SHINHAN SECURITIES

“Feb. 2022: Ten tigers for the new year”

[Vietnam Top Picks Universe]

RESEARCH CENTER



Feb 2022

Shinhan Securities Vietnam

Top Picks Universe

Ten tigers for the new year

EQUITIES

General info					Share price			Price performance				Valuation			
No.	Ticker	Company name	Sector	Mkt Cap. (VND bn)	CP (VND)	TP (VND)	Upside (%)	1M	3M	6M	1Y	P/B (x)	P/E (x)	ROE (%)	EPS growth (% YoY)
1	DBC	Dabaco Corp.	Food	8,240	71,500	92,000	28.7	(4.4)	8.0	28.8	60.5	1.8	9.9	18.6	(40.8)
2	DGC	Ducgiang Chemicals	Chemicals	25,234	147,500	200,000	35.6	(3.7)	(10.0)	50.8	211.2	4.2	11.2	45.1	163.3
3	FPT	FPT Corp JSC.	IT	82,224	90,600	130,000	43.5	(3.0)	(7.0)	(6.2)	46.1	4.6	20.8	25.7	21.4
4	GEX	GELEX GROUP	Industrial	31,548	37,050	45,000	21.5	(24.4)	17.2	80.3	152.0	2.6	26.0	7.9	24.0
5	PET	PVN General Services	Retailers	3,418	38,050	50,000	31.4	(3.9)	18.7	70.2	155.4	1.9	18.1	11.4	112.6
6	PC1	Power Construction No. 1.	Construction	8,301	35,300	55,000	55.8	(10.4)	(6.1)	56.3	65.5	1.8	11.8	11.1	34.4
7	TV2	Power Engineering Consult. 2	Services	2,710	60,200	86,000	42.9	(17.9)	(6.7)	40.5	45.0	2.1	8.5	27.0	2.8
8	SZC	Sonadezi Chau Duc	Real Estate	7,840	78,400	95,000	21.2	9.7	35.2	77.0	117.8	5.3	26.0	23.7	92.5
9	STB	Sacombank	Banks	67,585	35,850	40,000	11.6	12.2	28.7	18.3	106.0	2.0	19.3	10.8	48.8
10	TCB	Techcombank	Banks	188,887	53,800	68,000	26.4	8.8	2.3	3.9	53.7	2.0	10.5	21.7	46.3

Dabaco Group JSC.
(DBC VN)

TARGET PRICE (VND)	BUY
92,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
71,500	**28.7%**

VNINDEX	**1,496**
Market P/E (x)	**14.2**
Market Cap. (bn VND)	**8,170**
Outstanding Shares (mn)	**115**
Free Floating Shares (mn)	**60**
Free Floating (%)	**51.8**
52-Wk High (VND)	**80,800**
52-Wk Low (VND)	**44,091**
3M Avg. Trading Vol. (mn	**1.89**
3M Avg. T/O (bn VND)	**134**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**7.1**	**27.7**	**59.2**
Rel. to VNINDEX	**5.2**	**16.2**	**21.0**



Source: Bloomberg

Investment points

- Short-term catalyst is included the increasing demand for meat, including pork and chicken (main products of Dabaco) due to Vietnamese traditional holiday.
- Growth potential to be highlighted: 1) improving 2022F margins as improving ASP thanks to new normal status; 2) higher livestock output as resuming normal business operation; and 3) stable raw materials from import tax exemption.
- Dabaco is expected to succeed in research the African Swine Fever (ASF) vaccine, which would mitigate the impacts of disease to its livestock production (accounted for 90.3% of sales in 2020).
- Diversification of real estates: Dabaco is expected to record revenue and profit of VND1.6 tn and VND400 bn, respectively, from two real estate projects named Lotus Central Bac Ninh (started handing over 4Q21) and Huyen Quang (expected handover in 2022).

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	5,855	6,674	7,187	10,022	10,813
OP (bn VND)	329	539	605	1,838	1,103
OP margin (%)	5.6	8.1	8.4	18.3	10.2
NP (bn VND)	200	347	304	1,399	826
NP margin (%)	3.4	5.2	4.2	14.0	7.6
EPS (VND)	1,734	3,212	2,636	12,137	7,170
ROE (%)	8.3	14.1	10.5	38.7	18.6
P/E (x)	12.1	5.6	7.3	4.2	10.1
P/B (x)	1.0	0.8	0.7	1.4	1.8

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

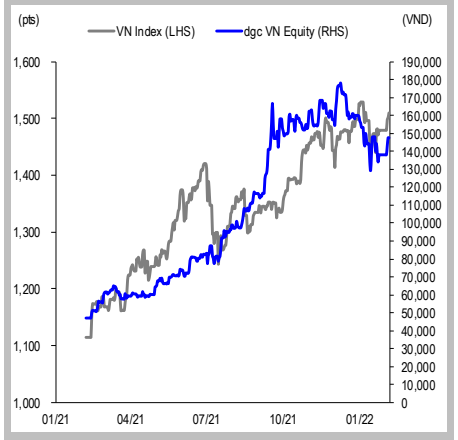
Duc Giang Chemicals JSC.
(DGC VN)

EQUITIES

TARGET PRICE (VND)	BUY
200,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
147,500	**35.6%**

VNINDEX	**1,496**
Market P/E (x)	**14.2**
Market Cap. (bn VND)	**8,170**
Outstanding Shares (mn)	**115**
Free Floating Shares (mn)	**60**
Free Floating (%)	**51.8**
52-Wk High (VND)	**80,800**
52-Wk Low (VND)	**44,091**
3M Avg. Trading Vol. (mn	**1.89**
3M Avg. T/O (bn VND)	**134**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**7.1**	**27.7**	**59.2**
Rel. to VNINDEX	**5.2**	**16.2**	**21.0**



Source: Bloomberg

Investment points

- With outstanding technological capabilities, DGC can produce all most products in the value chain - from mining apatite ore to producing final products. Thus, DGC can manage its material input cost well and is less dependent on the fluctuation of raw material prices.
- The expanding semiconductor production to meet the scarce supply for computers, phones, as well as 5G devices manufacturers around the world to push the demand for Phosphorus products.
- New source of growth from the Duc Giang Nghi Son chemical complex project with capex of VND12tn. The construction will be started in 1Q22, and completed phase 1 in Dec. 2024, and phase 2 until 2028. Management is confident that the factory can reach VND8.7tn in revenue and 1.8tn profit when phase 1 is completed.

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	626	6,090	5,091	6,236	9,550
OP (bn VND)	50	939	592	987	2,542
OP margin (%)	8.1	15.4	11.6	15.8	26.6
NP (bn VND)	128	879	559	913	2,388
NP margin (%)	20.5	14.4	11.0	14.6	25.0
EPS (VND)	1,585	8,234	3,162	5,020	13,123
ROE (%)	14.4	45.5	16.6	23.7	45.1
P/E (x)	13.6	3.7	5.8	8.9	12.2
P/B (x)	2.5	1.6	0.9	1.9	4.5

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

FPT Corp. JSC.
(FPT VN)

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EQUITIES

TARGET PRICE (VND)	BUY
130,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
90,600	**43.5%**

VNINDEX	**1,496**
Market P/E (x)	**14.2**
Market Cap. (bn VND)	**8,170**
Outstanding Shares (mn)	**115**
Free Floating Shares (mn)	**60**
Free Floating (%)	**51.8**
52-Wk High (VND)	**80,800**
52-Wk Low (VND)	**44,091**
3M Avg. Trading Vol. (mn	**1.89**
3M Avg. T/O (bn VND)	**134**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**7.1**	**27.7**	**59.2**
Rel. to VNINDEX	**5.2**	**16.2**	**21.0**



Source: Bloomberg

Investment points

- Global demand and spending for technology have dramatically increased, especially on software development and digital transformation (DX) services of FPT. FPT has been rapidly transforming into a global DX pioneer through self-developed B2B products applying the latest technologies such as Artificial Intelligence (AI), Robotic Process Automation (RPA), Blockchain, Cloud, and Internet of Things (IoT).
- The revenue growth of DX services (FSoft) and Made-by-FPT products (FIS) at roughly +40-50% p.a. will be the key growth driver of revenue and profit. Besides, the Telecom segment also significantly contributes to FPT's pre-tax margin and growth thanks to the new income from PayTV and Data Center as well as the high growth of Broadband services. These motivations and the investment into the Education segment and new startups such as BASE, Utop, and Sendo will ensure FPT to grow by at least +20% p.a. in the next 3-5 years.

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	42,659	23,214	27,717	29,830	35,657
OP (bn VND)	3,167	3,122	4,147	4,605	5,413
OP margin (%)	7.4	13.4	15.0	15.4	15.2
NP (bn VND)	2,932	2,620	3,135	3,538	4,333
NP margin (%)	6.9	11.3	11.3	11.9	12.2
EPS (VND)	3,066	2,683	3,191	3,579	4,346
ROE (%)	26.0	20.0	21.6	21.7	23.4
P/E (x)	11.1	10.8	13.8	14.4	21.4
P/B (x)	2.7	2.1	2.8	2.9	4.7

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

GELEX GROUP JSC.
(GEX VN)

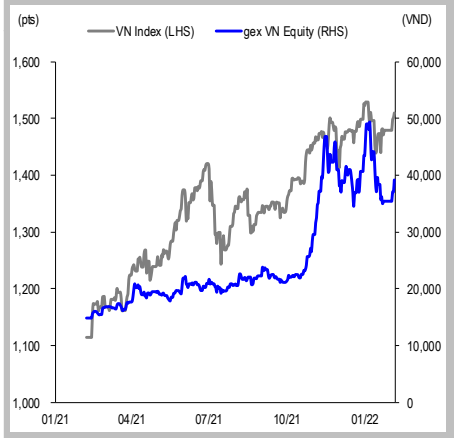
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EQUITIES

TARGET PRICE (VND)	BUY
45,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
37,050	**21.5%**

VNINDEX	**1,496**
Market P/E (x)	**14.2**
Market Cap. (bn VND)	**8,170**
Outstanding Shares (mn)	**115**
Free Floating Shares (mn)	**60**
Free Floating (%)	**51.8**
52-Wk High (VND)	**80,800**
52-Wk Low (VND)	**44,091**
3M Avg. Trading Vol. (mn	**1.89**
3M Avg. T/O (bn VND)	**134**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**7.1**	**27.7**	**59.2**
Rel. to VNINDEX	**5.2**	**16.2**	**21.0**



Source: Bloomberg

Investment points

- Company profile: No.1 electrical equipment company in Vietnam; they are also expanding power generation sector (hydro & solar), construction materials and industrial park (by acquiring Viglacera Corp - VGC)
- The recovery of electrical equipment sector: In 2021, the impact of Covid-19 pandemic has lowered sales volume of electrical equipments. However, we expect this business will bounce back in 2022, supported by: 1) The economy's recovery will lead to higher demand, 2) The involvement of strategic investors (8% stake of Gelex Electric will be sold) will support GEX to gain market share in long-term.
- Potential from power generation sector: new wind farm projects with a total capacity of 140MW (Huong Phung 2 & 3 and Gelex 1, 2 & 3) came online by October 2021 and receive a favorable tariff of 8.5 US cents/kWh. In 2022, these projects will start to contribute expected profit more than VND150bn/year;
- Significant contribution from VGC: VGC - the leading player in construction materials and industrial park - has become the subsidiary of GEX since 2Q2021. In 2022, VGC is expected to record profit of VND600bn (equivalent to ~50% of GEX's 2022 net profit), thanks to the recovery core business.

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	11,984	13,699	15,315	17,949	28,585
OP (bn VND)	1,196	1,224	1,518	1,516	3,201
OP margin (%)	10.0	8.9	9.9	8.4	11.2
NP (bn VND)	610	620	590	586	750
NP margin (%)	5.1	4.5	3.9	3.3	2.6
EPS (VND)	1,116	1,061	830	890	1,084
ROE (%)	15.9	12.6	9.1	8.9	7.9
P/E (x)	11.4	8.7	16.5	13.5	26.9
P/B (x)	1.6	1.6	1.5	1.6	2.9

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

Power Construction No.1 JSC.
(PC1 VN)

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EQUITIES

TARGET PRICE (VND)	BUY
55,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
35,300	**55.8%**

VNINDEX	**1,496**
Market P/E (x)	**14.2**
Market Cap. (bn VND)	**8,170**
Outstanding Shares (mn)	**115**
Free Floating Shares (mn)	**60**
Free Floating (%)	**51.8**
52-Wk High (VND)	**80,800**
52-Wk Low (VND)	**44,091**
3M Avg. Trading Vol. (mn	**1.89**
3M Avg. T/O (bn VND)	**134**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**7.1**	**27.7**	**59.2**
Rel. to VNINDEX	**5.2**	**16.2**	**21.0**



Source: Bloomberg

Investment points

- PC1 holds outstanding construction technology in grid and wind power (such as UAV flying devices and crawler cranes for electric turbines).
- PC1 operates 7 hydropower plants with a total capacity of 169 MW, which is considered a strong cash cow. Their plants are located nationwide, avoiding the negative effects from clime changes, with stable revenue VND800bn/year with a gross margin of ~60%.
- Penetrating wind power with upcoming 150MW capacity COD in 4Q21, with favorable feed-in tariff and is expected to generate a profit of VND202bn (equivalent to 33% of 2022 net profit). Moreover, PC1 was also licensed to pre-feasibility study an onshore and offshore wind power with a capacity of +2,000 MW, securing stable growth over the next 5 years. Currently, PC1 is the only player who can build and operate their projects.

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	3,161	5,084	5,845	6,679	9,813
OP (bn VND)	355	657	594	823	850
OP margin (%)	11.2	12.9	10.2	12.3	8.7
NP (bn VND)	236	469	358	512	481
NP margin (%)	7.5	9.2	6.1	7.7	4.9
EPS (VND)	1,175	2,046	1,561	2,231	2,092
ROE (%)	10.2	16.2	10.9	13.8	11.1
P/E (x)	16.5	7.1	7.8	8.3	13.1
P/B (x)	1.7	1.1	0.8	1.1	2.0

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

PetroVietnam Gen. Services JSC. Corp. (PET VN)

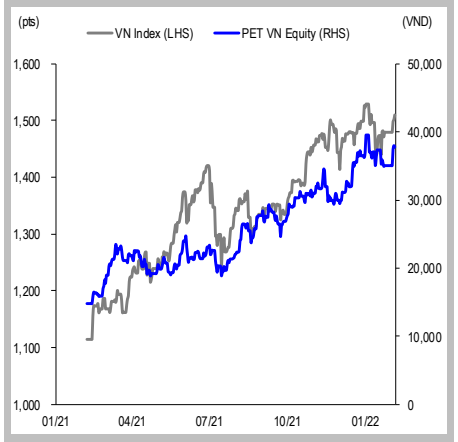
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EQUITIES

TARGET PRICE (VND)	BUY
50,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
38,050	**31.4%**

VNINDEX	**1,496**
Market P/E (x)	**14.2**
Market Cap. (bn VND)	**8,170**
Outstanding Shares (mn)	**115**
Free Floating Shares (mn)	**60**
Free Floating (%)	**51.8**
52-Wk High (VND)	**80,800**
52-Wk Low (VND)	**44,091**
3M Avg. Trading Vol. (mn	**1.89**
3M Avg. T/O (bn VND)	**134**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**7.1**	**27.7**	**59.2**
Rel. to VNINDEX	**5.2**	**16.2**	**21.0**



Source: Bloomberg

Investment points

- Distribution division is expected to maintain strong growth in 2021-22 period, thanks to: 1) one of four official Apple authorized distributors in Vietnam since 2020; 2) expanding the wholesale portfolio with various types of additional smart devices such as smartwatches or WiFi routers; and 3) high demand for digital devices (smartphones and laptops) due to the accelerated trend of digital transformation and remote working/learning during Covid-19.
- The combination of high season for smartphones before the Tet holiday and rising crude oil prices is short-term catalyst of Petrosetco.
- New source of earnings from Cape Pearl Binh Thanh real estate project (scheduled to start in 2022 with 7 floors for rent and 260 apartment for sales) and fertilizer distribution (starting in 2020). Notably, profit from real estate business accounts for more than 20% of the annual total profit of PET (2020: 24.6%), together with the high price of real estate projects in Binh Thanh area, we expect that PET will record a higher profit when the project is opened for sale.

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	10,703	11,092	10,008	13,453	17,511
OP (bn VND)	245	219	136	235	381
OP margin (%)	2.3	2.0	1.4	1.7	2.2
NP (bn VND)	135	113	78	137	256
NP margin (%)	1.3	1.0	0.8	1.0	1.5
EPS (VND)	1,479	1,236	803	1,520	2,740
ROE (%)	8.7	7.2	4.6	8.3	14.9
P/E (x)	8.2	6.6	5.7	10.6	11.3
P/B (x)	0.7	0.5	0.4	0.9	1.9

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

Power Engineering Consulting 2 JSC. (TV2 VN)

EQUITIES

TARGET PRICE (VND)	BUY
86,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
60,200	42.9%

VNINDEX	1,496
Market P/E (x)	14.2
Market Cap. (bn VND)	8,170
Outstanding Shares (mn)	115
Free Floating Shares (mn)	60
Free Floating (%)	51.8
52-Wk High (VND)	80,800
52-Wk Low (VND)	44,091
3M Avg. Trading Vol. (mn	1.89
3M Avg. T/O (bn VND)	134
Beta (12M)	1.3

	3M	6M	12M
Absolute	7.1	27.7	59.2
Rel. to VNINDEX	5.2	16.2	21.0



Source: Bloomberg

Investment points

- TV2 is a leading power consulting company in Vietnam, specializing in survey and design, and construction of electricity development and investment projects. TV2 is always on the top-list of power consultants for EVN and private developers (including Tri An, Ca Mau, Nhon Trach power plants). Consulting segment earns a stable cash flow ~VND150bn/year with a margin of ~20%.
- From 2019, TV2 has operated the high-tech operation center - remote power plants, which provide solid Operations and Maintenance services (O&M) to renewable plants. By end-2020, TV2's O&M services are operating 1,500 MW solar farms, with stable revenue of VND200bn/year with a margin of ~40%.
- They are also taking advantage of the tremendous domestic demand for electricity while there is a shortage of supply. TV2 is bidding for a potential backlog of ~USD900mn for projects with a total capex of USD5bn over the next five years, which mainly includes wind and LNG projects. They are also bidding for a giant LNG-fired project (Long Son complex-phase 1; USD1.3bn) and the Quang Tri coal-fired power plant (USD2bn).

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	1,838	1,840	3,322	3,346	3,473
OP (bn VND)	236	244	261	272	273
OP margin (%)	12.9	13.3	7.9	8.1	7.9
NP (bn VND)	250	229	255	264	232
NP margin (%)	13.6	12.5	7.7	7.9	6.7
EPS (VND)	5,559	5,090	5,666	5,872	5,153
ROE (%)	62.2	38.2	31.3	25.2	24.2
P/E (x)	3.3	7.2	7.3	7.3	7.2
P/B (x)	1.6	2.3	2.0	1.6	1.7

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

Sonadezi Chau Duc JSC.
(SZC VN)

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EQUITIES

TARGET PRICE (VND)	BUY
95,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
78,400	**21.2%**

VNINDEX	**1,496**
Market P/E (x)	**14.2**
Market Cap. (bn VND)	**8,170**
Outstanding Shares (mn)	**115**
Free Floating Shares (mn)	**60**
Free Floating (%)	**51.8**
52-Wk High (VND)	**80,800**
52-Wk Low (VND)	**44,091**
3M Avg. Trading Vol. (mn	**1.89**
3M Avg. T/O (bn VND)	**134**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**7.1**	**27.7**	**59.2**
Rel. to VNINDEX	**5.2**	**16.2**	**21.0**



Source: Bloomberg

Investment points

- Demand for industrial parks real estate in key economic regions of Vietnam will return to the growth trajectory in 2022 as well-tamed Covid-19 epidemic. Thus, industrial park real estate developers who have a large ready-to-lease land bank and are located in strategic locations will have a rapid rate of sales and benefit from rising real estate prices.
- SZC owns a large available for lease land bank (660 hectares) with competitive rental price in Ba Ria- Vung Tau, one of the key industrial centers in the South and is near convenient infrastructure clusters for such as, Cai Mep-Thi Vai port, Long Thanh International airport, Bien Hoa- Vung Tau expressway, and Phuoc An bridge.
- Chau Duc urban project was launced in the 2H21 after more than 10 years of delay due to prolonged legal procedures. Particularly, SZC is expected to sell 657 land plots and 1,213 apartments in phase 1 of the Sonadezi Huu Phuoc project (40.5 hectares).

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	220	290	329	433	713
OP (bn VND)	78	111	139	199	386
OP margin (%)	35.5	38.2	42.2	46.0	54.2
NP (bn VND)	73	97	134	186	324
NP margin (%)	33.1	33.5	40.7	43.0	45.4
EPS (VND)	657	779	1,164	1,681	3,236
ROE (%)	6.0	6.8	9.9	13.7	23.7
P/E (x)			15.2	19.0	21.0
P/B (x)			1.5	2.5	4.6

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

Saigon Thuong Tin Com. JS. Bank – Sacombank (STB VN)

EQUITIES

TARGET PRICE (VND)	BUY
40,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
35,850	11.6%

VNINDEX	1,496
Market P/E (x)	14.2
Market Cap. (bn VND)	8,170
Outstanding Shares (mn)	115
Free Floating Shares (mn)	60
Free Floating (%)	51.8
52-Wk High (VND)	80,800
52-Wk Low (VND)	44,091
3M Avg. Trading Vol. (mn	1.89
3M Avg. T/O (bn VND)	134
Beta (12M)	1.3

	3M	6M	12M
Absolute	7.1	27.7	59.2
Rel. to VNINDEX	5.2	16.2	21.0



Source: Bloomberg

Investment points

- We believe that Sacombank is being undervalued compared to its potential, due to the potential recovery of bad debts from the previous owners, and from the merger with Southern Commercial JSB.
- Sacombank is actively provisioning and handling VAMC bond debts from VND33tn in 2019 to VND25tn in 3Q21. We believe that given the high selling price of the real estate market, Sacombank can handle VAMC debt faster, creating a strong motivation for Sacombank's stock price and business results.
- Currently, Sacombank is a mid-range bank with no controlling shareholders and no foreign shareholders. We think that Sacombank can choose its strategic shareholders, which will be a strong motivation for share price.

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	25,725	31,447	37,476	41,065	37,519
OP (bn VND)	1,485	2,058	2,236	3,231	4,400
OP margin (%)	5.8	6.5	6.0	7.9	11.7
NP (bn VND)	1,176	1,639	1,670	2,596	3,411
NP margin (%)	4.6	5.2	4.5	6.3	9.1
EPS (VND)	552	696	684	1,200	1,857
ROE (%)	4.4	5.2	4.8	7.8	10.8
P/E (x)	23.2	15.3	9.0	13.5	17.0
P/B (x)	1.0	0.9	0.7	1.1	1.7

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

Vietnam Tech. & Com. JS Bank – Techcombank (TCB VN)

EQUITIES

TARGET PRICE (VND)	BUY
68,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
53,800	26.4%

VNINDEX	1,496
Market P/E (x)	14.2
Market Cap. (bn VND)	8,170
Outstanding Shares (mn)	115
Free Floating Shares (mn)	60
Free Floating (%)	51.8
52-Wk High (VND)	80,800
52-Wk Low (VND)	44,091
3M Avg. Trading Vol. (mn	1.89
3M Avg. T/O (bn VND)	134
Beta (12M)	1.3

	3M	6M	12M
Absolute	7.1	27.7	59.2
Rel. to VNINDEX	5.2	16.2	21.0



Source: Bloomberg

Investment points

- Techcombank is the leading commercial bank in the retail segment for the middle and high-income customer segments. Techcombank is a bank leading the trend of strong investment in technology, creating many outstanding new products and services to meet the needs of high-end customers. Techcombank's strength is in providing financial services to large private conglomerate ecosystems in Vietnam (such as Vingroup and Masan).
- Techcombank maintains a high CASA ratio above 45% from 2020, the highest in the banking industry, and is expected to increase to 50% by 2025. We believe the ratio NIM continues to maintain a high level of ~5%-6% thanks to low funding costs and a high CASA ratio.
- Despite Covid-19 outbreak in Vietnam, Techcombank had relatively low NPL thanks to its quality customer portfolio. NPL ratio by end-3Q21 is 0.57%, the lowest in the banking industry.
- We believe Techcombank's business performance will keep growing strongly in coming 2022, thanks to the aggressive client base development via expanding margin loans book, advanced trading system and advanced products. TCB's valuation is relatively attractive at 2021F P/E of 10.3x and P/B of 1.9x

FY	2017	2018	2019	2020	2021
Revenue (bn VND)	25,964	30,803	33,431	39,153	47,738
OP (bn VND)	8,036	10,661	12,838	15,800	23,238
OP margin (%)	31.0	34.6	38.4	40.4	48.7
NP (bn VND)	6,446	8,463	10,075	12,325	18,038
NP margin (%)	24.8	27.5	30.1	31.5	37.8
EPS (VND)	2,573	2,692	2,871	3,515	5,144
ROE (%)	27.7	21.5	17.7	18.1	21.7
P/E (x)	#N/A N/A	9.6	8.2	9.0	9.7
P/B (x)	#N/A N/A	1.7	1.3	1.5	1.9

Source: Bloomberg, Shinhan Securities, Data as of 09/02/22

Appendix – Important Disclosure

Shinhan
Compassionate Finance

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