SHINHAN SECURITIES



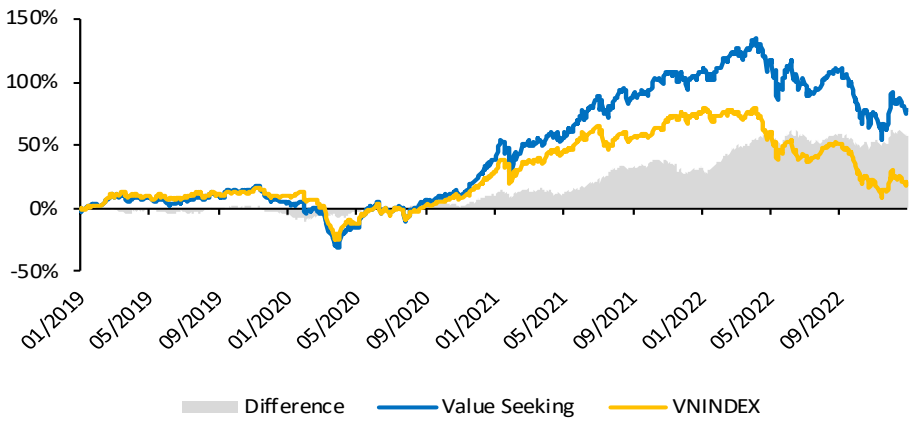
January 5th, 2023

VALUE SEEKING

Portfolio Return	VN-Index Return
⬇ -3.3% MoM	⬇ -3.8% MoM
⬇ -15.7% YTD	⬇ -33.3% YTD

- The stock market continued the corrections in the last month of 2022 after the positive momentum in November. The US Federal Reserve (FED) kept up raising interest rates as planned, causing the falling trend at many global stock markets. The US GDP growth in the third quarter reached 3.2%, helping to end the consecutively negative growth of the 2 previous quarters, cooling down the risk of economic recession. Meanwhile, Vietnam's GDP growth in 2022 achieved 8.02%; the inflation rate was lower than the target set by the National Assembly, reported as 3.15%. In the prospect of 2023, the Vietnam economy will slow down but expected to maintain a growth rate of 6-6.5% at an under-controlled inflation level.
- The "Value Seeking" portfolio includes leading blue-chip stocks, which have been heavily discounted recently. In terms of investment efficiency, the portfolio's return continuously outperformed the VN-Index's return. FPT (+3.1%) played a pivotal role on the portfolio's December performance, thanks to its optimistic 11M2022 business result. Conversely, after the large gain in November, VHM experienced a sharp drop last month (-11.9%) due to the market reaction towards the real estate industry.
- The VN-Index has recovered merely 20% from the nearest bottom on Nov. 16th, 2022 (873.78 points). However, the index has still being traded at a relatively appealing price range for a decade till now, with the P/E, P/B of VN-Index, respectively, at 9.8x and 1.5x. 2023 is the great year to invest in a portfolio comprising value stocks.

Performance of Value Seeking portfolio and VN-Index



Portfolio Analysis

	Portfolio	VN-Index
P/E Forward	13.1x	10.1x
P/B	2.6x	1.5x
Dividend yield	2.0%	1.9%
EPS growth (3Y)	14.7%	12.6%
ROE	24.6%	15.4%
ROA	9.0%	2.5%
Beta	1.09	1.00
Annualized Return	-15.9%	-38.6%
Standard deviation	27.4%	24.7%
Sharpe ratio	-0.5	-1.3

Strategy overview

SSV Value portfolio is designed for the purpose of long-term capital growth and focus on Vietnam large cap value stocks. We look for companies:

- Leading position sectors
- Attractive valuation
- Having strong fundamentals and management
- Competitive advantages, durable growth

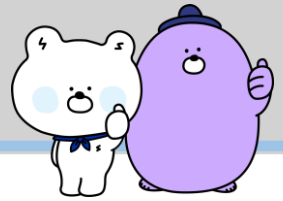
Performance disclosures:
The Portfolio's return and characteristics are calculated based on individual securities in the Portfolio as of the date of report. Securities in the Portfolio are subject to change, then past performance is not indicative of future return. For Analyst Certification and Disclaimers, please refer to the Important Disclosures at the end of this report.

Sources: SSV, Bloomberg
Data as of Dec. 30th, 2022

Open account

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Top Large Cap Value Stocks



Shinhan Securities

General information					Share price					Key financials (**)					Valuation (23F)	
No.	Ticker	Company Name	Sector	Mkt. Cap. (VND bn)	CP (VND)	TP* (VND)	Upside (%)	1M (%)	YTD (%)	NPAT margin (%)	Dividend yield (%)	Debt to Equity	ROA (%)	ROE (%)	P/B (x)	P/E (x)
1	HPG	Hoa Phat Group	Steel	104,666	18,000	35,700	98.3	-2.2	-49.1	9.0	2.0	0.6	10.0	17.0	1.1	10.2
2	TCB	Techcombank	Banking	90,921	25,850	43,700	69.1	-0.2	-49.2	71.9	0.0	1.6	3.5	21.6	0.7	4.4
3	MBB	MB Bank	Banking	77,531	17,100	29,700	73.7	-1.7	-29.5	55.1	0.0	1.2	2.9	27.3	0.8	4.1
4	VCB	Vietcombank	Banking	378,601	80,000	87,200	9.0	-1.2	1.3	52.0	1.1	1.3	1.7	22.2	2.4	12.4
5	GAS	Petro Vietnam Gas	Power	194,266	101,500	133,000	31.0	-7.9	2.3	14.9	2.7	0.2	17.1	25.5	3.1	14.6
6	FPT	FPT Corporation	Technology	84,361	76,900	97,000	26.1	3.1	0.8	15.7	2.4	0.9	10.2	28.5	3.5	14.1
7	FRT	FPT Digital Retail	Retail	8,175	69,000	74,000	7.2	-2.8	9.4	1.4	0.5	3.6	6.9	38.9	3.6	19.2
8	VNM	Vinamilk	F&B	159,046	76,100	93,200	22.5	-6.4	-6.0	14.9	4.6	0.3	17.1	25.4	4.8	17.4
9	GMD	Gemadept	Logistic	13,683	45,400	62,300	37.2	-4.2	-1.8	33.0	2.4	0.3	9.3	14.2	1.8	13.2
10	VHM	Vinhomes	Real estate	209,010	48,000	78,000	62.5	-11.9	-41.9	64.3	3.5	0.2	11.2	25.2	1.2	5.7

* Target price (fair value) for the next 12 months
** Data for 12 months up to Q3/2022

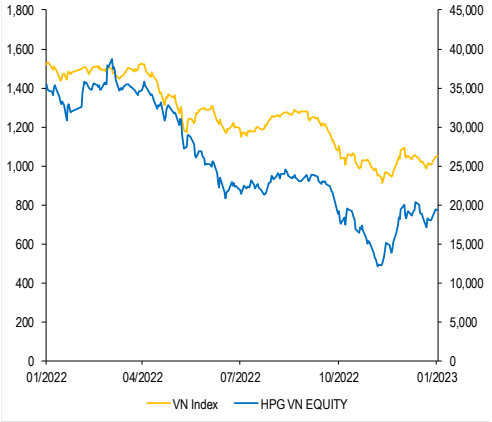
Source: SSV Research, Bloomberg
Data as of Dec. 30th, 2022

Hoa Phat Group JSC.
(HPG VN)



TARGET PRICE (VND)	
35,700	
CURRENT PRICE (VND)	UP/DOWNSIDE
19,350	**84.5%**
VNINDEX	**1,052**
Market P/E (x)	**10.1**
Market Cap. (bn VND)	**112,516**
Outstanding Shares (mn)	**5,815**
Free Floating Shares (mn)	**3,155**
Free Floating (%)	**54.3**
52-Wk High (VND)	**40,385**
52-Wk Low (VND)	**11,800**
3M Avg. Trading Vol. (mn)	**32.56**
3M Avg. T/O (bn VND)	**617**
Beta (12M)	**1.3**

	3M	6M	12M
Absolute	**0.8**	**-11.6**	**-46.3**
Rel. to VNINDEX	**5.5**	**-0.7**	**-15.3**



Source: Bloomberg

Investment points

- Hoa Phat Group (HoSE: HPG) is the No. 1 steel production enterprise in Vietnam as well as Southeast Asia; Top 50 largest steel companies in the world; Operating in 4 main fields: iron & steel, steel products, agriculture, and real estate (revenue contribution: 69%, 25%, 5%, 1%, respectively). Regarding the iron & steel segment, HPG holds the No. 1 position with a 32.6% and 25% in market share, respectively, of construction steel & steel pipes industry. Top 5 galvanized steel players with an 8% market share after 5 years of operation.
- Short term: Hoa Phat is likely to benefit from the increase in steel price thanks to China's reopen, which will increase steel demand in the context of reduce in global supply. Q4/2022 and year 2023 profit margin may improve as prices of raw materials like coking coal and iron ore have fallen by 60% and 40% respectively from their peak since Q2. Steel export outlook continues to grow positively.
- Medium and long-term: HPG continues to invest in the Dung Quat 2 Iron and Steel factory project (capacity: 5.6 million tons of hot rolled coil) and Ba Ria Vung Tau container manufacturing factory project (capacity: 500,000 TEU/year). Moreover, the potential growth prospects in other business segments with the real estate project of Bac Pho Noi urban area (with area of 262 ha).

Update 9M2022 business results:
- In 3Q2022, HPG achieved revenue of VND 34,441 billion (-11.5% YoY). Since the raw materials price like coal was three times higher than usual, HPG's bottom line was lost at VND 1,786 billion (-117% YoY). Tight credit policy, exchange rate volatility and interest rate increase also affect HPG. 9M2022, Hoa Phat achieved VND 116,559 billion in revenue (+10.1% YoY) and VND 10,443 billion in NPAT (-61.4% YoY), completing 76% and 39% the year plan, respectively.
- Hoa Phat has produced 7 million tons of crude steel in 11M2022 (-6% YoY). Sales volume of construction steel products, HRC and billet reached 6.6 million tons (-6% YoY). In which construction steel recorded 3.9 million tons (+11% YoY), HRC was 2.5 million tons (+6% YoY).

Risks: (1) Steel prices decrease; (2) Coke prices increase; (3) World economic risk; (4) Real estate market risk.

FY	2018	2019	2020	2021	2022F
Revenue (bn VND)	55,836	63,658	90,119	149,680	138,176
OP (bn VND)	10,550	9,743	17,123	37,664	14,830
OP margin (%)	18.9	15.3	19.0	25.2	10.7
NP (bn VND)	8,573	7,527	13,450	34,478	9,832
NP margin (%)	15.4	11.8	14.9	23.0	7.1
EPS (VND)	1,475	1,294	2,191	5,512	1,618
ROE (%)	23.6	17.1	23.9	42.8	10.6
P/E (x)	7.7	8.6	10.8	6.5	12.0
P/B (x)	1.6	1.4	2.3	2.3	1.1

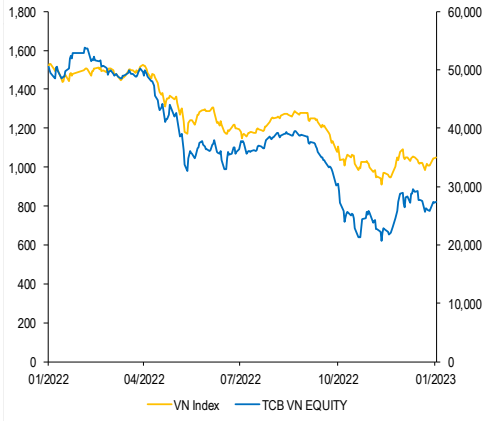
Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

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



TARGET PRICE (VND)		
43,700		
CURRENT PRICE (VND)	UP/DOWNSIDE	
27,350	**59.8%**	
VNINDEX		**1,052**
Market P/E (x)		**10.1**
Market Cap. (bn VND)		**96,196**
Outstanding Shares (mn)		**3,517**
Free Floating Shares (mn)		**2,714**
Free Floating (%)		**77.2**
52-Wk High (VND)		**54,900**
52-Wk Low (VND)		**19,300**
3M Avg. Trading Vol. (mn)		**6.44**
3M Avg. T/O (bn VND)		**193**
Beta (12M)		**1.3**

	3M	6M	12M
Absolute	**-10.3**	**-27.5**	**-45.8**
Rel. to VNINDEX	**-5.6**	**-16.6**	**-14.9**



Source: Bloomberg

Investment points

- Vietnam Technological and Commercial Joint Stock Bank (HoSE: TCB) is one of the largest retail banks with remarkable success in Vietnam. TCB's strategy focuses on investing in technology, building digital - data system with talented personnel. The bank is leading in many vital points such as ROA, CASA ratio, bad debt ratio (NPL).
- Techcombank has an outstanding asset quality in the industry with a thick capital buffer, low NPL ratio, high NPL coverage, having high return from the low capital cost thanks to the successfully approaching offshore loan syndication market. The bank has the ability to adjust credit structure allowing TCB to change appropriately with the market. A unique ecosystem providing TCB a strong and diverse source of non-interest income.

Update 9M2022 business results:
- In 9M2022, net interest income reached VND 23,470 billion (+21.8% YoY). Notably, service income increased sharply to VND 5,992 billion (+40% YoY), contributing to non-interest income, reaching VND 8,004 billion (+7.3% YoY). As a result, TCB's 9M2022 total operating income reached VND 31,475 billion (+16.9% YoY).
- TCB greatly controls the operating and provision expenses. The 9M2022 CIR ratio remained around 29.9% and provision expenses decreased by 38.9% YoY. TCB also reversed a part of the provision for restructuring debts, helping to realize a pre-tax profit of VND 20,822 billion (+21.8% YoY) and achieving 77.1% of the full-year plan.
- Asset quality remains at a good level. NPL ratio in 9M2022 reached 0.65%, while outstanding loans continued to increase to VND 410,546 billion (+27.9% YoY, +4.8% QoQ) with bad debt coverage ratio (LLR) reaching 165%. CAR ratio remains high at 15.7%.
- Highlight: The cooperation between TCB and Masan (MSN) at the end of September to establish 27 WINLife ecosystem stores (multi-convenience store) and is expected to open 80-100 stores nationwide in 2022. This collaboration will help TCB attract many customers, helping to improve capital mobilization and the potential for revenue growth from fees and services.

Risks: (1) Economic slowdown/recession; (2) Increase in bad debt; (3) Real estate credit risk, outstanding loans for real estate development & home buyers higher than 50% of the bank's loan balance structure; (4) Investment in corporate bonds.

FY	2018	2019	2020	2021	2022F
Net interest income (bn VND)	11,390	14,262	18,751	26,699	31,260
Net non-interest income (bn VND)	6,960	6,807	8,627	10,377	10,216
TOI (bn VND)	18,350	21,069	27,379	37,076	41,476
TOI before provision (bn VND)	12,507	13,756	18,411	25,903	28,047
NPAT (bn VND)	8,474	10,226	12,582	18,415	21,113
EPS (VND)	3,816	2,871	3,515	5,137	6,003
ROE (%)	21.5	17.7	18.1	21.5	20.0
P/E (x)	9.6	8.2	9.0	10.3	3.5
P/B (x)	1.7	1.3	1.5	1.9	0.7

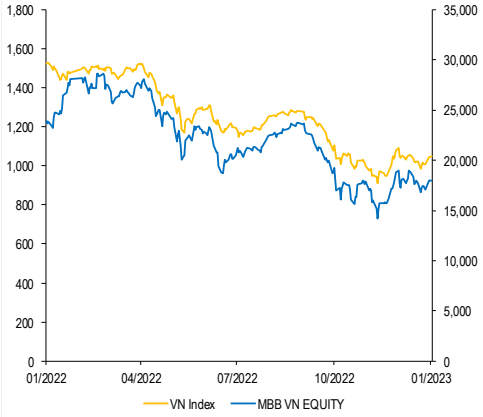
Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

Military Com. JS Bank – MB Bank (MBB VN)



TARGET PRICE (VND)	
29,700	
CURRENT PRICE (VND)	UP/DOWNSIDE
18,000	65.0%
VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	81,612
Outstanding Shares (mn)	4,534
Free Floating Shares (mn)	2,672
Free Floating (%)	58.9
52-Wk High (VND)	29,083
52-Wk Low (VND)	13,200
3M Avg. Trading Vol. (mn)	11.28
3M Avg. T/O (bn VND)	218
Beta (12M)	1.2

	3M	6M	12M
Absolute	-6.3	-15.1	-24.7
Rel. to VNINDEX	-1.5	-4.2	6.2



Source: Bloomberg

Investment points

- Military Commercial Joint Stock Bank (HoSE: MBB) has had many outstanding achievements recently, reflected in its asset quality, superior profitability, and high credit rating by international rating agencies; being in the Top 30 largest enterprises in Vietnam (according to the VNR500 ranking); Top 4 commercial banks in terms of scale and profit in Vietnam.
- MBB is one of the leading banks achieving efficient operation and rapid growth over the years. The Bank plans to build a digital bank and continue to focus on IT development and digital transformation toward "Becoming a Digital Enterprise, a Leading Financial Group".
- MBB has outstanding asset quality with low NPL ratio in the industry, but still maintains a high NPL coverage ratio. MBB has a high profitability thanks to the improvement of NIM margin resulting from the advantage of low cost of capital. The bank's NIM has a potential of expansion thanks to its concentration on Retail segment in recent years.

Update 9M2022 business results:

- In 9M2022, MBB's credit growth increased by 17.2%, belonging to the group with high credit growth. MBB has adjusted to diversify its lending portfolio and focused on developing the retail lending segment to help increase interest income and improve NIM. Establishing a joint venture bank in Cambodia increasingly affirms its position.
- MBB continues to carry out digital transformation to attract a large number of customers, helping CASA always being in the top group of the industry, reaching 42% in Q3/2022, whereas most other banks decreased. However, CASA is likely to decrease shortly due to the continuous increase in bank deposit interest rates. In this context, MBB has the advantage thanks to the great long-term relationships with other large domestic enterprises. MBB's NIM continued to increase to 5.9% as of Q3/2022, with the benefit of the low cost of capital, reaching 2.8% as of Q3/2022. MBB still has excellent potential to expand NIM.
- NPL ratio remained low at 0.9% as of 2021 and slightly increased to 1.0% in Q3/2022. Meanwhile, MBB remains in the group of banks with a high LLR ratio, reaching 208% at the end of Q3/2022. MBB increased capital by issuing tier-2 capital-raising bonds to raise operating capital and maintain capital adequacy ratio (CAR).

Risks: (1) Economic slowdown/recession; (2) Increase in bad debt; (3) Real estate credit risk; (4) Investment in corporate bonds.

FY	2018	2019	2020	2021	2022F
Net interest income (bn VND)	14,583	18,000	20,278	26,200	32,908
Net non-interest income (bn VND)	4,954	6,650	7,084	10,734	12,061
TOI (bn VND)	19,537	24,650	27,362	36,934	44,969
OP before provision (bn VND)	10,803	14,927	16,807	24,557	30,330
NPAT (bn VND)	6,190	8,069	8,606	13,221	17,958
EPS (VND)	2,416	2,758	2,776	3,362	3,961
ROE (%)	20.1	22.1	19.2	22.6	24.3
P/E (x)	6.9	5.8	7.7	4.9	4.3
P/B (x)	1.3	1.3	1.3	1.0	1.0

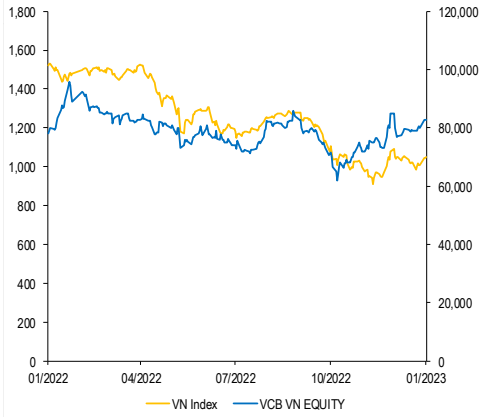
Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

Bank for Foreign Trade of Vietnam - Vietcombank (VCB VN)



TARGET PRICE (VND)	
87,200	
CURRENT PRICE (VND)	UP/DOWNSIDE
82,800	5.3%
VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	391,852
Outstanding Shares (mn)	4,733
Free Floating Shares (mn)	1,192
Free Floating (%)	25.2
52-Wk High (VND)	96,000
52-Wk Low (VND)	62,000
3M Avg. Trading Vol. (mn)	1.29
3M Avg. T/O (bn VND)	100
Beta (12M)	0.9

	3M	6M	12M
Absolute	15.8	11.9	6.2
Rel. to VNINDEX	20.6	22.9	37.1



Source: Bloomberg

Investment points

- Bank for Foreign Trade of Vietnam (HoSE: VCB) is a state-owned bank with the largest market capitalization in the banking industry. VCB has maintained the advantage of being the most efficient bank in business, improved asset quality over the years, and constantly made efforts in the digital transformation. Furthermore, VCB has always oriented towards international standards during its operation, continuously being trusted by prestigious organizations in the world.
- Diversified funding sources, and a relatively low cost of capital, create many potentials to improve NIM. Thanks to its reputation, business characteristics, and extensive branch network, VCB has mobilized abundant capital from the State Bank (SBV), other credit institutions, and large enterprises. Therefore, VCB is not under much pressure to mobilize capital because banks are in the race to increase deposit interest rates due to the influence of macro factors.

Update 9M2022 business results:

- VCB has good asset quality. Bad debt (NPL ratio) remained low, at 0.64% at EY2021, enhanced to 0.80% as of Q3/2022, to be one of the lowest banks in the industry.
- Also being the leader regarding LLR ratio, at 424% at EY2021, continuing to remain high with 402% as of Q3/2022. The CASA rate improves over the years, ranked third in the system with 33.79% as of Q3/2022.
- VCB leads the system in terms of EBT, reaching VND 27,385 billion (+18.82% YoY) at EY2021, and keeping up the race in Q3/2022, with accumulated 9M2022 EBT reaching VND 24,940 billion (+29.15% YoY). Thanks to the positive contribution from foreign exchange trading and service activities, besides effective cost management, CIR remained around 33.78%.

Risks: (1) Economic slowdown/recession; (2) Increase in bad debt; (3) Exchange rate risk.

FY	2018	2019	2020	2021	2022F
Net interest income (bn VND)	28,409	34,538	36,285	42,273	48,888
Net non-interest income (bn VND)	10,869	11,155	12,778	14,357	17,743
TOI (bn VND)	39,278	45,693	49,063	56,630	66,631
OP before provision (bn VND)	25,667	29,819	33,024	38,964	46,701
NPAT (bn VND)	14,622	18,597	18,473	22,017	29,049
EPS (VND)	3,323	4,406	4,470	5,936	6,138
ROE (%)	22.5	22.8	19.0	21.6	23.8
P/E (x)	14.9	20.5	21.9	12.6	12.9
P/B (x)	3.1	4.1	3.9	3.4	2.6

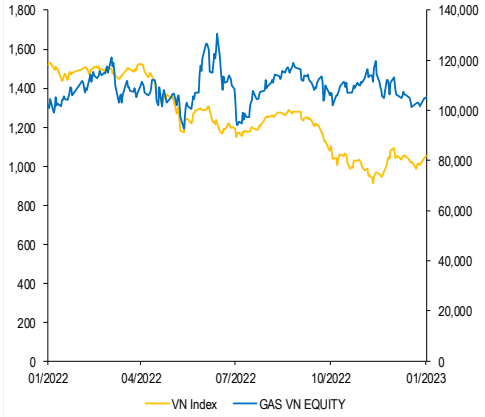
Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

PetroVietnam Gas JS. Corporation (GAS VN)



TARGET PRICE (VND)	
133,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
105,200	26.4%
VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	201,348
Outstanding Shares (mn)	1,914
Free Floating Shares (mn)	81
Free Floating (%)	4.2
52-Wk High (VND)	134,000
52-Wk Low (VND)	92,600
3M Avg. Trading Vol. (mn)	0.38
3M Avg. T/O (bn VND)	38
Beta (12M)	0.9

	3M	6M	12M
Absolute	-1.7	2.1	0.2
Rel. to VNINDEX	3.1	13.1	31.1



Source: Bloomberg

Investment points

- Gas Corporation of Vietnam (HoSE: GAS) is the leading group in the gas field in Vietnam with 100% market share of dry gas, more than 70% market share of LPG (Liquefied Petrolium Gas). In addition, GAS owns 1,500km of gas pipelines, 3 gas treatment plants, 14 LPG storages. Currently, dry gas, LPG and condensate are the three key business segments of GAS.
- GAS has great growth potential with LNG power playing a pivotal role in the national power system according to power plan VIII. In the period from 2022 to 2035, GAS will invest in 7 out of 9 LNG (Liquefied Natural Gas) ports in Vietnam. According to Wood Mackenzie, Vietnam's dry demand could increase by 100% by 2035 when large-scale gas-fired power plants such as NT3 & NT4 come into operation.
- Block B O Mon is started at the end of 2022, GAS is the main investor of the gas pipeline. Abundant gas resources from this project will come in from 2026. With reserves up to 107 billion m3, this gas source will ensure the growth potential of GAS
- The average gas selling price of GAS improved thanks to the positive movement of Brent oil price. The La Nina phenomenon may end in 2022, gas enterprises have a higher opportunity to mobilize, thereby creating a boost to gas demand.

- Business result in Q3.2022, GAS achieved revenue of VND 24,329 billion (+31% YoY); NPAT reached VND 3,089 billion (+25% YoY). In 9M2022, GAS's revenue achieved VND 78,672 billion (+34% YoY) and NPAT of VND 11,726 billion (+74% YoY), completing 98% of the target revenue (of 80,043 billion VND) and even exceeding the target NPAT (of 7,039 billion VND).
- Rising oil prices and improved dry gas consumption are the main drivers of GAS's revenue. In 2022, the estimated total revenue of GAS may reach the historical all time high, be above VND 100,000 billion (exceeding 25% year plan; +25% YoY), with NPAT above VND 13,300 billion (exceeding 89% year plan; +51% YoY).

Risks: (1) Reduced dry gas output; (2) Average selling price of gas decreased; (3) Block B O Mon came into operation later than expected.

FY	2018	2019	2020	2021	2022F
Revenue (bn VND)	75,612	75,005	64,135	78,992	102,173
OP (bn VND)	13,725	13,649	8,694	10,374	17,579
OP margin (%)	18.2	18.2	13.6	13.1	17.2
NP (bn VND)	11,454	11,902	7,855	8,673	14,308
NP margin (%)	15.1	15.9	12.2	11.0	14.0
EPS (VND)	5,911	6,142	4,028	4,356	7,423
ROE (%)	26.1	25.1	15.9	16.8	25.3
P/E (x)	14.7	15.3	21.5	22.1	14.2
P/B (x)	3.7	3.7	3.4	3.6	3.1

Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

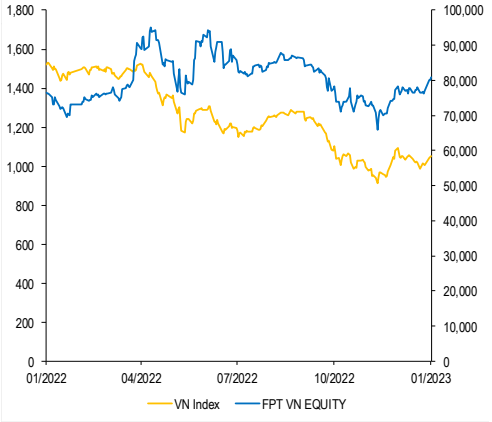
FPT Corporation
(FPT VN)



TARGET PRICE (VND)	
97,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
81,000	19.8%

VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	88,859
Outstanding Shares (mn)	1,097
Free Floating Shares (mn)	925
Free Floating (%)	84.3
52-Wk High (VND)	99,083
52-Wk Low (VND)	61,300
3M Avg. Trading Vol. (mn)	1.26
3M Avg. T/O (bn VND)	89
Beta (12M)	0.9

	3M	6M	12M
Absolute	3.3	-5.2	3.8
Rel. to VNINDEX	8.1	5.8	34.8



Source: Bloomberg

Investment points

- FPT Corporation (HoSE: FPT) is a leader in the technology sector with a core business have huge growth potential and strong financial health. 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 computing, and Internet of Things (IoT).
- Revenue of FPT came mainly from three segments: Technology (57%), Telecommunications (33%) and Education & Investment (10%). With an almost complete value chain, FPT can participate extensively in product development, thereby creating a great advantage in bidding and winning large deals with value of over USD 5 million.

- 11M.2022 business result, FPT's consolidated revenue reached VND 39,249 billion (+23.4% YoY), together with the EBT reached VND 7,168 billion (+22.5% YoY).
- Specifically, technology services played a key role, contributing 57% of total revenue (~VND 22,477 billion; +23% YoY) and 46% of total EBT (~VND 3,322 billion; +26% YoY). In which, revenue and EBT from foreign IT services were VND 17,107 billion (+31%) and VND 2,850 billion (+28%), respectively. FPT's revenue from the Education & Investment segment was optimistic, reaching VND 3,400 billion (+71% YoY). FPT has completed 93% of target revenue (VND 42,420 billion) and 94% of target EBT (VND 7,618 billion) in 2022.
- In 2023, FPT may experience risks from the possibility of a slowdown in the global economy, estimating a more cautious growth outlook. For the technology segment, FPT expects a strong growth in the number of new contracts will support the 2022 global software export revenue. However, the BOM still maintains a cautious view for 2023, with a target new contract value reached USD 1 billion (+31% YoY).

Risks: (1) Direct competition from peers in China and India; (2) Shortage of high-quality IT human resources. (3) Exchange rate risk.

FY	2018	2019	2020	2021	2022F
Revenue (bn VND)	23,214	27,717	29,830	35,657	42,202
OP (bn VND)	3,122	4,147	4,605	5,415	7,097
OP margin (%)	13.4	15.0	15.4	15.2	16.8
NP (bn VND)	2,620	3,135	3,538	4,337	6,412
NP margin (%)	11.3	11.3	11.9	12.2	15.2
EPS (VND)	2,236	2,659	2,982	3,624	4,324
ROE (%)	20.0	21.6	21.7	23.4	24.8
P/E (x)	10.8	13.8	14.4	21.4	15.2
P/B (x)	2.1	2.8	2.9	4.7	3.4

Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

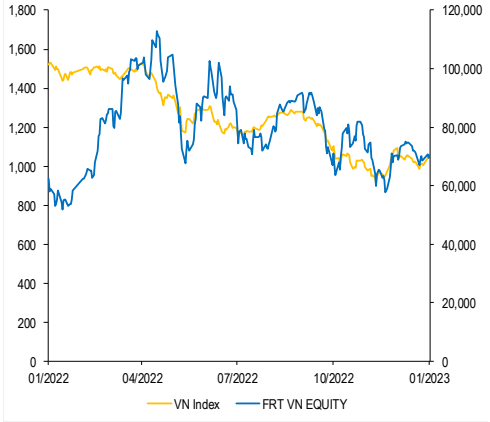
FPT Digital Retail JSC.
(FRT VN)



TARGET PRICE (VND)	
74,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
70,300	5.3%

VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	8,329
Outstanding Shares (mn)	118
Free Floating Shares (mn)	59
Free Floating (%)	49.9
52-Wk High (VND)	116,667
52-Wk Low (VND)	48,733
3M Avg. Trading Vol. (mn)	1.57
3M Avg. T/O (bn VND)	98
Beta (12M)	1.3

	3M	6M	12M
Absolute	-1.0	-12.1	12.2
Rel. to VNINDEX	3.8	-1.2	43.1



Source: Bloomberg

Investment points

- FPT Digital Retail JSC (HoSE: FRT) is an associate company of FPT JSC (owning 46.53%). FRP Retail currently owns two retail chains that sell ICT products, namely "FPT Shop" (944 stores), specializing in retail business of computers, laptops, peripherals, mobile phones, software, etc., and "F.Studio by FPT" (27 stores), an authorized retail distributor of Apple products. FPT Retail is ranked 2nd position in the smartphone retail market and is No. 1 retailer in the laptop market in Vietnam.
- In 2018, FRT expanded into the business of pharmaceuticals with Long Chau pharmacy chain. End of year 2022, Long Chau has established 1000 pharmacy stores nationwide, exceeding the initial target plan of 800 stores. According to Fitch Solutions, the total market value is expected to be VND 155.8 trn (USD ~6.9 bn) in 2022 and extimated to be VND 319.7 trn (USD ~12.8 bn; CAGR of 8.4%) in 2031. Therefore, Long Chau pharmacy chain still has the growing potential ahead. Compared to other similar competitive peers, FPT Long Chau has been profitable since 2021.

- 9M2022, FRT's consolidated revenue reached VND 21,708 billion (+55% YoY), of which more than 30% was contributed from Long Chau (VND 6,562 billion, up 2.6 times YoY). Online revenue reached VND 3,958 billion (+39% YoY). In addition, FRT focused on investing in laptop centers and successfully implemented the "Back to school" program. Laptop revenue reached VND 3,590 billion (+7% YoY, despite an abrupt surge in laptop demand in Q3.2021 due to the impact of the COVID-19 epidemic). Regarding Long Chau, FRT informed an average revenue of each pharmacy store ranging from VND 1.4-1.5 billion/month and there are stores generating sudden revenue of nearly 10 billion VND/store/month.
- FPT Retail's GMP improved from 13.4% to 15.5% YoY, reaching VND 3,373 billion. EBT reached VND 368.8 billion, 2.7 times higher than the low base of the same period last year due to the impact of the COVID-19 epidemic. Currently, the company has completed 80.4% of target revenue (compared to VND 27,000 billion) and 51.2% of target PBT (VND 720 billion) in 2022.
- FRT's high leverage remains a concern in context of rising interest rates. As of Q3.2022, FRT's D/E ratio was 2.5 times, the highest result among retailers and distributors. Regarding foreign currency loans, USD outstanding accounts for about 6% of total outstanding loans (~12% YTD).

Risks: (1) High leverage; (2) Risk of rivalry among existing competitors; (3) Risk from the retail pharmacy segment.

FY	2018	2019	2020	2021	2022F
Revenue (bn VND)	15,298	16,634	14,661	22,495	28,807
OP (bn VND)	460	343	77	495	540
OP margin (%)	3.0	2.1	0.5	2.2	1.9
NP (bn VND)	348	213	25	444	401
NP margin (%)	2.3	1.3	0.2	2.0	1.4
EPS (VND)	2,876	1,741	177	3,745	3,275
ROE (%)	35.0	17.1	1.7	30.9	22.0
P/E (x)	14.5	8.1	120.3	17.8	21.5
P/B (x)	4.3	1.3	2.1	4.8	4.1

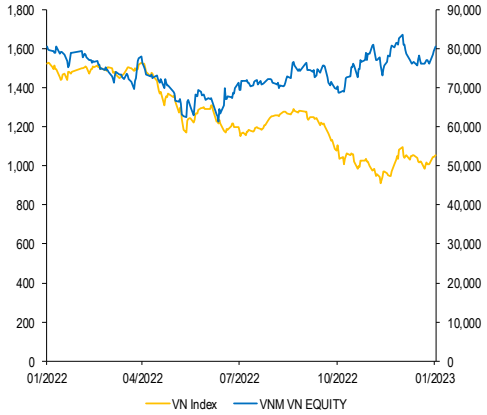
Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

Vietnam Dairy Products JSC.
(VNM VN)



TARGET PRICE (VND)	
93,200	
CURRENT PRICE (VND)	UP/DOWNSIDE
80,600	15.6%
VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	168,450
Outstanding Shares (mn)	2,090
Free Floating Shares (mn)	735
Free Floating (%)	35.1
52-Wk High (VND)	87,000
52-Wk Low (VND)	64,500
3M Avg. Trading Vol. (mn)	2.11
3M Avg. T/O (bn VND)	163
Beta (12M)	0.6

	3M	6M	12M
Absolute	12.6	10.3	-6.5
Rel. to VNINDEX	17.3	21.2	24.4



Source: Bloomberg

Investment points

- Vietnam Dairy Products JSC (Vinamilk) is the largest Vietnam dairy company with a diverse product portfolio, meeting the demand of various types of consumers, from prenatal to elderly, from standard to premium products, and from cow milk-based to plant-based dairy. Over 80% of Vinamilk's revenue has come from domestic market since 2007.
- Vinamilk is the company achieving the highest annual GPM in the dairy industry (~43%), with annual dividend yield of over 5%. In 2022, the nut milk segment has a positive result and is expected to account for 3% of the total plant milk segment. Besides, Vilico – a subsidiary of VNM, is investing VND 2,083 billion to establish a 200-million litter milk factory per annum (expected to be completed in 2025) and VND 1,522 billion in the beef project.

Update 9M2022 business results:
- Vinamilk's consolidated Q3.2022 revenue reached VND16,080 billion (+8% YoY). Specifically, the overseas market was optimistic, recording a net revenue of VND 2,304 billion thanks to the recovered demand from schools market, as well as VNM's effective market development strategies. Export revenue was recorded at VND 1,187 billion. VNM is planning to develop Southeast Asian markets such as the Philippines through the Del Monte-Vinamilk joint venture.
- Business results of 9M2022 remained stable. The consolidated revenue reached VND 44,888 billion. Gross profit and NPAT reached VND 18,052 billion and VND 6,708 billion, respectively, down 7.7% and 20.3% YoY. The key reasons were the increase in COGS and financial expenses. VNM respectively completed 70.1% of revenue goal (of VND 64,000 billion) and 56% of NPAT goal (of VND 12,000 billion).
- Vinamilk's direct and online stores play a critical role in collecting consumer data for digital transformation projects as well as testing new innovations on products and services, aiming to improve the customer experience. As of 30/09/2022, Vinamilk has launched nearly 700 stores nationwide.

Risks:
(1) Losing key overseas customers; (2) Increasing competition among peers in F&B industry.

FY	2018	2019	2020	2021	2022F
Revenue (bn VND)	52,562	56,318	59,636	60,919	61,980
OP (bn VND)	11,212	12,182	12,263	11,760	11,794
OP margin (%)	21.3	21.6	20.6	19.3	19.0
NP (bn VND)	10,227	10,581	11,099	10,532	10,428
NP margin (%)	19.5	18.8	18.6	17.3	16.8
EPS (VND)	4,413	4,565	4,770	4,517	4,943
ROE (%)	37.5	35.8	33.9	29.3	28.0
P/E (x)	22.7	21.3	22.8	19.1	14.7
P/B (x)	8.1	7.4	7.3	5.5	4.0

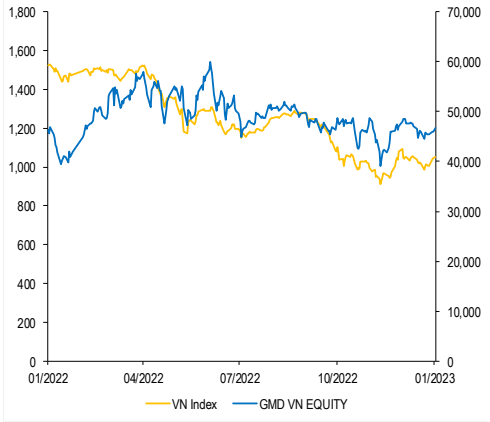
Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

Gemadept JS. Corporation
(GMD VN)

TARGET PRICE (VND)	
62,300	
CURRENT PRICE (VND)	UP/DOWNSIDE
46,800	33.1%

VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	14,104
Outstanding Shares (mn)	301
Free Floating Shares (mn)	289
Free Floating (%)	96.0
52-Wk High (VND)	62,200
52-Wk Low (VND)	36,400
3M Avg. Trading Vol. (mn)	0.72
3M Avg. T/O (bn VND)	30
Beta (12M)	0.8

	3M	6M	12M
Absolute	-6.3	-4.8	-1.7
Rel. to VNINDEX	-1.5	6.2	29.2



Source: Bloomberg

Investment points

- Gemadept JSC (HoSE: GMD) is one of the leading Logistic companies in Vietnam, having modern and large-scale ports system, being located at critical economic positions. The revenue structure: Port operation (85%), Logistic activities (14%), and others are services (real estate, afforestation). Gemadept owns a total of 8 seaports, with an annual capacity of up to 5 million TEUs and 5 million tons of bulk cargo.
- GMD has great advantages of possessing numerous ports at golden locations compared to competitors, plus its years of experience. Besides, Gemadept continues affirming its position by strongly investing in projects (Gemalink international port - capacity of 3 million TEUs; Nam Dinh Vu port - capacity of 1.5 million TEUs). These two projects are promised to double GMD's current capacity in the future.

Update 9M2022 business results:
- In 3Q2022, GMD maintained strong profit growth, with net sales of VND 992 billion (+36% YoY) and EBT of VND 336 billion (+80% YoY). Accumulated 9 months business result, net revenue and EBT reached VND 2,850 billion (+31% YoY) and VND 1,057 billion (+84% YoY), respectively, completing 74% and 88% of the 2022 plan.
- Specifically, in the first 9 months of 2022, the total volume of container cargo through Gemadept's port network (including Gemalink port) reached 2.4 million TEUs (+26% YoY). Gemalink is the key growth driver with a throughput of 900,000 TEUs (+70% YoY), helping increase the throughput of the southern ports by 36%, while the Hai Phong port maintained stable growth at 10% YoY.
- As of the end of September, Gemadept has invested VND 2,471 billion in 16 joint ventures and associates. Particularly, the largest capital investment is to Cai Mep Gemadept - Terminal Link Port JSC (the main investor of Gemalink Port - the largest port in the Cai Mep - Thi Vai deep-water port cluster), with the amount of VND 1,477 billion. The port has been in operation since the beginning of 2021 and started to be profitable since Q2.2022. Gemalink port has brought Gemadept nearly 106 billion dong in profit, many times higher than the VND 2 billion reported at the end of 2021.

Risks: (1) World economic risk; (2) Risks related to rising oil prices; (3) Risks related to world shipping situation.

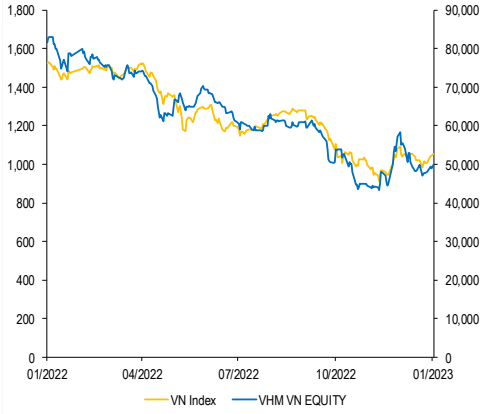
FY	2018	2019	2020	2021	2022F
Revenue (bn VND)	2,708	2,643	2,606	3,206	3,665
OP (bn VND)	546	544	471	693	1,178
OP margin (%)	20.2	20.6	18.1	21.6	32.1
NP (bn VND)	1,848	517	371	612	1,031
NP margin (%)	68.2	19.6	14.2	19.1	28.1
EPS (VND)	6,207	1,602	1,149	1,869	2,935
ROE (%)	29.6	8.1	5.8	9.2	14.1
P/E (x)	4.2	14.5	28.4	25.3	15.9
P/B (x)	1.3	1.2	1.7	2.3	2.0

Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

Vinhomes JSC.
(VHM VN)

TARGET PRICE (VND)	
78,000	
CURRENT PRICE (VND)	UP/DOWNSIDE
49,800	56.6%
VNINDEX	1,052
Market P/E (x)	10.1
Market Cap. (bn VND)	216,848
Outstanding Shares (mn)	4,354
Free Floating Shares (mn)	1,034
Free Floating (%)	23.7
52-Wk High (VND)	87,400
52-Wk Low (VND)	41,250
3M Avg. Trading Vol. (mn)	3.04
3M Avg. T/O (bn VND)	161
Beta (12M)	0.9

	3M	6M	12M
Absolute	-7.4	-17.7	-40.7
Rel. to VNINDEX	-2.7	-6.7	-9.8



Source: Bloomberg

Investment points

- Vinhomes is the largest real estate investment, trading, and management company in Vietnam with top-class service quality. Vinhomes operates mainly in the fields of housing, offices, and related items. The revenue from the real estate business accounted for 86%. With a total area of more than 16,800 hectares, Vinhomes affirms its growth potential in the upcoming years.
- Vinhomes's projects are located in prime locations, having high urbanization rates and great potential for tourism development. Vinhomes is currently leading the market with a 27% market share of the real estate market, of which Vinhomes accounts for 44% of the market share of mid-end apartments, 49% of luxury apartments, and 27% of landed properties.

- In 3Q2022, consolidated net revenue reached VND 17,805 billion (-14% YoY) thanks to the start of handing over 1,300 low-rise real estate units at Vinhomes Ocean Park 2 - The Empire after 5 months of construction. Although Q3 gross profit was only VND 9,296 billion (-31.9% YoY), EBT was recorded at VND 18,949 billion (+37% YoY) because of VHM' s non-recurring profit record (from transferring a subsidiary - Newco JSC). The total financial income reached nearly 11,000 billion VND (nearly 8 times higher YoY).
- In 9M2022, net revenue and EBT are VND 31,199 billion and VND 26,193 billion, respectively (both down by 49% and 23.7% YoY). However, the total assets reached VND 341.601 billion (+48% YTD). Cash and cash equivalents increased ~3.2 times to VND 14,743 billion thanks to the successful launch of new projects, helping the company to proactively accelerate the constructing process and development of major projects, be less dependent on loan sources. Net debt only accounts for about 17% of total equity.
- In Q4.2022, Vinhomes started selling Vinhomes Dai An (Ocean Park 3 - The Crown), the final phase of the 1,200ha marine urban mega-population Vinhomes Ocean Park. The project has an area of nearly 300ha with the highlight of the 12.3-hectare Paradise Bay, Tropical Lagoon, Olympic-style swimming pool, and modern facilities inherited from the previous two phases. The first 1,000 units were officially launched on October 10 and 80% units were deposited after only 3 days of sale opening. Besides, VHM also plans to open for sale the Golden Avenue project in Quang Ninh provnce in Q1.2023 (total size of 116ha; total value ~USD 800 million).

Risks: (1) Risk of real estate industry cycle; (2) Risk of interest rate hike; (3) Risk of government tightening credit for real estate industry.

FY	2018	2019	2020	2021	2022F
Revenue (bn VND)	38,664	51,627	71,547	84,986	74,931
OP (bn VND)	7,617	23,219	21,062	42,402	31,203
OP margin (%)	19.7	45.0	29.4	49.9	42
NP (bn VND)	14,284	21,747	27,351	38,825	31,049
NP margin (%)	36.9	42.1	38.2	45.7	41
EPS (VND)	3,464	5,002	6,396	9,015	7,398
ROE (%)	57.0	43.8	38.6	36.9	22.3
P/E (x)	16.3	13.0	10.8	9.1	6.7
P/B (x)	5.7	5.0	3.4	2.9	1.4

Source: Bloomberg, Shinhan Securities, Data as of 05/01/23

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