RONG VIET SECURITIES

MID-YEAR INVESTMENT STRATEGY 2025

THE UNIQUE PATH

CONTRIBUTORS

Lam Nguyen

Head of Research

lam.ntp@vdsc.com.vn

Hung Le

Head of Market Strategy

hung.ltq@vdsc.com.vn

My Tran

Macro Senior Consultant

my.tth@vdsc.com.vn

Toan Vo

Macro Analyst

toan.vnv@vdsc.com.vn

Ha Tran

Assistant

ha.ttn@vdsc.com.vn

Thao Phan

Assistant

thao.ptp@vdsc.com.vn

FOREWORD

Dear Investors,

At the beginning of this year, we introduced our strategic outlook with the theme **"Dare to Depart**", a message that captured not only the anticipation of a new growth cycle but also a call to shift mindsets, realign strategies, and boldly embrace change in the face of global uncertainties.

Now, six months in, we have indeed dared to board that flight. The journey of the first half of 2025 has made it clear: taking off is just the beginning — adapting, thinking boldly, acting decisively, and embracing calculated risks with purpose and clarity is what will truly define success. Amidst uncertainty lies opportunity — for those with the will to lead, with a clear plan and unwavering resolve. That is **the unique path** forward to safeguard our achievements and pursue sustainable prosperity.

In this report, we are pleased to present a comprehensive outlook comprising four key sections:

- Market and macroeconomic review for H1/2025: An update on growth momentum, capital flows, consumption, and investment — the fundamental forces shaping the economy.
- Macroeconomic outlook for the next 12 months: Centered on the themes of "Reform" and "Adaptation", we analyze Vietnam's readiness to navigate global shifts and capitalize on the structural transformation ahead.
- Stock market outlook: Featuring our revised VN-Index valuation range, market EPS forecasts, liquidity dynamics, and potential risks to monitor.
- Investment strategy recommendations: Guided by the view of "Ample Liquidity – Repricing – Quality Differentiation", we propose strategies tailored to different risk profiles and asset objectives.

In today's rapidly evolving environment, we believe that investing is not just about selecting stocks — it's about choosing values and trusted partners. At Rong Viet Securities, we remain fully committed to being your reliable partner, delivering objective perspectives, in-depth analysis, and actionable strategies to help you achieve your long-term prosperity goals.

Sincerely,

VDSC's Research Center

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MACROECONOMICS AND MARKET OUTLOOK FOR THE FIRST HALF OF 2025

"Resilient amid uncertainty"

1H2025 REVIEW: RESILIENT AMID UNCERTAINTY

- In our Strategic Outlook Report for early 2025, we chose the title **"A New Era"**, implying that 2025 would be a year filled with both opportunities and challenges. In reality, the opportunities and challenges that have emerged in the first half of the year have far exceeded our initial expectations. Below is a summary of the overall macroeconomic landscape during the first half of 2025:
- **Growth in the first half of 2025 reached 7.5%**, which, although lower than the Government's target, was still a positive result given the challenging domestic and global macroeconomic context. This growth was supported by: 1/ A wave of front-loaded orders driven by tariff concerns, 2/ Strong growth in public investment, and 3/ Stable consumption and private investment.
- **Private and foreign investment grew steadily**, rising by 7.5% and 8.1% year-on-year, respectively. FDI inflows in the first half of 2025 reached USD 21.5 billion, up 32.6% from the same period last year. Of this, FDI into the manufacturing and processing sector reached USD 12 billion, up 3.9%. **This reflects foreign investors' cautious stance amid an uncertain tariff environment.**
- **Inflation averaged 3.3% during 1H2025**, slightly higher than the 2.8% recorded in the same period last year, but still below the Government's target. Meanwhile, the **USD/VND exchange rate depreciated by around 3%** compared to the end of 2024.
- Two macroeconomic indicators that showed standout performance in the first half of the year were: 1/ **Public investment disbursement** (+19.8% YoY), and 2/ **Credit growth** (+19.3%), both of which are expected to spill over and provide further momentum for the second half.
- So far, **Vietnam is one of the few countries that has successfully reached an agreement with the US**, securing a **20% reciprocal tariff and 40% tariff** on "transshipment" goods. This has helped reduce uncertainty in the macroeconomic environment.
- The domestic reform process has accelerated, with **notable improvements in the legal, investment, and business environments** during the first half of the year - marking a highlight of the macroeconomic picture. The impact of this bold move on growth is expected to become increasingly evident in the coming periods.

MACROECONOMIC INDICATORS IN 1H2025 VS. TARGET

	2025 Target	2024A	Q1/25A	Q2/25A	1H25A
GDP growth	8.0%	7.1%	7.1%	8.0%	7.5%
– Agriculture, forestry & fishery	3.9%	3.3%	3.8%	3.9%	3.8%
– Industry & construction	9.5%	8.2%	7.6%	9.0%	8.3%
– Services	8.1%	7.4%	7.8%	8.5%	8.1%
– Taxes & subsidies	6.1%	5.7%	5.0%	5.9%	5.4%
Industrial Production Index	9.5%	8.4%	8.3%	10.3%	9.2%
Retail Sales of Goods & Services	12.0%	9.0%	9.5%	9.0%	9.3%
Export-Import Turnover[1]	12.0%	15.4%	13.8%	19.8%	16.9%
Trade surplus ($ billion)	30	25	3.2	4.5	7.7
Electricity Production & Imports	13.0%	10.1%	4.0%	4.2%	3.0%
Public Investment[2]	43.4%	-4.6%	19.8%	19.9%	19.8%
Private Investment	12.4%	7.7%	5.5%	8.9%	7.5%
FDI	10.5%	9.4%	7.1%	8.8%	8.1%
Inflation	5.0%	3.6%	3.2%	3.3%	3.3%
Credit growth[3]	16.0%	15.1%	17.9%	19.3%	19.3%
FX USDVND[4]	na	25,551	25,740	26,300	26,300

Source: GSO, SBV, RongViet Securities, [1] exports grew by 15.3% and imports increased by 18.6% YoY in the first half of 2025. [2] According to the GSO's estimates, actual public investment capital disbursed from the state budget, as reported by the MoF, reached over VND 281 trillion by the end of June 2025, an increase of 42.7% compared to the same period last year. The figures are calculated as of the end of the quarter. [3] The exchange rates from Vietcombank, at the end of the quarter, month, and year.

MACROECONOMIC OUTLOOK FOR VIETNAM

"Reforms and adaptation""

ECONOMIC OUTLOOK: REFORM AND ADAPTATION

- **Vietnam's macroeconomic outlook for the next 6 to 12 months will revolve around two keywords: "Reform" and "Adaptation,"** with a focus on internal reform as the cornerstone enabling the economy to adapt to external pressures. In this section, we analyze three main topics before concluding with our economic outlook:

  1. **Adapting to an uncertain environment:** The early conclusion of a trade agreement with the US has helped steer the macroeconomic environment toward reducing uncertainty. Additionally, we identify a positive aspect of tariff policy in that the export momentum remains largely intact, thanks to the delayed implementation of the tariff in 2025 and the current lack of clarity around the enforcement of the "transshipment" concept. Nevertheless, the US tariff policy remains unpredictable and ambiguous, particularly in how the concept of "transshipment goods" is defined and enforced.
  2. **Vietnam's monetary policy in the context of global easing:** With expectations that the Fed will begin cutting interest rates from Q4 2025, the SBV will likely have room to implement monetary easing policies. Gold and equities are among the asset classes with a high probability of price appreciation during Fed easing cycles, especially in the absence of an economic recession. Meanwhile, the US dollar typically tends to weaken, which could help ease depreciation pressure on the Vietnamese dong.
  3. **Domestic reform as a driver of medium- to long-term growth:** At its core, the ongoing reform effort aims to improve overall productivity across the economy, as traditional growth drivers are gradually losing momentum. In the short term, we expect the economy to continue relying on capital for growth, especially public investment. While institutional reforms require time to take effect, the presence of targeted, special mechanisms within the reform process may serve as additional catalysts. These mechanisms can be implemented more quickly and are expected to have an earlier impact on growth prospects.

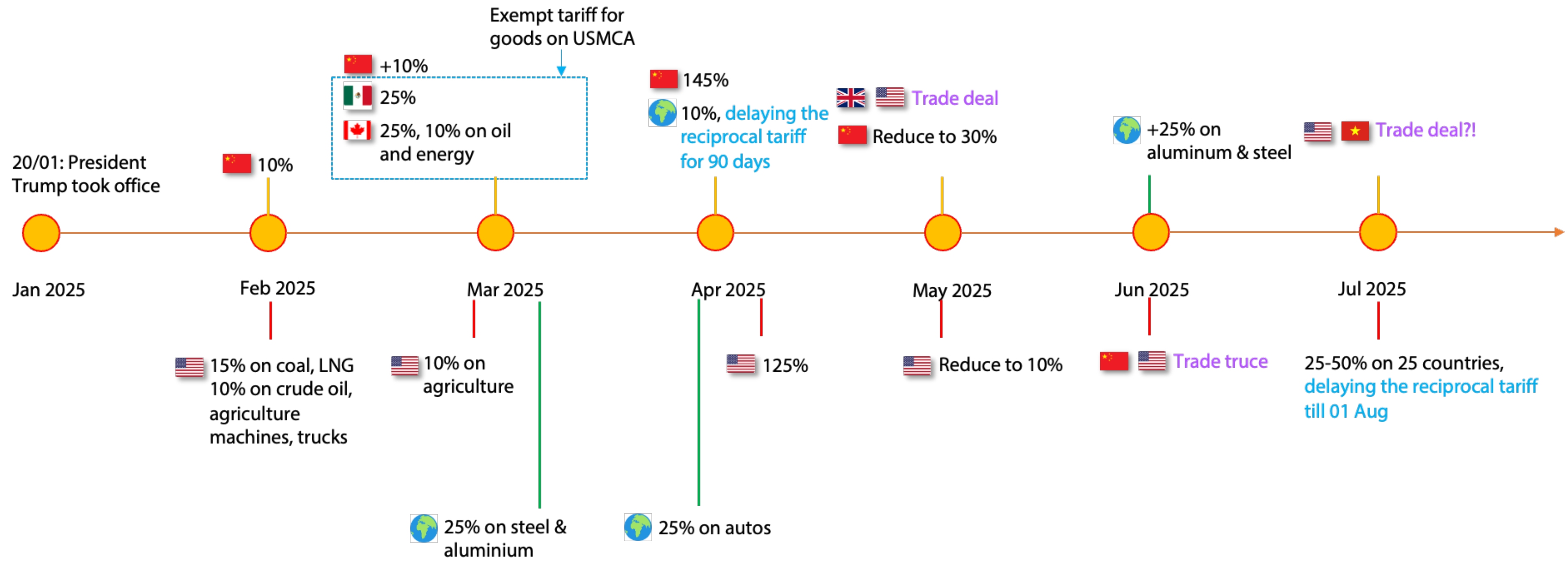
THEME 1: ADAPTING TO UNCERTAINTY

- **The macroeconomic environment is being navigated towards reducing uncertainty,** as Vietnam is one of the first countries to secure a trade agreement with the US. However, uncertainty persists as more time is needed to negotiate the details and clarify the concept of "transshipment" goods.
- **If the US adopts initial tariffs or the most recent tariff rates for other countries, Vietnam will remain at the lowest level within the Asia-Pacific region.** A reduction in the flow of "transshipment" goods could disadvantage Vietnam in the short term, but persistent tariff differentials in the long run may drive the ongoing shift in supply chains from which Vietnam is benefiting. Particularly, Vietnam continues to have lower tariffs than China on goods not considered "transshipment".
- **However, there is still no clear basis for Vietnam's tariff rate to other countries.** Amid complicated tariff negotiations, foreign direct investment (FDI) companies will keep a "wait and see" mode in new investment or supply chain relocation decisions.
- **Thanks to the extension and proactive negotiations, the direct impact of tariffs on Vietnam's economic growth in 2025 is expected to be limited.** Additionally, over 30% of Vietnam's export value to the U.S. is currently exempt from tariffs, meaning the potential impact on Vietnam's total exports and GDP will be less significant when considering the effective tariff rates. Nonetheless, imposing tariffs on these goods poses a risk to the future export prospects and GDP growth of Vietnam.
- **The most optimistic scenario for Vietnam is that it maintains lower tariffs than other countries, and the concept of "transshipment" goods is not overly restrictive.** Depending on the final agreement's definition of "transshipment" goods, Vietnam's GDP could be impacted by between 1.4-2.0%*. If the goods currently exempt from reciprocal tariffs are subjected to a 25% tariff after the investigation process, the potential impact on Vietnam's GDP could be more significant, ranging from 2.1-2.7% GDP*.

** These estimates have simplified the impact of U.S. tariff policies on Vietnam's GDP size. In reality, the effect will be more complex, as the level of impact will depend on the lag effect of the policy, the price elasticity of demand for imports, and the final details of the trade agreement between Vietnam and the US*

TARIFF POLICY IN TRUMP 2.0 – KEY INDICATORS

Tariff policy in Trump 2.0

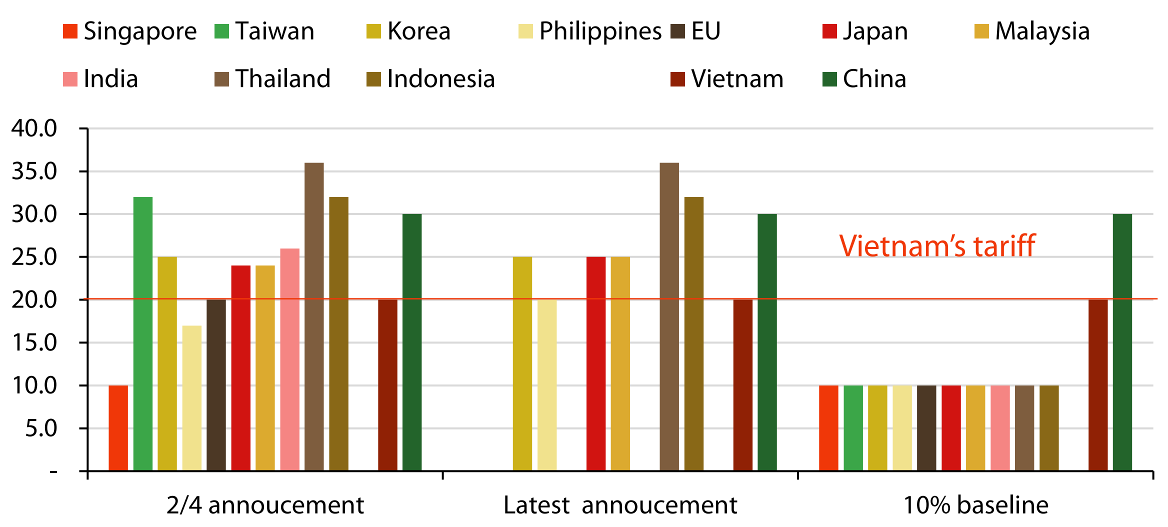


Source: RongViet Securities

- The tariff rates announced on April 2nd are considered a threat, however, **the 10% rate represents the lower limit**.
- **Tariffs on strategic items** such as aluminum, steel (50%), automobiles (25%), and potentially pharmaceuticals, timber, copper, electronics with semiconductors, and some critical minerals, **remain non-negotiable**.
- Vietnam is one of the first countries to secure a trade agreement with the U.S. However, the detailed agreement will require time, and therefore, we still **lack comprehensive information to fully assess the impact of the US tariff policies on Vietnam**.

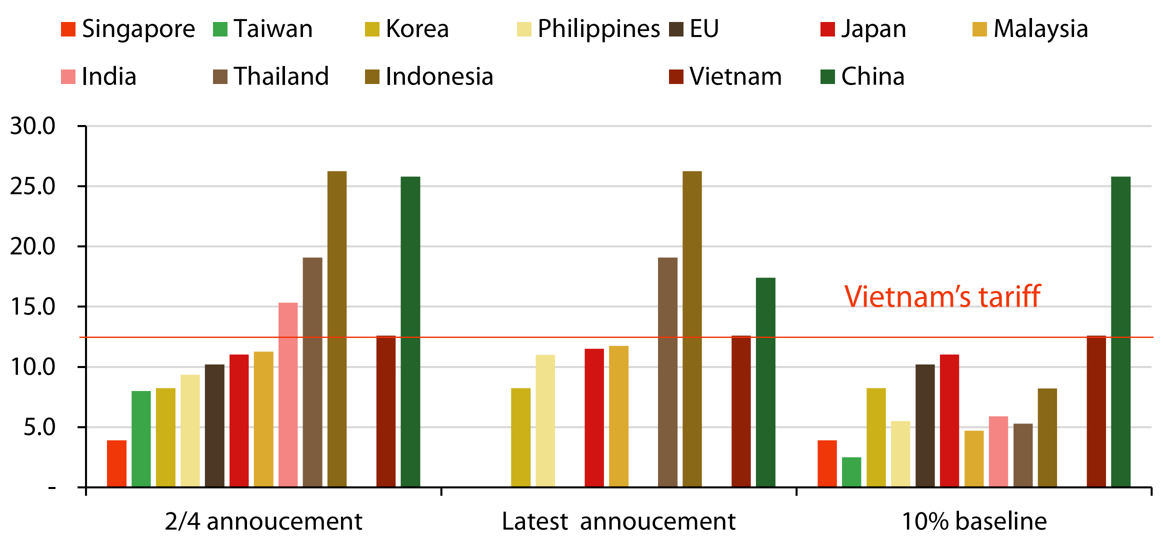
VIETNAM'S TARIFF RATES IN COMPARISON WITH OTHER COUNTRIES

Announced tariff rates



Source: The White House, RongViet Securities, tariff rates of Vietnam and China are the negotiated rates.

Effective tariff rates after excluding exempted goods



Source : *Goldman Sachs, RongViet Securities, tariff rates of Vietnam and China are the negotiated rates.*

- If the US adopts the initial or most recently announced tariff rates on other countries, **Vietnam will be at the lowest level in the Asia-Pacific region**. The reduction in the flow of "transshipment" goods could disadvantage Vietnam in the short term, but persistent tariff differentials in the long run may drive the ongoing shift in supply chains, from which Vietnam is benefiting. This is especially true as Vietnam continues to maintain lower tariffs than China on goods not considered "transshipment."
- However, **we still lack a clear basis for Vietnam's tariff rates in comparison with other countries**. In the context of complex tariff negotiations, FDI companies will be cautious in their investment or production relocation decisions.
- Over 30% of Vietnam's exports are currently exempt from reciprocal tariffs, leading to **an effective tariff rate that is lower than the announced rate**. The potential impact on Vietnam's total exports and GDP will be lower when considering the effective tariff rates, as compared to the announced rates.

VIETNAM'S TARIFF RATES ARE LOWER THAN MOST OTHER COUNTRIES IN ASIA

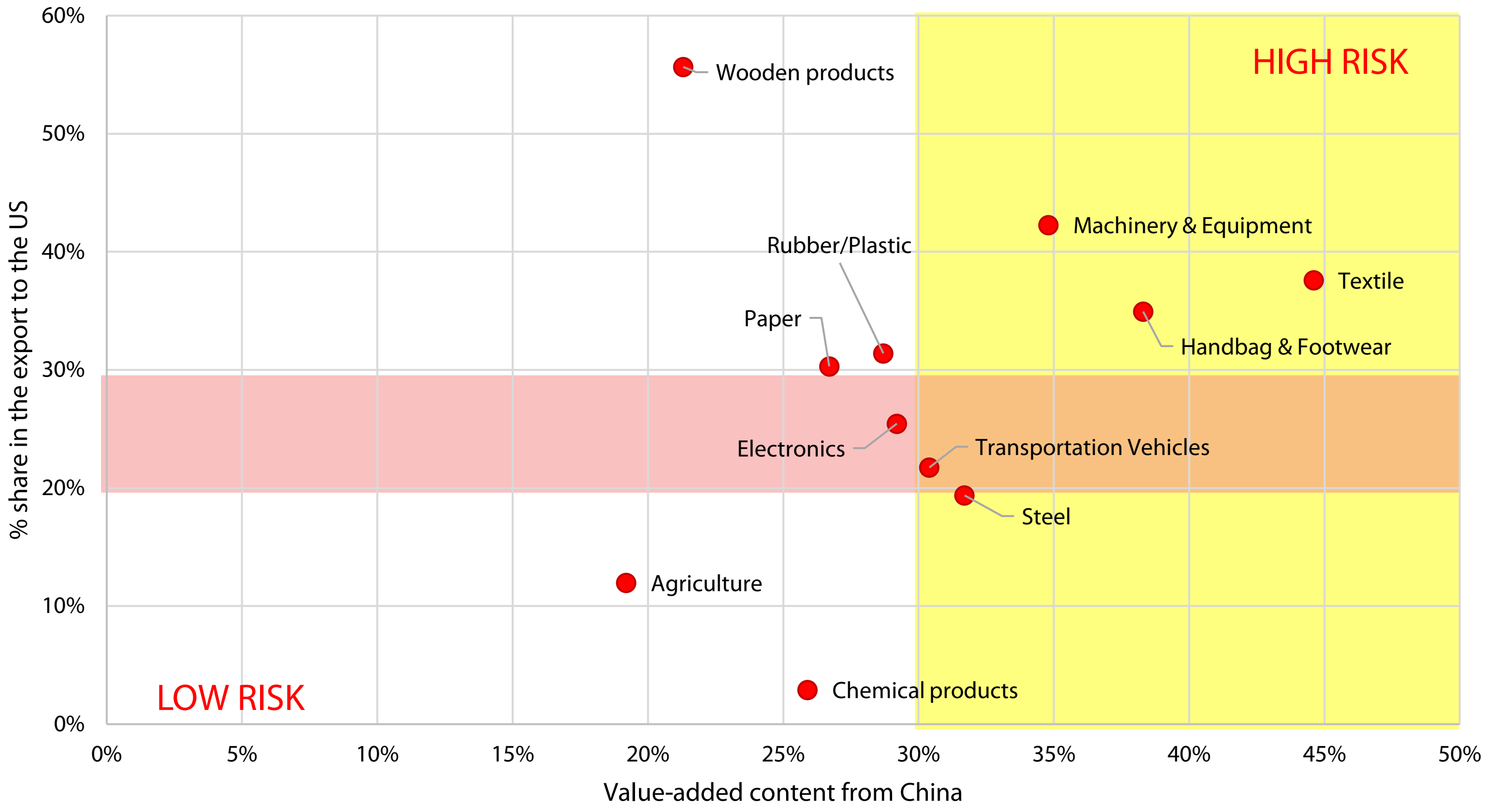
Vietnam's tariff rates in comparison with other countries by industry

	China	Vietnam	Thailand	Taiwan	Indonesia	India	Korea	Malaysia	Philippines	Singapore
Animals	55	20	36	32	32	26	25	25	20	10
Fruits/Vegetables	58	20	40	34	32	28	25	26	20	10
Foods	65	25	40	41	35	32	26	32	26	10
Minerals	61	20	36	32	32	26	25	25	20	10
Chemicals/Pharma.	51	21	37	34	33	28	25	28	21	10
Rubber/Plastic	58	24	37	36	33	29	25	31	20	10
Leather	80	30	41	39	36	33	25	36	24	10
Wood	57	22	36	33	32	27	25	28	21	10
Textile	61	33	47	40	45	35	25	36	35	10
Shoes	54	35	45	37	45	35	25	33	30	10
Stone/Gems	59	22	36	35	33	28	25	28	20	10
Metals	60	22	36	35	32	28	25	27	20	10
Machinery/Electrical	52	20	36	32	32	27	25	25	20	10
Transportation	65	22	36	34	33	27	25	26	20	10
Toys	43	21	36	35	32	26	25	27	20	10
Musical Instru.	56	24	36	34	32	30	25	30	20	10
Furniture	56	20	37	33	32	28	25	25	21	10
Other	56	21	36	33	32	27	25	25	20	10

Source: MUFG, RongViet Securities, Tariff rates in the table above are purely the reciprocal tariffs based on the most recent announcement and do not account for exemptions on certain goods such as machinery/electronics, pharmaceuticals, some wood products, minerals, and copper.

40% TARIFF - THE IMPACT DEPENDS ON THE DEFINITION OF "TRANSSHIPMENT" GOODS

Risk levels of the 40% tariff by industry



Source: Customs, RIVA, RongViet Securities

The U.S. market is considered a key export destination, as it accounts for **20–30% of total exports** in each industry.

The **origin criteria** referenced from the **USMCA agreement** to qualify for preferential tariffs range from **40% to 70%**, depending on the **type of product**, **calculation method**, and **implementation timeline**.

- Over 50% of the value of **electronic and machinery exports** to the U.S. falls under products containing semiconductors, which are currently exempt from reciprocal tariffs but could potentially be subject to tariffs under Section 232 in the future.
- **The agricultural and seafood sectors face the lowest risk** as they have the lowest proportion of value-added content from China.
- By industry, **textiles, handbags, and footwear** are sectors that heavily depend on raw materials from China. However, these industries also have **a higher presence of domestic businesses** compared to FDI companies, which may reduce the risk of being subject to the 40% tariff.
- **The machinery and equipment sector (mostly laptops and displays) is the most vulnerable** if the definition of "transshipment" becomes stricter, as it largely relies on raw materials from China and companies invested by China.

TARIFF SCENARIOS

Although preliminary results of the trade agreement have been obtained, the uncertainty surrounding the tariff policy still depends on: 1. Vietnam's tariff rates in comparison with other countries, and 2. The definition of "transshipment" goods. Four scenarios have been considered, and their impacts are outlined in the table below:

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Tariff Level Compared to Other Countries (20%)	Lower	Higher	Lower	Higher
Definition of "Transshipment" Goods	Strict	Strict	Loose	Loose
Impact on Exports	Negative	Very Negative	Not Significant	Slightly Negative
Impact on FDI	Positive for non-transshipment goods	Negative for FDI firms	Positive for export-oriented sectors to the US	Moderate for attracting new FDI
Impact on Sectors	Negative for "transshipment" sectors	Negative for "transshipment" sectors	Positive for sectors with high local content	Slightly Negative for export-focused sectors to the US
Overall Impact	Negative	Negative	Positive	Slightly negative
Risk/Opportunity	Retain FDI and diversify supply chains.	There will be pressure to increase the local content ratio and prevent transshipment activities.	Ability to attract new FDI	If the tariff differential is not significant, Vietnam can still leverage other advantages to attract FDI inflows.

IMPACT OF TARIFF POLICIES ON VIETNAM'S ECONOMIC GROWTH

	Worst-case Scenario	Moderate Scenario	Best-case Scenario
Tariff Level Compared to Other Countries (20%)	Lower than China & higher than some other countries	Lower than China & higher than some other countries	Lower than China & higher than some other countries
Definition of "Transshipment" Goods	Strict	Average	Loose
Estimated Effective Tariff (Current Impact)	22%	18%	15%
Estimated Impact on GDP (Current Impact)	2.0%	1.6%	1.4%
Estimated Effective Tariff (Potential Impact)	30%	26%	23%
Estimated Impact on GDP (Potential Impact)	2.7%	2.3%	2.1%

Source: OECD, Tax Foundation, RongViet Securities

Note:

- The estimates above are based on the assumption that the value-added content from Vietnam's exports to the U.S. accounts for 12% of GDP, with an import price elasticity of demand of -0.75, implying that a 20% tariff would reduce import volume by 15%.
- These estimates simplify the impact of U.S. tariff policies on the size of Vietnam's GDP. In reality, the impact will be more complex, as the degree of influence will depend on the lag effect of the policy, the elasticity of demand for imports will not be fixed, and it will change over time and vary by industry, as well as the final details of the trade agreement between Vietnam and the US.

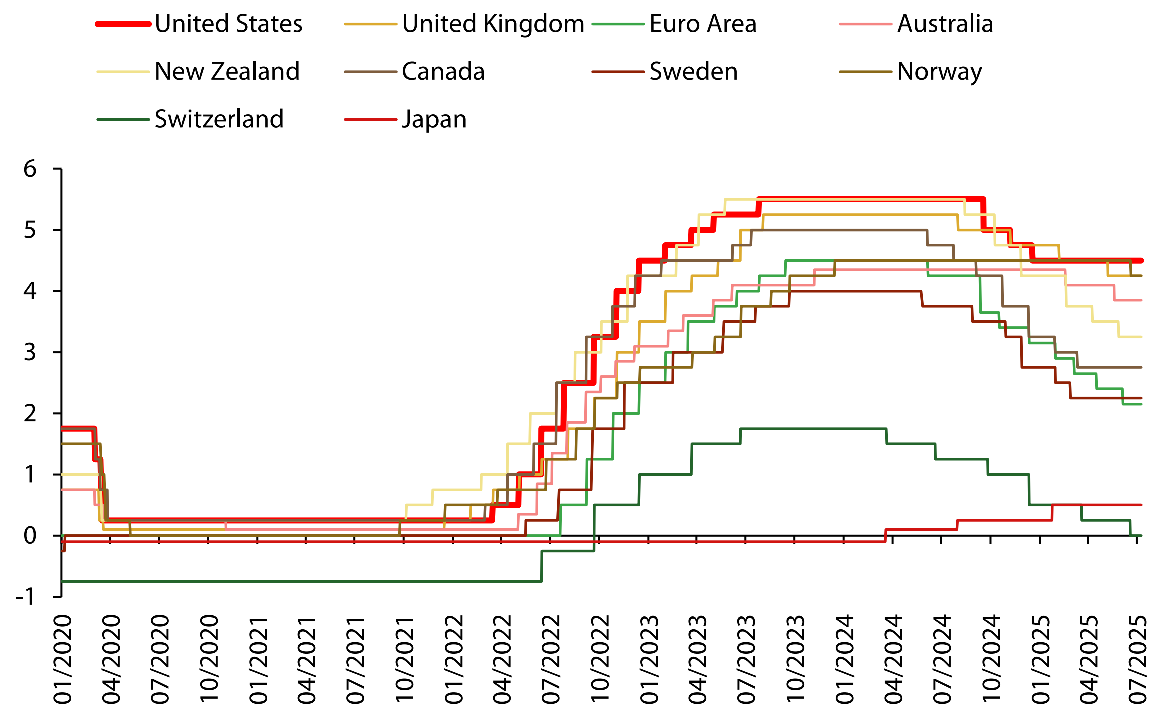
- Depending on the definition of "transshipment" goods in the final detailed agreement, **Vietnam's GDP could be affected by between 1.4% and 2.0%.**
- Over 30% of Vietnam's exports to the U.S. are in the category of products exempt from reciprocal tariffs, including goods containing semiconductors, pharmaceuticals, wood, copper, and certain minerals. **If these goods are subject to a 25% tariff after the investigation process, the potential impact on Vietnam's GDP could be larger, ranging from 2.1% to 2.7% of GDP**.

THEME 2: VIETNAM'S MONETARY POLICY AMID GLOBAL EASING CYCLE

- Central banks are currently in a monetary easing cycle, with Japan as the exception, while the Fed is among the most cautious in this interest rate cutting cycle. **The Fed's additional interest rate cuts will assist Asian central banks in further loosening monetary policy to support growth.**
- The market is expecting the Fed to continue cutting interest rates in September 2025; **a key point to monitor is that the pace of interest rate reductions over the next 12 months**, which depends on the impact of tariffs and fiscal easing policies on inflation prospects and the labor market.
- **The risk of reduced Fed independence is also a concern in this interest rate cutting cycle**, with the possibility that President Trump could appoint a political ally as Chair when Jerome Powell's term ends in May 2026. A less independent Fed would diminish the attractiveness of the US dollar and US Treasury bonds to foreign investors.
- **Capital flows into emerging markets are benefiting from the Fed's current monetary easing cycle**, based on the assumption that the US dollar becomes less attractive and US dollar-denominated assets require a higher risk premium in an environment of uncertainty regarding tariffs and the unsustainable US public debt.
- Amid the current downward trend in the USD, combined with the influence of tariff policies, we expect **the Vietnamese dong could depreciate within the controlled range set by the SBV in 2025.**
- Although the Fed may continue to reduce interest rates, we believe **the SBV will not make further adjustments to lower policy interest rates this year**, instead focusing on supporting liquidity through open market operations and utilizing other tools to regulate the degree of monetary policy easing.

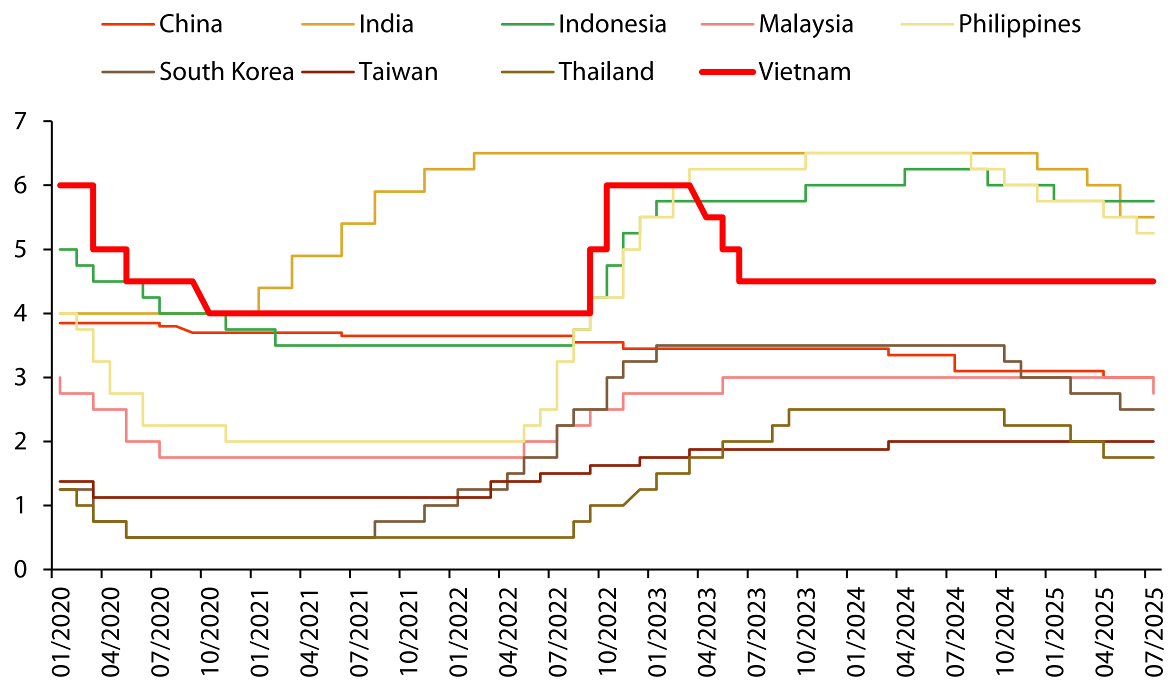
GLOBAL EASING CYCLE

The policy rate of G10 central bank



Source: Bloomberg, RongViet Securities

The policy rate of Asia central bank

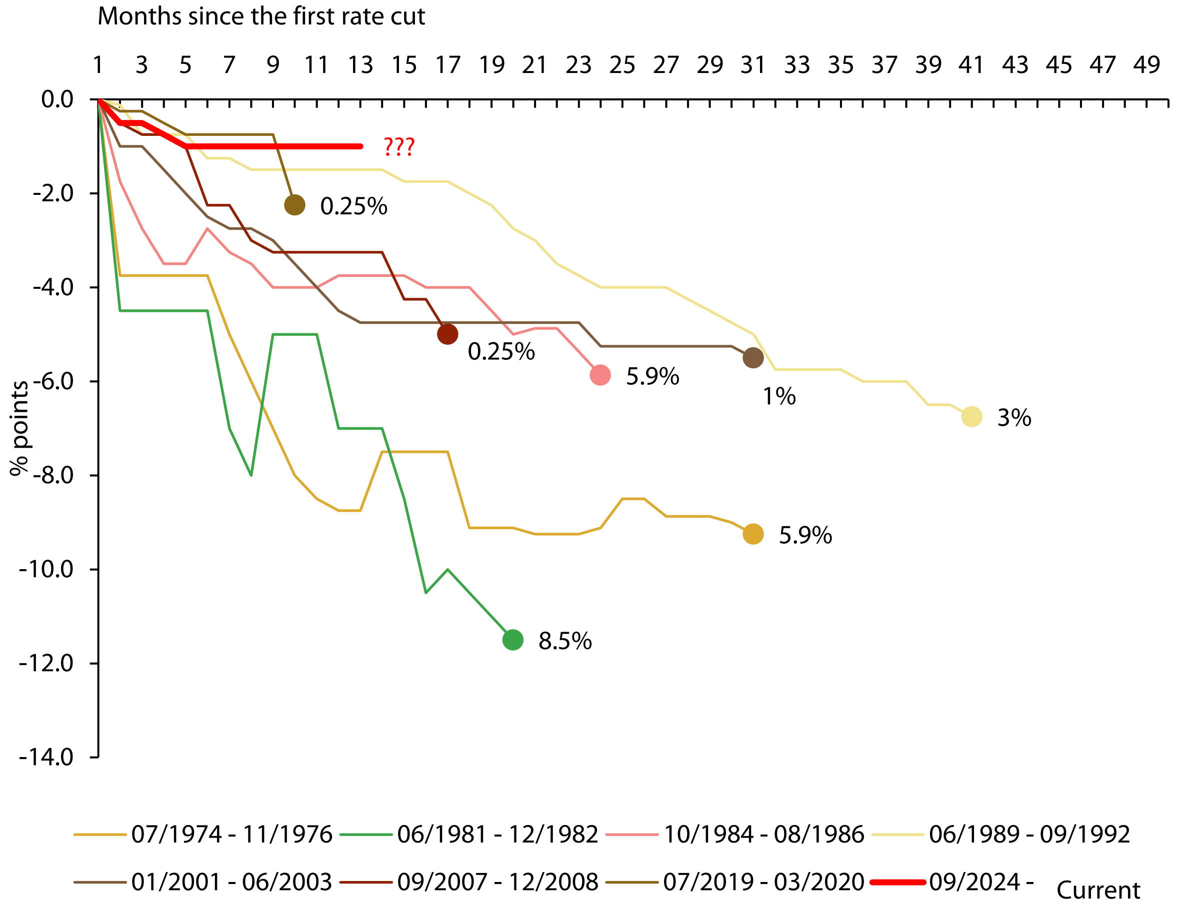


Source: Bloomberg, RongViet Securities

- Central banks are in a monetary easing cycle, except Japan, with **the Fed being the most cautious in this rate-cutting cycle**. The Fed's policy rate is currently the highest among G10 countries. Meanwhile, the ECB has nearly completed its easing cycle, with a total reduction of 2 percentage points.
- Without strong easing signals from the Fed, Asian central banks remain cautious about rate cuts. **The Fed's further rate reductions from Q4 2025 will aid Asian central banks in loosening monetary policy to support growth.**

THE FED RATE CUT EXPECTATION

Fed rate cut cycle and terminal Fed fund rate of each cycle



Source: Bloomberg, RongViet Securities

- The market expects the Fed to continue cutting interest rates in September 2025. **The key focus is the pace of reductions over the next 12 months**, which will depend on the impact of tariffs and fiscal easing on inflation and labor market outlooks.
- The Fed's end-of-cycle policy rate is projected at 3.0-3.25%, higher than in the last three easing cycles, indicating this is not a strong monetary easing cycle.
- **Fed rate-cutting cycles typically coincide with a decline in the US dollar** index over 12-18 months following the first cut (see the next slide).
- **An additional variable in this Fed rate-cutting cycle is the risk of reduced Fed independence**, with the possibility of President Trump appointing a political ally as Chair when Jerome Powell's term ends in May 2026.
- **A less independent Fed would reduce the attractiveness of the US dollar** and US Treasury bonds to foreign investors.

THE IMPACT OF THE FED RATE CUT ON ASSETS

Returns after 12-18 months since the intial Fed rate cut

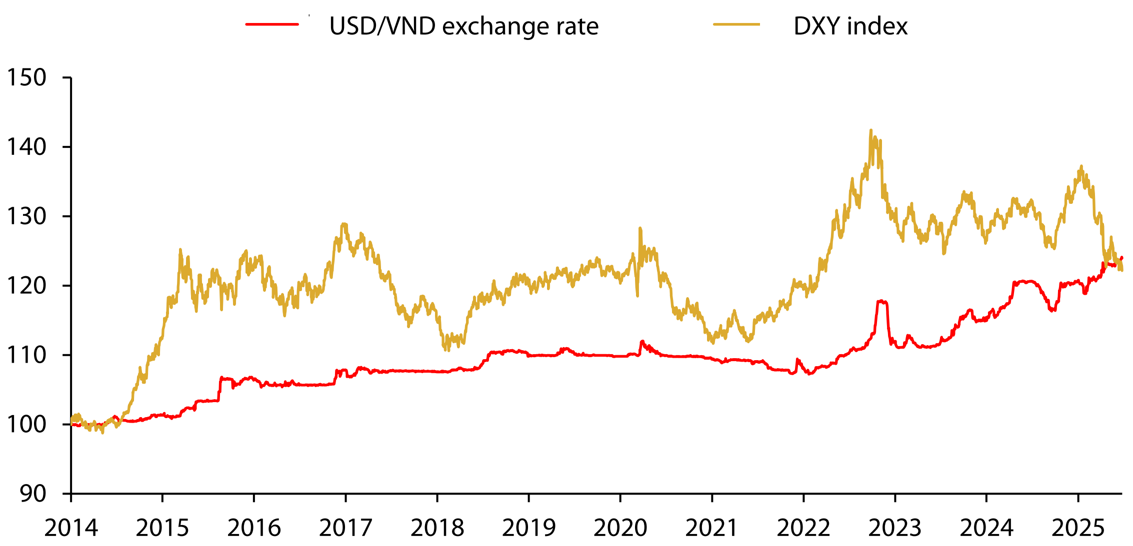
Return after 12 months	Gold	S&P 500	MSCI EM Index	VNIndex	DXY	Bitcoin	Commodities
06/1989 - 09/1992	-2%	12%	34%	na	-4%	na	7%
01/2001 - 06/2003	3%	-24%	-30%	115%	0%	na	-17%
09/2007 - 12/2008	40%	-16%	4%	-62%	-12%	940%	35%
07/2019 - 03/2020	34%	14%	-1%	-11%	0%	12%	-16%
09/2024 - Current*	36%	14%	13%	12%	-7%	45%	7%

Return after 18 months	Gold	S&P 500	MSCI EM Index	VNIndex	DXY	Bitcoin	Commodities
06/1989 - 09/1992	0%	4%	19%	na	-15%	na	24%
01/2001 - 06/2003	13%	-24%	-8%	72%	0%	na	-9%
09/2007 - 12/2008	31%	-41%	-45%	-71%	-1%	1009%	-33%
07/2019 - 03/2020	43%	37%	28%	17%	-7%	-10%	1%
09/2024 - Current*	36%	14%	13%	12%	-7%	45%	7%

*Source: Bloomberg, RongViet Securities , *10 months since the first Fed rate cut.*

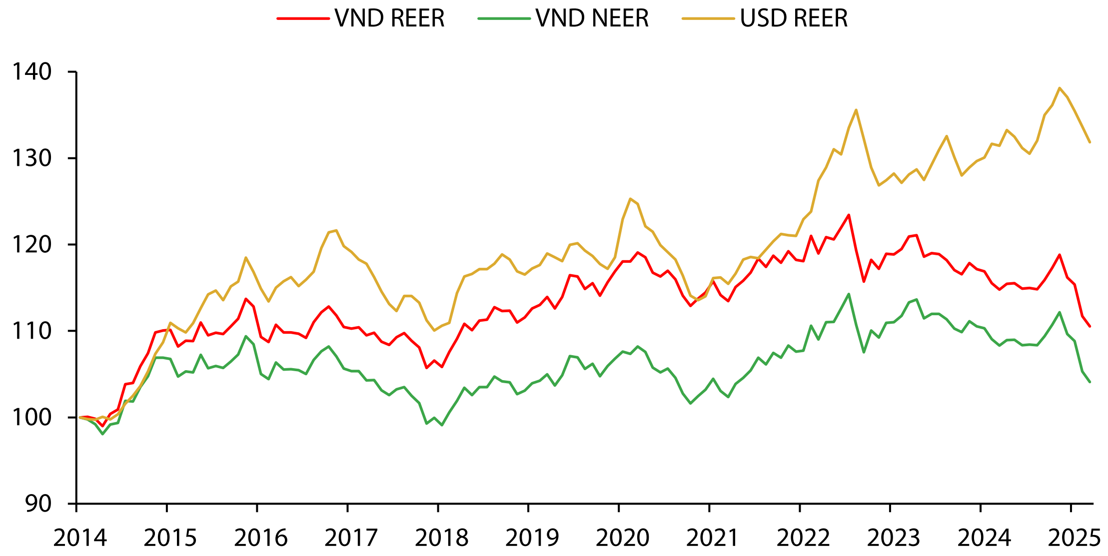
- Since the Fed's first rate cut, **the USD typically weakens while gold appreciates during Fed easing cycles**. In the current cycle, **equity markets** (e.g., S&P 500, MSCI EM Index, and VNIndex) **have recorded positive returns** after 10 months since the initial cut.
- **We believe capital flows into emerging markets will benefit from this Fed easing cycle**, assuming the USD becomes less attractive and USD-denominated assets require a higher risk premium amid uncertainties from tariffs and unsustainable U.S. public debt.
- **Vietnam's stock market upgrade prospects will help attract capital inflows from this trend**. However, the scale of inflows will depend on the market's risk/reward profile relative to other countries.

USDVND exchange rate and USD index (2014 = 100)



Source: Bloomberg, RongViet Securities

VND REER and NEER (2014 = 100)

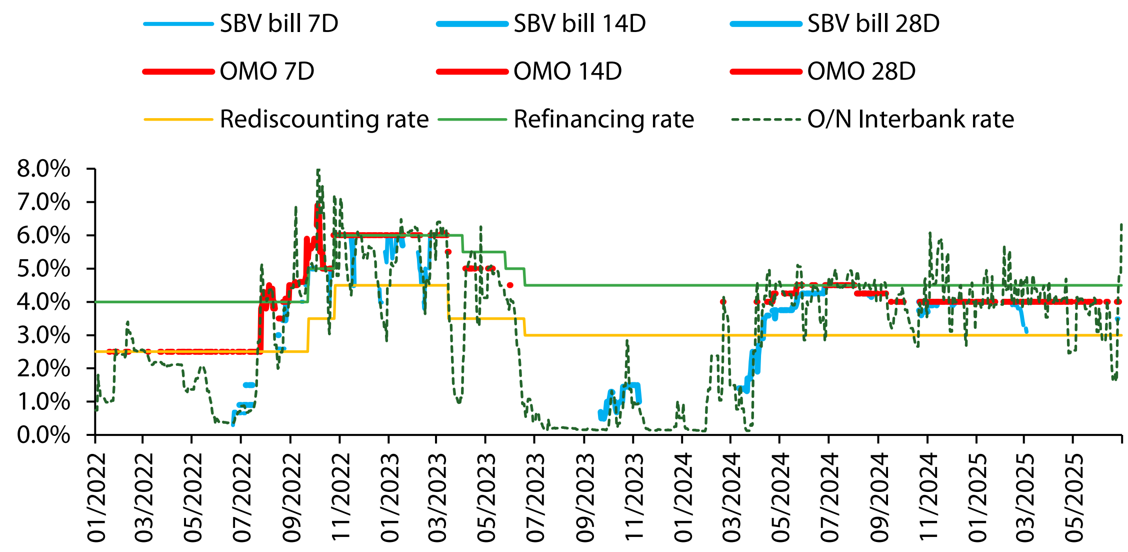


Source: Bloomberg, RongViet Securities

- DXY index's rise typically pressures Vietnamese dong (VND) to depreciate, while a DXY decline allows VND to stabilize or slightly appreciate.
- In terms of real effective exchange rate, VND has significantly depreciated compared to the USD's downward trend since mid-2022. This implies **moderate depreciation pressure on VND during the USD's decline**, unless endogenous shocks (e.g., the 2022 SCB event) or exogenous shocks (e.g., higher tariffs on Vietnam than other countries or negative clarifications on “transshipment” leading to capital flow shifts) occur.
- Amid the current USD downtrend and tariff policy impacts, we expect **VND to depreciate within the controlled range set by the SBV in 2025.**

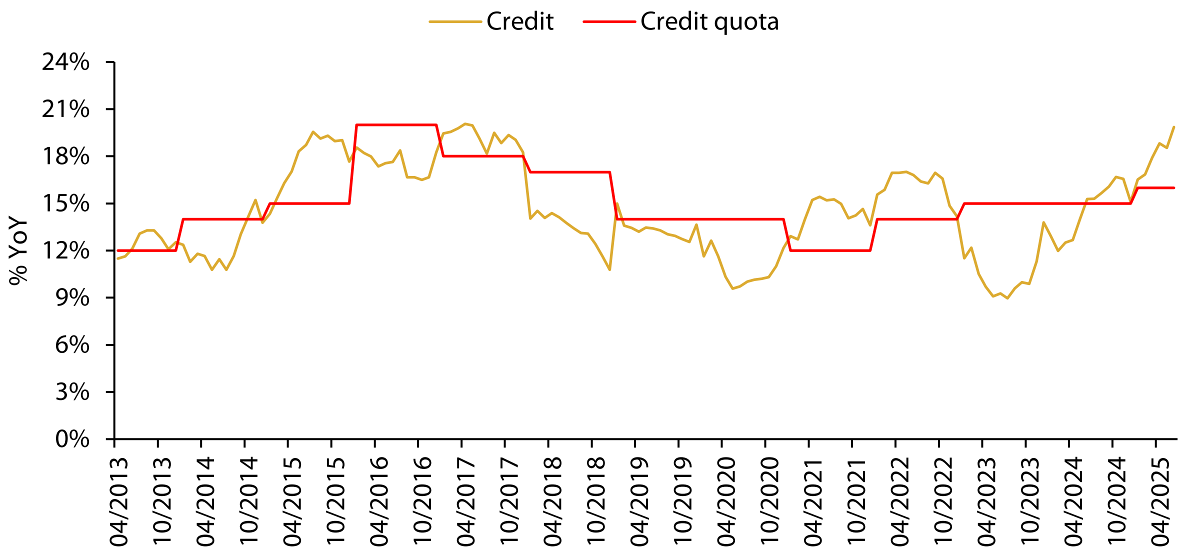
THE IMPACT OF THE FED RATE CUT ON THE VIETNAM'S MONETARY POLICY

The SBV's policy rates



Source: SBV, RongViet Securities

The banking system's credit growth



Source: SBV, RongViet Securities

- Currently, the policy interest rate is anchored 50 basis points above the record low during the Covid-19 period. Although the Fed may continue to cut interest rates, we believe **the SBV will not further reduce policy rates this year**, instead focusing on supporting liquidity through open market operations, as these and interbank rates have better transmission to macroeconomic variables than the policy rate.
- Besides interest rate tools, the SBV is also studying **the removal of credit growth caps from 2026**, alongside **revising capital adequacy ratios and credit institution rating regulations** to balance credit expansion with system safety (See more on monetary policy outlook in The 2H25-1H26 economic outlook, Slide 38).

THEME 3: DOMESTIC REFORM AS A DRIVER OF MEDIUM- TO LONG-TERM GROWTH

- The external pressure and the ambition to become a high-income country by 2045 have been driving **a critical wave of reform within the nation**. A key aspect of this reform process is its urgency and enthusiasm, backed by strong political determination from the highest levels.
- In short, **the current reform efforts aim to enhance overall social productivity**, as traditional growth drivers have gradually waned.
- **The three priorities among the four reform pillars** include: 1. Increasing the contribution of productivity factors to growth; 2. Addressing legal bottlenecks; 3. Empowering the private sector to lead growth.
- **In the short term, the economy will continue to grow based on capital, particularly public investment. According** to World Bank estimates, public investment needs to account for approximately 7.3% of GDP annually for Vietnam to achieve high-income status by 2045.
- While institutional reforms require time to take effect, **specific mechanisms introduced during this innovation process can serve as additional catalysts, enabling rapid implementation and early impact.**
- **Institutional reforms need time to yield growth results**. A 2023 study estimates that a 1-point increase in the PCI index (a measure of institutional quality) can boost TFP by an additional 1.95 percentage points.
- **Reforms bring numerous opportunities**, with the initial focus areas of the current reform efforts likely centering on sectors such as banking, technology, real estate, construction materials, and more.

KEY REFORM MILESTONES

08/2024 — 11/2024 — 12/2024 — 01/2025 — 02/2025 — 03/2025

04/2025 — 05/2025 — 06/2025 — 07/2025

08/2024
03/08: General Secretary To Lam takes office

11/2024
05/11: Launch of streamlining administrative reform

12/2024
20/12: Decision 137 - promoting economic growth in 2025
22/12: **Resolution 57 - breakthrough in science and technology development**
31/12: Decree 179 - Policy to attract talents to work in government agencies

01/2025
08/01: Resolution 01 - socio-economic development plan for 2025
09/01: Resolution 03 - action plan for implementing resolution 57
24/01: Resolution 59 - international integration

02/2025
05/02: Resolution 25 - assigning growth targets for industries, sectors, and localities
08/02: Resolution 28 - special mechanisms for HN and HCMC metro systems
19/02: Resolution 193 - Special mechanisms for science and technology development
28/02: Research on merging provinces and cities
Resoution 187 on the investment of Lao Cai – Ha Noi – Hai Phong railway project
28/02: Research on merging provinces and cities

04/2025
12/04: **Resolution 60 - Merging provinces and local government structure with two levels**
13/04: Decree 88 - Detailed regulations for resolution 193 on breakthroughs in science and technology development
23/04: Resolution 106 - High-speed north-south railway investment plan
25/04: Decree 92 - Expert regime
29/04: Decree 94 - Banking sandbox
30/04: **Resolution 66 - Reforming lawmaking and law enforcement**

05/2025
04/05: **Resolution 68 - Development of the private economic sector**
17/05: Resolution 197 - Special mechanisms in lawmaking and law enforcement
Resolution 198 - Special mechanisms and policies for private economic sector development
29/05: Resolution 201 - Special mechanisms for the development of social housing

06/2025
16/06: Resolution 203 amending and supplementing certain provisions of the Constitution.
27/06: Resolutions 219, 220, 221 on investment policies for the Quy Nhon - Pleiku Expressway Project, Ho Chi Minh City Ring Road 4, and Bien Hoa - Vung Tau Expressway Phase 1.
Resolution 222 on the international financial center.
Resolution 226 piloting specific mechanisms and policies for the development of Hai Phong City.

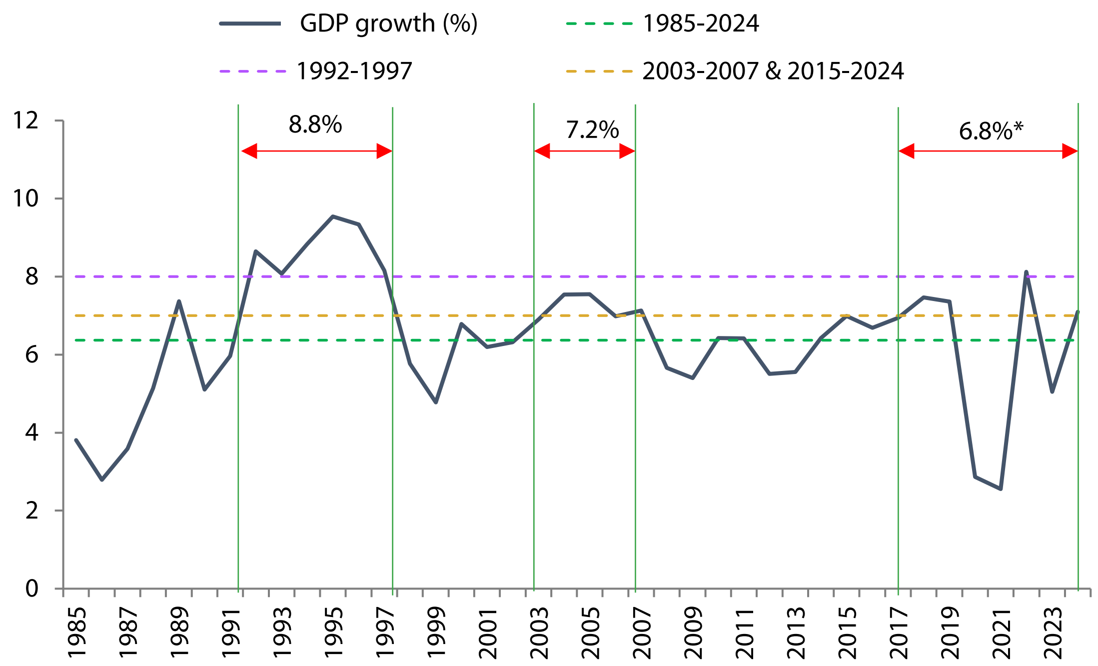
07/2025
01/07: **Official launch the 2-level local government**

Source: RongViet Securities Research

Purple: State Reform
Green: Main Pillars of Reform
Red: Special Mechanism
Blue: Financial Initiatives
Brown: Key investment projects

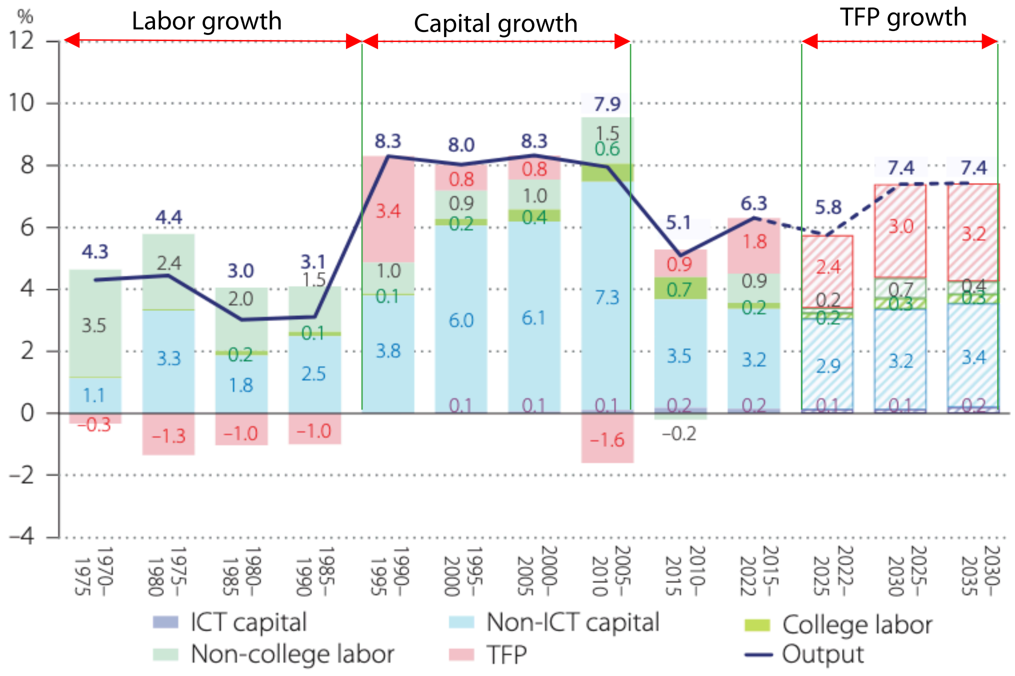
THE 2.0 REFORM: RASING PRODUCTIVITY IS A KEY

Vietnam's GDP growth



*Source: Worldbank, RongViet Securities , * excluding the Covid-19 shock*

The breakdown of output growth



Source: APO, RongViet Securities

- **Since 1985, Vietnam has experienced three periods of high growth with gradually declining average growth rates.** An average growth of about 8.8% from 1992–1997 resulted from reforms starting in 1986. This was followed by 7.2% from 2003–2007, during market liberalization and WTO accession. Recently, growth averaged 6.8% from 2015–2024, excluding the Covid shock period.
- Growth decomposition shows that after a phase driven by labor and capital, Vietnam must enter a growth period with greater contributions from Total Factor Productivity (TFP). In growth components, **TFP reflects GDP growth not explained by increases in capital or labor, such as technology, management, institutions, labor skills, and innovation.**

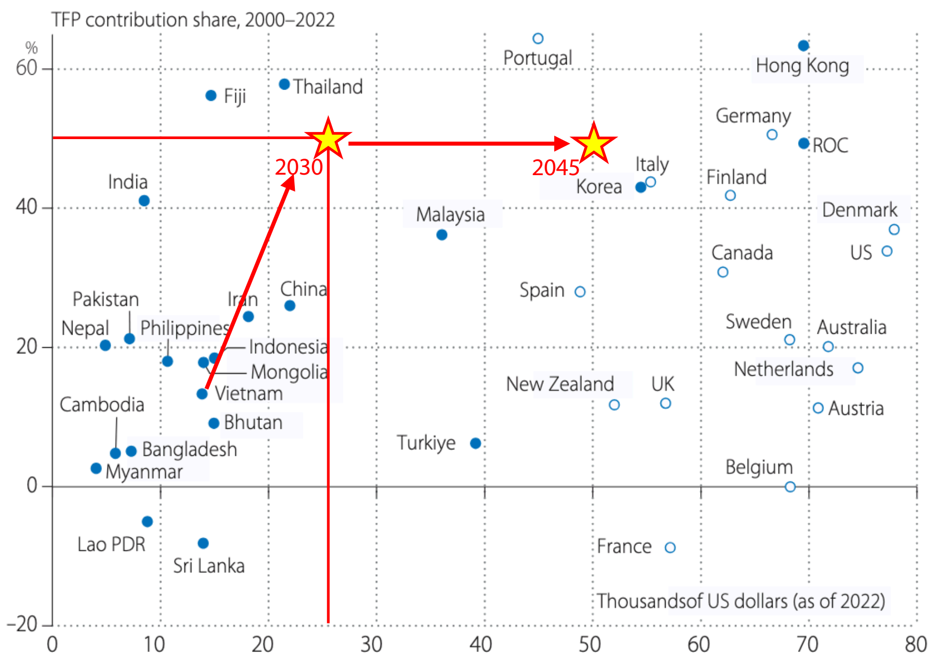
THREE KEY PRIORITIES OF THE 2.0 REFORM

Resolution 57	Resolution 59	Resolution 66	Resolution 68
Breakthroughs in science, technology, innovation	Policy on international integration in the new context	Institutional reform to build a modern, substantive legal system	The private economy as the most crucial driver of the economy

The four Resolutions encompass various contents and objectives (see Appendix: 4 Pillars of Reform – Slide 34). Among them, we believe three key priorities require significant breakthroughs:

- **Enhancing the contribution of productivity factors to growth.**
- **Resolving legal bottlenecks in 2025.**
- **The private economic sector is leading growth.**

TFP contribution share & GDP per capita



Source: APO, RongViet Securities

Capital

- Development investment expenditure/total state budget expenditure: **~31%.**
- Recurrent expenditure/total state budget expenditure: **<60%.**
- Increase budget deficit to **4.0-4.5% of GDP.**
- Allow debt to reach/exceed **5% of GDP.**
- 2025 Public Investment Plan: VND**967 trillion (~USD37 bn, 8.4% of GDP).**

Special Mechanism

Develop science, technology, and innovation (Resolution 57/2024).
Develop the private economic sector (Resolution 68/2025).
Specific mechanisms for developing social housing, the private economy, and science and technology.
Specific mechanisms for the development of Hai Phong City.

Institutional Reform

Streamline the administrative apparatus.
Policy to attract talent to the public sector (Decree 179/2024).
Merge provinces and cities (from 63 to 34), **establish a two-tier local government structure.**
Institutional breakthrough as the "breakthrough of breakthroughs" (Resolution 66/2025).

- **In the short term, the economy continues to grow, driven by capital, particularly public investment.** According to World Bank estimates, public investment needs to reach about 7.3% of GDP annually for Vietnam to become a high-income country by 2045.
- **While institutional changes take time, specific mechanisms introduced during the reform process can be seen as complementary reforms**, implementable quickly with early impacts.
- **Institutional reform demonstrates a strong commitment from the highest levels but requires time to yield growth results.** A 2023 study estimates that a 1-point increase in the PCI (a proxy of institutional quality) boosts TFP by 1.95 percentage points.

OPPORTUNITIES FROM THE 2.0 REFORM

- Reform brings many opportunities. The impacts listed in the table below aim to provide a brief overview of the various aspects that current reforms may touch upon:

	Policy	Impact
Capital-driven growth	Expanding credit growth	Banks provide financing for infrastructure and real estate loans
	Public investment acceleration	Construction materials sector; Investors in PPP projects
Special mechanism	Private sector	Private enterprises participate in PPP projects; SMEs and household businesses
	Innovation, Science & Technology	Technology, Digital transformation enterprises
	Social housing	Construction materials sector; Real estate companies with social housing projects
Institutional reform	Streamlining the administrative apparatus	Infrastructure planning; Private investment; Real estate; Regional economic connectivity
	Merging provinces and cities	
	Removing legal bottlenecks	Increased business, investment, and consumer confidence; Reduced transaction costs

- In the second half of 2025 and the first half of 2026, we expect **the impetus from reforms to offset the decline in export growth by boosting domestic public and private investment and consumption.**
- On the fiscal front, the government will strive to maximize fiscal room to support growth, saving expenditure through streamlining operations and expanding the tax base to meet investment demands.
- Alongside relaxing borrowing and budget deficit targets to meet the need for rapid infrastructure project implementation, the government will need to **attract additional resources from the private sector.** We expect that resolving capital and legal bottlenecks will spur private investment demand in infrastructure, reflected in the increased scale and number of public-private partnership (PPP) projects.
- In the monetary market, the SBV will continue its **controlled easing policy**, with potentially more emphasis on easing than control compared to previous years. This will be achieved through liquidity provision in the open market, refinancing loans for banks involved in restructuring zero-dong banks, and possibly removing the credit quota in the near future.
- Additionally, the policy of reducing interest rates is no longer suitable in the context of rising credit demand in both the public and private sectors. Instead, the SBV will **encourage banks to provide targeted credit packages** with preferential interest rates to channel credit toward policy priorities.
- The credit-to-GDP ratio as of the end of June 2025 was approximately 142%, higher than that of the lower-middle-income group (134%) and comparable to the upper-middle-income group (143%). Moving forward, **the SBV may need to control the quality of credit growth to avoid repeating the lessons of the 2007-2010 period.**

RESILIENT GROWTH AMID CHALLENGING ENVIRONMENT

GROWTH

RESILIENT GROWTH AMID CHALLENGING ENVIRONMENT

- Public investment to offset the decline of exports
- Mild FDI investment
- Domestic reform to push private investment and consumption

MONETARY POLICY

MANAGABLE EASING

- Keep the policy rate unchanged
- Flexible liquidity support in the OMO market
- Expanding credit growth
- Acceptable VND depreciation

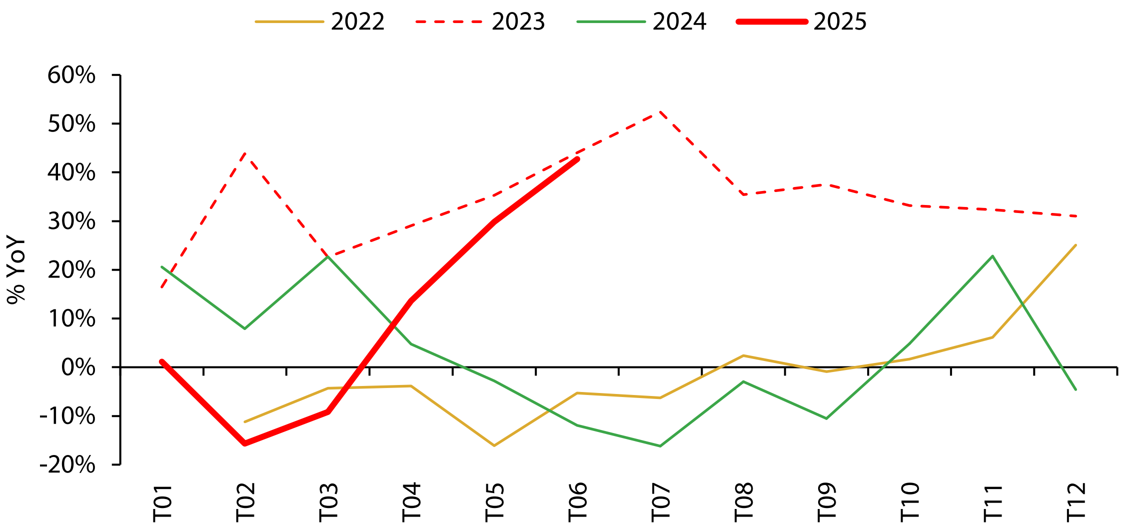
FISCAL POLICY

MAXIMIZE ROOM TO SUPPORT GROWTH

- Streamlining the administrative apparatus and merging provinces and cities help address the fragmentation of investment resources, promoting substantial public investment growth
- Increase the tax revenue base alongside targeted tax exemption/reduction measures, supporting healthcare and education costs

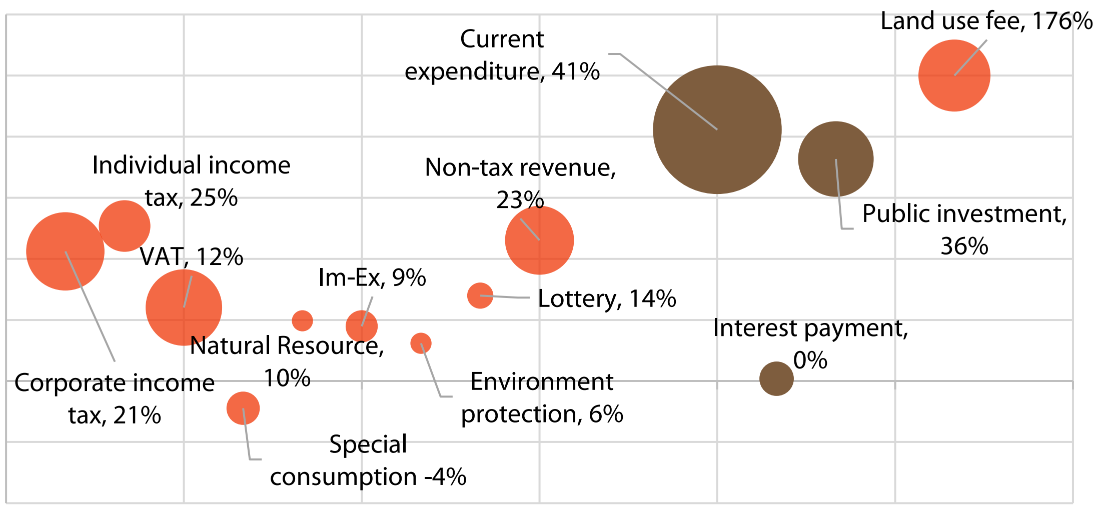
FISCAL POLICY FOR GROWTH

Public investment growth



Source: MoF, RongViet Securities

State budget revenue/expenditure in 1H25

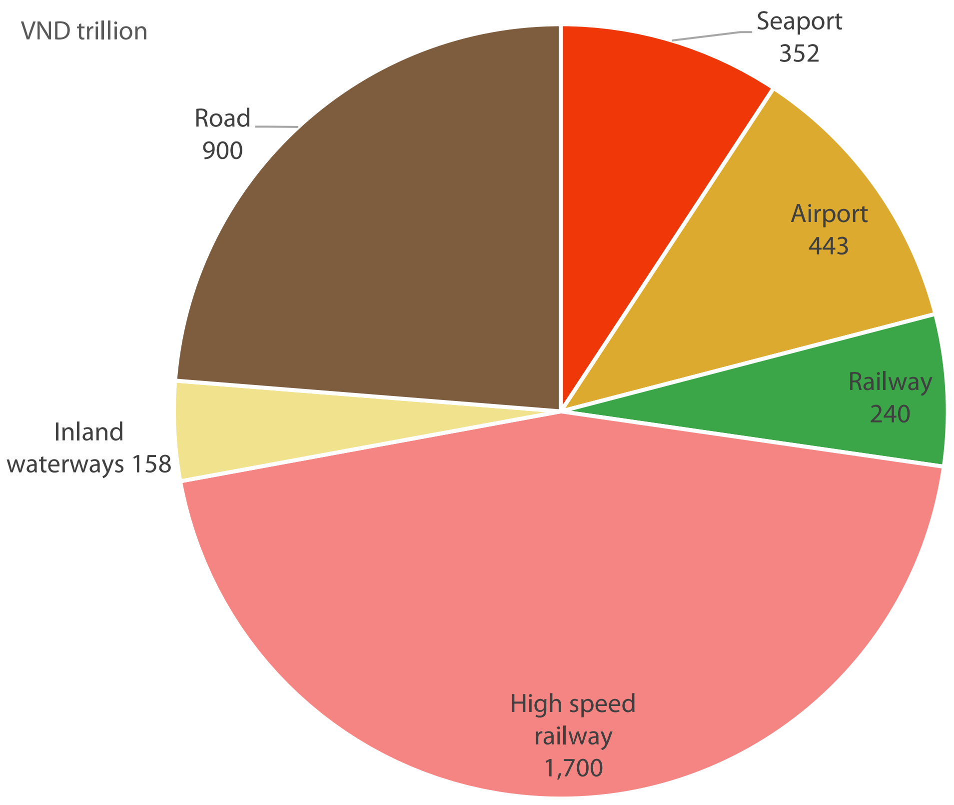


Source: MoF, RongViet Securities , red: revenue, brown: expenditure, bubble size: revenue/expenditure value

- **Public investment capital for 2025 has been adjusted upward by 22.4% from the initial plan**, reaching VND967 trillion (US$37bn, ~8.4%GDP). **Public investment disbursement accelerated from Q2 2025**, estimated at 281 trillion VND (US$11bn, ~29.1% of the total plan and up 42.7% YoY).
- Although **state budget revenue in 1H25 increased** by 31% YoY, driven significantly by land use fee collections, **recurrent expenditure also rose sharply** (+41%), far exceeding the 15% and 6% in 2024 and 2023. According to MoHA, net savings from administrative streamlining are approximately VND62 trillion (US$2.4 bn) over 2025–30. However, **the budget is currently covering initial allowances for administrative downsizing.**
- Public debt as of the end of 2024 stood at 34.7% of GDP, well below the 60% ceiling, providing significant fiscal headroom. However, **with short-term needs for infrastructure investment and administrative streamlining**, **the Government must attract additional resources from the private sector to expedite infrastructure projects.**

THE NEED OF PUBLIC-PRIVATE PARTNERSHIP TO BUILD INFRASTRUCTURE

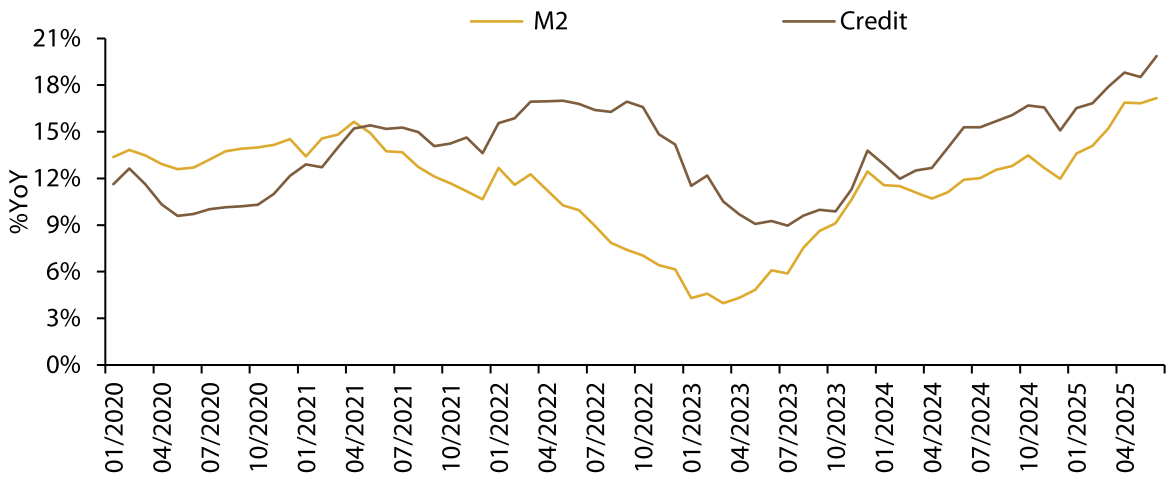
Vietnam's infrastructure demand by 2030



Source: Transportation Ministry, RongViet Securities

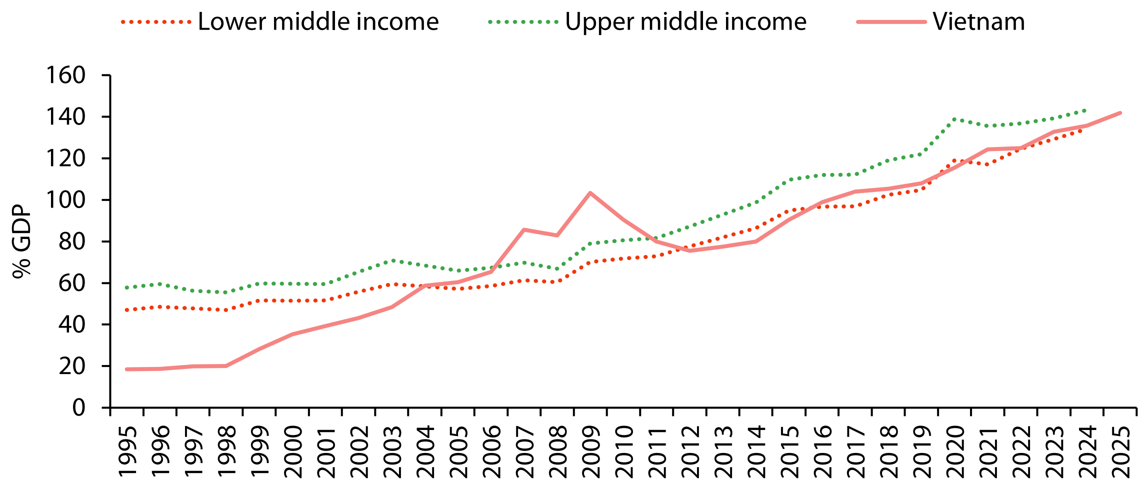
- According to the infrastructure investment plan through 2030, the estimated demand is approximately VND4-5 trillion (US$144-202 bn, equivalent to 32-45% of 2024 GDP).
- Given limited budget resources and constrained governance capacity, **enabling private sector participation in large-scale infrastructure projects is an inevitable direction.**
- Since early 2025, we have observed **positive signals in resolving legal barriers for public-private partnership (PPP) projects** (see Appendix: Addressing Legal Bottlenecks for PPP Projects – Slide 35). Simultaneously, **major private enterprises have responded with numerous investment proposals for infrastructure projects** (see Appendix: Expressway, Aviation, and Seaport Infrastructure – Slide 36).
- Additionally, most PPP infrastructure projects involve large total investments and long payback periods, heavily reliant on credit loans. **Resolving capital constraints alongside legal bottlenecks will boost private investment demand in the infrastructure sector.**

Credit and M2 growth



Source: SBV, RongViet Securities

Vietnam's credit/GDP ratio vs. middle income countries



Source: SBV, Worldbank, RongViet Securities

- Credit in 1H25 grew by 19.4% YoY, while money supply increased by approximately 17%, the highest since 2017. By sector, growth in priority sectors was strong in supporting industries and high technology, though these sectors account for a small share. Meanwhile, **credit growth was largely driven by transportation, real estate, and other sectors.**
- **The government is striving to channel credit through preferential credit packages** (~VND745 trillion – US$28.3 bn). Of these, except for the continuously expanded credit package for agriculture, forestry, and fisheries, only 2.7% of the social housing credit package has been disbursed, while credit packages for infrastructure and digital transformation were recently launched. (See Appendix: Credit by Sector and Ongoing Preferential Credit Packages – Slide 38).
- The credit-to-GDP ratio as of the end of June 2025 reached approximately 142%, higher than that of low-middle-income countries (134%) and comparable to high-middle-income countries (143%). **The SBV may need to control credit quality to avoid repeating the 2007-10 lessons.**

OUR FORECASTS FOR 2H25 & 1H26

	2025 Target	1H2025	2H2025 and 1H2026 Outlook		
			Negative	Base Case	Positive Case
GDP growth	8.0%	7.5%	5.5-6.0%	~6.5%	~7.0%
Industrial production index	9.5%	9.2%	5.0-6.0%	6.0-7.0%	7.0-8.0%
Retail sales	12.0%	9.3%	8.0-9.0%	9.0-10.0%	12.0%
Trade growth	12.0%	16.9%	1.4%	5.5%	5.5%
- Export		15.3%	0.0%	4.2%	4.2%
- Import		18.6%	3.2%	7.0%	7.0%
Public investment	43.4%	19.8%	~95% plan assigned by PM VND788 trn (US$30.0 bn) (+16.9%)	~100% plan assigned by PM VND829 trn (US$31.5 bn) (+23.0%)	~95% total plan VND918 trn (US$35 bn) (+36.3%)
Private investment	12.4%	7.5%	7.0%	8.0%	10.0%
FDI investment	10.5%	8.1%	3.0-5.0%	7.0%	7.0%
Inflation	5.0%	3.3%	3.5-4.0%	3.5%-4.0%	4.0-4.5%
Credit growth	16.0%	19.3%	16.0%	18.0%	20.0%
Exchange rate	na	26,300	26,700	26,500	26,200
Refinancing rate	na	4.5%	4.5%	4.5%	4.5%
Tariff assumption (not including tariff on the list of goods exempted from reciprocal tariff)					
- Reciprocal tariff, applied from 01/08			20%	20%	20%
- Transshipment concept			Strict	Loose/Not yet applied	Loose/Not yet applied

Source: SBV, GSO, MoF, RongViet Securities

APPENDIX: TARIFF NEGOTIATION INFORMATION OF COUNTRIES

Country	Reciprocal tariff	Negotiation status
China	30	Trade truce after the agreement on June 11, agreeing to remove export barriers.
EU	10	Agreed on a base tariff rate of 10%, expecting an agreement before July 9.
Vietnam	20	Reciprocal tariff at 20%, tariffs on "transshipment" goods at 40%. Vietnam imposes 0% tariff on imports from the U.S.
Taiwan	32	Considering reducing tariffs on U.S. imports, increasing energy and defense product imports.
Japan	25	Considering reducing non-tariff barriers, increasing U.S. imports, investing more in the U.S., and cooperating on export control issues. No concession on tariffs for automobiles.
South Korean	25	Considering cooperation in shipbuilding, port infrastructure, increasing U.S. investment, and buying more U.S. goods.
India	26	Considering reducing both tariff and non-tariff barriers, and purchasing more U.S. goods.
Thailand	36	Considering buying more U.S. energy and agricultural products, reducing non-tariff barriers, investing in the U.S., and controlling "transshipment" issues.
Malaysia	25	Considering reducing non-tariff barriers and purchasing more goods from the U.S.
Indonesia	32	Considering buying more U.S. soybeans and energy products, cooperating on critical minerals, and lowering non-tariff barriers.
Philippines	20	Continuing negotiations with the U.S. in good faith to pursue a bilateral, comprehensive, economic agreement, or if possible an FTA.
Singapore	10	Discuss tariff concessions for the country's pharmaceutical exports.

APPENDIX: 4 PILLARS OF REFORM - THE FOUNDATION FOR GROWTH

4 pillars of reform	Goals for 2030		
Resolution 57 Breakthroughs in science, technology and innovation	- Digital economy: **30%** of GDP (18.3% in 2024) - Total factor productivity (TFP) to contribute over **55%** to growth (44.8% in 2024) - High-tech exports to make up **50%** of total goods export value (43.0% in 2022) - R&D funding to reach **2%** of GDP, with over **60%** from the private sector (0.4% in 2023)	- HR: **12** researchers/10,000 people, with **40-50** regional-standard scientific organizations - More than **40%** of businesses engage in innovation - **80%** of transactions are conducted without cash - Online public services: 80% usage rate (48.8% in 2024) - **Modern digital infrastructure:** nationwide 5G coverage, mastery of AI, IOT, 5G/6G technologies, blockchain, etc.	- Among the **top 3** ASEAN countries and in the **top 50** worldwide for digital competitiveness - **Top 3** ASEAN countries in AI - At least **5** digital technology companies on par with advanced countries
Resolution 59 International integration in the new situation	**Economy**: - Expand and **diversify markets**, increase value-added and technological content - **Enhance productivity**, quality, efficiency, and competitiveness, **improve quality of FDI attraction** - Strengthen **national and corporate governance**, protect the environment, and focus on hr training - Build and develop **regional and international financial centers in VN**	**Science, technology & innovation:** - Focus on adopting technology and gradually **mastering key technologies** - Top **40** in global innovation index (44/138, 2025); top **30** in tourism competitiveness (59/119, 2024) - **Top universities** in Asia – to be determined, top **100** global universities	**Politics, security, and defense:** - Maintain a peaceful environment and a favorable foreign relations landscape **Enhance political capacity and willpower:** - Improve national legal harmonization and the capacity to implement laws, along with international commitments and agreements - Enhance the quality of hr and the international integration capacity of officials at all levels
Resolution 66 Institutional reform to build a modern, substantive legal system	- A legal system that is democratic, fair, coherent, unified, transparent, and feasible, with a strict and consistent implementation mechanism - Ensure a legal basis for the smooth, continuous operation of agencies after restructuring the organizational apparatus - Address practical issues and remove obstacles, paving the way for development-driven innovation	- By **2025**, effectively **remove "bottlenecks"** caused by legal regulations. - By **2027**, complete the revision, supplementation, and enactment of new legal documents to ensure **a coherent legal foundation** for the operation of the government apparatus based on **the three-tiered governance model.**	- By **2028**, complete the development of **a legal system for investment and business,** contributing to placing Vietnam's investment environment among the top 3 in ASEAN.
Resolution 68 Private economic development is the most important driving force	- The private sector is the most **important driver** of the national economy, playing a pioneering role in the development of science and technology, innovation, and digital transformation. - Strive to have **2** million active businesses in the economy, with **20** businesses per 1,000 people. - Ensure at least **20** large enterprises participate in the global value chain.	- Average growth rate: **10-12%**/year (5.5%/year, 2019-2023); Contribution to GDP: **55-58%** (52.1% in 2023); Contribution to Total State Budget Revenue: **35-40%** (30% in 2023); Employment: Provides jobs for **84-85%** of the total workforce (82% in 2023). - Average labor productivity growth: **8.5-9.5%**/year (6.1% from 2011-2020).	- Technology, innovation, and digital transformation competence: ranked in the **top 3** in ASEAN and **top 5** in Asia.

Source: RongViet Securities Securities, red color: In parentheses () is the current status of the goals

APPENDIX: LEGAL BOTTLENECK REMOVAL FOR PPP PROJECTS

Regulation	Policy update	Date of issue
Decree 71/2025 guiding PPP investment	Streamlined review period for pre-feasibility study reports on PPP projects.	28/03/2025
	Clarified process for designating competent authorities for PPP projects spanning two or more provinces.	
	Addressed obstacles for investors regarding mobilization and arrangement of funds, including use of public investment capital in PPP projects.	
Amendment to 8 financial laws (including the Bidding Law and PPP Law)	Raised the maximum private capital participation ratio in PPP projects to 70%, from the previous threshold of up to 50% of total project value.	25/06/2025
	Delegation of PPP project approval authority from the Prime Minister down to Ministers and Provincial Chairpersons.	
	Authorized agencies to decide whether to establish appraisal councils, with simplified procedures for small and medium-sized projects.	
	Broadened application of investor appointment mechanisms and experience requirements, allowing greater flexibility in investor selection.	
	Allows the application of suitable investment methods such as direct contracting, restricted bidding, and negotiated contracts in PPP projects.	
Decree 180/2025 on PPP policy for science, technology and innovation (STI)	Expanded PPP models to cover a variety of cooperation forms, including: BT, BOT, BTO, joint ventures using public assets, data, intellectual property.	01/07/2025
	Permitted forms of partnership such as technology transfer, human resource training, and infrastructure development.	
	Enhanced incentives for STI PPPs: 1. Expedited appraisal timeline; 2. Special direct appointment; 3. Support up to 70% of construction capital and up to 3 years of revenue sharing.	

APPENDIX: EXPRESSWAYS, AVIATION, AND SEAPORT INFRASTRUCTURE

Project	Estimated Cost (VND bn)	Length (km)	Completion	Type of investment
North-South Expressway – Phase 2	146,985	729 km	2025	Public
Bac Kan – Cao Bang	29,900	90 km	2030	
Ninh Binh – Hai Phong	6,865	109 km	2029	
Dong Dang – Tra Linh	23,000	115 km	2026	PPP
Vinh – Thanh Thuy	19,591	85 km	na	
Cam Lo – Lao Bao	13,939	70 km	na	PPP
Quy Nhon – Pleiku	43,734	180 km	2029	Investment policy approval in 06/2025
Phu Yen – Dak Lak	29,655	122 km	2029	PPP
Nha Trang – Lien Khuong	25,058	81 km	na	PPP
Khanh Hoa – Buon Ma Thuot	22,234	130 km	Phase 1: 08/2025	
Dau Giay – Lien Khuong	43,899	220 km	2027	
Bien Hoa – Vung Tau	21,551	54 km	2026	Investment policy approval in 06/2025
HCMC – Long Thanh – Dau Giay	15,337	30 km	2026	
HCMC – Chon Thanh	17,400	59 km	2027	PPP
Chau Doc – Soc Trang – Can Tho	44,814	191 km	2027	
Dinh Ba Border Gate – Cao Lanh	21,856	68 km	2030	
Cao Lanh – An Huu	3,640	30 km	Phase 1: 2025	
Ca Mau – Dat Mui	58,900	90 km	2028	Urgent project
Hanoi Ring Road 3 (City Project 2)	5,413	15 km	2028	
Hanoi Ring Road 4	85,813	102 km	2027	
HCMC Ring Road 3	75,378	92 km	2026	
HCMC Ring Road 4	120,413	159 km	2028	Investment policy approval in 06/2025
Ho Chi Minh Road	9,983	1,762 km	2025	

APPENDIX: EXPRESSWAYS, AVIATION, AND SEAPORT INFRASTRUCTURE

	Estimated Cost (VND bn)	Length/Scale	Completion	Investor/Proponent
II. RAILWAYS				
Hanoi Urban Railway	70,414	25 km	2027-2031	
HCMC Urban Railway	47,890	11 km	2031	
North-South High-Speed Rail	1,713,548	1.541 km	2035	VinGroup (via Vinspeed), THACO proposed to join
Lao Cai – Hanoi – Hai Phong Railway	203,231	419 km	2030	Vietnam Railways Corporation
III. AVIATION				
Long Thanh International Airport	114,450[1]	25 million pax/year	Dec 2025 (Phase 1)[2]	ACV
Noi Bai Terminal T2	4,996	5 million pax/year	Dec-25	ACV
Tan Son Nhat Terminal T3	10,990	20 million pax/year	Apr-25	ACV
Phu Quoc Airport Expansion	21,998	20 million pax/year	Phase 1: 2025–2027 Phase 2: 2027–2030	Sun Group
Gia Binh Airport	17,682	5 million pax/year	Phase 1: 2025–2030	Masterise Group
IV. SEAPORTS				
Lach Huyen Port Terminals 7, 8	12,793	1.9 million TEUs/year	2027–2028	Saigon Newport – CMA CGM
Lach Huyen Port Terminals 9, 10, 11, 12	24,846	146.2 ha	Phase 1: 2026–2030 (T9,10) Phase 2: 2031–2035 (T11,12)	Investment policy approval in 07/2025
Can Gio International Transshipment Port	385,000[3]	571 ha	Phase 1: 2030	JV: Saigon Port JSC – TIL

Source: MoF, RongViet Securities Securities, [1] Estimated cost for Phase 1; total estimated project cost is VND 336,630 billion. [2] Excludes Customs office buildings under Sub-Project 2 and other facilities under Sub-Project 4.
[3] Estimated cost for Phase 1; total estimated project cost is VND 113,531 billion.

APPENDIX: SECTORAL CREDIT AND ONGOING PREFERENTIAL CREDIT PACKAGES

Credit growth in early 2025 and selected ongoing preferential credit packages

	Share (%)	Growth (%)	Compared to	System growth (%)	Period
SMEs	17.5%	5.7%	<	6.5%	May-25
Supporting Industries	**3.2%**	**15.7%**	>	**6.5%**	**May-25**
Export	2.1%	2.9%	<	6.5%	May-25
High-Tech	**0.4%**	**17.6%**	>	**6.5%**	**May-25**
Agriculture & Rural	23.2%	5.3%	<	6.5%	May-25
Agriculture	6.4%	2.5%	<	5.3%	Apr-25
Industry	17.1%	4.9%	<	5.3%	Apr-25
Construction	7.5%	3.6%	<	5.3%	Apr-25
Trade	25.5%	4.3%	<	5.3%	Apr-25
Transport	**2.6%**	**10.3%**	>	**5.3%**	**Apr-25**
Others	**40.9%**	**6.6%**	>	**5.3%**	**Apr-25**
Real Estate	21.4%	3.9%	=	3.9%	Mar-25
Real Estate Business	**9.7%**	**7.5%**	>	**3.9%**	**Mar-25**
Real Estate Purchase	11.8%	1.2%	<	3.9%	Mar-25

Preferential Credit Package	Size (VND trillion)	Interest Rate
Social Housing	145,000	Developers: 6.6%/year; Buyers: 6.1%/year
- Sub-package for Young Home Buyers		First 5 years: at least 2% lower; Next 10 years: at least 1% lower than the average lending rate for medium-long term
Agriculture, Forestry, Fisheries	100,000	At least 1–2% lower than the average lending rate for the same term
Infrastructure, Digital Technology	500,000	At least 1% lower per year than the average lending rate for medium-long term

Source: SBV, RongViet Securities

MARKET OUTLOOK FOR THE STOCK MARKET

"Ample liquidity supports repricing"

MARKET OUTLOOK FOR 2H 2025: STRONG LIQUIDITY SUPPORTS REVALUATION

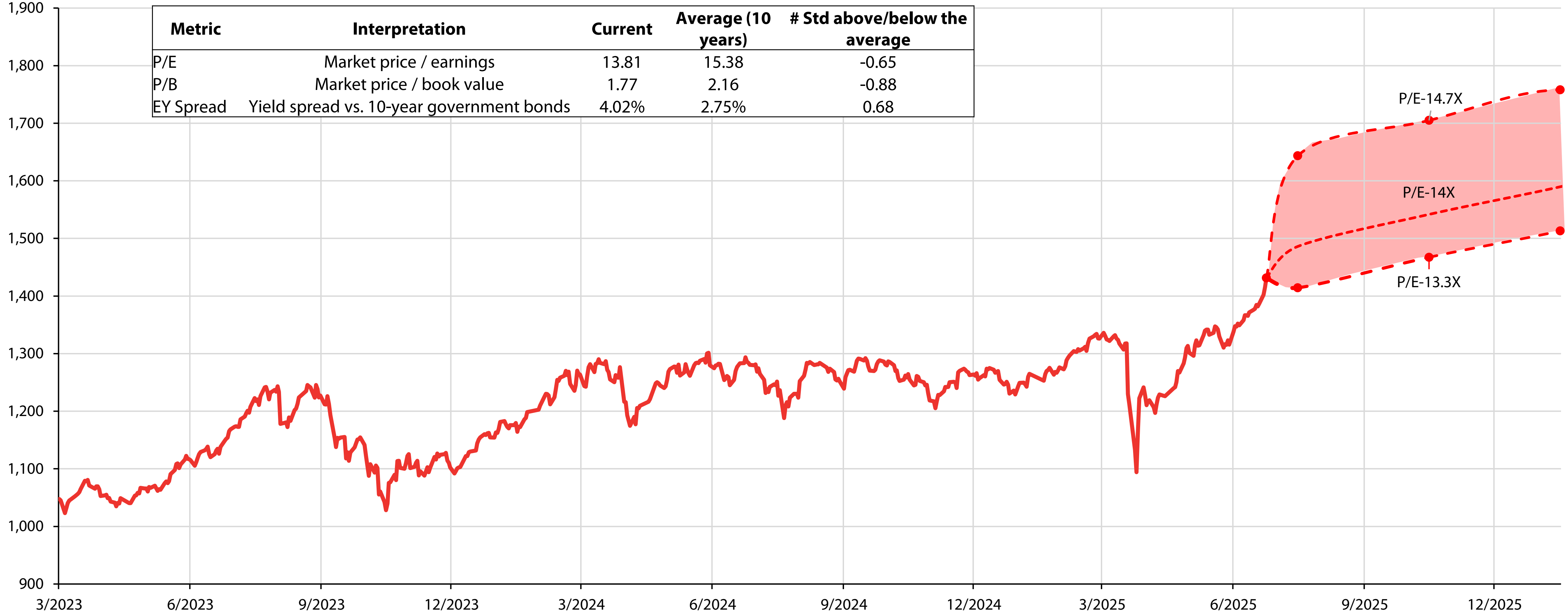
- We forecast that the VN-Index may reach the range of **1,513 to 1,756** over the **next 6 to 8 months**, equivalent to a 6%–23% increase compared to the closing level on July 9, 2025.
- We believe the direct impact of tariffs on Vietnam's economic growth in 2025 will not be significant. The EPS growth of the VN-Index in 2025 is expected to reach around **114–120 VND**, representing a 15%–22% increase YoY. Using a "top-down" approach, based on GDP growth, credit, and profit margins, we estimate the EPS at 113.8 VND (+15.3% YoY). Meanwhile, data from Viet Dragon's stock analysis list shows an EPS growth of around 16.5% YoY. With a "bottom-up" approach, aggregating from individual companies, the overall market EPS growth could reach 21.6% YoY.
- We have revised our target P/E range for the VN-Index in the next 6–8 months to **13.3x–14.7x** (compared to 13.5x–14.5x previously) to reflect positive supporting factors such as loose fiscal and monetary policies maintaining low interest rates, and expectations of a market upgrade in FTSE's September 2025 review. The FTSE Russell evaluation in March 2025 indicates that Vietnam's upgrade to emerging market status is imminent. FTSE emphasized the need for improvements in trading mechanisms and more transparent and convenient foreign investor account openings. To meet these requirements, the government has issued additional circulars such as Circular 18 and 03 in 2025 (following Circular 68/2024), and the KRX system will officially operate from May 2025. Once the upgrade is realized, Vietnam's market will attract significant capital flows from global benchmark funds, around USD 1 billion, which will improve liquidity and valuations.
- However, investors should still monitor risks such as geopolitical volatility, exchange rate pressures if the Fed delays rate cuts, and uncertainties in Trump administration policies. Nevertheless, we believe these risks are largely peripheral and may only affect market sentiment in the short term, without impacting the underlying fundamentals of businesses unless they become structural.
  - The emerging multipolar trend is increasing global economic and political instability, with risks such as changes in tariff policies and unexpected geopolitical developments continuing to affect Vietnam's growth and market sentiment. To assess the impact, it is essential to determine whether the risks have a direct short-term effect on businesses or are structural in nature. The impact primarily spreads through two channels: (1) the financial channel and (2) the commodity channel.
  - If the Fed continues to delay rate cuts, domestic monetary policy management will come under increased pressure, especially as Vietnam is loosening policies to support growth, while foreign exchange reserves remain limited.
  - While Vietnam's tariff environment is currently favorable compared to many countries, there are still risks due to the U.S. not making official decisions on certain sectors and the potential adverse interpretation of the "transshipment" concept, which could affect long-term production and export plans. The market is also reacting sensitively, even excessively, to statements from Trump or major geopolitical events.

VN-INDEX COULD POTENTIALLY REACH THE RANGE OF 1,513 TO 1,758 IN THE NEXT 6-8 MONTHS

We forecast that the **VN-Index may reach the range of 1,513 to 1,756** in the **next 6 to 8 months**, equivalent to a **6%–23%** increase compared to the closing level on July 9, 2025. Our forecast is based on the following key assumptions: the **target P/E** range will fluctuate between **13.3x and 14.7x**. Meanwhile, the **projected EPS** is expected to reach around **114–120**, corresponding to a YoY growth of **+15%–22%**.

Forecast of VN-Index's potential range in the next 6–8 months

Metric	Interpretation	Current	Average (10 years)	# Std above/below the average
P/E	Market price / earnings	13.81	15.38	-0.65
P/B	Market price / book value	1.77	2.16	-0.88
EY Spread	Yield spread vs. 10-year government bonds	4.02%	2.75%	0.68



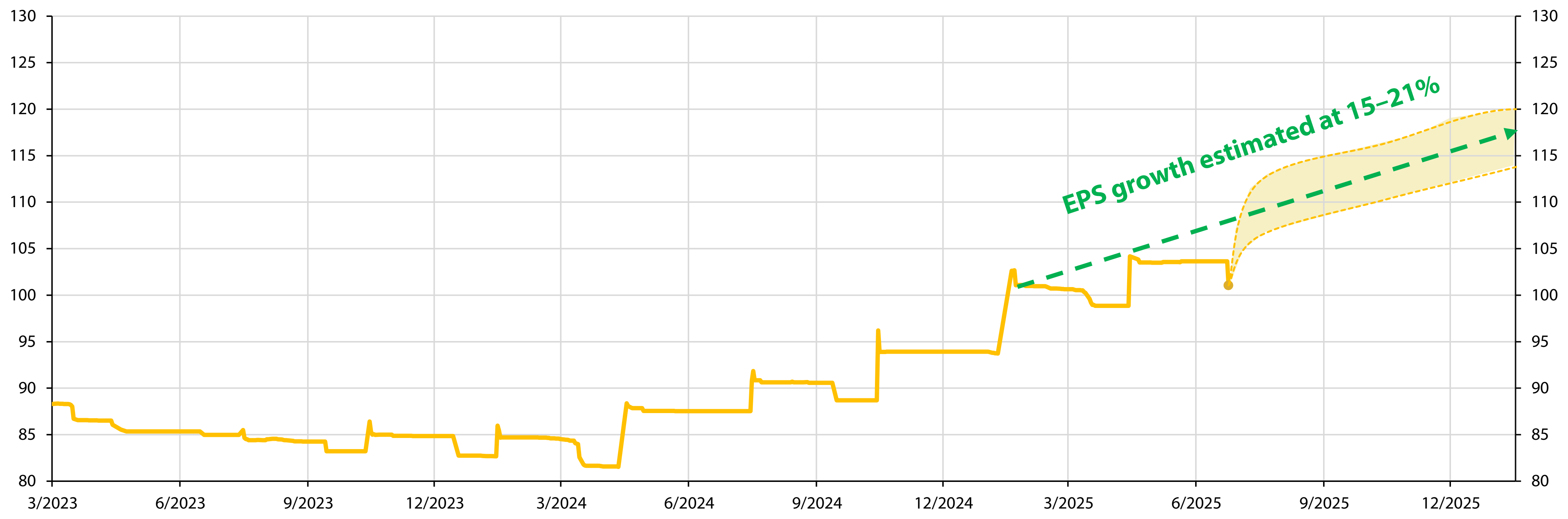
Source: Bloomberg, RongViet Securities Compiles

EARNINGS OUTLOOK – VN-INDEX EPS FORECAST TO GROW 15–21% IN 2025

We forecast that the **EPS growth of the VN-Index in 2025** will reach **114–120 VND**, representing a **15%–21% YoY** increase.

- Using a **"top-down"** approach, combining factors such as **GDP growth, credit, asset turnover, and profit margins**, the 2025 EPS is estimated to increase by 1**5.3% YoY**, reaching **113.8 VND**.
- Based on the stock analysis list from **Viet Dragon**, the average EPS growth is projected at **16.5% YoY**.
- Additionally, using a **"bottom-up"** approach, aggregating data from individual companies, we estimate that overall market EPS growth could reach **21.6% YoY** in 2025.

Projected EPS scenario for the next 6–8 months based on "top-down" and "bottom-up" perspectives



Source: Bloomberg, RongViet Securities Compiles

EARNINGS OUTLOOK – "TOP-DOWN" PERSPECTIVE

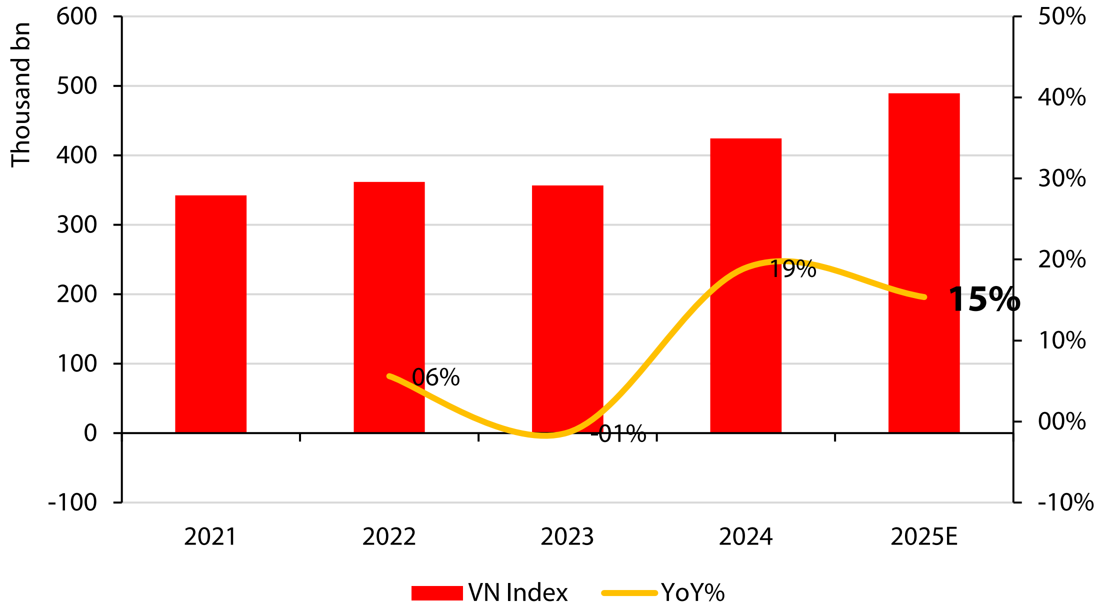
We believe that the **direct impact of tariffs on Vietnam's economic growth in 2025 will not be significant**, as the macroeconomic environment is being managed in a way that **minimizes uncertainty**, particularly in the context of Vietnam's significant progress in **trade agreements with the U.S**.

The global environment is witnessing a trend where countries are **increasingly focusing on leveraging domestic resources**, combining **fiscal and monetary policies** to support economic recovery. **Vietnam is no exception to this trend**: it is adopting **flexible fiscal policies**, keeping **interest rates low**, and enhancing the **role of the private sector** in driving investment and consumption.

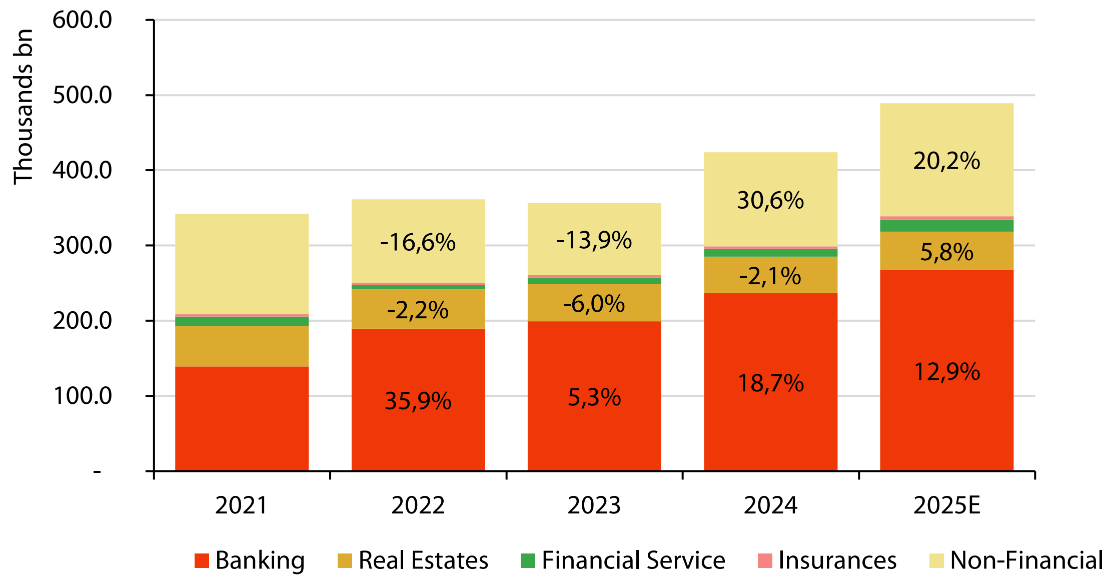
In this context, we believe that sectors such as **Banking, Real Estate, and Non-financial services catering to the domestic market** (with the **import-export sector contributing only ~3% to total market profits**) will continue to be **the main drivers of market profit growth in the remainder of 2025**.

Based on a model evaluating correlation between factors such as **GDP growth, credit, asset turnover, and profit margins, the 2025 EPS is estimated to grow by approximately 15.3% YoY.**

NPAT – parent company and the growth trend of NPAT-CTM for VN-Index (2021-2025)



NPAT – parent company and YoY growth by sector

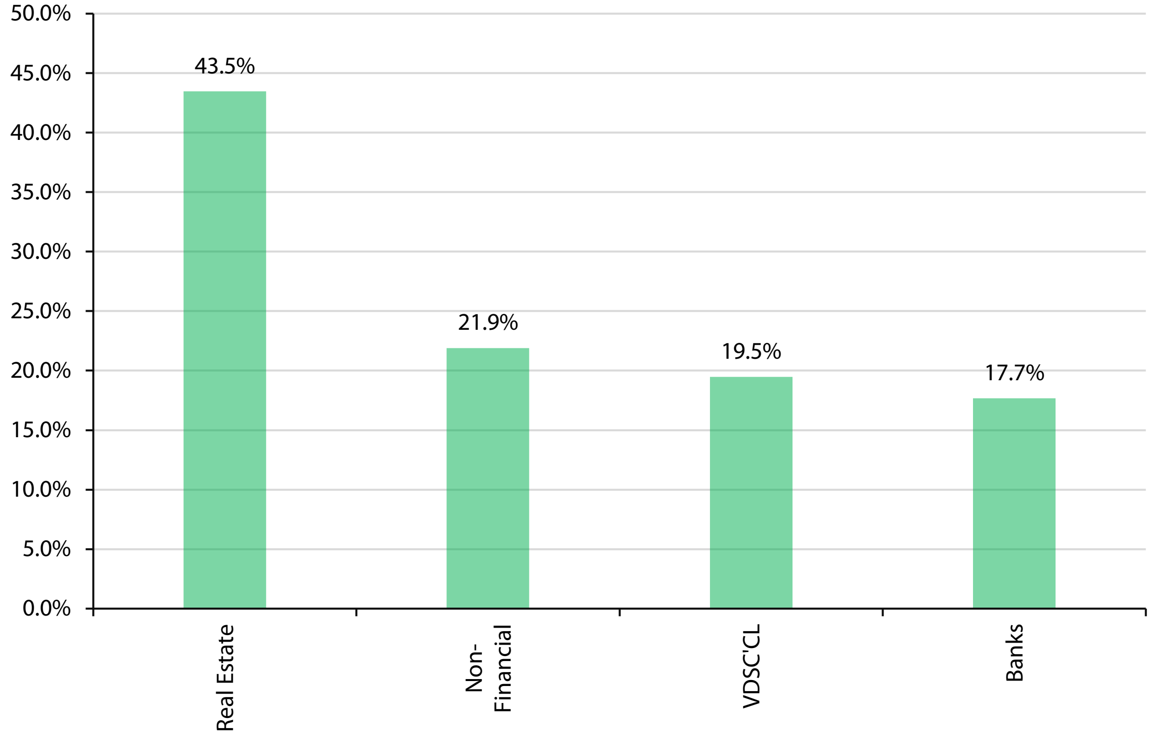


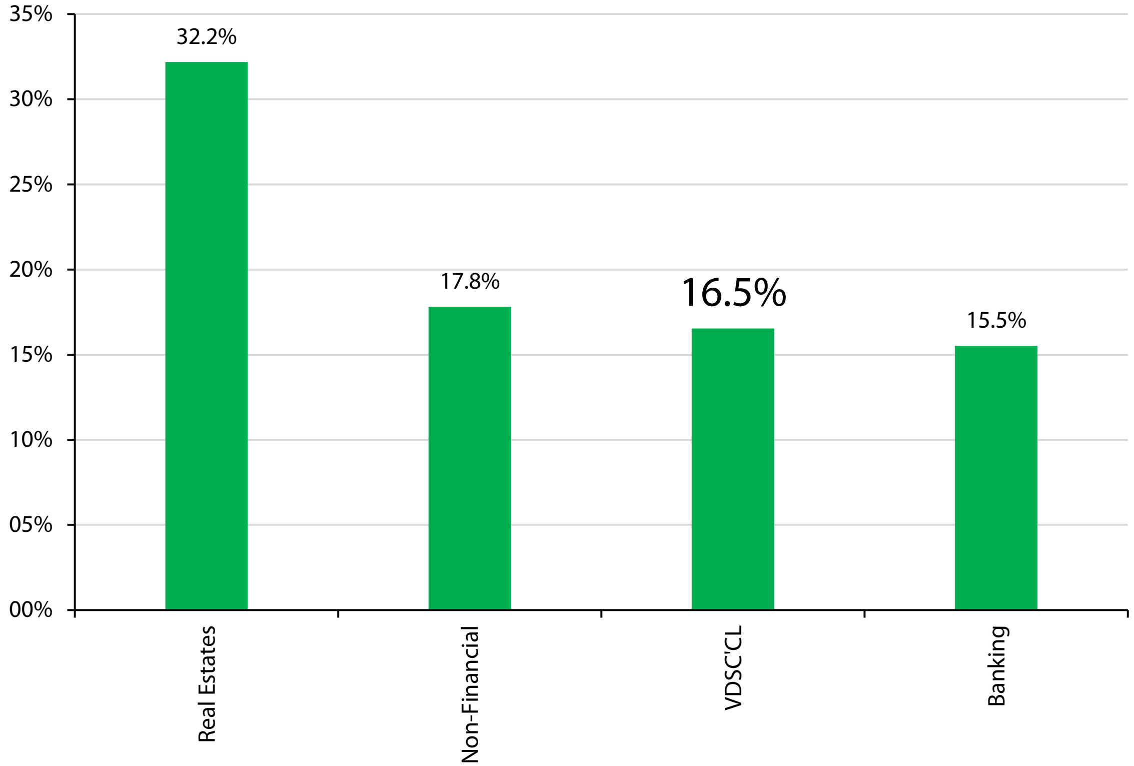
Source: Bloomberg, RongViet Securities Compiles

The market capitalization of the stock coverage by Viet Dragon’s Analysis Center currently represents approximately **54% of the total market capitalization**, reflecting a high level of coverage and representativeness in forecasts. According to the latest update, **the forecasted growth in net profit after tax attributable to the parent company's shareholders** (NPAT-PC) for this portfolio in 2025 has been revised to **16.5% YoY**, lower than the initial forecast at the beginning of the year. The primary reason for this revision is **the lower-than-expected estimate for 2024 profits**, as the actual figure reached **17.2%**, higher than the previous benchmark of **15.4%**, leading to a relative adjustment in the 2025 growth forecast.

Net profit after tax attributable to parent company's shareholders growth by sector in 2025

Beginning of the year → **Now**



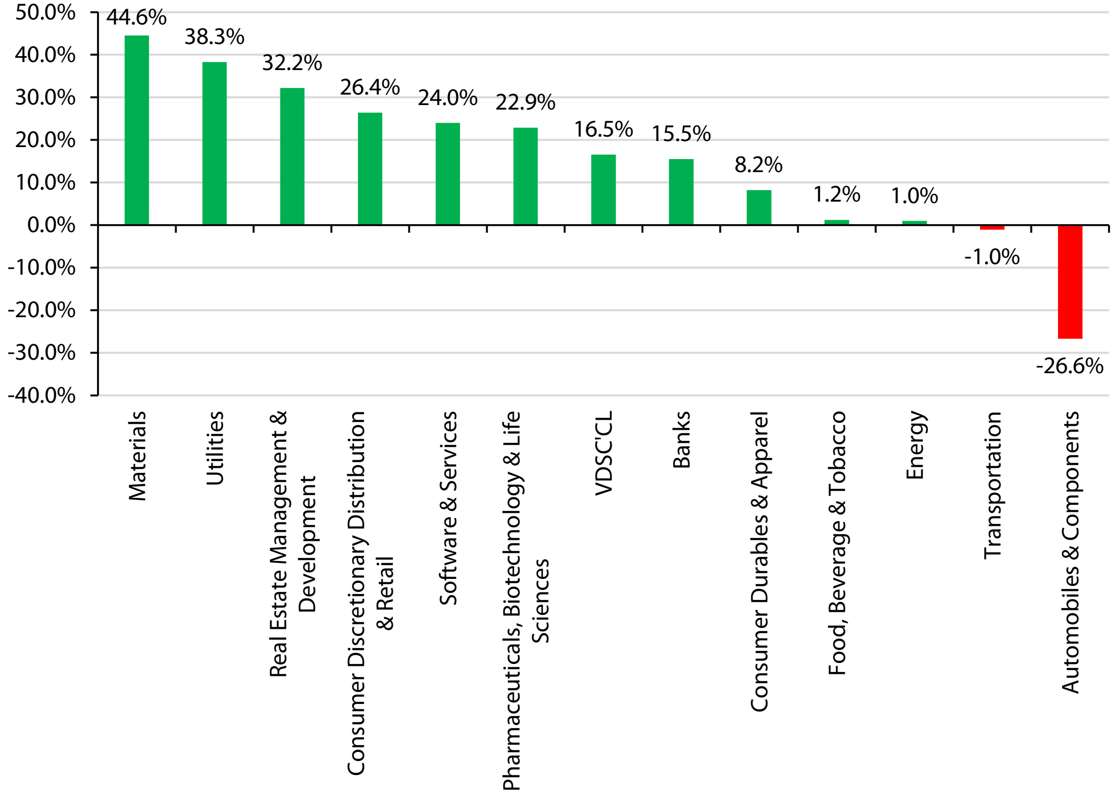


Source: RongViet Securities Compiles

EARNINGS OUTLOOK – "BOTTOM-UP" PERSPECTIVE FROM VDSC'S STOCK COVERAGE

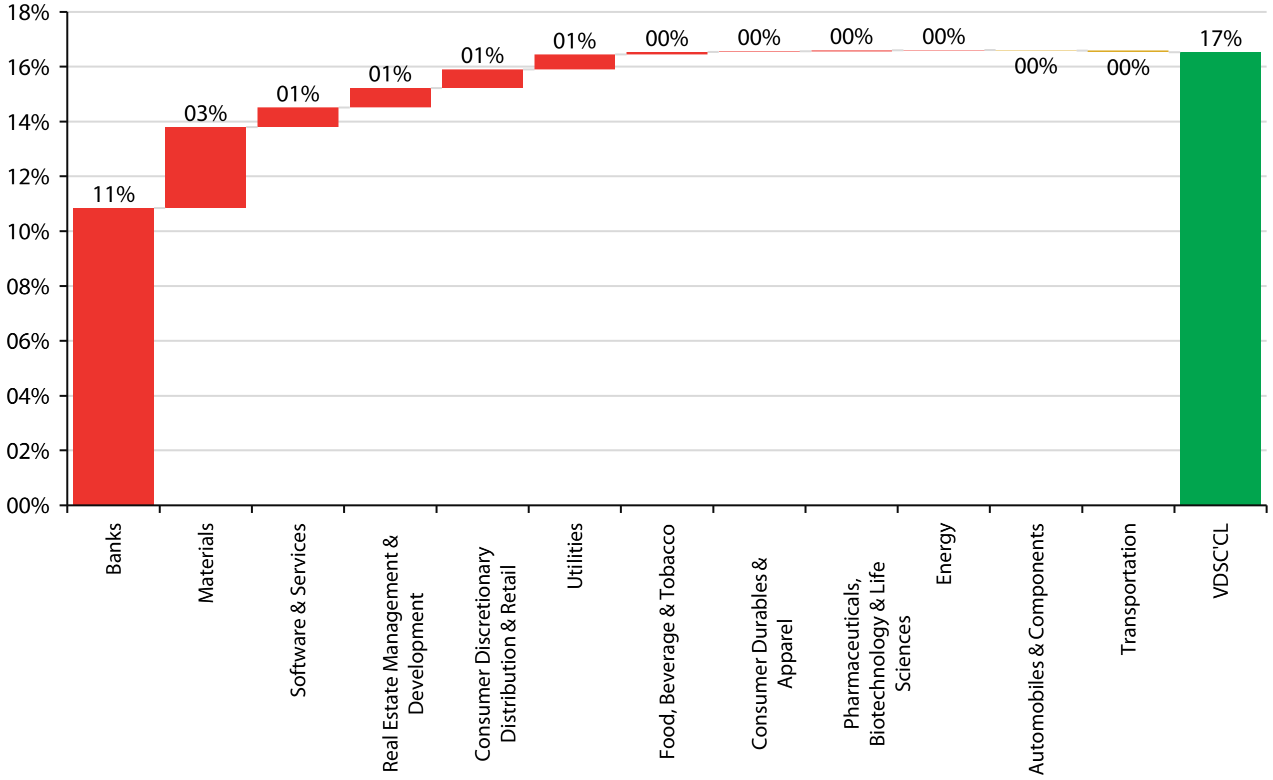
In the profit growth outlook for 2025, the **Banking, Utilities, Real Estate, and Materials sectors** stand out as the most prominent. The banking sector is expected to play a pivotal role, contributing the largest share to overall market growth, driven by expectations of credit easing and lower provisioning costs. The utilities sector is anticipated to experience strong growth, with margin improvements from low levels, particularly in the electricity segment, thanks to favorable hydrological conditions and EVN's more advantageous fundraising policies. The real estate sector is expected to see significant growth, driven by the recovery in project handovers and industrial park leasing, along with the return of FDI inflows. Meanwhile, the materials sector is forecasted to lead in terms of profit growth rates, benefiting from recovering demand and the positive trend in commodity prices. These sectors are expected to be the key drivers of the market-wide profit recovery trend in the coming year. Additionally, investors are encouraged to review the outlook for key sectors in the second half of the year, as provided in the appendix by our research analysts

NPAT to parent company's shareholders growth by sector in 2025



Source: RongViet Securities Compiles

Contribution of sectors to NPAT attributable to parent company's shareholders growth in 2025

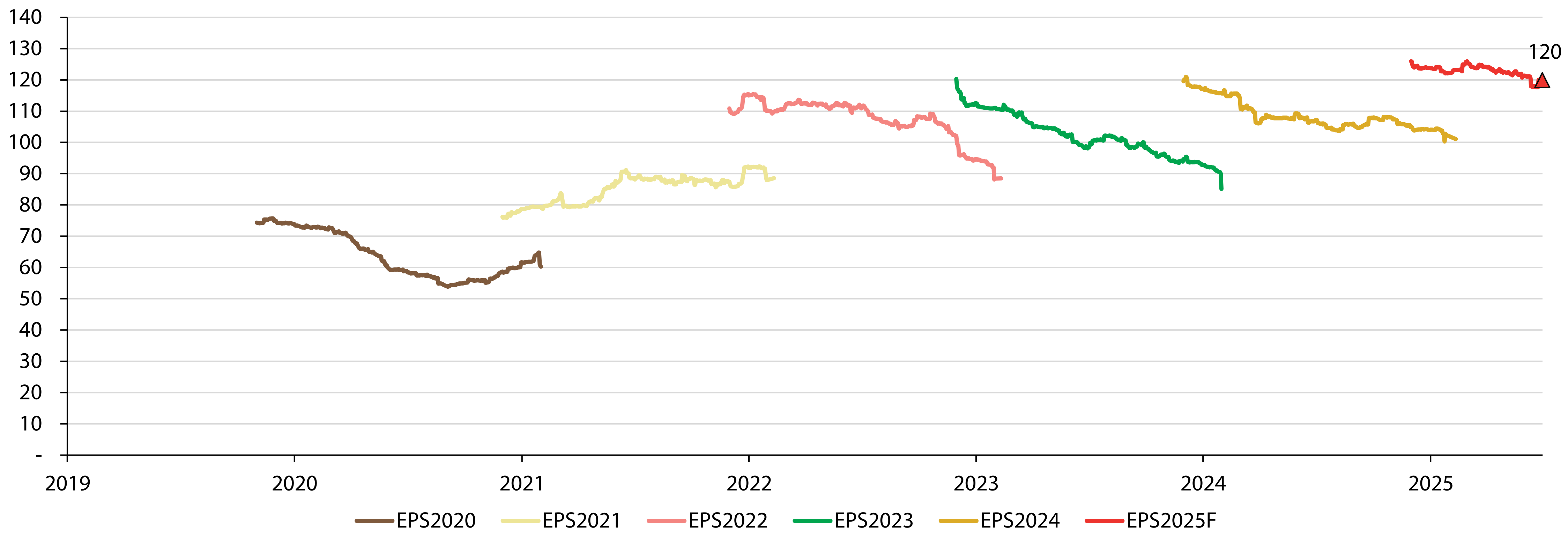


Source: RongViet Securities Compiles

PROFIT OUTLOOK – MARKET EXPECTATIONS PERSPECTIVE

According to data from Bloomberg, the EPS of the VN-Index for 2025, compiled using the "bottom-up" method from market analysts' forecasts, is **expected to grow by approximately 21% YoY**, reaching **120 VND per share**. A notable point is that the EPS forecast for this year appears **more stable** compared to previous years, despite ongoing uncertainties regarding the global economic environment, such as risks from tariff policies.

EPS forecast and actual results for VN-Index (2020-2025E)



Source: Bloomberg, RongViet Securities Compiles, EPS data for the year represents the actual results following the release of Q4 earnings..
(*) The chart depicting the EPS trend from 2020 to 2025 shows that expectations typically undergo downward adjustments throughout the year, especially during the 2022–2023 period, due to the impact of global macroeconomic conditions. However, for 2025, the estimated EPS line (in red) maintains a relatively stable and high trend, reflecting market consensus on the positive profit outlook and confidence in the business recovery of listed companies.

VALUATION PERSPECTIVE – TARGET P/E EXPECTED TO RANGE BETWEEN 13.3X AND 14.7X

We have adjusted the **target P/E range for the VN-Index over the next 6–8 months** to a broader range of **13.3x–14.7x** from the previous 13.5x–14.5x, in response to newly emerging support factors and risks, compared to the scenario outlined earlier this year.

Key supporting factors:

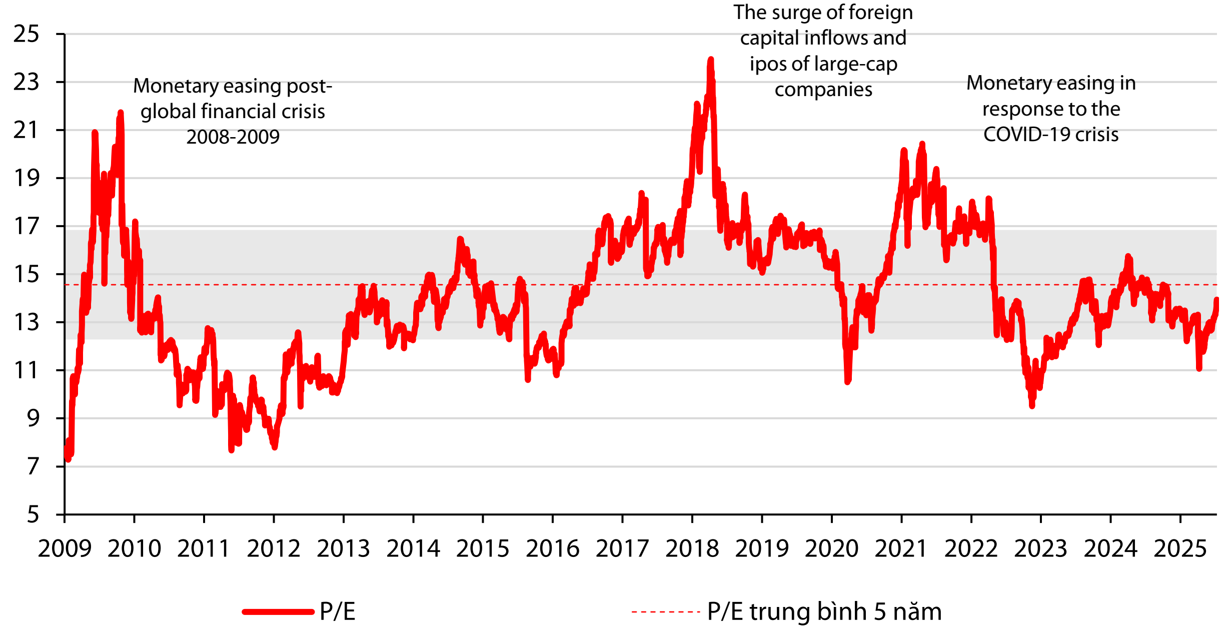
- Accommodative fiscal and monetary policies, which are being managed proactively and flexibly, will help maintain low interest rates, creating favorable conditions for stock market liquidity.
- The trend of capital inflows ahead of the market upgrade story: Vietnam is moving closer to qualifying for the FTSE Emerging Market status in its September 2025 review. This could significantly attract foreign capital inflows.

Risks to monitor:

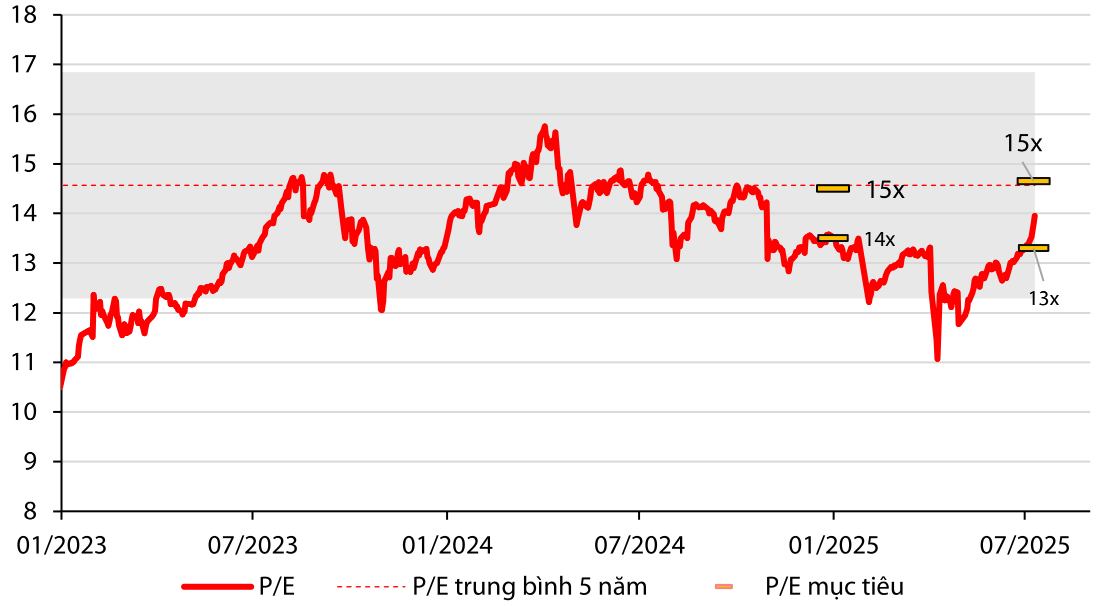
- **Global geopolitical volatility**, stemming from increasing political polarization, could lead to unexpected events that impact market sentiment.
- **Exchange rate risk:** The VND may come under pressure if the FED continues to delay rate cuts, which could influence the domestic monetary policy direction.
- **Policy uncertainties from the Trump** administration could create unpredictable reactions in global capital markets.

However, we believe that these risks are mostly short-term headwinds. Unless there are structural and prolonged impacts on Vietnam's economy, the underlying fundamentals of businesses are unlikely to be significantly affected.

Historical P/E valuation of the VN-Index (2009-2025)



Target P/E in the next 6-8 months – Expanding the valuation range



Source: Bloomberg, RongViet Securities Compiles | (*) The shaded area represents the fluctuations (+/-) in standard deviation relative to the 5-year average value.

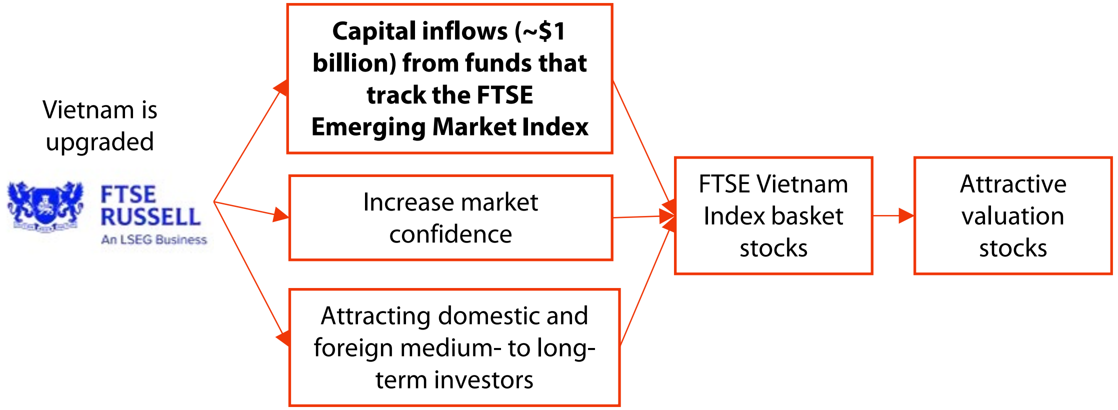
RONG VIET SECURITIES

THE UPGRADE STORY IS ALMOST HERE

March 2025 evaluation by Russell continues to indicate that Vietnam's upgrade to Emerging Market status is very close. FTSE has recommended that Vietnam establish more efficient mechanisms to facilitate transactions between foreign investors. One of the key points emphasized by FTSE is the need for more convenient and transparent account opening processes for foreign investors, which would enhance market access to Vietnamese capital markets.

In response to these requirements, the government has issued additional circulars such as Circular 18 and Circular 03 in 2025, following Circular 68 released in November 2024. Moreover, the KRX system will officially be operational from May 2025. Once the upgrade is realized, Vietnam's stock market will attract significant capital flows from global ETF funds, boosting liquidity and improving market valuation.

Impact in the scenario of "upgrading to secondary emerging market"



Source: RongViet Securities Compiles

Vietnam has made changes in response to FTSE Russell's request

It is expected to be implemented in the coming time to realize the goal of upgrading the stock market

April

Promulgating 18/2025/TT-BTC guiding transactions without prior deposit requirements for foreign institutional investors effective from 05/05/2025.

May

Operating KRX system from May 5, which is a technical condition for the implementation of more complex solutions including: foundation for the CCP model, operation of the central clearing partner model, facility for deployment of new products

June

Promulgating 03/2025/TT-NHNN effective from 16/06/2025 to amend regulations on opening and using indirect investment capital accounts (IICA), simplifying procedures for foreign investors, and supporting the no-deposit model.

July – August – September

- Draft amendment 155/2020/ND-CP, to shorten the time for listing securities from 90 to 30 days; supplementing regulations on conditions for bond issuance; clarify the responsibility of enterprises to announce the maximum foreign ownership rate and remove the regulation allowing enterprises to decide on their own the foreign ownership rate lower than the prescribed level.
- Ensure the smooth operation of issued circulars (68, 18, 03) and the KRX system.
- **Collect evidence of success**

➢ Experience from Saudi Arabia and Kuwait shows the need to organize investment promotion conferences, direct dialogue with FTSE Russell and large funds, and publish "white papers"

HIDDEN RISKS – THE MULTIPOLAR TREND COULD LEAD TO UNEXPECTED VOLATILITY EVENTS

The emerging multipolar trend is creating a new global order, where multiple power centers are competing, leading to increased economic competition, geopolitical instability, and a rise in protectionism. Events such as Russia-Ukraine conflict, expansion of BRICS, and U.S.-China tensions clearly illustrate the rapid changes occurring in the global environment. These shifts compel countries, including Vietnam, to adapt flexibly to unpredictable variables.

We believe that risks such as tariff policy changes or unexpected geopolitical developments will continue to be significant factors impacting economic growth and investor sentiment in Vietnam's financial market. To properly assess the level of impact, we need to analyze the transmission mechanisms and address two key questions:

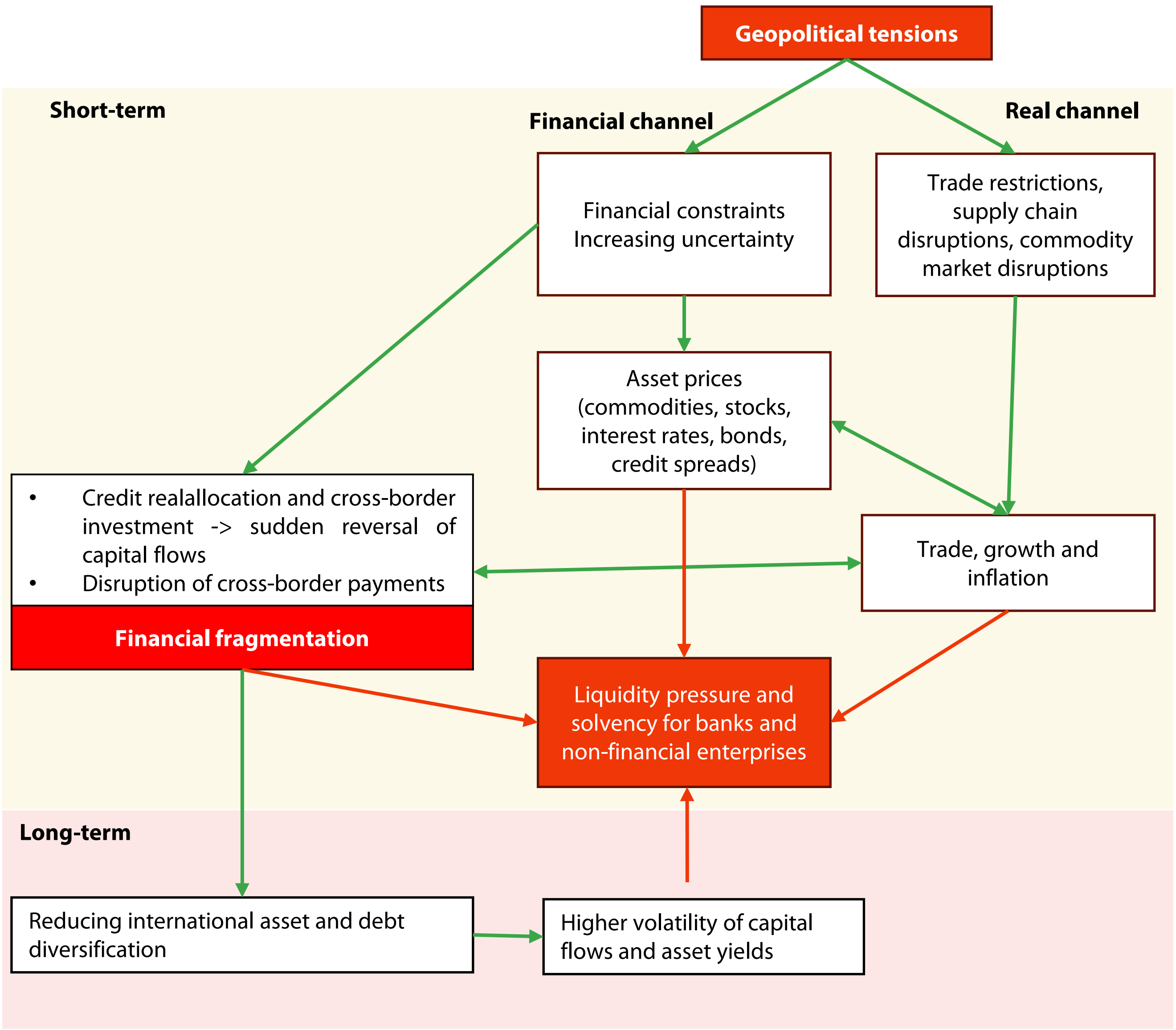
1. Does this risk directly or indirectly affect the operating environment of domestic companies?
2. Is this a temporary "headwind" or a structural turning point that will change industry trends in the long term?

Overall, global volatility will impact Vietnam primarily through two transmission channels (1) financial channel & (2) real channel. For example, the trade war 2.0 with tariffs as the main policy tool highlights how such risks create challenges for policy:

(1) Financial channel: The U.S. tariff measures are putting pressure on the Fed's ability to maintain high interest rates for a prolonged period, under inflationary pressure and external risks, increasing volatility in international investment flows. For Vietnam, this could result in short-term impacts, such as a reduction in foreign indirect investment (FII) and exchange rate pressure.

(2) Real channel: The tariff policies that may be introduced by Trump, along with China's recent efforts to acquire raw material resources, could disrupt supply chains, making it difficult for Vietnamese companies to plan for long-term production and exports. This could create significant challenges for Vietnam's industrial sectors that rely on stable supply chains and global demand.

How geopolitical volatility can impact financial markets and trade



RONG VIET SECURITIES

HIDDEN RISKS – IF THE "FED PUT" ARRIVES LATER, POLICY IMPLEMENTATION COULD BE AFFECTED

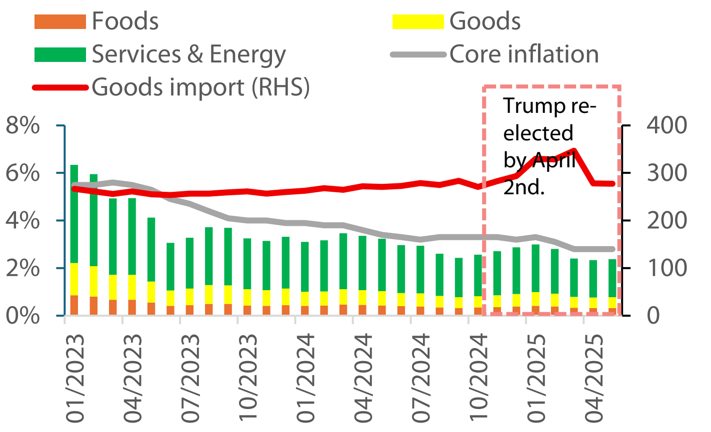
Inflation in the U.S. for May 2025 stands at 2.4% YoY. However, the actual impact of tariffs on U.S. goods and food is expected to be delayed in the short term due to the front-loading effect and the decision to extend the tariff implementation date to August 1, 2025.

The June 2025 jobs report indicates that the U.S. created 147,000 new jobs, and the unemployment rate slightly decreased to 4.1%. However, this drop primarily resulted from 130,000 workers leaving the labor force, reducing the labor force participation rate to 62.3%, the lowest since 2022. This situation reflects a "low entry, low exit" equilibrium, where job creation is slow but companies are also hesitant to lay off employees.

According to the Taylor Rule, the current interest rate aligns with the macro variables in the U.S., reinforcing the Fed's cautious stance. It is likely that the Fed will continue to wait for additional economic data on inflation, consumer spending, and growth before making any changes to monetary policy.

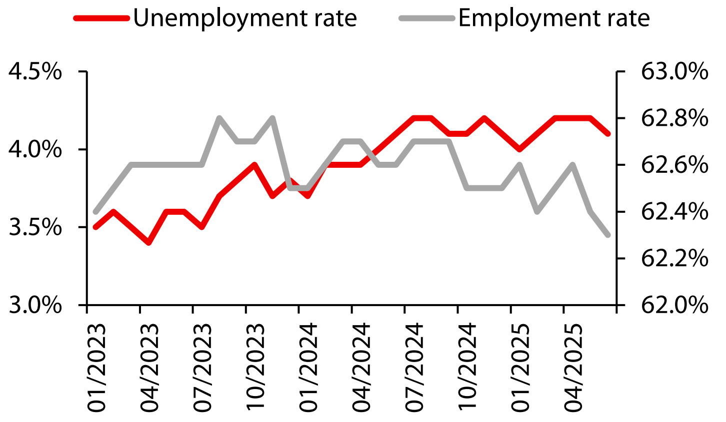
If the Fed continues to delay interest rate cuts for a longer period, this could put significant pressure on Vietnam's monetary policy, especially as Vietnam is pursuing a loosening interest rate policy to support growth. In this context, Vietnam's foreign exchange reserves currently have limited room to buffer monetary policy adjustments.

Front-loading effect and tax extensions delay the impact of tariffs on inflation



Source: BEA, RongViet Securities

Labor market is in a "low entry, low exit" equilibrium



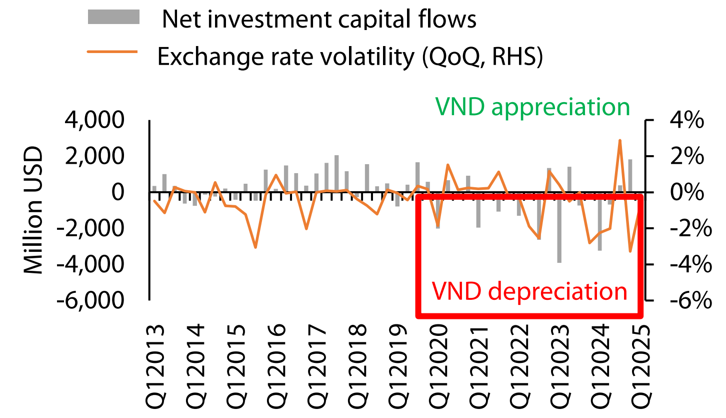
Source: BEA, RongViet Securities

Current interest rates are in line with the Taylor Rule

		Unemployment rate								
		3,25	3,50	3,75	4.00	4,10	4,25	4,50	4,75	5,00
	1,50	3,9	3,65	3,4	3,15	3,05	2,9	2,65	2,4	2,15
	1,75	4,28	4,03	3,77	3,53	3,43	3,27	3,02	2,77	2,52
	2,00	4,65	4,4	4,15	3,9	3,8	3,65	3,4	3,15	2,9
	2,25	5,03	4,78	4,53	4,28	4,18	4,03	3,77	3,52	3,27
PCE	2,30	5,1	4,85	4,6	4,35	4,25	4,1	3,85	3,6	3,35
	2,50	5,4	5,15	4,9	4,65	4,55	4,4	4,15	3,9	3,65
	2,75	5,78	5,53	5,28	5,03	4,93	4,78	4,53	4,28	4,03
	3,00	6,15	5,9	5,65	5,4	5,3	5,15	4,9	4,65	4,4
	3,25	6,53	6,28	6,03	5,78	5,68	5,53	5,28	5,03	4,78

Source: Bloomberg, RongViet Securities

FED's high interest rates are complicating Vietnam's macroeconomic policy



Source: SBV, VCB, RongViet Securities

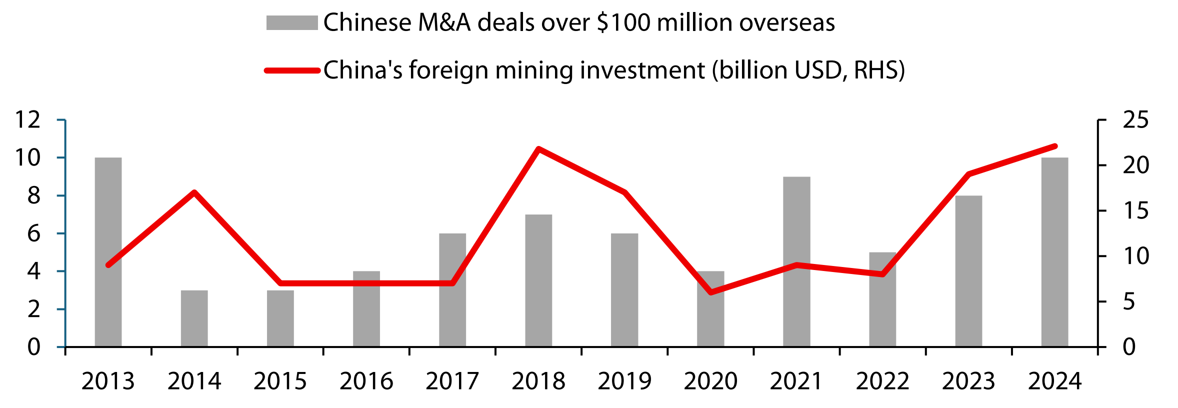
HIDDEN RISKS – THE POLICY OF THE TRUMP ADMINISTRATION REMAINS AN UNCERTAIN FACTOR

Sector's proposed tax rates are expected to be higher than the reciprocal tariffs

Sector	Effective date	Legal basis	Proposed tariff rate
Copper	Under investigation	Section 232	50%
Semiconductors & manufacturing equipment	Under investigation	Section 232	TBD
Critical minerals	Under investigation	Section 232	TBD
Wood & lumber	Under investigation	Section 232	TBD
Maritime, logistics & shipbuilding	10/14/2025	Section 301	Phased fees
Trucks & parts	Under investigation	Section 232	TBD
Commercial aircraft, engines & parts	Under investigation	Section 232	TBD
Pharmaceuticals	Under investigation	Section 232	200%

Source: RongViet Securities

China is actively acquiring mines globally to secure its supply of raw materials



Source: Griffith Asia Institute, S&P Capital IQ, RongViet Securities

Fear and greed index

Source: CNN, RongViet Securities. The Fear and Greed Index is used to assess stock market volatility. This theory is based on the logic that excessive fear tends to drive stock prices down, while excessive greed often causes the opposite effect, pushing prices higher.

Vietnam's current tariff policies are somewhat more favorable compared to other countries, however, there is still significant uncertainty. Specifically, U.S. tariffs on certain industries are still under investigation, with no official decisions made yet. Notably, if the term "transshipment" is interpreted in an unfavorable manner, combined with China's tight control over raw material resources, supply chains could be disrupted, making it difficult for Vietnamese companies to plan for long-term production and exports.

From a market sentiment perspective, there is noticeable sensitivity and sometimes exaggerated reactions to news related to tariffs, particularly when new statements or declarations from Trump emerge, or when geopolitical events spark market volatility.

Our Strategic Investment Message for the Upcoming Period Includes:

- Preparing a sustainable investment plan
- Favorable Conditions to add more weight to Listed Equities
- Diversifying the investment portfolio
- Periodically rebalancing the portfolio allocation
- Continuously monitoring and assessing risk factors
- Seize market trends and opportunities

PREPARING A SUSTAINABLE INVESTMENT PLAN

Prepare a strategic plan that enhances investors' chances of success and maintains a long-term focus, even during volatile market periods. The investment plan should prioritise: 1/ liquidity to cover short-term financial needs, and 2/ the feasibility of asset allocation to ensure long-term financial goals.

- **Liquidity** - We recommend that investors maintain sufficient cash reserves to cover short-term expenses, outstanding debts and short-term financial commitments. This amount should be invested in cash or short-term bonds to ensure stability during market volatility. Making planned withdrawals and reinvestments during market downturns can also help to generate long-term investment efficiency.
- **Longevity** - Risky assets, such as stocks, equity fund certificate and real estate, typically offer higher returns, which makes achieving long-term financial goals more likely. Although investors may face short-term 'macro headwinds', the value of these assets will eventually reflect their intrinsic benefits as the effects of these 'macro anchors' weaken. Assets intended for long-term financial objectives should be invested follow a long-term and duration matching strategy. We believe that this requires a well-diversified sector portfolio that balances long-term returns and stability.

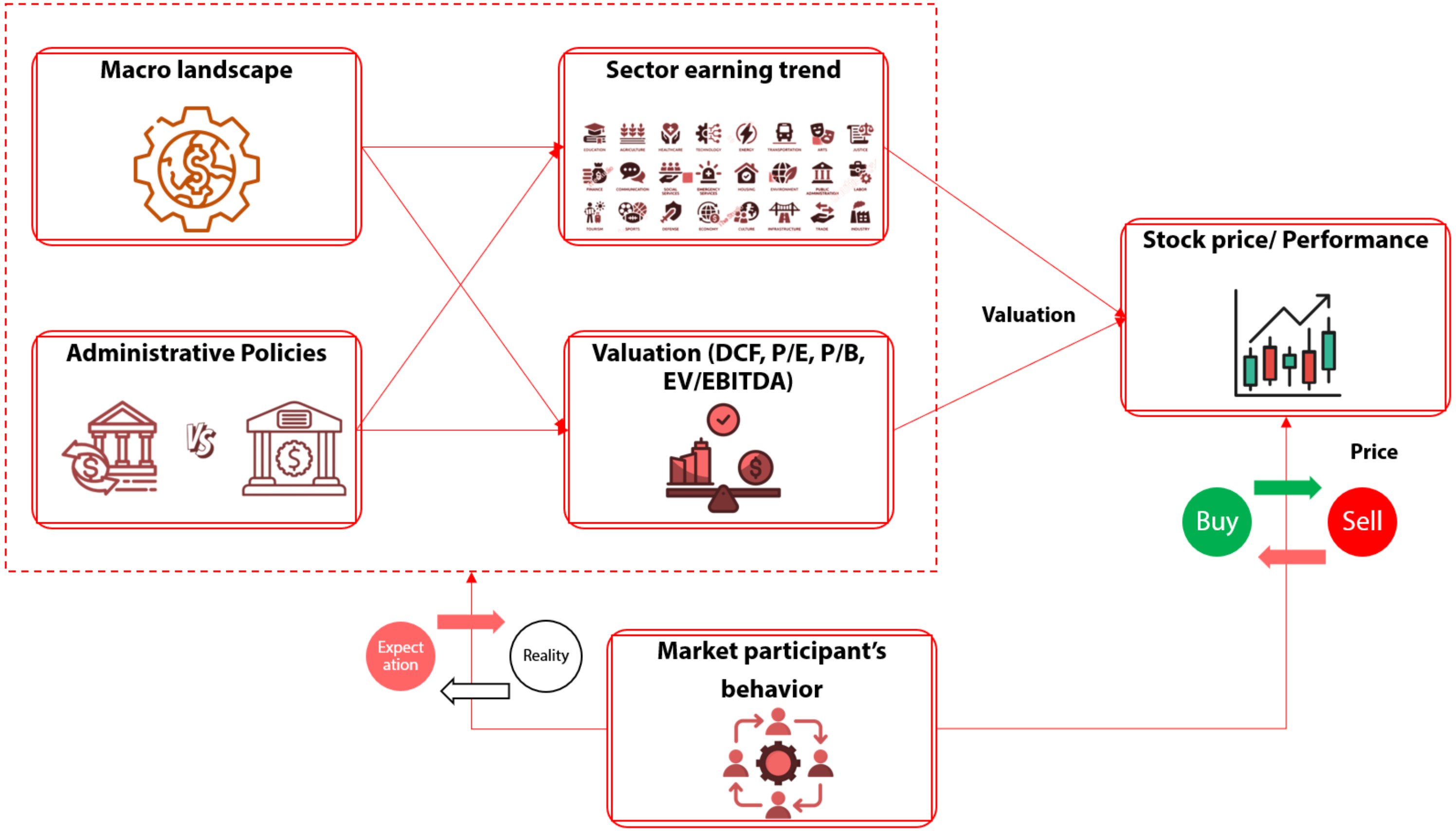
The order of priority in financial investment planning is as follows

Source: RongViet Securities complies

Despite the uncertain global macroeconomic environment, particularly as a result of US tariff policies, countries are generally strengthening their domestic resilience by combining expansionary fiscal and monetary policies to support growth. Vietnam is no exception, having proactively implemented flexible fiscal policies, maintained low interest rates and enhanced the role of the private sector.

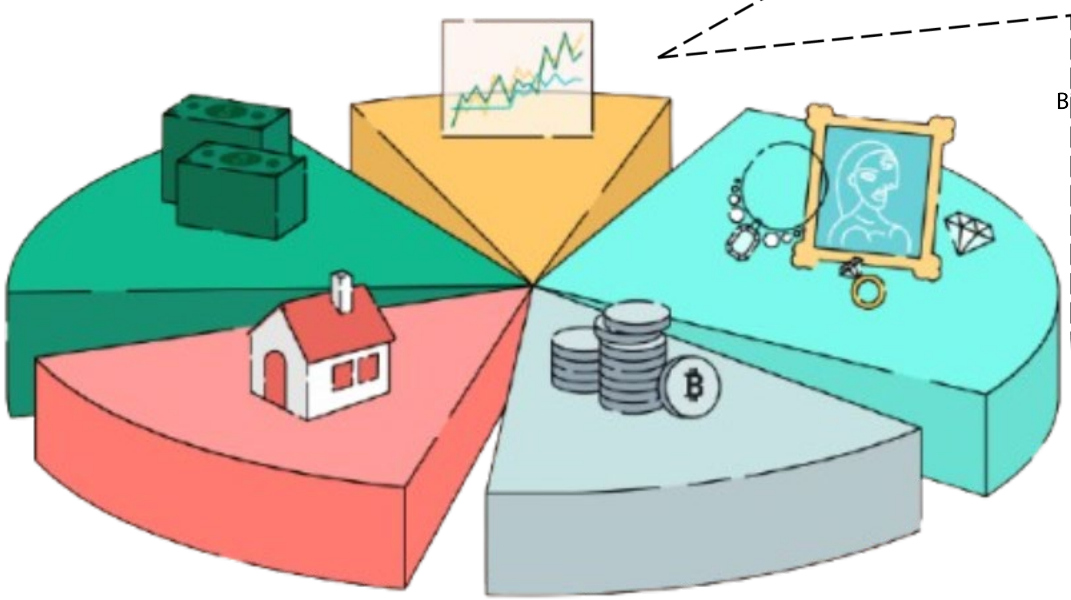
Market liquidity is expected to remain abundant, creating favorable conditions for leading companies to flourish. Meanwhile, market valuations remain attractive compared to historical levels and there are clear signs of improvement in EPS growth.

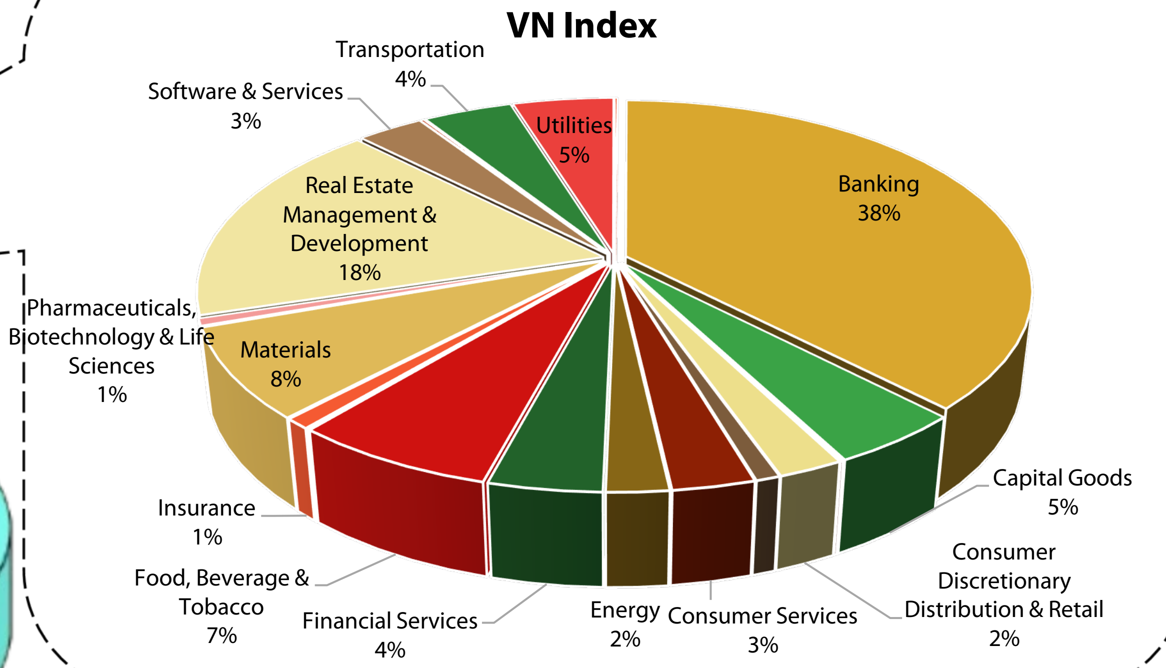
As a result, we maintain a constructive long-term outlook for the equity market and recommend that investors consider increasing exposure through direct allocation or passive strategies such as mutual funds or ETFs.



Source: RongViet Securities complies

DIVERSIFYING THE INVESTMENT PORTFOLIO





Source: RongViet Securities complies

In addition to diversifying across asset classes, investors should also allocate their stock portfolio rationally. Industry diversification helps: **(1)** reduce concentration risk in a specific sector, **(2)** capitalize on different growth cycles, and **(3)** stabilize returns during market volatility.

An effective portfolio usually comprises **10–20 stocks**, which is enough to minimize unsystematic risk (i.e. risk specific to individual companies) while ensuring that it is possible to monitor, analyze and make quality decisions. However, depending on **risk appetite** and **the capital's size**, investors can adjust the number of stocks flexibly to in line with their goals and management capabilities.

PERIODICALLY REBALANCING THE PORTFOLIO

Rebalancing involves adjusting the allocation of assets in a portfolio when it deviates from the initial strategy. This is particularly important for listed stock portfolios. The objective is to **maintain the desired level of risk** and prevent any individual stock from exceeding its predetermined weighting. For instance, this would be necessary if a stock's significant price increase were to elevate the overall risk.

The benefits of rebalancing include **effective risk management**, **seizing opportunities to buy low and sell high**, **maintaining investment discipline** and **limiting the influence of a single stock**. These benefits enable investors to **optimize long-term performance** and **stay aligned with their financial objectives.**

CONTINUOUSLY MONITORING AND ASSESSING RISK FACTORS

Price volatility is an inseparable part of the stock market. **Unsystematic risk**, such as industry- or company-specific fluctuations, can be **mitigated through portfolio diversification**. However, **systematic risk, or market risk**, affects the entire market and **cannot be eliminated solely through asset allocation.**

This type of risk is tied to macroeconomic factors, such as economic recessions, political instability, changes in policy, sudden adjustments to interest rates, natural disasters and global crises. To **mitigate its impact**, investors should:

Identify risk factors early and closely monitor developments;

Assess the probability and degree of impact, distinguishing between temporary effects and structural changes;

Proactively prepare tools and strategies to respond, such as

- Increasing purchasing power when the likelihood of risk factors occurring is high.
- Using futures contracts to hedge risk without selling held stocks.

Market risk often has a strong short-term impact, but markets tend to **recover over time**. Therefore, **taking a long-term view of a company's outlook** can help investors rebalance their portfolios more effectively during volatile periods and avoid emotional reactions when risks are merely localized.

Source: RongViet Securities complies

INVESTMENT THEMES 2H2025

1

THEME 1: MARKET UPGRADE, SEED CAPITAL DRIVING THE WAVE

2

THEME 2: CRUCIAL ROLE OF THE BANKING INDUSTRY IN UPLIFTING VIETNAM ECONOMIC GROWTH

3

THEME 3: RETAIL AND CONSUMER – A VITAL ECONOMIC DRIVER

4

THEME 4: OPPORTUNITIES FROM NATIONAL KEY INFRASTRUCTURE INVESTMENT PROJECTS

5

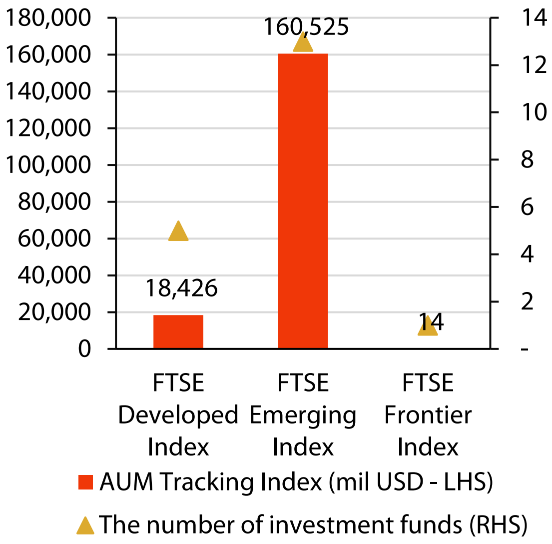
THEME 5: TURNING POINT

THEME 1: MARKET UPGRADE, SEED CAPITAL DRIVING THE WAVE

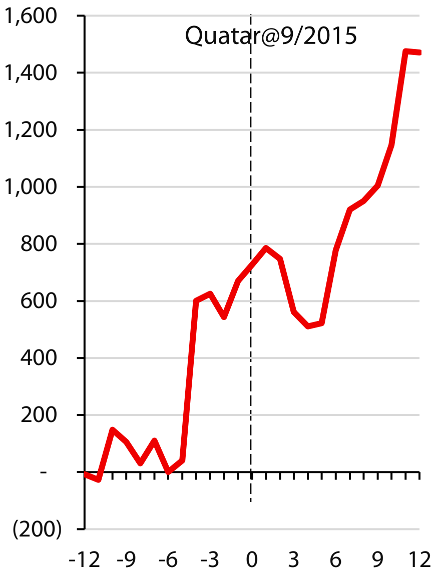
Investment thesis

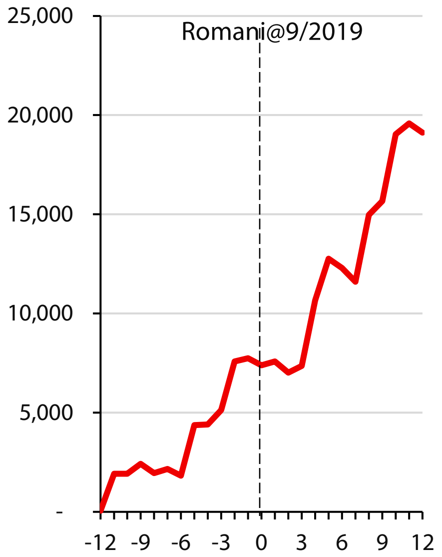
- Given the high probability that Vietnam will be recognized by FTSE as eligible for an upgrade to 'Secondary Emerging Market' status in the upcoming September review, the market is expected to attract anticipatory capital inflows of around 1 billion USD from index funds tracking the FTSE Emerging Market Index. Experience from previously upgraded markets, such as Qatar and Romania, shows that this event often has a positive effect that lasts several months, boosting both capital inflows and market confidence.
- The market upgrade enhances the credibility of Vietnam's stock market, expands access to international capital and attracts more long-term investors from domestic and international markets. This will benefit securities companies doubly, as they will see increased revenue from trading fees, services and margin lending interest, as well as opportunities to boost profits from proprietary trading by capitalizing on foreign capital inflows.
- In addition, investment funds typically prioritize deploying capital into stocks already included in the FTSE Vietnam Index, which will be incorporated into the FTSE Emerging Markets Index following the upgrade. Subsequently, capital will spread to stocks with attractive valuations or strong growth potential, in a process known as the spillover effect. To capitalize on this trend, investors can refer to the list of stocks in the FTSE Vietnam Index in the appendix, as well as reviewing stocks with attractive discounts in our coverage lists.

Statistics on the number and total assets under management of investment funds tracking FTSE indices by market classification

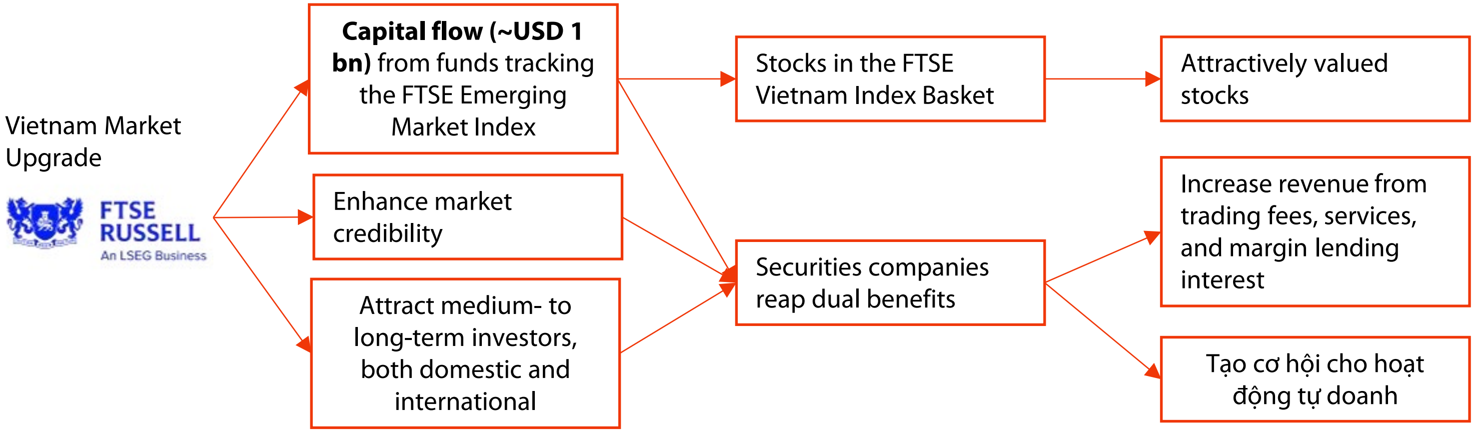


Accumulative net capital flows into markets before and after 12 months of being recognized by FTSE as eligible for an upgrade to 'emerging market' status (USD mn).





Impact in the Scenario of "Upgrading to Frontier Emerging Market"



Source: Bloomberg, RongViet Securities complies

THEME 1: MARKET UPGRADE, SEED CAPITAL DRIVING THE WAVE

Listed securities brokerage firms with strong fundamentals, leading market positions and high liquidity that are suitable for trading. SSI and HCM are particularly attractive options for capitalizing on this trend thanks to their stable return on equity (ROE) above the 5-year average and attractive cumulative valuations

Stock	Market cap	Average trading value/session in 3M	Total net revenue@ 2024 (VND bn)	% The ratio of revenue from brokerage and securities services	% The ratio of proprietary trading	% The ratio of asset management services	% The ratio of investment banking and other services	%ROE	%ROE 5-year average	%The gap in ROE compared to the average level	P/B Current	P/B 5-year average	Discount/(Surplus) P/B compared to the average level
SSI	**53,142**	**579**	**8,711**	**51%**	**46%**	**2%**	**2%**	**11.33**	**12.29**	**0.96**	**1.92**	**2.17**	**13%**
VND	27,097	358	5,349	42%	55%	0%	3%	7.97	17.42	9.45	1.35	1.80	34%
HCM	**25,919**	**296**	**4,276**	**60%**	**38%**	**0%**	**1%**	**10.47**	**12.40**	**1.93**	**2.10**	**2.01**	**-4%**
VCI	27,134	293	3,696	52%	46%	0%	1%	9.71	14.88	5.17	2.14	2.36	10%
BSI	10,661	53	1,419	66%	33%	0%	1%	7.17	10.00	2.83	2.08	1.79	-14%

Source: Bloomberg, RongViet Securities complies

Investment Rationales

The government's growth-oriented policy stance creates promising prospects for a significant surge in credit expansion.

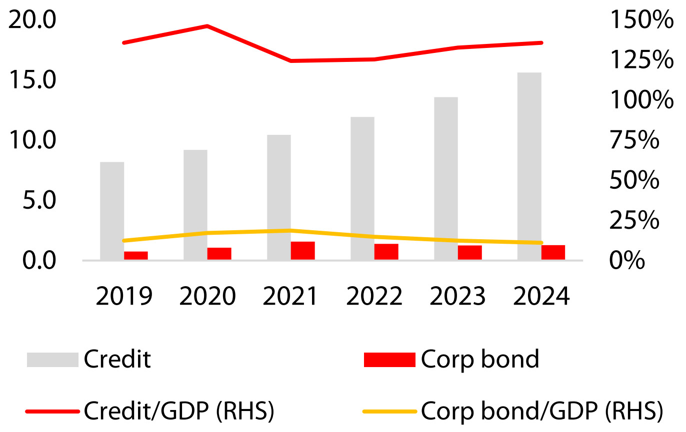
- Vietnam's growth model continues to rely heavily on bank credit, as the capital market requires considerable time to strengthen. Additionally, potential adjustments to the credit growth ceiling mechanism could further accelerate credit expansion.
- Banks are well-positioned to expand credit rapidly, leveraging competitive advantages in cost of capital, technological capabilities, and comprehensive ecosystems. Notable banks include **CTG, MBB, VPB, and TCB**.

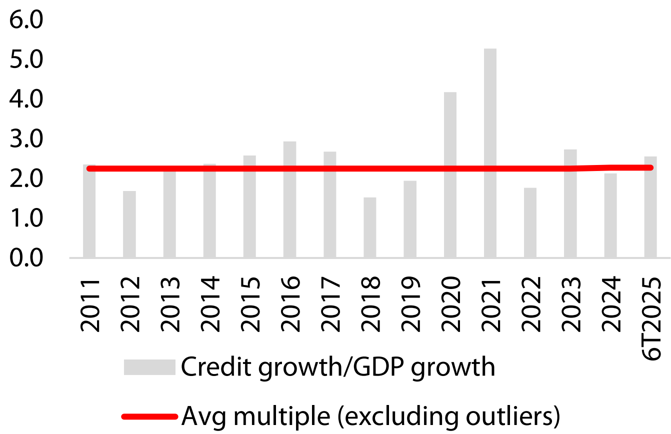
Robust economic growth is closely correlated with the banking system's effective bad debt resolution cycle. Expectations are that the bad debt cycle, which began in 2022, will gradually be resolved, supported by low interest rates, abundant credit supply, a warming real estate market, and the codification of core provisions from Resolution 42.

- The current stable interest rate environment, which may persist for the next one to two years despite potential slight increases, combined with relaxed credit policies, will facilitate easier access to capital for businesses—particularly in the real estate sector—enabling operational recovery and improved debt repayment capacity.
- Resolution 68, aimed at promoting the private economy, serves as a critical policy catalyst by addressing legal bottlenecks for real estate projects, ensuring the market's recovery. Coupled with the codification of provisions on collateral seizure from Resolution 42, the efficiency of bad debt resolution is expected to improve significantly from 2026 onward. Once credit flows trapped in bad debts are unlocked, the banking system's capacity to provide low-cost capital will be further strengthened.
- Notable banks include: **VPB, MBB, VIB, OCB.**

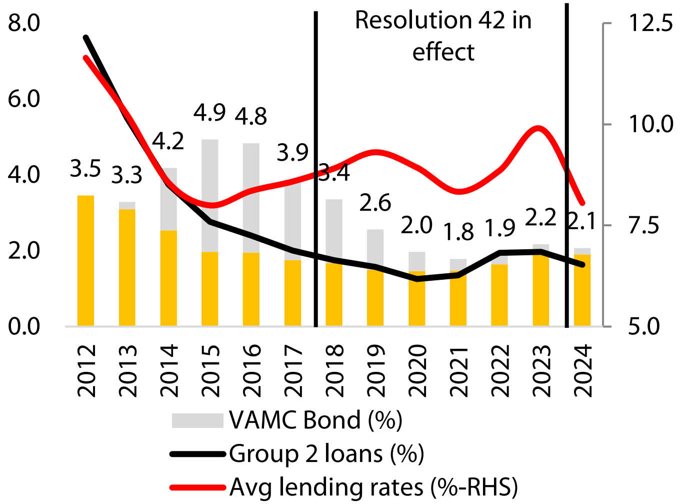
Source: Banks' financial statements, SBV, GSO, RongViet Securities

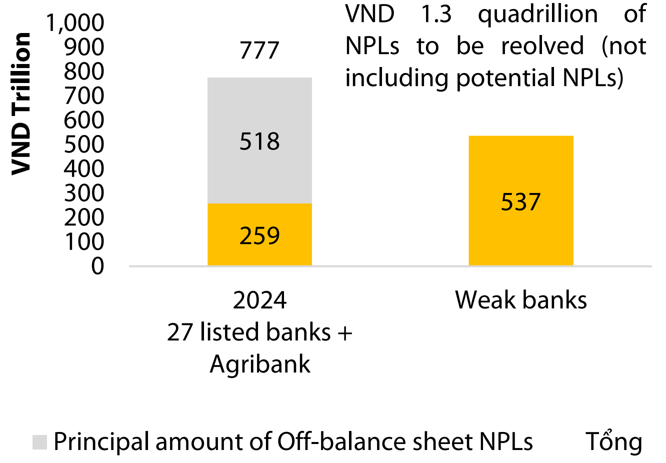
Credit, the primary channel for capital mobilization in the economy, is projected to embark on a robust growth trajectory to realize economic growth targets.





The efficiency of bad debt resolution is expected to improve as the economy enters a growth phase, which, in turn, will foster more sustainable growth by unlocking credit flows previously trapped in bad debts



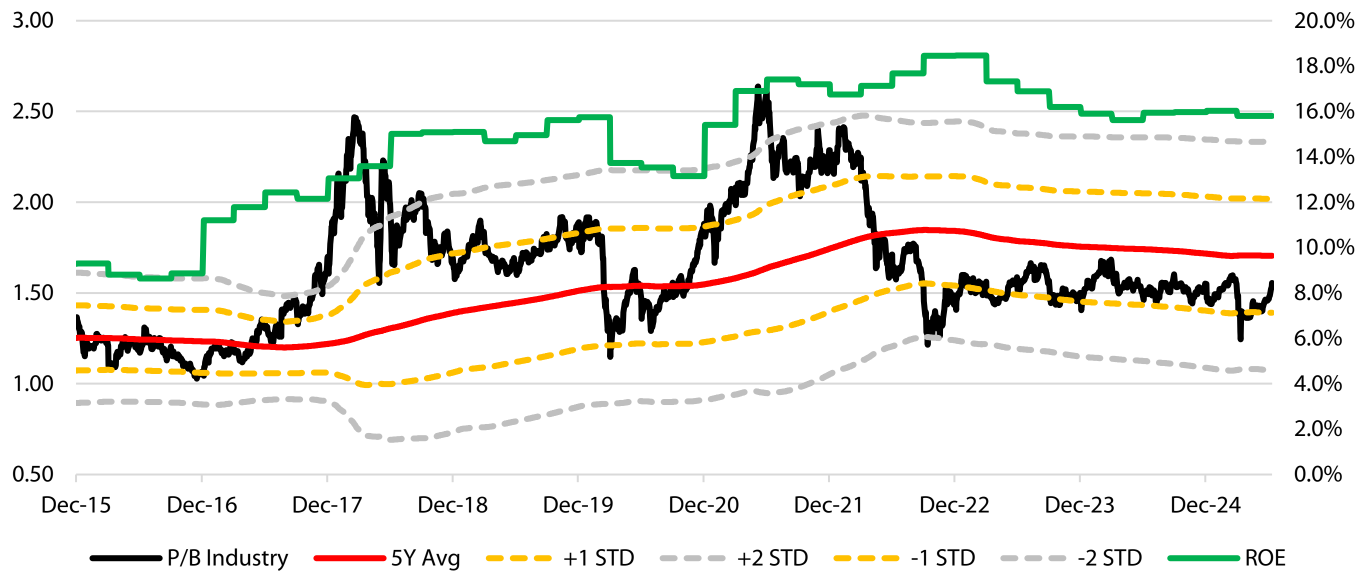


Investment Rationales

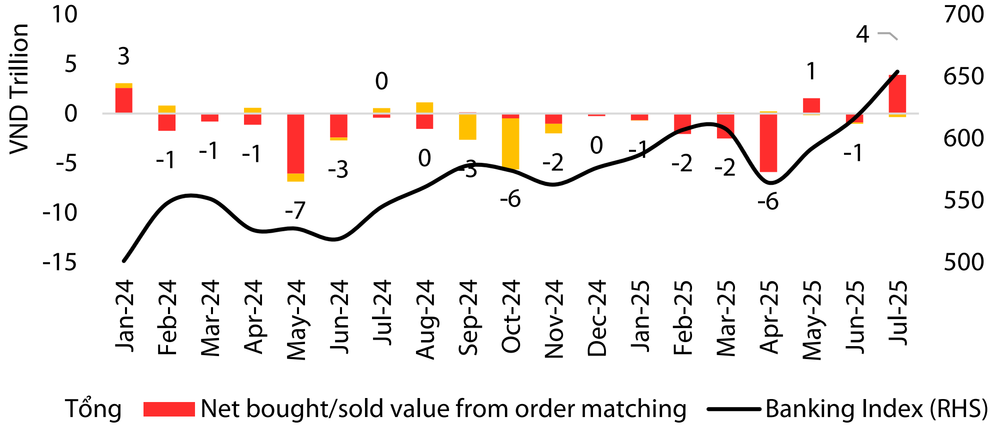
Current valuations have yet to fully reflect the growth prospects of the economy and the banking sector, including the potential for improved asset quality and the narrative surrounding market reclassification.

- The banking sector continues to trade at a relatively low price-to-book (P/B) ratio of 1.5x, with minimal changes over the past three years.
- During the previous post-recession economic growth cycle (2016–2019), the banking sector's profits grew at a compound annual growth rate of 36%, while the non-performing loan ratio (including bonds held by VAMC) steadily declined from 4.8% to 2.6%. At that time, the sector's P/B valuation ranged between 1.6x and 1.9x. Given the more positive medium-term economic growth outlook, we anticipate structural improvements in fundamental factors such as profit growth, return on equity (ROE), and asset quality, which should drive the sector's valuation back to an average range of 1.7x–1.8x.
- The prospect of stock market reclassification serves as a significant catalyst for banking stocks with substantial weightings in the FTSE indices and available foreign ownership room, such as **VCB** and **VPB**.

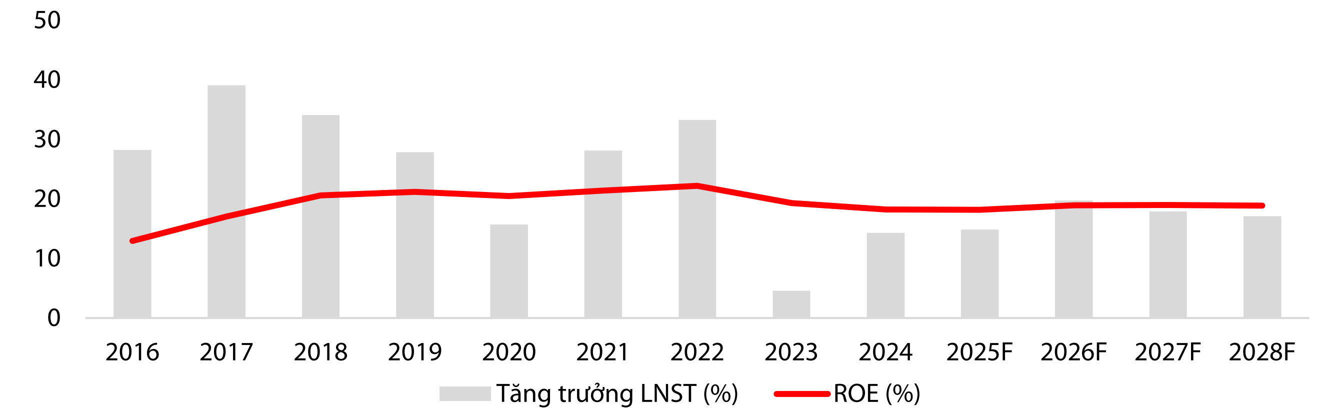
The banking sector's price-to-book (P/B) valuation remains below its five-year average



Foreign investors have exhibited strong net buying activity in banking stocks during July 2025



Profit growth for the banking sector is forecasted to achieve a compound annual growth rate of 18% from 2025 to 2028, with a return on equity (ROE) of 19%



Source: Bloomberg, Fiinpro, RongViet Securities

Stock picks in the banking sector

Stock	TP (VND)	Expected return (%)	Cash div (VND)	Market price @July 09 (VNĐ)	TOI YoY %		NPAT-MI YoY %		ROE %		P/B (x)		Investment thesis related to the topic
					2025F	2026F	2025F	2026F	2025F	2026F	Current	2025F	
CTG	48,300	7%	0	45,000	7	9	20	28	19.0	19.6	1.6	1.4	We anticipate that the comprehensive "balance sheet cleanup" cycle will reach its final stages, reducing the projected credit cost from 2025F to 2028F to 1.1%. Credit growth is forecasted to achieve a compound annual growth rate of 14% during the 2025F–2028F period, supported by a policy environment focused on promoting robust economic growth. These factors, combined with accelerated efforts to recover off-balance-sheet bad debts, are expected to drive CTG to achieve a compound annual profit growth of 17% and a return on equity (ROE) of 19%, reinforcing the ongoing revaluation process for this bank.
MBB	31,500	20%	300	26,600	14	22	10	25	20.7	22.0	1.4	1.3	We expect MBB to achieve robust credit growth of 26% in 2025F and 25% in 2026F, driven by a high credit ceiling following its participation in the compulsory restructuring of Ocean Bank. MBB is well-positioned to optimize this ceiling, leveraging its competitive advantages in cost of capital, underpinned by a strong digital banking platform and a large, diverse customer ecosystem (encompassing institutions, large enterprises, and individuals, particularly in the military sector). We highly value MBB's significant investment in its digital banking platform, with one of its key objectives being the deployment of fast and convenient online lending products.
VPB	22,800	16%	500	20,050	11	15	29	14	13.3	13.8	1.1	1.0	FE Credit, after two years of restructuring, has shown positive results in profitability and asset quality. At the parent bank, non-performing loans are projected to improve in the second half of the year, supported by Novaland's efforts to resolve legal issues in key projects. These factors are expected to keep the average net credit cost under control at 1.9% over the next three years. Combined with a projected three-year compound annual credit growth rate of 23%, albeit with a net interest margin (NIM) averaging 20 basis points lower than the 2021–24 period due to competitive pressures, we forecast a compound annual profit growth rate of 22% for 2025F–2028F.
VCB	73,000	19%	0	61,500	9	13	9	12	17.0	16.8	2.5	2.3	With VCB's current trailing P/B valuation at approximately -2 standard deviations (2.3x), the lowest in a decade, we believe its revaluation potential is highly attractive, driven by: (1) a more positive medium-term growth outlook (with a 2025F–2028F CAGR for pre-tax profit of 15%), primarily supported by a recovery in NIM to nearly 3% due to improved capital absorption in the economy, and (2) diminishing uncertainties related to countervailing tax risks over the forecast period. Additionally, the prospect of a stock market reclassification serves as a significant catalyst for VCB's stock price, as VCB is the bank with the highest weighting in the two FTSE indices representing the Vietnamese stock market and still has available foreign ownership room.

Source: RongViet Securities

THEME 3: RETAIL AND CONSUMER – A VITAL ECONOMIC DRIVER

In the short to medium term, the narrative of "market share consolidation among industry giants" emerges as a focal point amid subdued consumption growth (single-digit), primarily driven by pricing) due to commodity inflation, tariff uncertainties, temporary disruptions in corporate structures/staffing aligned with government and AI-driven trends. Specifically:

- Shifting consumer habits from traditional to modern retail models. **MWG, FRT, MSN** are standout stocks in this category.
- Expanding into promising brands/sectors leveraging prior manufacturing /distribution expertise. **MSN, DGW, HAX** are key representatives here.
- Benefiting from the sizable "counterfeit-smuggled goods" pie, potentially facing stricter controls over time. **QNS, FRT** are the flagship stocks for this group.

Certain stocks like MWG, MSN, FRT, DGW also enjoy dual benefits from optimizing high costs through streamlined store networks, scale advantages, and enhanced penetration into higher-margin sectors.

In the long term, we anticipate more favorable macroeconomic conditions for retail consumption compared to the four post-COVID-19 years, thereby supporting sustained growth for retail/consumer giants after exhausting prior market share gains. Driven by:

- Boosting private sector growth under Vietnam's new era as per Decree 68, though implementation will take time.
- A gradual real estate market recovery, particularly in the second half of 2025. Note that significant household assets remain trapped in recent property markets, so effective market unlocking will accelerate cash flow, boosting both consumer sentiment and disposable income.
- Stronger fiscal-monetary policy impacts as consumer confidence rises (lower loan rates, increased public sector wages, sustained 8% VAT).

The market share growth narrative, diverging among industry giants, hinges closely on the effectiveness of competitive policy strategies.

Core product line → Producing capacity → Distribution network

Brand	Product	2020	2021	2022	2023	2024
QNS	Nut milk	72.9%	78.1%	78.3%	77.4%	83.2%
VNM	Dairy and alternatives	43.7%	42.8%	40.8%	39.7%	39.5%
SAB	Beer	38.6%	38.4%	34.3%	34.5%	35.5%
MCH	Seasonings	40.5%	47.8%	40.6%	46.8%	49.1%
	Convenience foods	22.5%	24.2%	20.5%	22.7%	25.1%
	Instant coffee	18.8%	19.9%	17.1%	18.0%	18.5%

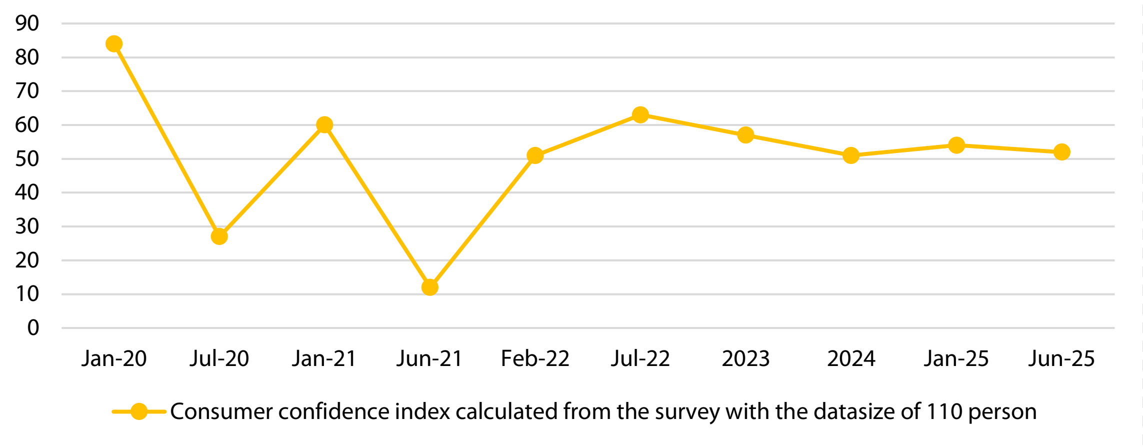
Selling price → Attached service → Diversification in product line → Distribution/Retail network

Brand	Product	2020	2021	2022	2023	2024
HAX	Automobile	0.9%	0.8%	0.8%	0.6%	1.3%
DGW	Mobile phones	7.7%	9.4%	9.8%	8.4%	10.1%
	Laptops & tablets	28.0%	39.4%	30.8%	27.7%	30.5%
	Home appliance			0.8%	1.6%	2.0%
FRT	ICT	12.9%	14.1%	14.8%	13.0%	12.4%
	Pharmacy	1.5%	4.4%	8.3%	12.5%	17.7%
PNJ	Jewelry	1.9%	16.0%	18.4%	20.4%	21.5%
MWG	ICT	2.2%	24.0%	25.4%	23.2%	25.7%
	CE	56.0%	62.4%	63.2%	60.5%	60.5%
	Grocery	1.7%	2.5%	2.2%	2.4%	3.0%

Source: Euromonitor, GFK, VAMA, IQVIA, RongViet Securities estimates and summarizes

THEME 3: RETAIL AND CONSUMER – A VITAL ECONOMIC DRIVER

In near-term, the diposable income and consumer sentiment have still been gloomy mainly attributed to macro uncertainty and price inflation



In long-term, the diposable income and consumer sentiment are expected to unleash the growth key based on the boost of private economy following the Vietnam's 2.0 reform.

	2020-24	2026-30
Annual GDP growth	5.13%	8-10%
The ending of total number of enterprises	940,078	2,000,000
Tota new established enterpsied each year	36,294	211,984
Private sector productivity growth	7.1%	8.5-9.5%
% middle class of total population	26%	55%
Disposable income per year (USD/person)	4,180	7,500

Source: 68 decree, PwC, RongViet Securities

	Short-term (2023-24)		Long-term		
Sub-segment	**Growth driver**	**YoY growth rate**	**Growth driver**	**YoY growth rate**	**Note**
Grocery	Price	Low (1-3%)	Price	Average (3-5%)	The trend of premiumizing health-oriented products
ICT	Price	Low (1-3%)	Price	Average (3-5%)	The trend of using multi-functional value-for-money products (Apple, Mi)
Pharmaceuticals	Volume	Average (7-9%)	Volume	Average (7-8%)	Stable
Major CE	Volume	Average (5-10%)	Price and volume	HIgh (10-15%)	Increasing household penetration rate, instead of 1 bar 2-3 large appliances in the house thanks to the rapidly growing middle class
Home appliance	Volume	High (10-30%)	Volume	High (10-30%)	Rapidly increasing penetration rate thanks to high utility and income-friendly price
Automobile	Volume	Low (0-2%)	Volume	High (over 10%)	Rapidly growing middle class with higher urbanization (improved transport infrastructure)
Jewelry	Volume	Low (1-5%)	Volume	Average (8-12%)	Rapidly growing middle class

THEME 3: RETAIL AND CONSUMER – A VITAL ECONOMIC DRIVER

Sub-Investment thesis

- ✓ Modest growth in NPAT but cheap valuation: VNM
- ✓ High risk high rewards - High long-term potential high Short-term valuation: MSN, MWG, DGW, FRT
- ✓ Follow the trends of tightening the smuggled /fake goods: QNS, FRT
- ✓ Revaluation by Vietnamese stock market upgrade: VNM, MSN
- ✓ The sexy cash dividends (over 7%/year) combined with the stagnant short-term outlook which almost reflected in current market price: SAB, QNS, VNM
- ✓ One-off income in 2025-26: HAX

STOCK PICKS IN CONSUMER-RETAIL SECTOR

Stock	Market price (VND)	Recommendation	Target price (*) (VND)	PE (x)		EVEBITDA (x)		Dividend yield (%)	
				2025F	2026F	2025F	2026F	2025F	2026F
MSN	75,800	ACCUMULATE	83,000	9.5%	47.7	30.3	14.7	13.0	0
QNS	48,500	ACCUMULATE	56,100	15.7%	7.3	8.0	7.3	7.1	8.5
VNM	60,200	ACCUMULATE	68,900	14.5%	13.6	16.3	9.7	10.7	7.9
MWG	67,700	ACCUMULATE	75,300	11.2%	18.4	16.5	15.7	14.4	1.7
HAX	15,350	ACCUMULATE	17,200	12.1%	16.7	15.7	9.3	8.8	6.1
SAB	47,650	ACCUMULATE	54,100	13.5%	14.5	15.1	11.8	12.0	10.2
FRT	186,800	MONITOR	N.A	N.A	35.8	28.0	17.9	14.9	-
DGW	44,200	NEUTRAL	41,800	N.A	18.5	12.8	19.0	10.9	1.3
PNJ	82,800	NEUTRAL	80,000	0%	14.1	12.6	9.0	9.0	2.4

Source: RongViet Securities. (*) The target price comprises expected cash dividend next 1 year.

Infrastructure serves as a pivotal element in the economic growth strategy. We posit that the ongoing reforms will enable Vietnam to expedite its infrastructure modernization efforts—a long-suppressed imperative that has accumulated over years. This development is poised to establish a robust foundation, propelling Vietnam nearer to its aspiration of attaining high-income nation status. Within this thematic focus, our analysis delves into the following sub-points:

1. Accelerating Transportation Infrastructure Projects:

- The trend and scale of investment in transportation infrastructure in Vietnam for 2025 exhibit a substantial uptick relative to preceding years, with the public investment allocation for transportation projected at approximately 87 trillion VND—a level surpassing the 75,481 billion VND recorded in 2024, reflecting a 15.3% year-over-year increase. In 2025, an estimated 19 key transportation projects are slated for commencement. Concurrently, 50 projects are anticipated to reach completion, thereby augmenting the total expressway network length to nearly 2,021 km. To advance transportation infrastructure development through 2030, Vietnam will require in excess of 200 billion USD.
- Business models centered on infrastructure construction and materials stand to derive direct benefits from project execution. Key raw materials encompass sand (for land reclamation and leveling, among others), stone (for roadway and structural construction), and construction steel (for bridges, roads, and terminals); moreover, the intensification of construction activities is expected to bolster material consumption volumes, particularly favoring industry-leading enterprises with substantial scale.
- In parallel, industrial park developments, logistics firms, and transportation entities are positioned to reap indirect advantages through heightened operational throughput. Furthermore, infrastructure advancement serves as a foundational catalyst for residential real estate project proliferation, as enhanced connectivity expands urban footprints, fosters inter-regional linkages, attracts population inflows, and accelerates urbanization rates.
- Selected equities include: Those poised for direct benefits encompass materials sector stocks (HPG); additionally, indirectly advantaged sectors may feature real estate (KBC, SIP, KDH, NLG).

Business Models Benefiting from Key Transportation Infrastructure Projects

Advantages of Vietnam's Infrastructure System (developed in the 2025-2026 period)

Source: RongViet Securities complies

Selected Stocks Based on Investment Themes - Accelerating Transportation Infrastructure Projects

Stock	Form of benefit	Target price	Div. in next 12M	Closed price @09/07	Upside (Including dividend)	Revenue growth in 2025 (%)	NPAT-MI Growth in 2025(%)	ROA 2025 (%)	ROE 2025 (%)	P/E 2025 (x)	P/B 2025 (x)	12M EV/EBITDA (x)	Investment thesis related to the topic
HPG	Direct	28,200	0	24,750	14%	30.11	55.57	7.40	14.20	11.07	1.44	11.25	HPG maintains the dominant market share in the construction steel segment. Furthermore, the commissioning of the DQ02 facility—coupled with the imposition of anti-dumping duties aimed at safeguarding domestic production—positions the enterprise to erode the market penetration of imported steel, predominantly sourced from China. Amid expectations for the expansion of high-speed rail networks (accompanied by heightened demand for specialized steel), HPG is slated to operationalize a dedicated high-speed rail steel production plant during the 2027-2028 timeframe, thereby enabling it to capitalize preemptively on the forthcoming investment surge.
KBC	Indirect	34,600	0	27,750	25%	73.32	238.14	3.00	6.50	2.32	1.08	19.73	The industrial parks of the enterprise (Trang Due, Kim Thanh) and the large-scale urban area (Trang Cat) are concentrated in Hai Phong—a key hub for infrastructure development in Northern Vietnam during the 2025-2026 period.
SIP	Indirect	76,700	1.000	70,900	10%	-1.25	-1.55	5.00	23.00	29.47	2.76	9.23	The Phuoc Dong Industrial Park, the largest-scale industrial park, is strategically located near the Moc Bai–HCMC Expressway, facilitating seamless connectivity between Southern Vietnam's economic hubs and the Cambodian market. Additionally, other industrial parks (Le Minh Xuan 03, Loc An Binh Son) are situated in proximity to areas undergoing accelerated infrastructure development, including Ring Road 03 and Long Thanh Airport.
KDH	Indirect	42,777	0	31,000	38%	126.65	37.63	8.09	12.79	5.17	1.43	27.64	The enterprise's large-scale urban areas (Gladia, Solina, Phong Phu, Tan Tao) are poised to benefit from the development of Ring Road 02 and 03 systems in HCMC. The accelerating urbanization rate, coupled with rising demand for housing in well-planned urban developments, further enhances their growth prospects
NLG	Indirect	38,220	0	39,750	-4%	-18.33	-32.06	0.93	3.14	4.52	1.69	11.37	The enterprise's large-scale urban areas (Waterpoint, Izumi) are well-positioned to capitalize on the development of infrastructure systems connecting HCMCwith neighboring provinces (Dong Nai, Long An). The accelerating pace of urbanization, combined with growing demand for housing in meticulously planned urban developments, further bolsters their growth potential.

2. Power Capacity Expansion – An Urgent Necessity

The Revised Power Development Plan VIII sets a target for average GDP growth of approximately 10% per year during the period 2026–2030, corresponding to projected electricity output growth of 7–9% CAGR annually. To achieve this, investment in energy infrastructure development has become an urgent requirement. Two key infrastructure segments have been prioritized:

Developing renewable energy plants to expand system capacity

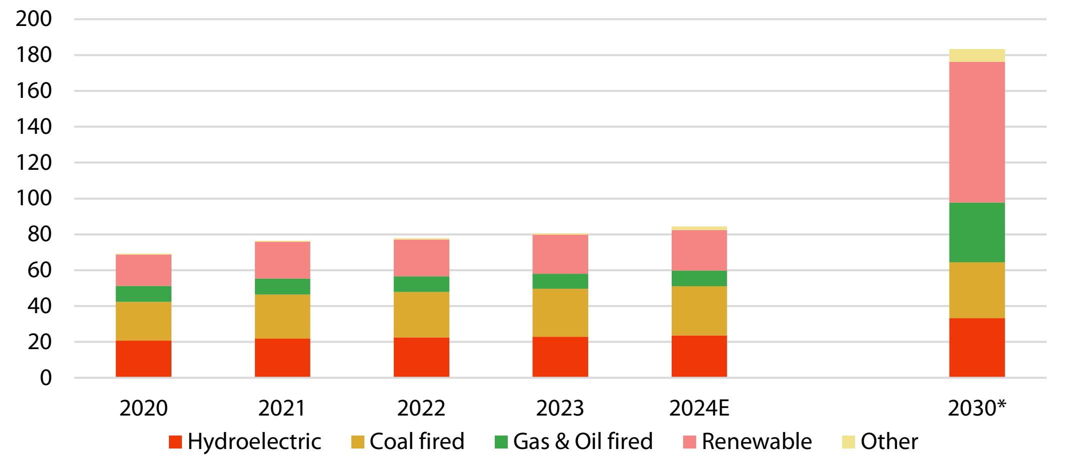
- Total installed electricity capacity is expected to reach 183 GW(*) by 2030, implying a CAGR of 12%. Renewable energy is projected to account for around 45% of the total capacity, with wind and solar power expected to grow at CAGRs of 27% and 16%, respectively.
- Vietnam aims to develop offshore wind power for export to regional markets such as Malaysia and Singapore, with projected export capacity reaching 5,000–10,000 MW by 2030.
- The high demand for new capacity opens significant growth opportunities for experienced renewable energy developers, particularly those already operating plants such as REE, HDG, and GEG.

Expanding and upgrading the smart power transmission grid

- The national grid is planned to be upgraded into a smart grid to ensure power supply from renewable energy hubs in Central Vietnam (e.g., Bình Thuận, Ninh Thuận) to major industrial centers in the North and South.
- By 2030, the plan includes construction and upgrades of 14,000 km of 500kV transmission lines and 21,000 km of 220kV lines, along with expanding transformer station capacities to 105,000 MVA for 500kV and 123,000 MVA for 220kV.
- These smart grid infrastructure projects require contractors with strong technical expertise and construction experience. In this context, PC1 stands out as a potential beneficiary.

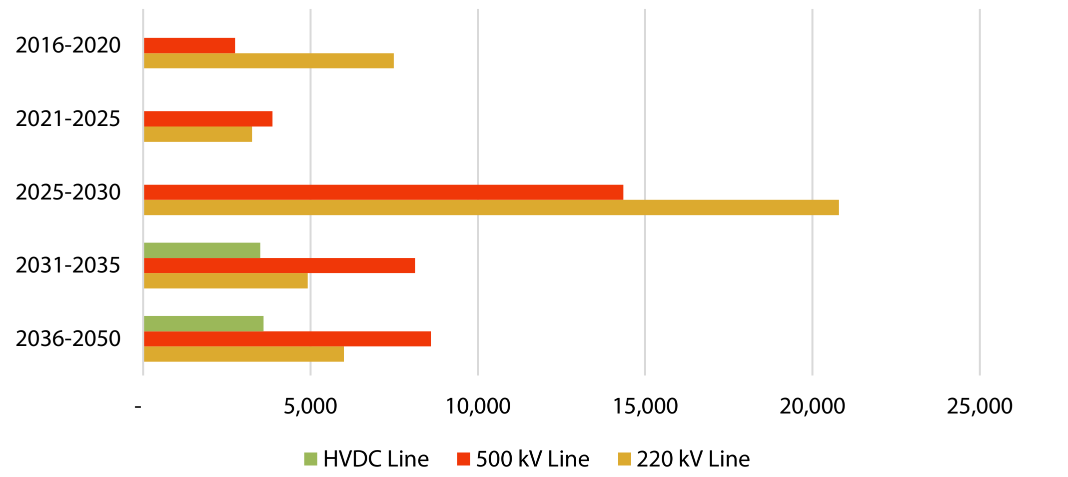
(*): Based on base scenario - Revised power development plan VIII
(**): HVDC: High voltage direct current

Total installed capacity (MW), classify by energy sources



Source: EVN, Revised Power Development Plan VIII, Rongviet Securities

Development goal of 220kV, 500 kV and HVDC (**) transmission lines (km)



Source: EVN, Revised Power Development Plan VIII , Rongviet Securities

Selected Stocks Based on Investment Themes - The Urgency of Investing in Expanding Power Supply Capacity

Stock	Business segment benefiting	Target price (VND)	Div. in next 12M	Closed price @09/07	Upside (Including dividend)	Revenue growth in 2025 (%)	NPAT-MI Growth in 2025(%)	ROA 2025 (%)	ROE 2025 (%)	P/E 2025 (x)	P/B 2025 (x)	12M EV/EBITDA (x)	Investment thesis related to the topic
REE	Renewable Energy	84,300	1,000	67,500	26%	10.74	27.56	6.70	12.00	10.70	1.51	11.05	**Hydropower**: Hydropower output is expected to improve following the commissioning of the Thac Ba 2 plant (19 MW) in April 2025. In 2026, the company plans to further expand its capacity with the expected completion of the Tra Khuc 2 project (30 MW). Additionally, stable weather conditions, thanks to the neutral phase of the ENSO cycle during 2H2025–1H2026, are anticipated to help maintain steady hydropower generation. **Renewable Energy:** The Duyen Hai wind power project (48 MW) is scheduled to begin commercial operations in 4Q2025, increasing wind power's contribution to the company's energy mix. Furthermore, the company is actively pursuing three additional wind power projects in Tra Vinh, with a total capacity of 344 MW, underscoring REE's long-term strategic focus on renewable energy development.
GEG	Renewable Energy	17,300	0	16,450	5%	28.97	522.56	4.69	12.48	2.62	1.21	7.81	- The Tan Phu Dong 1 project has received official approval for its electricity selling price, set at VND 1,813/kWh—nearly double the previous transitional rate. This adjustment is expected to significantly improve the company's gross profit margin. - The Duc Hue 2 solar power project (49 MW) is expected to be completed in 2025, increasing GEG's total solar capacity by 23% compared to the company current solar capacity. - The Tan Thanh offshore wind project (100 MW) received investment approval in June 2025 and is projected to be completed by 2028. This marks a strategic milestone for GEG's expansion into offshore wind development.
PC1	Electrical Construction	26,500	0	22,450	18%	-9.26	12.53	5.52	8.00	8.61	1.24	7.33	**EPC Construction**: We believe PC1's EPC workload will increase significantly due to: (1) the power grid expansion targets set out in the Revised Power Development Plan VIII (PDP8R); (2) the establishment of a pricing framework for renewable energy, enabling developers to proceed with new projects; and (3) its role as the EPC contractor for the Camarines Sur wind power project (58 MW) in the Philippines. **Energy Segment**: PC1 is planning to expand its generation capacity through two upcoming hydropower projects: Bao Lac A (30 MW) and Thuong Ha (13 MW).

Source: Bloomberg, RongViet Securities | (*) Closed price as of 09/07/2025

3. Expanding National Energy Infrastructure

We believe that investing in gas and LNG infrastructure is a key part of Vietnam's energy modernization, especially as electricity demand is rising fast and the country faces more pressure to shift toward cleaner energy after its Net Zero commitment.

Between 2025 and 2030, Vietnam's electricity demand is expected to grow by 8–9% each year, while domestic gas supply is starting to decline. To deal with growing concerns over energy security and emissions, the government has laid out a clear roadmap in key policies like Power Development Plan VIII (PDP8) and the Gas Industry Development Plan. These plans focus on expanding gas-fired power and LNG import infrastructure.

The Block B – O Mon project is one of Vietnam's most important gas infrastructure developments, with a total estimated investment of USD 12 billion. It includes 3 main parts:

- Upstream – Gas extraction at Block B
- Midstream – Pipeline system of approximately 430 km
- Downstream – Four gas-fired power plants in O Mon with a total installed capacity of around 3.8 GW

The FID was approved in 2024, target commercial operation by 2027. Once in operation, the project is expected to supply about 5 billion cubic meters (bcm) of gas per year, accounting for roughly 25% of Vietnam's gas-for-power demand.

At the same time, **imported LNG is becoming more important in Vietnam's energy mix**, especially in the southern region, where local gas supply is limited. Key projects such as Thi Vai LNG Phase 2 (3 million tons/year), Son My LNG Phase 1 (3.6 million tons/year), and others in Long An, Vung Ang, etc., are being developed under PDP8. By 2030, the country aims to reach 22–24 GW of LNG-fired power capacity and import 14–22 million tons of LNG annually.

In addition, supporting infrastructure such as LNG terminals, compressor stations, gas-to-power ports, as well as LNG logistics and transportation systems is gradually taking shape to complete the clean energy supply chain.

We believe that companies operating across the gas–LNG value chain and infrastructure-related services will benefit the most, notably **PVS** and **PVT**, which are expected to see a substantial improvement in backlog visibility and cash flow from 2025.

In addition, we see GAS also as a stock with significant potential to benefit from Vietnam's longer-term LNG transition pathway.

Investment Ideas from the Expansion of National Energy Infrastructure

Main Theme	Key Operations	Beneficiary Company
EPC & LNG	Offshore Platforms, pipelines, and LNG import Terminals	PVS
Midstream & Gas Operation	Gas pipeline operation, LNG terminals, compressor stations	GAS
Logistics	LNG Transportation, terminal logistics	PVT
Energy Support Services	Gas-fired power plant operation, terminal maintenance, technical services	PVS

Source: RongViet Securities

Key Oil & Gas Projects in Vietnam

Project Name	CapEx (USD mn)	Oil/gas reserves	2025	2026	2027
King Ngu Trang	650	6.26 mcm of oil + 2.16 bcm of gas			
Block B – O Mon	12,000	107 bcm of gas			
Blue Whale	10,000	150 bcm of gas	June 2025: The MOIT is pushing to resume negotiations with ExxonMobil		
White Lion Phase 2B	1,300	17 bcm+ 74 mn bbl oil/condensate			
Nam Du – U Minh	N/A	5.6 bcm of gas	Awaiting FS approval from PVN & MOIT		
Lac Da Vang	693	100 - 113 mn bbl oil			
Thien Nga – Hai Au	349	7.43 bcm of gas			
Ken Bau	N/A	200-250 bcm of gas	Exploration in progress		
Bao Vang – Bao Đen	1,321	57.88 bcm of gas	Exploration in progress		

Source: RongViet Securities

Selected LNG Terminal Projects in Vietnam

Project Name	CapEx (USD mn)	Design Cap. (mn mt/year)	2025	2026	2027	2028	2029	2030
Thi Vai LNG – Phase 2	335	3	Conducting FS					
Son My LNG – Phase 1	1,400	3.6	FS done, Land clearance ongoing					
Long An LNG	3,100	1.5 - 3	FS & land clearance completed					
Vung Ang LNG	N/A	1 – 3	Survey, Pre-FS					

Source: RongViet Securities

Selected Stocks Based on Investment Themes - Expanding national energy infrastructure

Stock	Business segment benefiting	Target price (VND)	Div. in next 12M	Closed price @09/07	Upside (Including dividend)	Revenue growth in 2025 (%)	NPAT-MI Growth in 2025(%)	ROA 2025 (%)	ROE 2025 (%)	P/E 2025 (x)	P/B 2025 (x)	12M EV/EBITDA (x)	Investment thesis related to the topic
PVS	EPC Oil & Gas	38,500	1,000	32,800	20%	37.23	14.95	3.80	9.50	7.90	1.10	10.75	**PVS – Positive outlook backed by key projects** In the 2H2025, PVS is expected to continue its revenue growth, mainly thanks to the Mechanical & Construction (M&C) segment, supported by steady progress on key projects. As of May 2025, the Lac Da Vang project has achieved approximately 25–30% of total construction work. For the Block B – O Mon project, the EPCI#1 and EPCI#2 packages were 22% and 47% complete. Notably, although the EPC#3 package had previously faced delays due to land clearance issues, progress in An Giang Province has reached 89% as of early July, allowing the PVS – Lilama 18 joint venture to officially commence pipeline installation. This shows strong commitment from the project teams to stay on track for first gas delivery by August 2027.
PVT	O&G Logistics & Transport	19,900	1,000	18,000	16%	4.80	-7.45	4.90	12.10	15.07	1.01	3.46	**PVT – Outlook improving on transportation demand and one-off income** We expect PVT's performance to pick up in H2/2025, driven by higher volume and improved ton-mile demand, despite freight rates remaining below 2023–2024 levels. Key segments show positive signs: crude tankers may rebound from Q3 as China and India's demand rises; chemical tankers stay stable amid tight supply; and LPG carriers - especially VLGCs - have shown a clear recovery since May. Geopolitical tensions in the Middle East, though easing, may still indirectly support global freight rates. Additionally, PVT is likely to record ~USD 4 million in one-off gains from the divestment the Neptune chemical tanker in Q3 – Q4. Looking ahead, PVT's medium - and long-term outlook remains positive, backed by its targeted fleet investment strategy in key segments to strengthen operations and reduce market risk.
PVD	Drilling Services	23,500	500	20,400	18%	-4.25	-7.31	2.60	3.90	4.57	0.69	6.29	**PVD – Recovery outlook supported by increased drilling activity and improving market balance** We expect PVD's operations to gain momentum starting from September 2025, when the PVD VIII rig officially comes into operation. At the same time, the company continues to deploy the Hakuryu-11 rig (Phases 1–4) and BORR-THOR rig (Phases 5–10) for domestic drilling programs. In response to rising demand, PVD plans to lease an additional 1–2 rigs by late Q3 or early Q4. According to management, the drilling market is expected to recover toward the end of this year, as the global oversupply of rigs is projected to peak in September and gradually decline afterward. The return of Aramco could help rebalance supply and demand, supporting the recovery of day rates throughout 2025–2026.

THEME 5: TURNING POINT

We believe that potential investment opportunities also come from factors that create a tipping point in terms of business results. New income streams of a regular nature or large enough one-time receipts can completely create value and benefits for shareholders. In this topic, we suggest two focal points as follows:

1. Removing institutional and legal bottlenecks

- **Real estate industry: Legal issues are gradually being unraveled – creating a foundation for a new growth cycl**
  - ✓ The real estate industry has faced many legal problems in recent years, causing project progress to stall, reducing investment efficiency and hindering the flow of credit capital into the market. However, many major bottlenecks are being solved synchronously, creating a foundation for a new growth cycle. Salient issues include:
    1. The planning is slow or adjusted many times, now it has been approved simultaneously in big cities such as Ho Chi Minh City. Ho Chi Minh City, Hanoi, Quang Nam, Dong Nai…
    2. Difficulties in site clearance and determination of financial obligations (such as land use levy) are now removed thanks to the land price list close to the market and the procedures for valuation – compensation – planning adjustment are carried out in parallel.
    3. Legal obstacles in projects without residential land have also been removed with pilot mechanisms in Hanoi, Binh Duong, Bac Ninh – where worker housing projects on industrial land have been implemented.
    4. Administrative procedures are being reduced, such as exempting construction permits for projects that have a 1/500 plan and a valid fire protection design, or promoting the progress of issuing pink books.

The synchronous and comprehensive handling of legal issues will help shorten the project implementation time, reduce financial costs, release investment capital flows that are "imprisoned" in undeveloped land, and speed up the recording of revenue/profit. Enterprises with large-scale projects and relatively complete legal conditions will be the obvious beneficiaries in the upcoming recovery cycle. Beneficiary stocks that investors can refer to: ***HDG.***

- **Electricity industry: Barriers to mechanisms and legal frameworks slow down investment and efficient operation – expected to remove bottlenecks to unlock potential.**
  - ✓ The power industry currently faces two major legal barriers that slow down investment progress and directly affect the operational efficiency of businesses:
    1. **Lack of Clear DPPA Mechanism:** : Direct power purchase agreements (DPPAs) – one of the key tools for renewable energy development – have not yet been legally concretized, making it difficult for investors such as REE and GEG to negotiate prices and conditions for cooperation with electricity consumers. The lack of a legal foundation makes renewable energy projects (RE) behind schedule, profit margins less attractive and difficult to attract capital. However, if this mechanism is promulgated, businesses will have a solid basis to promote investment, establish competitive electricity prices and directly access large consumers, thereby expanding their scale and profit margins.
    2. **Lack of regulations on imported LNG prices**: While many gas power plants such as NT3-4 (POW), Phu My 2.2, Phu My 3 (PGV) have switched to using LNG, there are no clear regulations on the mechanism for calculating LNG prices and related costs (warehousing, gas recycling, etc.), making it difficult for businesses to forecast costs. financial planning and long-term investment decision-making. This directly affects plants such as NT2, which are looking to switch from traditional gas to LNG. The expectation is that PV GAS will sign long-term LNG purchase contracts with major partners such as the United States, Qatar, etc., thereby creating a stable supply, reducing dependence on fluctuations in spot prices, helping to improve gross profit margins and operational efficiency in the medium to long term.
  - ✓ Beneficiary stocks that investors can refer to include: **REE, GEG, NT2, POW**

- **Banking industry: Legalizing three important pillars from Resolution 42 – Expecting to make a breakthrough in handling bad debts**

The three core provisions of Resolution 42 included in the amended Law on Credit Institutions include::

1. The right to seize collateral (fixed assets),
2. Distraint of assets of the judgment debtor if such assets are fixed assets for bad debts,
3. Return of fixed assets as exhibits in criminal cases.

In particular, the regulations on the seizure of fixed assets are considered to have the most important impact. This regulation will help significantly shorten the processing time of fixed assets, when banks no longer have to go through complicated legal procedures if customers do not cooperate. At the same time, this also raises the awareness of debt repayment and coordination in handing over assets of borrowers. The positive effects of the new policy are expected to be reflected in banks' financial statements within 6-12 months after the law takes effect (10/15/2025).

The positive impact of the new legal framework, combined with the recovery of the real estate market, is expected to create conditions for the banking industry to record significant profit sources from: (1) Recovery of off-balance sheet bad debts, (2) Refund of divested interest, return of provisions for on-balance sheet bad debt risks, etc and (3) Reduce capital costs by clearing up cash flows that are "trapped" in bad debts. Beneficiary stocks that investors can refer to include: ***VIB, VPB***.

2. Unexpected Benefits from a one-off

- One-off earnings can create temporary value for shareholders through increased accounting profits, improved EPS, and short-term stock valuation support. At the same time, if there is real cash flow, businesses can use it to pay debts, pay dividends, buy treasury shares or reinvest, thereby enhancing long-term value. In addition, these items also reflect efforts to restructure and optimize assets.
- In this sub-section, the stocks that investors can refer to include: **HAX, PHR, NLG, VCG.**

Stocks selected by investment theme - Removing mechanical and legal bottlenecks

Ticker	Segment	Target price (dong)	Dividend for the next 12 months (dong)	Market price(*)	Expected rate of return (including dividends))	NPAT-MI YoY% 2025F	ROE (%)	P/E (x)	P/B (x)	12M EV/EBITDA (x)	Notes related to investment topics
HDG	Real estate – Renewable Energy	28,200	500	25,700	12%	88%	15.50	9.41	1.31	8.84	In 2025, HDG is actively participating in piloting the model of commercial housing development on other land funds through land use rights. Projects that are submitting dossiers include: Green Lane (District 8), Minh Long (Thu Duc City) and Phan Dinh Giot (Thanh Xuan, Hanoi) – of which the project in Hanoi has officially entered the list. The business expects to complete the procedures for land allocation, application for permits and investment from 2026 onwards.
REE	Renewable Energy	84,300	1,000	67,500	26%	28%	12.00	10.7	1.51	11.05	If the DPPA is concretized, REEs and GEGs will benefit from: • Transparent legal framework helps accelerate the development of new projects. • Electricity selling prices and power purchase partners are clearer and more stable, thereby improving profitability. • Attracting more industrial customers, especially businesses with long-term demand for green and stable electricity.
GEG	Renewable Energy	17,300	0	16,450	5%	523%	12.48	2.62	1.21	7.81	
NT2	Gas Genco	20,900	1,000	19,750	11%	490%	9.55	1.979	1.27	5.11	Gas power enterprises expect to remove LNG barriers – unlock profit margins when PV GAS signs long-term LNG purchase contracts with major partners such as the US and Qatar. The stabilization of supply and the reduction of dependence on spot LNG prices will: • Limit the risk of fuel cost fluctuations, • Increase the initiative in plant operations, • Improving gross profit margin for gas power enterprises in the medium to long term
POW	Gas Genco	14,800	0	13,550	9%	-13%	6.77	2.575	0.87	10.52	
VIB	Bank	21,900	700	19,150	18%	17%	18.7	18.06	1.18	10.52	Banks with a large proportion of retail sales such as VIB (VIB: 80% of outstanding loans from retail loans, and 66% of the collateral portfolio are real estate with ownership certificates) and VPB will benefit more clearly thanks to: • Personal loans often have fixed assets that are real estate with land use permits, cars,... Highly liquid • The time and resources for debt settlement have been significantly shortened due to the characteristics of small debts and geographical dispersion.
VPB	Bank	22,800	500	20,050	16%	29%	13.26	11.41	1.03	10.52	

Selected Stocks Based on Investment Themes - Unexpected Gains from One-off Profits

Stock	Market cap (VND bn)	NPAT-MI (VND bn)	% Cumulative 12M dividend yield	Target price	Closed price @09/07	Upside (Including) dividend	ROE	P/E	P/B	EV/EBITDA	Investment thesis related to the topic
HAX	1,649	125	6.51	17,200	15,350	12%	7.90	9.30	1.39	9.12	In July 2025, HAX's Annual General Meeting approved a plan to divest a prime land parcel located on Võ Văn Kiệt Boulevard, spanning 6,282.6 square meters, at a minimum price of VND 180 million per square meter. This implies a minimum transaction value of VND 1,131 billion (USD 45mn), accounting for over 35% of the company's total assets. f the sale is successfully executed, HAX is expected to record a one-time profit in the range of VND 320–600 billion (USD 13–24mn), depending on the final sale price. In addition to the earnings boost, the deal would significantly enhance the company's cash flow position.
PHR	8,320	460	4.89	64,300	61,500	5%	18.27	12.69	2.04	16.20	PHR and Thadico Binh Duong are in the process of determining compensation value for the Bac Tan Uyen 1 project, with plans to finalize and commence development in 2025. According to PHR, the expected compensation rate will not be lower than VND 2.5 billion per hectare (USD 99,000/ha), in line with previous settlements received by the company for the NTC3 and VSIP III projects. Based on this benchmark, total compensation income is estimated at approximately VND 1,965 billion (USD 78mn), offering a sizable financial inflow to support the company's earnings profile and future growth initiatives.
NLG	15,287	518	1.26	38,220	39,750	-4%	3.14	4.52	1.69	11.37	The sale of a 15% stake in the Izumi project, following a revaluation process, is estimated to bring in approximately VND 336 billion (USD 13mn) in financial income.
VCG(*)	14,933	927	3.21	n.a	n.a	n.a	7.39	25.66	1.80	15.88	On June 30, 2025, Vinaconex (VCG) issued Board Resolution No. 1439/2025/QĐ-HĐQT approving the full divestment of its stake in Vinaconex Investment and Tourism Development JSC (Vinaconex ITC – VCR). The transaction involves the transfer of 107.1 million shares at a minimum price of VND 48,000 per share, implying total proceeds of at least VND 5,140.8 billion (USD 204mn). As of the end of Q1 2025, the investment was recorded at historical cost of VND 1,629 billion, with VCR carrying accumulated losses of VND 545 billion. Adjusting for impairment, the estimated book value of VCG's stake stands at VND 1,351 billion (USD 54mn), translating to an expected pre-tax gain of at least VND 3,790 billion (USD 150mn).Net profit after tax from the transaction is estimated at VND 3,032 billion (USD 120mn), boosting earnings per share (EPS) by an additional VND 5,065. This divestment marks a significant step in VCG's capital restructuring strategy and is expected to provide strong support for its bottom line in 2025.

OUR STRATEGIC PORTFOLIO 2H2025

Stock Selection and Portfolio Allocation Strategy

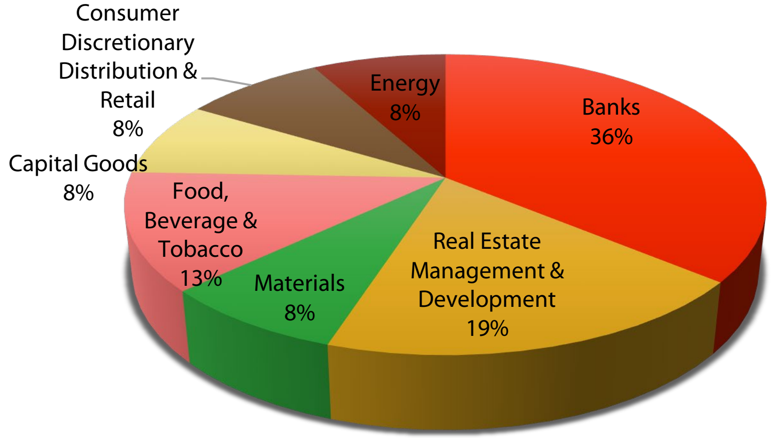
We prioritize the **Banking sector**, which is the main conduit of capital in the economy, with a market-equivalent weighting. We focus on four stocks with strong growth potential in 2H2025, namely **VCB, CTG, VPB** and **MBB**.

The next sector is **Real estate**, favouring companies with **project portfolios in tier-1 cities** (in the north and south) that are located near **strategic infrastructure** and will benefit from **the urbanization and industrialization trends in suburban areas**. We pick **KBC** and **KDH** for this group.

In the **Retail and consumer goods** sector, we maintain a weighting in essential, defensive stocks that remain stable throughout economic cycles, such as **SAB, MWG, MSN** and **QNS**.

Finally, we believe that **HPG, REE** and **PVS** have not yet fully reflected their growth potential in terms of **the expanding industrial infrastructure** and **large-scale energy projects**. These are stocks worth considering in the medium to long term.

Proportion of sectors allocated in the strategic portfolio

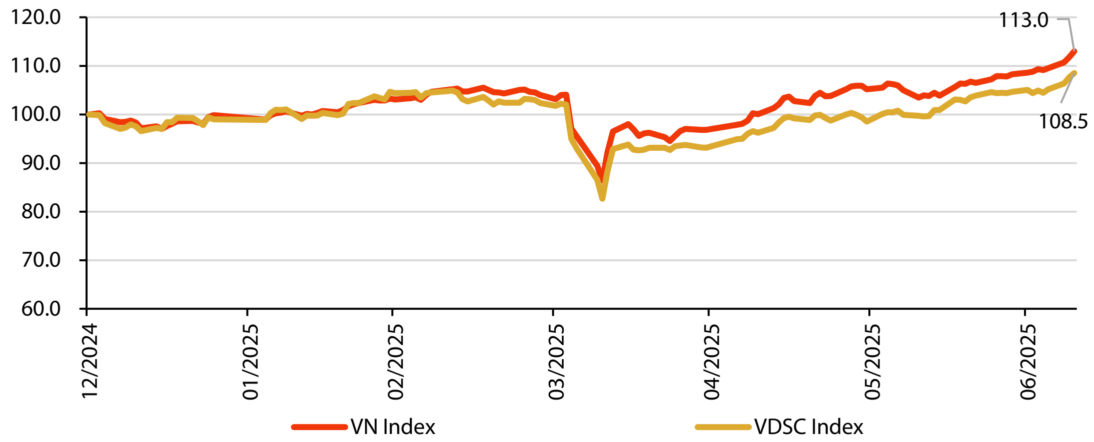


Source: RongViet Securities complies

List of selected stocks for the strategic investment portfolio

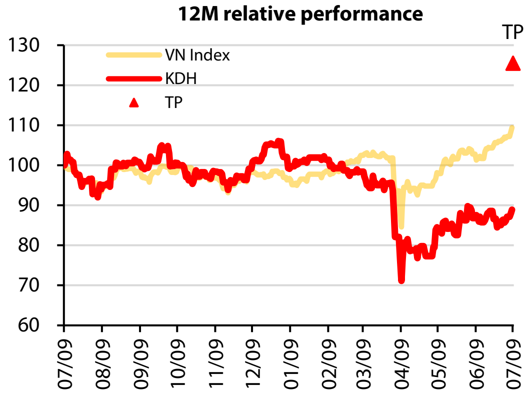
Stock	Target price	Dividend	Closing price	Expected rate of return	P/E 2025F	NPAT YoY% 2025F	P/B 2025F	ROE% 2025F	%Weight
KDH	42.777	0	31.000	38%	28,13	38%	1,43	12,79	9,5%
REE	84.300	1.000	67.500	26%	14,37	28%	1,51	12,00	8,0%
KBC	34.600	0	27.750	25%	18,14	238%	1,08	6,50	9,5%
QNS	56.100	3.500	48.500	23%	8,14	-8%	1,64	20,20	3,1%
PVS	38.500	1.000	32.800	20%	12,75	15%	1,10	9,50	8,0%
MBB	31.500	300	26.600	20%	6,52	10%	1,27	20,70	8,0%
VCB	73.000	0	61.500	19%	13,88	9%	2,26	17,04	9,0%
VPB	22.800	500	20.050	16%	7,79	29%	1,03	13,26	12,0%
HPG	28.200	0	24.750	14%	10,16	56%	1,44	14,20	8,0%
SAB	49.100	5.000	47.650	14%	15,89	-11%	2,73	17,20	2,1%
MWG	75.300	1.000	67.700	13%	19,17	40%	4,30	16,20	8,4%
MSN	83.000	0	75.800	9%	33,60	62%	2,61	7,40	7,4%
CTG	48.300	0	45.000	7%	7,92	20%	1,40	19,01	7,0%

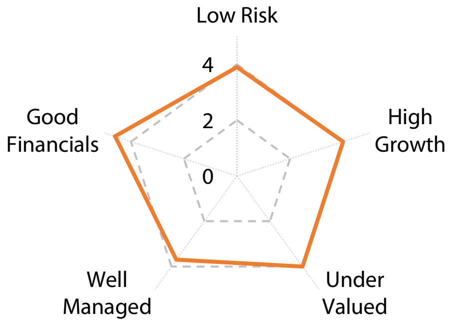
Correlation of investment performance between the VN Index and VDSC's portfolio since the beginning of the year (12/31/2024=100)



GLADIA PROJECT – A BRIGHT SPOT FOR BUSINESS RESULTS IN 2025

BUY: 37% **MP: 31,000** **TP: 42,600**





STOCK INFORMATION

Sector	Real Estate
Market Cap (USD Mn)	31,345
Current Shares O/S (Mn shares)	1,011
3M Avg. Volume (K)	2,949
3M Avg. Trading Value (VND bn)	84
Remaining foreign room (%)	13.3
52-week range ('000 VND)	24.25 – 36.36

FINANCIAL	2023A	2024F	2025F
Revenue (VND bn)	3,279	7,431	5,778
NPATMI (VND bn)	810	1,115	865
ROA (%)	3.0	8.1	6.7
ROE (%)	5.2	12.8	10.0
EPS (VND)	801	1,103	855
Book Value (VND)	19,236	21,697	23,874
Cash dividend (VND)			
P/E (x)	53.2	38.7	49.9
P/B (x)	2.2	2.0	1.8

INVESTMENT THESIS

The Gladia project has completed the sales license, is expected to start selling and record revenue as soon as Q4/2025

As of July 2025, KDH has completed the landscaping for the whole project and has been granted sales licenses for both Clarita and Emeria subdivisions. The project with a total of more than 200 low-rise products includes the following types: Townhouses, Detached/Duplex/Quadruple Villas, with an expected selling price of over 250 million VND/m2.

In the baseline scenario, we expect KDH to be able to sell 60% for the Clarita subdivision (96 units) and 40% for the Emeria subdivision (24 units) in 2025, with an estimated sales value of VND 6,025 billion. We expect the handover value in 2025 to bring VND 5,600 billion in revenue to KDH in 2025.

With the above assumptions, we estimate that KDH's business results in 2025 will grow thanks to the handover of The Privia, opening for sale and handing over the Gladia project. Accordingly, revenue is estimated at VND 7,431 billion (+127% YoY) and profit after profit is estimated at VND 1,115 billion (+38% YoY), coming from key projects: 1/ The Privia contributes more than VND 1,500 billion, equivalent to the value of the remaining 40% of the project's products and 20 shophouse products, 2/ The Gladia (Clarita & Emeria) is expected to contribute VND 5,600 billion.

RISKS TO OUR CALL

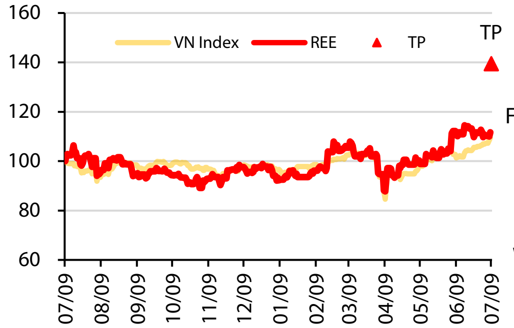
The progress of legal completion and the level of product absorption are lower than expected, affecting the future cash flow of the business.

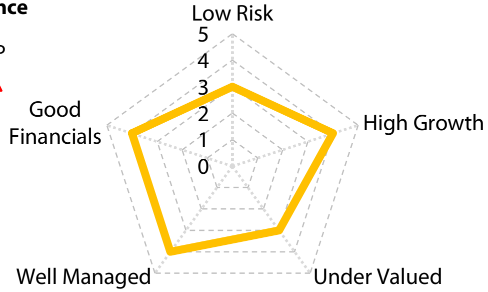
REE: ENERGY AND REAL ESTATE FUEL BUSINESS GROWTH

HSX: REE

BUY: 24.1% **MP: 67,500** **TP: 83,800**

12M relative performance





STOCK INFO

Sector	Ultilities
Market Cap (USD Mn)	1,399
Current Shares O/S (Mn shares)	542
3M Avg. Volume (K)	951
3M Avg. Trading Value (VND bn)	60
Remaining foreign room (%)	0.0
52-week range ('000 VND)	49,65 - 70,7

FINANCIALS

FINANCIALS	2024A	2025F	2026F
Revenue (VND bn)	8,384	9,284	8,885
NPATMI (VND bn)	1,994	2,544	2,323
ROA (%)	6.7	6.7	5.8
ROE (%)	10.7	12.0	10.2
EPS (VND)	4,234	5,348	4,932
Book Value (VND)	40,126	44,841	48,451
Cash dividend (VND)	1,000	1,000	1,000
P/E (x)	13.9	12.6	13.7
P/B (x)	1.5	1.5	1.4

INVESTMENT THESIS

Power Segment: Revenue growth is primarily supported by the recovery of hydropower output and increased installed capacity from new projects

- We forecast electricity segment revenue to reach VND 4,905 billion (+28% YoY), with gross profit of VND 2,630 billion (+63% YoY)
- Total consolidated electricity output is estimated at 3.5 billion kWh (+26% YoY), of which hydropower will contribute 2.9 billion kWh (+33% YoY), driven by favorable hydrological conditions under the La Niña–Neutral weather cycle.
- REE is also expanding its renewable portfolio with upcoming projects such as Tra Khuc 2 hydropower plant (30 MW), Thac Ba 2 (19 MW), and Duyen Hai 2 wind farm (48 MW), all expected to come online during 2025–2026. These additions are expected to boost REE's total installed capacity by 8% (adjusted for ownership and excluding coal-fired power capacity).

Real Estate & Office Leasing Segment: Growth will be supported by increased contributions from the Etown 6 office building and revenue recognition from the Light Square residential project in Thai Binh

- Segment revenue is projected at VND 1,770 billion (+41% YoY), with gross profit of VND 1,011 billion (+21% YoY).
- Office leasing is expected to bring in revenue of VND 1,275 billion (+17% YoY) and gross profit of VND 872 billion (+15% YoY)
- We assume the Etown 6 building (36,780 m^2 net leasable area, equivalent to 25% of REE's total office leasing portfolio) will reach a 38% occupancy rate in 2025, with full occupancy expected by 2027.

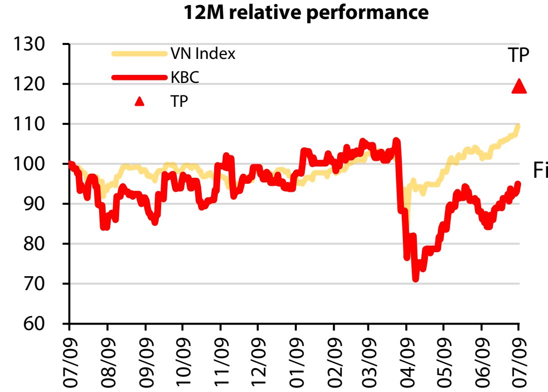
RISKS TO OUR CALL

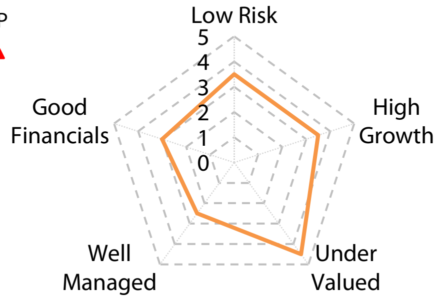
- Rainfall level lower than expected, reducing the hydroelectricity output.
- Etown 6 could see a lower demand for office leasing than anticipated.

LEVERAGING FOR LONG-TERM GROWTH EXPECTATIONS

HSX: KBC

BUY: 25% **MP: 27,700** **TP: 34,600**





STOCK INFO

Sector	Real Estate
Market Cap (USD Mn)	1,000
Current Shares O/S (Mn shares)	942
3M Avg. Volume (K)	8,569
3M Avg. Trading Value (VND bn)	211
Remaining foreign room (%)	30.1
52-week range ('000 VND)	20,05 - 31,3

FINANCIALS

FINANCIALS	2024	2025F	2026F
Revenue (VND bn)	2,776	4,811	12,278
NPATMI (VND bn)	426	1,441	3,047
ROA (%)	1.1	3.0	5.8
ROE (%)	2.3	6.5	11.0
EPS (VND)	555	1,417	2,994
Book Value (VND)	24,234	25,593	28,587
Cash dividend (VND)	-	-	-
P/E (x)	49.0	19.6	9.3
P/B (x)	1.1	1.1	1.0

INVESTMENT THESIS

2025 Recovery Outlook – Leveraging Land Bank and Infrastructure Advantages

- KBC ranks among the largest listed industrial park (IP) developers in Vietnam, boasting a substantial portfolio of projects in prime Tier-1 markets across Northern and Southern regions, with a total land area of approximately 2,700 hectares. This includes: 1) Northern region projects such as Nam Son Hap Linh (NSHL, 300 ha), Trang Due 03 (TD03, 621 ha), and Kim Thanh (234 ha); 2) Southern region projects including Tan Phu Trung (TPT, 543 ha), Tan Tap (654 ha), and Loc Giang (466 ha).In the 2H2025, with clearer tariff policies, we anticipate KBC will accelerate development and leasing activities across its IPs. The total leased area for 2025 is projected to reach 140 ha (+180% YoY), with a significant portion of 2H2025 revenue driven by the leasing of 30 ha at NSHL IP.
- For 2026, leveraging its strategic land bank (with land clearance largely completed in 2023-2024) and advancing infrastructure (particularly in Northern hubs like Hai Phong), we expect KBC's IP leasing performance to remain robust, achieving 160 ha (+14% YoY), with key contributions from NSHL and TD03

Real Estate – Positive Contribution from Tràng Cát Urban Area

- The Tràng Cát Urban Area (585 ha, Hai Phong) has completed its land use fee payments in 2025, positioning it to generate significant revenue for KBC from 2026 onward. For 2026, we estimate the project will contribute 5.3 trillion VND in revenue, accounting for approximately 40% of KBC's total revenue.

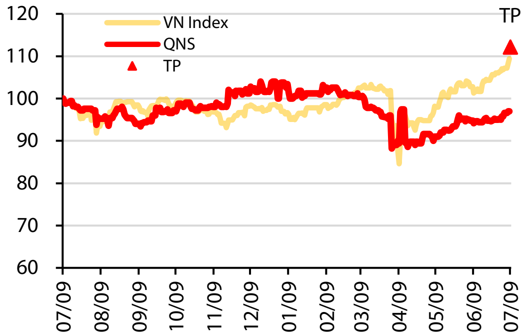
RISKS TO OUR CALL

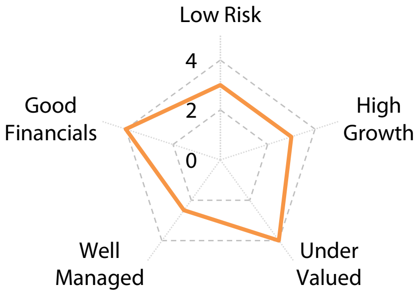
- Delays in legal and regulatory processes have hindered the pace of project approvals and land allocation for IPs, resulting in lower-than-anticipated revenue recognition
- Shifts in tariff policies have introduced uncertainties, diminishing the attractiveness of Vietnam's IPs for foreign investors and reducing KBC's land leasing prospects

HIGHLY DEPENDENT ON SUGAR INDUSTRY TRENDS

ACCUMULATE 15.7% **MP: 48,500** **TP: 56,100**

12M relative performance





STOCK INFO

Sector	Food & Beverage
Market Cap (USD Mn)	682
Current Shares O/S (Mn shares)	368
3M Avg. Volume (K)	406
3M Avg. Trading Value (VND bn)	18
Remaining foreign room (%)	35.4
52-week range ('000 VND)	43.5 – 52.3

FINANCIALS	2024A	2025F	2026F
Revenue (VND bn)	10,243	10,123	10,946
NPATMI (VND bn)	2,377	2,190	2,212
ROA (%)	17.2	14.9	13.6
ROE (%)	23.8	20.2	18.7
EPS (VND)	6,467	5,957	6,018
Book Value (VND)	27,206	29,560	32,259
Cash dividend (VND)	4,000	3,400	3,600
P/E (x)	7.7	8.1	8.1
P/B (x)	1.8	1.6	1.5

INVESTMENT THESIS

A robust "soy milk" foundation, steadfast through the years.

- QNS continues to sustain robust YoY growth in its soy milk segment, with profit expected to rise by +20.7% YoY, despite commanding a "high" market share (exceeding 80%). This underscores the enduring strength of its core "Fami" brand and the premium variants "FamiGold & Greensoy," aligning with consumer preferences amid intensifying competition.

The ability to "meet production targets as planned" at a sugar price exceeding VND 18,000 per kilogram will be pivotal in shaping QNS's profit growth outlook

- QNS will increase sugar output in upcoming quarters to meet its production plan, boosted by expanded cultivation and improved milling efficiency in the 24-25 season. However, this may lead to lower sugar prices due to rising smuggled sugar competition and a strong 24-25 season across mills.
- The "smuggled sugar" segment (28% of Vietnam's sugar consumption) offers a lucrative opportunity for QNS if the Government tightens controls on counterfeit goods, aligning with its ambitious cultivation plans and high sugarcane prices (VND 1.12 mn/ton) under farmer support. However, it acts as a medium-term stock price catalyst, not short-term, due to enforcement challenges.

The high cash dividend yield is well-suited for investors with a low-risk appetite

- QNS has delivered a dividend yield ranging from 6.3% to 11.0% annually over the past five years. The projected dividend yield for the next 12 months stands at 8.5%, surpassing the deposit interest rate of 5.0% per year.

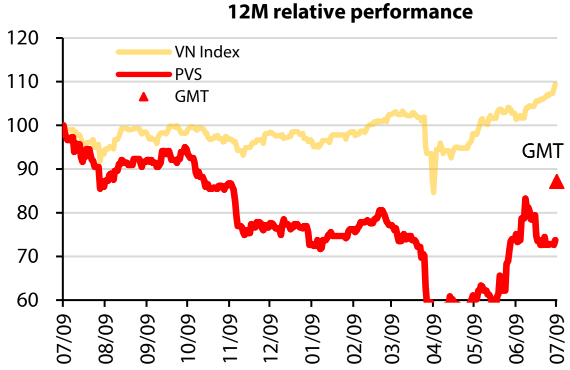
RISKS TO OUR CALL

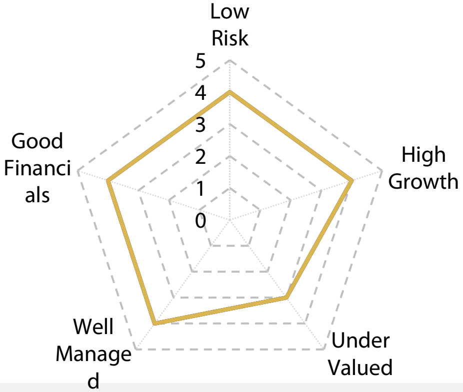
- The stronger penetration of liquid corn syrup (accounting for 8% of Vietnam's sugar consumption in just two years).
- The Government's effectiveness in curbing smuggled sugar remains low.

M&C PROGRESS BOOSTS BUSINESS PERFORMANCE

HSX: PVS

BUY: 20.4% **MP: 32,800** **TP: 38,500**





STOCK INFO

Sector	Oil & Gas
Market Cap (USD Mn)	15,677
Current Shares O/S (Mn shares)	478
3M Avg. Volume (K)	6,296
3M Avg. Trading Value (VND bn)	188
Remaining foreign room (%)	29.4
52-week range ('000 VND)	21,4 - 44,4

FINANCIALS	2024A	2025F	2026F
Revenue (VND bn)	**23,770**	**32,620**	**39,478**
NPATMI (VND bn)	**1,070**	**1,230**	**1,145**
ROA (%)	3.1%	3.4%	2.9%
ROE (%)	7.9%	8.7%	7.7%
EPS (VND)	1,923	2,317	2,155
Book Value (VND)	28,388	29,741	30,933
Cash dividend (VND)	793	956	956
P/E (x)	17.6	14.1	15.2
P/B (x)	1.1	1.,1	1.1

INVESTMENT THESIS

We believe that the business performance of PVS will remain strong in the 2H2025, driven by accelerated execution progress at key projects such as the Block B – O Mon and Lac Da Vang projects.

Strong execution progress at major projects provides a solid foundation for M&C revenue growth

As of the end of May 2025, construction progress at the Lac Da Vang offshore project (with a total investment of USD 1.2 billion) had reached approximately 25–30%. For the Block B – O Mon project, the key EPCI packages undertaken by PVS have all shown positive progress: EPCI#1 has reached 22%, EPCI#2 has reached 47%, while EPC#3 - which previously faced delays due to land clearance issues - has now reached 89% progress in An Giang Province, so we believe that handover and construction can likely begin in Q3.

Meanwhile, the Greater Changhua 2b & 4 project (CHW2204) in Taiwan successfully completed 33 wind turbine jackets as of February 2025 and finalized delivery in June.

For 2025, we expect PVS to achieve revenue of VND 32,620 billion (+37% YoY) and NPAT-MI of VND 1,230 billion (+15% YoY), driven by the Mechanical & Construction (M&C) segment, while other business segment are expected to maintain stable performance. We estimate that PVS will recognize around USD 937 million in M&C revenue, with offshore projects for more than 96% of M&C revenue - including major developments such as Block B – O Mon, Lac Da Vang, and offshore wind projects (Greater Changhua and Bantical Phase 2).

Looking ahead to the 2025 – 2030 period, we expect PVS have a phase of stable and sustained growth, with a projected revenue CAGR of 10.7% and NPAT-MI CAGR of 8.5%, supported by a robust M&C backlog and synchronized growth in auxiliary service segments alongside M&C activities.

RISKS TO OUR CALL

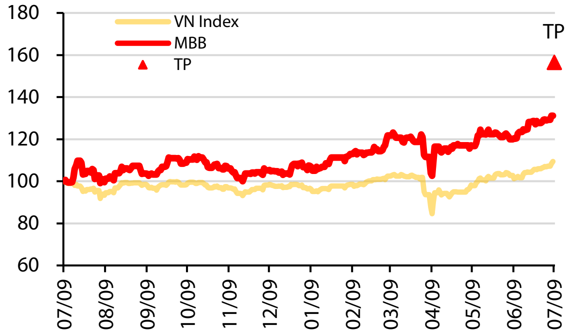
We believe the biggest risk for PVS is legal risk, in case legal issues at the projects could delay project progress and significantly affect future cash flow.

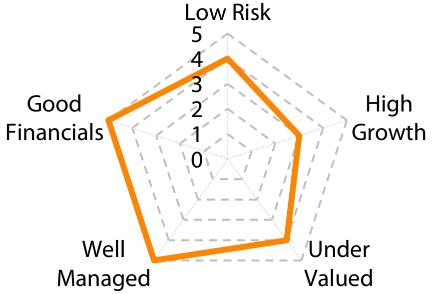
ATTRACTIVE GROWTH PROSPECTS WITH LEADING OPERATIONAL EFFICIENCY

HSX: MBB

BUY: 19% **MP: 26,600** **TP: 31,500**

12M relative performance





STOCK INFO

Sector	Banks
Market Cap (USD Mn)	6,210
Current Shares O/S (Mn shares)	6,102
3M Avg. Volume (K)	24,807
3M Avg. Trading Value (VND bn)	602
Remaining foreign room (%)	0.0
52-week range ('000 VND)	19,45 - 26,8

FINANCIALS

FINANCIALS	2024A	2025F	2026F
TOI (VND bn)	55,413	63,272	77,291
NPATMI (VND bn)	22,634	24,877	31,151
ROA (%)	2.2	2.0	2.0
ROE (%)	22.1	20.7	22.0
EPS (VND)	3,709	3,757	4,704
Book Value (VND)	18,378	21,012	25,345
Cash dividend (VND)	500	300	300
P/E (x)	5.9	7.1	5.7
P/B (x)	1.2	1.3	1.0

INVESTMENT THESIS

Solid growth supported by advantages in funding cost, scale, and technology capability.

- We maintain a positive outlook on MBB's prospects, forecasting a compound profit growth of 19% during the 2025F-28F period.
- The key growth driver lies in MBB's ability to scale up rapidly, leveraging its competitive advantages in funding cost, a comprehensive financial group model, and a robust digital banking platform to optimize its high credit quota following the mandatory acquisition of Ocean Bank.
- We also expect MBB's NIM to be less affected compared to other joint-stock commercial banks in the current competitive landscape, thanks to its large, diverse, loyal, and growing customer base, which helps reinforce its CASA advantage and better control funding costs. Additionally, MBB may gain access to bidding for State Treasury deposits once the ownership by state shareholders increases beyond 50%, following its planned treasury shares repurchase and private placement.

Asset quality remains intact despite high credit growth targets. Potential NPL risks from large corporate clients with weak financial health such as NVL and Trung Nam are expected to ease as legal issues at their project level are being resolved. This is partly reflected in the bank's plan to lower its maximum NPL ratio to 1.7% this year, from 1.67% as of 1Q25. We believe credit risks from large corporate clients remain within MBB's control, given its superior credit growth performance.

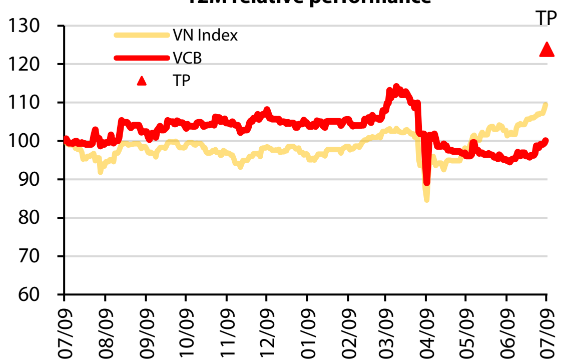
Attractive valuation. MBB is currently trading at 2025F/2026F P/B of 1.3x/1.0x – relatively attractive among large joint-stock banks, considering its ROE of 21–22%, the highest among our bank coverage universe. The planned share buyback and the reduction of MBB's stake in MCredit via sale or IPO could serve as catalysts for revaluation.

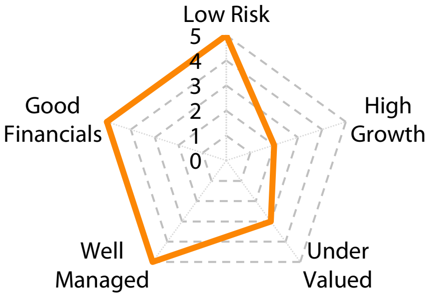
RISKS TO OUR CALL

- The tariff war becomes more unpredictable and worse than expected, leading to a more adverse impact on NPLs and NIM than initially anticipated.

MODERATE BUT SUSTAINABLE GROWTH

BUY: 19% **MP: 61,500** **TP: 73,000**





STOCK INFO

Sector	Banks
Market Cap (USD Mn)	19,660
Current Shares O/S (Mn shares)	8,356
3M Avg. Volume (K)	4,438
3M Avg. Trading Value (VND bn)	256
Remaining foreign room (%)	4.6
52-week range ('000 VND)	52 - 68,6

FINANCIALS

FINANCIALS	2024A	2025F	2026F
TOI (VND bn)	68,578	75,015	84,791
NPATMI (VND bn)	33,831	37,021	41,433
ROA (%)	1.7	1.7	1.7
ROE (%)	18.7	17.0	16.8
EPS (VND)	3,742	3,638	4,071
Book Value (VND)	23,811	27,196	31,264
Cash dividend (VND)	-	-	-
P/E (x)	16.3	16.9	15.1
P/B (x)	2.6	2.3	2.0

INVESTMENT THESIS

Moderate growth in 2025, accelerating as the economy enters a new development phase

- We believe VCB's medium-term growth outlook will turn more positive (2025F-28F PBT CAGR: 15%), driven mainly by (1) a NIM recovery toward ~3% as credit absorption improves, and (2) a gradual decline in uncertainty related to reciprocal tax provisions over the forecast horizon.
- For 2025F, we project credit growth of 13% (after selling bad debts to VCBNEO), a 10 bps NIM improvement to 3.0%, and a 23% YoY increase in PBT.

Capital enhanced by sustained stock-dividend payouts and potential private placement

- VCB is likely to receive SBV and Ministry of Finance approval to boost capital from retained earnings (stock dividends) in the coming years, supporting its CAR on the path to Basel III.
- After completing the stock-dividend issuance using retained earnings through 2018 and 2021, VCB will revive its 6.5% private placement to foreign investors (approved in 2019 but postponed at the late 2024 EGM). The most recent placement (Jan 2019) to GIC and Mizuho implied a P/B valuation of 2.8×.

Attractive re-rating potential

- VCB's valuation is hovering near the lower end of its 10-year range with the current trailing P/B at -2 SD is 2.3x, implying very limited downside risk.
- While we see accelerating profit growth as the medium-term revaluation catalyst, VCB could also benefit from Vietnam's potential equity-market upgrade. The bank has the largest remaining foreign room among the two FTSE indices tracking Vietnam, suggesting a high likelihood of inclusion in the FTSE Secondary-Emerging basket.

RISKS TO OUR CALL

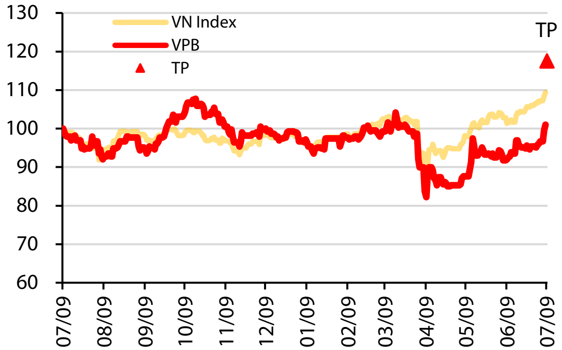
- A smaller-than-expected NIM increase could lead to earnings growth falling short of expectations.

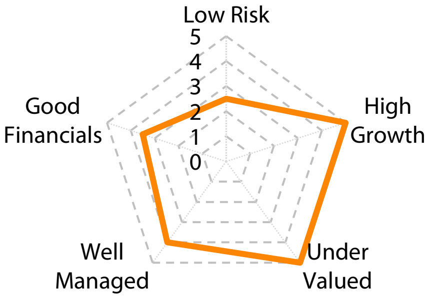
TOWARDS MORE SUSTAINABLE AND STABLE GROWTH

HSX: VPB

ACCUMULATE: 16% **MP: 20,050** **TP: 22,800**

12M relative performance





STOCK INFO

Sector	Banks
Market Cap (USD Mn)	6,086
Current Shares O/S (Mn shares)	7,934
3M Avg. Volume (K)	28,044
3M Avg. Trading Value (VND bn)	507
Remaining foreign room (%)	4.9
52-week range ('000 VND)	15,15 - 21,05

FINANCIALS

FINANCIALS	2024A	2025F	2026F
TOI (VND bn)	62,255	69,037	79,197
NPATMI (VND bn)	15,779	20,429	23,376
ROA (%)	1.8	2.0	1.9
ROE (%)	11.4	13.3	13.8
EPS (VND)	1,989	2,575	2,946
Book Value (VND)	17,886	19,517	21,681
Cash dividend (VND)	1,000	500	500
P/E (x)	9.7	7.8	6.8
P/B (x)	1.1	1.0	0.9

INVESTMENT THESIS

We expect that effective credit-cost control and strong credit expansion will underpin compound profit growth over the medium term.

- We maintain a positive view on VPB, projecting compound profit growth of 22% for the 2025F-28F period. Key growth drivers include:
  (1) Optimising the high credit-growth quota following the mandatory acquisition of GP Bank. We believe the bank will utilise the granted quota more effectively than in 2024, reaching roughly 24% growth for 2025F/26F, albeit with a modest NIM trade-off at around 4.5%, down 20 bps compares to 2024.
  (2) Lowering credit costs. We forecast VPB's net NPLs formation to peak in 2025, with asset quality improvements expected in subsequent years thanks to the property-market recovery and healthier operations at FE Credit. Credit costs in 2025F should ease, with net credit cost at the parent bank below 2% and consolidated below 3%, down 40 bps and 80 bps YoY, respectively. Over the long term, consolidated credit cost is projected to decline from 4.9% in 2023 to 3% by 2028F.

VPB is further completing its financial-group model and gradually building a stable stream of non-interest income. The bank already owns FE Credit, VPBank Securities, and OPES Non-life Insurance, and is planning to invest in and establish a life-insurance company, tapping a market with low penetration yet high potential.

Attractive valuation with potemtial upside. The aforementioned long-term profit growth, coupled with a steady cash-dividend policy, should lift projected ROE to 18% by 2030F. Alongside asset quality improvements under a recalibrated risk appetite, VPB's valuation looks appealing at a current 2025F P/B of 1.0×.

RISKS TO OUR CALL

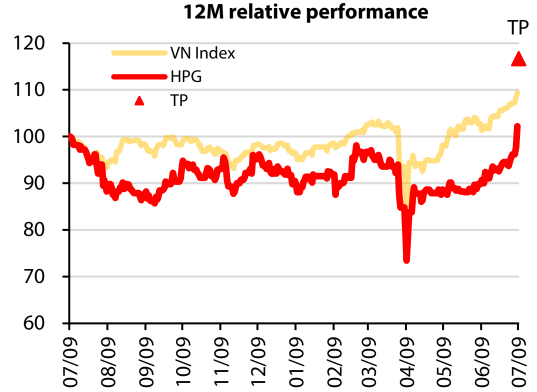
- A slower-than-expected resolution of legal obstacles at southern property projects could push retail NPLs higher than forecast and depress NIM, given the pressure to sustain rapid credit growth while retail lending recovery remains inconsistent across products.

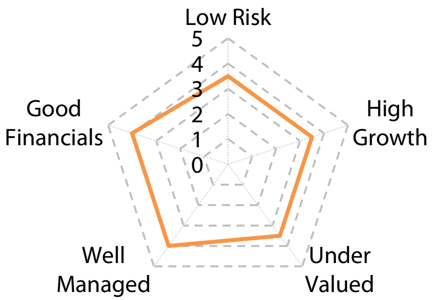
DUNG QUAT 02 WITH LONG-TERM POTENTIAL

HSX: HPG

BUY: 15% **MP: 24,600** **TP: 28,200**

12M relative performance





STOCK INFO

Sector	Basic Resources
Market Cap (USD Mn)	7,268
Current Shares O/S (Mn shares)	7,675
3M Avg. Volume (K)	33,488
3M Avg. Trading Value (VND bn)	727
Remaining foreign room (%)	22.7
52-week range ('000 VND)	17,75 - 25,2

FINANCIALS

FINANCIALS	2024	2025F	2026F
Revenue (VND bn)	138,855	180,667	218,673
NPATMI (VND bn)	12,019	18,699	24,574
ROA (%)	5.4	7.4	8.8
ROE (%)	10.5	14.2	16.3
EPS (VND)	1,766	2,290	3,010
Book Value (VND)	14,899	17,189	19,698
Cash dividend (VND)	0	0	500
P/E (x)	13.5	10.7	8.1
P/B (x)	1.6	1.4	1.2

INVESTMENT THESIS

Recovery in Output and Profit Margins Drives Positive Business Performance in 2025-2026

- The Dung Quat 02 (DQ02) facility, comprising two phases with a total hot-rolled coil (HRC) capacity of 5.6 million tons per year, commenced commercial operations in Q1 2025. Leveraging cost advantages and trade defense measures, Hoa Phat Group (HPG) is well-positioned to capture market share from imported steel. We project Phase 1 to operate at 70% capacity, driving HPG's HRC output to 4.9 million tons in 2025 (+69% YoY), with domestic supply reaching 3.9 million tons, fulfilling approximately 30% of total domestic demand.
- For 2025-2026, we forecast HPG's revenue at 180 trillion VND (+30% YoY) in 2025 and 219 trillion VND (+21% YoY) in 2026, driven by: 1) Robust domestic demand for construction steel, and 2) HRC production growth from DQ02's operationalization. Gross profit margins are expected to reach 16% over 2025-2026, supported by: 1) DQ02's optimized production costs, with 15% lower coke consumption compared to DQ01, and 2) A projected recovery in finished product prices, particularly HRC, from 2H2025, as competitive pressures from China are expected to subside. Net profit after tax is estimated at 18.7 trillion VND (+56% YoY) in 2025 and 24.6 trillion VND (+31% YoY) in 2026. With a forward P/E of 9.0x for 2025-2026, HPG's current market price appears to undervalue its long-term growth potential.

Long-Term Growth Prospects from High-Speed Rail Steel Production Facility

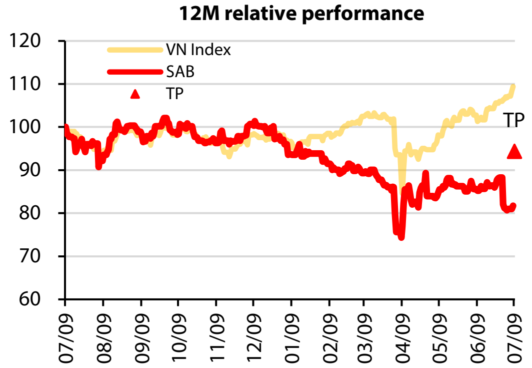
- The development of infrastructure, particularly the high-speed rail network, represents a key medium-term growth trend and a significant driver of demand for construction steel in Vietnam, as the government prioritizes enhancing regional connectivity. Leveraging its capability to produce high-strength steel (from the DQ02 facility) and supported by policies favoring domestic material utilization, HPG plans to focus investments on a dedicated high-speed rail steel production facility during the 2026-2027 period; this strategic initiative is expected to unlock substantial long-term growth potential for the enterprise.

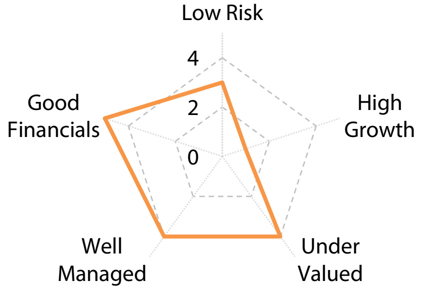
RISKS TO TO OUR CALL

- Significant volatility in finished product prices (rebar, HRC).

HIGHLIGHT FROM SUBSTANTIAL CASH DIVIDEND

ACCUMULATE 13.5% **MP: 47,650** **TP: 54,100**





STOCK INFO

Sector	Food & Beverage
Market Cap (USD Mn)	2.339
Current Shares O/S (Mn shares)	1.283
3M Avg. Volume (K)	1.276
3M Avg. Trading Value (VND bn)	62
Remaining foreign room (%)	39,2
52-week range ('000 VND)	41.5 – 58.8

FINANCIALS	2024A	2025F	2026F
Revenue (VND bn)	31,782	26,965	27,316
NPATMI (VND bn)	4,330	3,845	3,732
ROA (%)	13.3	12.6	12.4
ROE (%)	18.4	17.2	17.1
EPS (VND)	3,291	2,998	2,910
Book Value (VND)	18,150	17,437	17,049
Cash dividend (VND)	5,000	5,000	5,000
P/E (x)	16.9	15.9	16.4
P/B (x)	3.1	2.7	2.8

INVESTMENT THESIS

We observe a gloomy outlook for SAB's revenue growth in the medium to long term

- Vietnam's policies, with 2025 marking the initial implementation of Decree 168, further tighten alcohol and beer consumption in the key on-trade channel, already sensitive since Decree 100/2019/ND-CP. In June 2025, the National Assembly approved a phased increase in special consumption tax on alcohol and beer from 65% to 90% by 2027-30, seen as the Government's "high per-capita alcohol spending reduction directive" compared to global peers, negatively impacting industry scale.
- Seasonal factors, particularly for 2025, present another headwind for SAB's revenue, with an unfavorable cycle (early Tet in Jan-2025 and late Tet in Febr-2026).

However, anticipated revenue declines are offset by improved profit margin through lower input costs (notably cheaper malt compared to SAB's last reserve period, May-Sep 2022) and reduced SG&A-to-revenue ratios, reflecting a strategic shift from on-trade to off-trade channels.

The primary investment highlight lies in rising cash dividend payouts

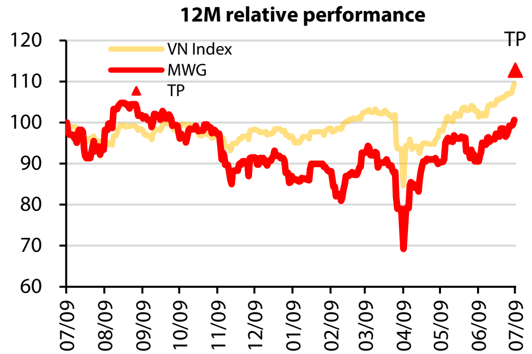
- SAB has steadily increased its payout ratio post-COVID-19 (when the beer sector weakened) to 60-120%, funded by net profit or reduced retained earnings (linked to short-term financial investments, in our view).
- Given Thaibev's 2017 leveraged buyout of Sabeco, financed by a $4.8 billion loan from five Thai banks at 2.4-3.0% interest, the challenging profit growth outlook for the beer sector motivates Thaibev to boost dividend payouts.
- SAB suits dividend-focused and undervalued stock investment strategies (yield at 10.4% annually), especially as market prices stabilize around VND 48,000 per share, reflecting 2025's negative factors post-market corrections.

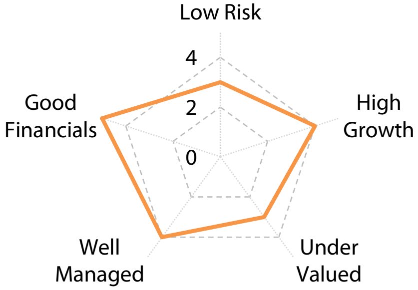
RISKS TO OUR CALL: SAB lose market share to Heineken and Habeco beyond expectations

ANTICIPATING A SIGNIFICANT UPSWING IN BHX'S PROFITABILITY

HSX: MWG

ACCUMULATE 11.7% **MP: 67,700** **TP: 75,300**





STOCK INFO

Sector	Retail
Market Cap (USD Mn)	3,831
Current Shares O/S (Mn shares)	1,479
3M Avg. Volume (K)	8,351
3M Avg. Trading Value (VND bn)	509
Remaining foreign room (%)	2.9
52-week range ('000 VND)	45,75 - 70,8

FINANCIALS

FINANCIALS	2024A	2025F	2026F
Revenue (VND bn)	134,341	147,515	157,178
NPATMI (VND bn)	3,722	5,223	5,830
ROA (%)	5.3	6.9	7.4
ROE (%)	13.4	16.2	15.6
EPS (VND)	2,546	3,318	3,721
Book Value (VND)	18,987	15,741	18,968
Cash dividend (VND)	1,000	1,000	1,000
P/E (x)	24.0	20.4	18.2
P/B (x)	3.2	4.3	3.6

INVESTMENT THESIS

Restoring electronics retail market share with a leaner store network, boosting both revenue and profit margin.

- Rebuilding customer attraction strategy, adhering to two principles: **"customer wallet savings"** via 0% installment plans, increased discounts, and price cuts, and **"superior after-sales service"** with free installation, cleaning, and swift support, positioning this as an "alpha" edge over nascent retailers/e-commerce platforms, which have scaled back discounts, promotions, and low fees since 2024.
- Strengthening ties with promising suppliers (familyship, notably Apple), with TGDD&DMX aiming to directly distribute bulk products, expanding exclusive offerings with output guarantees, shifting from prior B2B distributors. Thus, MWG will capture full market share growth from suppliers like Apple, as seen in Q1-2025.
- A leaner store network (-224 stores YoY), mostly older outlets with near-complete depreciation (saving VND 236 bn/quarter), favorable tax rates, and reduced staff per store (10 to 3), cuts fixed costs per outlet. Consequently, scale advantages widen, lifting TGDD&DMX's profit margins (EBIT margin at 6.1%, +110bps YoY in Q1-2025).

Anticipating BHX profit margin recovery as a significant number of new stores opened in H1-2025 stabilize from H2-2025.

- BHX expected to gradually rebound in per-store revenue and net margin (from 0.3% to 0.5-0.7%) in upcoming quarters, as ~205/410 new stores in Central Vietnam (updated to May-2025) stabilize post-H1 launch, a period marked by heavy promotions and lower traffic.

Short-term financial investments rise (+32.0% YoY) alongside high interest rates (8-9%), boosting financial income and supporting MWG's overall performance.

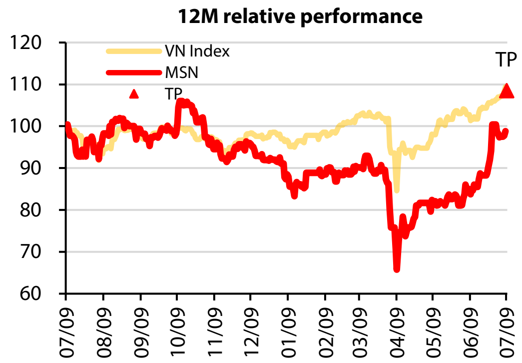
RISKS TO OUR CALL

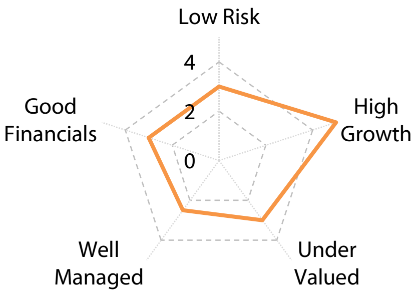
- BHX remains unprofitable with revenue below breakeven (VND 1.5 bn/month), driven by low foot traffic and entrenched traditional shopping habits in Central Vietnam. Flexibility in SKU selection, cost optimization, and targeting high-population locations (Da Nang, Hue, Hoi An) are needed to mitigate risks.

EFFORTS TO STREAMLINE BUSINESS MODEL

HSX: MSN

ACCUMULATE 9.5% **MP: 75,800** **TP: 83,000**





STOCK INFO

Sector	Food & Beverage
Market Cap (USD Mn)	4,172
Current Shares O/S (Mn shares)	1,438
3M Avg. Volume (K)	5,939
3M Avg. Trading Value (VND bn)	382
Remaining foreign room (%)	23.9
52-week range ('000 VND)	50.3 – 82.3

FINANCIALS

FINANCIALS	2024A	2025F	2026F
Revenue (VND bn)	83,178	83,285	90,048
NPATMI (VND bn)	1,999	3,245	3,748
ROA (%)	1.4	2.2	2.5
ROE (%)	4.9	7.4	7.8
EPS (VND)	1,345	2,145	2,477
Book Value (VND)	21,025	29,081	31,558
Cash dividend (VND)	-	-	-
P/E (x)	52.0	35.3	30.6
P/B (x)	3.3	2.6	2.4

INVESTMENT THESIS

MSN's core "cash-generating" segments, such as MCH & TCB, continue to perform resiliently

- The long-standing pillar MCH (MSN holds 66.0%) sustains steady profit growth for MSN (+2.7% YoY in 2025), leveraging its strength in "R&D aligned with consumer trends" across key spice and convenience food categories, bolstered by enhanced discount coverage boosting visibility for new SKUs.
- The non-consumer segment TCB (MSN holds 19.9%) delivers robust growth (16.0% YoY in 2025) through a comprehensive customer ecosystem and real estate specialization, with its recent valuation uptick supporting MSN's overall revaluation.

New segments transition to "profitable" operations from 2025, including MML and WCM, while MSR narrows losses post-H.C. Starck divestment.

- All new segments turn profitable from Q3-2024: MML (hog prices up +30.0% YoY, shifting to higher-margin processed meat from farm production), WCM (existing store LFL revenue growth 6-12% YoY since Q1-2024, minimizing shrinkage/waste via tailored store formats and improved supply chain management).
- For MSR, the sale of 100% stake in H.C. Starck Holding (completed Dec 2024, previously a major loss-maker at VND 300-400 bn annually) combined with rising copper and tungsten prices and stable blasting operations from Q2 reduces its loss contribution to MSN's profit by -57% YoY.

High financial costs (~ VND 8,000 bn/year) are expected to taper down to (VND 6-7,000 bn/year) from 2025, aided by restructuring third-party deposits (other receivables) and payables, enabling MSN to "shed weight" for stronger mid-term growth.

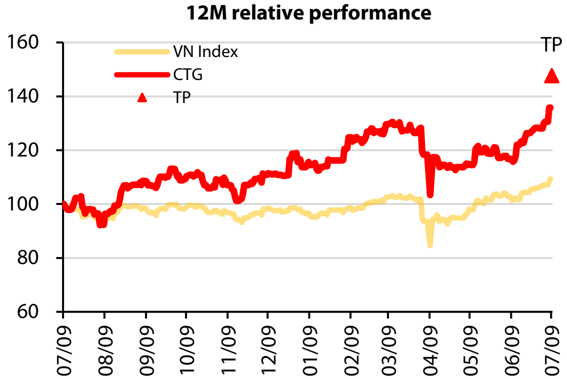
RISKS TO OUR CALL

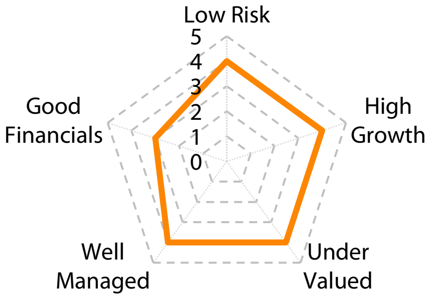
- Concerns over divestments from SK Group are keeping stock prices from unlocking the anticipated "growth" valve.

DECLINING CREDIT COSTS DRIVE RESILIENT GROWTH

HSX: CTG

ACCUMULATE: 7% **MP: 45,000** **TP: 48,300**





STOCK INFO

Sector	Banks
Market Cap (USD Mn)	9,245
Current Shares O/S (Mn shares)	5,370
3M Avg. Volume (K)	7,719
3M Avg. Trading Value (VND bn)	301
Remaining foreign room (%)	3.1
52-week range ('000 VND)	29,95 - 45,2

FINANCIALS

FINANCIALS	2024A	2025F	2026F
TOI (VND bn)	81,909	87,773	95,867
NPATMI (VND bn)	25,342	30,501	38,927
ROA (%)	1.1	1.2	1.3
ROE (%)	18.6	19.0	19.6
EPS (VND)	4,719	4,980	6,356
Book Value (VND)	27,742	32,243	38,560
Cash dividend (VND)	-	-	-
P/E (x)	8.0	9.0	7.1
P/B (x)	1.4	1.4	1.2

INVESTMENT THESIS

Solid and stable profit growth supported by disciplined credit-cost management after a prolonged period of prudent financial strategy

- CTG has executed aggressive credit-risk provisioning, with an average credit cost of 1.9% during 2021-2024, to clean up legacy high-risk loans. We expect this deep "balance-sheet cleansing" cycle to draw to a close, allowing CTG's projected average credit cost to fall to 1.1% over 2025F-28F as the NPL ratio declines and off-balance-sheet recoveries accelerate.
- Credit is projected to grow at a 14% CAGR in 2025F-28F, under a policy environment geared toward strong economic expansion.
- Profit-growth prospects remain positive, with 2025F-28F PBT CAGR estimated at 18%.

CTG deserves a higher valuation multiple, supported by improving operating efficiency, stronger asset quality, and the intrinsic advantages of a state-owned bank, such as low funding cost, large market share, and a strong brand.

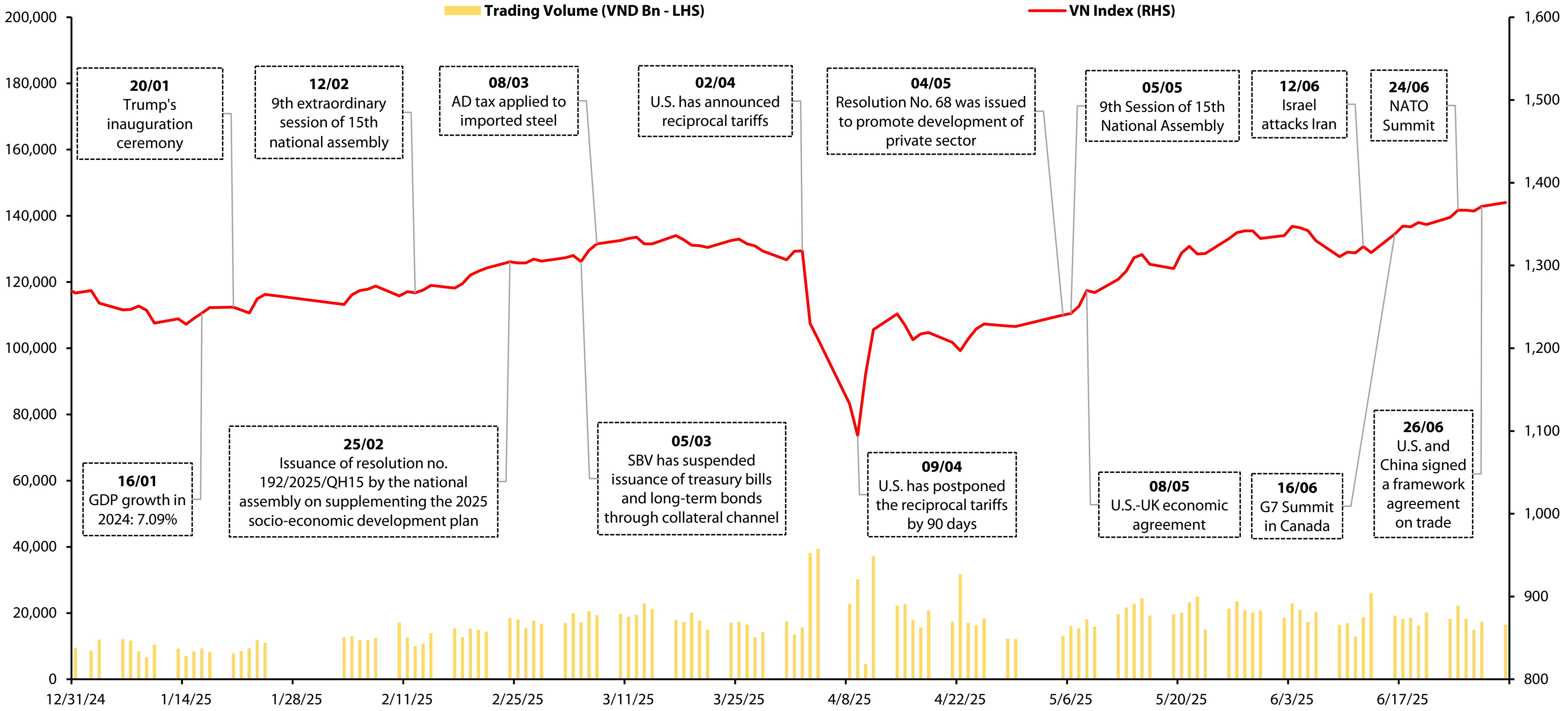
- The projected NPL ratio is kept below 1.2% during 2025F-28F, while the loan-loss reserve coverage is expected to be raised to 160%.
- Operating efficiency ROE is set to increase to 20% by 2028F, underpinned by robust profit growth.
- These factors, together with CTG's scale, offer ample re-rating potential: the current 2025F P/B of just 1.4× trades at a deep discount to fellow state-owned peers BID (1.8×) and VCB (2.5×).

RISKS TO OUR CALL

- Credit costs rising above expectations would delay the realization of earnings-growth and re-rating expectations.

MARKET APPENDIX

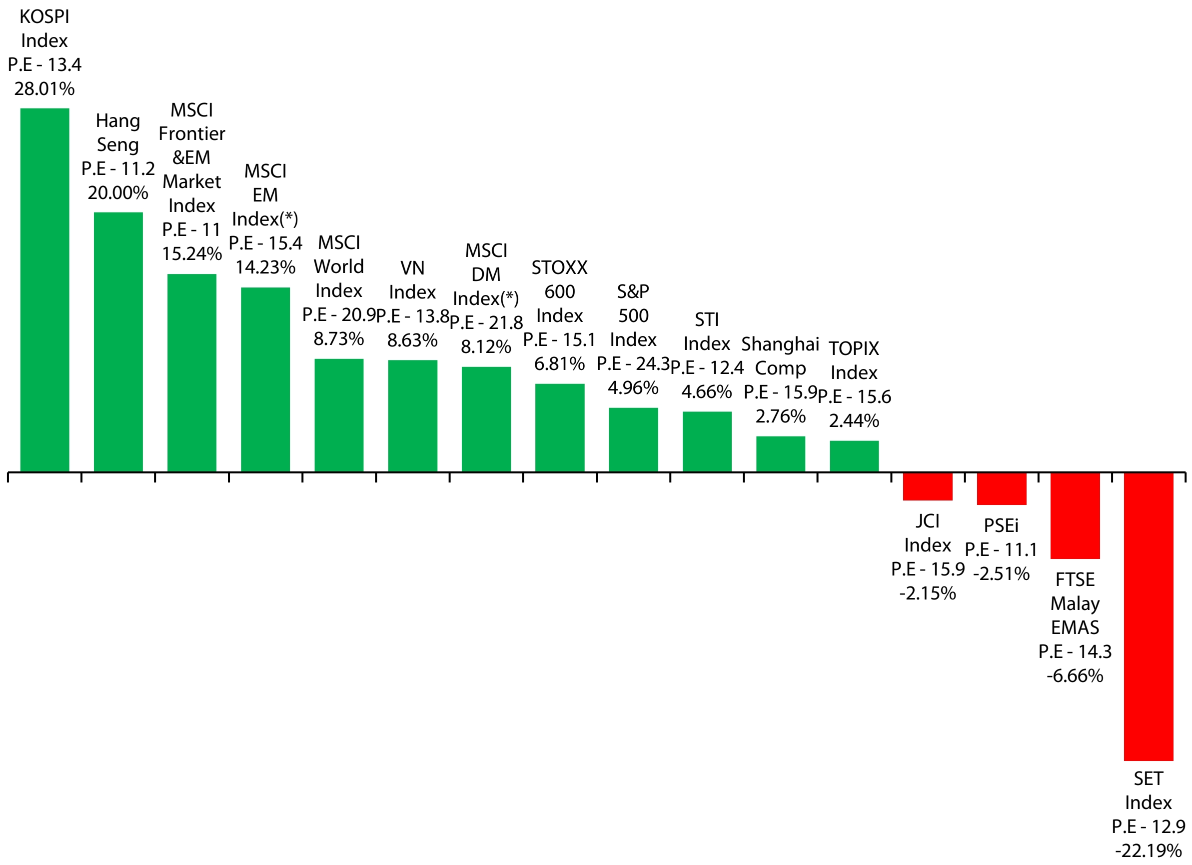
VN-Index, January 2025 - June 2025



Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

THE PERFORMANCE OF THE VNINDEX COMPARED TO OTHER INDICES & MARKET LIQUIDITY

Most stock markets have witnessed positive growth since the beginning of the year. Vietnam has become a standout in Southeast Asia, with the VN-Index increasing by 8.63%, while other markets in the region experienced declines.



Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025
(*)DM: Development Market
EM: Emerging Market

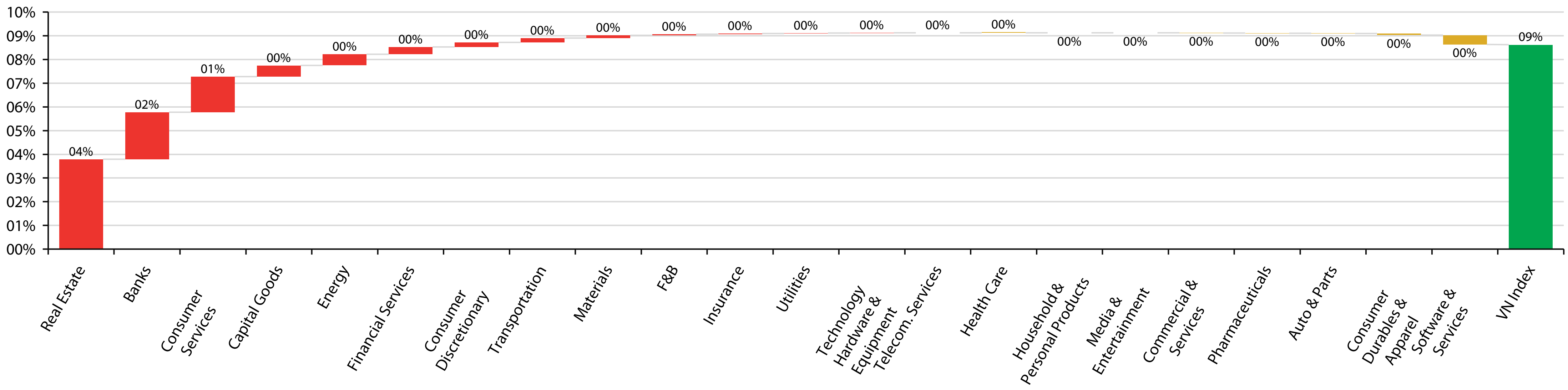
Market liquidity has seen a significant increase since the end of Q1 2025, contributing to a 26.3% rise in VN-Index liquidity compared to H2 2024.

	VN Index	Upcom	HNX Index
06/2025	18.610	492	1.594
05/2025	19.810	520	1.162
04/2025	21.285	722	1.203
03/2025	18.084	663	1.012
02/2025	14.270	907	959
01/2025	9.442	566	643
H12025	17.129	646	1.111
H22024	13.561	675	922
H12024	19.312	829	1.725
H22023	16.578	702	1.843
H12023	10.200	467	1.220
H22022	11.225	542	1.203
H12022	19.816	1.361	2.381
H22021	22.767	1.891	3.191
H12021	17.059	1.080	2.604
H22020	6.641	394	693
H12020	3.656	219	493
H22019	3.035	197	285
H12019	2.805	210	361

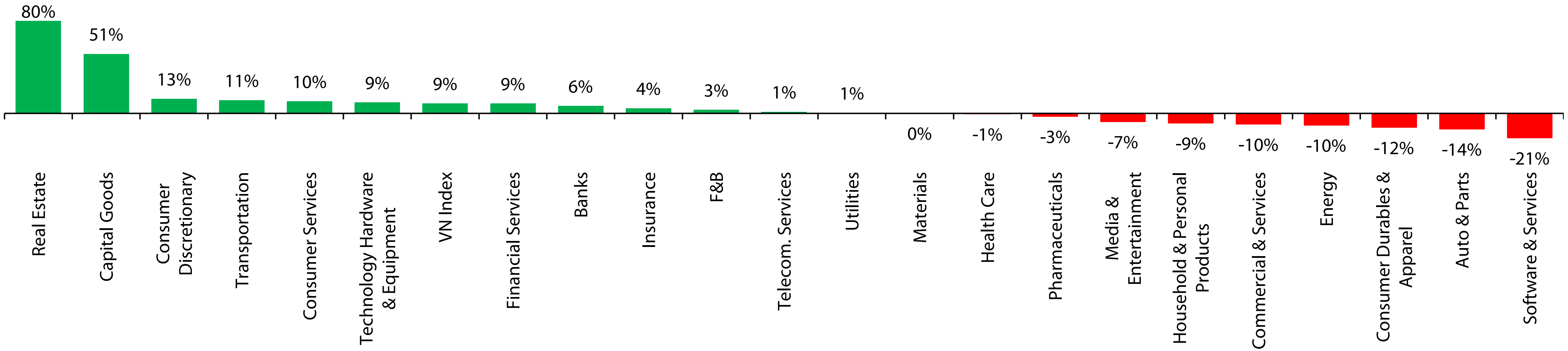
Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

INVESTMENT PERFORMANCE BY SECTOR

Sector contributions and VNIndex investment performance



Year-to-date performance among industry groups



Source: Bloomberg, RongViet Securities, the groups were classified by GICS level 2 standards

MONTHLY AVERAGE ORDER-MATCHING LIQUIDITY PER SESSION BY INDUSTRY

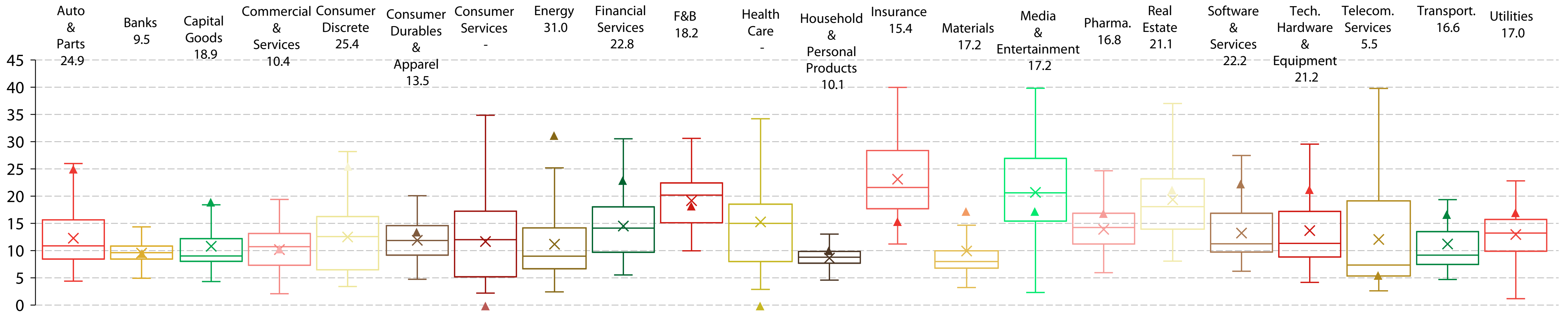
Trading value rebounded significantly across most sectors in May 2025

VND bn/ section	Average daily liquidity per quarter for the last 12 consecutive quarters											
	2H2019	1H2020	2H2020	1H2021	2H2021	1H2022	2H2022	1H2023	2H2023	1H2024	2H2024	1H2025
Banks	428	748	1.857	5.376	4.800	3.445	2.059	2.156	2.668	3.950	3.166	4.380
Real Estate Management & Development	501	594	1.037	2.704	4.163	3.334	1.759	1.616	3.275	2.712	1.898	2.452
Financial Services	78	132	325	1.349	2.580	1.518	1.373	1.405	2.648	2.765	1.521	2.340
Capital Goods	224	261	765	1.291	2.558	2.867	1.366	1.416	2.410	2.479	1.315	1.792
Materials	285	496	1.218	2.484	3.718	3.029	1.718	1.409	2.018	2.311	1.613	1.672
Transportation	239	402	655	1.061	1.526	1.331	1.009	762	1.173	1.594	1.140	1.244
Food, Beverage & Tobacco	135	120	187	366	742	893	382	409	729	1.017	676	910
Software & Services	91	99	106	209	252	242	117	69	213	552	666	802
Consumer Discretionary Distribution & Retail	100	130	135	202	303	408	348	196	467	664	595	540
Energy	81	108	147	435	414	461	244	196	308	381	232	295
Consumer Durables & Apparel	91	118	206	355	507	548	281	198	205	279	224	235
Consumer Services	76	91	132	197	315	372	159	134	195	305	247	186
Media & Entertainment	15	14	26	36	67	89	58	54	103	134	74	63
Pharmaceuticals, Biotechnology & Life Sciences	3	2	1	8	13	17	5	1	6	14	28	49
Technology Hardware & Equipment	13	17	15	26	35	18	7	11	15	16	38	45
Insurance	19	33	61	92	133	144	90	39	38	45	40	43
Automobiles & Components	10	15	21	54	78	34	15	8	12	52	35	42
Commercial & Professional Services	15	11	11	11	20	19	3	8	6	2	1	30
Health Care Equipment & Services	2	3	4	13	73	59	13	10	8	15	18	13
Telecommunication Services	0	0	0	3	9	6	1	0	1	1	1	2
Household & Personal Products	0	4	5	6	2	0	1	1	0	2	2	1
VN Index	**3.035**	**3.656**	**6.641**	**17.059**	**22.767**	**19.816**	**11.225**	**10.200**	**16.578**	**19.312**	**13.561**	**17.135**

Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

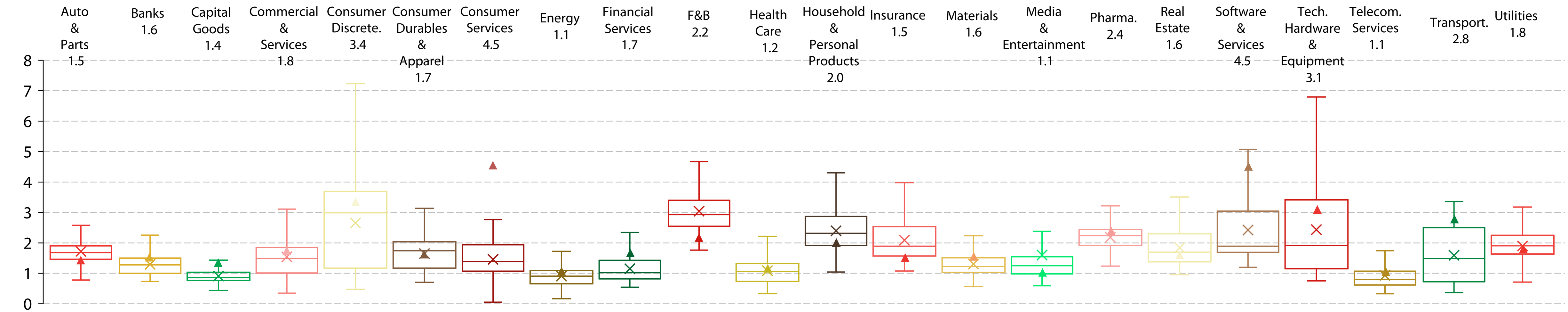
P/E & P/B BY SECTOR

P/E by sector



X: 5-year average P/E, ▲: current P/E
Source: Bloomberg, RongViet Securities. Data as of June 30, 2025

P/B by sectors



X: 5-year average P/B, ▲: current P/B
Source: Bloomberg, RongViet Securities. Data as of June 30, 2025

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025

Materials	**BFC, BMP, DCM, DPM, DPR, GDA, HPG, HSG, NKG, PHR**	57%	45%	85%	12.0	1.4	12.3	8.0%	**Fertilizer sector: Growth driven by price and VAT tax policy support**
									• Fertilizer prices remain high, with phosphorous fertilizers seeing the most significant increase, followed by urea and NPK.
									• NPK production is growing the fastest, as it is increasingly used by farmers to replace part of single fertilizers, benefiting from slower price increases.
									• VAT tax law helps save costs, with urea fertilizers benefiting the most, followed by phosphorous and NPK.
									Steel sector: Recovery driven by domestic demand and improved prices
									• Steel production has increased by double digits, driven by residential construction and public investment.
									• Steel prices have recovered by about 8%, supported by growing domestic demand and reduced competition from China.
									• HPG is leading the sector's profit growth, driven by:
									  • DQ02 operating at 70% capacity
									  • Improved margins and optimized raw material use
									  • Priority steel supply for the high-speed railway project (a key information support factor)
									• HPG stock is trading at a forward P/E of 9.0x, attractive compared to its leadership position in the sector.
									Rubber sector: High prices maintained due to tight supply
									1. Global supply of rubber is tight due to production cuts in Indonesia, Malaysia, and Vietnam.
									2. Rubber stocks in major consuming countries have decreased by 15% since the beginning of the year.
									3. Demand from the tire industry is recovering strongly.
									4. Market sentiment has improved as US-China trade tensions ease.
									• Prices may dip slightly during the peak harvesting season but will still higher than same period in 2024.
									• **Key companies in the Rubber sector:**
									  • DPR: Expected to maintain high production levels, with an average price in 2025 of ~47mil VND/ton.
									  • PHR: Expected average price of ~45mil VND/ton, and may receive compensation from the Bắc Tân Uyên 1 project (Thaco) in 2H 2025.

Source: RongViet Securities Compiles

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025

Utilities	GEG, NT2, PC1, POW, REE	13%	38%	-50%	14.4	1.2	9.5	2.6%	**Hydropower: Slight decrease in production compared to high base in 2H 2024**
									• **Volume decrease YoY:** In 2H 2025, the ENSO cycle has shifted to a neutral phase, leading to stable hydrological conditions and a lower likelihood of prolonged heavy rainfall, unlike in 2H 2024. As a result, hydropower production may see a slight decrease compared to the significant increase in the previous year.
									• **Hydropower prices unaffected:** Despite the significant decline in full market price (FMP) due to (1) stable hydropower production and (2) the drop in imported coal prices, hydropower prices for plants remain largely unaffected as about 95% of production is sold under long-term contracts (PC). We believe that contract prices for hydropower plants will align more closely with market prices in 2H 2025.
									Thermal power: Coal power preferred, gas power faces challenges
									• **Coal power prioritized:** In 2H 2025, coal-fired power plants may be prioritized for generation due to (1) slightly reduced hydropower output compared to the high base in 2H 2024 and (2) a sharp drop in imported coal prices, helping to lower generation costs. Lower fuel prices will also contribute to improving the gross profit margins of coal-fired plants.
									• **Gas power faces cost pressure:** Gas-fired power plants continue to struggle due to rising input fuel prices and a declining gas supply. The gas shortage may force many plants to switch to oil, putting pressure on gross profit margins, especially as FMP prices continue to decline.
									Renewable energy: Growth driven by expansion and supportive policies
									• The primary growth driver comes from increased installed capacity and new project investments.
									• MoIT has set a price framework for each type of renewable energy in 1H 2025, creating a foundation for project implementation.
									• The DPPA policy is being applied, allowing renewable energy plants to sell power directly to industrial customers.
									POW: Strong revenue and production growth, but margin pressure remains
									• 2H 2025 revenue is expected to grow by 60% YoY, with power generation increasing by 37% YoY due to:
									  • The Nhon Trach 3-4 plants coming online.
									  • Increased thermal power generation due to reduced hydropower output.
									  • The alpha ratio rising to 80% (+10% YoY).
									• However, gross profit margins remain under pressure due to high gas and LNG costs.
									REE: Steady growth across multiple segments
									• Expected growth driven by:
									  • Recovery in the M&E sector, with a backlog of 5,556 billion VND.
									  • Revenue from low-rise housing sales at The LightSquare.
									  • Improvement in office leasing at Etown 6.
									• The Duyen Hai wind project (V1-4, Tra Vinh) will begin operations in 4Q 2025, adding around 150 million kWh/year.
									PC1: Breakthrough in EPC sector driven by power grid plan VIII
									• Growth mainly from the EPC sector, with a 63% YoY increase in backlog.
									• Benefiting from the policy of expanding the power grid under the revised Power Planning VIII.

Source: RongViet Securities Compiles

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025

Real estates	**HDG, IDC, KBC, KDH, LHG, NLG, NTC, SIP**	43%	32%	43%	12.3	1.6	15.1	3.5%	**Industrial parks: Growth driven by land handover and trade negotiation outcomes**
									Industrial park sector is expected to experience positive growth in H2.2025 due to the following factors:
									• Companies such as KBC and IDC are beginning to recognize revenue from land leasing, contrasting with the lack of recognition in 2024.
									• The successful negotiation of a 20% tariff between Vietnam and the U.S. aligns with the expectations of FDI companies, supporting the process of land lease contract signings.
									KBC may complete the transfer of 20 hectares of commercial land in the Trang Cat Urban Area (Hai Phong), driving profits above expectations.
									Expected to lease out its available land, with projections to: (1) recognize 9ha in 2H 2025; (2) officially sign contracts for the remaining 43ha in 2025.
									Outlook for Differentiation Based on Sales Progress
									Residential real estate market continues to show signs of improvement in supply in major cities and satellite areas. However, the financial performance of companies will differ significantly depending on their sales and handover progress.
									• **KDH:** Positive growth outlook for revenue, profit, and gross margin driven by the Gladia project launch in Q3 2025, which could be handed over immediately. In 2025, KDH is expected to:
									  • Handover 40% of Emeria (24 units).
									  • Handover 55% of Clarita (88 units).
									• **NLG:** Financial performance is expected to decrease compared to 2024 due to a limited project handover pipeline. However, the strong sales value in 2025 will lay a positive foundation for 2026–2028.
									  • In 2025, NLG is expected to handover projects such as Akari 2, Waterpoint, and Nam Long Can Tho.
									  • The strong presales value of Park Village and The Pearl will contribute revenue from 2026–2028.

Source: RongViet Securities Compiles

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025

Non-essential consumer distribution & retail	DGW, FRT, HAX, MWG, PNJ	16%	26%	21%	18.6	2.9	16.1	4.9%	**Retail sector: Profit growth driven by market share gains and cost optimization**
									• In the context of macroeconomic uncertainty due to trade policies and public administrative reforms, consumer spending is expected to grow modestly (3-9% YoY), mainly driven by price increases, while volume remains subdued post-COVID-19.
									• Retail companies are still seeing profit growth thanks to continued market share gains from small retail stores (GT), supported by consumer preferences for branded products and convenience, particularly among office workers and Gen Z consumers. Additionally, cost optimization has helped many companies maintain double-digit profit growth, with notable players including MWG, DGW, and FRT.
									HAX: Land transaction as a hidden growth catalyst amid weakened car industry
									• HAX no longer benefits from the 50% reduction in registration fees, and its market share of Mercedes-Benz (MBZ) vehicles has declined. However, the potential land transactions could bring in an unexpected profit of over 200 billion VND, which may boost EPS growth and become a key growth driver.
									PNJ: Adapting well in a weak jewelry demand environment
									• Despite a slow recovery in jewelry demand in 2025 due to high gold prices and limited supply, PNJ is expected to show strong business results due to:
									  • Revenue structure adjustments, focusing more on men's jewelry.
									  • Shifting focus to lower gold content products.
									• This flexible strategy will help PNJ navigate the cautious consumer sentiment, which currently favors saving and waiting for more favorable timing.

Source: RongViet Securities Compiles

Back to earnings outlook-

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025
Bank	ACB, BID, CTG, HDB, MBB, OCB, TCB, VCB, VIB, VPB	18%	16%	22%	7.4	1.3	18.9	56.1%	**Banking sector: Focus on domestic credit growth – Expecting a breakthrough from policies, interest rates, and Resolution 42** • LegalizationIn the context of global economic uncertainties (tariffs, geopolitics, monetary policies), Vietnam is focusing on boosting domestic growth, with credit serving as the main leverage to achieve the 8% GDP growth target in 2025. Capital flows will be directed towards sectors with significant ripple effects, such as real estate, construction, and industry. • The real estate sector, which had been a major bottleneck, is now showing positive change thanks to legal resolutions in several large-scale projects, facilitating more effective large-scale credit disbursements. This is a crucial foundation for triggering a new wave of credit growth in H2.2025, with increasing capital needs flowing into supporting industries. **Interest rates and NIM outlook: Balancing growth stimulus and macroeconomic risk control** Although the State Bank of Vietnam is expected to continue with a flexible monetary policy stance, interest rates in H2.2025 are likely to slightly rise due to two main reasons: 1. Increased demand for capital as credit growth accelerates towards the end of year, creating pressure on deposit interest rates. 2. The VND is under depreciation pressure, not only against the USD but also many other regional currencies, potentially leading to short-term fluctuations in interbank rates. This may limit the extent to which interest rate policies can be further eased. In this environment, with credit demand primarily focused on real estate and lacking diversification, NIM for banks is likely to remain flat compared to H1.2025, with a slight decline of 10–20bps YoY. **Resolution 42 legalization – A significant boost for asset quality and bank profitability** A key highlight for the banking sector in H2.2025 will be the legalization of Resolution 42, which governs the seizure of collateral. The new law will come into effect on 15/10/2025, marking a significant development for the banking system with positive impacts such as: • Shortening asset recovery timeline, particularly for uncooperative customers, enabling banks to be more proactive in handling NPLs. • Reducing NPL resolution costs, as banks will no longer have to go through complex legal procedures in various regions. • Improved repayment behavior from individual borrowers, which will enhance the overall asset quality across the sector. This development is particularly beneficial for retail banking, where most collateral is personal real estate, streamlining the process and reducing costs compared to corporate loans. As a result, banks are expected to see increased income from recovering off-balance-sheet NPLs and lower credit costs, leading to improved operational efficiency starting in 2026. **Profit growth and notable banking stocks** The banking sector's net profit is projected to increase by 16% in 2025 and continue growing by 20% in 2026, driven by three main factors: 1/ Accelerating credit growth, particularly in key sectors. 2/ Reduced credit costs after the legalization of Resolution 42. 3/ Extraordinary income from NPL recovery and off-balance-sheet loans. In this context, banks such as CTG, MBB, VPB, and VCB stand out due to their low capital costs, strong technology platforms, and diverse ecosystems, helping them maintain sustainable profit growth. Notably, CTG and VPB still have significant room to reduce credit costs, which is expected to contribute significantly to their business performance in the coming period.

Source: RongViet Securities Compiles

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025
Durable consumer goods & apparel	MSH, STK, TCM, TNG	-5%	16%	-25%	10.6	1.4	14.0	0.4%	**Textile industry is expected to face a lackluster performance in H2 2025, as the impact of tariff policies gradually takes hold on the economy. The early inventory stocking to avoid tariffs has pulled the peak season forward, making it shorter than usual. As a result, 2H 2025 will enter a phase of inventory reduction before the next cycle of imports begins.** • The temporary 90-day tariff imposed by the U.S. has driven frontloading (early inventory stocking), leading to high inventory levels and the risk of weaker consumer demand in the U.S. during the second half of the year. Additionally, with the FED not yet establishing a clear path for interest rate cuts, consumer spending prospects in the U.S. remain uncertain. While the consumer confidence index improved in May 2025, it still remains at a weak level. • In Europe, while business confidence has slightly declined, it remains at levels that support consumer demand. Economy is recovering slowly but showing a clear trend. Purchasing power is still not strong enough to trigger significant breakthroughs. Meanwhile, profit margins (PM) in textile industry are expected to remain flat or slightly decline, as tariff differential is not large enough to justify price increases for processing. Indeed, input costs (such as fabric and labor) are rising, putting pressure on PM.
F&B	ANV, FMC, MSN, QNS, VHC, VNM, SAB	9%	8%	5%	14.6	2.1	14.5	10.0%	**Seafood industry: Expected production growth and margin improvement driven by lower input costs and market structure changes** Seafood industry is forecasted to see strong production growth, outpacing price increases due to intense competition in key markets. VHC benefits from U.S. increasing pangasius stocks over tilapia, while ANV is increasing production by shifting exports from China to South America. GM are expected to improve as raw material costs (pangasius, shrimp) decrease YoY, and exchange rate increases help push sales prices higher in VND terms. Change in market structure and product mix, as with ANV, also supports margin growth. Pangasius is expected to grow better than shrimp, which faces high temporary anti-dumping tariffs in U.S. **F&B industry: Modest growth, except for bright spot from** F&B sector is projected to grow at a low rate (0–5% YoY), driven mainly by price factors, as coverage of consumer goods in mass market has already reached saturation, and consumer confidence remains weak. Companies are expected to expand through new trends such as SKU innovation, MT, and e-com, along with more favorable input/output prices. However, QNS, VNM, and SAB may struggle to achieve high growth due to their inability to expand market share or unfavorable raw material prices and sales prices. **MSN stands out as a strong performer, with growth over 40% YoY thanks to:** 1. MCH and TCB achieving 5% YoY growth; 2. Previously loss-making segments like MML and WCM turning profitable due to business model changes; 3. H.C. Starck divestment helping MSR reduce losses, supported by improved prices for copper and tungsten; 4. Expected decrease in financial costs (from 6,000–6,500 billion VND annually) due to optimization of receivables and payables related to investment deposits.

Source: RongViet Securities Compiles

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025
Energy	PVD, PVS, PVT	20%	1%	-8%	12.7	1.0	9.5	1.1%	**Oil and gas infrastructure construction: PVS – Positive outlook from key projects** In the second half of 2025, PVS is expected to continue revenue growth from the Mechanical & Construction (M&C) segment, driven by steady progress in key projects. As of May 2025, the Lac Da Vang project has completed about 25-30% of its work, while the EPCI#1 and EPCI#2 packages for the Block B - O Mon project are 22% and 47% complete, respectively. Notably, although EPC#3 was delayed due to land clearance issues, progress in An Giang province reached 89% by early July, allowing the PVS - Lilama 18 joint venture to officially begin pipeline installation. This indicates a determined effort to meet the timeline for the first gas flow, expected in August 2027. **Drilling services: PVD – Expected recovery due to increased drilling activity and improving supply-demand trends** PVD's operations are expected to ramp up from September 2025 with the official operation of the PVD VIII rig. The company will continue operating the Hakuryu-11 (T1-T4) and BORR-THOR (T5-T10) rigs for domestic drilling programs. As domestic demand for drilling increases, PVD plans to lease 1-2 more rigs by Q3-Q4 2025 to meet project timelines. According to the company, the drilling market is expected to recover by the end of this year as global rig oversupply peaks in September and then declines. The return of rigs from Aramco Group may help rebalance supply and demand, supporting a recovery in day rate pricing for rigs in 2025-2026. **Oil and gas transport: PVT – Improved outlook from increased transport demand** We expect PVT's operations to improve in the second half of the year, driven by higher output and improved ton-mile demand, despite freight rates remaining lower than in 2023-2024. Some segments are showing positive trends: crude oil tankers are expected to recover from Q3 due to increased demand from China and India, chemical tankers remain stable due to limited supply, and LPG tankers, especially VLGCs, are showing strong signs of recovery from May. The geopolitical situation in the Middle East, while temporarily calm, remains an important variable to monitor, as it could indirectly support global freight rates. Additionally, PVT could recognize an extraordinary income of approximately USD 4 million in Q3-Q4 from the disposal of the Neptune chemical tanker. Over the medium and long term, PVT's outlook remains positive, thanks to an effective new fleet investment strategy, focusing on key segments to improve operational capacity and reduce risks from market fluctuations.

Source: RongViet Securities Compiles

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025
Transportation	ACV, GMD, HAH, SCS, VSC	4%	1%	-7%	17.8	2.1	14.5	7.6%	**1. Trade and commodity flow demand:** Although the likelihood of a 145% tariff being re-imposed after 90 days is low, the risk-averse mindset has led importers to stockpile goods earlier. However, this trend is expected to be short-term, as inventory levels are likely to reach high levels soon, with global production rising in Q2 of fiscal year 2025 (Q2-FY25) but lacking sustainability. This results in an earlier-than-usual peak delivery season in 2025. Given the global economic uncertainties, high tariffs, full inventories, and weak purchasing power in the U.S., the container transport market is expected to cool in the second half of the year. The forecast for global cargo flow growth in 2025 is only 0-2%, with the possibility of negative growth in 2H 2025. **2. Maritime transport (HAH):** HAH is expected to maintain stable growth due to its effective fleet management strategy, with 12-month leasing contracts at high fixed rates ensuring steady cash flow. Small vessels of 1,700 TEU remain in high demand due to their flexibility and limited supply, keeping leasing rates at elevated levels. However, freight rates in maritime transport are likely to decline in the second half of 2025 as new ships are rapidly added to the fleet, while demand for transport faces pressure from high inventory levels and an unfavorable macroeconomic environment. **3. Seaport operations (GMD):** The output at the main ports of Nam Đình Vũ (NĐV) and Gemalink (GML) is expected to remain strong in 1H 2025, despite competition in Hải Phòng and the effects of U.S. tariff policies. In 2H 2025, output is expected to remain stable, supported by strategies to attract upstream cargo and diversify markets at GML. Additionally, Vietnam's framework agreement with the U.S. will help stabilize the macroeconomic environment. GMD also expects to eliminate extraordinary provisions while improving profit margins due to the high-value leasing and effective handling operations. **4. Air cargo ports (SCS):** SCS is less impacted by tariffs since the U.S. accounts for only about 15% of international cargo throughput. Revenue in 2025 is expected to grow by 10% YoY, while net profit is expected to remain flat due to the expiration of corporate income tax incentives. SCS shares are a good choice for investors seeking attractive dividend yields (10%) and are currently valued 30% lower than historical and industry averages. **5. Passenger air ports:** International passenger traffic growth is expected to slow from 12% in 1H 2025 to 10% in 2H 2025 as Chinese travel recovers fully. Meanwhile, domestic passenger traffic is projected to grow by 9% YoY in 2H 2025, driven by increased flight frequency and the addition of new aircraft, gradually addressing the supply-demand imbalance in the market.

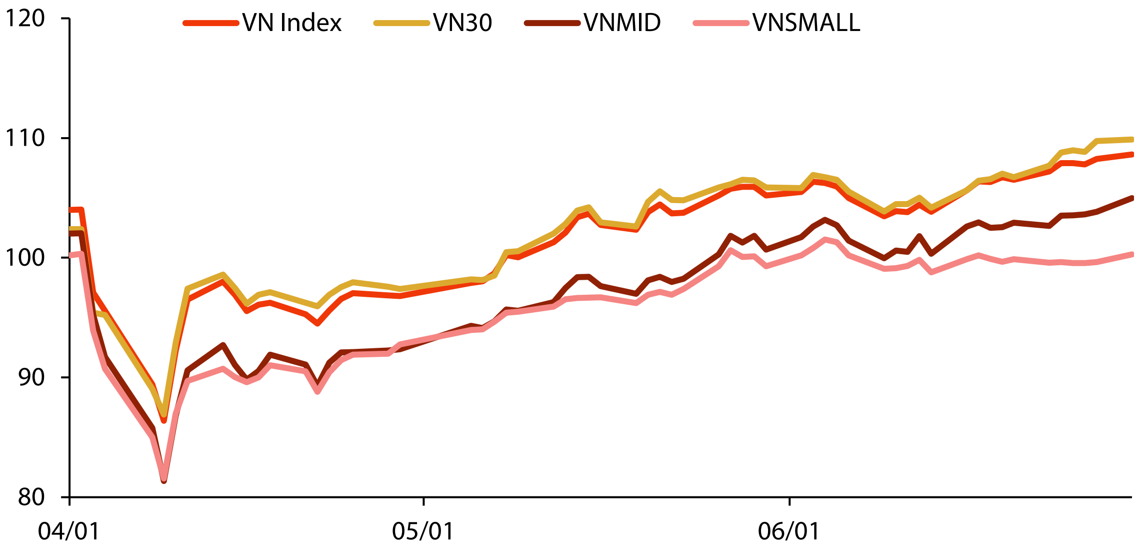
Source: RongViet Securities Compiles

EARNINGS OUTLOOK – BY SECTOR

Sector	Stock	2025 growth (old forecast)	2025 growth (new forecast)	2H 2025 growth (estimate)	Median P/E 2025	Median P/B 2025	Median ROE 2025	% Market cap weight	Sector outlook for 2H 2025
Automoile and parts	**DRC**	13%	-1%	12%	15.2	1.3	8.5	0.1%	**Tire sector: Profit recovery outlook from 2H 2025** The tire industry is expected to see revenue growth driven by a strong rebound in domestic industrial production (forecasted to grow 7-9% YoY) and more favorable export conditions to the U.S. According to our assessment, Vietnam currently has a competitive tariff advantage compared to competitors like Cambodia and Thailand, enhancing the competitiveness of local businesses. In addition, input material costs are showing positive trends as rubber prices have cooled compared to late 2024, and transportation costs have returned to normal levels. These factors are helping to expand profit margins, creating favorable conditions for companies like DRC to recover profits from the low levels seen in Q4 2024 – Q1 2025. This sets the foundation for a clearer improvement in business performance in the second half of the year.

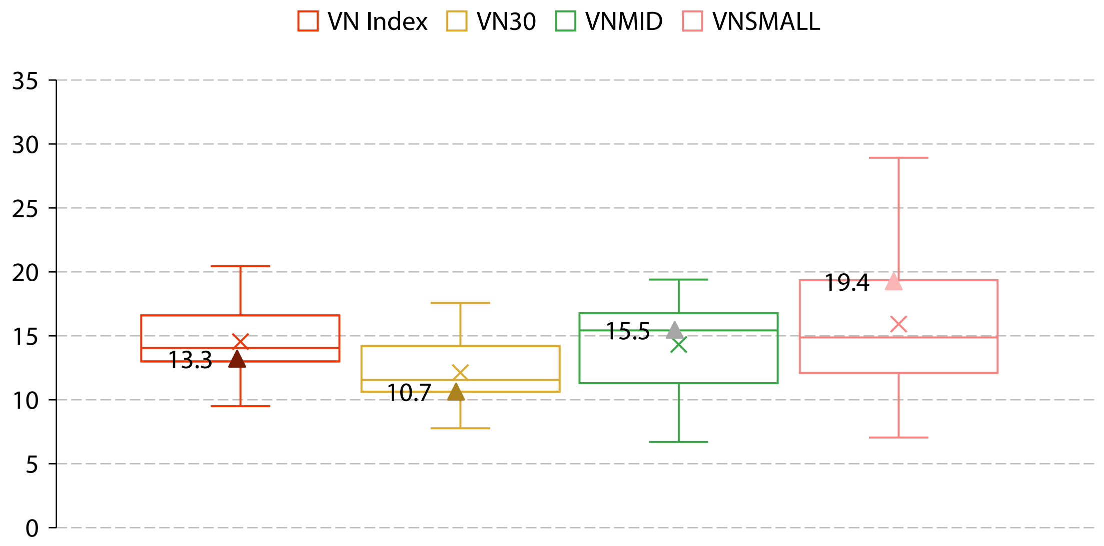
Source: RongViet Securities Compiles

VNSMALL Index leads performance in June



Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

P/E ratios by cap size compared to historical data



X: 5 year average P/E, ▲: current P/E
Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

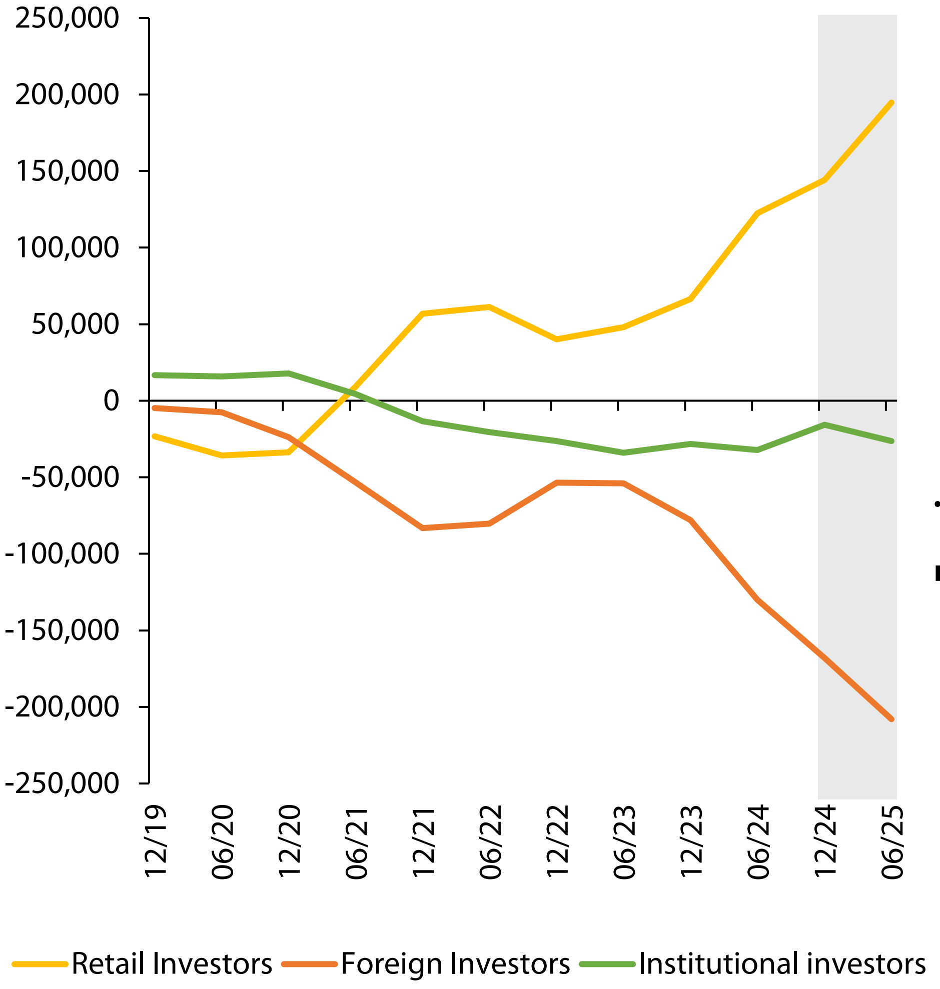
Table 3: Market liquidity in the last 12 months

VND bn	Average liquidity											
	2H2019	1H2020	2H2020	1H2021	2H2021	1H2022	2H2022	1H2023	2H2023	1H2024	2H2024	1H2025
VN30	1.903	2.143	3.333	9.208	9.497	7.052	4.345	3.884	6.043	7.828	6.525	8.363
VNMID	679	917	1.944	4.340	7.539	8.051	4.931	4.624	8.080	8.710	5.249	6.636
VNSMALL	287	371	830	1.786	3.703	3.376	1.517	1.383	1.758	2.008	1.450	1.612
VN Index	**3.035**	**3.656**	**6.641**	**17.059**	**22.767**	**19.816**	**11.225**	**10.200**	**16.578**	**19.312**	**13.561**	**17.135**

Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

TRADING AMONG INVESTOR GROUPS

Market performance correlation and trading activity by investor group – 12-month rolling basis

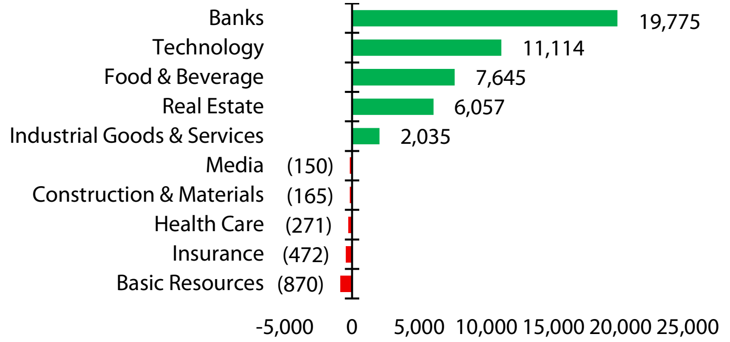


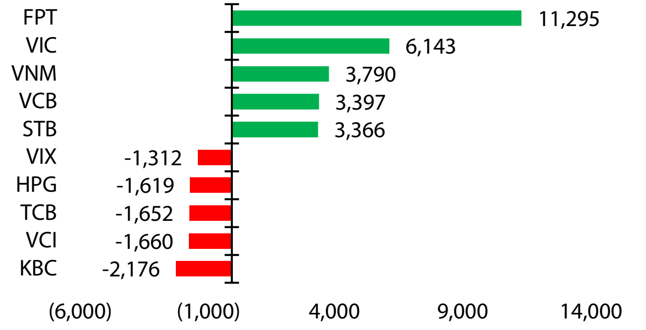
Source: Finnpro, RongViet Securities. Data as of Jun 30, 2025

Cumulative net buy/sell value in 1H.2025

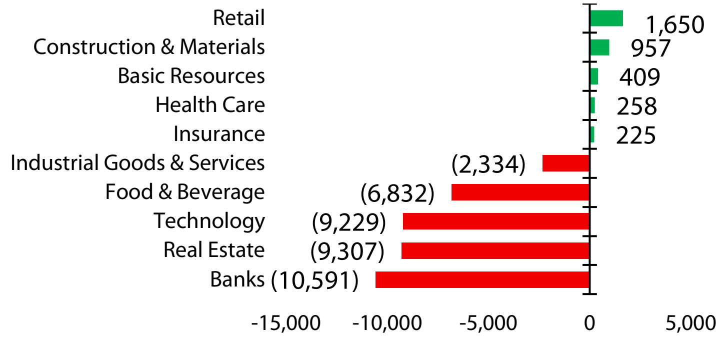
Top traded stocks in 1H.2025

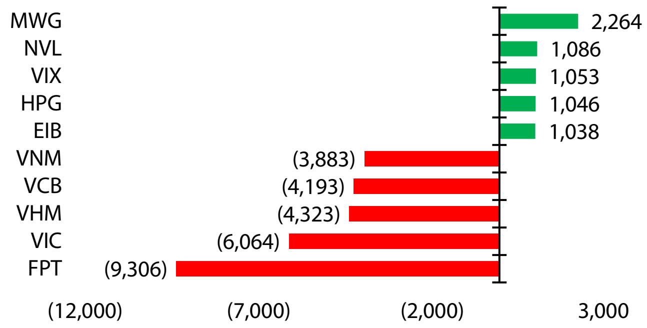
Retail Investors



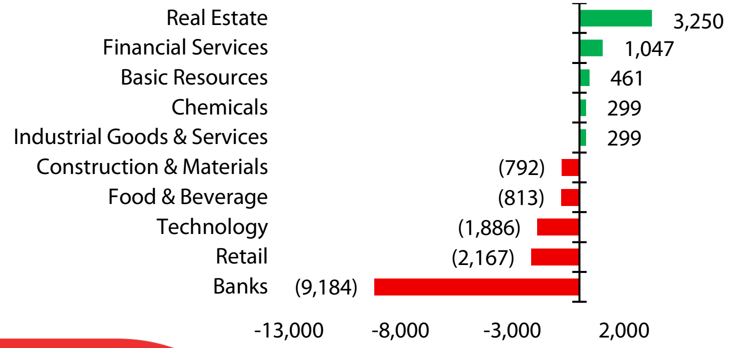


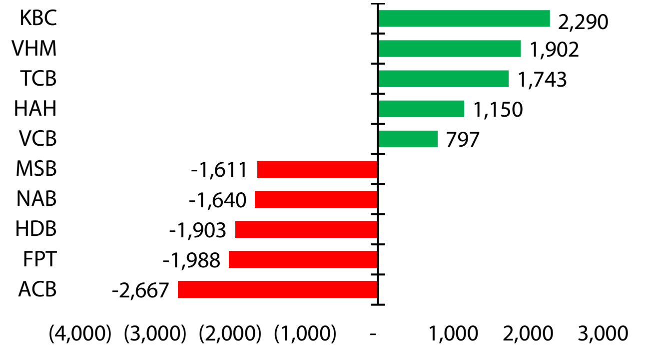
Foreign Investors



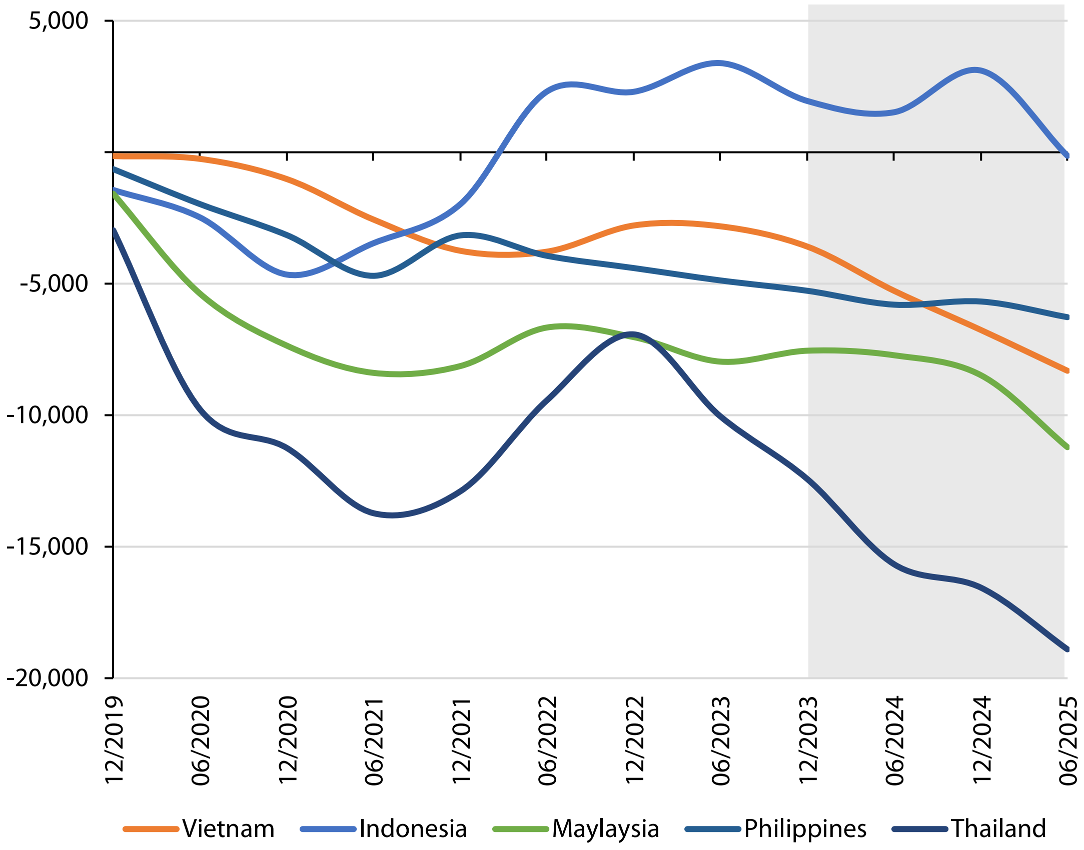


Domestic Institutions



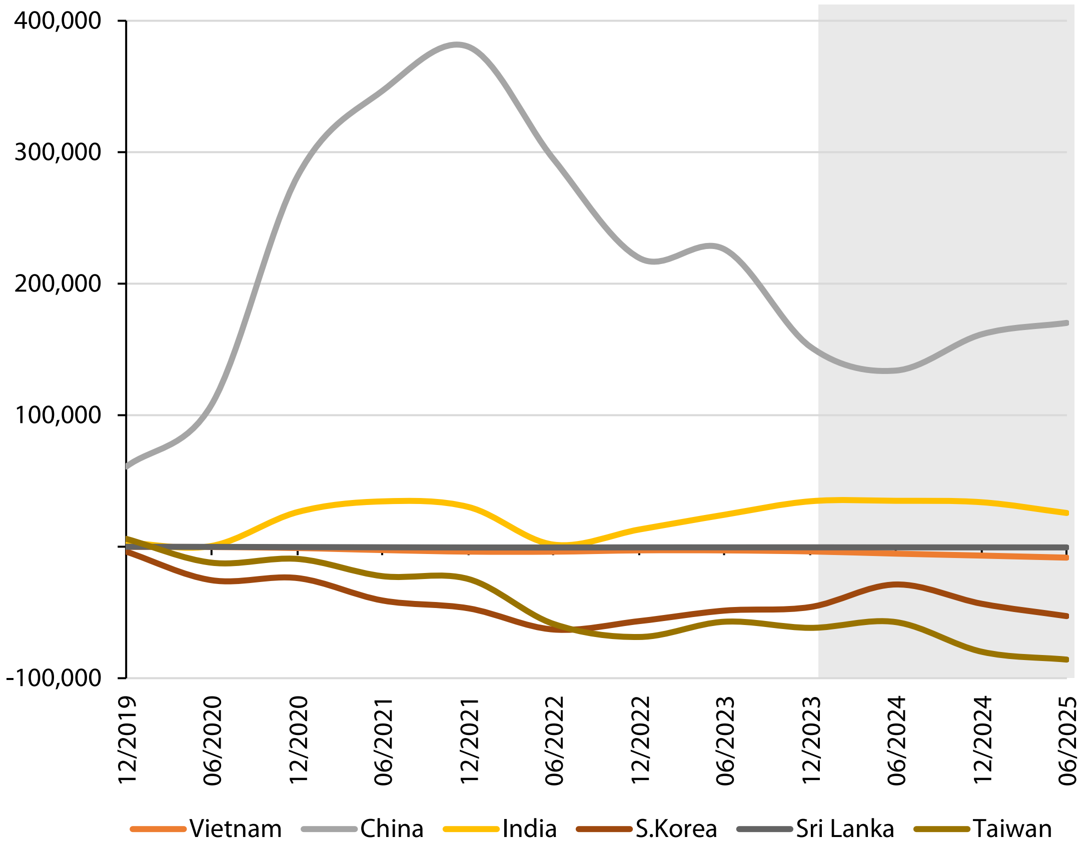


Cumulative net capital flow (12-month rolling) - Southeast Asia's net selling trend continues to increase (million USD)



Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

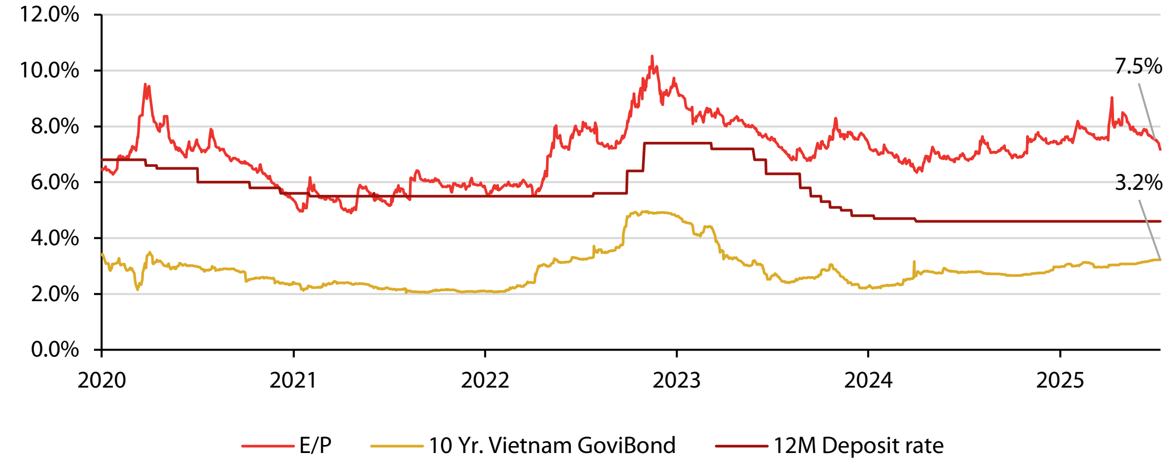
Cumulative net capital flow (12-month rolling) - foreign capital flow in Asian markets shows net selling trend, with a slight recovery in China



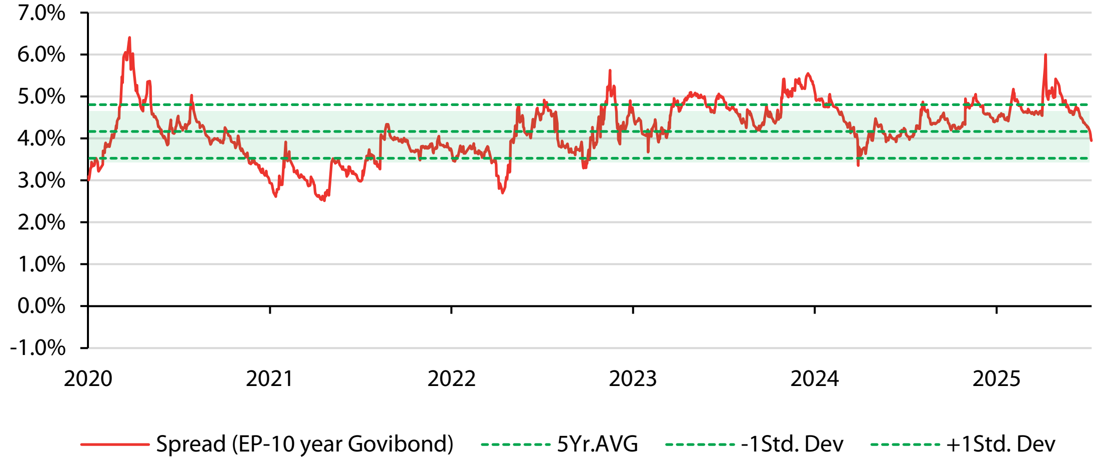
Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

CORRELATION BETWEEN STOCK MARKET RETURNS AND FIXED-INCOME ASSET CLASSES

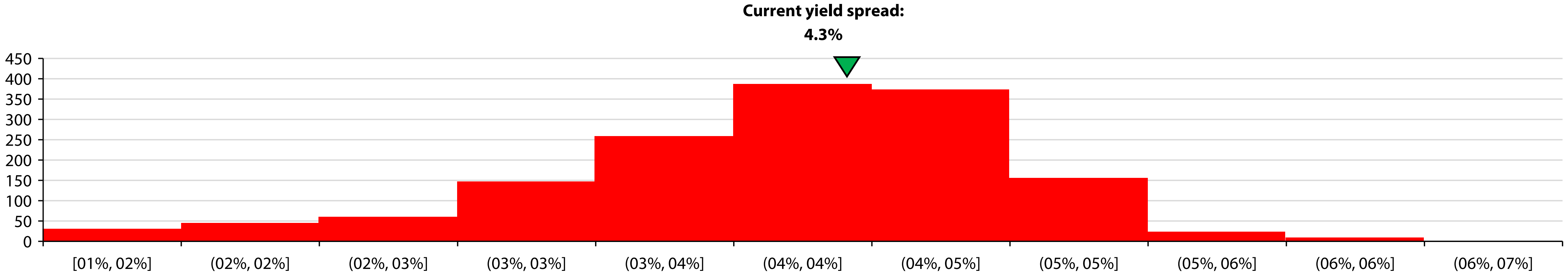
Correlation between stock market returns, 10-year government bond yields, and VCB's 12-month deposit interest rate



Yield spread between stock market returns and 10-year government bond yields



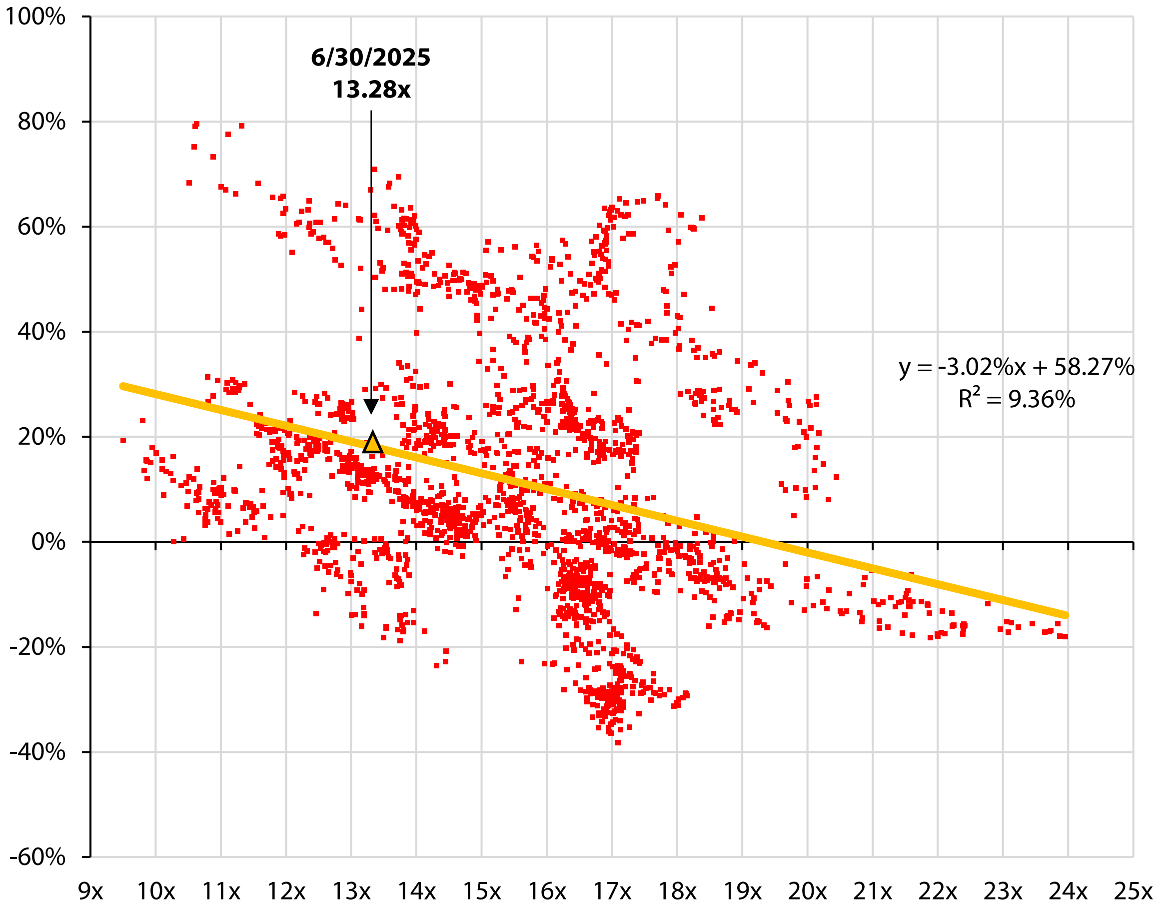
Yield spread distribution (2019 - Present)



Source: Bloomberg, RongViet Securities

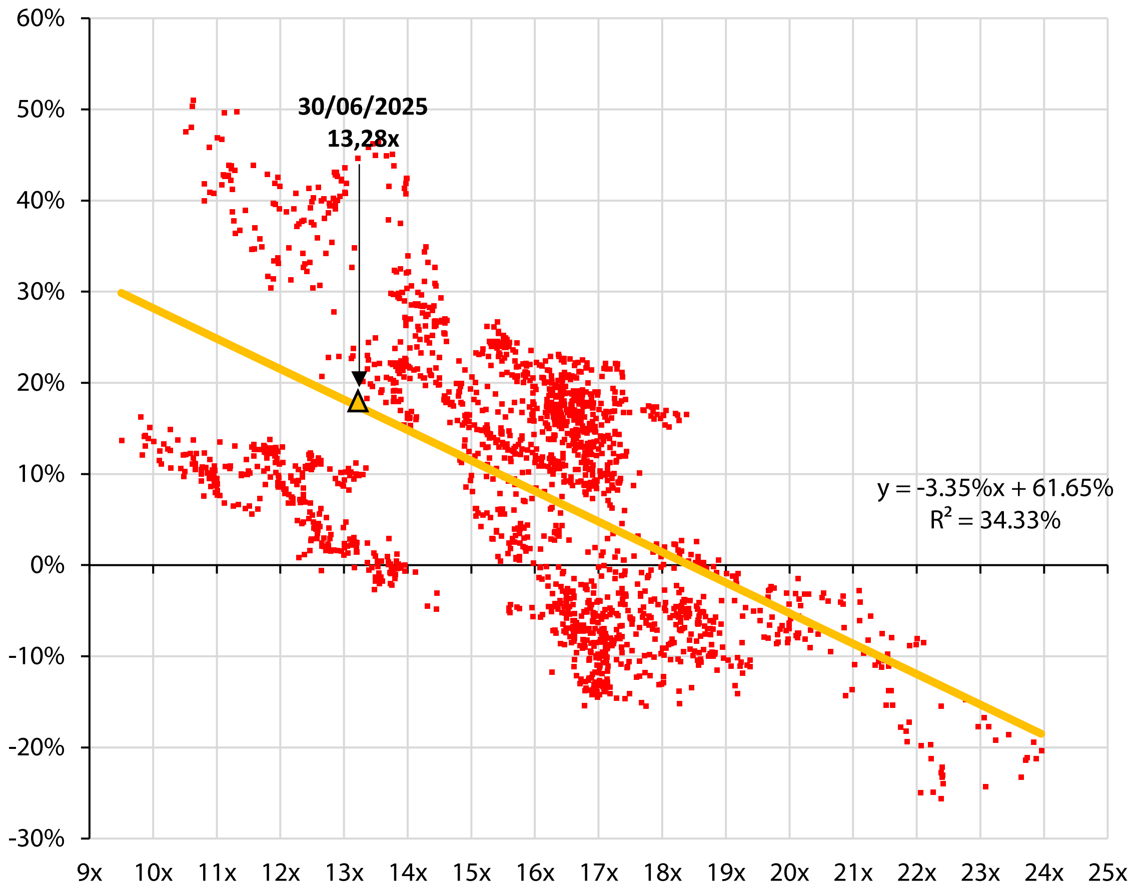
Yield Spread (*): This indicator represents how the market prices the equity risk premium (ERP) when investing in the listed capital market compared to the risk-free rate with an equivalent investment horizon. The 10-year government bond yield serves as a suitable proxy for the risk-free rate.The chart illustrates the probability distribution of the yield spread over the past five years. Statistically, 70% of yield spread fluctuations occur within one standard deviation.

VN Index P/E ratio and 1-year holding period returns



Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

VN Index P/E ratio and 2-year holding period returns



Source: Bloomberg, RongViet Securities. Data as of Jun 30, 2025

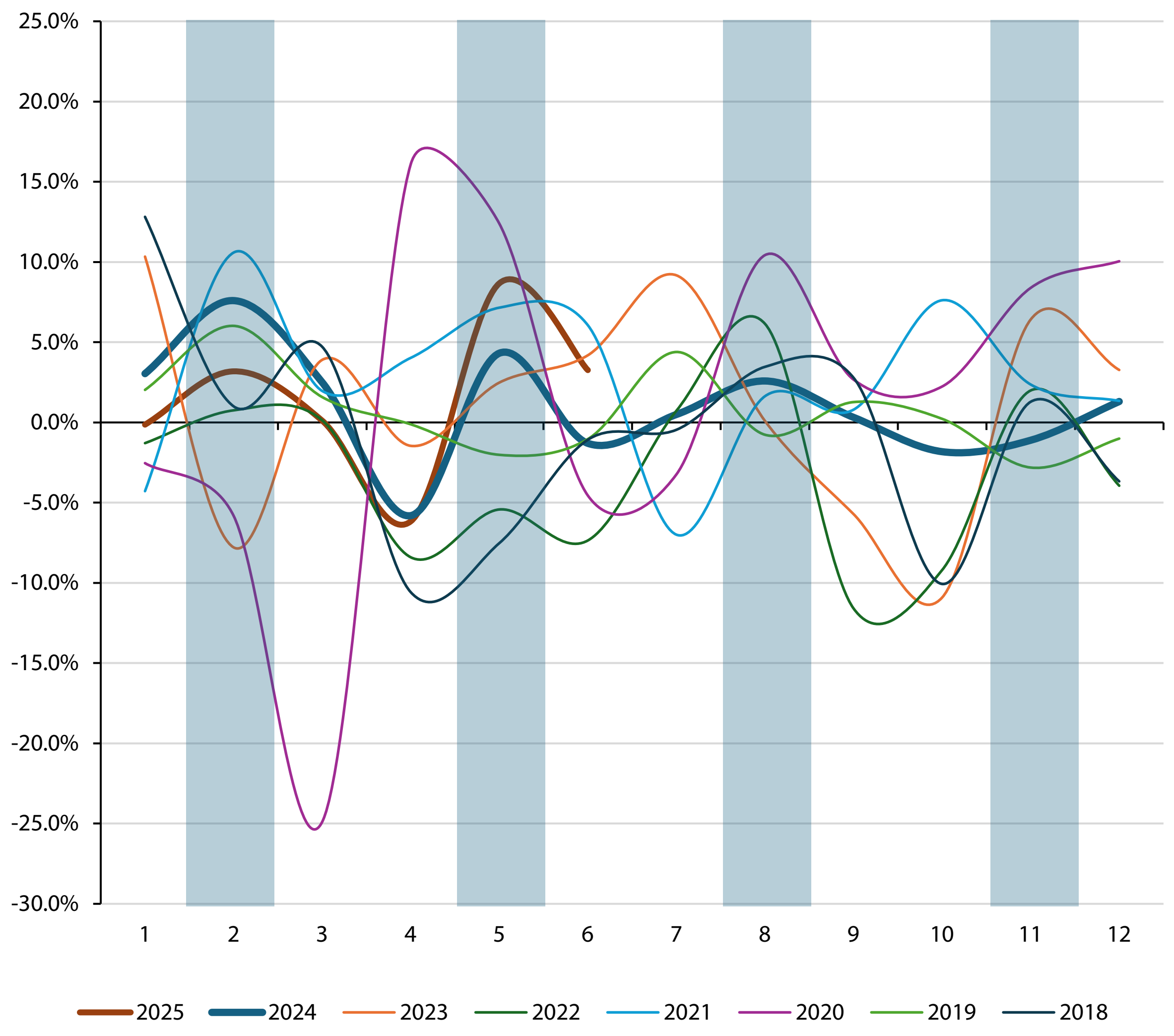
APPENDIX: MONTHLY MARKET INVESTMENT PERFORMANCE

Historical monthly returns of VN Index (2009-2025)

Month	1	2	3	4	5	6	7	8	9	10	11	12
2025	-0,1%	3,2%	0,1%	-6,2%	8,7%	3,3%						
2024	3,0%	7,6%	2,5%	-5,8%	4,3%	-1,3%	0,5%	2,6%	0,3%	-1,8%	-1,1%	1,3%
2023	10,3%	-7,8%	3,9%	-1,5%	2,5%	4,2%	9,2%	0,1%	-5,7%	-10,9%	6,4%	3,3%
2022	-1,3%	0,8%	0,1%	-8,4%	-5,4%	-7,4%	0,7%	6,1%	-11,6%	-9,2%	2,0%	-3,9%
2021	-4,3%	10,6%	2,0%	4,0%	7,2%	6,1%	-7,0%	1,6%	0,8%	7,6%	2,4%	1,3%
2020	-2,5%	-5,8%	-24,9%	16,1%	12,4%	-4,6%	-3,2%	10,4%	2,7%	2,2%	8,4%	10,0%
2019	2,0%	6,0%	1,6%	-0,1%	-2,0%	-1,0%	4,4%	-0,8%	1,3%	0,2%	-2,8%	-1,0%
2018	12,8%	1,0%	4,7%	-10,6%	-7,5%	-1,1%	-0,5%	3,5%	2,8%	-10,1%	1,3%	-3,7%
2017	4,9%	1,9%	1,6%	-0,6%	2,8%	5,2%	0,9%	-0,1%	2,8%	4,1%	13,5%	3,6%
2016	-5,8%	2,6%	0,3%	6,6%	3,4%	2,2%	3,2%	3,4%	1,6%	-1,4%	-1,6%	0,0%
2015	5,6%	2,9%	-7,0%	2,0%	1,3%	4,1%	4,7%	-9,1%	-0,4%	8,0%	-5,6%	1,0%
2014	10,3%	5,4%	0,9%	-2,3%	-2,8%	2,9%	3,1%	6,8%	-5,9%	0,3%	-5,7%	-3,7%
2013	16,0%	-1,1%	3,5%	-3,4%	9,2%	-7,2%	2,2%	-3,9%	4,2%	1,0%	2,1%	-0,6%
2012	10,4%	9,2%	4,1%	7,4%	-9,4%	-1,6%	-1,9%	-4,5%	-0,9%	-1,1%	-2,7%	9,5%
2011	5,4%	-9,6%	-0,1%	4,1%	-12,2%	2,7%	-6,2%	4,7%	0,7%	-1,6%	-9,5%	-7,7%
2010	-2,6%	3,1%	0,5%	8,6%	-6,4%	-0,1%	-2,6%	-7,9%	-0,1%	-0,4%	-0,2%	7,3%
2009	-3,9%	-19,0%	14,2%	14,6%	28,0%	8,9%	4,1%	17,1%	6,2%	1,1%	-14,1%	-1,9%

Source: Bloomberg, RongViet Securities

VN Index monthly volatility (2020-2025)



Source: Bloomberg, RongViet Securities

Performance of Selected Stocks in VDSC's Strategic Investment Portfolio Year-to-Date (7/9/2025)

Portfolio Rebalance date	CTG	ACB	VIB	HPG	HSG	KBC	SIP	KDH	REE	PVT	HAH	VCB	GEG	POW	VNM	NT2	MWG	MBB	SAB	VPB	PHR	PVS
31/12/2024	1%	-2%	5%	0%	-5%	7%	-2%	-4%	-4%	-6%	0%											
24/1/2025	9%	3%	0%	5%	9%	2%	12%	-4%	13%	2%	7%											
28/2/2025	0%	0%	-4%	-4%	-10%	3%	-5%	-3%	-1%	-7%	-1%	3%										
31/3/2025	-6%	-7%	-6%	-5%	-3%	-10%	-7%	-9%	-7%	-7%	-6%	-6%										
3/4/2025	-8%	-8%	-6%	-10%	-12%	-13%	-13%	-12%	-7%	-13%	-3%	-7%										
8/4/2025	4%	9%	5%			-1%		4%	15%			2%	20%	15%	4%	7%	24%					
5/5/2025	6%	6%				14%		8%	3%			-1%	8%	10%		1%	6%	4%	3%			
3/6/2025	12%	4%				2%		3%	7%							7%	4%	7%	1%	9%	27%	12%

Source: Bloomberg, RongViet Securities.

APPENDIX OF STOCKS IN THE FTSE VIETNAM INDEX BASKET

Ticker	%Market Cap Weight	%Revenue Growth Adjusted 5 Year CAGR	%Net Income - 5 Yr Geometric Growth	%Total Assets - 5 Yr Geometric Growth	EV/ EBITDA (x)	P/E (x)	%ROE	%AVG 5 year ROE	%diff. to avg	Cur. P/B (x)	AVG P/B 5 year	Discount/(Premium) to avg	%Dividend yield	Potential Upside	Current price	Mean Market Concensus Target Price	The highest Concensus Target Price	The Lowest Concensus Target Price	Foreign remaining room (mn share)	Foreign remaining room (%)	%Floating share
HPG	12.72	16.88	9.82	17.14	11.21	15.17	11.20	18.34	7.15	1.61	1.76	9%	n.a	12%	24,700	27,756	31,667	21,667	1,676	21.8	59.0
VIC	10.83	7.77	9.54	15.69	16.02	31.70	8.00	-15.10	-23.10	2.41	2.47	3%	n.a	-6%	93,300	88,100	90,300	85,900	1,602	41.9	34.3
VHM	8.47	14.66	7.90	23.39	14.19	10.12	17.80	20.52	2.72	1.58	1.92	21%	n.a	-15%	79,200	67,538	80,800	53,000	1,619	39.4	26.5
VCB	8.27	n.a	12.73	11.27	n.a	14.52	17.94	19.52	1.58	2.41	3.08	28%	n.a	14%	59,000	66,974	74,000	52,125	660	7.9	25.2
VNM	6.65	1.87	-2.36	4.25	9.36	15.72	23.93	28.05	4.12	3.66	5.32	45%	8.4	17%	59,000	68,859	80,100	59,500	1,077	51.6	35.2
MSN	6.53	17.36	-18.49	8.69	15.30	49.24	7.96	10.26	2.29	3.54	4.94	40%	n.a	13%	75,600	85,478	101,200	62,000	1,127	78.4	46.1
SSI	5.38	n.a	25.54	22.14	20.60	17.74	11.33	12.29	0.96	1.93	2.17	13%	3.0	4%	27,050	28,266	31,800	25,898	1,179	59.8	85.0
VCI	3.20	n.a	5.61	29.71	17.86	23.32	9.71	14.88	5.17	2.14	2.36	10%	1.5	1%	37,550	37,831	40,600	35,062	507	70.1	77.0
DGC	2.81	14.15	39.43	27.36	8.60	13.27	22.46	36.16	13.71	2.79	2.99	7%	2.9	16%	102,600	118,905	128,800	102,300	129	34.0	61.7
VIX	2.62	n.a	41.64	61.83	22.36	24.97	6.88	13.94	7.06	1.41	1.35	-4%	n.a	n.a	15,150	n.a	n.a	n.a	1,271	83.0	96.9
VRE	2.62	-0.70	7.51	9.03	11.68	13.99	10.22	8.82	-1.40	1.36	1.76	29%	n.a	6%	25,800	27,407	34,500	21,800	724	31.9	39.7
VND	2.52	n.a	35.08	30.55	20.88	17.35	7.97	17.42	9.45	1.35	1.80	34%	5.6	2%	17,800	18,075	20,449	15,700	1,282	84.2	75.8
KDH	2.50	3.11	-2.40	18.37	27.06	36.23	5.21	8.39	3.18	1.75	2.17	24%	n.a	32%	30,300	40,050	42,700	37,600	151	14.9	64.1
VJC	2.34	7.32	-18.09	15.24	19.88	34.13	8.91	-9.40	-18.31	2.89	3.90	35%	n.a	-4%	95,000	91,600	91,600	91,600	102	18.8	52.5
SHB	2.30	n.a	30.98	15.40	n.a	5.99	16.76	16.35	-0.41	0.94	1.01	8%	6.7	n.a	14,150	n.a	n.a	n.a	1,049	25.8	86.5
KBC	1.75	-2.86	-14.23	22.19	19.68	16.30	6.92	7.07	0.15	1.09	1.45	33%	n.a	27%	27,500	34,823	38,300	32,117	237	25.1	70.0
FRT	1.67	19.24	8.31	19.15	24.83	56.83	24.03	10.49	-13.54	12.20	6.65	-46%	n.a	12%	186,300	208,421	242,300	189,400	23	16.7	49.1
EIB	1.65	n.a	30.88	7.43	n.a	12.79	14.19	9.95	-4.24	1.72	1.65	-4%	1.2	n.a	23,750	n.a	n.a	n.a	463	24.8	97.9
GEX	1.52	17.12	22.02	20.43	7.92	20.19	13.08	5.55	-7.53	2.48	1.63	-34%	1.2	-22%	39,500	30,955	36,100	25,810	369	40.9	69.6
VPI	1.35	-9.10	-8.29	4.42	96.15	42.96	8.54	10.93	2.39	3.36	3.48	4%	n.a	n.a	52,500	n.a	n.a	n.a	119	37.2	74.3
SIP	1.34	12.44	14.49	13.22	9.35	12.29	28.88	30.12	1.23	3.22	3.90	21%	2.4	19%	71,800	85,097	88,000	82,290	95	39.2	67.1
FTS	1.32	n.a	21.50	31.06	28.94	24.20	13.77	15.35	1.58	3.15	2.16	-31%	1.1	n.a	40,000	n.a	n.a	n.a	242	69.9	75.0
PDR	1.28	-24.73	-29.24	11.43	112.51	107.89	1.48	10.92	9.44	1.26	3.11	147%	n.a	9%	18,850	20,500	22,600	18,300	362	39.9	44.0
DXG	1.04	-3.78	-26.78	7.98	20.16	55.91	2.36	3.26	0.90	1.42	1.39	-2%	n.a	-2%	17,200	16,941	18,600	14,530	265	26.0	81.3
DPM	1.01	11.93	7.32	7.67	11.71	35.69	4.19	17.73	13.54	1.36	1.28	-6%	5.1	-4%	38,900	37,520	40,600	36,000	165	42.1	40.4
VTP	1.00	21.56	0.15	13.39	22.62	50.22	17.75	20.19	2.44	8.89	6.07	-32%	1.3	3%	119,800	123,800	123,800	123,800	52	43.0	39.1
TCH	0.93	15.84	6.25	12.11	10.37	17.98	9.17	8.83	-0.34	1.58	1.22	-23%	n.a	n.a	23,000	n.a	n.a	n.a	267	39.9	54.5
POW	0.91	-3.05	-15.18	7.48	10.49	24.64	4.02	5.27	1.25	0.97	1.02	4%	n.a	6%	13,450	14,212	15,200	12,800	1,070	45.7	20.1
PVD	0.91	14.67	28.67	0.69	6.30	16.34	4.46	1.30	-3.16	0.69	0.80	16%	n.a	11%	20,350	22,553	23,630	21,100	252	45.3	46.9
DIG	0.90	-9.27	-21.77	17.73	61.15	60.90	2.57	5.04	2.47	1.54	2.62	70%	n.a	n.a	18,500	n.a	n.a	n.a	289	44.7	78.5
VCG	0.84	6.26	6.27	8.79	15.77	25.38	7.39	0.52	-6.86	1.78	2.15	21%	3.2	5%	22,850	23,981	24,444	23,519	244	37.7	53.2
HSG	0.79	6.97	7.33	2.58	9.94	23.53	4.15	14.30	10.15	0.97	1.27	31%	2.8	-3%	17,650	17,125	18,500	13,500	254	40.9	76.1

RONG VIET SECURITIES

HIGHLIGHT STOCKS

Ticker	Exchange	Market cap (USD mn)	Target price (VND)	Closed price @ 07/09/25 (VND)	Total Return	Recommendation	2024A		2025F		PE 2024 (x)	PE 2025F (x)	PB 2025F (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
							+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
GDA	UPCOM	88	33.600	20.000	68%	Buy	9,8	20,4	-11,0	-2,1	7,2	6,9	0,6	5,0	-37,1	71	31,2
KDH	HOSE	1.200	42.777	31.000	38%	Buy	0,6	0,1	126,7	37,6	37,1	28,1	1,4	0,0	-8,3	3.160	14,9
NTC	UPCOM	155	220.000	168.400	31%	Buy	56,4	-9,4	71,8	28,3	13,9	11,6	2,6	2,4	-22,6	347	0,0
FPT	HOSE	6.961	159.000	122.800	29%	Buy	19,4	21,3	22,6	24,0	21,9	18,7	4,6	1,6	-12,0	27.554	8,2
SCS	HOSE	243	85.000	66.800	27%	Buy	47,1	39,0	2,8	-5,6	8,9	9,7	4,5	10,5	-25,3	1.031	15,4
REE	HOSE	1.399	84.300	67.500	25%	Buy	-2,2	-8,8	10,7	27,6	17,2	14,4	1,5	1,5	16,7	2.374	0,0
FMC	HOSE	96	48.000	38.450	25%	Buy	35,9	10,8	15,5	24,3	8,8	6,6	0,8	5,2	-24,9	172	19,0
KBC	HOSE	1.000	34.600	27.750	25%	Buy	-50,6	-79,0	73,3	238,1	16,4	18,1	1,1	0,0	-2,8	7.153	25,2
ACV	UPCOM	7.914	113.400	95.000	19%	Accumulate	12,6	20,5	-3,0	-0,9	19,6	20,2	2,9	0,0	-24,0	1.564	45,9
VCB	HOSE	19.665	73.000	61.500	19%	Accumulate	1,3	2,4	9,4	9,4	15,1	13,9	2,3	0,0	5,4	10.525	7,9
MBB	HOSE	6.212	31.500	26.600	18%	Accumulate	17,1	9,5	14,2	9,9	6,6	6,5	1,3	1,1	34,8	21.419	0,0
PC1	HOSE	307	26.500	22.450	18%	Accumulate	29,2	237,1	-9,3	12,5	20,1	15,5	1,2	0,0	-12,6	1.827	35,0
PVS	HNX	600	38.500	32.800	17%	Accumulate	22,7	4,2	37,2	15,0	14,3	12,7	1,1	3,0	-23,7	7.927	36,6
VSC	HOSE	239	19.500	16.700	17%	Accumulate	27,8	267,1	4,6	-49,9	27,6	26,9	1,0	0,0	0,4	6.603	46,1
QNS	UPCOM	682	56.100	48.500	16%	Accumulate	2,2	8,6	-1,2	-7,9	6,7	8,1	1,6	7,2	-2,0	411	40,6
HSG	HOSE	418	20.300	17.600	15%	Accumulate	27,7	1.822,7	-4,9	21,4	24,2	15,6	1,0	2,8	-30,6	5.119	40,9
PVD	HOSE	434	23.500	20.400	15%	Accumulate	60,0	18,9	-4,3	-7,3	16,3	17,6	0,7	0,0	-32,7	5.819	45,4
VIB	HOSE	2.183	21.900	19.150	14%	Accumulate	-7,2	-15,9	5,3	17,2	8,1	6,8	1,2	3,7	5,2	3.751	0,0
HPG	HOSE	7.270	28.200	24.750	14%	Accumulate	16,7	75,9	30,1	55,6	15,7	10,2	1,4	0,0	3,1	27.167	22,2
VPB	HOSE	6.087	22.800	20.050	14%	Accumulate	25,2	57,0	10,9	29,5	9,9	7,8	1,0	2,5	5,2	21.116	5,4
HAX	HOSE	63	17.200	15.350	12%	Accumulate	38,5	261,3	14,2	-24,8	16,1	17,5	1,4	5,2	-5,8	820	29,0
DPR	HOSE	134	45.200	40.400	12%	Accumulate	17,6	35,4	1,7	-0,1	13,1	12,5	1,3	7,4	-8,5	1.437	46,9
MWG	HOSE	3.831	75.300	67.700	11%	Accumulate	13,6	2.119,8	9,8	40,3	24,3	19,2	4,3	1,5	1,0	19.244	0,3
PVT	HOSE	324	19.900	18.000	11%	Accumulate	23,6	12,6	4,8	-7,5	9,2	8,4	1,0	5,6	-22,6	2.278	29,7
TCM	HOSE	136	35.000	31.800	10%	Accumulate	14,6	109,3	5,8	5,4	13,4	12,2	1,3	1,6	-35,0	2.743	0,0
HDG	HOSE	364	28.200	25.700	10%	Accumulate	-5,6	-19,0	13,9	88,4	36,5	8,8	1,3	1,9	-7,6	3.439	29,2
MSN	HOSE	4.172	83.000	75.800	9%	Accumulate	6,3	377,4	0,1	62,3	66,0	33,6	2,6	0,0	-0,5	14.890	0,0
POW	HOSE	1.214	14.800	13.550	9%	Accumulate	7,0	7,1	30,3	-13,0	23,8	34,1	0,9	0,0	-10,0	5.102	45,7
VHC	HOSE	512	65.000	59.600	9%	Accumulate	24,9	37,6	12,1	21,6	10,7	8,9	1,2	0,0	-18,6	3.091	77,7
BID	HOSE	10.264	41.600	38.200	9%	Accumulate	11,0	14,4	4,1	15,0	11,8	9,5	1,7	0,0	-1,7	5.854	12,5

Source: RongViet Securities. Data as of Jun 30, 2025

HIGHLIGHT STOCKS

Ticker	Exchange	Market cap (USD mn)	Target price (VND)	Closed price @ 07/09/25 (VND)	Total Return	Recommendation	2024A		2025F		PE 2024 (x)	PE 2025F (x)	PB 2025F (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
							+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
ACB	HOSE	4.413	24.400	22.450	9%	Accumulate	2,3	4,6	5,1	5,2	7,0	6,5	1,2	4,5	6,5	8.635	0,0
HDB	HOSE	3.237	26.300	24.200	9%	Accumulate	28,8	26,7	13,6	20,6	6,1	5,5	1,3	4,1	19,0	9.886	1,0
SIP	HOSE	571	76.700	70.900	8%	Accumulate	16,8	25,6	-1,3	-1,5	14,3	13,0	2,8	1,4	-12,2	1.618	45,0
VNM	HOSE	4.815	65.100	60.200	8%	Accumulate	2,3	5,8	-1,2	-8,0	15,9	14,6	3,8	6,3	-10,9	8.692	51,6
CTG	HOSE	9.247	48.300	45.000	7%	Accumulate	15,9	26,8	7,2	20,4	9,4	7,9	1,4	0,0	38,0	11.057	2,7
TNG	HNX	98	22.300	20.900	7%	Accumulate	9,0	44,8	1,9	-1,1	8,0	8,2	1,3	3,8	-19,7	1.110	32,0
NT2	HOSE	218	20.900	19.750	6%	Accumulate	-6,8	-82,5	16,4	490,2	21,0	13,3	1,3	5,1	-9,6	597	37,2
GEG	HOSE	226	17.300	16.450	5%	Accumulate	7,5	-16,3	29,0	522,6	15,0	8,2	1,2	0,0	12,2	1.647	4,3
PHR	HOSE	319	64.300	61.500	5%	Neutral	20,9	-24,2	4,2	52,6	17,5	11,6	2,0	1,6	-1,9	1.452	33,6
MSH	HOSE	160	38.600	37.200	4%	Neutral	16,3	67,6	-6,0	14,3	9,4	8,9	1,8	5,4	11,6	529	43,1
IDC	HNX	600	49.000	47.500	3%	Neutral	22,2	43,3	-8,1	2,4	9,6	7,7	2,5	7,4	-23,4	3.855	29,3
SAB	HOSE	2.339	49.100	47.650	3%	Neutral	4,6	5,2	-15,2	-11,2	15,0	15,9	2,7	10,5	-15,5	1.982	41,2
DRC	HOSE	99	22.400	21.750	3%	Neutral	4,0	-5,8	9,0	-26,6	13,4	15,2	1,3	3,7	-40,0	533	0,0
DCM	HOSE	694	34.500	34.250	1%	Neutral	6,8	20,4	5,2	9,9	15,1	12,4	1,7	4,7	-14,6	4.804	44,2
TCB	HOSE	9.435	34.300	34.900	-2%	Neutral	17,3	19,5	9,3	16,6	11,6	9,8	1,5	2,9	48,8	22.974	0,0
NLG	HOSE	586	38.220	39.750	-4%	Neutral	1,3	-0,1	-18,3	-32,1	30,8	54,1	1,7	0,0	-9,9	4.585	2,7
PNJ	HOSE	1.071	79.500	82.800	-4%	Neutral	14,1	7,3	-19,2	-4,5	14,0	13,9	1,6	2,4	-13,2	3.341	0,0
GMD	HOSE	974	58.000	60.600	-4%	Neutral	25,6	-34,3	5,0	-1,9	23,7	17,8	2,0	3,3	-15,3	5.659	7,8
NKG	HOSE	239	13.300	13.950	-5%	Neutral	10,8	285,8	-15,8	-4,0	13,4	14,4	0,8	0,0	-29,1	4.399	44,6
DPM	HOSE	580	36.800	38.700	-5%	Neutral	-0,5	11,5	1,1	88,7	35,5	13,5	1,3	5,2	-0,4	4.916	42,1
DGW	HOSE	371	41.800	44.200	-5%	Reduce	17,3	25,4	13,1	17,4	20,6	18,6	2,9	1,1	-11,7	3.808	21,9
FRT	HOSE	974	169.604	186.800	-9%	Reduce	25,9	-191,9	26,1	101,5	57,0	39,8	10,0	0,0	2,1	2.719	16,7
IMP	HOSE	310	45.647	52.600	-13%	Reduce	10,6	7,1	19,7	22,9	25,9	20,6	3,4	2,1	50,9	398	27,7
BFC	HOSE	103	39.400	46.900	-16%	Reduce	9,0	141,5	-6,9	-2,6	7,8	7,7	1,8	3,2	14,1	2.067	46,3
HAH	HOSE	343	Under review	69.100	Under review	Under review	52,8	69,0	18,7	40,2	10,8	9,8	2,1	0,0	49,4	6.280	25,0
BMP	HOSE	451	Under review	143.900	Under review	Under review	-10,5	-4,8	15,4	9,0	10,8	10,9	4,2	8,3	46,8	948	14,3
STK	HOSE	99	Under review	26.800	Under review	Under review	-15,1	-47,8	19,2	35,3	55,2	41,9	1,4	0,0	-21,1	56	82,3
ANV	HOSE	236	Under review	23.200	Under review	Under review	10,6	15,7	-2,1	170,6	35,6	47,2	2,1	4,3	36,7	1.834	46,1
LHG	HOSE	63	Under review	33.100	Under review	Under review	7,2	10,6	10,1	42,7	10,6	6,3	0,9	5,7	-20,7	280	36,8
OCB	HOSE	1.198	Under review	12.700	Under review	Under review	5,7	-24,0	9,3	39,1	11,2	7,1	0,9	5,5	4,0	1.765	2,6

Source: RongViet Securities. Data as of Jun 30, 2025

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Floor 1 to Floor 8, Viet Dragon Tower, 141 Nguyen Du Street., HCMC, Vietnam

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