

SAIGON CARGO (SCS)
ADD (Maintained)
INDUSTRIALS

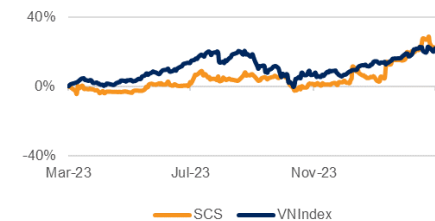
Current Price	VND78,000
52Wk High/Low	VND80,600/VND62,900
Target Price	VND95,000
Previous TP	VND102,600
TP vs Consensus	+5.2%
Upside	21.8%
Dividend Yield	6.4%
Total stock return	28.2%

Growth rating	Positive
Value rating	Neutral
ST Technical Analysis	Positive

Market Cap	US\$290m
3m Avg daily value	US\$0.3m
Avail Foreign Room	US\$12.3m
Outstanding Shares	94.4m
Fully diluted O/S	94.4m

	SCS	Peers	VNI
P/E TTM	14.4x	11.6x	14.7x
P/B Current	5.5x	2.7x	1.8x
ROA	33.7%	8.7%	2.0%
ROE	43.2%	14.6%	12.1%

*as of 05/04/2024

Share Price performance


Share price (%)	1M	3M	12M
Ordinary share	6.3	15.9	11.7
Relative to index	1.8	0.2	-9.2

Ownership

Gemadept JSC	33.6%
Airport corporation of Vietnam	13.7%
Others	52.7%

Business Description

Saigon Cargo Service (SCS) is an air cargo terminal operator located at Tan Son Nhat International Airport (SGN). SCS operates in a duopolistic market in which there is only one competitor, Tan Son Nhat Cargo Service JSC (TSC), a subsidiary of Vietnam Airlines. As of 2022, SCS held 15% of the national market share and 45% of the market share in Tan Son Nhat.

Analyst(s):

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Higher international volume fuels revenue growth

- We maintain our Add rating with 21.8% upside and an 6.4% dividend yield. We lower our TP by 7.4% while the share price has increased 8.8% since our last report.
- Our TP edged down 7.4% due to lower net profit forecasts which offset our lower WACC assumption compared to our previous report.
- FY24E P/E of 11.5x is above peer average of 9.2x with FY24-25F EPS growth of 24.8%/9.6%.

Financial Highlights

- We forecast FY24-25 revenue to rise by 31.8%/9.6% driven by growth of 26.2%/7.2% yoy in terms of total air cargo volume.
- Net profit will reach VND622.3bn/VND681.7bn (US\$25.2m/US\$27.6m), up 24.8%/9.6% yoy.
- We expect SCS to pay 2023 cash dividends at VND5,000 per share, with an attractive dividend yield of 6.4%.

Investment Thesis
Global air cargo should recover in line with export activities

IATA forecasts air cargo volumes will rise approximately 4-5% yoy in 2024 thanks to a recovery of global export demand. Vietnam's PMI has been above 50 in January and February, with new export orders maintaining recovery momentum. We expect export value to grow 6% yoy in 2024, which will favor air cargo services.

New collaboration with Qatar Airways will drive higher international cargo

The company's BoD announced in February that Qatar Airways will collaborate with SCS, which we estimate will bring approximately 30,000 tonnes of cargo in 2024, accounting for 12.5% of our forecasted total air cargo volume. Thus, we expect SCS international cargo to grow 34.4%/8.6% yoy in FY24/25 and SCS will handle 239,617/256,842 tonnes, rising by 26.2%/7.2% yoy in total.

LTA projects could add upside to our TP

The Airports Corporation of Vietnam (ACV) is set to open bids for key components of Long Thanh International Airport's (LTIA) third project in early to mid-2024, with Package No. 7.8 for Cargo Terminal No. 1's construction and equipment installation highlighted. The terminal is expected to handle 1.2 million tonnes of cargo, and SCS is expected to win a share of the bid. However, this potential development has not been factored into our current model due to limited information.

Strong earnings growth and attractive dividend yield justify high P/E

The current TTM P/E ratio of 14.2x is higher than the peer average of 11.6x. However, this is justified by our forecasted 24.8% FY24 EPS growth. The 6.4% dividend also makes the shares attractive.

Financial summary	12-23A	12-24E	12-25E	12-26E
Revenue growth	(17.2%)	31.8%	9.6%	3.8%
EPS growth	(23.2%)	24.8%	9.6%	3.5%
Gross margin	75.9%	77.0%	77.5%	77.5%
Net profit margin	70.8%	66.3%	67.3%	67.0%
P/E (x)	14.4	11.5	10.5	10.1
Rolling P/B (x)	5.4	4.7		
ROAE	36.0%	42.9%	41.8%	38.5%
Net debt to equity	(12.2%)	(15.0%)	(14.3%)	(13.4%)

Company Profile

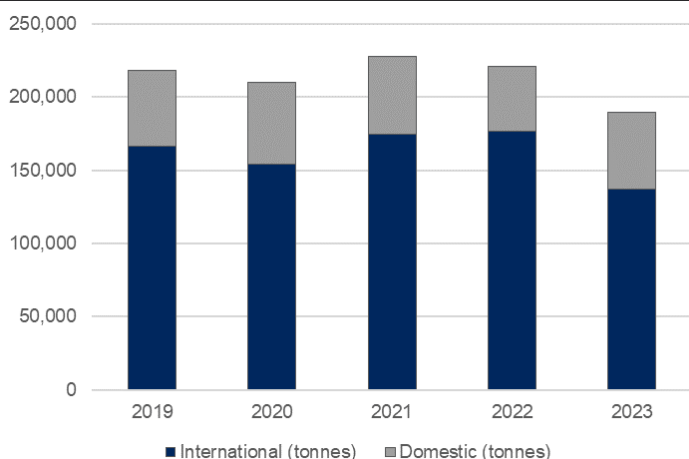
Established in 2008, SCS (Saigon Cargo Service Corporation) has become a prominent player in air cargo services at Tan Son Nhat International Airport (TIA). The cargo terminal, which came into service in 2010, represents an investment of about US\$50m and extends over 143,000 square meters in TIA. The terminal consists of three areas:

- Apron Area: 52,000 square meters, suitable for 3 x B747F aircraft or 5 x A321 aircraft
- Cargo Area: 27,000 square meters with a terminal handling capacity of up to 350,000 tons of cargo per year.
- Warehouse, parking area, and office building: 64,000 square meters.

SCS operates in a duopolistic market in which there is only one competitor, Tan Son Nhat Cargo Service JSC (TSC), a subsidiary of Vietnam Airlines. As of 2022, SCS held 15% of the national market share and 45% of the market share in Tan Son Nhat.

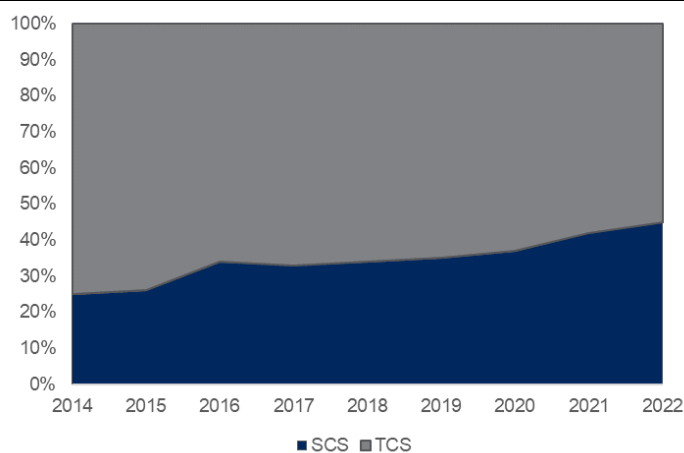
The company is recognized for its comprehensive ground-handling services for air cargo, which include forwarding, loading, unloading, aviation ground services, vocational training, and goods storage services. This operation accounts for more than 90% on total revenue per year. SCS also provides brokerage services, petroleum trading, and acts as an agent for customs clearance.

Figure 1: International and domestic cargo volume in FY19-23 of SCS



Source: COMPANY REPORTS, VNDIRECT RESEARCH

Figure 2: SCS holds a steady air cargo market share in TIA by volume



Source: COMPANY REPORTS, VNDIRECT RESEARCH

2023 Recap: Lower GM offset volume recovery

Figure 3: 2023 results compared to our forecast

(VNDbn)	4Q23	%yoy	2023	%yoy	vs full year forecast
Total cargo volume (tonnes)	53,414	11.2%	189,730	-14.1%	83.9%
- International cargo	39,173	6.4%	137,011	-22.4%	75.7%
- Domestic cargo	14,241	27.0%	52,719	18.7%	116.3%
Net sales	199	1.7%	705	-17.2%	79.3%
Gross profit	144	-12.4%	535	-23.3%	71.7%
SG&A	16	33.1%	52	-9.2%	86.1%
Net financial income	18	3.8%	87	49.4%	103.5%
PBT	146	-13.8%	569	-18.4%	73.9%
NPAT-MI	128	-18.4%	498	-22.9%	75.8%
GPM	72.6%	-11.7% pts	75.9%	-6.1% pts	
NPM	64.6%	-15.9% pts	70.7%	-5.2% pts	

Source: VNDIRECT RESEARCH

4Q23: net sales inched up 1.7% yoy on recovery of cargo throughput

In 4Q23, SCS's international volume reached 39,173 tonnes, increasing 15% qoq and 6.4% yoy, marking the beginning of an expected recovery trend. Domestic air cargo volume maintained its impressive growth of 21% qoq and 27% yoy thanks to a recovery of domestic manufacturing segment. Although SCS's 4Q23 volume enjoyed a strong performance, increasing 11.2% yoy to 53,414 tonnes, average selling prices declined 8.5% yoy so that 4Q23 revenue inched up 1.7% yoy. Combined with underwhelming 9M23 results, FY23 top line decreased by 17.2% yoy to VND705bn (US\$28.7m), fulfilling 79.3% of our forecast.

Gross margin narrowed due to 2023 concession costs

4Q23 gross profit dropped 12.4% yoy to VND144.3bn (US\$5.9m). 4Q23 gross margin narrowed 11.7% pts yoy to 72.6% mostly because:

- 1) Following the Ministry of Transport's new concession scheme which, according to company reports, became effective from the beginning of 2023, SCS must pay 1.5% - 4.5% of its cargo revenue to the State. However, SCS booked all concession costs for 2023 in 4Q23, thus this quarter's GM narrowed 5.4% pts qoq, and 11.7% pts yoy. Excluding the concession fees, 4Q23 GM would have been 74.9% and GP would have increased 7.5% yoy.
- 2) The higher contribution of domestic cargo, which has a lower GM as handling fees of cargo were much lower than international cargo. Domestic volumes accounted for 27% of total 4Q23 volume vs 23% in 4Q22.

For FY23, gross profit margin narrowed to 75.9% from 82% in FY22.

Net financial income supported earnings

SCS's 4Q23 net financial income slightly increased to VND18bn (US\$0.7m) (+3.8% yoy) thanks to SCS's cash and short-term investments as of end-4Q23 improving +6.2% yoy. However, the average balance of cash and cash equivalents in 9M23 increased +22% yoy along with a higher deposit rate environment vs last year, thus SCS's FY23 net financial income surged to VND87bn (US\$3.6m) (+49.4% yoy).

FY23 results: Missed our expectation

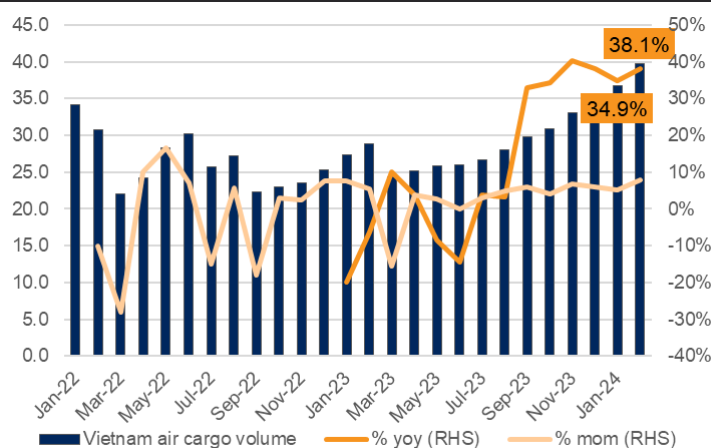
Overall, SCS's 4Q23 NP decreased 18.4% yoy to VND128bn (US\$5.2m). FY23 NP dropped by 22.9% yoy to VND498bn (US\$20.3m), completing just 75.8% of our full-year projection.

Promising prospects ahead for air cargo industry

Having a good start in 2024

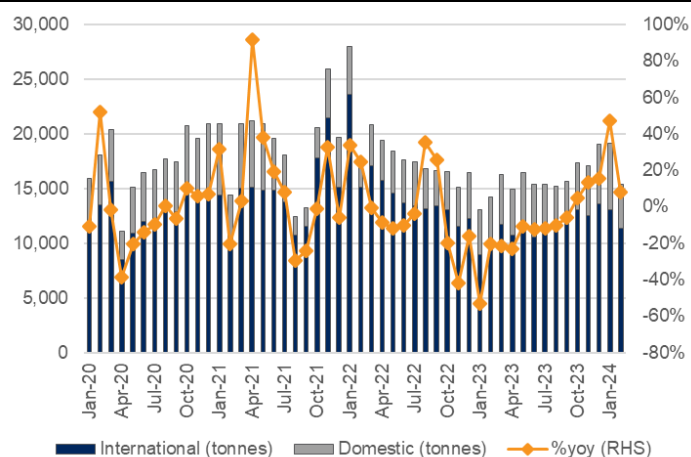
The initial months of 2024 have ushered in optimism for air cargo, highlighted by a 36.5% increase yoy of air cargo volume, in stark contrast to the previous year's sluggish performance. Correspondingly, SCS handled a total of 15,343 tonnes in February 2024, demonstrating continued growth of 8.1% yoy. Notably, international cargo witnessed a surge of 12.7% yoy, reaching 11,355 tonnes. In 2M24, SCS recorded totally increased by 26.7% yoy to 34,496 tonnes, marking a stellar performance despite slightly lower domestic cargo due to Lunar New Year.

Figure 4: Vietnam transported air cargo volume rose 36.5% yoy in the first two months of 2024



Source: GSO, VNDIRECT RESEARCH

Figure 5: SCS's workload also surged 26.7% yoy in 2M24



Source: COMPANY REPORT, VNDIRECT RESEARCH

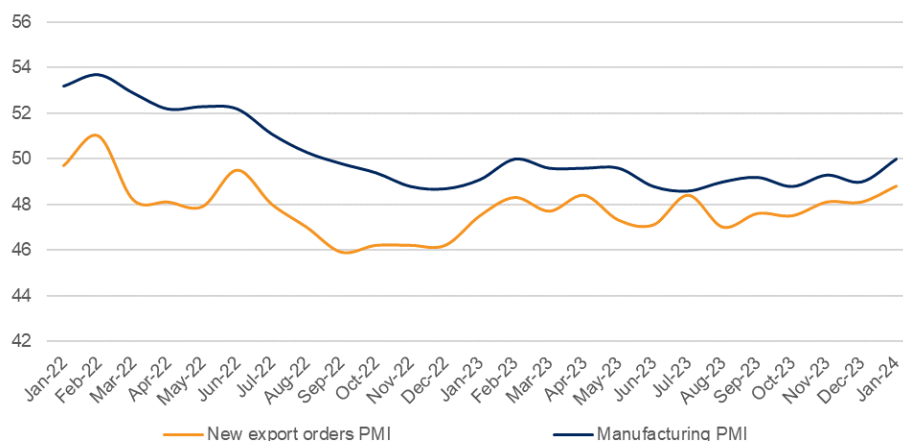
This uptick has been propelled by persistent robust e-commerce demand between South Asia and Europe, coupled with a rapid rebound from the customary post-Lunar New Year decline in cargo movement. Persistent turmoil in the Red Sea region has also led to substantial disruptions in sea freight, catalyzing a shift in preference towards air cargo. However, the ocean disruptions will not likely have as long an impact the ongoing surge air cargo demand.

Instead, we believe that recovery of major market orders will improve global air cargo volume

The Purchasing Managers' Index (PMI) for export orders, a key indicator that measures the well-being of international trade, has exhibited a steady climb since bottoming out at 47 points in August 2023. This suggests a positive recovery in export demand began toward the end of last year. By January 2024, the PMI nudged up to 48.8, inching towards the pivotal 50-point threshold that demarcates contraction from expansion, signaling a slowing downturn in global export demand and setting the stage for potential growth ahead.

The gentle uptick in manufacturing output, marked by manufacturing PMI surpassing the 50-point mark for the first time since June 2023, serves as an encouraging sign. According to IATA, this development could provide a counterbalance to the persistent issues of constrained labor markets and supply chain interruptions that have troubled the global manufacturing industry. Lastly, global air cargo volumes are forecast a rise in the vicinity of 4-5% yoy in 2024.

Figure 6: PMI for new export orders and manufacturing



Source: BLOOMBERG, VNDIRECT RESEARCH

Expansion plans are underway

The new collaboration is expected to expand workload for SCS in FY24

During its February 2024 meeting, the SCS board of directors announced that Qatar Airways would shift its collaboration from Tan Son Nhat Cargo Services Joint Stock Company (TCS), which is currently operating at full capacity, to SCS. Accordingly, we estimate that it will bring approximately 30,000 tonnes of cargo to SCS in 2024, accounting for an estimated 12.5% of our forecast total air cargo volume.

Well-positioned to relocate its international cargo to LTIA

The Airports Corporation of Vietnam (ACV), the investor behind component project 3 of Long Thanh International Airport (LTIA), has announced plans to open bidding for crucial packages in 1Q24 and 2Q24. Among these, Package No. 7.8, which includes the construction and installation of equipment for Cargo Terminal No. 1 and its ancillary structures, will be available. The initial phase of (LTIA) cargo terminal boasts remarkable capacity, capable of handling up to 1.2 million tons, which is six times greater than the current transportation capacity of SCS. ACV estimates the project will kick off in June 2024 and aims for completion by May 2026. We estimate that total capex for this phase of the package would be US\$779m.

SCS is expected to secure a modest share in the forthcoming bid. If SCS were to win 10% to 20% of the package, we estimate capex needs of US\$77.9m to US\$155.8m. With ACV's strategy to transition international flights to LTIA, it's projected that SCS will methodically shift its resources, contingent upon its confirmation as the official operator. However, due to insufficient information about the project, we have not incorporated this possibility into our model.

FY24-25 Outlook: Higher international volume fuels revenue growth

Figure 7: FY24-25 earnings forecast revision

VNDbn (otherwise noted)	Old forecast			New forecast			% yoy		Comment
	FY24F	FY25F	FY23A	FY24F	FY25F	FY23A	FY24F	FY25F	
Total cargo volume (tonnes)	263,365	285,542	189,829	239,617	256,843	-14.1%	26.2%	7.2%	
-Domestic cargo	46,221	46,683	52,719	55,355	56,739	18.7%	5.0%	2.5%	
-International cargo	217,144	238,859	137,110	184,262	200,104	-22.3%	34.4%	8.6%	We revise international cargo volume to 184,262 tonnes as 1) the collaboration with Qatar Airways will start contribute in Feb-24 and 2) the upward momentum drives higher global air cargo volume in FY24.
Net revenue	1,060	1,170	705	929	1,018	-17.2%	31.8%	9.6%	
- Cargo services	994	1,101	646	870	957	-19.0%	34.6%	10.1%	
- Others	66	69	59	60	61	10.5%	1.7%	1.7%	
Gross profit	908	1,012	535	715	789	-23.3%	33.7%	10.3%	Gross profit in FY24 increase by 35.1% as 1) an increase in the overall volume of air cargo and 2) a modest rise in the average selling price (ASP) driven by heightened demand for air cargo services in FY24.
% Gross margin	85.6%	59.6%	75.9%	77.0%	77.5%	6.1 % pts	1.1 % pts	0.5 % pts	
ASP (VND/ton)	3,774,664	3,855,525	3,404,190	3,628,921	3,727,786	-5.7%	6.6%	2.7%	
SG&A	(71)	(78)	(52)	(68)	(74)	-9.2%	31.6%	8.8%	
Financial income	83	93	88	81	95	50.3%	-8.5%	17.5%	
Financial expense	(0)	(0)	(1)	(1)	(1)	151.5%	-9.2%	9.6%	
Net profit	733	818	499	616	685	-22.8%	23.6%	9.8%	

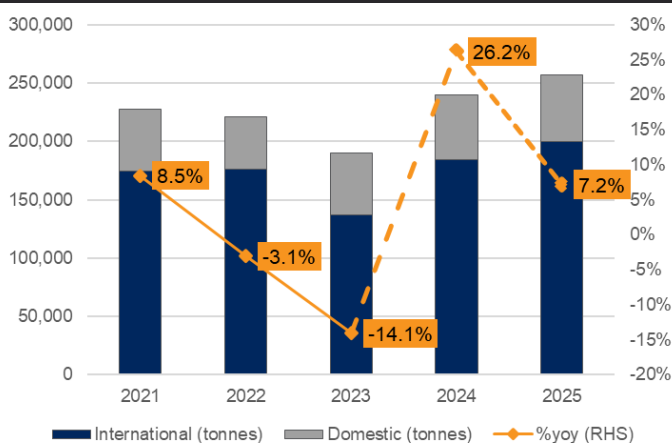
Source: VNDIRECT RESEARCH

We forecast net profit will rise 23.6%/9.8% in FY24-25

We forecast SCS total cargo volume will grow by 26.2%/7.2% yoy, reaching 239,617/256,842 tonnes in FY24-25 mainly thanks to international growth as we mentioned in the above figure.

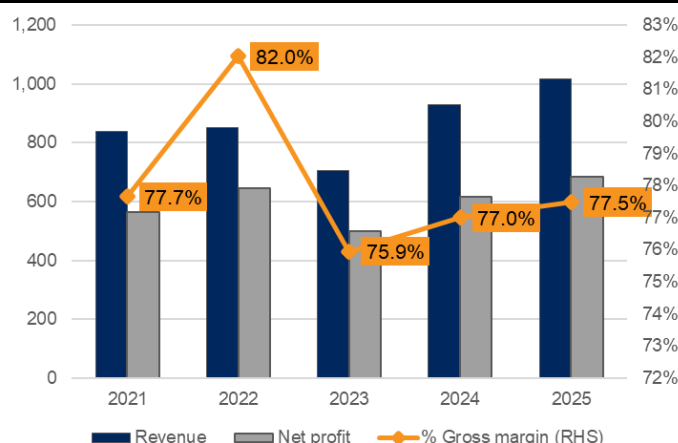
We forecast SCS's FY24-25 revenue will reach VND929.2bn/VND1,018.1bn (US\$37.6m/US\$41.2m), up 31.8%/9.6% yoy. Moreover, we estimate gross profit margin will reach 77.0%, slightly increasing by 1.1% pts in FY24 as higher growth of international cargo leads to its higher proportion. Net profit will reach VND616.3bn/VND685.4bn (US\$25.2m/US\$27.6m), up 23.6%/9.8% yoy.

Figure 8: Total air cargo volume of SCS in FY21-25, according to our forecast



Source: VNDIRECT RESEARCH

Figure 9: Revenue, net profit and gross margin of SCS in FY21-25, according to our forecast (Unit: VNDbn)



Source: VNDIRECT RESEARCH

Valuation

Reiterate Add recommendation with a higher TP of VND95,000

We reiterate our ADD rating on SCS with a higher five-year DCF-based TP of VND95,000 (a decrease of 3.4% vs our previous report) because we lowered our WACC as: 1) we decreased our equity risk premium from 9.6% to 9.0% (based on Damodaran updating the [ERPs](#) in January 2024); and 2) we decreased our risk free rate from 2.7% to 2.24% according to VBMA 10-year yield in December 2023. These were not enough to offset lower net profit forecasts of 15.9%/16.2% compared to our previous forecast. Our implied P/E of FY24 EPS is 14.5x.

Figure 10: DCF Valuation – Summary of free cash flow (FCF)

	2024	2025	2026	2027	2028
EBIT	725	806	833	861	889
Less: Taxes	109	121	125	129	133
EBIAT	616	685	708	732	756
Plus: Depreciation	49	46	43	41	39
Less: Capex	131	10	10	11	11
Less: Increase in net working capital	(60)	(21)	(13)	(15)	(17)
Unlevered free cash flow (FCFF)	595	743	755	777	800
Present value of FCF	595	673	620	578	539
Cumulative Present value of FCFF	3,005				

Source: VNDIRECT RESEARCH

Figure 11: Cost of equity

Cost of Equity	
Risk free rate	2.2%
Beta	0.9
Risk premium	9.0%
Cost of Equity	10.3%

Source: VNDIRECT RESEARCH

Figure 12: WACC and long-term growth rate

DCF key input	
Cost of equity	10.3%
Cost of debt	5.0%
Targeted D/(D+E)	0.0%
Effective tax rate	15.0%
WACC	10.3%
Long term growth	1.0%

Source: VNDIRECT RESEARCH

Figure 13: DCF-based target price

Unit	VNDbn except for target price
Cumulative Present value of FCFF	3,005
Terminal value	8,646
Present value of terminal value	5,833
Enterprise value	8,838
Less: Total debt	-
Less: Preferred securities	99
Less: Noncontrolling interest	-
Plus: Cash and cash equivalents	230
Implied equity value	8,969
Outstanding shares	94,379,182
Equity value per share	95,033
Round of target price	95,000

Source: VNDIRECT RESEARCH

Figure 14: Peer comparison (data as at March 21, 2024)

Air cargo terminal	Bloomberg Ticker	Mkt cap (US\$m)	P/E	3-year		EV/EBITDA (x)		ROA (%)		ROE (%)		Dividend yield (%)
				2023	2024	2023	2024	2023	2024	2023	2024	
MacroAsia Corp	MAC PM	137	8.8	7.0	NA	9.1	8.1	8.2	8.6	16.9	17.9	13.5
Xiamen International Airport C	600897 CH	750	14.4	11.4	(55.1)	5.0	4.2	7.4	8.9	9.5	11.4	6.9
Noibai Cargo Terminal Services	NCT VN	98	NA	NA	1.9	NA	NA	NA	NA	NA	NA	49.9
<i>Average</i>			11.6	9.2	(26.6)	7.1	6.1	7.8	8.7	13.2	14.6	23.4
<i>Median</i>			11.6	9.2	(26.6)	7.1	6.1	7.8	8.7	13.2	14.6	13.5
Sai Gon Cargo Service Corp	SCS VN	290	14.4	11.5	0.1	7.6	6.6	30.6	33.7	36.0	43.2	37.9

Source: BLOOMBERG, VNDIRECT RESEARCH

Re-rating upside and downside risks:

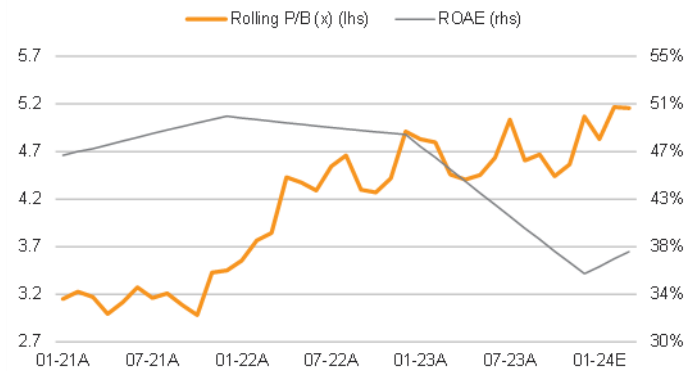
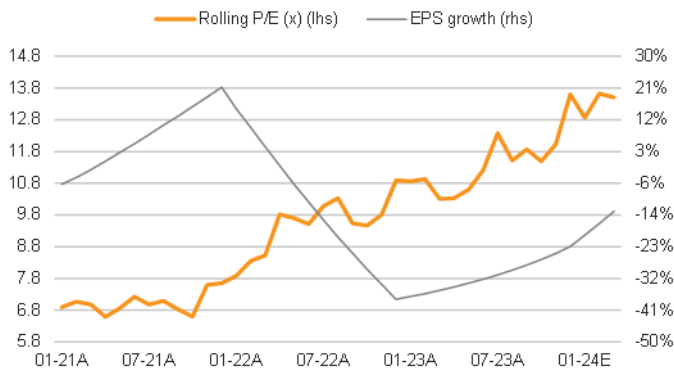
- Upside risk is the approval of air cargo terminal investment at LTIA. SCS is providing ACV with insights on the air cargo terminal layout based on SCS's experience, and we believe SCS has many advantages in bidding for the air cargo terminal in LTIA. As we have not incorporated this information into our model, we regard it as a upside risk.
- On the other hand, downside risk includes lower-than-expected global consumer spending leading to weaker than expected global air cargo demand.

Figure 15: Sensitivity analysis table for DCF valuation

		WACC						
		7.3%	8.3%	9.3%	10.3%	11.3%	12.3%	13.3%
Terminal Growth	0.8%	146,816	123,380	106,247	93,176	82,876	74,551	67,682
	0.9%	149,231	125,052	107,463	94,094	83,589	75,117	68,141
	1.0%	151,739	126,776	108,711	95,033	84,317	75,695	68,608
	1.1%	154,345	128,557	109,995	95,996	85,061	76,284	69,083
	1.2%	157,053	130,397	111,316	96,982	85,821	76,884	69,567

Source: VNDIRECT RESEARCH

Valuation



Income statement

(VNDbn)	12-23A	12-24E	12-25E
Net revenue	705	929	1,018
Cost of sales	(170)	(214)	(229)
Gen & admin expenses	(52)	(68)	(74)
Selling expenses	0	0	0
Operating profit	484	648	715
Operating EBITDA	527	697	761
Depreciation and amortisation	(44)	(49)	(46)
Operating EBIT	484	648	715
Interest income	88	81	95
Financial expense	(1)	(1)	(1)
Net other income	(2)	(2)	(2)
Income from associates & JVs	0	0	0
Pre-tax profit	569	725	806
Tax expense	(70)	(109)	(121)
Minority interest	0	0	0
Net profit	499	616	685
Adj. net profit to ordinary	499	616	685
Ordinary dividends	(367)	(420)	(474)
Retained earnings	132	196	211

Balance sheet

(VNDbn)	12-23A	12-24E	12-25E
Cash and equivalents	163	230	250
Short term investments	899	974	1,209
Accounts receivables	96	130	142
Inventories	0	0	0
Other current assets	4	5	6
Total current assets	1,163	1,339	1,607
Fixed assets	356	439	404
Total investments	0	0	0
Other long-term assets	184	217	230
Total assets	1,703	1,996	2,241
Short-term debt	0	0	0
Accounts payable	12	15	16
Other current liabilities	347	439	472
Total current liabilities	359	454	488
Total long-term debt	0	0	0
Other liabilities	5	7	7
Share capital	1,016	1,016	1,016
Retained earnings reserve	315	511	722
Shareholders' equity	1,339	1,535	1,746
Minority interest	0	0	0
Total liabilities & equity	1,703	1,996	2,241

Cash flow statement

(VNDbn)	12-23A	12-24E	12-25E
Pretax profit	569	725	806
Depreciation & amortisation	44	49	46
Tax paid	(59)	(109)	(121)
Other adjustments	(112)	0	0
Change in working capital	14	60	21
Cash flow from operations	456	726	753
Capex	(22)	(131)	(10)
Proceeds from assets sales	0	0	0
Others	32	(107)	(248)
Other non-current assets changes			
Cash flow from investing activities	10	(239)	(258)
New share issuance	0	0	0
Shares buyback	13	0	0
Net borrowings	0	0	0
Other financing cash flow	(0)	0	0
Dividends paid	(367)	(420)	(474)
Cash flow from financing activities	(354)	(420)	(474)
Cash and equivalents at beginning of period	51	163	230
Total cash generated	112	67	21
Cash and equivalents at the end of period	163	230	250

Key ratios

	12-23A	12-24E	12-25E
Dupont			
Net profit margin	70.8%	66.3%	67.3%
Asset turnover	0.43	0.50	0.48
ROAA	30.6%	33.3%	32.4%
Avg assets/avg equity	1.18	1.29	1.29
ROAE	36.0%	42.9%	41.8%
Efficiency			
Days account receivable	31.6	31.7	31.6
Days inventory	-	-	-
Days creditor	26.1	26.2	26.1
Fixed asset turnover	1.89	2.34	2.41
ROIC	37.2%	40.2%	39.3%
Liquidity			
Current ratio	3.2	2.9	3.3
Quick ratio	3.2	2.9	3.3
Cash ratio	3.0	2.7	3.0
Cash cycle	5.5	5.5	5.5
Growth rate (yoy)			
Revenue growth	(17.2%)	31.8%	9.6%
Operating profit growth	(24.6%)	33.9%	10.4%
Net profit growth	(22.8%)	23.6%	11.2%
EPS growth	(23.2%)	23.6%	11.2%

Source: VND RESEARCH

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RECOMMENDATION FRAMEWORK

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.

Growth Ratings

Definition:

- Positive We forecast the company to have stronger earnings growth than peers over the investment horizon.
- Neutral We forecast the company's earnings growth to be in line with peers over the investment horizon.
- Negative We forecast the company to have weaker earnings growth than peers over the investment horizon.

Value Ratings

Definition:

- Positive The current share price is lower than peers on the basis of historical P/E, P/B or another ratio specified.
- Neutral The current share price is in-line with peers on the basis of historical P/E, P/B or another ratio specified.
- Negative The current share price is higher than peers on the basis of historical P/E, P/B or another ratio specified.

Sector Ratings

Definition:

- Overweight Stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral Stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight Stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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