June, 2021

# DA NANG RUBBER JSC (HSX: DRC)

## Results were driven by the radial tire segment

| Particulars (VND bn) | 1Q-FY21 | 4Q-FY20 | +/- qoq | 1Q-FY20 | +/- yoy |
|---|---|---|---|---|---|
| Net revenue | 912 | 1,108 | -17.7% | 803 | 13.6% |
| PAT | 64 | 110 | -41.8% | 37 | 70.1% |
| EBIT | 82 | 139 | -40.6% | 56 | 47.9% |
| EBIT margin | 9.0% | 12.5% | -349.3 bps | 6.9% | 209.3 bps |

*Source: DRC, Rong Viet Securities*

### 1Q2021: Growth in all segments

- 1Q2021 revenue reached VND 912.3 billion, up by 14% yoy. Both radial and bias tires segments' revenue grew as they reached VND 468.4 billion (+14% yoy) and VND 264.7 billion (+16% yoy), respectively. This came from recovering demand, helping to increase sales volume.
- GPM increased from 14.7% to 18.2% thanks to a sharp increase in the radial tire segment's GPM from 11.2% to 17.8% because the depreciation of the first phase of radial plant's machine and equipment was over. As a result, production costs fell more than selling prices. Thus, gross profit reached VND 165.8 billion, up by 40% yoy.
- Selling expenses increased by 84% yoy (to VND 66.5 billion) due to increased advertising, marketing and partners support (due to high transporting costs). Meanwhile, financial expenses decreased by 54% yoy (to VND 10.4 billion) thanks to lower interest expenses and payment discount.
- Overall, NPAT reached VND 63.7 billion, up 70% yoy.

### 2Q2021: Continuing to grow

We forecast that DRC will book VND 1,232 billion in net revenue (+56% yoy) due to the recovery of consumption in all markets and expansion of market share in the US.

Sales volume of radial tires will increase by 79% yoy, to 175,000 tires. GPM of radial tires will improve from 5.7% to 15.7% due to a decrease of VND 39 billion in depreciation of the radial factory. Bias tires sales volume will also increase to 180,000 tires (+25% yoy) due to exports to the US and recovery in the domestic market. The GPM of bias tires will decrease from 26.4% to 19% as selling price may not increase enough to offset the increase of inputs price.

2Q2021 gross profit is estimated at VND 207 billion (+76% yoy). Selling expenses are expected to increase by 48% yoy due to increased advertising, marketing and partner support. NPAT is forecast to increase by 123% yoy, to VND 97 billion.

### Valuation and recommendation

*We believe that DRC can improve its results in 2021. The main reason is the radial tire segment whose sales volume is expected to grow because of the expansion of market share in the US and recovering domestic market. The consumption of bias tires is more positive as the global economy is gradually recovering, helping to increase the demand for tire replacement. Increasing the capacity of the radial factory will help the company improve its income as the demand for radial tires increases along with the development of e-commerce. In the coming years, DRC may be imposed countervailing duty by the US, but the impact on the company's business will not account too much.*

*We have a target price of **32,800 VND/share**. Together with the cash dividend, the total return is **13%,** based on the closing price as of June 21th. We recommend to **ACCUMULATE** this stock.*

## ACCUMULATE +13%

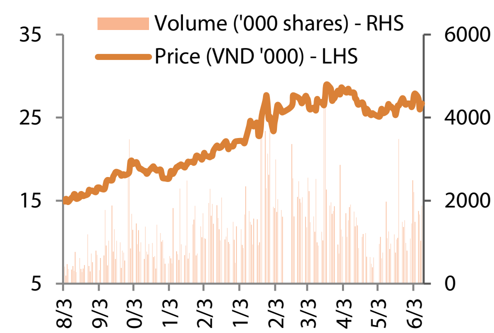
| | |
|---|---|
| Target price (VND) | 32,800 |
| Current market price (VND) | 30,450 |
| Cash Dividend (VND)* | 1,500 |

*(*) Expected in the next 12 months*

| Stock Info | |
|---|---|
| Sector | Automobile & Parts |
| Market Cap (USD mn) | 139 |
| Current Shares O/S | 118,792,605 |
| Avg. Daily Volume (in 20 sessions) | 1,515,010 |
| Free float (%) | 41 |
| 52 weeks High | 28,960 |
| 52 weeks Low | 14,130 |
| Beta | 1.06 |

| | FY2020 | Current |
|---|---|---|
| EPS | 1,942 | 2,381 |
| EPS Growth (%) | 1.2 | 4.3 |
| Diluted EPS | 1,942 | 2,381 |
| P/E | 14.1 | 11.5 |
| P/B | 1.9 | 1.9 |
| EV/EBITDA | 5.8 | 6.5 |
| Cash dividend yield (%) | 4.4 | 3.5 |
| ROE (%) | 15.4 | 16.7 |

### Price performance




| Major Shareholders (%) | |
|---|---|
| VINACHEM | 50.5 |
| *Foreign ownership room (%)* | 41 |

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**Exhibit 1: 1Q2021 Results**

| (VND Bn) | 1Q-FY21 | 4Q-FY20 | +/-(qoq) | 1Q-FY20 | +/-(yoy) |
|---|---|---|---|---|---|
| Net revenue | 912 | 1,108 | -17.7% | 803 | 13.6% |
| Gross profit | 166 | 219 | -24.3% | 118 | 40.3% |
| SG&A | 80 | 69 | 16.0% | 50 | 59.9% |
| Operating income | 86 | 150 | -42.9% | 68 | 25.8% |
| EBITDA | 111 | 139 | -20.0% | 122 | -8.8% |
| EBIT | 82 | 139 | -40.6% | 56 | 47.9% |
| Financial expenses | 10 | 19 | -44.7% | 23 | -54.1% |
| *- Interest Expenses* | 3 | 2 | 43.6% | 9 | -68.0% |
| Dep. and amortization | 29 | - | | 66 | -56.6% |
| Non-recurring items (*) | | | | | |
| Extraordinary items (*) | | | | | |
| PBT | 80 | 137 | -41.8% | 47 | 70.0% |
| PAT | 64 | 110 | -41.8% | 37 | 70.1% |
| (*) Adjusted PAT | 64 | 110 | -41.8% | 37 | 70.1% |

*Source: DRC, Rong Viet Securities*

**Exhibit 2: 1Q2021 Performance Analysis**

| | 1Q-FY21 | 4Q-FY20 | +/-(qoq) | 1Q-FY20 | +/-(yoy) |
|---|---|---|---|---|---|
| **Profitability Ratios (%)** | | | | | |
| Gross Margin | 18% | 19.8% | -159.4 bps | 14.7% | 345.6 bps |
| EBITDA Margin | 12% | 12.5% | -35.8 bps | 15.2% | -298.8 bps |
| EBIT Margin | 9% | 12.5% | -349.3 bps | 6.9% | 209.3 bps |
| Net Margin | 7% | 9.9% | -290.3 bps | 4.7% | 231.8 bps |
| Adjusted Net Margin | 7% | 9.9% | -290.3 bps | 4.7% | 231.8 bps |
| **Turnover *(x)** | | | | | |
| -Inventories | 4 | 4.5 | -0.9 | 2.4 | 1.2 |
| -Receivables | 22 | 28.6 | -6.2 | 17.6 | 4.9 |
| -Payables | 8 | 9.5 | -1.9 | 7.7 | -0.1 |
| **Leverage (%)** | | | | | |
| Total Debt/ Equity | 42% | 44% | -146.0 bps | 51% | -870.0 bps |

*Source: DRC, Rong Viet Securities*

**Exhibit 3: 2Q2021 Performance Forecast**

| Particulars (VND Bn) | 2Q-FY21 | +/- qoq | +/- yoy |
|---|---|---|---|
| Revenue | 1,232 | 35% | 56% |
| Gross profit | 207 | 25% | 76% |
| EBIT | 133 | 61% | 123% |
| NPAT | 97 | 52% | 123% |

*Source: Rong Viet Securities*

**Explanations**

- Radial tires: expected output to be 175,000 tires (+79% yoy). Revenue and gross profit will reach VND 699 billion (+93% yoy) and VND 110 billion (+431% yoy), respectively. Bias tires: expected output will be 180,000 tires (+25% yoy). Revenue and gross profit will reach VND 324 billion (+25% yoy) and VND 61 billion (-11% yoy), respectively.
- Selling expenses will increase by 48% yoy (to VND 58 billion) due to increased advertising, marketing and partners support. EBIT will increase thanks to well controlled G&A expenses, only increasing by 11% yoy, to VND 16.2 billion. While financial expenses will decrease by 8.7% yoy, to VND 14.9 billion because of the reduction of payment discount.

## Update

1Q2021 net revenue reached VND 912.3 billion, up by 14% yoy. Of which, radial tire revenue was VND 468.4 billion (+14% yoy), continuing to be the main source of income as it contributed 51% of revenue (equivalent to 1Q2020 figure). Revenue of bias tires reached VND 264.7 billion (+16% yoy), accounting for 29% of revenue (equivalent to 1Q2020 figure). The main reason is the recovering demand, helping to increase consumption volume.

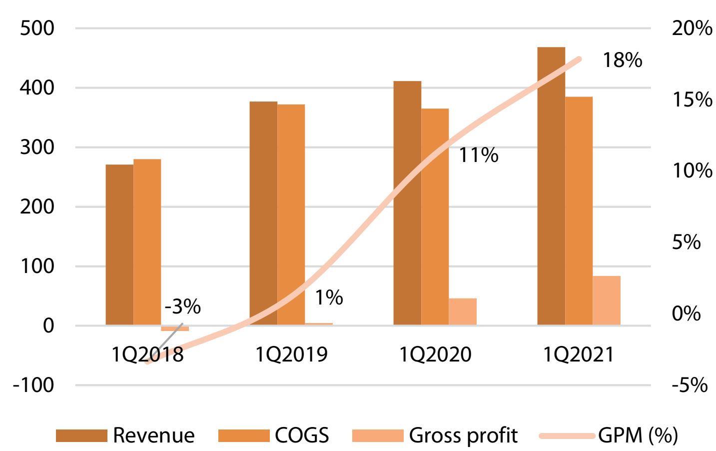
## Radial tire segment grew strongly in both revenue and profit

Net revenue reached VND 468.4 billion, up by 14% yoy due to an increase in sales of 126,915 tires (+20% yoy). Both domestic and exports saw an increase in sales. In detail:

- Export markets: Sales volume increased by 20% yoy, to 92,494 tires due to expanding market share in the US.
- Domestic market: Sales volume increased by 20% yoy, to 34,421 tires because the Covid-19 epidemic was well controlled, so businesses were more active compared to the same period last year, increasing the demand for tire replacement.

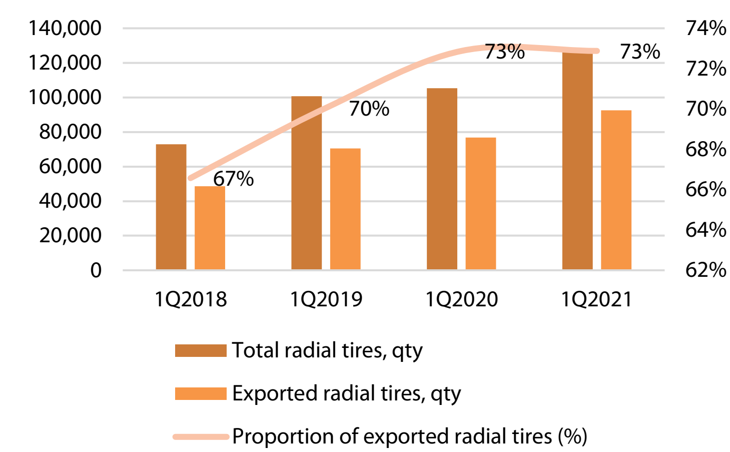
In contrast, the average selling price decreased by 5.4% yoy, to VND 3,690,000/tire. The average selling price in export markets decreased by 10% yoy, to VND 3,204,000/tire due to (1) the increased proportion of small size tires and (2) the depreciation of first phase radial factory's machinery and equipment has been over, helping production costs decrease by 12% yoy (to VND 3,032,000/tire). Thus, the company actively reduced its selling prices to enhance its competitiveness. GPM improved from 11.2% to 17.8% and gross profit was VND 83.6 billion (+82% yoy).

**Figure 1: Results of the radial tire segment (VND billion)**




*Source: DRC, Rong Viet Securities*

**Figure 2: Expanding export markets**




*Source: DRC, Rong Viet Securities*

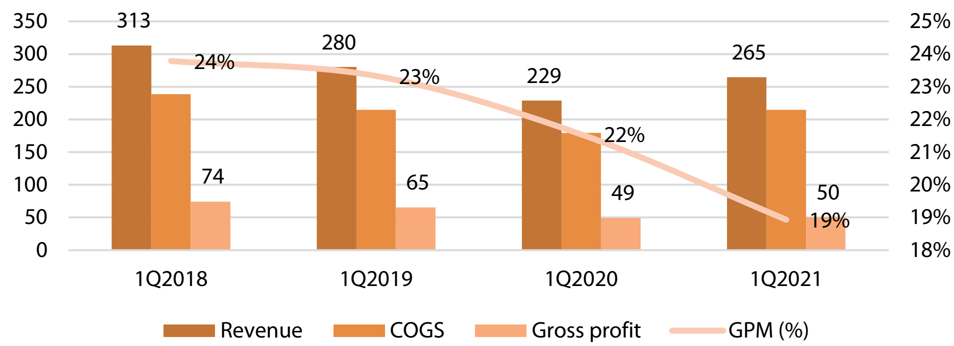
## Bias tire segment: Exporting to the US helped improve results

Bias tire revenue increased by 16% yoy, to VND 264.7 billion. Sales volume was the main growth driver with 164,679 tires (+27% yoy). In detail:

- Export markets: Besides the usual markets such as Southeast Asia and the Middle East, in 1Q2021, the company exported its bias tires to the US for the first time. Thereby, export volume reached 56,724 tires, up by 57% yoy.
- Domestic market: Sales volume recovered along with the recovery of economic activities, reaching 107,955 tires (+16% yoy).

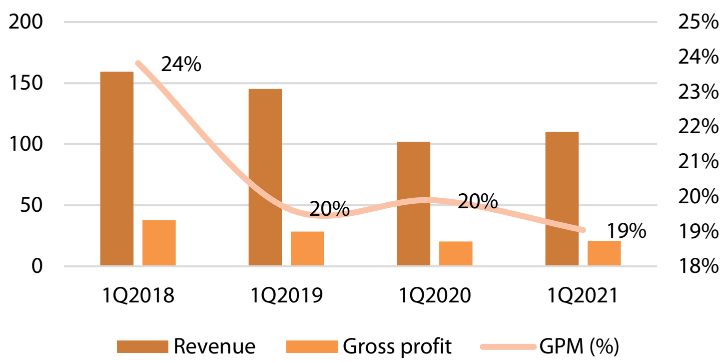
The average selling price decreased by 8.9% yoy, down to VND 1,607,000/tire. Selling price fell in both light truck and heavy truck tires because the demand for bias tires has been in a declining trend. Production costs were reduced when carbon black and synthetic rubber prices decreased. However, because the selling price fell more than the production cost, hence GPM decreased from 21.5% to 18.9%. Gross profit reached VND 50.1 billion, up by 1.8% yoy.

**Figure 3: Results of the bias tire segment (VND billion)**



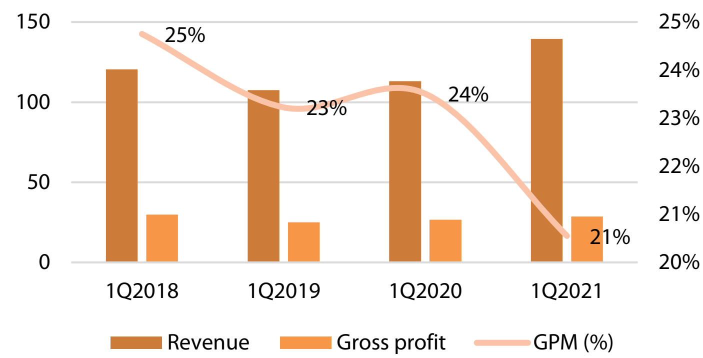

*Source: DRC, Rong Viet Securities*

**Figure 4: Results of heavy truck bias tires (VND billion)**




*Source: DRC, Rong Viet Securities*

**Figure 5: Results of light truck bias tires (VND billion)**




*Source: DRC, Rong Viet Securities*

**Other segments:** all saw revenue growing compared to the same period last year. Revenue of those segments reached VND 179.2 billion (+10% yoy), accounting for 20% of revenue. Growth mainly came from the increasing sales volume as demand gradually recovered. COGS fell more than selling price, helping to improve GPM from 14.1% to 17.9%. Gross profit reached VND 32.1 billion (+39% yoy), contributing 19% to the company's gross profit.

Selling expenses increased sharply by 84% yoy (to VND 66.5 billion) due to increased advertising and marketing activities in export markets and supporting export partners in the context that freight costs have increased since last year. In contrast, financial expenses decreased by 54% yoy (to VND 10.4 billion) thanks to lower interest expenses and payment discount as the cash conversion cycle improved. Days of inventory on hand was reduced from 151 (1Q2020) to 100 days because in 1Q2020, both domestic and export sales were affected by Covid-19.

Overall, PAT increased by 70% yoy, to VND 63.7 billion.

## Increasing the radial plant's capacity will be the growth driver in the coming years

Sales of radial tires have grown over the years thanks to the continuous expansion of export activities. It is expected that the radial factory will operate at full capacity in 2021. Therefore, at the last annual general meeting, the company approved to increase the radial factory's capacity from 600,000 tires/year to 1,000,000 tires/year with a total investment of VND 732 billion. This will happen from 4Q2021 to 2Q2024. However, the expansion part may be put into use before 2024. This will help gain market share in the US.

**The US imposing tax on Vietnamese tires.** On the 24th of May, the US Department of Commerce (DOC) concluded that Vietnamese passenger and light truck tires were subsidized and dumped. This tax imposition does not affect DRC because the company only exports radial and bias tires used for heavy trucks to the US. However, according to DRC, after completing the investigation of passenger and light truck tires, the DOC continues to investigate heavy truck tires. Currently, the company has actively cooperated and provided all information about its costs and selling prices to DOC, so the possibility that DRC will be subjected to anti-dumping duty is relatively low.

Regarding to countervailing duty, DRC is facing the risk of being imposed a tax rate of 6.46% like other Vietnamese tire companies because the DOC believes that Vietnamese tires have received subsidies. Thus, DRC may be imposed a total tax rate of 6.46% (0% anti-dumping duty and 6.46% countervailing duty). However, we think that Chinese companies operating in Vietnam are also likely to be imposed similar tax rates, while tire manufacturers in Thailand and Taiwan are likely to be imposed higher tax rates. Thus, DRC's competitiveness will not be affected, hence we do not change the assumptions about the selling price and the growth of export volume to the US for the following years.

**Table 4: US imposes taxes on Vietnamese passenger and light truck tires**

| Taxes | Affected companies in Vietnam | Other countries |
|---|---|---|
| Countervailing duty | • 7.9% for Kumho Tire (Vietnam)<br>• 6.2% for Sailun (Vietnam)<br>• 6.5% for the rest | |
| Anti-dumping duty | • 22.3% for all manufacturers<br>• **Except,** Kenda Rubber (Vietnam); Sailun Group (Hong Kong), Sailun Tire Americas; Bridgestone Tire Manufacturing Vietnam; Kumho Tire (Vietnam), Yokohama Rubber are imposed at **0%.** | • South Korea (14.7-27.1%)<br>• Taiwan (20.0-101.8%)<br>• Thailand (14.6-21.1%) |

*Source: trade.gov, Rong Viet Securities*

## 2021 forecast

**Table 5: 2021 forecast**

| | 2021F | YoY % | Comments |
|---|---|---|---|
| Revenue | 4,241 | 16% | |
| Revenue of radial tire segment | 2,328 | 26% | • Sales volume is expected to reach 600,200 tires (+18% yoy). Export volume is expected to reach 450,700 tires (+16% yoy) thanks to expanding market share in the US and Brazil. In particular, in the US market, it is estimated that the monthly export volume will increase from 13,000-14,000 tires/month (in 2020) to 16,000-18,000 tires/month. The reason is that US e-commerce has been constantly growing, increasing demand for truck tires. In the domestic market, the recovery of business activities will help to increase the demand for tires, so that the domestic volume is expected to reach 149,400 tires (+25% yoy).<br>• Prices of inputs such as natural rubber, carbon black and steel are increasing, but because of decreasing depreciation, the production cost will only increase by 1.3% yoy, to VND 3,269,000/unit. The average selling price increased by 6.8% yoy (to VND 3,878,000/piece) as the company actively increased its price to compensate for the increase of inputs price. GPM is estimated at 15.7% (+460bps), gross profit will increase by 78% yoy (to VND 365.4 billion). |
| Revenue of bias tire segment | 1,108 | 1.5% | • Sales volume is expected to reach 645,200 tires (+2.4% yoy). We expect a slight recovery in bias tire demand because of the recovery of global economic activity which will lead to higher demand for tire replacement.<br>• The average selling price is expected to decrease slightly by 0.9% yoy to VND 1,717,000/unit because radial tires are becoming more and more popular, so bias tire manufacturers have to keep an "acceptable" price to maintain market share. The average cost will be VND 1,405,000/unit, an increase of 8.3% yoy due to the increase in raw material costs. GPM will decrease from 25.2% to 18.2% and gross profit will reach VND 201.3 billion (-27% yoy). |
| Other revenue | 806 | 14% | |
| Gross profit | 706 | 18% | |
| Selling and G&A expenses | 288 | 27% | Expenses will increase because DRC will run more advertising and marketing projects in export markets and also support its partners facing high transportation costs. |
| Financial expenses | 55 | -19% | The company will reduce the payment discount because there is an improvement of the cash conversion cycle. At the same time, interest expenses are expected to decrease by 4.7% yoy, to VND 19 billion. |
| PAT | 301 | 17% | |

*Source: Rong Viet Securities*

## Valuation

Using a combination of P/E and FCFF with weights of 50% and 50% respectively, we arrive at a target price as below:

**Table 6: Assumption and forecast of the radial tire segment in the period of 2021-2025**

| | Assumption |
|---|---|
| Annual sales volume growth (units) | |
| • Exports to the US | 60,000 |
| • Exports to other markets | 30,000 |
| • Domestic market | 30,000 |
| Annual revenue growth rate (2020-2025) | |
| • Exports to the US | 23.0% |
| • Whole radial tire segment | 17.4% |
| Annual gross profit growth rate (2020-2025) | |
| • Exporting to the US | 43.8% |
| • Whole radial tire segment | 30.6% |

*Source: Rong Viet Securities*

**Table 7: Valuation**

| Valuation method | Assumption | Weight (%) | Value (VND/share) |
|---|---|---|---|
| P/E | Using industry average P/E – 13.9x | 50 | 31,756 |
| FCFF | Using a WACC rate of 12.1% and an EV/EBITDA ratio of 6.1 (industry average) | 50 | 33,818 |
| **Target price** | | | **32,800** |

*Source: Rong Viet Securities*

**Table 8: Industry peers**

| Companies | Market cap (VND billion) | P/E (x) | EV/EBITDA (x) |
|---|---|---|---|
| Inoue Rubber Thailand | 2,712 | 11.6 | 3.0 |
| Dong Ah Tire & Rubber | 4,389 | 7.3 | 7.4 |
| Gajah Tunggal | 4,990 | 9.6 | 3.2 |
| Hwa Fong Rubber | 4,379 | 18.9 | 8.4 |
| TVS Srichakra | 4,861 | 20.7 | 6.5 |
| Sao Vang Rubber | 529 | 6.9 | 7.7 |
| Mien Nam Rubber | 1,824 | 20.0 | 9.5 |
| Hwa Fong Rubber Thailand | 3,234 | 10.3 | 5.7 |
| **Average** | | **13.9** | **6.1** |

*Source: Bloomberg*

VND Billion

| INCOME STATEMENT | FY2019 | FY2020 | FY2021F | FY2022F |
|---|---|---|---|---|
| Revenue | 3,858 | 3,647 | 4,241 | 4,688 |
| COGS | 3,287 | 3,047 | 3,535 | 3,850 |
| **Gross profit** | 571 | 599 | 706 | 837 |
| Selling Expense | 127 | 165 | 223 | 236 |
| G&A Expense | 61 | 62 | 65 | 68 |
| Finance Income | 12 | 18 | 13 | 12 |
| Finance Expense | 82 | 68 | 55 | 71 |
| Other profits | 1 | -2 | 0 | 0 |
| **PBT** | 313 | 321 | 376 | 474 |
| Prov. of Tax | 63 | 64 | 75 | 95 |
| Minority's Interest | 0 | 0 | 0 | 0 |
| **PAT to Equity S/H** | 250 | 257 | 301 | 380 |
| EBIT | 383 | 372 | 418 | 533 |
| EBITDA | 656 | 582 | 521 | 658 |

%

| FINANCIAL RATIO | FY2019 | FY2020 | FY2021F | FY2022F |
|---|---|---|---|---|
| **Growth (%)** | | | | |
| Revenue | 8.6 | -5.5 | 16.3 | 10.5 |
| Operating Income | 24 | -11.3 | -10 | 26 |
| EBITDA | 48 | -2.8 | 12 | 28 |
| PAT | 80.7 | 2.5 | 17.4 | 26.0 |
| Total Assets | -4 | -10.3 | 9 | 12 |
| Equity | 7 | 3.4 | 3 | 5 |
| **Profitability (%)** | | | | |
| Gross margin | 15 | 16 | 17 | 18 |
| EBITDA margin | 17 | 16 | 12 | 14 |
| EBIT margin | 9.9 | 10.2 | 10 | 11 |
| Net margin | 6 | 7 | 7 | 8 |
| ROA | 9 | 11 | 11 | 13 |
| ROE | 15 | 15 | 17 | 21 |
| **Efficiency** | | | | (times) |
| Receivable Turnover | 27.0 | 27.8 | 20.2 | 23.4 |
| Inventory Turnover | 2.9 | 3.9 | 3.5 | 4.1 |
| Payable Turnover | 8.5 | 7.3 | 6.9 | 7.7 |
| **Liquidity** | | | | (times) |
| Current | 1.5 | 1.8 | 1.8 | 1.8 |
| Quick | 0.2 | 0.7 | 0.6 | 0.7 |
| **Finance Structure (%)** | | | | |
| Total Debt/Equity | 42 | 18 | 21 | 33 |
| Current Debt/Equity | 33 | 18 | 15 | 17 |
| Long-term Debt/Equity | 9 | 0 | 5 | 16 |

VND Billion

| BALANCE SHEET | FY2019 | FY2020 | FY2021F | FY2022F |
|---|---|---|---|---|
| Cash and cash equivalents | 46 | 189 | 44 | 98 |
| Short-term investments | 0 | 150 | 150 | 210 |
| Accounts receivable | 143 | 131 | 210 | 201 |
| Inventories | 1,153 | 788 | 999 | 947 |
| Other current assets | 36 | 54 | 32 | 43 |
| Property, plant & equipment | 1,256 | 1,060 | 1,155 | 1,399 |
| Acquired intangible assets | 4 | 3 | 0 | 0 |
| Long-term investments | 3 | 4 | 4 | 4 |
| Other non-current assets | 67 | 52 | 46 | 47 |
| **Total assets** | **2,709** | **2,430** | **2,641** | **2,949** |
| Accounts payable | 387 | 418 | 515 | 501 |
| Short-term borrowings | 532 | 306 | 270 | 314 |
| Long-term borrowings | 149 | 1 | 90 | 284 |
| Other non-current liabilities | 0 | 0 | 0 | 0 |
| Bonus and Welfare fund | 9 | 18 | 19 | 21 |
| Technology-science, dev. fund | 0 | 0 | 0 | 0 |
| **Total liabilities** | **1,077** | **743** | **895** | **1,121** |
| Common stock and APIC | 1,188 | 1,188 | 1,188 | 1,188 |
| Treasury stock (enter as -) | 0 | 0 | 0 | 0 |
| Retained earnings | 201 | 206 | 239 | 291 |
| Other comprehensive income | 21 | 21 | 21 | 21 |
| Inv. and Dev. Fund | 222 | 273 | 298 | 328 |
| **Total equity** | **1,632** | **1,688** | **1,746** | **1,828** |
| **Minority Interest** | **0** | **0** | **0** | **0** |

| VALUATION RATIO (*) | FY2019 | FY2020 | FY2021F | FY2022F |
|---|---|---|---|---|
| EPS (dong) | 1,939 | 1,944 | 2,282 | 2,876 |
| P/E (x) | 10.2 | 10.0 | 12.0 | 9.5 |
| BV (dong) | 13,738 | 14,206 | 14,696 | 15,387 |
| P/B (x) | 1.6 | 1.5 | 1.9 | 1.8 |
| DPS (dong/cp) | 1,100 | 1,000 | 1,500 | 1,800 |
| Dividend yield (%) | 4.7 | 4.4 | 5.5 | 6.6 |

| VALUATION MODEL | Price | Weight | Average |
|---|---|---|---|
| FCFF | 33,818 | 50% | 16,909 |
| PE | 31,756 | 50% | 15,878 |
| **Target price (VND)** | | | **32,800** |

| VALUATION HISTORY | Price | Recommendation | Period |
|---|---|---|---|
| 12/2020 | 25,000 | Accumulate | Intermediate |
| 03/2020 | 22,500 | Buy | Intermediate |

## 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% |

## ABOUT US

**RongViet Securities Corporation (RongViet**) was established in 2007, licensed to perform the complete range of securities services including brokerage, financial investment, underwriting, financial and investment advisory and securities depository. RongViet now has an operating network that spreads across the country. Our major shareholders. Also, our strategic partners are reputable institutions, i.e Eximbank, Viet Dragon Fund Management. etc... Along with a team of the professional and dynamic staffs, RongViet has the man power as well as the financial capacity to bring our clients the most suitable and efficient products and services. Especially, RongViet was one of the very first securities firms to pay the adequate attention to the development of a team of analysts and the provision of useful research report to investors.

The **Analysis and Investment Advisory Department** of RongViet Securities provides research reports on the macro-economy, securities market and investment strategy along with industry and company reports and daily and weekly market reviews.

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