Shinhan Securities

Digiworld Corporation (DGW VN)

[Vietnam / Retail]

Bloomberg Ticker (DGW VN) | Reuters Ticker (DGW.HM)

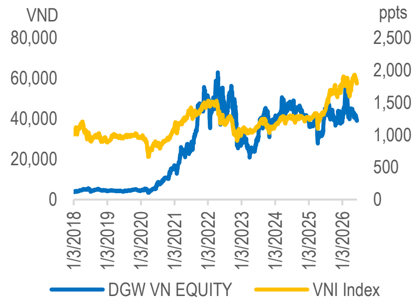
BUY

Initiate Coverage

Target price (12 months)	**45,300 VND**
Current price (08/03/2026)	37,050 VND
Return (%)	22.5%

VNINDEX	1,762
HNXINDEX	272
Market Cap (bn VND)	8,658
Outstanding shares (mn)	221.1
Free-Floating (mn)	158
52-Week High/Low (VND)	54,700/33,200
90-day avg. trading value (mn)	2.0
90-day avg. turnover (bn VND)	95
Major shareholders (%) Created Future Co., Ltd.	31.4

Performance	3M	6M	12M
Absolute (%)	3.7	12.3	25.3
Relative to VN-Index (%)	-8.3	10.9	5.4



Source: Bloomberg

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Positioning as a leading distributor

Update recommendation with BUY rating, target price of VND 45,300

Digiworld Corporation (HSX: DGW) is one of Vietnam's leading distributors of technology products and consumer goods. The company serves as the exclusive distribution partner for a number of globally recognized brands, including Xiaomi, Itel, Dell, ASUS, HP, Procter & Gamble (P&G), and Omron, among others. In the long term, the company's growth is expected to be driven by multiple business segments: (1) Technology products are well positioned to benefit from the ongoing device upgrade cycle fueled by the rapid adoption of artificial intelligence (AI). In addition, the global shortage of DRAM is expected to support higher average selling prices (ASPs), providing further momentum for revenue growth. (2) Office equipment is expected to maintain solid growth, supported by the Government's policies promoting digital transformation and the development of high-tech industries, which should stimulate demand from both the public and private sectors. (3) Home appliances are expected to become a new long-term growth pillar, underpinned by favorable demographic trends, accelerating urbanization, and the increasing prevalence of smaller household sizes. Based on DCF method, we value DGW for the first time at 45,300 VND, equivalent to a 22.5% return

Technology products are well positioned to benefit from the ongoing device upgrade cycle fueled by the rapid adoption of artificial intelligence (AI)

Driven by the rapid advancement of artificial intelligence (AI), demand for laptop and PC upgrades and replacements is expected to increase, providing a key growth catalyst for DGW's technology segment over the next five years. At the same time, the ongoing shortage of RAM supply is likely to lift average selling prices (ASPs), further supporting DGW's revenue growth.

The office equipment segment is well positioned for long-term growth, supported by government policies that promote digital transformation and the expansion of Vietnam's high-tech industry.

The office equipment market has experienced robust growth in recent years, driven by strong economic expansion, accelerating digital transformation, and rising demand from the corporate sector. Increased investment in digital infrastructure has fueled demand for modern office equipment, including IT infrastructure, cybersecurity solutions, and networking devices. We believe these trends will serve as key growth drivers, providing a solid foundation for DGW to sustain its growth momentum in the coming years.

Home appliances are expected to become a new long-term growth pillar, underpinned by favorable demographic trends, accelerating urbanization, and the increasing prevalence of smaller household sizes

The home appliances segment offers significant long-term growth potential, supported by resilient consumer demand and the rising adoption of technology-enabled household products. Rapid urbanization, the expansion of Vietnam's middle class, and the widespread application of advanced technologies are strengthening the country's position as both a key consumer market and a manufacturing hub for home appliances. Looking ahead, DGW plans to broaden its product portfolio and establish partnerships with new brands to further accelerate revenue growth in this segment, reinforcing its long-term growth outlook.

Risks: (1) Weakening consumer demand; (2) Semiconductor supply shortage risk; (3) Foreign exchange risk; (4) Risk of losing exclusive distribution rights.

Year to Dec.	**2024**	**2025**	**2026F**	**2027F**	**2028F**
Revenue (bn VND)	**22,079**	**26,632**	**31,927**	**36,102**	**40,003**
OP (bn VND)	556	668	918	1,105	1,260
NP (bn VND)	**449**	**555**	**757**	**907**	**1,032**
EPS (VND)	1,983	2,428	3,327	3,996	4,553
BPS (VND)	13,560	15,507	18,926	23,023	27,684
OPM	2.5%	2.5%	2.9%	3.1%	3.1%
NPM	2.0%	2.1%	2.4%	2.5%	2.6%
ROE	**14.9%**	**16.0%**	**17.8%**	**17.6%**	**16.6%**
PER (x)	22.2	18.2	13.2	11.0	9.7
PBR (x)	3.3	2.8	2.3	1.9	1.6
EV/EBITDA (x)	12.1	9.1	7.2	6.2	5.6

Source: Company data, Shinhan Securities Vietnam

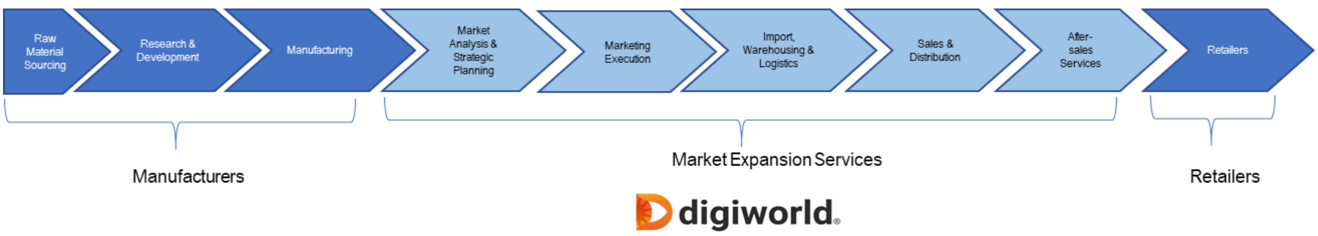
Contents

Company background

History

Digiworld Corporation (HOSE: DGW) was established in 1997, initially operating as a distributor of technology products and software solutions. The Company was listed on the Ho Chi Minh Stock Exchange (HOSE) in 2015 under the ticker DGW. In 2017, Digiworld expanded beyond its traditional ICT business by entering the health supplements segment, followed by the home appliances market in 2021. Over the past decade, the Company has successfully diversified across multiple product categories while building a comprehensive Market Expansion Services (MES) platform. This end-to-end business model covers market research, sales and marketing, logistics, after-sales services, and branded retail store operations. The integrated platform has enabled Digiworld not only to broaden its product portfolio but also to establish a sustainable competitive advantage by partnering with global brands to develop and expand their presence in the Vietnamese market.

Value chain



DGW builds its competitive advantage through the Market Expansion Services (MES) model

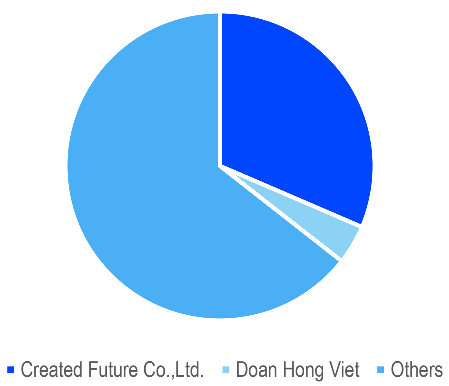
Unlike the traditional distribution model, which primarily focuses on logistics and sales, Digiworld (DGW) has built its competitive advantage around the Market Expansion Services (MES) model, offering an integrated suite of services including market research, marketing, logistics, sales, and after-sales support. This model enables DGW to participate more deeply in the entire brand development process for international companies entering the Vietnamese market, while creating significant barriers to entry for other distributors. Currently, approximately 40% of the brands distributed by DGW utilize its MES services, highlighting the Company's role not merely as a distributor but as a strategic market development partner for global manufacturers.

Nationwide distribution and warehouse network

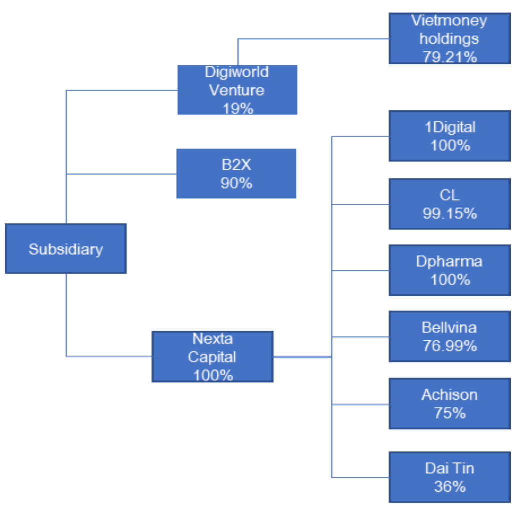
DGW has developed a well-established nationwide warehouse network, featuring large-scale storage facilities with high storage capacity and the ability to manage thousands of SKUs, enabling efficient inventory management and product distribution across Vietnam.

The Company also operates an extensive nationwide distribution network with more than 16,000 points of sale, reinforcing its position as one of Vietnam's leading companies with deep and highly efficient distribution capabilities. Beyond its role as a traditional distributor, DGW has built a multi-channel, multi-category distribution platform, seamlessly integrating B2B (business-to-business) and D2C (direct-to-consumer) models. This integrated approach provides a significant competitive advantage by accelerating product commercialization, expanding market penetration, and enhancing market share across multiple product categories.

Shareholder Structure 30/06/2026



Model of Governance



Business Operations

DGW is Vietnam's leading market expansion and distribution services provider, operating across ICT, home appliances, consumer goods, and industrial equipment, with a portfolio of more than 45 well-known brands.

(1) Tablets & Laptops (31% of revenue): DGW distributes nearly all major global laptop brands, including HP, Dell, Asus, Toshiba, Acer, and Lenovo, and commands approximately 40% market share in Vietnam's laptop distribution market. Its customer base primarily consists of independent computer retailers and leading electronics retail chains such as Phong Vu, Dien May Xanh, and Nguyen Kim.

(2) Mobile phones (36% of revenue): Since entering the mobile phone distribution business in 2013, DGW has become a trusted distribution partner for leading smartphone brands, including Apple, Xiaomi, and Huawei. Its long-standing customers include Mobile World (MWG), FPT Shop, and CellphoneS. The company currently holds an estimated 18% share of Vietnam's smartphone distribution market.

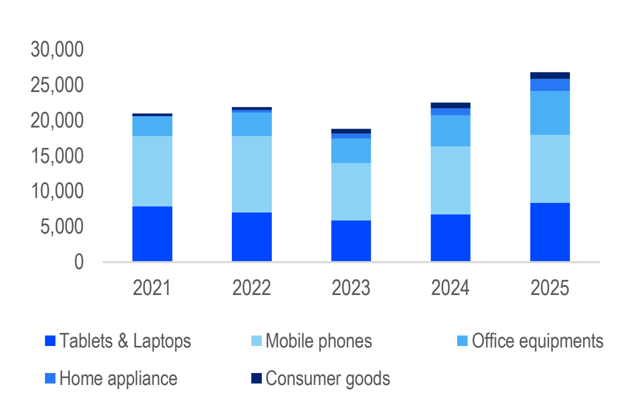
(3) Office equipment (23% of revenue): The office equipment segment remains highly fragmented due to its broad product range and multiple brands, with DGW currently holding approximately 10% market share.

- ❖ Server & Client Solutions: Distribution of keyboards, mice, CPUs, monitors, workstations, servers, networking and security equipment, power banks, UPS systems, and other IT infrastructure products from brands such as Dell, Asus, HP, Ricoh, and Seagate.
- ❖ Internet of Things (IoT): Distribution of wired and wireless earphones, smartwatches, security cameras, webcams, speakers, and other smart devices from brands including Xiaomi, Huawei, Apple, and Logitech.
- ❖ Personal Protective Equipment (PPE): Distribution of occupational safety equipment and cleanroom products under the Achison brand.

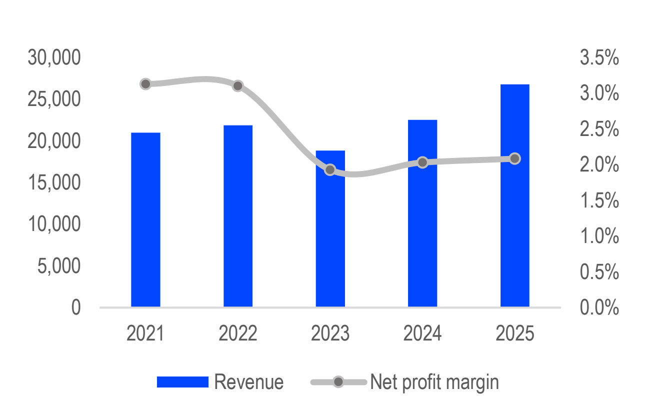
(4) Home appliances (6% of revenue): DGW entered the home appliance segment in 2022, partnering with leading brands such as Westinghouse, Whirlpool, and Xiaomi to distribute household products, including home care appliances, kitchen equipment, and garment care devices. As a relatively new business segment, home appliances currently account for a modest share of the Company's revenue but represent a promising long-term growth driver.

(5) Consumer Goods (immaterial revenue contribution): The consumer goods segment currently contributes a relatively small proportion of total revenue and includes the distribution of fast-moving consumer goods (FMCG), pharmaceuticals, dietary supplements, and beverages, in partnership with brands such as AB InBev and Lotte Chilsung.

DGW's revenue breakdown by segment (%)



DGW's revenue (VND bn) and net profit margin



Source: Data Company, Shinhan Securities Company

Business segment breakdown

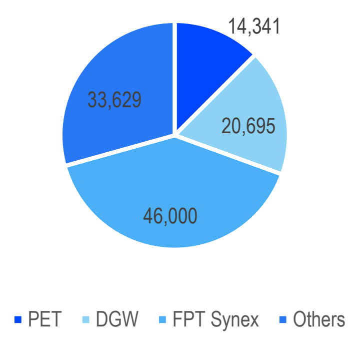
✓ **Tablets & Laptops: Growth in line with the overall industry trend**

On Vietnam's ICT distribution market, four major players dominate the industry: Digiworld (DGW), Petrosetco (PET), FPT Synnex, and Viettel Distribution. Among them, Digiworld ranks as the second-largest ICT distributor by revenue, behind only FPT Synnex. However, DGW is the only company that truly operates as a Market Expansion Services (MES) provider rather than a traditional distributor, currently delivering comprehensive MES solutions for more than 30 global brands. Its partner portfolio consists primarily of leading international brands, including HP, Dell, Asus, Lenovo, Apple, and many others.

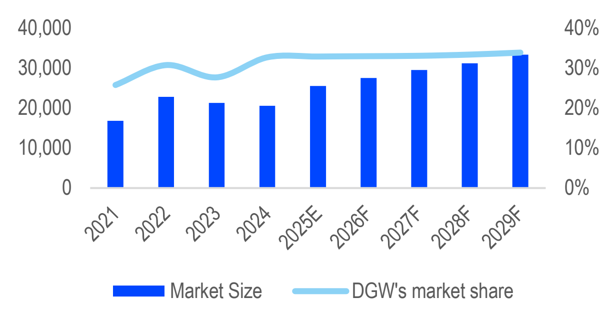
In addition to its MES, DGW also provides Direct-to-Consumer (D2C) services, enabling brands to sell directly to end customers without relying on traditional distribution channels. This is achieved through the development of brand shops across both online and offline channels, including (1) official stores on major e-commerce platforms and (2) authorized Mi Stores. These stores primarily serve as brand-building touchpoints by enhancing product visibility, delivering a superior customer experience, and providing after-sales support, rather than acting as major revenue-generating sales channels.

Vietnam's ICT distribution market is dominated by four major players: Digiworld (DGW), Petrosetco (PET), FPT Synnex, and Viettel Distribution. Among them, Digiworld ranks second in ICT revenue, behind only FPT Synnex. More importantly, DGW is the only distributor that has positioned itself as a true market development partner, currently delivering its proprietary MES model for more than 30 global brands. This differentiated business model enables the Company to create value beyond conventional distribution services while strengthening long-term partnerships with leading international brands.

Estimated 2025 ICT segment revenue of distribution companies (VND billion)



Laptop & Tablet Market Size (VND bn) and DGW's Market Share



Source: Data Company, Shinhan Securities Company

Industry update and DGW's strategy

Vietnam's laptop and tablet distribution market has entered a relatively mature stage, with market share concentrated among a few major distributors, including Digiworld (DGW) and its key competitors. As a result, DGW's growth in this segment is expected to be driven primarily by broader industry trends, including the device replacement cycle, the growing adoption of AI PCs, the transition to Windows 11, and seasonal demand during the back-to-school period.

2025 marks the beginning of a new PC replacement cycle as AI PCs are being commercialized on a larger scale. Equipped with dedicated Neural Processing Units (NPUs), these devices offer enhanced AI processing capabilities, improved user experience, and higher productivity, thereby stimulating replacement demand from both enterprise and consumer segments.

In addition, Microsoft's end of support for Windows 10 has become another key catalyst for the replacement cycle. Many businesses are required to upgrade to devices that meet Windows 11 hardware requirements in order to maintain cybersecurity and system reliability, while consumers are increasingly shifting toward higher-specification laptops to extend device lifespan. This is expected to be a major growth driver for the laptop market during the 2025–2027 period.

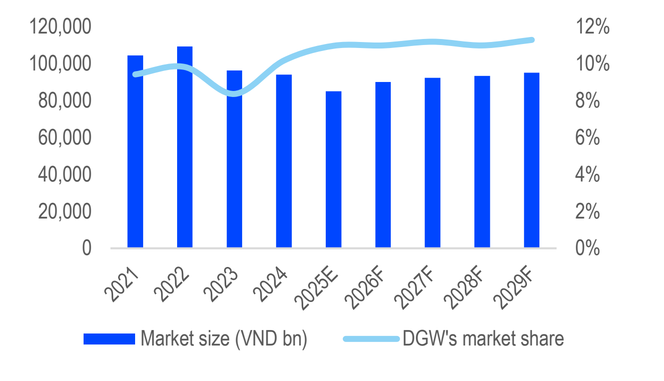
Beyond demand-side factors, rising component prices—particularly DRAM and SSD memory, driven by robust demand from AI servers and data centers—are also encouraging both consumers and businesses to accelerate purchasing decisions ahead of further retail price increases. This trend is expected to support not only shipment growth but also improve the market's average selling price (ASP) in the near term.

Against this backdrop, Digiworld is well positioned to benefit from the replacement cycle, supported by its leading position in Vietnam's laptop distribution market with an estimated 40% market share. The Company also maintains a diversified portfolio of leading global brands, including ASUS, Acer, MSI, Gigabyte, and other partners, covering a wide range of products from entry-level to premium segments.

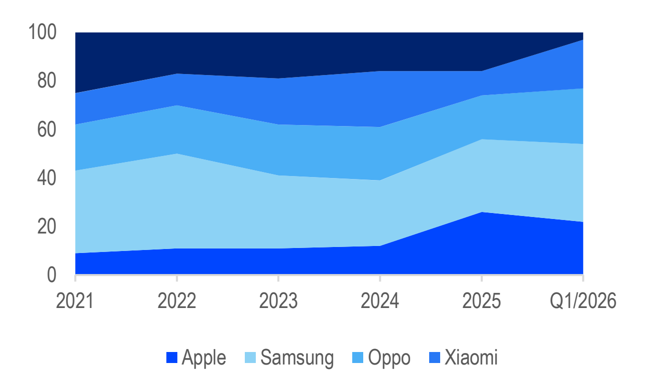
- ✓ **Mobile phones: Intense competition, but DGW maintains an edge through a diversified brand portfolio**

In the mobile phone segment, DGW has established a leading market position since 2013 by successfully developing the Xiaomi brand in Vietnam, before expanding its partnership with Apple in 2020. Today, Xiaomi and Apple account for more than 90% of the Company's mobile phone revenue, reinforcing DGW's position as one of Vietnam's largest smartphone distributors. Although Xiaomi ceased to be an exclusive distribution partner in 2022, DGW has maintained its competitive advantage through a diversified brand portfolio, strong market development capabilities, and an extensive nationwide distribution network. The Company has also expanded its portfolio by adding new brands such as ZTE and TCL, allowing it to capture growth opportunities in the entry-level smartphone segment.

DGW's mobile phone revenue market share



Vietnam mobile phone market share (%)



Sources: Omdia, Shinhan Securities Company

- **Apple – Expanding market share continues to drive DGW's mobile phone segment**

Apple's market share in Vietnam has continued to expand significantly, rising from approximately 9% in 2021 to 22% in Q1 2026, underscoring the brand's growing appeal in the premium smartphone segment. The primary growth driver has been the ongoing premiumization trend, with consumers increasingly willing to pay more for products offering superior quality, durability, and user experience.

Beyond its strong brand equity, Apple products enjoy several competitive advantages, including a longer product life cycle, strong resale value, and long-term software support, all of which help lower the total cost of ownership over the product's lifetime. As one of Apple's key distribution partners in Vietnam, Digiworld (DGW) is well positioned to benefit from Apple's expanding market presence, making the brand an important growth driver for the Company's mobile phone business.

- **Xiaomi – Maintaining its market position despite intensifying competition in the mass-market segment**

Xiaomi continues to maintain approximately a 20% share of Vietnam's smartphone market, supported by its flexible product strategy and ability to bring premium features to the entry-level and mid-range segments at competitive price points. Beyond its strong value-for-money proposition, Xiaomi has further differentiated itself through its after-sales service by becoming one of the first brands to offer 18–24-month official warranties on a wide range of products, compared with the 12-month warranty typically provided by most competitors. This combination of competitive pricing, advanced technology, and enhanced customer support has helped Xiaomi sustain its market position despite increasingly intense competition in the budget smartphone segment.

Industry update and DGW's strategy

The Vietnamese smartphone market is expected to remain highly competitive in 2025, particularly in the entry-level and mid-range segments, as Chinese brands continue to adopt aggressive pricing strategies to expand market share.

Beyond competitive pressures, consumer spending behavior has yet to fully recover from the 2023–2024 slowdown. Consumers remain cautious with discretionary spending, placing greater emphasis on value for money and extending device replacement cycles. As a result, demand for premium smartphones, such as Apple's iPhone and Xiaomi's flagship models, has grown more slowly than expected. Meanwhile, the mid-range segment continues to serve as the market's primary growth driver, offering a more attractive balance between performance and affordability.

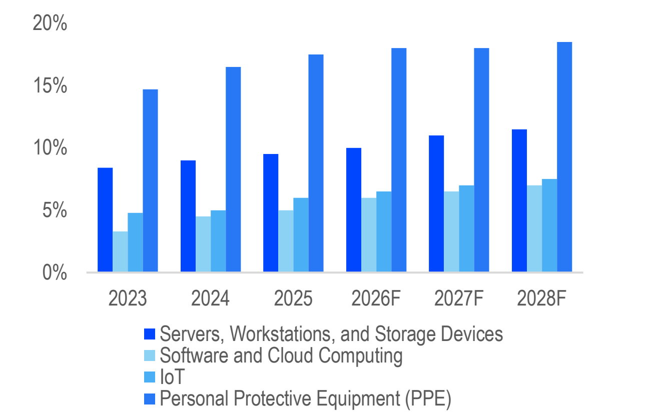
Against this backdrop, market growth is being driven primarily by higher shipment volumes rather than higher average selling prices (ASPs). This trend requires distributors to continuously optimize their product portfolios, improve inventory management, and maintain strict cost discipline to preserve profitability.

For Digiworld (DGW), its diversified brand portfolio—spanning entry-level to premium products, including Xiaomi, Apple, TCL, ZTE, and ASUS ROG—provides the flexibility to adjust its revenue mix in line with evolving consumer preferences. In particular, the expansion of affordable brands such as ZTE and TCL, together with Xiaomi's broad product ecosystem, positions DGW to capitalize on the ongoing shift in demand toward the mass-market and mid-range segments. This should enable the Company to sustain revenue growth above the overall market average over the medium term.

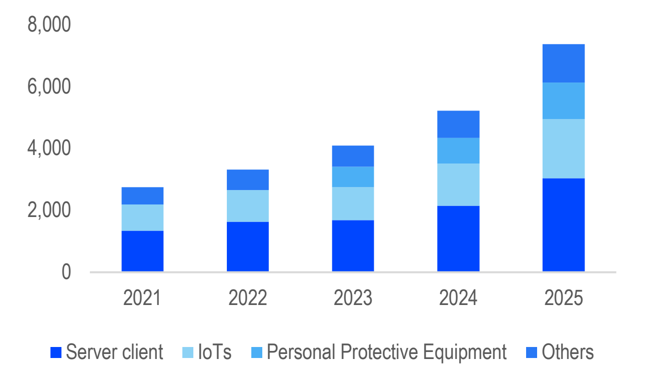
Office equipment: Benefiting from the digital infrastructure and ai investment cycle

DGW's Office equipment & Technology solutions segment comprises four major product categories: servers and workstations (Server & Workstation), storage and memory solutions (Storage & Memory), IoT devices and networking infrastructure, industrial solutions, as well as other technology products. Among these, servers, workstations, and storage devices are the key revenue contributors. Revenue is well diversified across multiple brands and product categories, reducing the Company's reliance on any single vendor.

DGW's market share in the office equipment segment



Office Equipment segment revenue breakdown (VND bn)



Sources: Statista, DGW, Shinhan Securities Company

Overall, although DGW's office equipment segment has consistently delivered double-digit growth over the past several years, the Company's market presence remains relatively modest. This indicates that DGW still has significant room to expand its market share, particularly as demand continues to rise for IT infrastructure, data centers, storage solutions, AI servers, and enterprise digital transformation solutions.

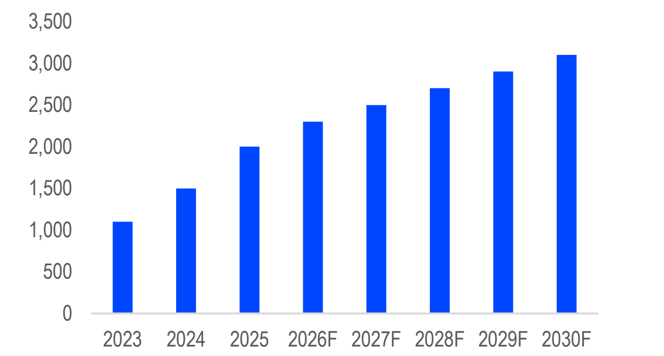
❖ Server, Workstation and Storage Devices

Product Portfolio	Brand	Assessment
Server, Workstation	ASUS, Gigabyte, Supermicro, MSI, H3C, Acer, ...	These manufacturers enjoy a competitive edge through their close integration with NVIDIA's GPU ecosystem. Focusing on these partners enables DGW to capture the rapidly expanding AI server opportunity at an early stage.
Storage & Memory	Samsung and Seagate	These are two leading brands in the SSD, HDD, and enterprise memory segments, positioning them to benefit from the growing demand for data storage driven by the expansion of AI, cloud computing, and data centers.
Software	Synopsys, 3PAR	Notably, DGW is the exclusive distributor of Synopsys in Vietnam, providing electronic design automation (EDA) software solutions, as well as simulation and testing systems for semiconductor chip design. As the global leader in the EDA market with an estimated 50% market share in chip design software, Synopsys enables DGW to participate directly in Vietnam's semiconductor value chain.

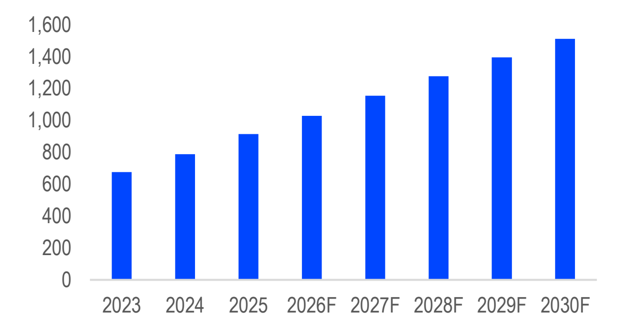
Industry update and DGW's strategy

The Vietnamese market for servers, workstations, storage devices, and memory solutions is estimated to be worth approximately USD 1 billion, with DGW currently holding around an 8% market share. The market is expected to sustain annual growth of 10–15%, driven by increasing investments in IT infrastructure to support digital transformation, automation, and the adoption of artificial intelligence (AI) across business operations.

Vietnam Server Market Size (USD million)



Vietnam Storage Device Market Size (USD million)



Sources: Statista, DGW, Shinhan Securities Company

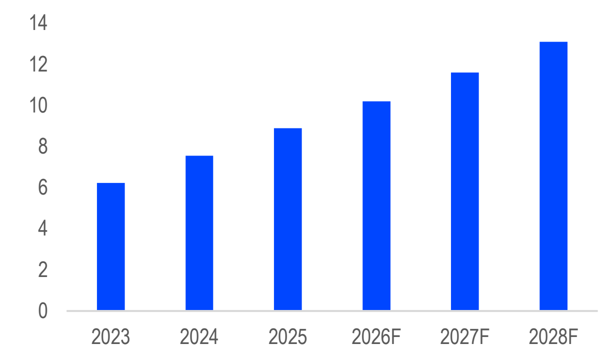
To capitalize on this trend, DGW is gradually transforming from a traditional office equipment distributor into a comprehensive IT infrastructure solutions provider. The Company has been expanding its product portfolio into higher value-added segments, including AI servers, enterprise servers, storage systems, networking equipment, workstations, data center solutions, and semiconductor design software, while establishing partnerships with leading global technology brands. This strategy is expected to increase average order value, improve profit margins, and strengthen DGW's position within the IT infrastructure value chain over the long term.

- IoT products: designed to support smart operations management.

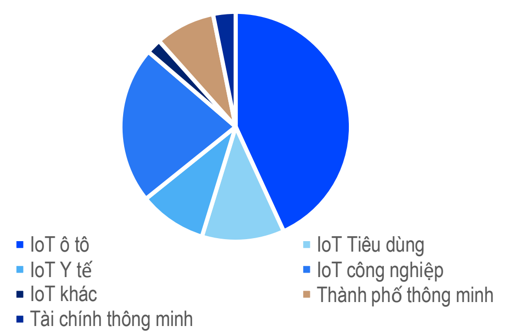
Product Portfolio	Brand	Product
IoT Networking Devices	TP-Link, D-Link, H3C, …	Wi-Fi networking devices: Wi-Fi 6/7 routers, range extenders, mesh networking systems, network switches, and cybersecurity solutions.
Smart Home Devices	Xiaomi	Smart home security devices: AI cameras, door sensors, temperature sensors, smart hubs, smart locks, and smart plugs.
AIoT Devices	Xiaomi	Smart home appliances: Robotic vacuum cleaners, air purifiers, smart lighting, and smart speakers.
IoT Infrastructure	H3C, Dell, HP, Asus	Enterprise infrastructure solutions: Servers, storage systems, and networking equipment supporting enterprise IoT deployments.
Smart Wearable Devices	Apple, Xiaomi, Sony, Garmin, …	Earphones and health-tracking smartwatches

Industry update and DGW's strategy

IoTs market size (USD bn)



Cơ cấu phân khúc IoTs năm 2028



Sources: Statista, DGW, Shinhan Securities Company

The IoT market in Vietnam is still in its early stage of development, primarily focusing on providing Machine-to-Machine (M2M) connectivity for essential sectors such as utilities, transportation, construction, security, and retail. Although the market remains relatively small—accounting for only around one three-hundredth of the global IoT market in terms of revenue—it offers substantial long-term growth potential, driven by the country's accelerating digital transformation and automation trends.

Vietnam currently has around 4 million IoT subscribers, and according to Deloitte, this figure is projected to reach approximately 15 million by 2027, representing a compound annual growth rate (CAGR) of about 39% over the 2023–2027 period. The rapid expansion in connected devices is being driven by rising investments in smart factories, smart cities, data centers, and AI applications, providing a strong long-term growth catalyst for the IoT device, network infrastructure, and related technology solution markets.

DGW is positioning its IoT business to evolve beyond traditional technology distribution into a comprehensive digital infrastructure solutions provider. Rather than focusing on standalone devices, the Company is building an integrated product portfolio encompassing networking equipment, smart home devices, AI infrastructure, and connectivity solutions to meet the accelerating digitalization needs of both consumer and enterprise customers.

- DGW is gradually expanding into higher value-added segments, including industrial equipment

In 2023, through its investment in Achison, DGW officially entered the industrial equipment and personal protective equipment (PPE) market. With more than 19 years of industry experience, Achison has built a strong enterprise customer base and an extensive nationwide distribution network. This acquisition provides DGW with a solid platform to expand its B2B business, positioning the Company to capitalize on rising demand for smart factories, industrial automation, and industrial infrastructure, as foreign direct investment (FDI) continues to flow into Vietnam.

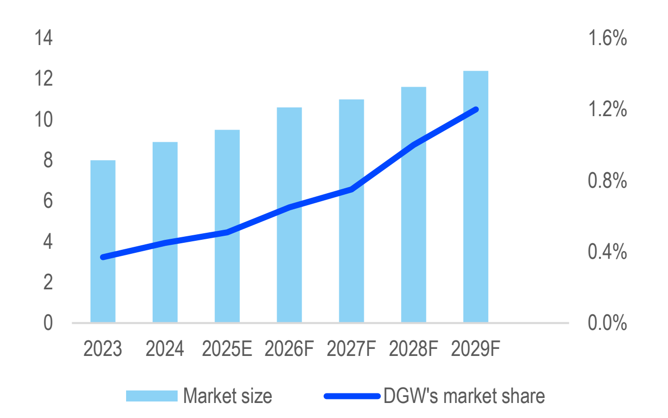
✓ **Home Appliances: DGW continues to expand its product portfolio and partner with leading brands**

Among its newer business segments, home appliances have been identified by Digiworld (DGW) as a key strategic growth pillar, supported by the market's large size, stable growth trajectory, and significant expansion potential. The Company has continued to broaden its product portfolio and strengthen partnerships with well-established brands. Currently, DGW serves as the official distributor for several reputable brands, including Xiaomi, Philips, Cuckoo, and Hoa Phat (Funiki). Notably, Xiaomi and Whirlpool are estimated to account for more than 50% of the segment's revenue, underscoring their importance as the primary growth drivers of DGW's home appliance business.

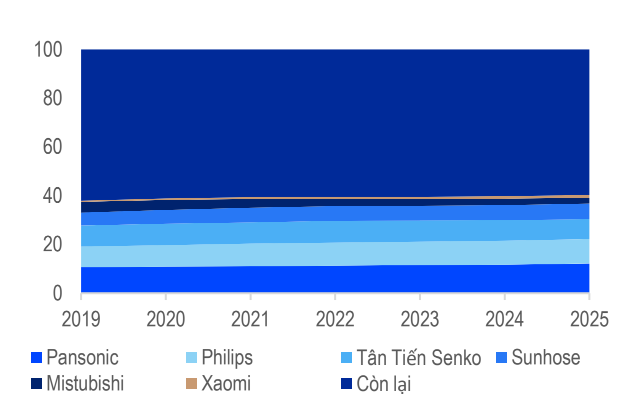
Product Portfolio	Brand	Distribution Timeline
Robots, robotic vacuum cleaners, and air purifiers	Xaomi	Q1/2017
Refrigerators, washing machines, and small & large kitchen appliances	Whirlpool	Q2/2022
Small kitchen appliances	Joyoung	Q3/2022
Small kitchen appliances	Westinghouse	Q2/2023
Air treatment appliances, home care appliances, and other household appliances	Philips	Q1/2025
Kitchen appliances	Funiki	Q2/2025
Washing machines, air conditioners, and refrigerators	Xaomi	Q3/2025
Rice cookers, microwave ovens, water purifiers, air purifiers, vacuum cleaners, blenders, and induction cooktops	Cuckoo	Q1/2026

Industry update and DGW's strategy

DGW's market share vs. Vietnam's home appliance market size (USD bn)



Vietnam small home appliance market



Source: Statista, Euromonitor, Shinhan Securities Company

The home appliance industry entered a solid recovery phase in 2025, supported by improving consumer spending as household incomes increased and consumer confidence strengthened. In addition, ongoing urbanization, the expansion of the middle-income population, and the growing emphasis on improving living standards are expected to drive sustained demand for modern, smart, and energy-efficient home appliances. These structural trends are likely to provide a solid foundation for the industry's sustainable growth over the medium to long term.

According to Euromonitor, Vietnam's home appliance market is estimated to be worth approximately USD 13 billion and is projected to grow at a compound annual growth rate (CAGR) of around 5% during the 2024–2029 period. The market's substantial size and resilient growth outlook provide significant opportunities for companies with extensive distribution networks, diversified brand portfolios, and strong market development capabilities to further expand their market share.

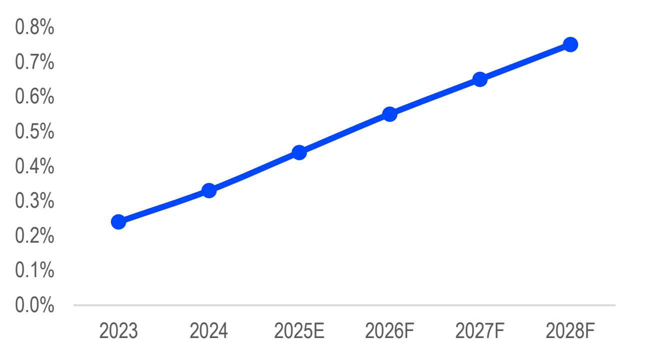
The small home appliance market is increasingly consolidating around brands with strong technological capabilities, product quality, and after-sales service, with leading names including Panasonic, Philips, SENKO, Vietnam Fan, Midea, and Sunhouse. Among DGW's brand portfolio, Philips stands out as a key growth opportunity, currently ranking second in the market with an estimated 9.4% market share. As Philips' exclusive nationwide distributor in Vietnam, DGW is well positioned to support the brand's continued market share expansion through its extensive distribution network and market development capabilities.

For DGW, the home appliance segment represents one of its key strategic growth drivers, aimed at diversifying revenue beyond its traditional ICT business. The Company is well positioned to strengthen its presence in this market by expanding partnerships with leading international brands and leveraging its extensive nationwide distribution network to broaden market reach.

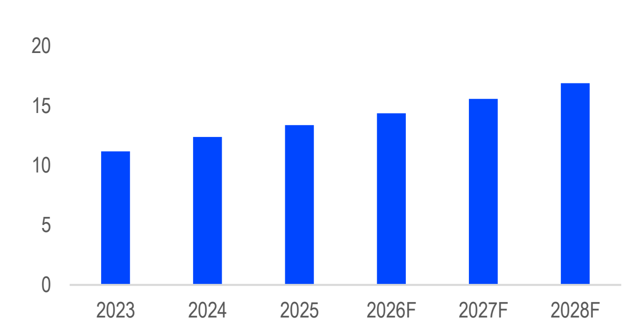
✓ **Consumer Goods**

DGW currently distributes products in two key categories: consumer goods and healthcare. However, the scale of its operations and market share in these segments remain relatively modest, as the Company is still in the early stages of market penetration.

DGW's FMCG market share (USD bn)



Vietnam Beverage and Dietary Supplements Market Size (USD bn)



Source: Statista, Shinhan Securities Company

❖ **Consumer Goods: Benefiting from distribution channel shifts and premiumization trends**

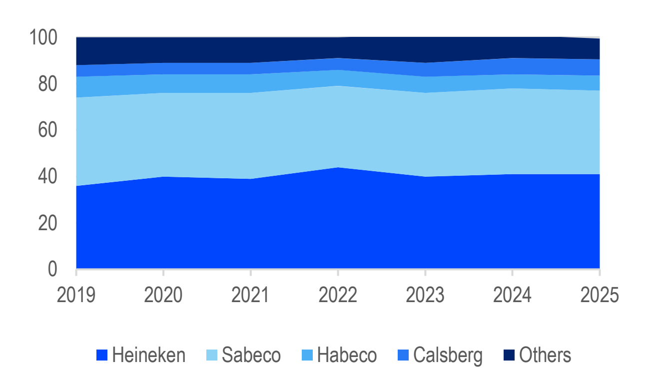
At the end of 2022, Digiworld (DGW) entered the consumer goods segment by distributing imported beer brands from AB InBev, including Budweiser, Corona, and Beck's, as well as soft drinks, milk-based beverages, and fruit juices from Lotte Chilsung, Lion Corporation, and Nestlé. Among these partnerships, AB InBev accounts for more than 40% of DGW's consumer goods revenue.

AB InBev—the world's largest brewing company—officially entered the Vietnamese market in 2015 and currently operates three breweries in Binh Duong Province. Despite owning a portfolio of globally recognized brands such as Budweiser, Beck's, Stella Artois, Corona, and Hoegaarden, the company still holds a relatively small market share in Vietnam (below 1%). This is largely attributable to local consumption habits, as Vietnamese consumers primarily drink beer at restaurants, eateries, and bars rather than purchasing it for home consumption.

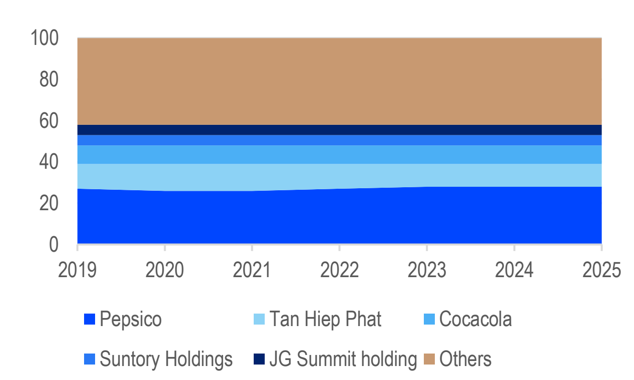
While most domestic brewers focus on the on-trade channel (restaurants, bars, and food service outlets), AB InBev has positioned its brands through the off-trade channel, including supermarkets, convenience stores, modern retail chains, and other take-home retail outlets. Through its partnership with Digiworld, AB InBev has expanded its presence to more than 16,000 retail points nationwide, significantly strengthening its distribution network while making a meaningful contribution to DGW's consumer goods revenue.

Industry update and DGW's strategy

Vietnam Beer Market Share (%)



Vietnam Beverage Market Share (%)



Source: Euromonitor, Shinhan Securities Company

Vietnam's beer, wine, and non-alcoholic beverage market is entering a restructuring phase, driven by tighter alcohol consumption regulations, including stricter drink-driving enforcement and the planned increase in special consumption tax. At the same time, the market remains highly concentrated, with the majority of market share controlled by a handful of major players, limiting room for extensive growth.

Alongside evolving consumer demand, distribution channels are also shifting from traditional on-premise outlets such as restaurants and eateries toward modern retail formats, including supermarkets, convenience stores, and e-commerce platforms. This trend aligns well with DGW's core competencies, as the Company possesses a nationwide distribution network, extensive expertise in its Market Expansion Services (MES) model, and a proven ability to rapidly introduce international brands into Vietnam's modern retail ecosystem.

❖ **Healthcare: Significant growth potential, but expansion will take time**

In 2021, Digiworld (DGW) partnered with Dai Tin Pharma, a reputable pharmaceutical company in Vietnam, to establish DPharma, a joint venture responsible for developing the Company's pharmaceutical market presence. Through DPharma, DGW distributes more than 20 healthcare brands, supplying products to over 270 pharmacies, 100 hospitals, and 104 clinics nationwide. The Company primarily collaborates with partners that offer high-quality products and established distribution channels but require stronger branding and marketing support to accelerate market penetration.

DGW's healthcare portfolio spans both OTC (over-the-counter) and ETC (ethical/prescription) products, although the Company is primarily focused on expanding its presence in the OTC segment. This market shares many characteristics with the fast-moving consumer goods (FMCG) industry, where purchasing decisions are largely influenced by brand recognition, marketing effectiveness, and product availability at retail outlets rather than physician prescriptions. While healthcare products have more stringent regulatory requirements than FMCG, the similarities in market development and distribution models enable DGW to leverage its existing capabilities and gradually expand its footprint in the healthcare sector.

To enter the pharmaceutical market, DGW has established a dedicated distribution network through its joint venture with DPharma, including six warehouses certified under Good Storage Practice (GSP) and Good Distribution Practice (GDP) standards across four major provinces and cities. Unlike the ICT and FMCG sectors, the pharmaceutical industry requires strict regulatory compliance as well as specialized storage conditions, including temperature and humidity control.

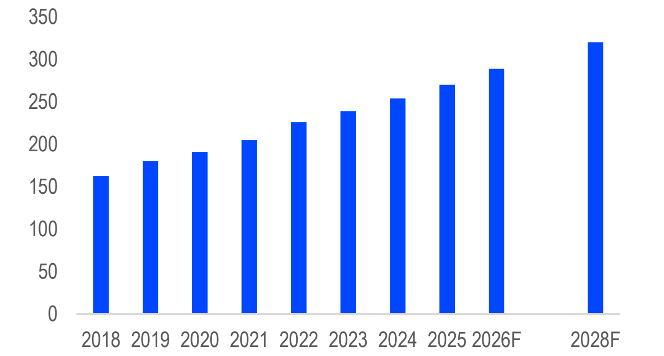
To ensure product quality, the Company works closely with medical specialists and follows rigorous quality assurance and testing procedures, aiming to provide comprehensive healthcare solutions for Vietnamese consumers. Within this segment, DGW's primary role is to distribute products and develop the market, rather than engage in pharmaceutical manufacturing.

Industry update and DGW’s strategy

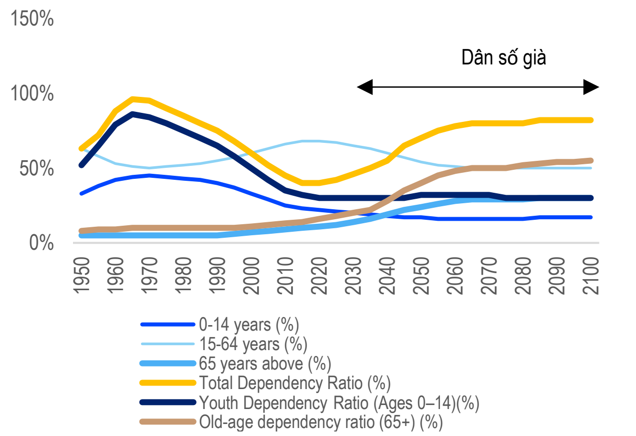
Vietnam's healthcare market is expected to offer substantial long-term growth opportunities, supported by rising household incomes, rapid population aging, and increasing healthcare expenditure per capita. These structural trends provide a favorable backdrop for sustained growth in nutritional products, dietary supplements, and personal healthcare devices.

For DGW, its key competitive advantage lies in its nationwide distribution network and proven expertise in developing market presence for international brands. However, expanding into prescription pharmaceuticals and specialized medical supplies is likely to be more challenging than entering other consumer segments, given the stringent licensing requirements, quality standards, and industry-specific regulatory framework. As a result, we expect DGW to focus primarily on consumer healthcare products, nutritional supplements, and home healthcare devices in the near to medium term. These segments are highly complementary to the Company's existing distribution platform and require a less complex regulatory approval process than the prescription pharmaceutical market.

Vietnam's annual healthcare expenditure per capita (USD)



Vietnam: Demographic Indicators



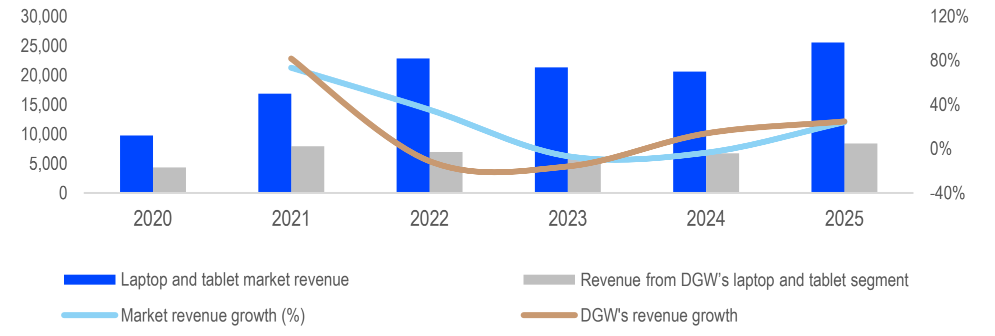
Source: Word Bank, General Statistics Office, Shinhan Securities Company

Investment Catalyst & Theses

The ICT sector is expected to benefit from the ongoing device replacement cycle driven by the increasing adoption of artificial intelligence (AI) applications.

The accelerating shift toward AI is expected to usher in a new growth cycle for the technology hardware industry

Laptop and Tablet market revenue (VND bn)



Sources: DGW, Shinhan Securities Vietnam

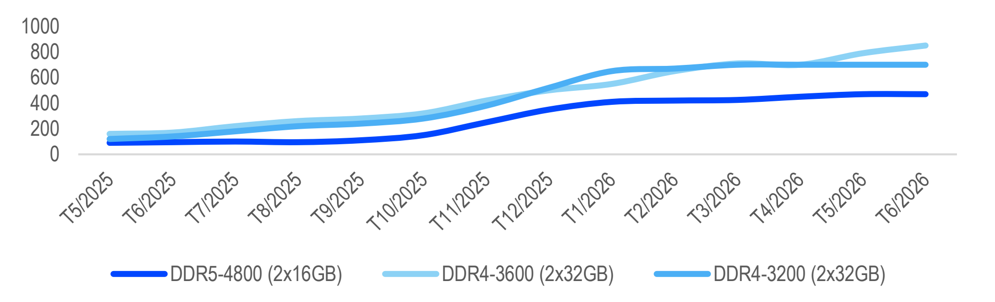
The laptop market has experienced significant fluctuations in recent years. Demand surged in 2021 as the work-from-home trend accelerated during the COVID-19 pandemic. However, the market entered a period of oversupply in 2022–2023, with inventory levels—particularly for older-generation models—rising sharply amid the absence of meaningful technological innovations to stimulate replacement demand.

Entering 2025, the laptop market is entering a new growth cycle driven by the rapid adoption of artificial intelligence (AI). AI-enabled PCs are increasingly being commercialized, creating a replacement and upgrade cycle that is expected to support global demand. In Vietnam, the AI PC segment is still at an early stage of development but is widely viewed as having substantial growth potential, with its market share projected to increase from the current 1–2% to approximately 15–20% over the next three to five years.

We believe the rapid advancement of AI will accelerate the replacement and upgrade cycle for electronic devices, providing a key growth driver for DGW's technology distribution business over the medium term. At the same time, the Company's continued expansion of its product portfolio, strengthened partnerships with leading global brands, optimization of its distribution channels, and ongoing market share gains are expected to enable DGW to sustain steady growth despite broader market headwinds.

The AI-driven chip shortage is driving technology hardware prices higher in 2025–2026

Price trends of selected DRAM products (USD)



Sources: PCpartpicker, Shinhan Securities Vietnam

The accelerating adoption of artificial intelligence (AI) by businesses has significantly increased demand for memory chips, particularly for use in AI supercomputers and high-performance computing (HPC) systems. This surge in demand has also tightened the supply of DRAM and SSDs, leading to expectations that prices for laptops, smartphones, and tablets could rise by approximately 5–10% by the end of 2025.

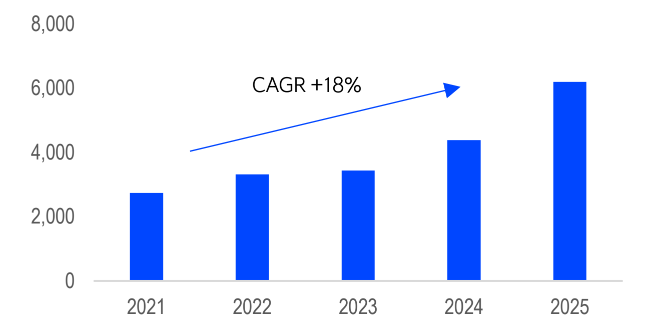
Entering 2026, the technology hardware market is expected to remain challenging. Ongoing geopolitical tensions in the Middle East could disrupt the supply of key raw materials used in semiconductor manufacturing, particularly memory chips. This is likely to further exacerbate supply shortages, drive up production costs, and lead to higher retail prices for end consumers.

According to TrendForce, DRAM contract prices are projected to increase by 90–95% quarter-over-quarter in Q1 2026. DigiTimes also expects the upward trend to continue, forecasting an additional 70% increase in Q2 2026, while IDC anticipates the supply shortage could persist through 2027. Against this backdrop, TrendForce estimates that the average retail selling price (ASP) of laptops could rise by 10–15%, while smartphone ASPs are expected to increase by approximately 8–10% in 2026.

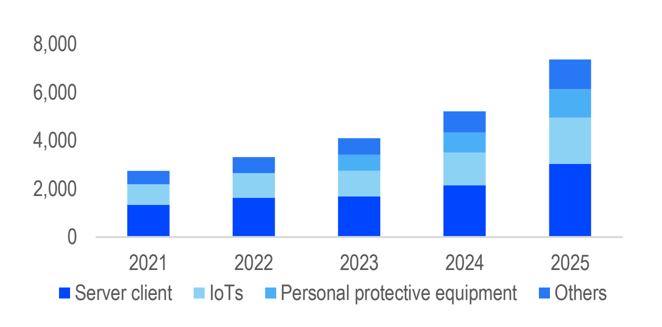
The office equipment segment is well positioned for long-term growth, supported by government policies that promote digital transformation and the expansion of Vietnam's high-tech industry.

The office equipment segment is expected to become DGW's primary growth driver over the coming years. Within this segment, our analysis focuses on the two key revenue contributors—Server & Client Solutions and Internet of Things (IoT)—which we believe will underpin the Company's long-term growth outlook.

DGW's office equipment revenue (VND bn)



DGW's office equipment revenue breakdown by product segment (VND bn)



Sources: DGW, Shinhan Securities Vietnam

❖ Server & Client solutions: Positive outlook driven by digital transformation demand

In this segment, DGW primarily distributes (1) servers, workstations, and storage solutions, and (2) software and cloud computing solutions. We expect revenue from this business to deliver a CAGR of approximately 20% over the next five years, driven by the following factors:

- Growing demand for data centers and cloud computing: The accelerating pace of digital transformation has generated an unprecedented volume of data that requires secure storage and efficient processing. This trend is driving significant investment in the construction and expansion of data centers, not only to increase capacity but also to enhance security, reliability, and energy efficiency. At the same time, cloud computing has become a core technology platform, enabling enterprises and organizations to deploy software applications, data analytics, and AI-driven solutions more flexibly without the need for substantial investment in on-premise infrastructure.
- Government policy support: Vietnam's National Digital Transformation Program, approved by the Prime Minister, is built around three strategic pillars: digital government, digital economy, and digital society. The program aims to position Vietnam among the top 50 countries in information and communications technology (ICT) by 2030. Achieving this objective will require the development of a robust and integrated digital infrastructure, including high-speed broadband networks, large-scale data centers, cloud computing capabilities, and a comprehensive digital platform ecosystem.

❖ IoT segment: Sustained growth driven by strong consumer adoption

According to Statista, the global Internet of Things (IoT) market reached USD 293.2 billion in 2023 and is projected to exceed USD 621 billion by 2030. Worldwide, there are currently around 15 billion connected IoT devices, equivalent to nearly two smart devices per person. The rapid global expansion of IoT presents a favorable backdrop for high-growth markets, including Vietnam, where the adoption of connected devices and smart technologies is expected to accelerate in the coming years.

Vietnam's IoT market is also experiencing robust growth, supported by strong digital transformation trends. According to Research and Markets, the country's IoT market was valued at approximately USD 6.23 billion in 2023 and is projected to reach USD 13.1 billion by 2028, representing a compound annual growth rate (CAGR) of 16.04%. This strong momentum is expected to continue, driven by the deployment of advanced technologies such as 5G networks, which will significantly enhance connectivity, enable faster data processing, and reduce network latency, thereby accelerating the adoption of IoT applications across various industries.

The Internet of Things (IoT) is gradually permeating various aspects of daily life and the economy, unlocking significant application opportunities across multiple industries, including healthcare (smartwatches, fitness bands), as well as security and surveillance (security cameras, webcams), among others.

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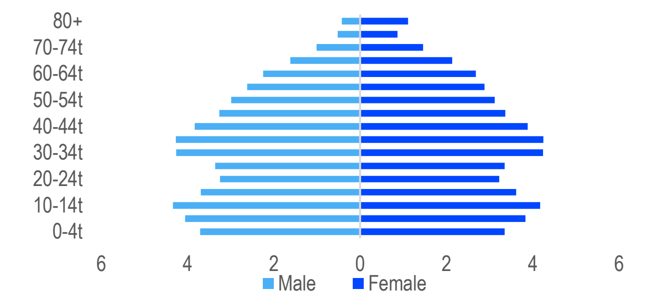
Home appliances are expected to become a new long-term growth pillar, underpinned by favorable demographic trends, accelerating urbanization, and the increasing prevalence of smaller household sizes

According to estimates from the Ministry of Industry and Trade, Vietnam's total domestic home appliances market (including household goods and electrical appliances) is valued at approximately USD 12.5–13 billion, with an average annual growth rate forecast at around 5%. With a population of nearly 100 million and continuously rising consumer demand, Vietnam is widely regarded as one of the most attractive markets for electronics and smart home appliance brands.

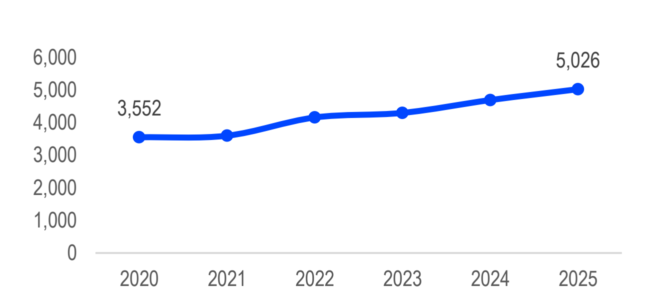
We believe that the home appliances sector will become a new growth driver for DGW, driven by:

(1) With a large population in the working-age group that has a strong shopping habit and improving average income, demand for new purchases or replacement of basic home appliances is expected to continue growing, despite the fact that around 70% of Vietnamese households already own essential household appliances.

Population structure in 2024



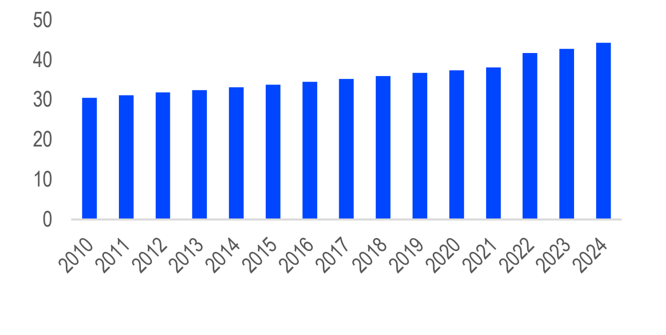
Per capita income (USD/year)



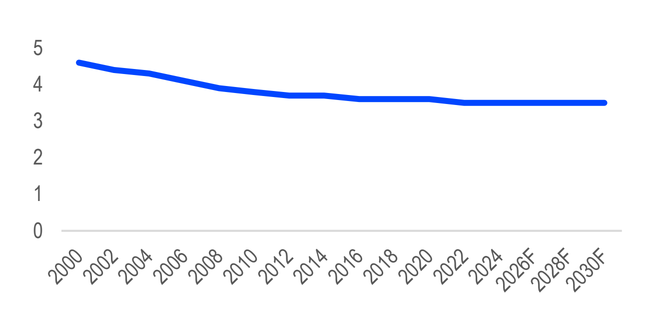
Sources: GSO, Shinhan Securities Vietnam

(2) Rising urbanization trends and smaller household sizes – a key catalyst for the home appliance distribution market

Urbanization rate (%)



Household size

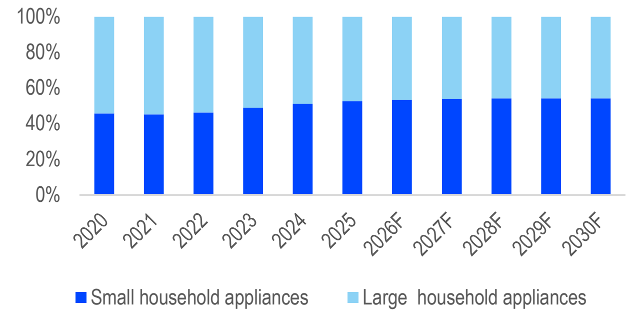


Sources: GSO, EUI, Shinhan Securities Vietnam

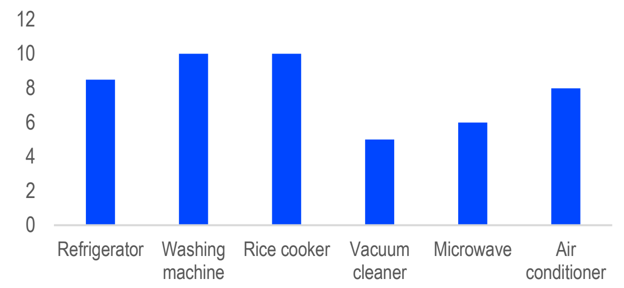
Rapid urbanization, the growing popularity of apartment living, and the increasing prevalence of smaller household sizes are driving demand for compact, smart, space-saving, and multifunctional appliances. This customer segment also tends to have a high purchase frequency, often opting to replace household items with newer products rather than repair them, in order to save time and access more advanced features and improved user experiences.

(3) The supporting product segment is expected to become the main growth driver of the home appliances market in the coming period.

Vietnam home appliances market by product category



Lifecycle of home appliance products (years)

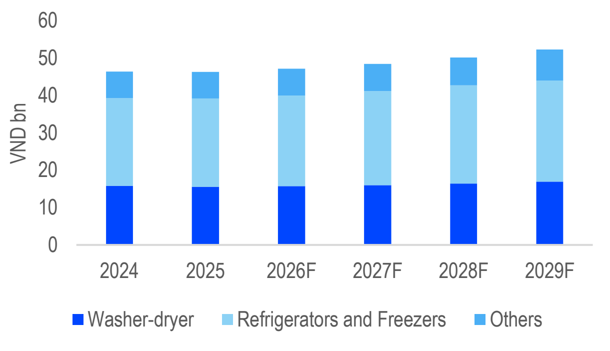


Sources: EUI, Shinhan Securities Vietnam

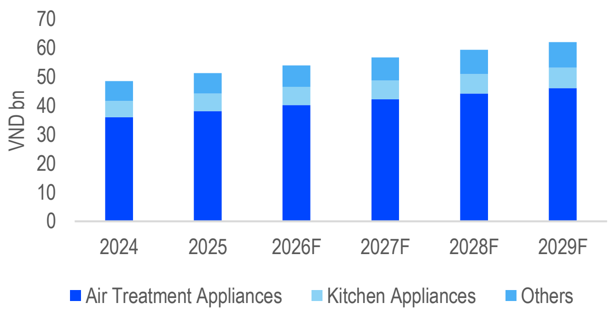
The home appliance market is divided into two main segments: core appliances (such as refrigerators, washing machines, and air conditioners) and supporting appliances (including vacuum cleaners, hair dryers, irons, ovens, etc.). While core appliances typically have higher unit values but longer replacement cycles, resulting in more stable and steady growth, supporting appliances are characterized by lower price points, shorter product lifecycles, and greater sensitivity to technological trends and consumer preferences. This drives more frequent replacement cycles and creates a stronger growth momentum for this segment. At the same time, rising income levels and the trend toward improved living standards continue to support demand for small household appliances, which enhance everyday convenience and lifestyle quality.

According to Euromonitor, Vietnam's major home appliance market is projected to grow at a CAGR of approximately 13% during 2026–2029, while the small domestic appliance segment is expected to expand at a much faster CAGR of 27.9%. Against this backdrop, we maintain a positive outlook on DGW, supported by its strategy of expanding its product portfolio and its ability to capitalize on rapidly evolving consumer preferences in the fast-growing small appliance segment. We believe this will serve as a key growth driver, enabling DGW's home appliance business to sustain strong growth momentum and contribute an increasingly larger share of the Company's revenue mix over the medium term.

Vietnam's large household appliance market size by product category



Vietnam's small household appliance market size by product category



Sources: EUI, Shinhan Securities Vietnam

Earnings estimates

❖ Update on 1H/2026 Results:

DGW reported net revenue of nearly VND 15.8 trillion in 1H2026, up 40% YoY and equivalent to 50% of its full-year revenue target. Net profit after tax reached approximately VND 509 billion, surging 130% YoY and fulfilling 77% of the full-year profit target. Performance across key business segments was as follows:

Laptops and tablets generated revenue of over VND 5.0 trillion (+65% YoY), primarily driven by a 20% YoY increase in average selling prices and stronger customer demand as consumers accelerated purchases ahead of anticipated further price increases.

Office equipment revenue reached more than VND 4.4 trillion (+69% YoY), supported by robust investment in IT infrastructure and artificial intelligence, particularly in the server and enterprise equipment segments.

Home appliances recorded 40% YoY revenue growth, benefiting from stronger consumer demand during the hot summer season and the FIFA World Cup period.

❖ 2026 Earnings Forecast

For 2026, DGW is projected to report revenue of VND 31.9 trillion (+19.9% YoY) and net profit after tax of VND 757 billion (+36.2% YoY).

DGW's revenue and profit outlook	2025	YoY	2026F	YoY
Net revenue (bn VND)	26,632	20.6%	31,927	19.9%
Operating Profit (bn VND)	668	20.0%	918	37.3%
Net Profit	555	23.7%	757	36.2%
EPS (VND)	2,428	22.4%	3,327	36.8%
BPS (VND)	15,507	14.3%	18,926	22.0%
OPM	2.5%		2.9%	
NPM	2.1%		2.4%	
ROE (%)	16.0%		17.8%	
PER (x)	18.2		14.4	
PBR (x)	2.8		2.5	
EV/EBITDA (x)	9.1		4.3	

DGW's revenue breakdown	2025	2026F	YoY	Assumption
Total revenue	**26,632**	**31,927**	19.9%	
Laptop and tablet	8,397	9,514	13.3%	(1) Unit sales are expected to grow by 5%–10% YoY, supported by replacement demand and the ongoing upgrade cycle toward AI-enabled PCs; while (2) average selling prices (ASPs) are projected to increase by approximately 3%, driven by continued chip supply constraints.
Phones	9,537	10,596	11.1%	(1) Shipment volume is expected to grow by 5%–10% YoY, while (2) average selling prices (ASPs) are expected to rise by approximately 1%–2% due to the persistent tightness in chip supply.
Office equipment	6,194	8,362	35.0%	The business is expected to maintain a five-year CAGR of approximately 20%, driven by the Government's continued push for digital transformation and the development of high-tech industries.
Home appliances	1,714	2,400	40.0%	The segment is expected to maintain a CAGR of approximately 30% over the next five years, driven by (1) continued expansion of its product portfolio, (2) accelerating urbanization, and (3) growing demand for convenient and highly versatile home appliance products.

Valuation and Recommendation

Initiate coverage with BUY rating and target price of VND 45,300

We initiate coverage Digiworld JSC (DGW) with a buy recommendation and a target price of VND 45,300, corresponding to an increase of 22.5% from the current price. For a long-term view, DGW is an investment that can be considered with following advantages:

1) Technology products are well positioned to benefit from the ongoing device upgrade cycle fueled by the rapid adoption of artificial intelligence (AI)

2) The office equipment segment is well positioned for long-term growth, supported by government policies that promote digital transformation and the expansion of Vietnam's high-tech industry.

3) Home appliances are expected to become a new long-term growth pillar, underpinned by favorable demographic trends, accelerating urbanization, and the increasing prevalence of smaller household sizes

Valuation

We apply a Discounted Cash Flow (DCF) valuation method to value DGW

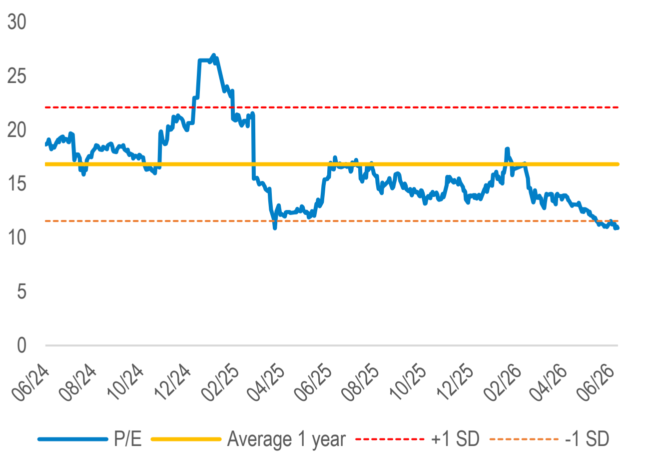
DCF valuation

Unit: billion VND	2026F	2027F	2028F	2029F	2030F
Net profit	746	894	1,018	1,418	1,732
Plus: After-tax interest expense	128	148	165	182	201
Plus: Depreciation & Amortization	10	10	11	12	12
Minus: Change in working capital	667	526	491	555	644
Minus: CapEx	7	8	8	9	10
Free Cash Flow (FCF)	210	518	695	1,048	1,291
PV of FCF	2,538				
Growth rate	2%				
Present value of long-term value	7,964				
Enterprise value	**10,503**				
Debt	2,899				
Cash and cash equivalents	2,439				
Equity value	**10,043**				
Number of shares outstanding (mn units)	221.16				
Target price (VND)	**45,300**				

WACC	**11.4%**
Risk-free rate	4.5%
Equity risk premium	8.46%
Beta	1.0
Debt cost	6.0%
The cost of equity	14.0%
Debt-to-equity ratio	43.7%
Total debt (VND bn)	2,899

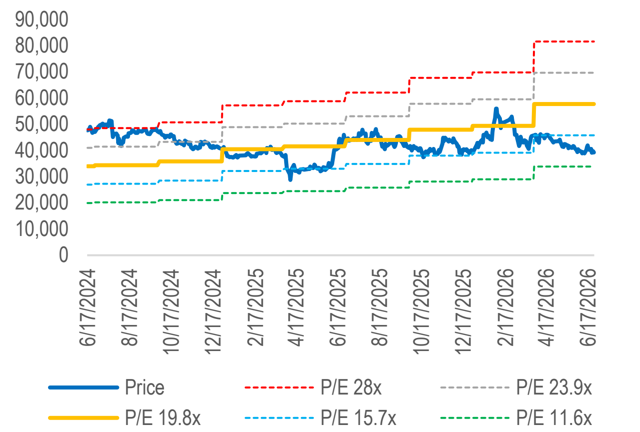
Source: Company data, Shinhan Securities Company

PER of DGW



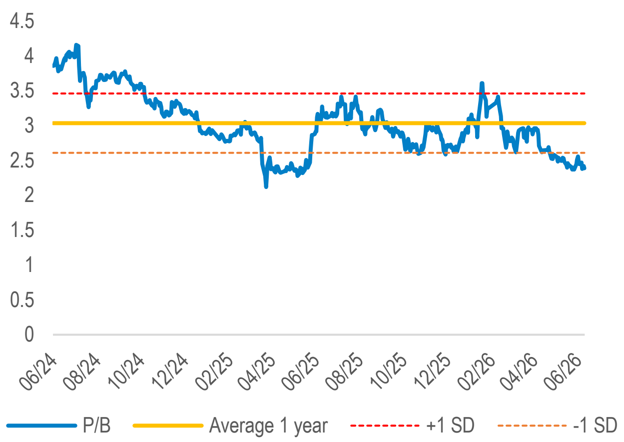
Source: FiinPro, Shinhan Securities Vietnam

PER band price chart of DGW



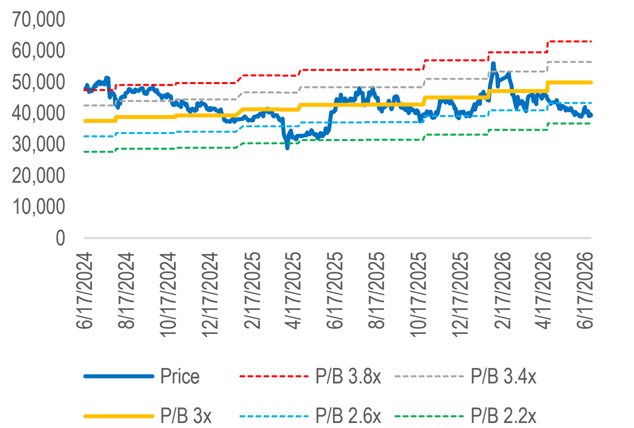
Source: Bloomberg, Shinhan Securities Vietnam

PBR of DGW



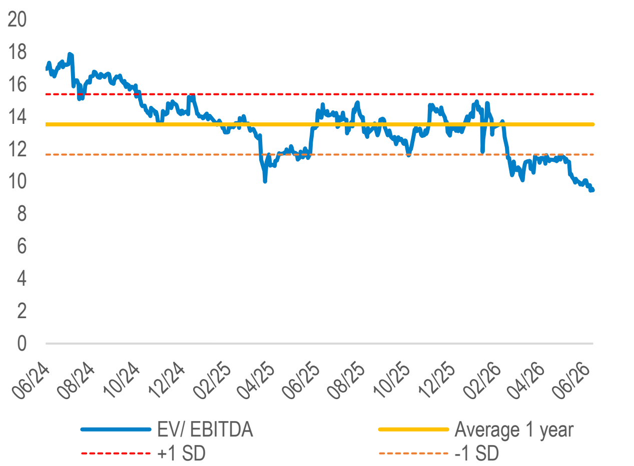
Source: Bloomberg, Shinhan Securities Vietnam

PBR band price chart of DGW



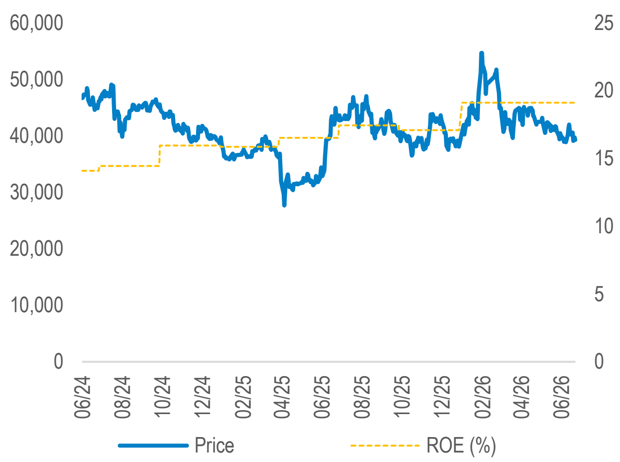
Source: Bloomberg, Shinhan Securities Vietnam

EV/EBITDA of DGW



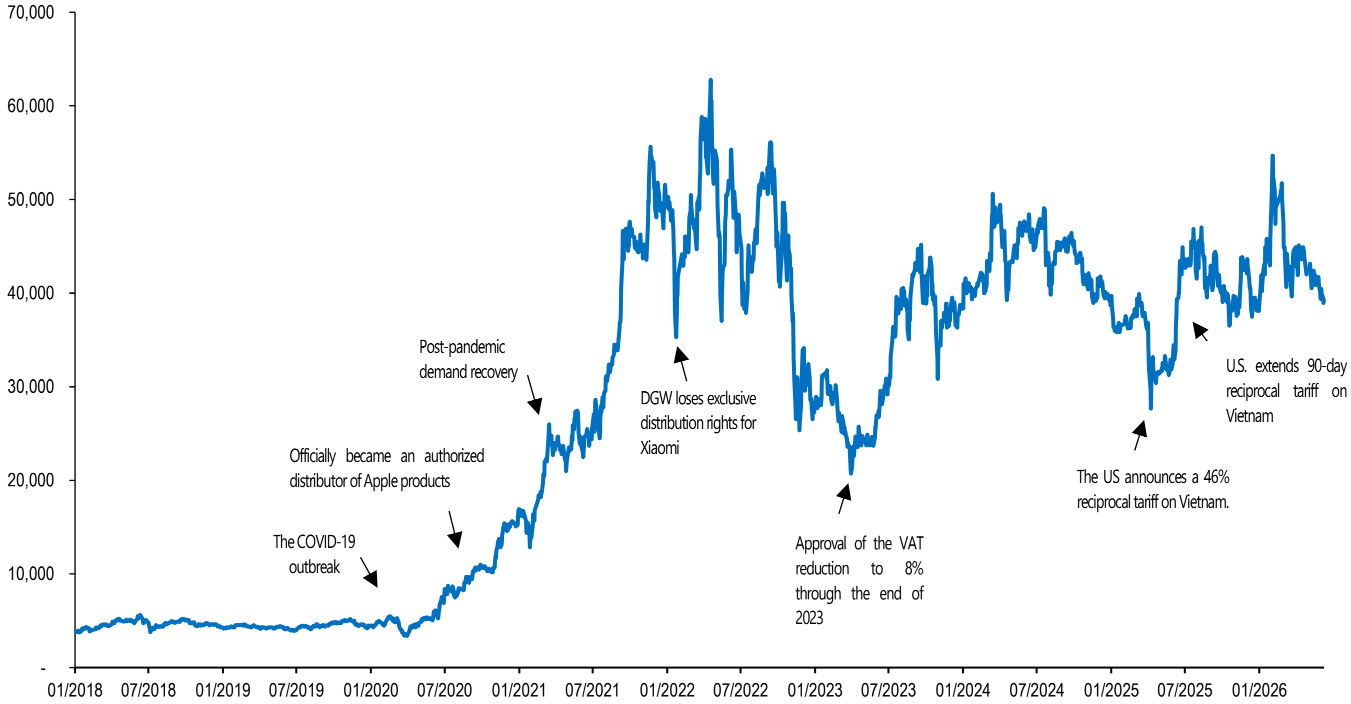
Source: Bloomberg, Shinhan Securities Vietnam

Correlation between stock price and ROE



Source: Bloomberg, Shinhan Securities Vietnam

Key events chart of DGW



Source: Company data, Shinhan Securities Vietnam

Risks

Weak consumer demand risk

DGW's business is primarily focused on the distribution of ICT products, consumer electronics, office equipment, and healthcare devices—segments that are highly sensitive to economic cycles. During periods of slower economic growth and declining disposable income, consumers tend to postpone purchases of discretionary products such as smartphones, laptops, and electronic devices, directly weighing on market demand and the Company's sales performance.

Semiconductor supply shortage risk

The rapid expansion of AI-related demand, combined with escalating geopolitical tensions, has increased pressure on the global semiconductor supply chain, driving up component costs for technology hardware manufacturers. Although robust end-market demand may continue to support revenue growth, higher input costs could compress profit margins, as the Company may face difficulties in fully passing increased procurement costs on to customers.

Foreign exchange risk

Uncertainty surrounding global trade policies and a stronger US dollar could put further upward pressure on the Vietnamese dong exchange rate. As DGW distributes primarily imported technology products, a weaker VND would increase procurement costs and retail prices, potentially dampening consumer demand in an already price-sensitive market.

Loss of exclusive distribution rights

DGW remains exposed to customer concentration risk due to its reliance on distribution agreements with major global brands such as Apple, Dell, and Xiaomi. A notable example was the termination of its exclusive distribution rights for Xiaomi in January 2022, which significantly affected the growth of this business segment. Consequently, any unfavorable changes to commercial terms or the loss of strategic distribution partnerships with key brands could materially impact the Company's revenue, profitability, and long-term growth prospects.

Appendix: Financial statements

Statement of financial position

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Total assets	7,459	8,499	11,259	13,464	15,509
Current assets	6,802	7,772	10,704	12,658	14,409
Cash & equivalents	1,450	1,407	1,742	2,147	2,681
Short-term financial asset	0	2	697	697	697
Accounts receivable	2,167	2,634	3,517	4,216	4,767
Inventories	3,016	3,501	4,436	5,286	5,951
Non-current assets	657	728	555	552	550
Net fixed assets	131	172	127	124	122
Long-term incomplete assets	15	2	0	0	0
Other long-term assets	511	554	428	428	428
Total liabilities	4,832	5,487	7,787	9,225	10,350
Current liabilities	4,816	4,816	5,485	7,782	9,220
Accounts payable	1,530	2,303	3,524	4,200	4,728
Short-term borrowings	2,321	2,487	2,899	3,455	3,889
Others	965	696	1,359	1,566	1,728
Non-current liabilities	16	3	5	5	5
Long-term borrowings	6	0	0	0	0
Other financial liabilities	11	3	5	5	5
Total shareholders' equity	2,627	3,012	3,472	4,239	5,158
Capital stock	1,672	2,193	2,213	2,213	2,213
Capital surplus	61	61	61	61	61
Other capital	-6	-6	-6	-6	-6
Retained earnings	867	725	1,163	1,920	2,827
Non-controlling interest equity	32	38	40	51	63
*Total debt	2,327	2,487	2,899	3,455	3,889
*Net debt (cash)	877	1,078	460	610	511

Statement of cash flow

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Cash flow from operations	493	-108	-42	77	327
Net profit	354	444	547	746	894
D&A expense	9	42	55	10	10
(Gain) from investing activities					
Change in working capital	-1,903	226	-559	-667	-526
Others	2,033	-820	-86	-12	-52
Cash flow from investments	-62	-37	-14	-7	-8
Change in fixed assets	-30	-42	0	-7	-8
Change in investment assets	0	3	3	0	0
Others	-32	2	-17	0	0
Cash flow from financing	191	101	392	334	216
Change in equity	40	25	20	10	12
Net borrowing	319	160	481	555	435
Dividends	-167	-84	-110	-231	-231
Change in total cash	623	-44	335	405	534
Beginning cash	828	1,450	1,407	1,742	2,147
Change in FX rates					
Ending cash	1,450	1,407	1,742	2,147	2,681

Source: Company data, Shinhan Securities Vietnam

Statement of comprehensive income

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Revenue	18,817	22,079	26,632	31,927	36,102
Growth (%)		17.3%	20.6%	19.9%	13.1%
COGS	17,258	20,023	24,321	28,979	32,628
Gross profit	1,559	2,055	2,311	2,948	3,475
GPM (%)	8.3%	9.3%	8.7%	9.2%	9.6%
SG&A	1,142	1,529	1,593	1,979	2,347
Operating profit	469	556	668	918	1,105
Growth (%)		18.6%	20.0%	37.5%	20.3%
OPM (%)	2.5%	2.5%	2.5%	2.9%	3.1%
Non-operating profit	55	29	-53	-53	-27
Financial income	195	192	264	285	336
Financial expense	139	163	317	338	363
In which: interest expenses	122	96	138	159	184
Net other non-operating profit	1	12	21	21	21
Pre-tax profit	471	569	689	940	1,126
Income tax	108	120	134	183	219
Net profit	363	449	555	757	907
Growth (%)		23.7%	23.7%	36.4%	19.8%
NPM (%)	1.9%	2.0%	2.1%	2.4%	2.5%
Controlling interest	354	444	547	746	894
Non-controlling interest	8	5	8	10	12
EBIT	417	527	718	968	1,128
Growth (%)		26.2%	36.4%	34.8%	16.5%
EBIT Margin (%)	2.2%	2.4%	2.7%	3.0%	3.1%
EBITDA	459	582	769	978	1,138
Growth (%)		26.6%	32.2%	27.2%	16.4%
EBITDA margin (%)	2.4%	2.6%	2.9%	3.1%	3.2%

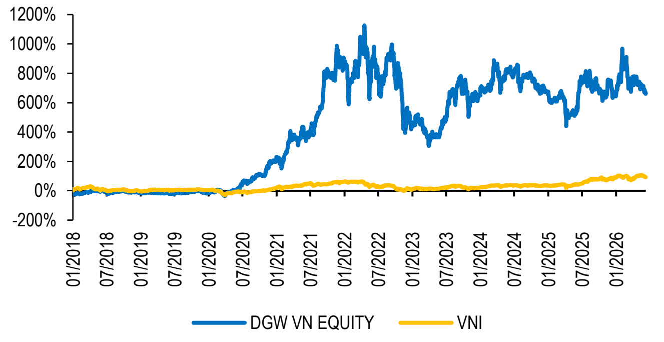
Key ratios

Year to Dec.	2023	2024	2025	2026F	2027F
EPS (VND)	2,071	1,983	2,428	3,327	3,996
BPS (VND)	15,514	13,560	15,507	18,926	23,023
DPS (VND)	1,000	500	500	1,000	1,000
PER (x)	21.3	22.2	18.2	13.2	11.0
PBR (x)	2.8	3.3	2.8	2.3	1.9
EV/EBITDA (x)	15.3	12.1	9.1	7.2	6.2
Dividend payout ratio (%)	47%	25%	20%	30%	25%
Dividend yield (%)	0.3%	0.1%	0.1%	0.3%	0.3%
Profitability					
EBITDA margin (%)	2.4%	2.6%	2.9%	3.1%	3.2%
OPM (%)	2.5%	2.5%	2.5%	2.9%	3.1%
NPM (%)	1.9%	2.0%	2.1%	2.4%	2.5%
ROA (%)	4.9%	5.3%	4.9%	5.6%	5.8%
ROE (%)	13.8%	14.9%	16.0%	17.8%	17.6%
Stability					
Debt to equity ratio (%)	88.6%	82.6%	83.5%	81.5%	75.4%
Cash ratio (%)	30.1%	25.6%	22.4%	23.3%	25.9%
Interest coverage ratio (x)	3.4	5.5	5.2	6.1	6.1
Activity (%)					
Working capital turnover (days)	73	65	62	62	62
Inventory turnover (days)	64	64	67	67	67
Receivable turnover (days)	42	44	48	48	48

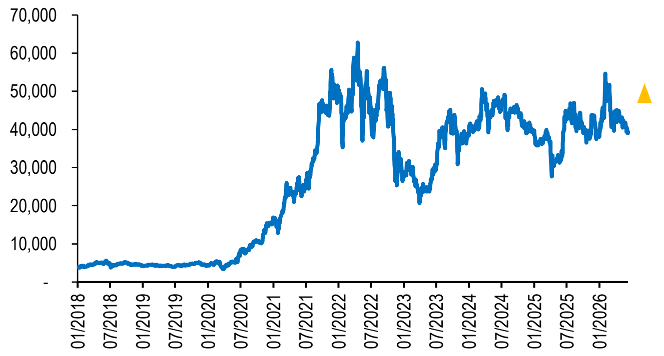
Source: Company data, Shinhan Securities Vietnam

Digiworld Corporation (DGW VN)

Stock return moment



Target price



Date	Rating	Target price (VND)	Target price gap (%) Average	Max/ Min
08/03/2026 (Initiation report)	BUY	45,300	3.0	-17.1/36.4

Note: Calculation of target price gap based on the past 12 months

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Stock	Sector
BUY: Expected 12-month gain of 15% or more **HOLD:** Expected 12-month loss of 15% to gain of 15% **SELL:** Expected 12-month loss of 15% or more	**OVERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated BUY **NEUTRAL:** Based on market cap, largest share of sector stocks under coverage is rated HOLD **UNDERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated SELL

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