Saigon Beer - Alcohol - Beverage Corporation

[Vietnam / Food and beverages]

Bloomberg Code (SAB VN) | Reuters Code (SAB.HM)

BUY

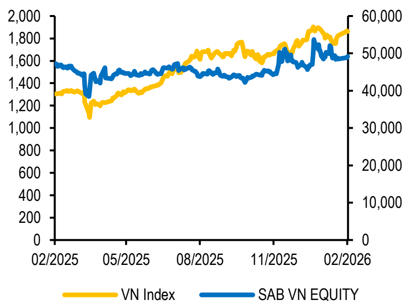
Update Report

Target price (12 months)	**59,400 VND**
Current price (26/02/2026)	49,100 VND
Return (%)	21%

VNINDEX	1,880
Market P/E (x)	13.9
Market Cap (bn VND)	62,974
Outstanding shares (1mn)	1,283
Free float (1mn)	134
52-week high/low (VND)	57,100/41,500
90-day avg. trading volume (1mn)	1.51
90-day avg.turnover (bn VND)	97
Foreign ownership (%)	58.4

Major shareholders (%)	Vietnam Beverage Company Limited	54
	Ministry of Industry and Trade	36

Performance	3M	6M	12M
Abs (%)	5.6	7.0	-5.9
Rel to VN-Index (%)	-6.3	-5.7	-50.2



Source: Bloomberg

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Profit margin remained resilient

Update recommendation BUY, target price at VND 59,400

Saigon Beer-Alcohol-Beverage Corporation (HOSE: SAB) is the second largest beer producer in Vietnam with a market share of 35% (Euromonitor, 2024). SAB takes the lead in the number of breweries with a capacity of 3.1 billion liters/year, providing from mid-priced to premium products. We use a combination of discounted cash flow and P/E methods to value SAB, and recommend BUY with a target price of VND 59,400, equivalent to a potential upside of 21% from the current market price.

Update SAB's business result in FY2025

Sabeco reported Q4/2025 revenue of VND 6,837 billion (-23% YoY) and net profit of VND 1,119 billion (+13% YoY). Beer segment's revenue continued to decline by 17% YoY, driven by the impact of consolidating Sabibeco (SBB) as a subsidiary rather than an associate, alongside lower sales volumes compared to the same period due to the later timing of the Lunar New Year 2026. The growth in net profit was supported by lower selling expenses YoY, with the Q4/2025 net profit margin improving to 16.4%, up 5.3 percentage points YoY.

For FY2025, SAB recorded VND 25,888 billion in net revenue (-19% YoY) and VND 4,573 billion in net profit (+2% YoY), fulfilling 82% and 95% of the targets set at the Annual General Meeting, respectively. The FY2025 net profit margin also improved by 4 percentage points YoY.

Outlook for 2026

In 2026, we forecast beer segment revenue to grow by 4.9% YoY, driven by the effective expansion of Modern Trade (MT) channels to gain market share and the proactive identification of General Trade (GT) outlets to replace those closed due to new regulations on household businesses. Furthermore, the 2026 World Cup is expected to act as a major catalyst for sales growth. Q1/2026 is also projected to see positive year-on-year results, benefiting from strong Tet sales volume as the 2026 Lunar New Year arrived later than usual.

The gross profit margin (GPM) for the beer segment is expected to remain high; however, we cautiously project a 90-basis-point decrease compared to 2025 to reflect the recent upward trend in aluminum prices, despite management's confirmation of hedging policies to mitigate this impact. Net profit for 2026 is projected to grow by 4.7% YoY, with the net profit margin maintained at 17.6%.

Risks: (1) Risk of raw material prices; (2) Risk of excise tax; (3) Policy risk; (4) Risk of domestic consumption recovering weaker than expected.

Year to Dec.	2023	2024	2025*	2026F	2027F
Revenue (bn VND)	**30,461**	**31,872**	**25,888**	**27,162**	**28,151**
OP (bn VND)	3,811	4,437	4,294	4,942	5,021
NP (bn VND)	**4,255**	**4,494**	**4,573**	**4,785**	**4,915**
EPS (VND)	3,132	3,291	3,347	3,514	3,609
BPS (VND)	18,877	18,152	16,492	14,999	13,601
OPM	12.5	13.9	16.6	18.2	17.8
NPM	14.0	14.1	17.7	17.6	17.5
ROE	17.0	18.0	19.3	21.6	24.0
PER (x)	16.3	14..9	14.1	16.9	16.5
PBR (x)	2.7	2.8	2.8	3.6	4.0

Source: Company data, Shinhan Securities Vietnam

**Revenue in 2025 declined due to the impact of consolidating Sabibeco as a subsidiary rather than an associate*

Update on FY2025 and forecasts

Billion VND	Q4/2025	Q4/2024	Change (YoY)	FY2025	Change (YoY)	2026F	Change (YoY)
Net revenue	**6,837**	**8,933**	**-23%**	**25,888**	**-19%**	**27,162**	**4.9%**
Beer segment	6,329	7,588	-17%	24,023	-14%	25,192	4.9%
Raw materials	389	1,247	-69%	1,467	-61%	1,526	4.0%
Beverages	41	45	-9%	138	-15%	142	2.9%
Others	79	53	49%	261	28%	302	15.7%
Gross profit	**2,594**	**2,499**	**4%**	**9,301**	**0%**	**9,560**	**2.8%**
Gross profit margin	**37.9%**	**28.0%**	**10%**	**35.9%**	**7%**	**35.2%**	**-0.7%**
Beer segment	40.0%	32.3%	8%	37.9%	5%	37.0%	-0.9%
Raw materials	0.5%	0.2%	0%	0.5%	0%	0.5%	0.0%
Beverages	24.4%	31.1%	-7%	23.2%	-5%	24.0%	0.8%
Others	63.3%	66.0%	-3%	64.0%	-5%	65.3%	1.3%
Net profit	**1,119**	**991**	**13%**	**4,573**	**2%**	**4,785**	**4.7%**
NPATMI	1,062	965	10%	4,423	2%	4,613	4.3%
Net profit margin	16.4%	11.1%	5%	17.7%	4%	17.6%	-0.1%

Source: Company data, Shinhan Securities Vietnam

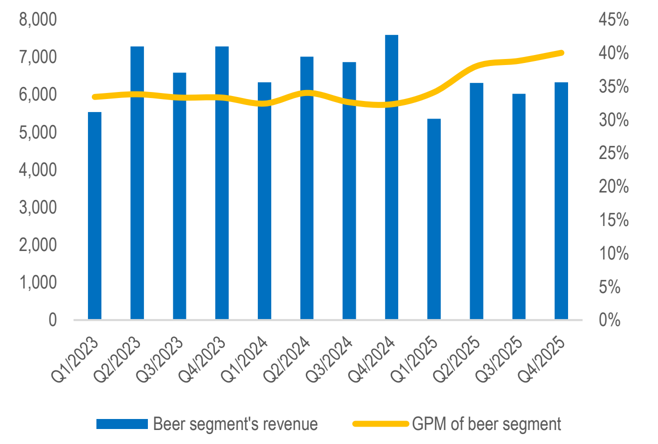
(Revenue deductions are recorded for the beer segment to calculate net revenue)

Sabeco reported Q4/2025 revenue of VND 6,837 billion (-23% YoY) and net profit of VND 1,119 billion (+13% YoY). Beer segment revenue continued to decline by 17% YoY, driven by the consolidation of Sabibeco (SBB) as a subsidiary rather than an associate, along with lower sales volumes compared to the same period as the Lunar New Year arrived later than last year. Thanks to the accounting impact of the consolidation and lower malt and rice prices, the beer segment's gross profit margin (GPM) improved significantly to 40% (versus 32.3% in the same period), lifting the consolidated GPM to 37.9% (+9.9 percentage points YoY). According to management, half of the GPM improvement came from the consolidation impact, while the other half was attributed to more efficient cost management and operational optimization. Excluding the consolidation impact, Q4/2025 and FY2025 revenues decreased by 9% and 5% YoY, respectively. We also note that the later timing of the 2026 Lunar New Year created a high base for Q4 comparison. Conversely, a portion of the Tet-related consumption volume will be recognized in Q1/2026.

Net profit growth was supported by lower selling expenses YoY, with the Q4/2025 net profit margin improving to 16.4%, up 5.3 percentage points YoY. However, selling expenses still increased sharply QoQ due to the year-end peak consumption season.

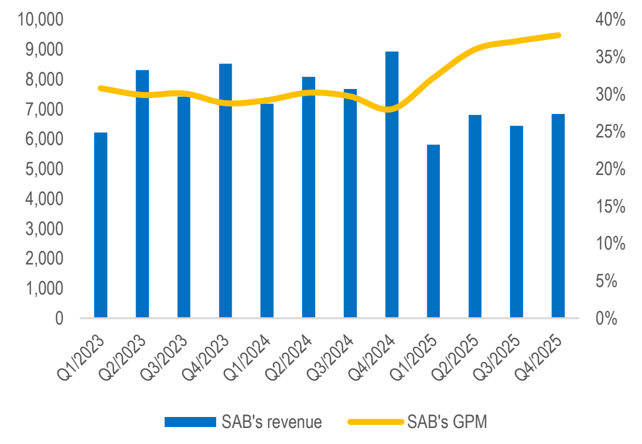
For FY2025, SAB recorded VND 25,888 billion in net revenue and VND 4,573 billion in net profit, fulfilling 82% and 95% of the targets set at the AGM, respectively. The full-year net profit margin also improved by 4 percentage points YoY.

Revenue and Gross profit margin (GPM) of beer segment by quarter



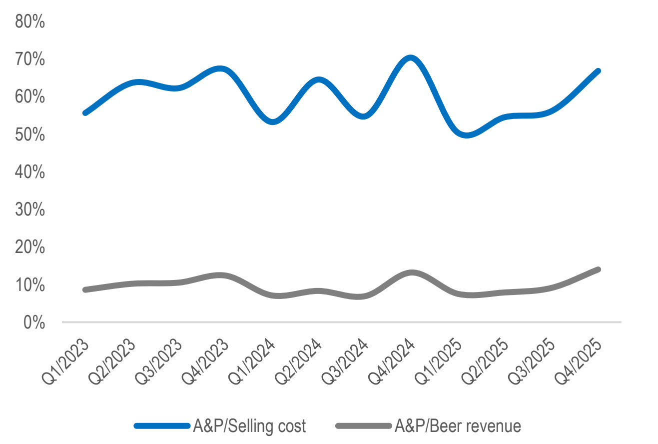
Source: Company data, Shinhan Securities Vietnam

Revenue and GPM of Sabeco by quarter



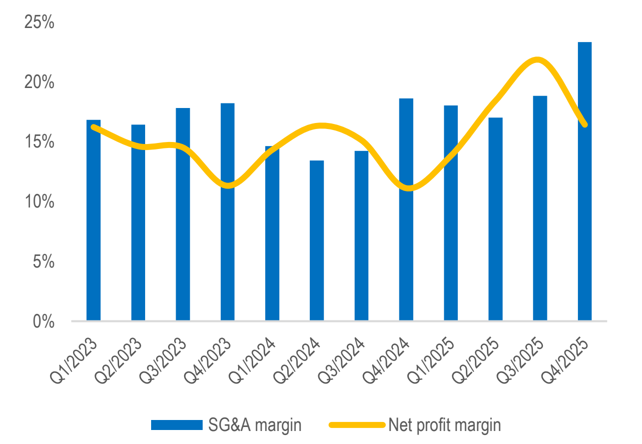
Source: Company data, Shinhan Securities Vietnam

Advertising and promotion (A&P) expense by quarter



Source: Company data, Shinhan Securities Vietnam
(*) A&P is a component of selling expense

SG&A margin and Net profit margin (NPM) by quarter



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Valuation and Recommendation

Recommend BUY with target price VND 59,400

We apply a combination of P/E and Discounted Cash Flow (DCF) valuation methods with the weights of 50% and 50%, respectively to value SAB. We update our Buy recommendation with a target price of VND 59,400.

Valuation method

Based on the P/E method, we collect data from businesses in the same industry as SAB operating domestically and in the Asia-Pacific region. The average P/E of businesses in the statistics (excluding SAB) is 17.4x. Combined with the projected EPS in 2026 at VND 3,514, **we expect SAB's 12-month target price to be VND 61,100.**

Peer valuation

Country	Ticker	Company name	P/E (x)	Mkt Cap (billion VND)	Revenue Growth (%)	EPS Growth (%)	ROE (%)
MALAYSIA	HEIM MK Equity	HEINEKEN MALAYSIA BHD	16.2	49,941	0.06	(0.75)	85.54
MALAYSIA	CAB MK Equity	CARLSBERG BREWERY MALAYSIA B	14.5	36,561	(4.90)	11.57	125.60
CHINA	600132 CH Equity	CHONGQING BREWERY CO-A	25.2	100,391	-1.15	-8.10	56.82
CHINA	000729 CH Equity	BEIJING YANJING BREWERY CO-A	23.0	134,582	3.20	78.21	9.89
CHINA	600600 CH Equity	TSINGTAO BREWERY CO LTD-A	18.2	280,375	-5.30	5.91	14.70
CHINA	002461 CH Equity	GUANGZHOU ZHUJIANG BREWERY-A	22.1	79,831	6.56	33.97	8.95
INDONESIA	MLBI IJ Equity	MULTI BINTANG INDONESIA PT	10.8	18,544	1.86	7.43	84.25
THAILAND	THBEV SP Equity	THAI BEVERAGE PCL	11.1	239,039	-2.06	-5.80	17.53
VIETNAM	BHN VN Equity	HANOI BEER ALCOHOL & BEVERAGE	15.7	7,336	3.73	25.11	10.81
		Mean	17.4				
		EPS 2026F (VND)	3,514				
		Target price (VND)	**61,100**				

Source: Bloomberg, Shinhan Securities Vietnam

For the Weighted Average Cost of Capital (WACC), we use the 10-year Vietnamese government bond yield at 4.3% as the risk-free rate, equity risk premium at 8.13%. Based on these assumptions, SAB's FCFF target price is determined at VND 57,700.

Weighted Average Cost of Capital (WACC)	
WACC (%)	**10.30**
Risk-free rate (%)	4.3
Equity risk premium (%)	8.13
Beta	0.74
Debt cost (%)	7.9
The cost of equity(%)	10.3
Debt-to-equity ratio	0.01
Total debt (Billion VND)	436

Source: Company data, Shinhan Securities Company

FCF valuation

Unit: billion VND	**2026F**	**2027F**	**2028F**	**2029F**	**2030F**
Net profit	4,785	4,915	5,145	5,367	5,590
Plus: After-tax interest expense	28	29	30	30	32
Plus: Depreciation & Amortization	842	848	835	847	742
Minus: Change in working capital	1,186	201	(185)	(218)	(21)
Minus: CapEx	161	223	224	234	228
Free Cash Flow (FCF)	**4,308**	**5,368**	**5,971**	**6,228**	**6,157**
Discount rate	0.91	0.82	0.75	0.68	0.61
PV of FCF	20,791				
Growth rate	0%				
Present value of long-term value	36,464				
Enterprise value	57,255				
Debt	436				
Cash and cash equivalents	19,002				
Minority interest	1,847				
Number of shares outstanding (billion units)	1.28				
Target price (VND)	**57,700**				

Source: Company data, Shinhan Securities Company

Risks

1. Risk of raw material prices

SAB imports a number of raw materials for beer production such as barley, hops, and aluminum. The cost of imported raw materials accounts for about 40% of the cost of goods sold. These raw materials can be affected by many macro factors such as supply chain disruptions and increased logistics costs due to political fluctuations, rising oil prices, and global aluminum supply and demand. To cope with the risk of strong fluctuations in raw material costs, SAB has a policy of purchasing key raw materials 6-9 months in advance.

2. Risk of increasing excise task

The excise tax on beer is currently at 65% and on wine at 35-65% depending on the alcohol content. The Ministry of Finance finalized the roadmap for increasing excise tax in July, according to which the tax rate will start to increase from 2027 (instead of 2026 as previously drafted). We believe that SAB will pass on the entire tax increase to consumers through price increases. Therefore, the impact of the price increase may affect consumption demand, but considering that beer is a product with low price elasticity of demand, the impact may not be so significant.

At the same time, studies also indicate variations across different product segments. In the alcoholic beverage industry, higher-end segments exhibit greater price elasticity of demand, meaning that consumption declines more significantly when selling prices rise. This creates a competitive advantage for players in the mass-market segment, such as Sabeco.

3. Policy risk

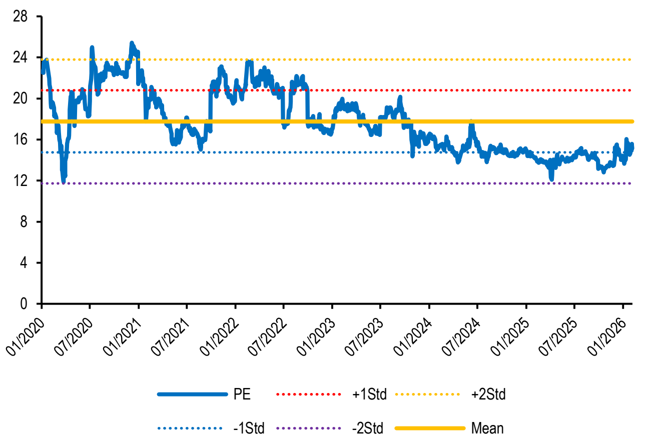
Many policies have been issued by the State to prevent the impact of excessive alcohol consumption, as well as alcohol consumption by minors. Policy and law are important factors that affect companies that produce or distribute specific products such as beer, alcohol, cigarettes, etc.

Decree 100/2019/ND-CP was issued in December 2019 on penalties for alcohol consumption while driving violations. After the decree, along with the impact of the Covid epidemic, SAB's revenue in 2020 decreased by 27% compared to 2019. Beer consumption in on-trade channels such as restaurants, hotels, and eateries decreased; at the same time, consumption through off-trade channels such as e-commerce, etc. increased. Decree 168 amending a number of articles of Decree 100, effective from January 1, 2025, continues to be strictly enforced, which is a factor that greatly affects the consumption of beer and alcohol.

4. Weaker-than-expected consumption risk

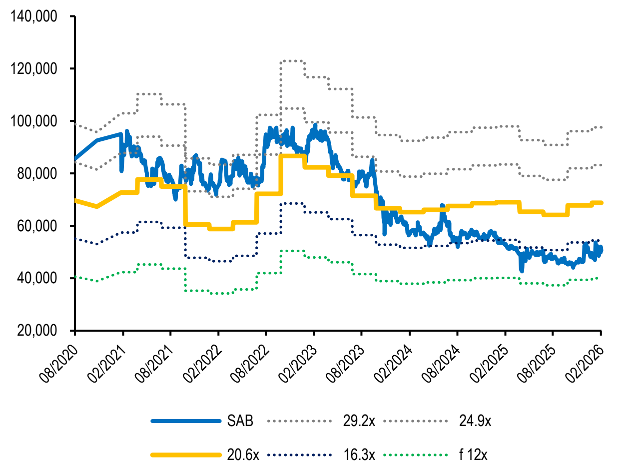
As the entire consumer market is almost domestic, Sabeco's sales depend significantly on domestic consumption, which is affected by income, consumption trends, weather and cultural and social factors. In the context of a slowing economy, consumers tend to tighten spending, especially on non-essential products such as beer.

PER of SAB since 2020



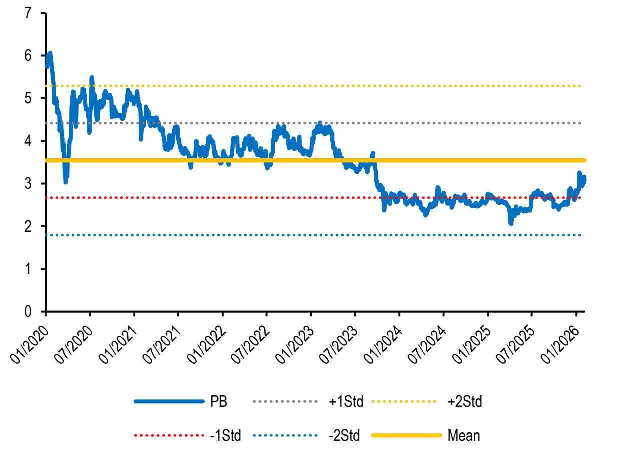
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PER chart of SAB



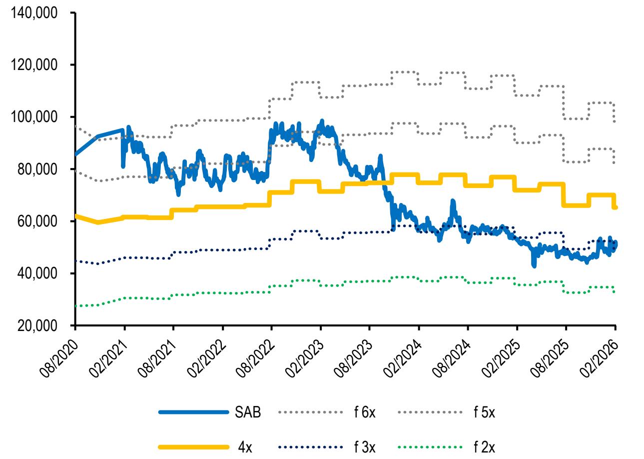
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PBR of SAB since 2020



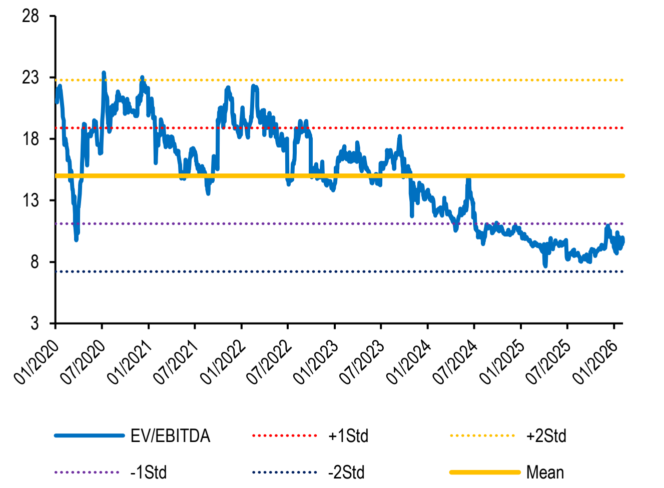
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PBR chart of SAB



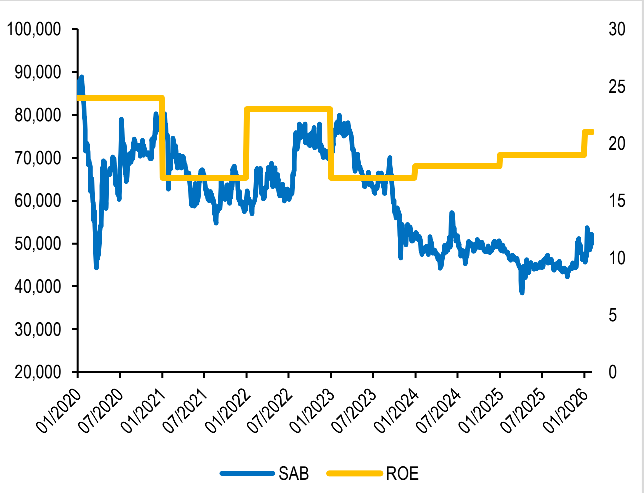
Source: Bloomberg, Company data, Shinhan Securities Vietnam

EV/EBITDA of SAB since 2020



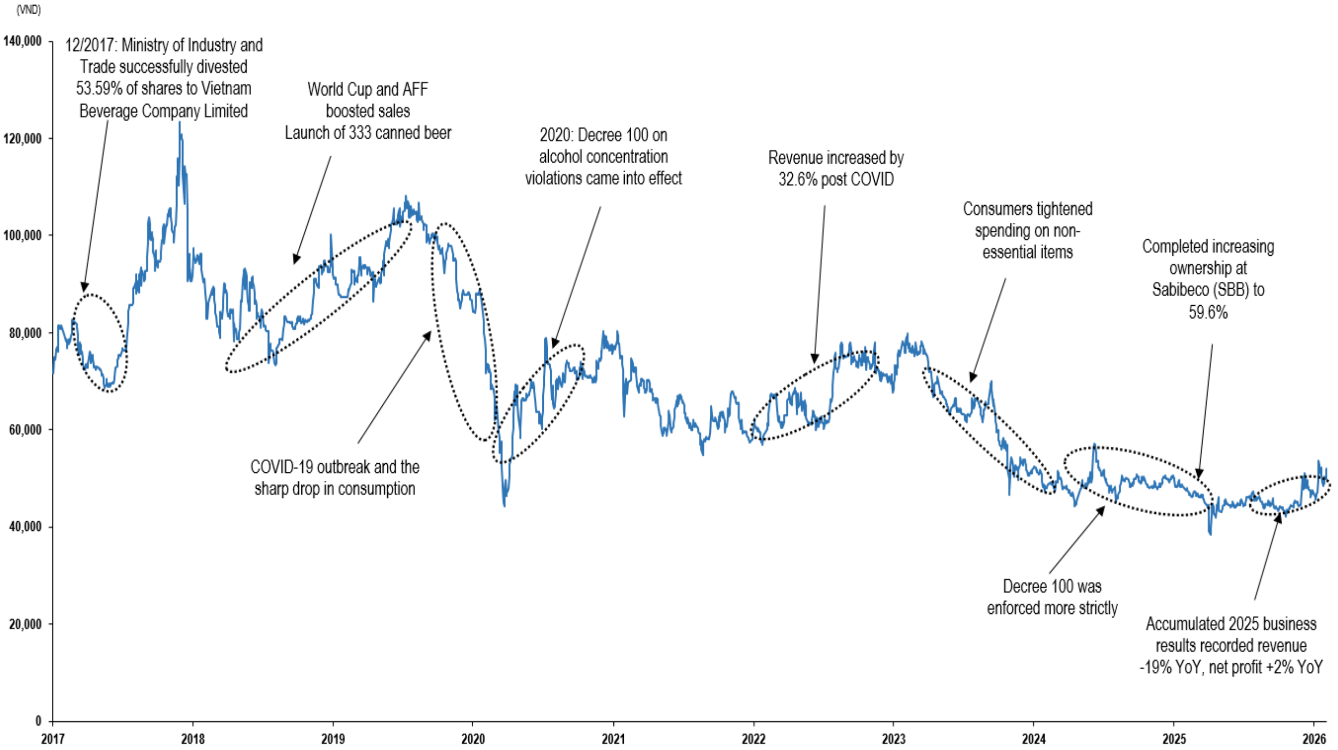
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Price and ROE of SAB



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Key events chart of SAB



Source: Bloomberg, Company data, Shinhan Securities Vietnam

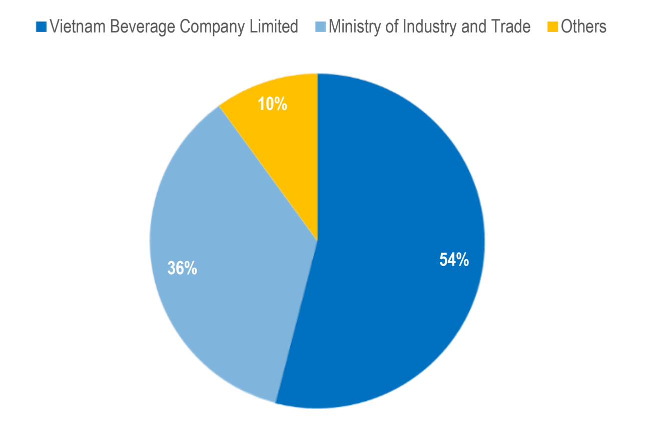
Company background

1. History of development

Saigon Beer - Alcohol - Beverage Corporation (HOSE: SAB) was originally a small brewery founded by the French in Saigon in 1875. By 2016, SAB was officially listed on HOSE. Over 146 years of history, Sabeco has brought Vietnamese beer to 38 countries and territories.

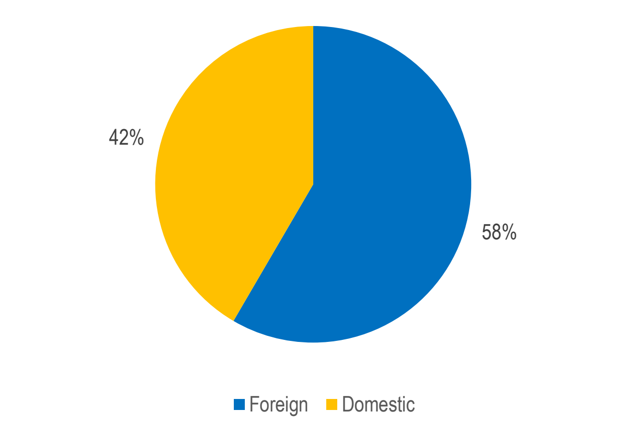
2017 marked a historic milestone for SAB when ThaiBev successfully acquired SAB with a value of up to USD 4.8 billion through Vietnam Beverage. This was the record deal of the Asian beer industry made up to that time. After the acquisition, SAB continued to grow and achieved revenue of up to VND 37,999 billion in 2019, before being affected by the Covid-19 pandemic and Decree 100/2019/ND-CP on penalties for alcohol violations while driving.

SAB's ownership structure at 25/02/2026



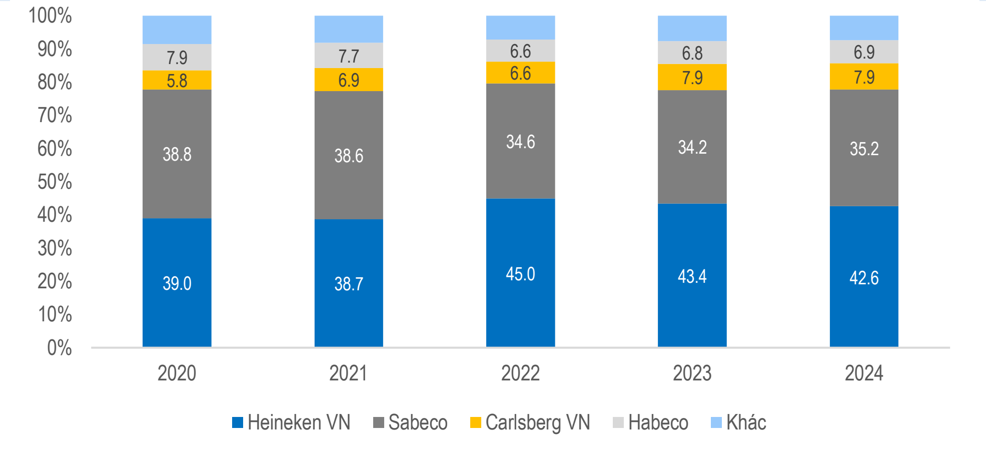
Source: Company data, Shinhan Securities Vietnam

SAB's ownership structure at 25/02/2026



Source: Euromonitor, Shinhan Securities Vietnam

Market share of beer in Vietnam (%)



Source: Euromonitor, Shinhan Securities Vietnam

SAB is one of the two leading enterprises in the beer industry in Vietnam. SAB's market share began to shrink from 2019 due to the expansion of Heniken Brewery. Heniken continuously launches new products such as Heniken Silver, Heniken zero-alcohol. Compared to competitors dominating the leading market share, SAB has the advantage of Vietnamese brands. Specifically, SAB is widely recognized through its product from mid-priced to premium with Vietnamese flavors such as 333 beer, Saigon Chill beer. Researching and launching high-end product lines helps businesses maintain their position and expand their market share.

2. Segments and products

The beer industry is divided into 4 segments: economy, standard, premium, and super-premium based on taste, quality, and price.

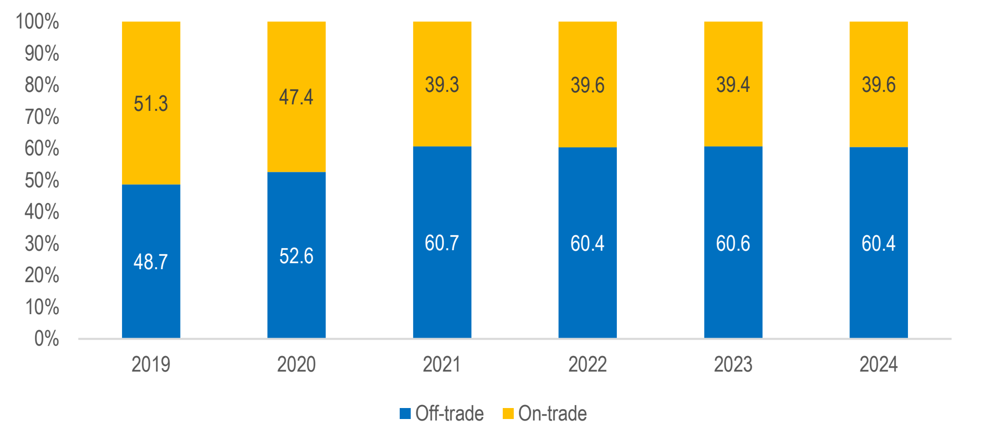
❖ Economy segment: Customers are mainly low-middle-class people with prices of less than 40,000 VND/liter (equivalent to 11,000 - 13,000 VND/can). Two prominent brands in this segment include Huda and Larue. There is also "bia hơi", which is produced mainly at home and distributed at restaurants and small eateries in rural and near-urban areas.

❖ Standard segment: Mainly middle-income workers with prices from 40,000 VND - 60,000 VND/liter. Major players in this segment include Habeco, Sabeco, Heineken, and Carlsberg. Products in the popular segment are widely distributed from urban to rural areas through on-trade and off-trade channels.

❖ Premium and super-premium segments: customers are mainly high-middle-income consumers with the selling price of about 60,000 VND/liter. The number of companies dominating the market share in this segment is not much, of which Heniken with Heineken and Tiger has a market share of about 68% and followed by Sabeco with Saigon Chill and Saigon Gold. Products in this segment are distributed mainly through on-trade channels at restaurants and hotels. However, with effective brand recognition and over a long period, high-end products of Heniken and Sabeco in this segment have reached consumers in both rural areas and in pubs.

3. Distribution channels

Volume of beer by sales channels (million liters)



Source: Euromonitor, Shinhan Securities Vietnam

Regarding distribution channels, beer is consumed through two channels: on-trade consumption at pubs, restaurants, and hotels; and off-trade distribution channels at supermarkets, convenience stores and agents. Due to the collective culture, Vietnamese people prefer to consume beer at pubs. Therefore, before 2019, on-site consumption is the main beer distribution channel. However, with the development of e-commerce, the outbreak of the Covid-19 epidemic and Decree 100 on penalties for alcohol content violations, many businesses such as SAB and Heniken have launched online sales from 2021 to compensate partially the decrease in revenue at pubs and restaurants. Since then, the off-trade channel has surpassed the on-trade channel to become the main sales channel.

We expect the on-trade channel to be revived from 2024 thanks to the recovery in consumption, and at the same time, the off-trade channel will continue to grow as the decree on alcohol violations causes some consumers to switch to consume more at home.

The extensive distribution network from North to South is Sabeco's strength, helping to access pubs and restaurants on the on-trade channel. With the off-trade channel, Sabeco is currently present at convenience stores and many e-commerce sites from Tiki to Bach Hoa Xanh.

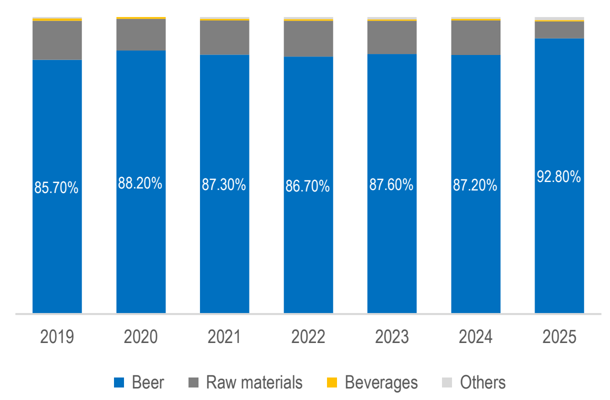
4. Structure of revenue, gross profit and operating expenses

Beer is SAB's main product, accounting for nearly 90% of revenue and 98% of gross profit. Sabeco mainly produces beer in two segments: standard and premium. The gross profit margin of the beer segment has improved over the years.

The packaging and materials segment is the packaging and input materials for beer, which are mainly traded with related parties. Therefore, although accounting for more than 10% of revenue, the gross profit margin for this segment is very low, only about 1%.

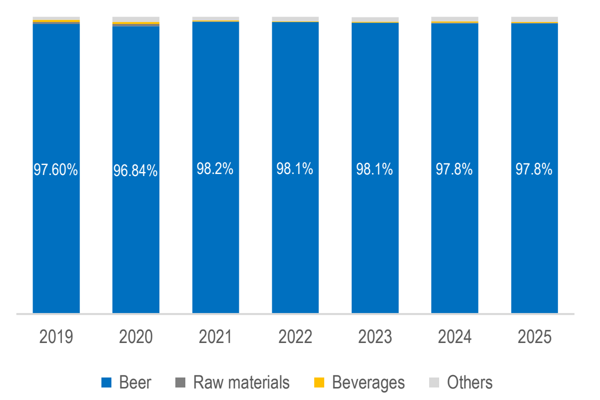
Beverages include carbonated water products and purified water. Although the average gross profit margin is at 23-25%, this segment's revenue only contributes a very small proportion (1% of total revenue).

SAB's revenue structure



Source: Company data, Shinhan Securities Vietnam

SAB's gross margin structure

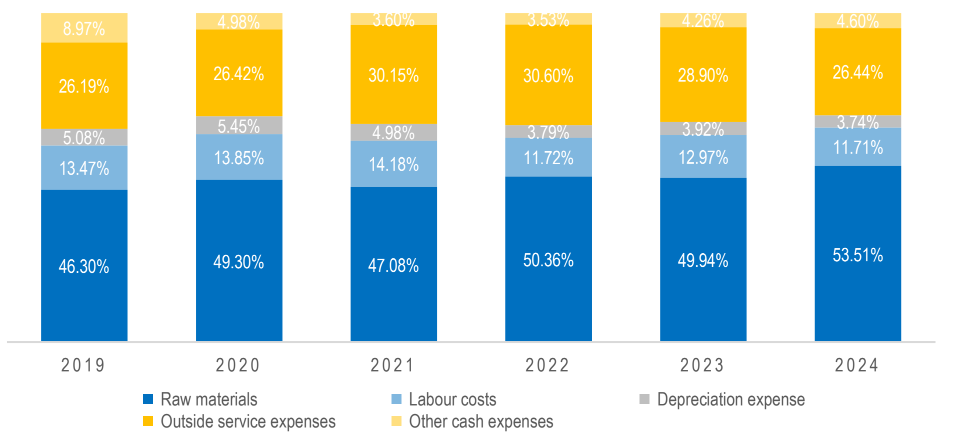


Source: Company data, Shinhan Securities Vietnam

In the operating cost structure, the cost of raw materials has the highest proportion, with about 45-55% of the total operating costs of the enterprise. In which, input materials including barley, hops and aluminum determine about 40% of the cost of good sold and are imported by enterprises. Depending on the type, normally, enterprises make pre-clamation of raw materials from 6-9 months.

External expenses are mainly composed of selling expenses. Selling expenses in food and beverage businesses often account for a high proportion because of the increasingly fierce competition in this field. Therefore, brand recognition is one of the important factors to maintain revenue and market share. At Sabeco, selling expenses at SAB remained around 12-14% of revenue.

SAB's operating costs structure



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	**34,056**	**33,440**	**32,596**	**29,551**	**28,298**
Current assets	26,553	25,067	22,140	19,776	19,148
Cash & equivalents	5,040	4,478	4,017	4,833	3,383
Short-term financial asset	17,741	16,566	14,985	11,680	12,105
Accounts receivable	1,229	1,818	903	1,097	1,449
Inventories	1,668	2,194	2,318	1,979	2,027
Others	875	11	-83	187	184
Non-current assets	7,503	8,373	10,456	9,775	9,150
Net fixed assets	3,970	3,593	5,068	4,516	3,845
Investment assets	144	122	141	92	122
Other long-term assets	3,533	4,780	5,388	5,259	5,305
Total liabilities	**8,571**	**9,002**	**9,598**	**8,294**	**8,657**
Current liabilities	8,225	8,657	8,880	7,579	7,943
Accounts payable	2,476	2,642	2,404	2,328	2,455
Short-term borrowings	530	245	268	281	295
Others	5,219	5,770	6,208	4,970	5,193
Non-current liabilities	347	345	717	715	714
Long-term borrowings	171	169	168	166	165
Other financial liabilities	176	176	549	549	549
Total shareholders' equity	**25,485**	**24,437**	**23,000**	**21,257**	**19,641**
Capital stock	12,826	12,826	12,826	12,826	12,826
Capital surplus	0	0	0	0	0
Other capital	2,442	2,393	3,127	3,299	3,476
Retained earnings	10,217	9,218	7,047	5,132	3,339
Non-controlling interest equity	1,373	1,451	1,273	1,155	1,847
*Total debt	701	414	436	447	460
*Net debt (cash)	(22,080)	(20,630)	(18,566)	(16,066)	(15,028)

Statement of comprehensive income

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Revenue	**30,461**	**31,872**	**25,888**	**27,162**	**28,151**
Growth (%)	-12.9	4.6	-18.8	4.9	3.6
COGS	(21,370)	(22,554)	(16,588)	(17,602)	(18,288)
Gross profit	**9,091**	**9,318**	**9,300**	**9,560**	**9,863**
GPM (%)	29.8	29.2	35.9	35.2	35.0
SG&A	(5,280)	(4,881)	(5,006)	(4,618)	(4,842)
Operating profit	**3,811**	**4,437**	**4,294**	**4,942**	**5,021**
Growth (%)	(30.7)	16.4	(3.2)	15.1	1.6
OPM (%)	12.5	13.9	16.6	18.2	17.8
Non-operating profit	**1,560**	**1,209**	**1,358**	**1,069**	**1,153**
Financial income	1,433	1,067	1,007	835	862
Financial expense	(73)	(25)	(26)	(39)	(34)
In which: interest expenses	(50)	(27)	(34)	(35)	(36)
Net other non-operating profit	200	167	377	273	325
Pre-tax profit	5,370	5,647	5,652	6,011	6,174
Income tax	(1,115)	(1,153)	(1,079)	(1,226)	(1,259)
Net profit	**4,255**	**4,494**	**4,573**	**4,785**	**4,915**
Growth (%)	(22.6)	5.6	1.8	4.6	2.7
NPM (%)	14.0	14.1	17.7	17.6	17.5
Controlling interest	4,118	4,330	4,424	4,613	4,738
Non-controlling interest	137	164	149	172	177
EBIT	**5,420**	**5,674**	**5,686**	**6,046**	**6,210**
Growth (%)	(21.0)	4.7	0.2	6.3	2.7
EBIT Margin (%)	17.8	17.8	22.0	22.3	22.1
EBITDA	**5,990**	**6,223**	**6,416**	**6,888**	**7,058**
Growth (%)	(19.3)	3.9	3.1	7.4	2.5
EBITDA margin (%)	19.7	19.5	24.8	25.4	25.1

Statement of cash flow

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Cash flow from operations	**1,941**	**4,245**	**3,904**	**3,257**	**4,751**
Net profit	4,494	4,573	4,785	4,915	5,145
Depreciation expense	570	549	730	842	848
(Gain) from investing activities	(1,626)	(1,249)	(1,274)	(818)	(847)
Change in working capital	(1,109)	574	(38)	(1,186)	(201)
Others	(1,264)	(1,276)	(1,166)	(1,592)	(1,223)
Cash flow from investments	**2,716**	**137**	**2,422**	**3,962**	**199**
Change in fixed assets	(282)	(292)	(241)	(161)	(223)
Change in investment assets	1,634	(121)	1,075	3,305	(425)
Others	1,364	550	1,588	818	847
Cash flow from financing	**(3,684)**	**(4,944)**	**(6,788)**	**(6,402)**	**(6,400)**
Change in equity	-	-	-	-	-
Net borrowing	(330)	(285)	(275)	11	13
Dividends	(3,354)	(4,659)	(6,513)	(6,413)	(6,413)
Change in total cash	**973**	**(562)**	**(462)**	**817**	**(1,450)**
Beginning cash	4,069	5,040	4,478	4,017	4,833
Change in FX rates	(2)	-	1	(1)	-
Ending cash	5,040	4,478	4,017	4,833	3,383

Source: Company data, Shinhan Securities Vietnam

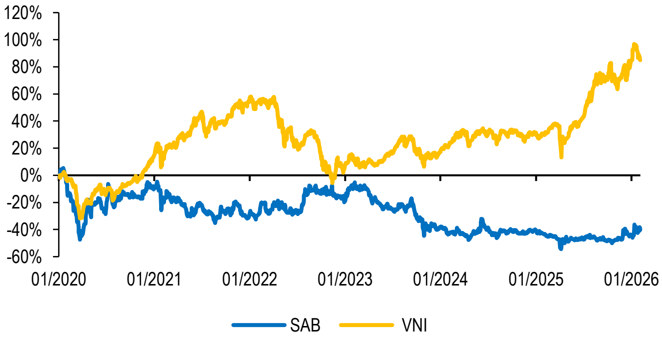
Key ratios

Year	2022	2023	2024	2025F	2026F
EPS (VND)	3,132	3,291	3,347	3,514	3,609
BPS (VND)	18,877	18,152	16,492	14,999	13,601
PER (x)	16.3	14..9	14.1	16.9	16.5
PBR (x)	2.7	2.8	2.8	3.6	4.0
EV/EBITDA (x)	13.7	10.4	9.2	11.1	10.8
Dividend payout ratio (%)	55.2	124.6	145.0	139.0	135.4
Dividend yield (%)	6.5	10.5	10.2	10.2	10.2
Profitability					
EBITDA margin (%)	19.7	19.5	24.8	25.4	25.1
OPM (%)	12.5	13.9	16.6	18.2	17.8
NPM (%)	14.0	14.1	17.7	17.6	17.5
ROA (%)	12.4	13.3	13.9	15.4	17.0
ROE (%)	17.0	18.0	19.3	21.6	24.0
Stability					
Debt to equity ratio (%)	2.8	1.7	1.9	2.1	2.3
Net debt ratio (%)	(368.6)	(331.5)	(289.4)	(233.2)	(212.9)
Cash ratio (%)	277.0	243.1	214.0	217.9	195.0
Interest coverage ratio (x)	108.4	210.1	167.2	172.7	172.5
Activity (%)					
Working capital turnover (days)	44.5	42.1	55.3	49.3	47.6
Inventory turnover (days)	39.8	35.9	45.7	42.9	40.9
Receivable turnover (days)	4.8	5.2	8.0	7.2	5.8

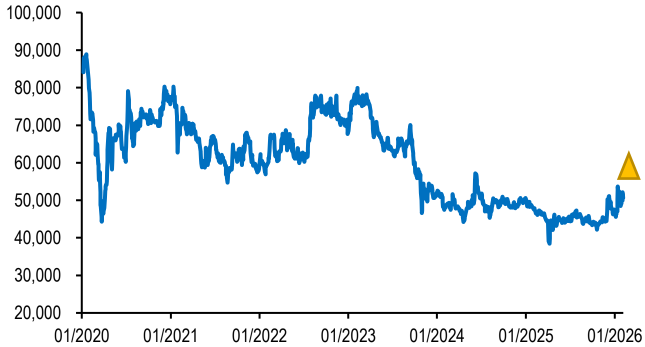
Source: Company data, Shinhan Securities Vietnam

SAB Corp. (SAB VN)

Share performance



Target price



Date	Rating	Target price (VND)	Target price gap (%) Average	Target price gap (%) Max/Min
18/08/2023 (Initation)	BUY	182,700	-0.2	-12.4/13.2
22/02/2024 (Update)	BUY	73,900	1.2	-25.6/25.1
14/05/2025 (Update)	BUY	68,600	-1.2	8.1/39.8
15/08/2025 (Update)	BUY	58,500	19.2	10.1/46.0
10/11/2025 (Update)	BUY	55,100	13.3	4.2/27.3
26/02/2026 (Update)	BUY	59,400	30.1	10.6/54.5

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

Shinhan Securities Vietnam

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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