HA DO JSC (HDG)

POWER

ADD (Maintained)
+27.3%

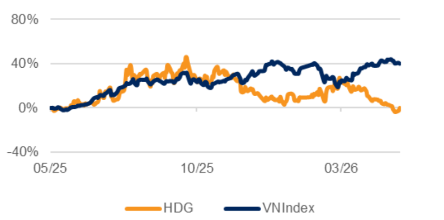
Current Price	VND23,800
52Wk High/Low	VND35,050/21,850
Target Price	VND30,300
Previous TP	VND37,400
TP vs Consensus	-10.6%
Upside	27.3%
Dividend Yield	2.1%
Total stock return	29.4%

Growth rating	Positive
Value rating	Positive
ST Technical Analysis	Negative

Market Cap			USD337.0mn
3m Avg daily value			USD2.7mn
Avail Foreign Room			USD108.3mn
Outstanding Shares			370.0mn
Fully diluted O/S			370.0mn
	HDG	Peers	VNI
P/E TTM	13.3x	8.5x	14.1x
P/B Current	1.3x	1.0x	2.2x
ROA	4.7%	4.2%	2.5%
ROE	10.3%	11.4%	15.7%

as of 5/28/2026

Share Price performance



Performance (%)	1M	3M	12M
HDG	-9.6%	-10.3%	0.1%
VNIndex	1.1%	-0.3%	39.9%

Ownership

Nguyen Trong Thong	31.8%
Nguyen Van To	8.1%
Others	60.1%

Business Description

HDG was founded in 1990 as a construction firm under the Ministry of Defense. It specializes in real estate development and construction. With a focus on Hanoi and HCMC, its portfolio encompasses diverse projects such as villas, townhouses, offices, and hotels. Beyond real estate, HDG has actively pursued power generation, specializing in cost-effective development of small hydropower plants while also venturing into solar and wind power.

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Slow but steady recovery

- We reiterate our ADD rating with upside of 27% and a dividend yield of 2%.
- We lower our TP by 19% due to lower FY26-27 EPS forecasts after updating our assumptions for the COD/CCA resolution mechanism at solar power plants and revising the handover schedule for the Charm Villas 3 project.
- The current P/B of 1.3x is well below its five-year average P/B of 1.8x, which we believe remains attractive given the company's recovery outlook.

Financial Highlights

- 1Q26 net profit (NP) dropped 67.8% YoY to VND50bn (USD1.9mn), mainly due to a sharp increase in SG&A expenses, which was driven by provision expenses related to the Infra 1 solar plant.
- We forecast NP to grow 9.1%/66.2% YoY in FY26-27, mainly driven by the handover of the Charm Villas 3 project.

Investment Thesis

Residential property recovery remains gradual

Following a weak 2025, we expect the property segment to gradually recover from 2026 onward, supported by the handover of Charm Villas 3. As it likely remains the sole contributor over the next few years, we expect HDG to phase project handovers during 2026-29. We currently expect it to contribute VND205bn/VND418bn (USD7.8mn/USD15.9mn) in NP in 2026-27, equivalent to 24%/30% of HDG's NP, respectively. Meanwhile, HDG's longer-term outlook is also gradually improving, with new projects such as 62 Phan Dinh Giot and Minh Long potentially starting development from 2027 and beginning to contribute revenue from 2029.

Provisioning largely completed, power entering a new investment cycle

Following EVN's latest proposed resolution framework for COD/CCA-related issues, HDG recognized VND193bn (USD7.3mn) of provision for the Infra 1 project in 1Q26, effectively completing provisioning for most legal risks associated with the two affected renewable projects. We expect these issues to be largely resolved within this year. Looking ahead, HDG is expected to re-enter a new capacity expansion cycle, with hydropower projects (La Trong, Son Nham) and the Phuoc Huu wind power project expected to commence operations during 2026–27, collectively contributing ~13% of the company's total power output.

Hydropower faces headwinds in 2026 amid dominant El Nino conditions

Based on the latest ENSO forecasts, 2026 is expected to be hotter than historical averages with a dominant probability of El Nino conditions. Lower rainfall levels are likely to negatively affect hydropower generation, particularly after a strong 2025. Thus, we forecast hydropower output will fall 17.3% YoY to 1.23 billion kWh in 2026.

Attractive valuation given the long-term growth outlook

From our perspective, most major risks associated with HDG's power projects have now largely been provisioned, while the company is demonstrating a gradual but relatively solid recovery supported by a healthier balance sheet (net gearing declining significantly from 170% to 68% over the past five years). Accordingly, we believe HDG's current valuation (P/B of 1.3x) remains attractive given its long-term growth potential across both the energy and property segments.

	12-24A	12-25A	12-26E	12-27F
Revenue growth	-5.9%	2.5%	7.7%	23.9%
EPS growth	-47.6%	121.2%	9.1%	66.2%
Gross margin	58.5%	62.7%	64.4%	65.6%
Net profit margin	12.8%	27.6%	28.0%	37.6%
P/E (x)	32.7	12.4	12.2	7.3
Rolling P/B (x)	1.6	1.3		
ROAE	5.8%	11.9%	12.0%	18.6%
Net debt to equity	62.6%	47.9%	45.8%	44.2%

Source: VNDIRECT RESEARCH

Results Recap: Provision expenses drag on 1Q earnings despite solid revenue growth

Figure 1: 1Q26 results review

VNDbn	1Q25	1Q26	% YoY	% vs full year VND's forecast
Net sales	**599**	**684**	**14.3%**	**15.5%**
- Property	*-*	*49*	*100.0%*	*2.8%*
- Power	*503*	*508*	*1.1%*	*23.5%*
- Hospitality & Office leasing	*116*	*127*	*9.2%*	*26.9%*
Gross profit	**401**	**442**	**10.3%**	**14.6%**
- Property	*17*	*43*	*148.6%*	*3.3%*
- Power	*356*	*354*	*-0.6%*	*23.4%*
- Hospitality & Office leasing	*51*	*45*	*-12.1%*	*20.3%*
SG&A	56	260	363.9%	70.4%
Net financial income / (expenses)	(93)	(51)	-45.2%	-21.7%
PBT	229	124	-45.9%	4.3%
NPAT-MI	**155**	**50**	**-67.8%**	**2.3%**
GPM	67.0%	64.6%	-2.3% pts	
NPM	25.9%	7.3%	-18.6% pts	

Source: VNDIRECT RESEARCH, COMPANY REPORTS

Power segment remained stable

1Q26 power revenue inched up 1.1% YoY to VND508bn (USD19.5mn), while power gross profit slightly declined 0.6% YoY to VND354bn (USD13.6mn). The power segment remained HDG's key contributor, accounting for 74% of total revenue and 80% of total gross profit in 1Q26. However, growth momentum moderated after a strong 2025, likely reflecting less favorable hydrology conditions compared to a high base in the same period last year.

Property segment resumed its contribution from a low base

The property segment recorded VND49bn (USD1.9mn) in revenue in 1Q26 vs no meaningful contribution in 1Q25, while GP rose 148.6% YoY to VND43bn (USD1.7mn). The recovery was likely supported by the initial handover of Charm Villas 3, though the contribution remained modest relative to HDG's FY26 plan. We believe Charm Villas 3 will remain the key driver for the property segment in 2026, but the pace of handover will be critical to earnings delivery.

Provision expenses weighed heavily on the bottom line

SG&A expenses surged 363.9% YoY to VND260bn (USD10.0mn) in 1Q26, reaching 70.4% of our full-year forecast, mainly due to provision expenses for the Infra 1 solar plant related to the COD-to-CCA period. Meanwhile, net financial expenses declined 45.2% YoY to VND51bn (USD2.0mn), partly offsetting the SG&A pressure.

1Q26 NP missed our expectation due to provision expenses

Overall, 1Q26 revenue increased 14.3% YoY to VND684bn (USD26.3mn), supported by stable power revenue and the resumption of property booking, while NPAT-MI fell 67.8% YoY to VND50bn (USD1.9mn) due to limited property earnings contribution and provision expenses for Infra 1. This bottom line missed our expectations as property earnings remained limited, but we expect stronger bookings from this segment in the later quarters of 2026.

FY26-27 outlook: Slow but steady recovery

Figure 2: FY26-27 earnings forecast revision

VNDbn	Actual	Old		New		%∆		Comment
	FY25	FY26	FY27	FY26	FY27	FY26	FY27	
Total revenue	**2,787**	**4,825**	**3,777**	**3,001**	**3,718**	**-37.8%**	**-1.6%**	
% yoy	*2.5%*	*73.1%*	*-21.7%*	*7.7%*	*23.9%*			
Property	47	2,160	1,100	511	977	-76.3%	-11.2%	We lower property revenue forecasts mainly due to changes in the sales and handover schedule for the Charm 3. We now expect HDG to phase project handovers during 2026-29, compared with our previous assumption of handovers occurring during 2H25-2027
Power	2,274	2,174	2,176	1,996	2,238	-8.2%	2.8%	
- Hydropower	1,685	1,516	1,508	1,411	1,505	-6.9%	-0.2%	We lower our FY26 hydropower revenue forecasts mainly due to reduced hydropower output assumptions (-4.4%), reflecting our expectation that El Nino conditions will dominate during 2026
- Renewable energy	661	658	667	585	732	-11.1%	9.7%	Our renewable energy revenue forecasts are lowered primarily because we revise the assumed electricity selling price for the HP4 plant to transitional tariff levels instead of FiT1 pricing
Hospitality & Office leasing	487	491	501	511	521	4.1%	4.1%	
Gross profit	**1,775**	**3,319**	**2,494**	**1,932**	**2,438**	**-41.8%**	**-2.3%**	
Property	-35	1,586	775	342	663	-78.4%	-14.5%	
Power	1,644	1,519	1,507	1,377	1,565	-9.3%	3.9%	
Hospitality & Office leasing	165	215	212	213	210	-0.7%	-1.2%	
Gross margin (%)	*63.7%*	*68.8%*	*66.0%*	*64.4%*	*65.6%*	*-4.4% pts*	*-0.5% pts*	
SG&A expenses	285	402	314	473	321	17.5%	2.2%	Our 2026 SG&A expense forecast is revised upward to reflect the VND193bn (USD7.3mn) provision expense related to the Infra 1 project, which was already recognized in Q1/26
EBIT	1,461	2,917	2,180	1,459	2,116	-50.0%	-2.9%	
Net financial expense	359	239	182	208	223	-12.9%	22.6%	
Pre-tax profit	1,070	3,157	1,976	1,211	1,845	-61.6%	-6.7%	Our FY26 PBT forecast declines significantly as we remove the assumption that HDG could reverse VND550bn (USD21mn) of provisions in 2026
Net profit	**770**	**2,336**	**1,525**	**841**	**1,397**	**-64.0%**	**-8.4%**	
% yoy	*121.2%*	*203.3%*	*-34.7%*	*9.1%*	*66.2%*			

Source: COMPANY REPORTS, VNDIRECT RESEARCH

The handover of Charm 3 to drive earnings growth during 2026-27

For 2026, we forecast HDG's net profit to record modest growth of 9.1% YoY, mainly supported by the phased handover of the Charm Villas 3 project (20 units), partially offset by weaker hydropower performance due to El Niño conditions and an additional VND193bn (USD7.3mn) provision related to the Infra 1 project.

Net profit growth will accelerate significantly in 2027 (+66.2% YoY), still primarily driven by continued handovers at Charm Villas 3 (30 units), alongside recovery in the power segment as several new projects – including La Trong and Son Nham hydropower plants and Phuoc Huu wind project – commence operations.

Property: A cautious recovery with Charm Villas 3 remaining the key earnings driver in the near term

We expect HDG to phase in Charm Villas 3 handovers during 2026–29

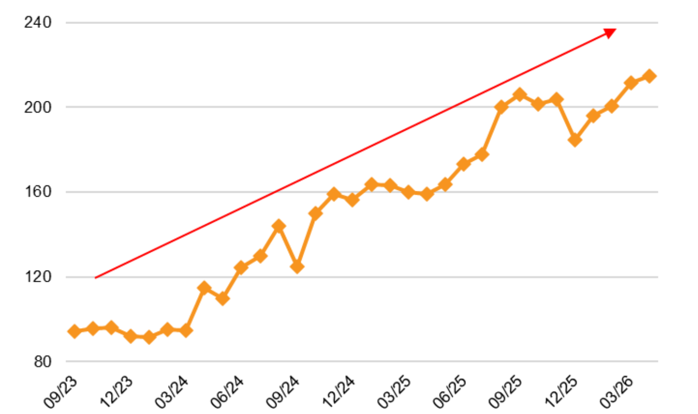
By late 2025, Ha Do Group (HDG) had begun recognizing revenue from the Charm Villas 3 project following multiple delays. However, sales and handover progress has remained relatively slow, with revenue recognized from only two units during 2025.

Based on secondary market transaction data from Charm Villas phases 1 and 2, we observe that selling prices have remained elevated this year. While high market pricing supports the profitability outlook for Charm Villas 3, it may also weigh on project absorption rates, particularly in the current high interest rate environment.

Given that Charm Villas 3 will likely remain HDG's sole major real estate revenue contributor over the next few years, we expect the company to adopt a longer phased handover strategy spanning 2026–29, compared with previous expectations of 2H25–2027. In our view, this approach could help ensure more sustainable market absorption for a premium residential project while also smoothing HDG's real estate earnings contribution during a period when new projects have yet to commence development.

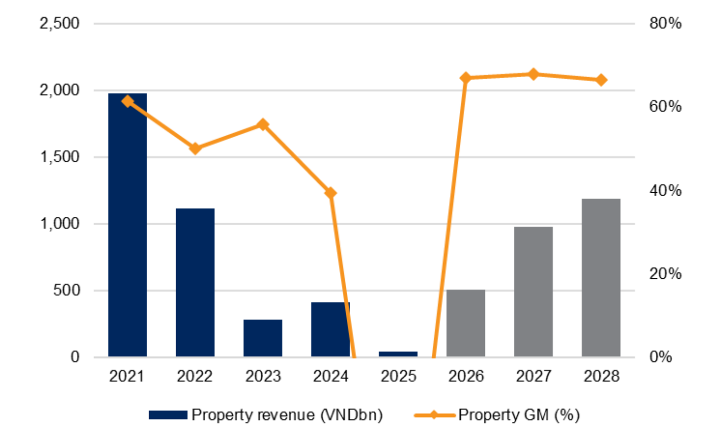
Accordingly, we forecast the real estate segment (primarily Charm Villas 3) to generate revenue of VND511bn/VND877bn (USD19mn/USD33mn) and net profit of VND205bn/VND418bn (USD7.8mn/USD15.9mn) from the handover of 20 and 30 units in 2026 and 2027, respectively, contributing 24%/30% of total net earnings during the same period.

Figure 3: Secondary market prices at the existing Charm Villas project remain high, supporting profit margins for Charm Villas 3 but also partly weighing on project absorption rates



Source: Batdongsan.vn, VNDIRECT RESEARCH

Figure 4: We forecast Charm Villas 3 handovers to be phased during 2026-29, serving as the key growth driver for the real estate segment while awaiting the rollout of new projects



Source: COMPANY REPORTS, VNDIRECT RESEARCH

Long-term outlook is gradually improving as new projects could commence from 2027 onward

After facing prolonged legal and procedural delays, the inclusion of the Hado Minh Long project in Ho Chi Minh City and the 62 Phan Dinh Giot (62 PDG) project in Hanoi under the pilot implementation framework of Resolution 171/2024/QH15 marks a positive step forward for Ha Do Group's long-term real estate outlook. In parallel, the Hado Green Lane project has also been proposed for inclusion under the same resolution framework.

Despite near-term headwinds related to the interest rate environment and remaining legal bottlenecks, we remain constructive on the long-term outlook for these projects, supported by the Government's increasingly proactive efforts to resolve legal obstacles and resilient underlying demand for inner-city residential projects in major urban areas.

We expect HDG to complete the remaining legal procedures for both the Hado Minh Long and 62 PDG projects, enabling project development to begin from 2027 onward. Revenue contribution from these projects is expected to commence from 2029.

Figure 5: HDG owns a relatively diversified property portfolio. Among these projects, we believe three are most likely to be developed over the coming years, including two projects already included under the pilot implementation framework of Resolution 171 — Hado Minh Long and 62 Phan Dinh Giot

Project	Location	Product	Ownership (%)	Land site (m2)	Handover schedule					
					2026	2027	2028	2029	2030	2031
PROPERTY PROJECTS										
Charm Villas phase 3	An Khanh, HN	Villas/Shophouse	100%	300,250						
Hado Green Lane	District 8, HCMC	3 towers with 759 apartments	99%	23,237						
Hado Minh Long	Thu Duc, HCMC	Apartment/Townhouses	100%	27,125						
62 Phan Dinh Giot	Thanh Xuan, HN	Apartment & office	100%	22,399						
Nongtha Central Park	Vientiane, Laos	241 townhouses, 586 villas		745,000						
Land of Education	Cat Bi, Hai Phong	N/A	100%	8,621						
Equipment Joint Stock	Hung Yen	N/A	100%	6,636						
HOSPITALITY & LEASING SPACE										
CC3	Cau Giay, HN	Commercial space & office	100%	4,506						
30 Ta Quang Buu	Hai Ba Trung, HN	Commercial space & office	100%	N/A						
Allia Bao Dai	Nha Trang, Khanh Hoa	- 5 conserved villas - 35 new villas - 5 stars hotel with 108 rooms	65%	89,200						
Dich Vong complex	Cau Giay, HN	Hotel & Office - 2 towers with 47 floors	100%	9,865						

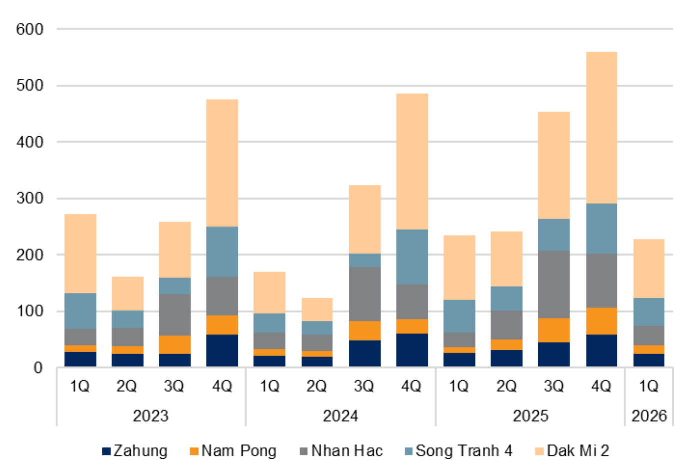
Source: COMPANY REPORTS, VNDIRECT RESEARCH

Power: Returning to a new investment cycle

Hydropower: Short-term headwinds due to dominant El Niño conditions

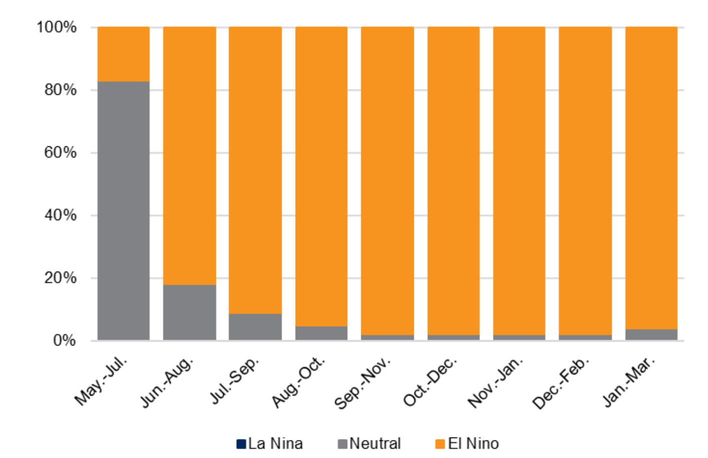
Despite the end of the La Niña phase, HDG's hydropower output in 1Q26 remained relatively resilient, declining only 3% YoY. This was mainly supported by favorable carry-over hydrological conditions from 4Q25, alongside stronger hydropower dispatch by NSMO amid concerns over fossil fuel supply and pricing following the escalation of the Iran conflict from March onward.

Figure 6: Hydropower output remained relatively resilient in 1Q26 (million kWh)



Source: COMPANY REPORTS, VNDIRECT RESEARCH

Figure 7: However, the latest ENSO forecasts indicate that strong El Nino conditions are likely to dominate throughout 2026

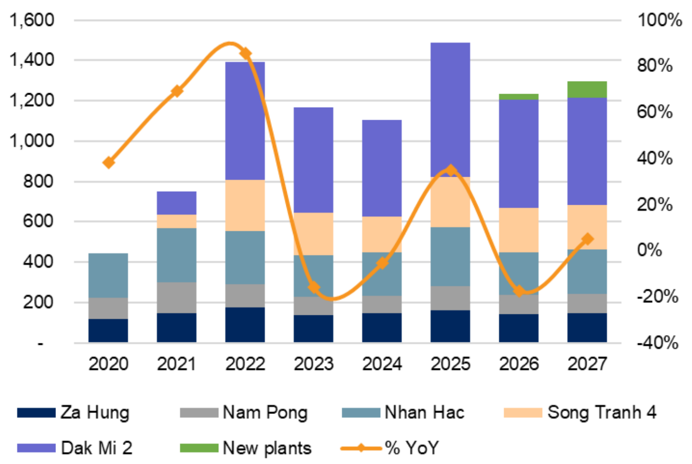


Source: IRI, VNDIRECT RESEARCH

However, based on the latest ENSO forecasts, 2026 is expected to be hotter than historical averages across most regions, with a dominant probability of El Niño conditions. Lower rainfall levels are likely to negatively impact the hydropower sector this year, particularly following the exceptionally strong performance in 2025.

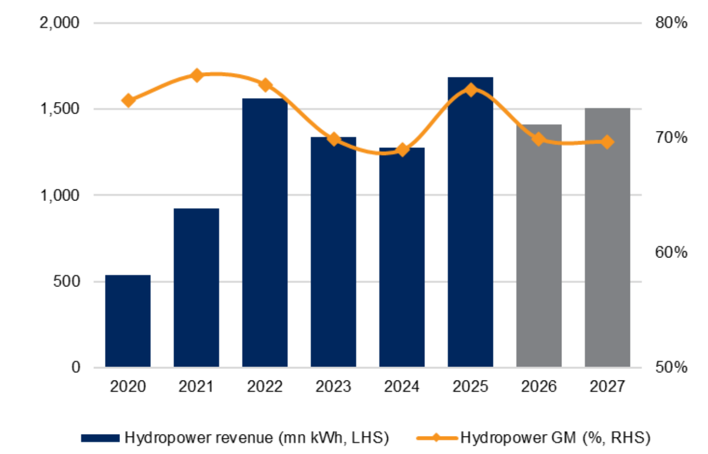
Accordingly, we forecast HDG's hydropower output to decline 17.3% YoY to 1.23 billion kWh in 2026, mainly driven by weaker generation from existing plants (-19% YoY), partially offset by the commissioning of the La Trong hydropower project (22MW) from mid-2026. Meanwhile, hydropower revenue is projected to decline 16.3% YoY, supported in part by slightly higher average selling prices (+1% YoY) amid improving FMP levels.

Figure 8: Hydropower output forecast for 2026-27 (million kWh)



Source: COMPANY REPORTS. VNDIRECT RESEARCH

Figure 9: We forecast hydropower revenue to decline from a high 2025 base (VNDbn)



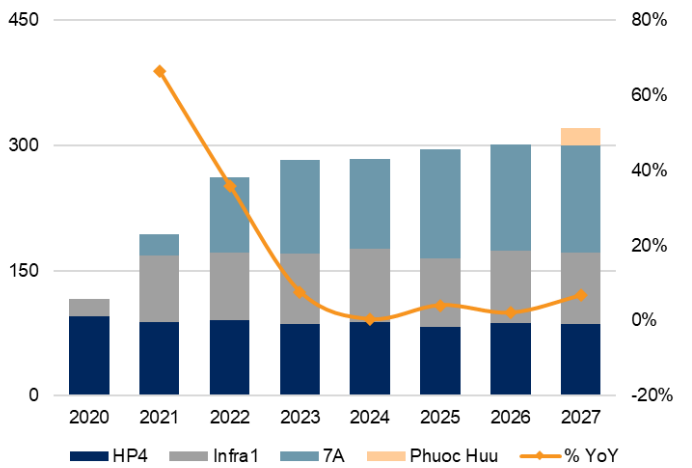
Source: COMPANY REPORTS. VNDIRECT RESEARCH

Renewable energy: Stable operations, with most risks at the two solar plants largely provisioned

Output expected to remain stable in 2026 before growing in 2027

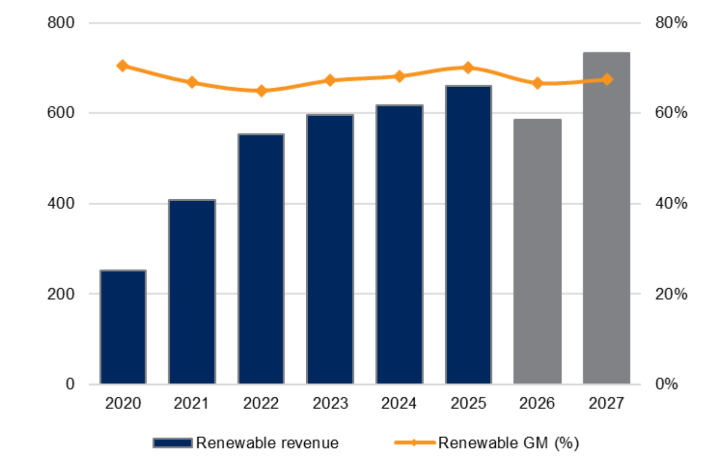
Overall, we expect HDG's renewable energy portfolio to continue operating stably in 2026, with total renewable output projected to increase 2.1% YoY to 301 million kWh. Growth is expected to be mainly driven by solar power generation (+5.3% YoY), supported by hotter weather conditions that should improve solar irradiation and plant efficiency. Meanwhile, wind power output is forecast to decline 2% YoY from a high base recorded in 2025.

Figure 10: Renewable energy output forecast for 2026-27. RE generation is expected to grow in 2027 following the commissioning of the Phuoc Huu wind project (million kWh)



Source: COMPANY REPORTS. VNDIRECT RESEARCH

Figure 11: RE revenue is expected to decline in 2026 due to lower tariffs at HP4, before rebounding in 2027, driven by the Phuoc Huu wind project and the potential reinstatement of FiT1 pricing for HP4 (VNDbn)



Source: COMPANY REPORTS. VNDIRECT RESEARCH

However, we forecast renewable energy revenue to decline 11.6% YoY in 2026, mainly due to lower electricity prices at the HP4 solar plant, which is expected to apply transitional tariffs throughout 2026. This negative impact is expected to outweigh the positive contributions from higher output and FX rates.

We expect renewable revenue growth to rebound strongly in 2027 (+25% YoY), supported by the reinstatement of FiT1 pricing at HP4 following CCA approval and the contribution from the new Phuoc Huu wind power project (50MW) from late-2027.

COD/CCA-related issues: Most risks have now been provisioned for based on EVN's latest proposal

Under EVN's latest proposed resolution framework, affected projects would receive transitional tariffs during the period from COD to CCA approval and FiT pricing afterward. Based on this proposal, Ha Do Group (HDG) recognized an additional VND193bn (USD7.3mn) of provision for the Infra 1 project in 1Q26 relating to the COD-to-CCA period, effectively provisioning for nearly all remaining risks associated with the two affected solar projects.

Overall, although the latest proposal is materially less favorable than previous expectations — particularly as companies such as HDG would not be allowed to reverse previously recognized provisions — we believe the framework still reflects a relatively balanced outcome among stakeholders. In our view, this could help accelerate the resolution of COD/CCA-related issues and gradually restart a new investment cycle in Vietnam's renewable energy sector.

For HDG specifically, we expect HP4 to obtain CCA certification by end-2026 and begin reapplying FiT1 pricing from 2027 onward.

New capacity investments support long-term growth potential

After an extended period of limited expansion activity, we expect HDG to gradually re-enter a new power investment cycle, providing the foundation for longer-term growth in the power segment. The company is currently focusing on renewable projects including hydropower and wind power, with the La Trong hydropower plant expected to commence operations in 3Q26, the Son Nham hydropower project in 2027, and the Phuoc Huu wind farm also targeted for commissioning in 2027. In addition, HDG is seeking adjustments, extensions, and investment approvals for several other projects, including the Son Linh hydropower and Binh Gia wind power projects.

Supported by a healthier balance sheet – with net gearing declining from 170% to 68% over the past five years – we expect HDG to gradually accelerate investment activity again, supporting medium- to long-term growth for its power business.

Figure 12: HDG's project pipeline (including some potential projects)

Power plants	Location	Operation	Capacity (MW)	Est. investment (VNDbn)
Hydropower projects (in HDG's pipeline)				
La Trong	Quang Tri	3Q26	22	1,000
Son Nham	Quang Ngai	4Q27	9	287
Son Linh	Quang Ngai	2029-30	15	595
Wind power projects (potential)				
Phuoc Huu	Khanh Hoa	4Q27	50	1,730
Binh Gia	Lang Son	2028-29	80	2,760
7A Thuan Nam phase 2	Khanh Hoa	2028-30	21	N/A

Source: COMPANY REPORTS. VNDIRECT RESEARCH

Valuation: Reiterate ADD rating with a lower TP of VND30,300

Our valuation is based on the sum-of-the-parts (SOTP) methodology for HDG's three main businesses, including residential property, power, and hospitality office leasing. We lower our TP to VND30,300/share (-19% vs our previous report), mainly reflecting lower FY26-27 earnings forecasts and the application of a 10% discount to incorporate risks related to project development delays.

HDG is currently trading at a P/B of 1.3x, significantly below its five-year average of 1.8x. We believe the current valuation remains attractive given that most renewable project-related risks have largely been provisioned, while earnings are expected to maintain positive growth momentum over the next two years. Accordingly, we maintain our ADD recommendation on HDG.

Figure 13: WACC assumption

WACC calculation	
Risk-free rate	3.6%
Beta, Bloomberg	1.1
Equity risk premium	8.1%
Cost of equity	**12.1%**
Cost of debt	8.8%
Target debt to capital ratio	75%
WACC	**9.6%**

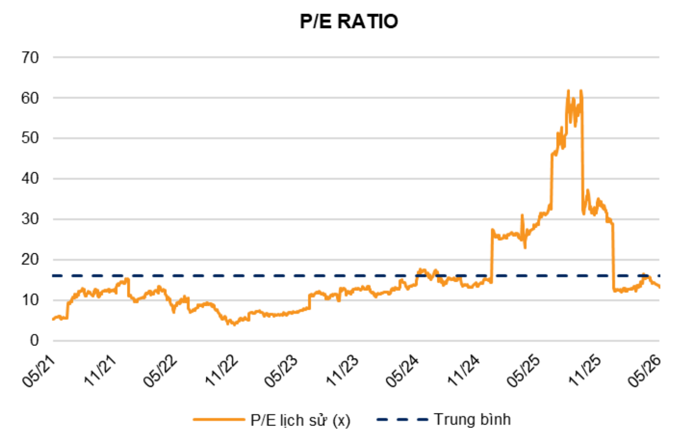
Source: VNDIRECT RESEARCH

Figure 14: SOTP valuation

SOTP valuation	Metric	Method	Fair value
	VNDbn		VND per share
Power	7,299	DCF	
Property	3,814	NPV	
Hospitality & Office leasing	1,332	DCF	
Other	56	Book value	
Enterprise value	12,502		
Net cash balance at parent company	(61)		
Equity value	**12,440**		
Discount rate	10%		
Equity value after discount	**11,196**		
Number of shares (million)	370		
Implied share price (VND/share)			30,263
Rounded share price (VND/share)			**30,300**

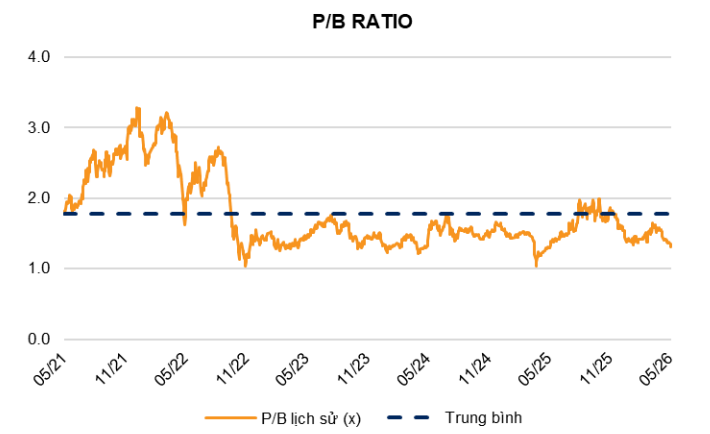
Source: VNDIRECT RESEARCH

Figure 15: Historical P/E



Source: BLOOMBERG. VNDIRECT RESEARCH

Figure 16: Historical P/B



Source: BLOOMBERG. VNDIRECT RESEARCH

Re-rating catalysts and downside risks

- A re-rating catalyst is the sales and handover of Charm Villas 3.
- Downside risks are: 1) unfavorable weather conditions affecting the performance of power plants; 2) weaker-than-expected absorption at the Charm Villas 3 project; and 3) worse-than-expected provisions of FIT violation settlement decision.

Figure 17: Sector comparison

Company name	Ticker	Revenue growth		EPS growth		Net D/E	Mkt Cap	P/E (x)		P/B (x)		ROE (%)	
		FY25	FY26F	FY25	FY26F	%	USDmn	TTM	FY26F	Current	FY26F	TTM	FY26F
Property													
Nam Long Investment Corp	NLG VN Equity	-21.6%	-1.8%	16.8%	294.2%	-17.8%	487	19.5	14.8	1.0	1.0	5.5%	Data...
Khang Dien House JSC	KDH VN Equity	41.9%	24.2%	19.6%	25.7%	34.9%	981	23.0	20.8	1.4	1.3	6.2%	6.4%
Bluemarq Group JSC	DXG VN Equity	-12.6%	18.0%	-25.0%	184.2%	4.7%	655	72.9	22.8	1.2	1.1	1.7%	4.4%
Average		**2.6%**	**13.4%**	**3.8%**	**168.0%**	**7.3%**		**38.5**	**19.5**	**1.2**	**1.2**	**4.5%**	**5.4%**
Energy													
Gia Lai Electricity JSC	GEG VN Equity	29.0%	N/A	898.9%	N/A	121.9%	195	11.4	12.1	1.1	0.8	11.2%	7.1%
Hydropower													
Vinh Son - Song Hinh Hydropower JSC	VSH VN Equity	26.2%	N/A	92.4%	N/A	45.2%	384	11.6	N/A	2.0	N/A	19.5%	N/A
Hua Na Hydropower JSC	HNA VN Equity	46.2%	N/A	76.4%	N/A	-8.1%	192	10.6	N/A	1.5	N/A	14.2%	N/A
Central Hydropower JSC	CHP VN Equity	22.7%	N/A	46.6%	N/A	0.7%	168	9.6	N/A	2.1	N/A	22.5%	N/A
Thac Mo Hydropower JSC	TMP VN Equity	-1.5%	N/A	-9.4%	N/A	-39.4%	124	9.8	N/A	2.0	N/A	20.1%	N/A
Song Ba Ha Hydro Power JSC	SBH VN Equity	57.7%	N/A	101.5%	N/A	-45.4%	170	8.3	N/A	2.2	N/A	29.6%	N/A
Average		**30.3%**	N/A	**61.5%**	N/A	**-9.4%**		**10.0**	**N/A**	**2.0**	**N/A**	**21.2%**	**N/A**
Blended													
Refrigeration Electrical Engineering Corp	REE VN Equity	19.4%	13.4%	26.7%	10.4%	12.7%	1,266	12.7	10.4	1.6	1.5	13.0%	13.0%
PC1 Group JSC	PC1 VN Equity	29.7%	6.1%	156.8%	-4.0%	72.5%	304	7.9	7.9	1.2	1.1	16.5%	10.7%
Bamboo Capital Group JSC	BCG VN Equity	9.0%	N/A	354.9%	N/A	47.9%	85	4.8	N/A	0.2	N/A	4.8%	N/A
Average		**19.4%**	**9.8%**	**179.5%**	**3.2%**	**44.4%**		**8.5**	**9.2**	**1.0**	**1.3**	**11.4%**	**11.8%**
Ha Do Group JSC	**HDG VN Equity**	**2.5%**	**7.7%**	**121.1%**	**9.1%**	**39.1%**	**337**	**13.3**	**12.2**	**1.3**	**1.3**	**10.3%**	**12.0%**

Source: BLOOMBERG, VNDIRECT RESEARCH (data as of May 28)

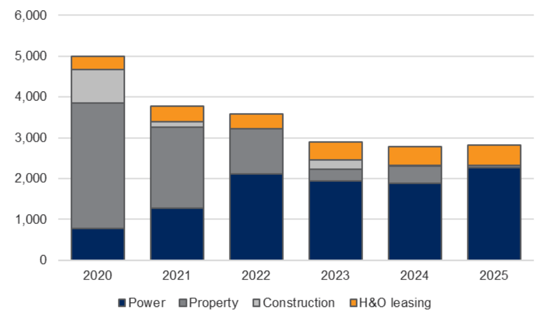
Apendix 1: A well-known player in both power and real estate sectors

Established in 1992 as a construction firm under the Defense Ministry's military technical institute, HDG was privatized in 2004 and listed on HoSE in 2010. The company built a solid brand name in the property market with several residential projects, including: 183 Hoang Van Thai (in 2009), Nguyen Van Cong (in 2010), CC1 (in 2014), and its landmark project, HaDo Centrosa (in 2016).

Since 2019, HDG has been gradually shifting its business focus toward renewable energy to seize opportunities emerging from Vietnam's power sector. The company initially invested in small hydropower plants (designed capacity of 30 MW) and then expanded its portfolio into wind power and solar power projects in order to seize opportunity from the Government's preferential policies for this sector. As of 2025, HDG is managing five hydropower plants, two solar farms and a wind power plant with total designed capacity of 460 MW. HDG has established a reputation for developing and operating power generation projects efficiently and at comparatively low costs. HDG is currently deploying two new small hydropower plants (La Trong and Son Nham) which are expected to go into operation in 2026-27.

In addition to developing residential and commercial properties, HDG actively manages a portfolio of office and commercial leasing spaces, primarily concentrated in Ho Chi Minh City and Hanoi. The group owns and operates the Ibis Saigon Airport hotel, offering 217 rooms and 65 serviced apartments.

Figure 18: Revenue by segment (VNDbn)



Source: COMPANY REPORTS, VNDIRECT RESEARCH

Figure 19: HDG's power plant portfolio

Power plants	Location	Ownership	Operation	Capacity (MW)	Total investment (VNDbn)
HYDROPOWER PLANTS					
Za Hung	Da Nang	52%	2009	30	484
Nam Pong	Nghe An	52%	2014	30	738
Nhan Hac	Nghe An	52%	2018	59	1,300
Song Tranh 4	Da Nang	63%	2021	48	1,536
Dak Mi 2	Da Nang	98%	2021	147	3,675
La Trong	Quang Tri	26%	2026	22	1,000
Son Nham	Quang Ngai	100%	2027	9	287
SOLAR FARM					
Hong Phong 4	Lam Dong	83%	2019	48	1,100
SP Infra 1	Khanh Hoa	100%	2020	50	1,055
WIND FARM					
7A Thuan Nam	Khanh Hoa	100%	2021	48	1,460

Source: COMPANY REPORTS, VNDIRECT RESEARCH

Income statement

(VNDbn)	2021A	2022A	2023A	2024A	2025A	2026E	2027F
Net revenue	3,777	3,581	2,889	2,718	2,787	3,001	3,718
Cost of sales	1,457	1,369	1,166	(1,127)	(1,041)	(1,069)	(1,280)
Gross Profit	2,320	2,212	1,723	**1,591**	**1,746**	**1,932**	**2,438**
Gen & admin expenses	(222)	(159)	(218)	(446)	(274)	(380)	(210)
Selling expenses	(119)	(5)	(15)	(4)	(11)	(92)	(111)
Operating profit	1,980	2,049	1,490	**1,140**	**1,461**	**1,459**	**2,116**
Operating EBITDA	2,295	2,577	2,010	**1,665**	**1,987**	**1,998**	**2,694**
Depreciation and amortization	(316)	(528)	(520)	(525)	(525)	(539)	(577)
Operating EBIT	**1,980**	**2,049**	**1,490**	**1,140**	**1,461**	**1,459**	**2,116**
Interest income	80	83	40	60	85	97	85
Financial expense	(408)	(517)	(569)	(370)	(443)	(305)	(308)
Net other income	(8)	(10)	2	(258)	(32)	(40)	(49)
Income from associates & JVs	-	-	-	0	0	0	0
Pre-tax profit	**1,643**	**1,604**	**963**	**573**	**1,070**	**1,211**	**1,845**
Tax expense	(299)	(243)	(97)	(126)	(77)	(179)	(246)
Net profit	**1,096**	**1,096**	**665**	**348**	**770**	**841**	**1,397**
Adj. net profit to ordinary	1,096	1,096	665	348	770	841	1,397

Balance sheet

(VNDbn)	2021A	2022A	2023A	2024A	2025A	2026E	2027F
Cash and equivalents	230	694	246	332	266	560	461
Short term investments	680	1	393	736	1,148	1,148	1,148
Accounts receivable	1,713	1,711	1,595	1,267	1,396	945	1,120
Inventories	1,365	1,382	1,074	857	769	1,199	945
Other current assets	129	68	47	35	43	46	58
Total current assets	**4,116**	**3,856**	**3,354**	**3,228**	**3,621**	**3,899**	**3,732**
Fixed assets	11,613	11,106	10,623	10,179	10,599	11,073	12,439
Total investments	3	3	63	59	56	56	56
Other long-term assets	159	140	398	384	410	240	372
Total assets	**15,892**	**15,105**	**14,438**	**13,849**	**14,686**	**15,269**	**16,599**
Short-term debt	1,289	959	625	631	681	680	696
Accounts payable	298	181	76	40	82	61	87
Other current liabilities	2,707	2,147	1,628	1,468	1,422	1,384	1,525
Total current liabilities	**4,293**	**3,287**	**2,329**	**2,140**	**2,186**	**2,125**	**2,308**
Total long-term debt	6,086	5,160	4,801	4,253	4,018	4,277	4,405
Other liabilities	122	110	80	80	84	89	111
Share capital	1,964	2,446	3,058	3,363	3,700	3,700	3,700
Retained earnings reserve	1,934	2,341	2,394	2,284	2,717	3,096	3,747
Shareholders' equity	4,334	5,303	5,917	**6,099**	**6,862**	**7,095**	**7,893**
Minority interest	1,057	1,245	1,312	1,277	1,537	1,682	1,882
Total liabilities & equity	**15,892**	**15,105**	**14,438**	**13,849**	**14,686**	**15,269**	**16,599**

Cash flow statement

(VNDbn)	2021A	2022A	2023A	2024A	2025A	2026E	2027F
Pretax profit	**1,643**	**1,604**	**963**	**573**	**1,070**	**1,211**	**1,845**
Depreciation & amortization	316	528	520	525	525	539	577
Tax paid	(434)	(253)	(127)	(115)	(100)	(179)	(246)
Other adjustments	24	(92)	69	470	110	448	484
Change in working capital	(491)	155	(632)	(402)	(363)	(103)	181
Cash flow from operations	**1,057**	**1,942**	**794**	**1,050**	**1,243**	**1,916**	**2,842**
Capex	(1,993)	(429)	(148)	(18)	(139)	(1,652)	(2,718)
Proceeds from assets sales	-	-	1	0	0	4	5
Others	(140)	339	(143)	(130)	(298)	0	0
Other non-current assets changes	59	10	(36)	31	(152)	0	0
Cash flow from investing activities	**(2,074)**	**(80)**	**(326)**	**(116)**	**(588)**	**(1,647)**	**(2,713)**
New share issuance	310	200	0	0	0	0	0
Shares buyback	-	-	-	(0)	0	0	0
Net borrowings	839	(1,242)	(726)	(547)	(588)	257	145
Other financing cash flow				0	0	0	0
Dividends paid	(304)	(267)	(134)	(286)	(127)	(231)	(373)
Cash flow from financing activities	**845**	**(1,309)**	**(859)**	**(833)**	**(715)**	**26**	**(228)**
Beginning cash and equivalents	438	230	694	246	332	266	560
Total cash generated	(172)	554	(392)	101	(59)	295	(99)
Ending cash and equivalents	**230**	**694**	**246**	**332**	**266**	**560**	**461**

Key ratios

Valuation Ratios	2021A	2022A	2023A	2024A	2025A	2026E	2027F
EPS (VND)	5,395	4,239	1,986	792	1,936	1,979	3,294
Price Earnings	7.3	5.3	12.4	32.7	12.4	12.2	7.3
1-yr PEG	N/A	N/A	N/A	N/A	8.6	555.0	11.0
EV to EBIT	7.6	5.7	8.7	12.7	9.3	9.3	6.6
EV to EBITDA	6.6	4.5	6.5	8.7	6.8	6.8	5.2
Price to Sales	10.4	6.3	8.5	9.5	8.6	8.0	6.5
Price to Book	1.8	1.0	1.3	1.3	1.3	1.3	1.1
Dividend Yield	4.0%	4.9%	1.8%	3.3%	1.4%	2.6%	4.2%
Dividend Payout Ratio	27.7%	24.4%	20.1%	82.1%	16.5%	27.5%	26.7%
Growth Rates	**2021A**	**2022A**	**2023A**	**2024A**	**2025A**	**2026E**	**2027F**
Net Revenue YoY	-24.4%	-5.2%	-19.3%	-5.9%	2.5%	7.7%	23.9%
Gross Profit YoY	11.7%	-4.6%	-22.1%	-7.7%	9.8%	10.6%	26.2%
Net Profit YoY	12.0%	-0.1%	-39.3%	-47.6%	121.2%	9.1%	66.2%
EPS YoY	-13.4%	-21.4%	-53.1%	-51.8%	144.5%	2.2%	66.5%
Profitability Ratios	**2021A**	**2022A**	**2023A**	**2024A**	**2025A**	**2026E**	**2027F**
Gross Margin	61.4%	61.8%	59.6%	58.5%	62.7%	64.4%	65.6%
EBITDA Margin	60.8%	72.0%	69.6%	61.3%	71.3%	66.6%	72.5%
Operating Margin	52.4%	57.2%	51.6%	42.0%	52.4%	48.6%	56.9%
Net Profit Margin	29.0%	30.6%	23.0%	12.8%	27.6%	28.0%	37.6%
Return on Avg Assets	7.4%	7.1%	4.5%	2.5%	5.4%	5.6%	8.8%
Return on Avg Equity	29.8%	22.7%	11.9%	5.8%	11.9%	12.0%	18.6%
Leverage Ratios	**2021A**	**2022A**	**2023A**	**2024A**	**2025A**	**2026E**	**2027F**
Interest Coverage Ratio (EBIT/I)	4.8	4.0	2.6	3.1	3.3	4.8	6.9
EBITDA / (I + Cap Ex)	0.8	2.2	2.1	2.9	2.5	0.7	0.7
Tot Debt/Capital	63%	54%	48%	0.4	41%	41%	39%
Tot Debt/Equity	170%	115%	92%	80%	68%	70%	65%
Net Debt/Equity	149%	102%	81%	63%	48%	46%	44%
Liquidity Ratios	**2021A**	**2022A**	**2023A**	**2024A**	**2025A**	**2026E**	**2027F**
Asset Turnover	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Accounts Receivable Turnover	2.2	2.1	1.7	1.9	2.1	2.6	3.6
A/R DOH	168.7	174.5	208.8	192	174	142	101
Accounts Payable Turnover	3.51	5.72	9.10	19.4	17.0	14.9	17.2
A/P DOH	104.0	63.8	40.1	19	22	25	21
Inventory Turnover	0.93	1.00	0.95	1.2	1.3	1.1	1.2
Inv DOH	391	366	384	313	285	336	306
Current Ratio	1.0	1.2	1.4	1.5	1.7	1.8	1.6
Quick ratio	0.6	0.7	1.0	1.1	1.3	1.2	1.2

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Stock Ratings	Definition:
Add	The stock's total return is expected to reach 15% or higher over the next 12 months.
Hold	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock's total return is expected to fall below negative 10% over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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