

Vietnam Dairy Products JSC

[Vietnam / Food and Beverages]

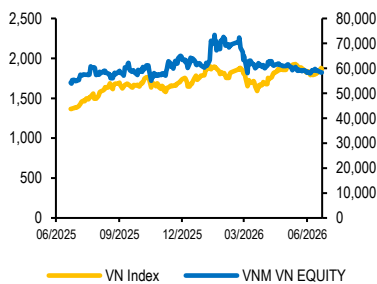
Bloomberg Ticker (VNM VN) | Reuters Ticker (VNM.HM)

BUY

Update Report

Target price (12 months) **73,700 VND**
Current price (25/06/2026) **58,300 VND**
Upside/downside **26%**

VNINDEX	1,863		
Market P/E	13.4		
Market Cap (bn VND)	122,053		
Outstanding shares (mn)	2,090		
Free-Floating (mn)	799		
52-Wk High/Low (VND)	75,500/55,000		
90-day avg. trading volume (mn)	4.52		
90-day avg. turnover (bn VND)	200		
Foreign ownership (%)	48.75%		
Major Shareholders (%)	State Capital Investment Corporation (SCIC)	36.0	
	F&N Group	24.99	
Performance	3M	6M	12M
Absolute (%)	-6.0	-4.7	2.8
Relative to VN-Index (%)	-18.5	-11.8	-33.7



Source: Bloomberg

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Impressive year on year growth

Update BUY rating, target price at 73,700 VND

Vietnam Dairy Products JSC (Vinamilk, HOSE: VNM) is the leading dairy company in Vietnam, boasting the largest distribution network and dairy herd in the country. Besides leading market shares across most segments, VNM also possesses a healthy asset structure, and consistent dividend payment policy. It recently announced Q1/2026 business results, showing a significant year-on-year increase in revenue, thanks to contributions from both domestic and international markets. Based on the FCF and P/E methods, we update our valuation and recommend BUY rating with a target price of VND 73,700, representing an expected return of 26%. We believe the current P/E ratio around 13x is quite attractive for buying a stock with a consistent dividend payment policy like VNM, with an expected dividend yield of 7.4% based on the current price.

Q1/2026 business results update

In Q1/2026, VNM recorded consolidated net revenue of VND 16,149 billion (-5.2% QoQ, +24.8% YoY), with both domestic and international markets contributing to the growth. Specifically, revenue from the domestic market reached VND 12,080 billion (-12.8% QoQ, +20.7% YoY), accounting for 75% of total revenue and showing strong YoY growth thanks to: (1) a low base in Q1/2025 due to distribution system restructuring causing disruptions to sales, and (2) a more efficient product portfolio structure that boosted revenue growth. Revenue from the international market reached VND 4,069 billion (+27.6% QoQ, +39.2% YoY) and continued to set new record highs.

Net profit reached VND 2,458 billion (-13.1% QoQ, +54.9% YoY) in Q1/2026 thanks to a YoY decrease in the SG&A expense margin (reaching 25.9%, equivalent to a decrease of 1.9 percentage points), however, it was higher than the previous quarter, reflecting the increase in promotional and advertising expenses as this year marks Vinamilk's 50th anniversary. However, we also note that, according to the management's perspective, the goal remains to keep the full-year SG&A expense margin no higher than the previous year.

Forecast for 2026F

For 2026, we project net revenue to reach VND 67,920 billion (+6.7% YoY), corresponding to revenue growth rates of 4.8% in the domestic market and 14.5% in the overseas market, respectively. The full-year profit margin is expected to remain at 41.2%, and net profit after tax is projected to grow by 6.2% YoY, reaching VND 9,996 billion.

Risks

(1) Risk of dependence on imported raw materials; (2) Falling birth rate and restrictions on advertising for children under 2 years old; (3) Competition risk; (4) Weaker-than-expected consumption.

Year	2023	2024	2025	2026F	2027F
Revenue (bn VND)	60,369	61,783	63,646	67,920	70,858
Operating profit (bn VND)	9,771	10,405	10,664	11,274	11,896
Net profit (bn VND)	9,019	9,453	9,414	9,996	10,491
EPS (VND)	3,796	4,022	4,028	4,285	4,491
BPS (VND)	15,166	15,444	14,682	14,615	14,754
OPM (%)	16.2	16.8	16.8	16.6	16.8
NPM (%)	14.9	15.3	14.8	14.7	14.8
ROE (%)	26.6	26.6	26.6	29.0	30.4
PER (x)	17.8	15.8	15.2	17.2	16.4
PBR (x)	4.5	4.1	4.2	3.2	5.0

Source: Company data, Shinhan Securities Vietnam

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Update on Q1/2026 results

(Bil VND)	Q1/2026	Q1/2025	Change (YoY)	FY2026	Change (YoY)
Net revenue	16,149	12,935	24.8%	67,920	6.7%
Domestic	12,080	10,011	20.7%	53,399	4.8%
Foreign	4,069	2,924	39.2%	14,521	14.5%
Gross profit	6,896	5,210	32.4%	27,983	6.8%
Domestic	5,191	3,954	31.3%	22,000	4.7%
Foreign	1,705	1,256	35.7%	5,983	15.1%
Financial profit (net)	232	325	-28.6%	1,159	1.0%
SG&A cost	4,184	3,601	16.2%	16,709	7.5%
Net profit	2,458	1,587	54.9%	9,996	6.2%
Margin					
Gross profit margin	42.7%	40.3%	2.4 pps	41.2%	0 pps
Domestic	43.0%	39.5%	3.5 pps	41.2%	0 pps
Foreign	41.9%	43.0%	-1.1 pps	41.2%	0.2 pps
SG&A margin	25.9%	27.8%	-1.9 pps	24.6%	0.2 pps
Net profit margin	15.2%	12.3%	2.9 pps	14.7%	-0.1 pps

Revenue in Q1/2026 recorded strong YoY growth, with foreign revenue reaching a new peak

In Q1/2026, VNM recorded consolidated net revenue of VND 16,149 billion (-5.2% QoQ, +24.8% YoY), with both domestic and foreign markets contributing significantly to the growth.

Revenue from the domestic market reached VND 12,080 billion (-12.8% QoQ, +20.7% YoY), accounting for 75% of total revenue and showing strong YoY growth thanks to: (1) a low base in Q1/2025 due to distribution system restructuring causing disruptions to sales, and (2) a more efficient product portfolio structure that helped drive revenue growth.

Revenue from international markets reached VND 4,069 billion (+27.6% QoQ, +39.2% YoY), accounting for 25% of total revenue and continuing to set new records.

- Export revenue (accounting for 15-18% of total revenue) continued to drive growth, with the key market being the Middle East (accounting for approximately 7% of VNM's total revenue), recording double-digit growth despite political instability. In addition, other potential markets such as China also showed positive signs thanks to key product lines such as condensed milk and yogurt.
- Subsidiaries and associated companies recorded mixed results: Angkor Milk achieved nearly three times the revenue and 2.5 times the profit compared to the same period last year; Driftwood's revenue decreased by 5% year-on-year due to price adjustments made to customers as raw milk prices fell, but sales volume remained stable. However, net profit after tax increased by nearly 25%.

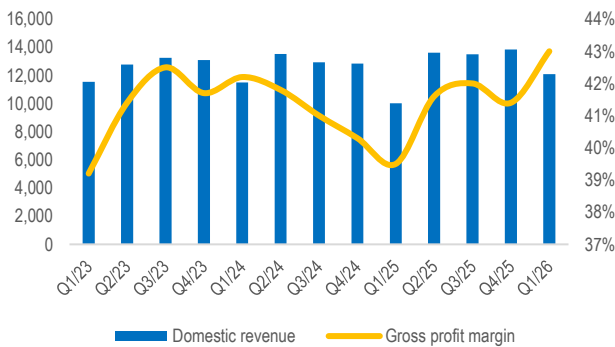
Gross profit margin improved due to low-cost raw material inventory

The gross profit margin expanded in Q1/2026, reaching 42.7% (+2.4 percentage points YoY) thanks to lower raw material costs accumulated from previous procurement, which was consistent with our previous forecast. However, recent conflicts in the Middle East have caused prices of various commodities, including milk powder, to surge. Although the situation has cooled down as hostilities have eased, prices of skimmed milk powder (SMP), whole milk powder (WMP), and butterfat (AMF) are still rising by 39%, 11%, and 18% YTD, respectively. Because VNM has a policy of purchasing raw materials 3-6 months in advance, we believe that the gross profit margin from Q3 onwards may be less favorable than the results achieved in the first quarter.

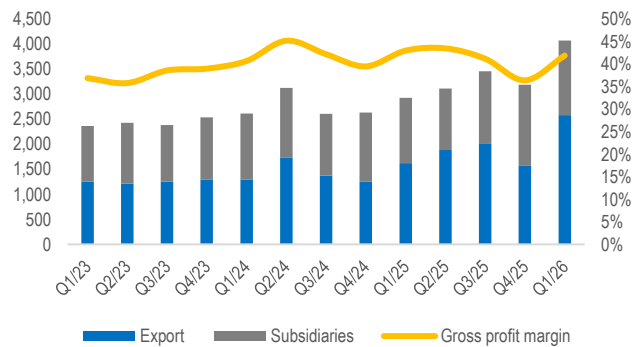
Net profit increased sharply on a YoY basis

Net profit reached VND 2,458 billion (-13.1% QoQ, +54.9% YoY) in Q1/2026 thanks to a decrease in SG&A expense margin compared to the same period last year (reaching 25.9%, equivalent to a decrease of 1.9 percentage points), however, it was higher than the previous quarter, reflecting the increase in promotional and advertising expenses as this year marks Vinamilk's 50th anniversary. However, we also note that according to the management's perspective, the goal remains to keep the full-year SG&A expense margin no higher than the previous year.

Domestic revenue grew strongly YoY (Bil VND)



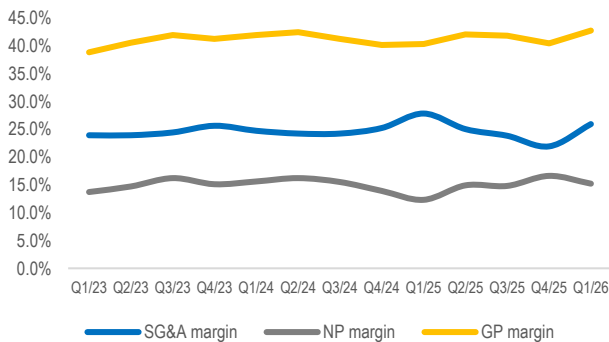
Revenue from foreign market reaching new high (Bil VND)



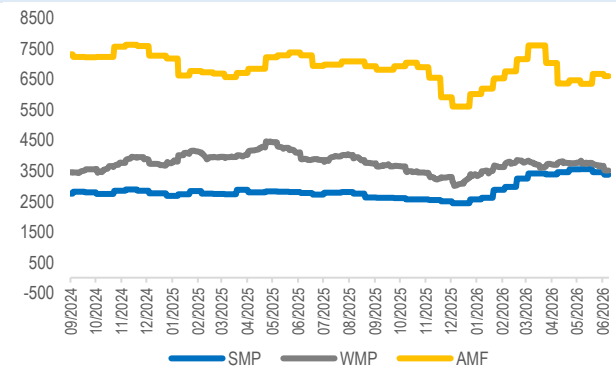
Source: Company data, Shinhan Securities Vietnam

Source: Company data, Shinhan Securities Vietnam

Profit margin improved due to better expense control



Imported milk powder prices are on the rise (USD/ton)



Source: Company data, Shinhan Securities Vietnam

Source: Bloomberg, Shinhan Securities Vietnam

For 2026, we project net revenue to reach VND 67,920 billion (+6.7% YoY), corresponding to revenue growth rates of 4.8% in the domestic market and 14.5% in the foreign market, respectively. The full-year profit margin is expected to remain at 41.2%, with net profit after tax projected to grow by 6.2% YoY, reaching VND 9,996 billion. VNM's export revenue growth in Q2 may slow down compared to Q1 due to the impact of macroeconomic conflicts leading to increased transportation costs and supply chain disruptions.

Valuation and Recommendation

We used a combination of DCF and P/E valuation methods to value VNM with a 50% weighting for each method. Although we increased our earnings forecast, the fair value of the stock decreased compared to the previous report due to: (1) an increase in the WACC ratio as we updated the risk-free interest rate and equity premium and (2) a decrease in the target P/E due to a decrease in the average P/E of the companies we used as benchmarks.

Weighted Average Cost of Capital (WACC)	
WACC (%)	9.70
Risk-free rate (%)	4.4
Equity risk premium (%)	9.16
Beta	0.65
Debt cost (%)	3.4
The cost of equity(%)	10.4
Debt-to-equity ratio	0.08
Total debt (Billion VND)	10,365

Source: Company data, Shinhan Securities Vietnam

FCF valuation					
Unit: billion VND	2026F	2027F	2028F	2029F	2030F
Net profit	9,996	10,491	11,036	11,609	12,222
Plus: After-tax interest expense	273	286	300	314	330
Plus: Depreciation & Amortization	2,211	2,321	2,428	2,380	2,403
Minus: Change in working capital	49	(207)	625	175	236
Minus: CapEx	1,637	1,857	1,787	1,887	1,890
Free Cash Flow (FCFF)	10,794	11,448	11,352	12,241	12,829
Discount rate	0.95	0.87	0.79	0.72	0.72
PV of FCFF	47,233				
Long-term growth rate	0%				
Present value of long-term value	95,226				
Enterprise value	142,459				
(Plus) Cash and equivalents	10,365				
(Subtract) Debt	25,080				
(Subtract) Minority interest	3,822				
Number of shares outstanding (billion units)	2.09				
Target price (VND)	73,300				

Source: Company data, Shinhan Securities Vietnam

For the P/E method, the P/E value we use for valuation is the average P/E value of companies in the industry and the average historical P/E of the company over the last 5 years (with a weight of 50% for each value). With a target P/E of 17.3x, the target price according to this method is VND 74,100.

Company name	Ticker	Market cap (bil VND)	Revenue growth (%)	EPS growth (%)	P/E	ROE (%)
FRASER & NEAVE HOLDINGS BHD	FNH MK Equity	65,700	-0.93	-5.13	25.3	2.31
CISARUA MOUNTAIN DAIRY PT TB	CMRY IJ Equity	50,319	18.82	33.23	16.1	4.66
NEW HOPE DAIRY CO LTD-A	002946 CH Equity	50,327	5.33	27.59	16.4	2.99
ULTRAJAYA MILK IND & TRADING	ULTJ IJ Equity	20,982	-1.20	18.25	9.5	9.52
Peer's average					16.8	
VNM's 5Y P/E					17.8	
Target P/E					17.3	
EPS 2026F					4,285	
Target price					74,100	

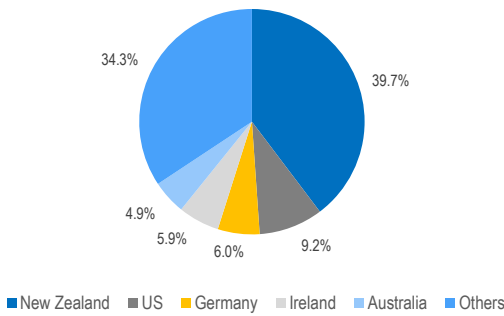
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Risks

Risk of dependence on imported raw materials

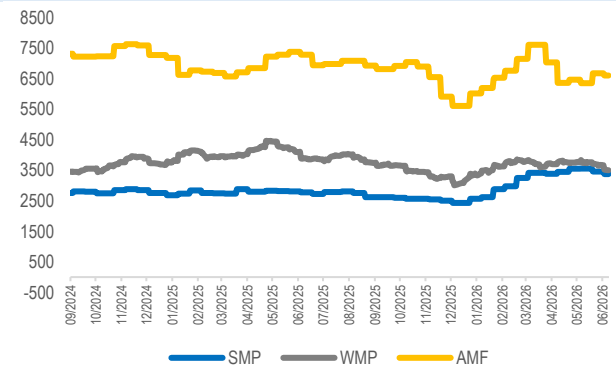
Due to many limitations in herd size and climate, domestic milk supply is not enough to meet domestic demand. Dairy producers in Vietnam still have to import additional raw materials such as milk powder and cream from abroad, causing profit margins to be affected by fluctuations in the prices of these raw materials on the world market. In addition, Vietnam also imports many types of foreign milk to meet the diverse needs of consumers. The main import markets are New Zealand, Australia, Ireland and the US. Of which, New Zealand is the largest import market with a proportion of 39.7% in Q1/2026.

Import markets of Milk and dairy products in Q1/2026



Source: GSO, Shinhan Securities Vietnam

Imported materials prices (USD/ton)



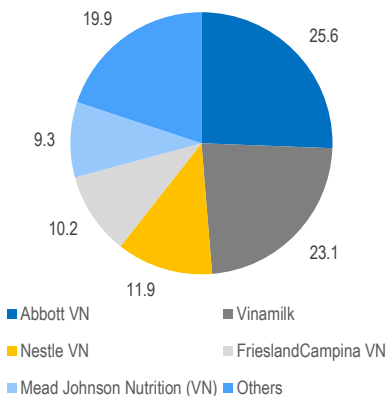
Source: Bloomberg, Shinhan Securities Vietnam

Falling birth rate and restrictions on advertising to children under 2 years old

The level of competition in the infant formula market among businesses is quite intense, especially when (1) the birth rate in Vietnam decreases from 2.12 children/woman (2020) to 1.93 children/woman (2025), causing a slowdown in infant formula consumption, and (2) the trend of spending on premium products for children increases, while foreign milk companies have a brand advantage. It can be seen that foreign milk companies are holding a higher market share than domestic milk companies like Vinamilk.

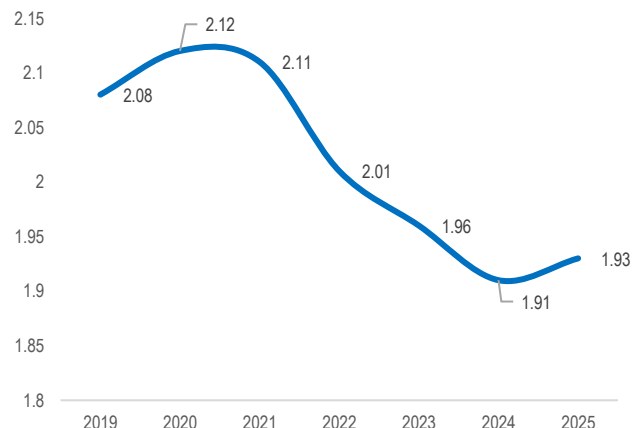
Furthermore, the 2018 Advertising Law prohibits advertising of breast milk substitutes for children under 24 months old and nutritional supplements for children under 6 months old. This contributes to limiting the access of domestic milk companies in the infant formula market.

Fragmented infant formula market share (2025)



Source: Euromonitor, Shinhan Securities Vietnam

Birth rate (children/woman) decreased over the years



Source: GSO, Shinhan Securities Vietnam

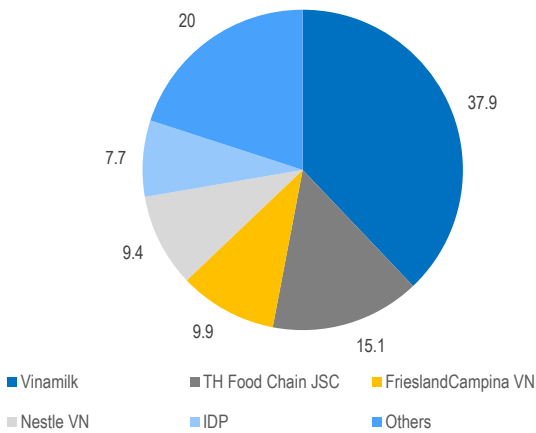
Company background

1. History of development

Vinamilk Joint Stock Company (Vinamilk, HOSE: VNM) was established in 1976, taking over three milk factories from the previous period. By 1998, VNM successfully exported 300 tons of powdered milk and 2,000 tons of whole milk powder to Iraq, paving the way for exports to the Middle East and many other countries worldwide. After three years of equitization, VNM officially listed on the stock exchange in 2006 and gradually became the largest dairy company on the HOSE.

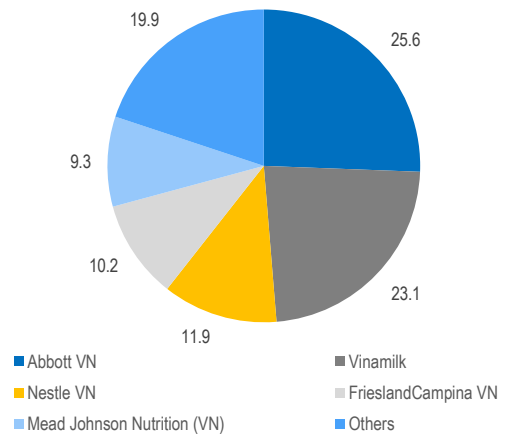
The brand's success is reinforced by the company's continuous innovation. Vinamilk constantly launches and improves products from mainstream to premium. Of these, four product categories (liquid milk, infant formula, yogurt, and condensed milk) account for over 90% of Vietnamese dairy consumption. In terms of product categories, Vinamilk holds the leading market share in liquid milk, yogurt, and condensed milk, and ranks second in infant formula (after Abbott).

Drinking milk's market share in 2025 (%)



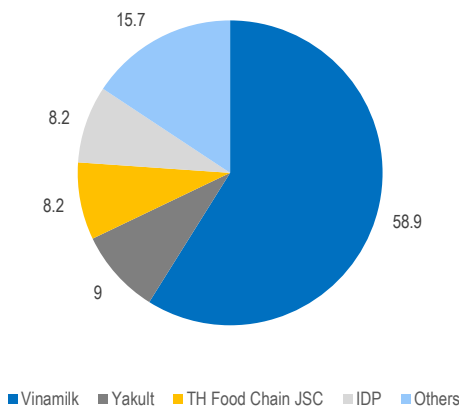
Source: Euromonitor, Shinhan Securities Vietnam

Baby food's market share in 2025 (%)



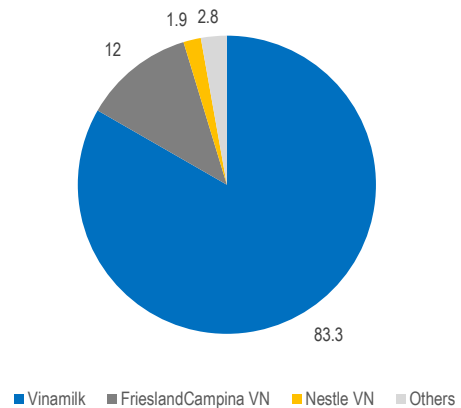
Source: Euromonitor, Shinhan Securities Vietnam

Yoghurt and sour milk's market share in 2024 (%)



Source: Euromonitor, Shinhan Securities Vietnam

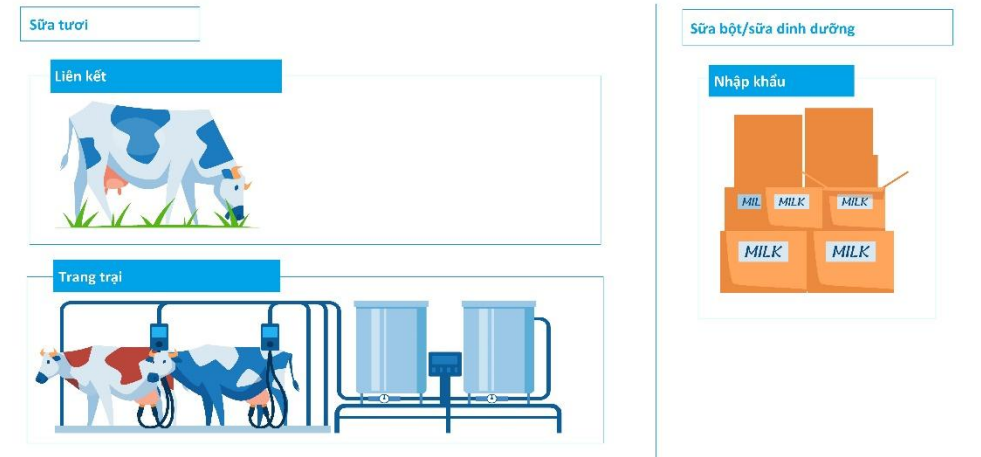
Condensed milk's market share in 2025 (%)



Source: Euromonitor, Shinhan Securities Vietnam

2. Farms and raw materials

VNM's raw materials primarily consist of imported fresh milk and powdered milk



Source: VNM – Company presentation (2023), Shinhan Securities Vietnam

To produce fresh milk products, the company collects fresh milk from 15 of its own farms and approximately 4,000 affiliated farmers. VNM currently operates the largest dairy herd in the country with about 130,000 cows, and is self-sufficient in about 50% of its raw fresh milk input.

Vinamilk operates the largest dairy herd in the country (31/12/2025)

Farms	Herd (cows)	% cows	Milk production (ton/year)	Productivity (kg/cows/year)
VNM and MCM directly manage (15 farms)	39,500	30%	410,000	3,154
Linked with farmers	90,500	70%		
Beef cattle herd	5,300		N/A	N/A

Source: Annual report (2025), Shinhan Securities Vietnam

Overall, the milk cow productivity of Vinamilk's high-yield farms is nearly double that of affiliated farmers and the national average. High productivity at Vinamilk's farms is mainly due to (1) increased imports of dairy cows from countries with high milk yields such as New Zealand and (2) dairy cows being cared for under a special regimen using advanced technology and animal welfare factors.

On the other hand, domestic milk production currently only meets 40-50% of domestic milk demand. Therefore, to meet domestic milk demand and **produce milk powder and nutritional milk products**, VNM imports additional raw materials including whole milk powder (WMP), skim milk powder (SMP) and fat powder from countries such as the US, Europe and New Zealand. This makes VNM's gross profit margin affected by the price of imported raw materials.

Ongoing key projects

Projects	Scale	Status (as of 2025)
Tay Ninh Dairy Factory	VND 388 bil	1.6 billion has been disbursed. The project has received investment approval and is expected to commence commercial production in Q4/2026.
Tay Ninh Farm Complex 2 and 3	VND 4,130 bil	Investment approval has been granted and VND 15 billion has been disbursed for Tay Ninh Farm 2; Tay Ninh Farm 3 is awaiting approval.
Hung Yen Dairy Factory	VND 2,083 bil	VND 63 billion has been disbursed and investment approval has been granted.
Farm at subsidiary Angkormilk	USD 12.34 mil	Government approval has been granted for the lease of 592 hectares of land; no disbursement yet.
Sweetened Condensed Milk Production Line at Mega	VND 418.5 bil	No disbursement yet. Expected to commence commercial production in Q4/2026.

Source: Annual Report (2025), Shinhan Securities Vietnam

3. Distribution system

Besides raw material sources, the distribution system also plays a crucial role in the market share battle. According to Euromonitor, over 98% of milk and dairy products are distributed through traditional retail channels such as grocery stores and supermarkets, and only about 2% are sold through e-commerce. Therefore, possessing a superior distribution system compared to competitors contributes to increasing the coverage of Vinamilk's products, thereby consolidating its market share.

Currently, VNM owns more than 200 exclusive distributors, approximately 800 Vinamilk & Moc Chau stores, and more than 190,000 traditional retail outlets such as grocery stores, markets, and small agents, combined with more than 6,000 modern retail outlets, providing a convenient shopping experience for consumers.

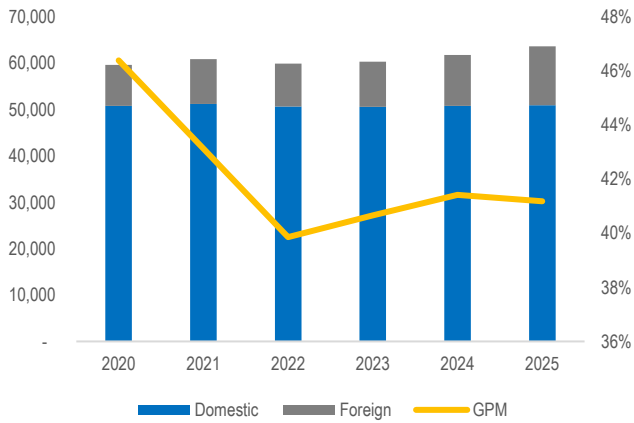
4. Revenue and operating costs

Vinamilk's revenue is projected to increase by approximately 7% during the 2020-2025 period, with about 80% contributed domestically and approximately 20% from overseas (exports and overseas subsidiaries including AngkorMilk and Driftwood). Export revenue primarily consists of orders for infant formula in the Middle East, condensed milk in China, and condensed milk, yogurt, and fresh milk products in Asian markets. Notably, the proportion of overseas revenue has continuously increased thanks to sustained double-digit growth.

The highest proportion of Vinamilk's operating cost structure is raw material costs (56%), followed by selling expenses (26%). Vinamilk typically secures raw material orders 3-6 months in advance; however, the peak raw material prices in 2022 caused a slight decrease in the company's gross margin.

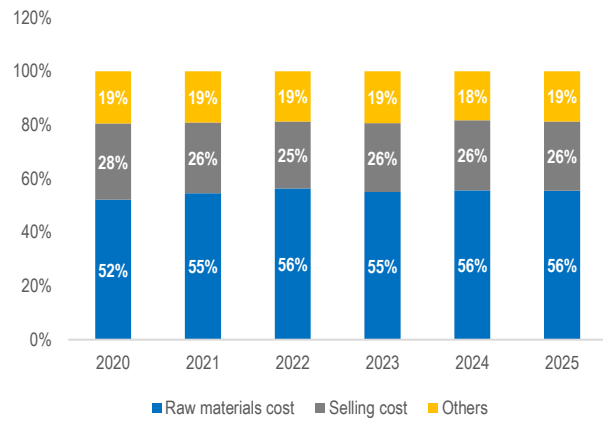
Selling expenses consistently account for a high proportion of operating costs. This reflects the level of competition in Vietnam's dairy industry, where businesses have to increase sales costs to enhance brand recognition and maintain market share.

Revenue (billion VND) and GPM (%) of Vinamilk



Source: Company data, Shinhan Securities Vietnam

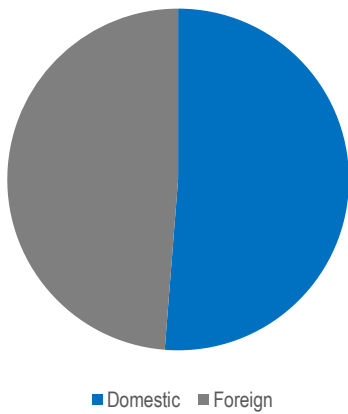
Operating costs of Vinamilk



Source: Company data, Shinhan Securities Vietnam

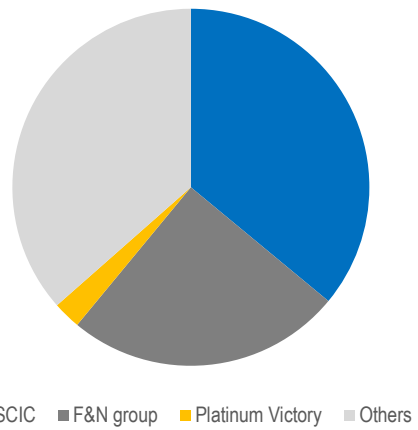
5. Ownership structure

Ownership structure at 25/06/2026



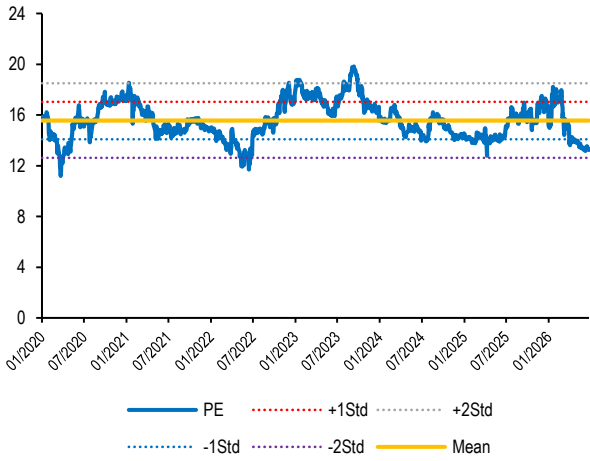
Source: Finpro, Shinhan Securities Vietnam

Ownership ratio by company at 25/06/2026



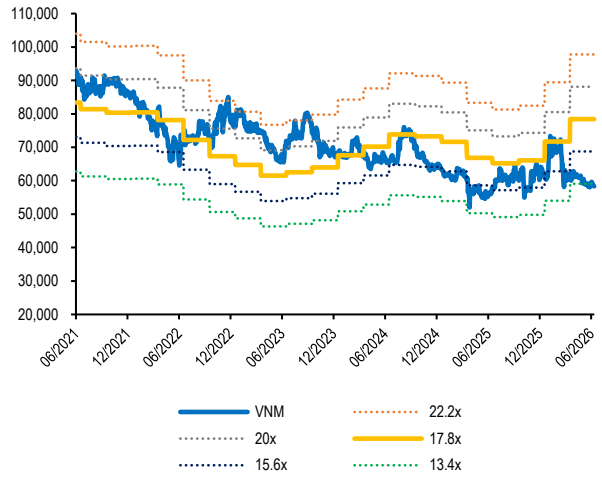
Source: Finpro, Shinhan Securities Vietnam

P/E



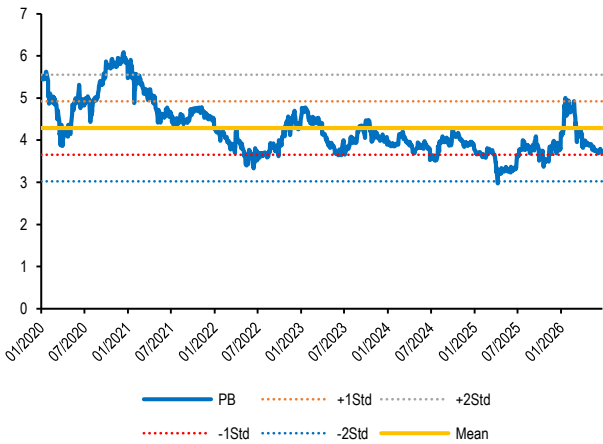
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PE Band



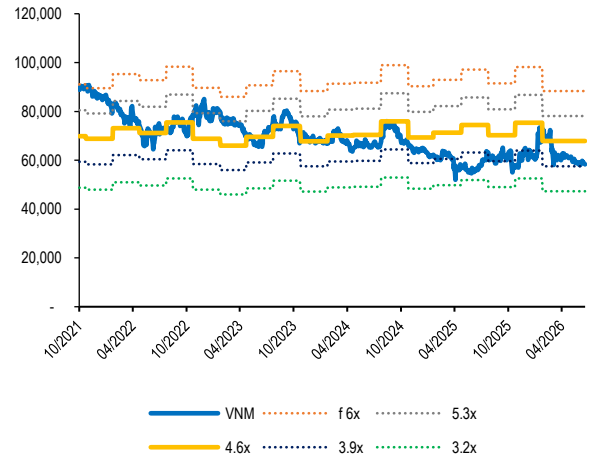
Source: Bloomberg, Company data, Shinhan Securities Vietnam

P/B



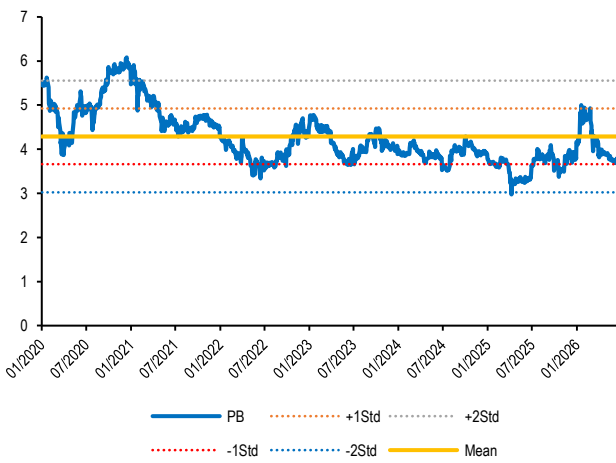
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PB Band



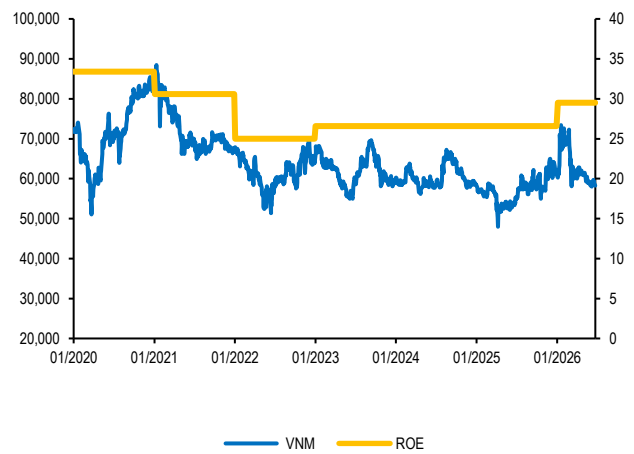
Source: Bloomberg, Company data, Shinhan Securities Vietnam

EV/EBITDA



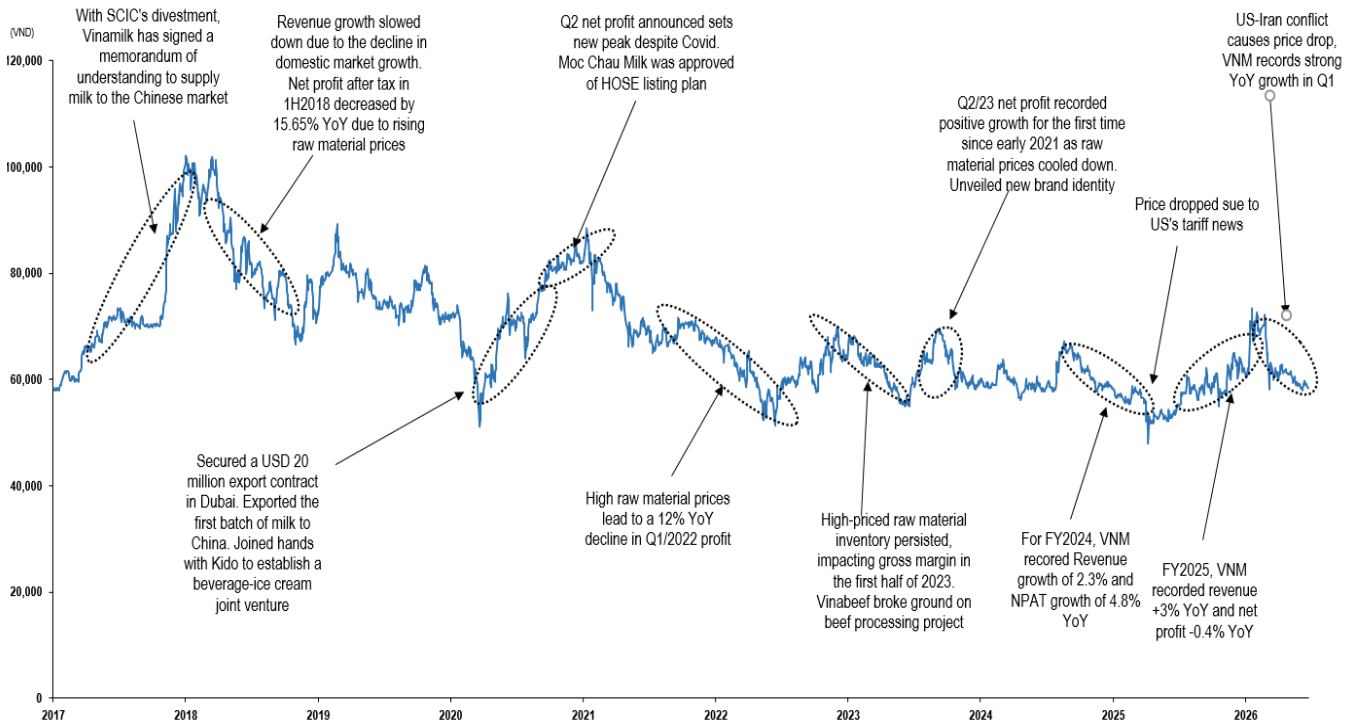
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Price and ROE



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Key events chart of VNM



Source: Company data, Shinhan Securities Vietnam

Appendix: Financial Statements

Statement of financial position

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Total assets	52,673	55,049	53,312	54,830	56,066
Current assets	35,936	37,554	36,261	38,352	40,052
Cash & equivalents	2,912	2,226	1,795	3,770	4,460
Short-term financial asset	20,137	23,260	21,355	20,376	21,257
Accounts receivable	6,530	6,234	6,028	6,664	6,850
Inventories	6,773	5,538	6,128	5,687	6,839
Other short-term assets	-416	296	955	1,855	646
Non-current assets	16,737	17,495	17,051	16,478	16,014
Net fixed assets	12,690	12,551	12,649	12,708	12,411
Investment assets	937	1,540	1,321	1,121	1,160
Other long-term assets	4,047	4,944	4,402	3,770	3,603
Total liabilities	17,648	18,875	18,829	20,486	21,433
Current liabilities	17,139	18,460	18,520	20,200	21,160
Accounts payable	3,806	3,874	3,923	4,238	4,407
Short-term borrowings	8,218	9,115	9,394	9,866	10,347
Others	5,115	5,471	5,203	6,096	6,406
Non-current liabilities	509	415	309	286	273
Long-term borrowings	238	158	63	39	26
Other financial liabilities	271	257	246	247	247
Total shareholders' equity	35,026	36,174	34,483	34,344	34,633
Capital stock	20,900	20,900	20,900	20,900	20,900
Investment and development fund	34	34	34	34	34
Other capital	10,166	11,769	5,026	5,028	5,028
Retained earnings	3,926	3,471	8,523	8,382	8,671
Non-controlling interest equity	2,767	2,967	3,329	3,896	3,798
*Total debt	8,456	9,273	9,457	9,905	10,373
*Net debt (cash)	(14,593)	(16,213)	(13,693)	(14,241)	(15,344)

Statement of cash flow

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Cash flow from operations	7,887	9,686	8,668	9,851	10,564
Net profit	9,453	9,414	9,996	10,491	11,036
D&A expense	2,300	2,341	2,363	2,211	2,321
(Gain) from investing activities	(1,463)	(1,447)	(1,180)	(1,426)	(1,488)
Change in working capital	(1,701)	182	(1,968)	(49)	207
Others	(702)	(804)	(543)	(1,376)	(1,512)
Cash flow from investments	(2,988)	(3,739)	1,976	768	(1,250)
Change in fixed assets	(1,475)	(1,628)	(1,644)	(1,637)	(1,857)
Change in investment assets	(2,856)	(3,620)	2,232	979	(881)
Others	1,343	1,509	1,388	1,426	1,488
Cash flow from financing	(4,294)	(6,642)	(11,081)	(8,644)	(8,624)
Change in equity	347	722	7	-	-
Net borrowing	3,511	796	176	448	468
Dividends	(8,152)	(8,160)	(11,264)	(9,092)	(9,092)
Change in total cash	605	(695)	(437)	1,975	690
Beginning cash	2,300	2,912	2,226	1,795	3,770
Change in FX rates	7	9	6	-	-
Ending cash	2,912	2,226	1,795	3,770	4,460

Source: Company data, Shinhan Securities Vietnam

Statement of comprehensive income

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Revenue	60,369	61,783	63,646	67,920	70,858
Growth (%)	0.7	2.3	3.0	6.7	4.3
COGS	(35,824)	(36,192)	(37,436)	(39,937)	(41,672)
Gross profit	24,545	25,591	26,210	27,983	29,186
GPM (%)	40.7	41.4	41.2	41.2	41.2
SG&A	(14,774)	(15,186)	(15,546)	(16,709)	(17,290)
Operating profit	9,771	10,405	10,664	11,274	11,896
Growth (%)	0.2	6.5	2.5	5.7	5.5
OPM (%)	16.2	16.8	16.8	16.6	16.8
Non-operating profit	1,196	1,196	986	1,097	1,088
Financial income	1,716	1,586	1,497	1,587	1,632
Financial expense	(503)	(428)	(350)	(428)	(432)
In which: interest expenses	(354)	(279)	(326)	(337)	(353)
Net other non-operating profit	(17)	38	(161)	(62)	(112)
Pre-tax profit	10,968	11,600	11,650	12,371	12,984
Income tax	(1,949)	(2,147)	(2,236)	(2,375)	(2,493)
Net profit	9,019	9,453	9,414	9,996	10,491
Growth (%)	5.1	4.8	(0.4)	6.2	5.0
NPM (%)	14.9	15.3	14.8	14.7	14.8
Controlling interest	8,874	9,392	9,410	9,996	10,491
Non-controlling interest	145	61	4	0	0
EBIT	11,322	11,879	11,976	12,708	13,337
Growth (%)	6.2	4.9	0.8	6.1	4.9
EBIT Margin (%)	18.8	19.2	18.8	18.7	18.8
EBITDA	13,622	14,220	14,339	14,919	15,658
Growth (%)	4.8	4.4	0.8	4.0	5.0
EBITDA Margin	22.6	23.0	22.5	22.0	22.1

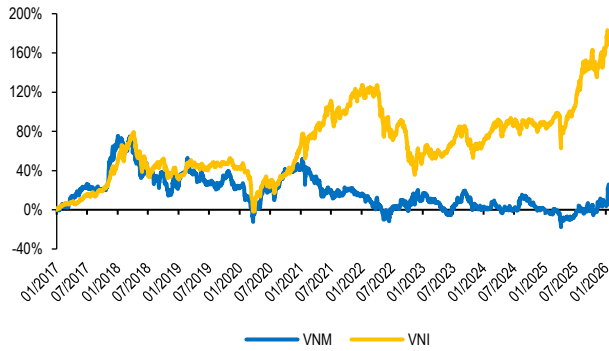
Key ratios

Year to Dec.	2023	2024	2025	2026F	2027F
EPS (VND)	3,796	4,022	4,028	4,285	4,491
BPS (VND)	15,166	15,444	14,682	14,615	14,754
PER (x)	17.8	15.8	15.2	17.2	16.4
PBR (x)	4.5	4.1	4.2	3.2	5.0
Dividend payout ratio (%)	90.7	96.8	96.6	91.0	86.7
Dividend yield (%)	6.1	6.1	7.5	7.4	7.4
Profitability					
EBITDA margin (%)	22.6	23.0	22.5	22.0	22.1
OPM (%)	16.2	16.8	16.8	16.6	16.8
NPM (%)	14.9	15.3	14.8	14.7	14.8
ROA (%)	17.8	17.6	17.4	18.5	18.9
ROE (%)	26.6	26.6	26.6	29.0	30.4
Stability					
Debt to equity ratio (%)	24.1	25.6	27.4	28.8	30.0
Net debt/ EBITDA (%)	(107.1)	(114.0)	(95.5)	(95.5)	(98.0)
Cash ratio (%)	134.5	138.1	125.0	119.5	121.5
Interest coverage ratio (x)	32.0	42.6	36.7	37.7	37.8
Activity (%)					
Payables turnover (days)	40.5	39.2	36.9	36.9	37.9
Inventory turnover (days)	59.7	60.0	61.5	65.2	64.2
Receivables turnover (days)	28.5	28.4	27.2	26.1	26.4

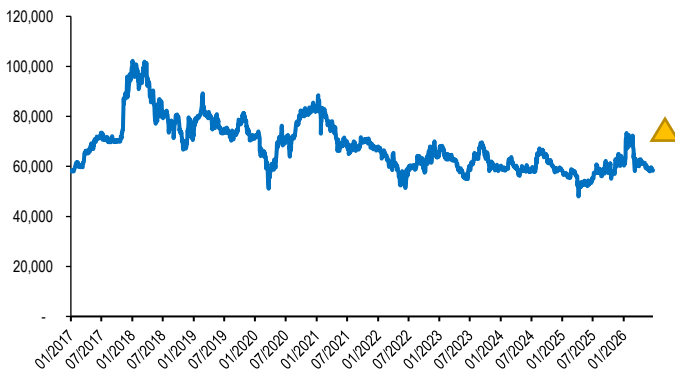
Source: Company data, Shinhan Securities Vietnam

Viet Nam Dairy Products JSC (VNM VN)

Stock price



Target price



Date	Rating	TP (VND)	TP gap (%)	
			TB	TB
25/04/2024 (Initiation)	BUY	84,400	18.6	26.4/6.8
21/11/2024 (Update)	BUY	76,000	15	3.5/23.8
11/02/2025 (Update)	BUY	75,000	14.8	2.9/24.6
03/06/2025 (Update)	BUY	72,700	18.0	3.3/44.8
13/08/2025 (Update)	BUY	71,900	20.4	4.0/45.7
06/11/2025 (Update)	BUY	71,600	20.7	13.2/33.0
09/02/2026 (Update)	HOLD	78,100	34.1	6.4/62.8
26/06/2026 (Update)	BUY	73,700	21.0	0.4/36.8

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Stocks

- ◆ **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

Sector

- ◆ **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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