 2026 (+10.7%/+8.6% YoY).

Favorable industry tailwinds propelling BHX into a strong growth phase

- Supported by robust minimart sector dynamics [\(Refer to page 16\)](#) and a proven profitability model established in 2025, BHX is set for accelerated expansion (+1,000 stores in 2026) alongside solid same-store sales growth (10.0% YoY). This positions 2026 NPAT at VND 1,651 bn (+116% YoY), with net margin sustaining elevated levels of ~2.2% from Q2-2025 onward.

**Scale advantages to boost investment income from deposits/bonds (+26.0% YoY) to ~VND 46,000 bn at attractive 8-9% yields**, enhancing overall financial performance and supporting consolidated results.

Strong NPAT growth Outlook (+73.7%/+21.8% for 2025/26) presents compelling investment opportunity

MWG shares corrected ~11.0% in Q4-2025, implying trailing P/E of 19.7x and forward 2025/26F P/E of 18.7x/14.8x—below the 5-year average (20.5x) and sector average (23.9x). Current valuation appears attractive relative to next year’s anticipated recovery growth (>20.0% YoY).

Potential 2026 IPO of subsidiary Dien May Xanh (comprising TGDD & ĐMX chains) could provide short-term share price catalyst.

**RISK TO OUR CALL** BHX northern/central expansion may underperform on per-store revenue due to intense competition and slower consumer habit shifts in these regions.

**Key financial ratios**

Y/E Dec	FY24	FY25F	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>134,341</b>	<b>158,911</b>	<b>198,478</b>	<b>221,324</b>
<i>Thegioididong (TGDD)</i>	31,265	39,362	44,860	49,528
<i>Dienmayxanh (DMX)</i>	59,534	68,214	74,258	81,066
<i>Bachhoaxanh (BHX)</i>	41,083	47,835	75,636	87,113
<i>An Khang</i>	2,300	3,340	3,564	3,458
<i>Others</i>	159	159	159	159
<b>YoY growth (%)</b>				
<i>Net sales</i>	13.6%	18.3%	24.9%	11.5%
<i>NPAT-MI</i>	2,119.8%	73.7%	21.8%	14.9%
<b>Profitability (%)</b>				
<i>Gross margin</i>	20.5%	19.5%	19.9%	19.9%
<i>Net margin</i>	2.8%	4.1%	4.0%	4.1%
<i>ROE</i>	13.4%	19.3%	19.4%	18.5%
<b>Finance structure (%)</b>				
<i>Debt/Equity</i>	98.4%	94.6%	95.6%	91.2%

**MWG's valuation summary**

Unit: VND bn	Method	Target multiple	MWG's economic interest	2026F
TGDD & DMX	PE	15.0	100.0%	68,218
BHX	DCF	WACC 10.9%, Exit EVEBITDA 14.0x (equivalent to Alfamart)	95.0%	43,905
An Khang	PS	0.7	100.0%	2,480
Short-term financial invesment	DCF			31,331
Erablue	GTSS			242
<b>Equity value (VND bn)</b>				<b>146,175</b>
Nof outstanding shares (mn)				1,468
<b>Target price (VND/share)</b>				<b>99,600</b>
1-year expected cash dividends (VND/share)				1,000
2026F target P/E				18.7

**BUY: +24%**

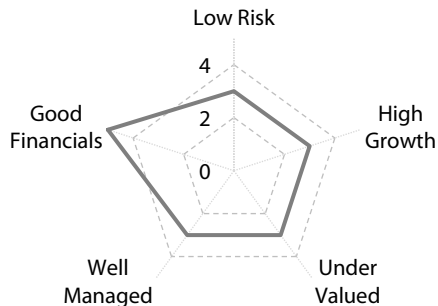
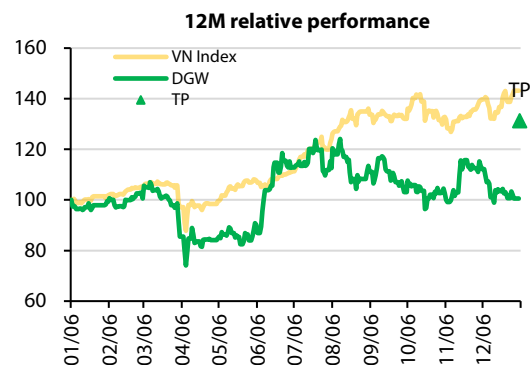
**MP: 41,700**

**TP: 50,900**

**STOCK INFO**

**FINANCIALS**

**2024A 2025E 2026F**



**Sector**

Retail

**Market Cap (VND bn)**

351

**Current Shares O/S (Mn shares)**

221

**3M Avg. Volume (K)**

1,624

**3M Avg. Trading Value (VND bn)**

68

**Remaining foreign room (%)**

**52-week range ('000 VND)**

28.75 – 49.50

**Revenue (VND bn)**

22,078 26,718 31,514

**NPAT-MI (VND bn)**

444 555 657

**ROA (%)**

5.2 5.3 5.2

**ROE (%)**

14.9 16.2 17.1

**EPS (VND)**

2,025 2,509 2,972

**Book Value (VND)**

13,469 15,483 17,388

**Cash dividend (VND)**

500 1,000 1,000

**P/E (x)**

19.8 15.5 14.0

**P/B (x)**

3.1 2.7 2.4

**INVESTMENT THESIS**

**Two core segments showing divergent trends in 2025 but poised for solid growth in 2026**

- In Mobile Phones: (1) DGW lost iPhone distribution share to MWG, coupled with (2) core brand Xiaomi's market share erosion amid aggressive KOL campaigns from Android rivals like OPPO, leading to segment revenue decline of -1.3% YoY in 2025. Recovery expected at +9.7% in 2026 as both factors turn positive from Q4-2025 onward.
- In Laptops & Tablets: Strong industry growth driven by AI integration and Windows 11 adoption trend [\(Refer to page 22\)](#), combined with expanded distribution share via deeper manufacturer partnerships, delivered impressive +29.5% YoY revenue growth in 2025, projected to sustain at +15.3% YoY in 2026.

**Emerging Duo “Office Equipment & Household Appliances” Positioning as New Long-Term Growth Drivers for DGW**

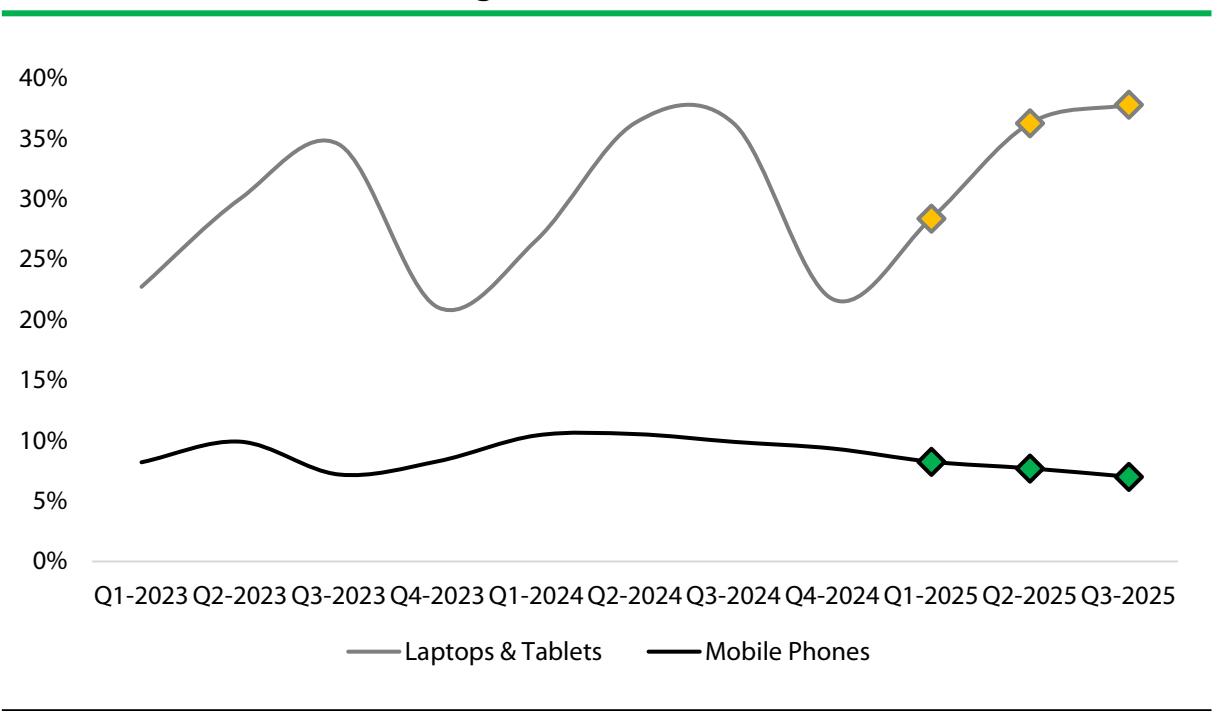
- DGW has aggressively expanded these segments, lifting their contribution to net revenue to 31.0% in 2025 from just 22.0% in 2023. Common strategic pillars: (1) broadening product portfolios with established brands (Philips, Whirlpool, Hoa Phat, Xiaomi), and (2) leveraging existing ICT distribution network for rapid penetration in GT and B2B channels. Key highlights for 2026: IoT devices (+45%/29% YoY for 2025/26F) and servers (+78%/40% YoY for 2025/26F).
- Additionally, higher margins from this duo versus traditional cores support gradual gross margin expansion (~2.2%).

**Strong NPAT growth outlook (+25.0%/+18.4% for 2025/26) presents attractive investment opportunity**

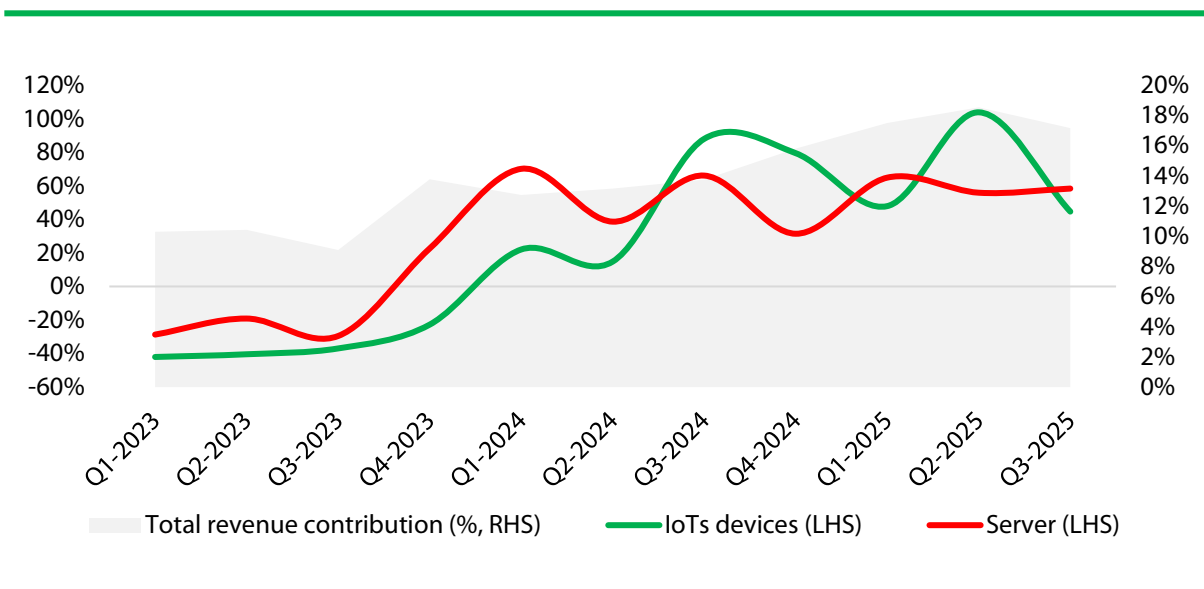
- DGW trades at trailing P/E of 15.6x and forward 2025/26F P/E of 15.4x/13.0x—below the 5-year average of 17.6x—suggesting the stock appears undervalued relative to elevated growth prospects (+25.0%/18.4% YoY for 2025/26F).

**RISK TO OUR CALL** Loss of Xiaomi distribution share in mobile phones and IoT segments

DGW's ICT distribution market share showing divergent trends across core segments in 2025 (%)

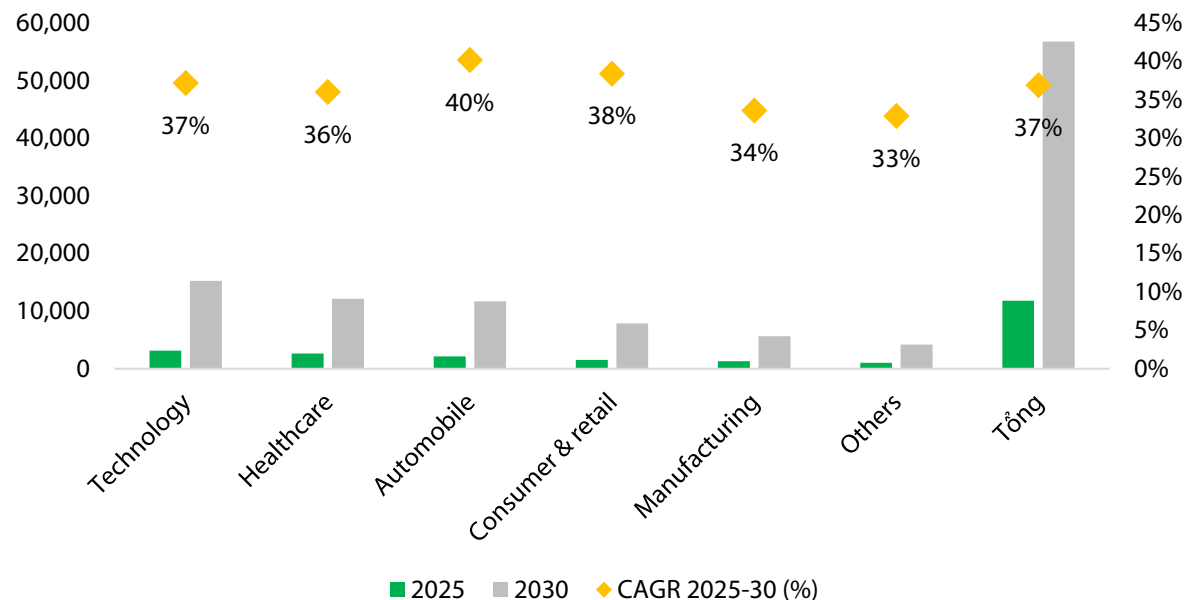


YoY Revenue Growth for Server and IoT Device Segments (%)



Rising adoption of edge AI servers in enterprises and IoT ecosystems among consumers providing strong launchpad for breakthrough in DGW's Office Equipment segment.

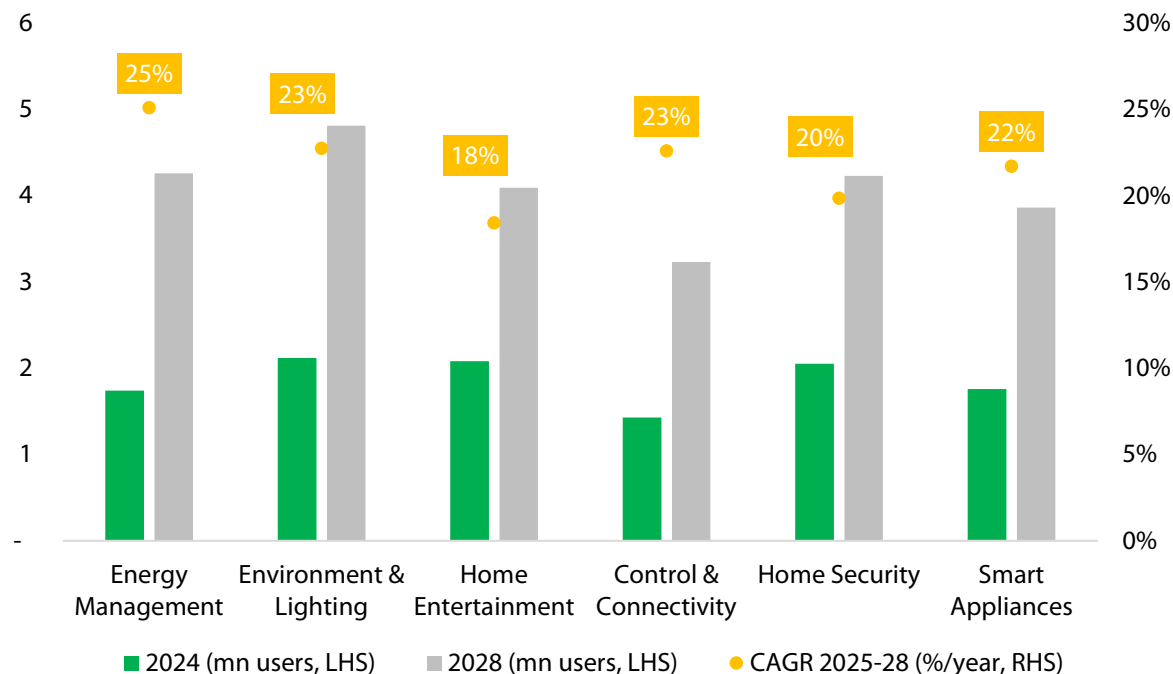
**Global edge AI server market size by industry (USD mn)**



Explosive AI adoption trend in Vietnam for operational optimization & customer engagement, with Edge AI servers better suited to most local enterprises than Cloud-based AI at present:

- Handles simple, real-time tasks such as detecting customer entry/exit, inventory/sales monitoring across thousands of retail outlets.
- Processes moderate data volumes that do not yet justify large-scale cloud infrastructure.
- Increasing demand for internal data security and customer privacy favors on-premise servers over full cloud migration—particularly critical in government, banking, and healthcare sectors.

**Number of users by smart home segment (2024 - 2028)**



- Regarding Internet-of-Things (IoT) devices, this trend has been accelerating over the past five years. Penetration rates across households, enterprises, and government agencies have expanded rapidly, driven by falling device prices and rising demand for automation.
- Popular IoT products in Vietnam are predominantly in the smart home segment (~50% of domestic IoT device revenue), featuring unified control via smartphone apps—a core strength of DGW’s exclusive/strategic partners Xiaomi, Apple, and Huawei.



**Key financial ratios**

Y/E Dec	FY24	FY25F	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>21,892</b>	<b>26,718</b>	<b>31,514</b>	<b>35,664</b>
<i>Laptops &amp; Tablets</i>	6,279	8,129	9,377	10,420
<i>Mobile Phones</i>	9,549	9,425	10,337	11,420
<i>Office Equipments</i>	4,256	6,366	8,204	9,543
<i>Home Appliances</i>	960	1,918	2,665	3,300
<i>Consumer Goods</i>	848	881	931	981
<b>YoY growth (%)</b>				
<i>Net sales</i>	17.3%	21.0%	17.9%	13.2%
<i>NPAT-MI</i>	25.3%	25.0%	18.4%	20.3%
<b>Profitability (%)</b>				
<i>Gross margin</i>	9.3%	9.1%	9.1%	9.2%
<i>Net margin</i>	2.0%	2.1%	2.1%	2.2%
<i>ROE</i>	14.9%	16.2%	17.1%	18.0%
<b>Finance structure (%)</b>				
<i>Debt/Equity</i>	83.5%	106.7%	125.2%	120.3%

**DGW's valuation summary**

DGW'S VALUATION SUMMARY (VND/SHARE)							
Method			Weight			Target price	
DCF (5 years, WACC: 11.8%, Exit EVEBITDA 11.0x)			40%			48,700	
PE (EPS 2025F, PE 17.6x)			60%			52,300	
Total DGW			100%			50,900	
1-year expected cash dividends (VND/share)						1,000	
2026F target P/E						17.0	
Sensitivity scenario for DGW's Equity Value per Share by PE method (VND/share)							
EPS (đồng)	P/E						
			15.6	16.6	17.6	18.6	19.6
	2025F	2,509	39,146	41,655	44,164	46,674	49,183
	2026F	2,972	46,356	49,328	52,299	55,271	58,243
Sensitivity scenario for DGW's Equity Value per Share by DCF method (VND/share)							
WACC	Exit EV/EBITDA						
			9.0	10.0	11.0	12.0	13.0
	8.9%	47,637	51,441	55,245	59,050	62,854	
	9.9%	45,656	49,290	52,924	56,558	60,192	
	10.9%	43,776	47,249	50,722	54,196	57,669	
	11.9%	41,992	45,312	48,633	51,954	55,275	
	12.9%	40,297	43,473	46,650	49,826	53,002	
	13.9%	38,687	41,726	44,765	47,804	50,843	
	14.9%	37,156	40,066	42,975	45,884	48,793	

**ACCUMULATE: +8%**

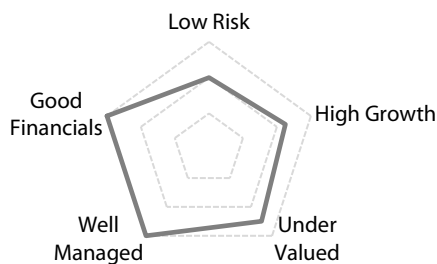
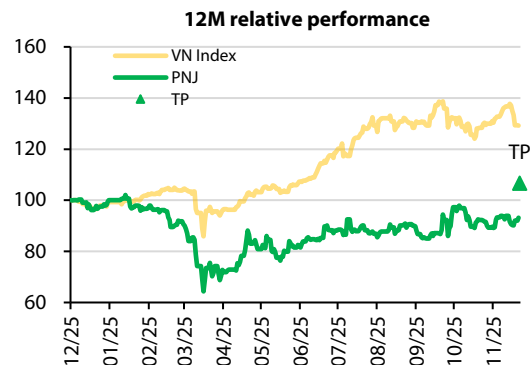
**MP: 98,500**

**TP: 104,000**

**STOCK INFO**

**FINANCIALS**

**2024A 2025E 2026F**



**Sector**

**Market Cap (VND bn)**

**Current Shares O/S (Mn shares)**

**3M Avg. Volume (K)**

**3M Avg. Trading Value (VND bn)**

**Remaining foreign room (%)**

**52-week range ('000 VND)**

Retail

31.010

341

609

54

0.12

62.8 – 100.0

**Revenue (VND bn)**

**NPAT-MI (VND bn)**

**ROA (%)**

**ROE (%)**

**EPS (VND)**

**Book Value (VND)**

**Cash dividend (VND)**

**P/E (x)**

**P/B (x)**

37,823

2,115

12.3

18.8

6,253

50,925

2,000

15.7

1.9

36,282

2,435

13.2

18.7

7,071

53,514

2,000

13.9

1.8

39,225

2,674

14.2

17.9

7,694

54,358

2,000

12.8

1.8

**INVESTMENT THESIS**

**Base case:** PNJ is expected to have sufficient gold for production through 1H2026, mainly supported by supply from its “timely” trading policy. Decree 232 is expected to unlock gold material imports from Q2-Q3/2026, providing adequate input for production and stabilizing the market mechanism. Please note that this mainly addresses supply-side and input cost risks, rather than stimulating demand. On the demand side, we expect the jewelry retail industry to grow at 4-5% yoy, as jewelry spending per capita in Vietnam is already relatively high compared to the region. [\(Refers to page 29\)](#)

**(1) Strong fundamentals to gain domestic retail market share:** Stricter regulations on tax, e-invoicing, and gold market inspections forced jewelry mom&pop shops: (i) shutting down, or (ii) temporary suspension/cautious operations while awaiting clearer guidance. More compliance requires additional investment in IT systems (inventory and invoice management, e-com) and traceability. In contrast, PNJ benefits from scale advantages, nationwide network, available resources (manufacturing facilities, craftsmanship technology, skilled goldsmiths), along with a well-invested and standardized retail system, enabling faster adaptation.

➤ This supports our expectation that PNJ’s retail market share will reach 21.5% in 2025 (+1 pp YoY) and expand toward 27% by 2030, driven by 12-15 new store/year in Northern Vietnam, North Central, and the Central Highlands [\(Refers to appendix\)](#), targeting ~500 stores nationwide by 2030, with SSSG averaging ~3.0% YoY (2025-2030).

**(2) Sustained high retail GPM at 28-29% and overall GPM at 20-20.5% in the coming years (+3 pps vs. 2024), supported by:** Flexible manufacturing technology, allowing lower gold content per product while implementing reasonable price increases (reflecting gold price trends with a lag); A timely trade-in policy that enables recycling for production, reducing reliance on high-priced and scarce gold inputs.

**RISK TO OUR CALL**

**Downside risks:** 1/ Shortage of gold raw materials if licensing approvals are delayed or import quotas remain insufficient relative to PNJ’s production and supply capacity; 2/ Increasingly polarized consumer demand, particularly among mass-market customers, as observed in 2025.

**Upside risks:** 1/ Stronger-than-expected demand across customer segments thanks to amended PIT tax (from 2026), help reallocate tax savings toward jewelry spending [\(Refers to page 10\)](#); 2/Gold bullion processing for commercial banks could support absolute NPAT growth (this segment has low GPM, < 5%).

**Key financial ratios**

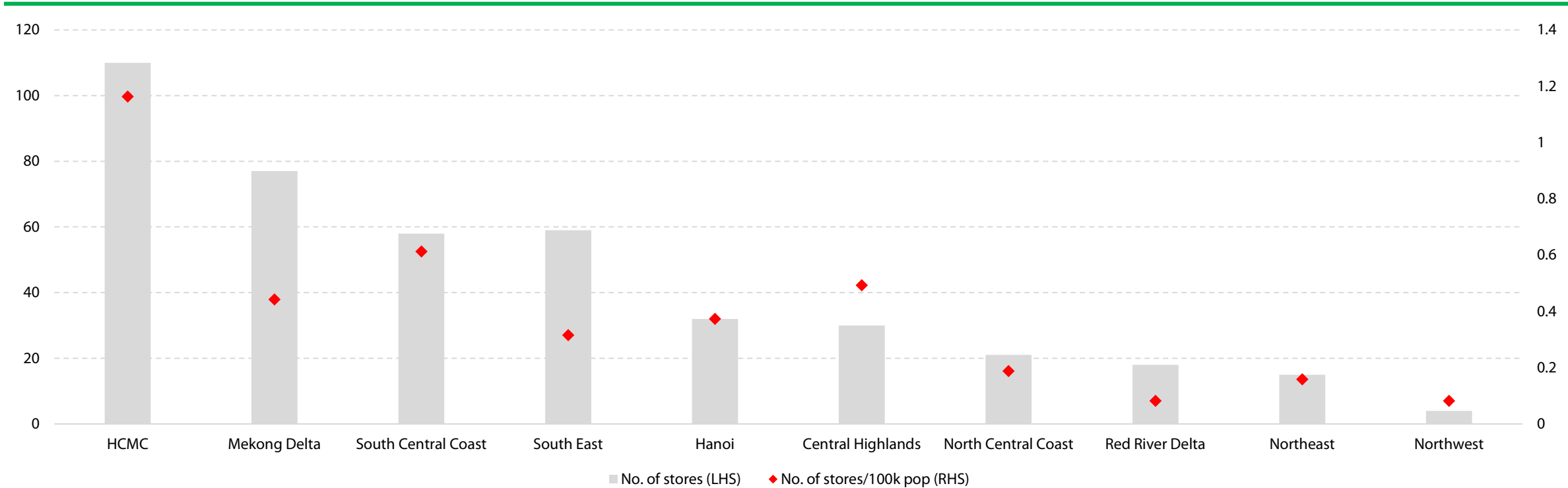
Y/E Dec	FY24	FY25E	FY26F	FY27F
<b>Net sales (VND bn)</b>	37,823	36,282	39,225	41,702
Jewelry retail	21,851	23,553	25,531	27,447
Jewelry wholesales	3,790	4,669	4,228	3,791
24K gold trading	11,450	7,328	8,734	9,732
<b>YoY growth (%)</b>				
Net sales	14.1%	-4.1%	8.1%	6.3%
NPAT-MI	7.0%	15.2%	9.8%	4.9%
<b>Profitability (%)</b>				
Gross margin	17.6%	20.4%	20.3%	20.3%
Net margin	5.6%	6.4%	6.5%	6.4%
ROE	18.8%	18.7%	17.9%	16.5%
<b>Finance structure (%)</b>				
Debt/Equity	29.7%	23.7%	10.6%	0.0%

**PNJ's valuation summary**

PNJ'S VALUATION SUMMARY (VND/SHARE)								
Method				Weight		Target price		
DCF (5 year; WACC 10.5%; Exit EVEBITDA 8.0x)				50%		95,088		
P/E (2026F; 15.0x)				50%		113,865		
Total PNJ				100%		104,000		
1-year expected cash dividend (VND/share)						2,000		
2026F target P/E						12.8		
Sensitivity scenario for PNJ's Equity Value per Share by PE method (VND/share)								
EPS (VND)		P/E						
				13.0	14.0	15.0	16.0	17.0
		2025E	7.071	90,511	97,582	104,653	111,725	118,796
		2026F	7.694	98,478	106,171	113,865	121,558	129,252
Sensitivity scenario for PNJ's Equity Value per Share by DCF method (VND/share)								
WACC		Exit EV/EBITDA						
				6.0	7.0	8.0	9.0	10.0
		8.5%	86,870	94,647	102,425	110,203	117,980	
		9.5%	83,814	91,237	98,660	106,083	113,507	
		10.5%	80,912	88,000	95,088	102,176	109,264	
		11.5%	78,154	84,925	91,696	98,467	105,237	
		12.5%	75,533	82,003	88,474	94,944	101,414	

- As of end-3Q2025, PNJ had 429 stores, unchanged from 2024, though with a reallocation of store locations through selective closures and new openings. Store closures were mainly in shopping malls with weaker customer traffic, while new stores were prioritized in high-population-density areas and major streets, improving accessibility to a broader customer base (per management).
- We believe PNJ’s slower-than-planned store expansion in 1H2025 reflects a strategic focus on optimizing store location allocation to enhance customer reach and acquisition, rather than pursuing rapid expansion with suboptimal returns. Store expansion is expected to resume from 2026 onward, with an average of 12-15 new stores per year, targeting Northern Vietnam (Hanoi, Red River Delta), North Central regions, and the Central Highlands.

**PNJ store count and store density per capita**



Source: PNJ, RongViet Securities

**ACCUMULATE: +6%**

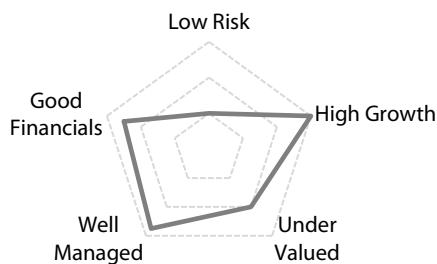
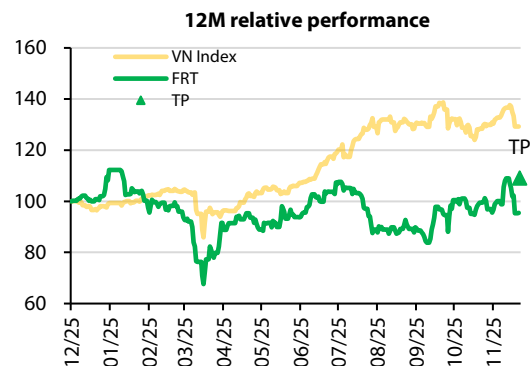
**MP: 153,100**

**TP: 160,000**

## STOCK INFO

## FINANCIALS

**2024A 2025E 2026F**



**Sector**

Retail

**Market Cap (VND bn)**

23,842

**Current Shares O/S (Mn shares)**

170

**3M Avg. Volume (K)**

613

**3M Avg. Trading Value (VND bn)**

87

**Remaining foreign room (%)**

17

**52-week range ('000 VND)**

96.88 - 167.52

**Revenue (VND bn)**

40,104

50,966

59,807

**NPAT-MI (VND bn)**

318

693

890

**ROA (%)**

2.0

3.6

3.9

**ROE (%)**

16.6

26.5

25.5

**EPS (VND)**

2,331

4,071

5,223

**Book Value (VND)**

14,032

15,297

20,520

**Cash dividend (VND)**

-

-

-

**P/E (x)**

63.7

34.4

26.8

**P/B (x)**

10.6

9.2

6.8

## INVESTMENT THESIS

**Long Chau:** Sustained expansion with rapid store rollout of 350-400 pharmacies/year while maintaining store-level revenue growth of 3-5% YoY. Chain-level GPM margins expected to improve by 0.3-0.5 pps per year, supported by double-digit revenue growth and a rising contribution from ETC drugs (higher GPM vs. OTC).

- Expansion into high-density rural areas, with cost optimization and stable net margins of 3–4% post-2028 after reaching 3,000 stores.
- Reduced regulatory risk on ETC sales following tighter internal controls since mid-2025; Circular 26/2025/TT-BYT (extending ETC prescription validity from 30 to 90 days) favors ETC drugs (~70% of system SKUs).
- Stricter regulations on drug/supplement traceability and e-invoicing reduce competition from GT channels, supporting market share gains.

**Vaccination segment as a long-term growth driver:** In 2025, Long Chau opened 85-90 vaccination centers, already generating revenue (below 10% of LC revenue) and profitable at centers operating over one year. From 2026, we expect an expansion of 50-70 centers/year, supported by competitive vaccine pricing and an existing customer base of pharmacies. Vaccine market penetration remains low (<5% of population) amid rising demand, with current centers mainly concentrated in urban areas.

**FPT Shop:** Loss turnaround and gradual recovery after restructuring largely completed (only 10 store shutting down in 2025)

- FPT Shop returned to profit in 3Q2025, offsetting 1H losses, and is expected to remain profitable in Q4 and recover further in 2026 with 624 core stores in prime locations.
- Consumer electronics (CE) contribution improved sequentially (below 10% in 3Q2025), with TV and refrigerator unit sales tripling YoY, signaling improving in-store demand.

## RISK TO OUR CALL

- Long Chau's store expansion pace may deviate from expectations depending on market conditions.
- ICT recovery may be weaker than expected if post-restructuring customer service does not create a competitive edge; Good/bad profitability of the CE segment could positively or negatively impact valuation.

**Key financial ratios**

Y/E Dec	FY24	FY25E	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>40,105</b>	<b>50,966</b>	<b>59,807</b>	<b>68,479</b>
FPT Shop	15,126	16,703	17,204	17,949
Long Chau – Pharmacies	24,096	31,133	37,813	43,533
Long Chau – Vaccine centers	883	3,130	4,791	6,998
<b>YoY growth (%)</b>				
Net sales	25.9%	27.1%	17.3%	14.5%
NPAT-MI	-191.9%	113.1%	28.3%	44.8%
<b>Profitability (%)</b>				
Gross margin	18.9%	19.3%	19.7%	20.3%
Net margin	0.8%	1.3%	1.4%	1.8%
ROE	16.6%	26.1%	25.1%	26.7%
<b>Finance structure (%)</b>				
Debt/Equity	4.6	3.7	3.0	2.1

**FRT's valuation summary**

FRT'S VALUATION SUMMARY (VND/SHARE)				
Method	Weight	Target price		
DCF (5 year, WACC 11.0%; Exit EVEBITDA 10.0x)	50%	142,448		
SoTP (2026F)	50%	177,825		
<b>Total FRT</b>	<b>100%</b>	<b>160,000</b>		
1-year expected cash dividend (dong/share)		0		
2026F target P/E		30.6		
FRT's valuation summary by SOTP method (VND/share)				
Unit: VND bn	Method	Target multiple	Economic interest	2026F
FPT Shop	PE	15.4x	100.0%	380
Long Chau – Pharmacies	PS	0.7x	78.6%	28,317
Long Chau – Vaccine centers	PS	0.3x	78.6%	1,588
Equity value (VND bn)				30,284
<b>Target price (VND/share)</b>				<b>177,825</b>

NEUTRAL: +4%

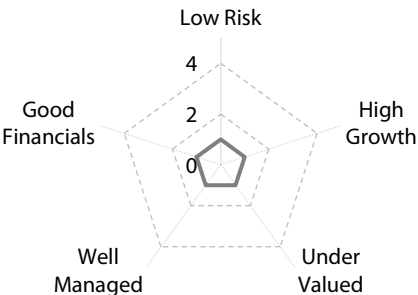
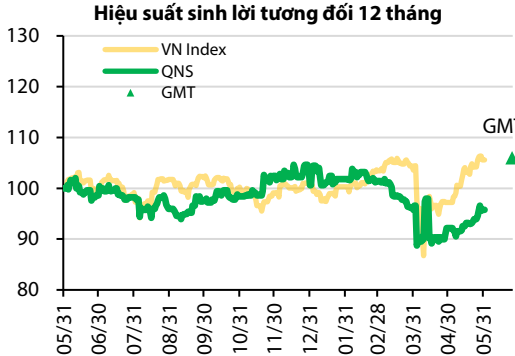
MP: 10,400

TP: 10.800

STOCK INFO

FINANCIALS

2024A2025E2026F



Sector	Automobiles & Parts
Market Cap (VND bn)	43
Current Shares O/S (Mn shares)	107
3M Avg. Volume (K)	599
3M Avg. Trading Value (VND bn)	7
Remaining foreign room (%)	
52-week range ('000 VND)	9,45 - 18,50

Revenue (VND bn)	5,513	4,399	4,752
NPAT-MI (VND bn)	125	1	14
ROA (%)	5.2	0.0	0.6
ROE (%)	9.3	0.1	1.0
EPS (VND)	1,163	8	134
Book Value (VND)	13,875	13,140	13,480
Cash dividend (VND)	500	-	-
P/E (x)	14.6	1,286.9	77.6
P/B (x)	1.2	0.8	0.8

INVESTMENT THESIS

**Luxurious (MBZ) and economic (MG) gasoline vehicle segments distributed by HAX both lose market share to rising VinFast EVs**, leading to marked slowdown in performance HAX adopts differentiated defensive and offensive strategies across brands, yet both record significant stagnation. Consolidated 2025 NPAT only reaches VND 1bn vs. VND 125 bn in prior year.

- Defensive stance on MBZ: HAX accepts reduced brand influence by closing the long-standing Hanoi dealership (Aug-2025) and applying deep discounts to clear 2024 hard-to-move inventory. Segment posts first negative NPAT since 2012 (–VND 21 bn in 9M-2025).
- Offensive push on MG: HAX expands 10-12 MG dealerships since Dec-2024 but faces aggressive VinFast EV expansion. Revenue growth stalls (+4.0% YoY) despite heavier discounts and advertising, compressing gross margin & net margin sharply (0.4% in 9M-2025 vs. 7.4% prior year).

**Intensifying EV Pressure** [\(Refer to page 19\)](#) **keeps HAX 2026 profitability low but signals recovery (VND 14 bn) from 2025 trough.** Unlike 2025, HAX will not need to heavily sacrifice margins to resolve large MBZ/MG inventory overhang.

Recovery outlook does not constitute a compelling investment case

- HAX trades at trailing P/E 290x and forward 2026F P/E 78x—significantly above 5-year average (10.4x) and sector average (10.0-12.0x). Current valuation appears expensive relative to modest expected recovery.

RISK TO OUR CALL

- HAX replaced Hanoi MBZ dealership with VinFast from Q4-2025. Terms on import costs, incentives, and sales support from VinFast remain unclear and represent key upside/downside risk to HAX.
- Developments surrounding the Vo Van Kiet land plot (Binh Tan, HCMC) could act as a major share price catalyst, given the site accounts for ~35% of the company’s total assets.




**Key financial ratios**

Y/E Dec	FY24	FY25F	FY26F	FY27F
<b>Net sales (VND bn)</b>	<b>5,513</b>	<b>4,399</b>	<b>4,752</b>	<b>5,217</b>
<i>MBZ car sales</i>	<i>2,680</i>	<i>1,517</i>	<i>1,281</i>	<i>1,175</i>
<i>MG car sales</i>	<i>2,266</i>	<i>2,366</i>	<i>3,006</i>	<i>3,552</i>
<i>Repairs and spare parts sales</i>	<i>544</i>	<i>492</i>	<i>441</i>	<i>466</i>
<i>Others</i>	<i>24</i>	<i>24</i>	<i>24</i>	<i>24</i>
<b>YoY growth (%)</b>				
<i>Net sales</i>	<i>38.5%</i>	<i>-20.2%</i>	<i>8.0%</i>	<i>9.8%</i>
<i>NPAT-MI</i>	<i>269.9%</i>	<i>-99.3%</i>	<i>1,558.2%</i>	<i>109.9%</i>
<b>Profitability (%)</b>				
<i>Gross margin</i>	<i>9.3%</i>	<i>8.1%</i>	<i>9.4%</i>	<i>9.8%</i>
<i>Net margin</i>	<i>2.3%</i>	<i>0.0%</i>	<i>0.3%</i>	<i>0.6%</i>
<i>ROE</i>	<i>8.4%</i>	<i>0.1%</i>	<i>1.0%</i>	<i>2.0%</i>
<b>Finance structure (%)</b>				
<i>Debt/Equity</i>	<i>44.9%</i>	<i>53.4%</i>	<i>47.4%</i>	<i>41.6%</i>

**HAX's valuation summary**

HAX'S VALUATION SUMMARY (VND/SHARE)		
Segment	Method	Target price
Core segment – automobile distribution	DCF (5 years, WACC 12.1%, Exit EVEBITDA 8.0x)	3,640
VoVanKiet Land	Market price (VND 130 mn/m2)	7,180
<b>Total HAX</b>	<b>100%</b>	<b>10,800</b>
<i>1-year expected cash dividend (dong/share)</i>		<i>0</i>
<i>2026F target P/E</i>		<i>80.6</i>

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