April 2022

FPT DIGITAL RETAIL - JSC (HSX: FRT)

Recent Stock Rally Has Limited Upside

(VND bn)	Q4-FY21	Q3-FY21	+/-qoq	Q4-FY20	+/-yoy
Net revenue	8,477	4,993	69.8%	3,937	115.3%
PAT	335	47	606.5%	6	5717.2%
EBIT	397	44	793.1%	8	4971.6%
EBIT margin	4.7%	0.9%	3.8 pps	0.2%	4.5 pps

Source: FRT, Rong Viet Securities

Q4 2021 – A superb comeback post-lockdown since both key chains benefited greatly from pent-up demand since then

- Monthly sales per store in the quarter reached historic highs: VND3.7 bn for FPT Shop (vs 3Y average of VND2.3 bn) and VND1.3 bn for Long Chau (vs 3Y average of VND1.0 bn).
- ICT products, mostly laptops and iPhone 13, significantly drove FPT Shop's Q4-2021 revenue, amounting to VND 7,044 bn (+100% YoY). Rapid maturity of Long Chau stores, along with ramping up store network expansion, resulted in a new high in quarterly revenue of VND 1,433 billion (+249% YoY).
- Blended net margin expanded to 2.0% (vs 3Y average of 1.4%), driven by a higher GPM and a more efficient SG&A/sales, largely contributed to the whopping NPAT of VND 335 bn (x13.6 times 2020 NPAT).

FY2022 Outlook – Long Chau Pharmacy to contribute more meaningful profit while FPT shop sustains healthy growth amid resilient demand for ICT products

FRT's plan to rapidly ramp up Long Chau pharmacy chain in the upcoming years (300-400 new openings per annum in the next 3 years) shows management's confidence and ambition in consolidating the fragmented pharmacy retail market in Vietnam. We strongly believe that the sound expansion strategy amid supportive market conditions, along with competitive advantages of Long Chau vs mom & pop shops, will lend the chain good leverage to drive revenue and profit to new highs going forward. For 2022F, we forecast that Long Chau's sales/PBT will come at VND7.2 trillion (or USD 313mn; +81% YoY)/ VND 47 bn (or USD 2mn; ~10x 2021 PBT).

Regarding the ICT segment, we believe laptops and Apple products, which contributed two third of 2021 FPT Shop sales, will remain crucial to FRT as (1) laptop demand should be resilient this year (FRT's laptop sales in Q1 jumped more than 50% YoY), and (2) the condition for genuine Apple products market will keep getting better, (3) FRT will capitalize on this with dozens of new laptops center and Apple shop-in-shop outlets. As we expect these positive factors will outweigh the downside of normalizing laptop sales, and increasing competitive pressure from other Apple brand stores, Forecasted PBT growth of the ICT retail chain will remain largely healthy in 2022F at 30% YoY.

Overall, we come up with 2022F revenue/NPAT/EPS of VND 28.7 trillion (or USD 1.2 bn; +28% YoY) / VND 613 bn (or USD 27mn; +38% YoY) / VND 7,763.

Valuation and recommendation

We apply a sum-of-the-parts method, comprising of FPT Shop and Long Chau Pharmacy chain. Our target price comes at ***VND 155,200 per share****. While we do believe in the bright prospect of the key driver Long Chau, we think that the stock price has a bit overshot following the news of significantly high Q4-2021 profit, and expectation on robust Q1-2022 results. As a result, the market price as of Apr 8th, 2022, looks rather expensive as it implies a 2022F P/E already standing at 20.1x. Taking profit into price strength could be considered around and above our TP level.*

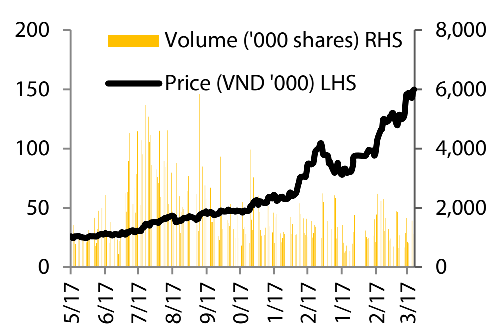
NEUTRAL

Target price (VND)	155,200
Current market price (VND)	147,700

Stock Info	
Sector	Retail
Market Cap (VND billion)	11,847
Current Shares O/S (mn)	79.0
Avg. Daily Volume (in 20 sessions)	1,147,390
Free float (%)	35%
52 weeks High	150,000
52 weeks Low	24,300
Beta	0.98

	FY2021	Current
EPS	5,618	5,618
EPS Growth (%)	1695%	1695%
Diluted EPS	5,618	5,618
P/E	17.8	17.8
P/B	4.7	4.7
EV/EBITDA	22.2	22.2
Cash dividend yield (%)	0.5%	0.5%
ROE (%)	26.7%	26.7%

Price performance



Major Shareholders (%)	
FPT CORP	46.5
Remaining foreign ownership room (%)	30.5

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Exhibit 1: Q4-2021 Results

(VND Bn)	Q4-FY21	Q3-FY21	+/-qoq	Q4-FY20	+/-yoy
Net revenue	8,477	4,993	69.8%	3,937	115.3%
Gross profit	1,266	695	82.3%	539	135.1%
SG&A	869	650	33.7%	531	63.7%
Operating income	397	44	793.1%	8	4971.6%
EBITDA	397	44	793.1%	8	4971.6%
EBIT	397	44	793.1%	8	4971.6%
Financial expenses	46	38	21.2%	18	153.7%
- Interest Expenses	40	37	8.5%	17	141.5%
Dep. and amortization	-	-	-	-	-
Non-recurring items (*)					
Extraordinary items (*)					
PBT	**417**	**61**	**584.8%**	**11**	**3839.7%**
PAT	335	47	606.5%	6	5717.2%
(*) Adjusted PBT	417	61	584.8%	11	3839.7%

Source: FRT, Rong Viet Securities

Exhibit 2: Q4-2021 Performance Analysis

Particulars	Q4-FY21	Q3-FY21	*+/-qoq*	Q4-FY20	*+/-yoy*
Profitability Ratios (%)					
Gross Margin	14.9%	13.9%	1.0pps	13.7%	1.3pps
EBITDA Margin	4.7%	0.9%	3.8pps	0.2%	4.5pps
EBIT Margin	4.7%	0.9%	3.8pps	0.2%	4.5pps
Net Margin	4.0%	1.0%	3.0pps	0.1%	3.8pps
Adjusted Net Margin	4.9%	1.2%	3.7pps	0.6%	4.3pps
Turnover* (x)					
-Inventories	5.9	6.1	-0.2	7.4	-1.6
-Receivables	17.1	7.0	10.1	10.5	6.6
-Payables	2.9	2.6	0.3	2.4	0.5
Leverage (%)					
Total Debt/ Equity	539.6%	532.4%	7.2pps	340.0%	199.6pps

Source: Rong Viet Securities

Exhibit 3: Q1-2022 Performance Forecast

Particulars (VND Bn)	Q1-FY22	+/- qoq	+/- yoy	Comments
Revenue	7,113	-16.1%	52.5%	We expect FPT Shop and Long Chau's sales per store to reach VND2.7bn and VND 1.25bn, respectively, while those chains' store-count stay at around 675 and 538 by the end of Mar-2022. Sales of FPT shop/Long Chau are expected to grow by 31% YoY/202% YoY.
Gross profit	1,074	-15.2%	83.5%	GPM to increase by 1.4 pps as FPT Shop's laptop sales outgrow apple products in Q1-2022 and product mix of Long Chau remains relatively favorable.
EBIT	116	-70.8%	254.5%	SG&A / sales advanced to 13.5% as Long Chau has expanded rapidly in Q1-2021 with smaller-sized stores.
NPAT	107	-68.1%	245.5%	

Source: Rong Viet Securities

Update

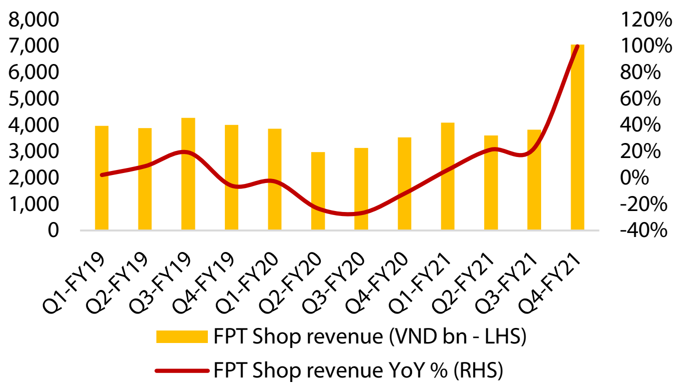
Q4-2021: A superb comeback post-lockdown since both key chains benefited greatly from pent-up demand

FRT posted an all-time high quarterly result in Q4-2021, primarily driven by the surge of FPT shop performance and improving profit of Long Chau pharmacy chain post-lockdown. The significant quarterly results drove 2021 sales and NPAT by 53% YoY and x16 YoY, from the low base of a restructuring year of 2020.

Strong remote work/study demand and favorable market condition for Apple products in Q4-2021 lifted FPT shop's whole year results. Accordingly, 2021 laptop and tablets (excluding Apple MacBook) sales jumped 141% YoY to VND 5.2 trillion (or USD 226mn), while revenue for Apple products (mostly iPhones 13) amounted to VND 6.9 trillion (or USD300mn; +61% YoY). As a result of robust sales, these two product categories accounted for two third of FPT Shop's 2021 revenue.

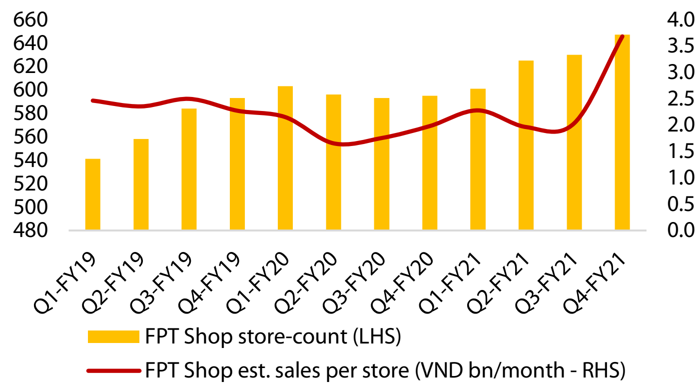
- The market for genuine apple products (code VN/A) flourished last year since (1) national lockdown once again hindered mom & pop mobile stores to hand-carried import iPhones and (2) the brand implemented many supportive policies for Vietnam: sooner arrival for newly launched products, wider cooperation with top retailers to expand brand stores network along with abandoning selling hand-carried imported Apple products. We estimate that FPT Shop and MWG lead this potential high-end market with respective market share of 20% and 25%, respectively.
- We believe FPT shop's online sales contributed the most to the company's online revenue of VND 6.3 trillion (+21% YoY) as the social distancing accelerated e-commerce adoption for ICT products and strict rules to sell medicine online of Long Chau. Estimated online sales accounted for one third of FPT Shop' total revenue, which is significantly higher than that of MWG's TGDD & DMX of ~14% dure to more competitive pricing for online channel.
- Larger share of Apple and laptops sales in the product mix (Figure 4) has caused Q4-2021 GPM to be flat vs last year.

Figure 1: FPT shop revenue jumped amid strong demand for laptops and Apple



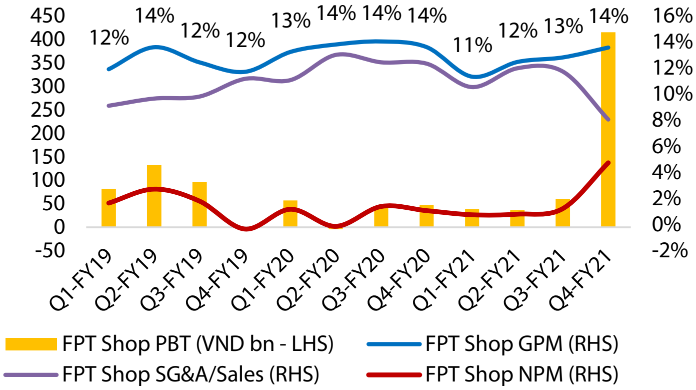
Source: FRT, Rong Viet Securities

Figure 2: FRT store-count and estimated sales per store



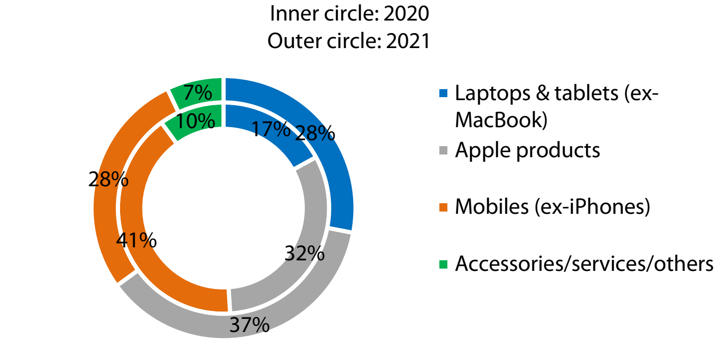
Source: FRT, Rong Viet Securities

Figure 3: FPT Shop NPM expanded due to efficient OPEX/Sales management



Source: FRT, Rong Viet Securities

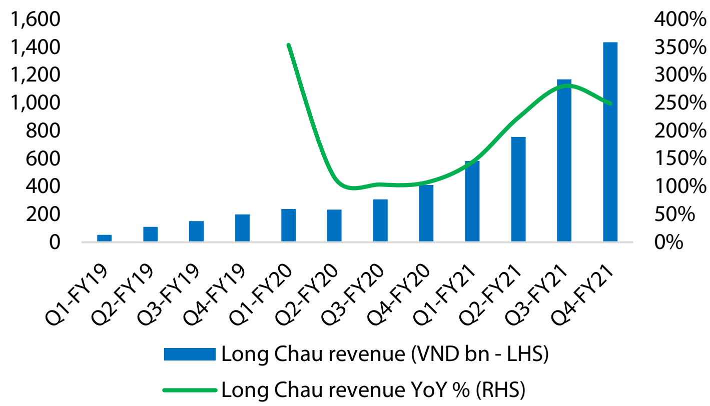
Figure 4: Laptops and Apple products contributed nearly two third of total FPT Shop revenue in 2021



Source: FRT, Rong Viet Securities

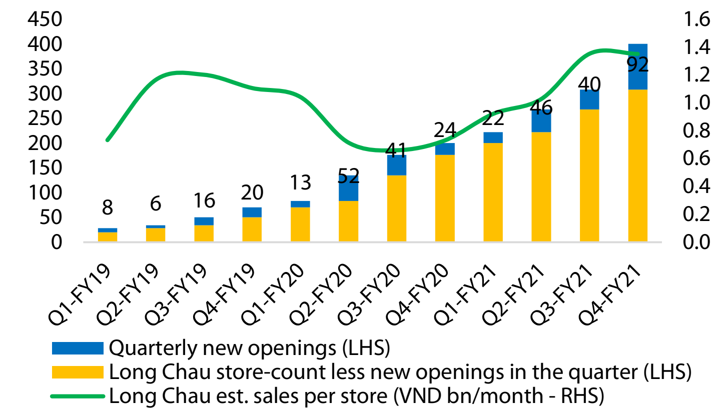
Long Chau monthly sales per store picked up rapidly amid the pandemic to more than VND 1.3 bn – VND 1.4 bn in the 2H-2021. Capturing the good momentum of sales, the chain expanded significantly expanded in Q4-2021 with 92 new openings, ending the year with 400 stores. As a result, Long Chau sales increased more than threefold to VND 4 trillion (or USD 173 mn). Coupled with a favorable product mix (Figure 8) which underpinned GPM to around 20% in 2021, Long Chau was able to cover operating expenses and contribute thin net profit of VND 4 bn (or USD 0.2 mn) in 2021 vs a loss of VND -113 bn (USD -5mn), acting as the key driver for FRT's 2021 NPAT-MI.

Figure 5: Long Chau revenue grew faster than its store network expansion pace ….



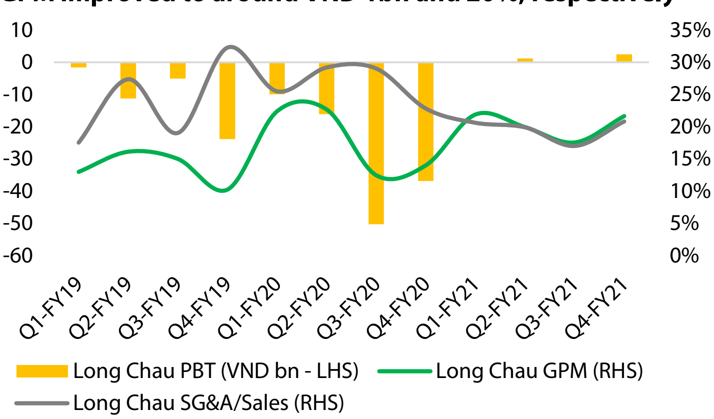
Source: FRT, Rong Viet Securities

Figure 6: … thanks to enhanced sales per store amid the pandemic



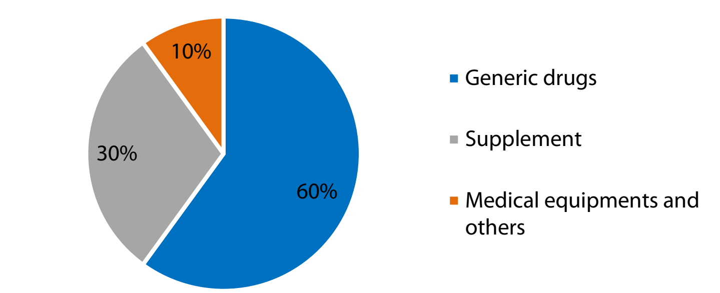
Source: FRT, Rong Viet Securities

Figure 7: Long Chau reached breakeven as sales per store and GPM improved to around VND 1bn and 20%, respectively



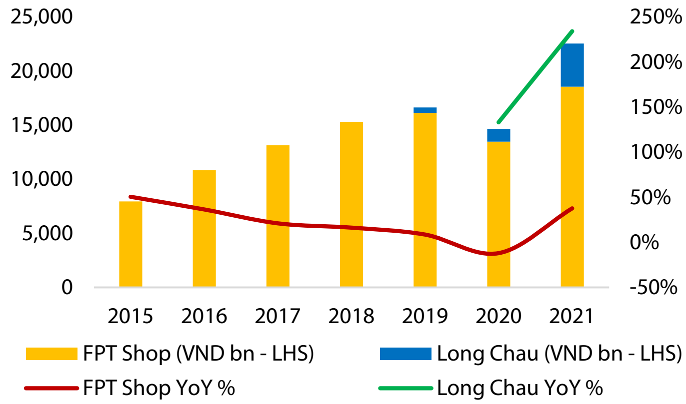
Source: FRT, Rong Viet Securities

Figure 8: Large contribution of supplement was one of the reasons for GPM to maintain at a healthy level



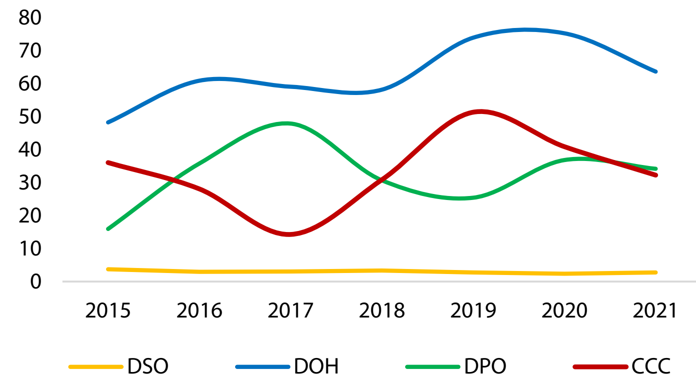
Source: FRT, Rong Viet Securities

Figure 9: Annual revenue breakdown by chain



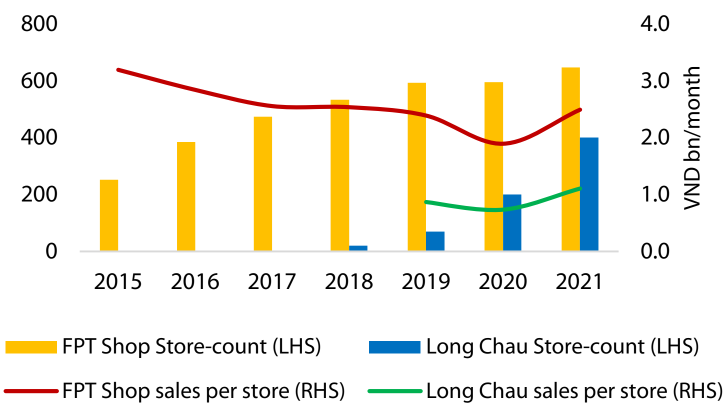
Source: FRT, Rong Viet Securities

Figure 10: FRT cash conversion cycle has shortened since 2019



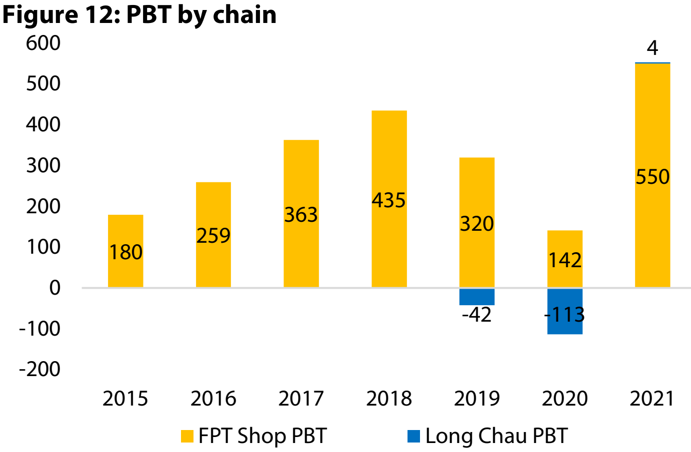
Source: FRT, Rong Viet Securities

Figure 11: Store-count and sales per store by chain



Source: FRT, Rong Viet Securities

Figure 12: PBT by chain



Source: FRT, Rong Viet Securities

FY2022F Outlook

Preliminary 2M-2022 results continued to post solid growth on the back of good momentum of laptop and pharmaceuticals sales.

- Per FRT, ICT segment recorded around 40% YoY sales growth in 2M, driven by laptop sales of more than 50% YoY while mobile phones category grew at roughly 10% YoY. We attribute the continued high growth of laptop sales to the **(1)** lingering WFH/SFH situation following complicated development of new covid cases in the North which made many primary schools to halt their reopening plan, and employees to work remotely, and **(2)** Samsung new smartphone model roll out, **(3)** effective promotions. We recall that FPT shop's GPM was low in Q1-2021 (as shown in Figure 3) due to an aggressive stock clearance activity. Stable GPM compared to 2H-2021 should at least drive this chain's earnings significantly in 2M-2022.
- Long Chau sales tripled last year's level. We attribute this to the contribution from majority of new stores opened since Q2-2021 and the stable sales per store in earlier 2022.

Table 1: 2022F Forecast

Unit: VND Bn	2022F	YoY %	Assumptions
Revenue	**28,712**	**28%**	
FPT Shop in-store revenue	*14,486*	*18%*	We expect the laptop market to maintain double-digit growth in 2022F owing to healthy demand derived from shorter laptop replacement cycle and lingering SFH demand of new students. In 2022F, FRT will continue to expand its laptop center outlets which is shop-in-shop format inside large-sized FPT shops, with 70-80 new openings. Meanwhile, FRT choose not to further expand the F.Studio format, which exclusively sells Apple products, due to operation inefficiency, but will extend coverage through higher sales-of-points inside current FPT Shops and, additionally, in some of new openings in this year of 70-100 outlets, which have small size of 70-100 m2 and are located in untapped area lower tier regions. As other rivals are ramping up Apple mono store format in 2022, which we believe will better cater to high-end customers owing to better store experience, we expect a slight underperformance in FRT's Apple sales vs other brand store chains. However, since FRT is still the second largest retailer selling Apple in Vietnam, we believe the company will still be able to secure large share of new launch products in its inventory. This provides a competitive advantage compared to small mom & pop stores, who usually have lower pricing but doesn't have sufficient stock to sell. In general, we think FPT shop could outperform this market by consolidating share from smaller shops. Overall, laptops and Apple sales maintain crucial to FRT's ICT segment. We expect these products to post above 20% YoY growth in 2022F, driving FPT shop's SSSG to reach 9% in 2022F.
Long Chau in-store revenue	*7,204*	*81%*	This chain targets to open 300-400 new stores in 2022F, nearly double the store count by the end of 2021. Most of the new stores will be generally smaller in size (50-100m2) as the chain goes deeper into tier two cities, extending the number of covered provinces. As 103 new outlets will come came into operation by the first two months of 2022, we believe FRT could secure its aggressive expansion plan. We think this move shows that management is very confident in Long Chau's "winning formula": not only by being competitive in terms of pricing, but the chain is also known for its large number of SKUs, and the capabilities to customized stores' inventories region by region to better capture local demand. Notably, we appreciate the chain 's capabilities of pharmacists hiring process to secure sufficient labor for the new openings. Though sales per store should tone down after the peak seen amid the pandemic, consumer behavior post-pandemic is still supportive: people with illness are likely to opt for consulting pharmacists first before considering going to the hospital.
Online revenue	*7,022*	*12%*	Most of online sales will still come from FPT Shop. For 2022F, we assume online sales contribution to FPT shop sales will tone down slightly to 32%, due to normal store operation as opposed in 2021.
Gross profit	4,344	38%	
Selling expenses	-2,758	34%	
G&A expenses	-790	32%	
EBIT	796	61%	
PBT	**762**	**38%**	
NPAT-MI	**613**	**38%**	
FPT Shop	*572*	*30%*	
Long Chau	*47*	*1158%*	
EPS (VND)	**7,763**	**38%**	
GPM	15.1%	112 bps	FPT shop will not implement aggressive stock clearance in 2022F. The trend to produce more high-end products with higher margin of laptop suppliers, due to lingering chip shortage issue, provides upside for FPT Shop' GPM. Meanwhile, ballooning procurement scale of Long Chau lend good bargaining power to negotiate better trade terms. Additionally, we expect that the chain could yield higher margin on the back of more private label SKUs (which account for 5% of sales currently), and higher medical equipment sales post-covid.
SG&A expenses /Sales	12.4%	55 bps	
EBIT margin	2.8%	57 bps	
PBT margin	2.7%	19 bps	
NPM	2.1%	16 bps	

Source: FRT, Rong Viet Securities

Valuation

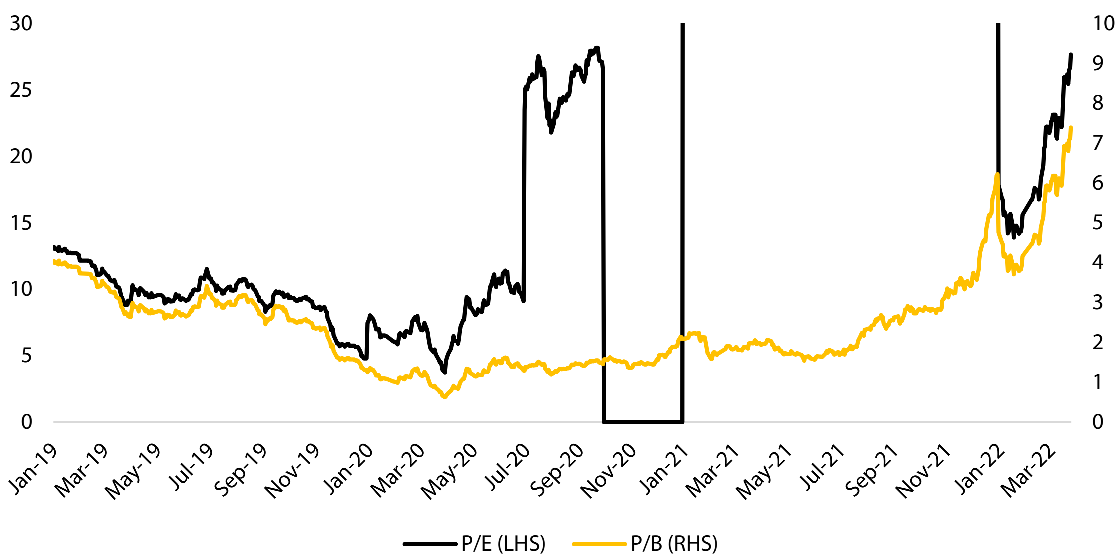
We use a sum-of-the-parts method to evaluate the stock. In which, we apply DCF and P/E to FTP Shop evaluation while we rely solely on DCF to evaluate the Long Chau Pharmacy chain. Our fair value arrives at **VND 155,200 value per share**, implying a **FY2022F/23F P/E of 20.0x/14.9x**.

Table 2: FRT SoTP valuation summary

Unit: VND Bn	Valuation approach	% Contribution	Value per share
FPT Shop	5Y FCFF (WACC: 10.3%, g: 2.0%)	50%	113,900
	P/E @ 15x 2022F EPS	50%	108,700
Long Chau	10Y FCFF (WACC: 15%, g: 2.0%)	100%	43,700
Target price (VND)			**155,200**
Cash dividend			**1,000**
Current market price (VND) @ Apr 8th, 2022			147,700
Total stock return			**0%**
TP / 2022F EPS			20.0x
TP / 2023F EPS			14.9x

Source: Rong Viet Securities

Figure 13: FRT's historical valuation



Source: Bloomberg, Rong Viet Securities

Appendix 1: Peers comparison

Company/Ticker	Country	Market cap (USD mn)	2021 Sales (USD mn)	2021 PBT (USD mn)	2018-21			2021 ROE (%)	Div yield (%)	P/E Trailing (x)	P/E Forward* (x)
					Sales 3Y CAGR (%)	EPS 3Y CAGR (%)	Avg PBT Margin				
FRT	VN	537.0	980.9	24.2	13.7	16.6	9.2	30.9	n.a	27.7	19.3
Vietnam ICT retailers/distributors											
MWG	VN	4,329	5,361.6	281.3	12.4	24.2	15.6	27.2	0.2	20.0	15.4
DGW	VN	548	914.4	35.9	52.3	50.7	75.9	44.7	0.4	18.9	15.7
PET	VN	247	763.6	17.4	16.4	9.1	38.1	11.4	1.6	29.9	n/a
PSD	VN	59	371.8	8.4	15.3	10.9	30.7	36.7	3.4	9.4	n/a
Mean		**397.8**	**839.0**	**26.6**	**15.9**	**17.6**	**34.4**	**32.0**	**1.0**	**19.5**	**15.5**
Median		**1,296.0**	**1,852.9**	**85.7**	**24.1**	**23.7**	**40.1**	**30.0**	**1.4**	**19.6**	**15.5**
ICT Retailer (Emerging)											
COM7	TH	3,006	1,600.1	99.9	22.4	42.1	43.6	57.7	1.2	38.3	35.7
BEIJING DIGITAL	CH	358	1,965.9	33.4	-5.3	-8.6	-30.7	5.1	n.a	19.6	n.a
IT CITY	TH	193	272.4	8.2	19.9	70.2	55.1	19.6	n.a	31.5	n.a
TEKNOSA	TU	93	869.9	16.0	29.3	n.a	n.a	n.a	n.a	7.2	n.a
ADITYA VISION	IN	133	100.8	4.4	11.7	n.a	118.4	60.1	0.7	35.1	n.a
Mean		**193.4**	**869.9**	**16.0**	**19.9**	**42.1**	**49.4**	**38.6**	**0.9**	**31.5**	**35.7**
Median		**756.8**	**961.8**	**32.4**	**15.6**	**34.6**	**46.6**	**35.6**	**0.9**	**26.3**	**35.7**
ICT Retailer (Developed)											
BEST BUY	US	21,782	51,761.0	2,995.0	6.5	11.7	23.3	64.1	3.1	9.9	10.7
JB HI-FI	AU	4,724	6,662.1	548.3	9.2	27.8	29.5	35.2	4.9	13.2	13.3
YAMADA HOLDINGS	JN	3,223	16,531.6	859.8	3.6	9.6	19.5	9.1	4.4	5.9	6.5
K'S HOLDINGS	JN	2,367	7,476.1	534.9	5.3	18.9	18.2	10.8	3.5	9.0	9.1
UNITED ELECTRONICS	SR	2,047	1,555.3	114.1	9.9	84.3	37.0	43.7	3.1	18.5	14.5
CECONOMY	GE	1,358	25,533.7	285.7	-0.1	-24.4	n.a	21.5	5.0	6.6	7.1
CURRYS	GB	1,326	13,659.4	276.0	-0.6	-5.7	n.a	8.4	4.5	40.0	8.4
EDION	JN	1,087	7,245.7	256.3	3.8	9.5	19.6	6.6	4.1	10.5	9.6
Mean		**2,207.2**	**10,567.8**	**410.3**	**4.6**	**10.6**	**21.5**	**16.2**	**4.3**	**10.2**	**9.4**
Median		**4,739.3**	**16,303.1**	**733.7**	**4.7**	**16.5**	**24.5**	**24.9**	**4.1**	**14.2**	**9.9**
Pharmacy Retail (Emerging)											
YIFENG PHARMACY	CH	4,635	1,907.0	169.3	39.8	40.7	33.1	14.1	0.6	32.7	31.2
YIXINTANG	CH	2,201	1,836.2	139.3	17.8	18.7	19.3	16.0	1.3	14.6	14.2
CORPORATIVO FRAGUA	MX	1,681	4,182.0	230.3	16.7	22.6	20.4	15.8	2.9	12.4	n.a
YUNNAN JIANZHIJIA	CH	681	648.0	43.3	23.9	n.a	37.0	20.9	2.8	14.9	14.5
SHANGHAI NO.1	CH	443	230.2	9.7	0.7	3.7	17.7	4.0	0.8	60.2	n.a
Mean		**1,681.4**	**1,836.2**	**139.3**	**17.8**	**20.6**	**20.4**	**15.8**	**1.3**	**14.9**	**14.5**
Median		**1,928.2**	**1,760.7**	**118.4**	**19.8**	**21.4**	**25.5**	**14.2**	**1.7**	**26.9**	**19.9**
Pharmacy Retail (Developed)											
WALGREENS	US	40,591	132,509.0	2,432.0	0.2	-10.4	-23.1	20.4	4.0	8.6	9.3
WELCIA	JN	5,350	8,966.7	416.5	11.0	17.9	17.6	15.6	1.0	24.3	23.6
MATSUKIYOCOCOKARA	JN	5,237	5,253.4	304.4	-0.1	2.8	-0.8	7.5	1.6	16.0	16.2
DIS-CHEM PHARMACIES	SA	2,180	1,600.5	57.3	10.5	7.4	-0.8	27.6	1.4	40.8	37.8
GENKY DRUGSTORES	JN	567	1,338.6	62.8	14.5	n.a	15.5	14.0	0.6	14.9	15.0
GREAT TREE PHARMACY	TA	693	403.9	18.2	32.0	37.3	49.4	23.6	0.3	52.6	34.0
Mean		**3,708.6**	**3,426.9**	**183.6**	**10.7**	**7.4**	**7.4**	**18.0**	**1.2**	**20.2**	**19.9**
Median		**9,103.0**	**25,012.0**	**548.5**	**11.4**	**11.0**	**9.7**	**18.1**	**1.5**	**26.2**	**22.7**

*Source: Bloomberg, Rong Viet Securities, *Bloomberg estimates except for FRT, MWG*

VND Billion

INCOME STATEMENT	FY2020	FY2021	FY2022F	FY2023F
Revenue	14,661	22,495	28,712	35,377
COGS	12,620	19,343	24,368	29,836
Gross profit	**2,041**	**3,152**	**4,344**	**5,540**
Selling Expense	1,566	2,059	2,758	3,594
G&A Expense	398	598	790	884
Finance Income	71	198	177	175
Finance Expense	134	146	212	205
Other profits	14	8	0	0
PBT	**28**	**554**	**762**	**1,031**
Prov. of Tax	18	110	143	185
Minority's Interest	-15	0	6	21
PAT to Equity S/H	**25**	**444**	**613**	**825**
EBIT	77	495	796	1,062
EBITDA	79	499	825	1,115

FINANCIAL RATIO	FY2020	FY2021	FY2022F	FY2023F
Growth (%)				
Revenue	-12%	53%	28%	23%
Operating Income	-77%	533%	65%	35%
EBITDA	-77%	540%	61%	33%
PAT	-88%	1695%	38%	35%
Total Assets	-18%	99%	-5%	10%
Equity	-5%	37%	35%	35%
Profitability (%)				
Gross margin	14%	14%	15%	16%
EBITDA margin	1%	2%	3%	3%
EBIT margin	1%	2%	3%	3%
Net margin	0%	2%	2%	2%
ROA	0%	4%	6%	7%
ROE	2%	27%	27%	27%
Efficiency (times)				
Receivable Turnover	9.8	11.3	15.6	18.8
Inventory Turnover	6.9	3.9	5.7	5.8
Payable Turnover	7.6	6.4	9.8	9.6
Liquidity (times)				
Current	1.2	1.1	1.1	1.2
Quick	0.8	0.6	0.6	0.5
Finance Structure (%)				
Total Debt/Equity	205%	364%	242%	165%
Current Debt/Equity	205%	364%	242%	165%
Long-term Debt/Equity	0%	0%	0%	0%

VND Billion

BALANCE SHEET	FY2020	FY2021	FY2022F	FY2023F
Cash and cash equivalents	702	1,105	460	204
Short-term investments	788	1,821	1,821	1,821
Accounts receivable	1,498	1,985	1,836	1,884
Inventories	1,827	4,928	4,285	5,118
Other current assets	145	339	376	402
Property, plant & equipment	9	16	264	425
Acquired intangible assets	42	156	148	135
Long-term investments	0	0	598	798
Other non-current assets	377	392	392	392
Total assets	**5,388**	**10,741**	**10,180**	**11,179**
Accounts payable	1,659	2,999	2,495	3,119
Short-term borrowings	2,486	6,047	5,413	4,999
Long-term borrowings	0	0	0	0
Other non-current liabilities	0	0	0	0
Bonus and Welfare fund	17	15	19	23
Technology-science, dev. fund	0	0	0	0
Total liabilities	**4,162**	**9,062**	**7,927**	**8,140**
Common stock and APIC	790	790	790	790
Treasury stock (enter as -)	0	0	0	0
Retained earnings	424	872	1,446	2,231
Other comprehensive income	0	0	0	0
Inv. and Dev. Fund	0	0	0	0
Total equity	**1,214**	**1,662**	**2,236**	**3,021**
Minority Interest	**11**	**17**	**17**	**17**

VALUATION RATIO (*)	FY2020	FY2021	FY2022F	FY2023F
EPS (dong)	313	5,618	7,763	10,442
P/E (x)	102.2	17.8	19.3	14.4
BV (dong)	15,367	21,045	28,309	38,250
P/B (x)	2.1	4.7	5.3	3.9
DPS (dong/cp)	0	500	500	1,000
Dividend yield (%)	0.0%	0.5%	0.3%	0.7%

VALUATION MODEL	Price	Weight	Average
Sum-of-the-parts	155,200	100%	155,200
Target price (VND)			**155,200**

VALUATION HISTORY	Price	Recommendation	Period

RESULT UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process. The report comprises analyses and projections that are based on the most up-to-date information with the objective that is to determine the reasonable value of the stock at the time such analyses are performed. Through this report. we strive to convey the complete assessment and opinions of the analyst relevant to the discussed company. To send us feedbacks and/or receive more information. investors may contact the assigned analyst or our client support department.

RATING GUIDANCE

Ratings	BUY	ACCUMULATE	REDUCE	SELL
Total Return including Dividends in 12-month horizon	>20%	5% to 20%	-20% to -5%	<-20%

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