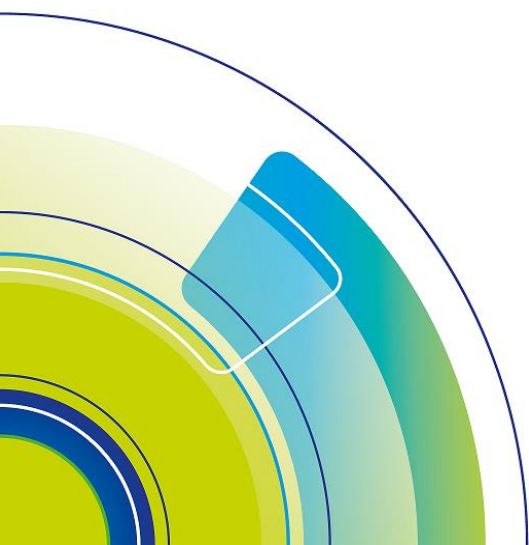




QTP Flash News - OUTPERFORM

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Flash News

Recommendation

OUTPERFORM

Upcom: QTP

Thermal

Target price (VND) **14,600**

Current price (VND) **13,600**

Expected share price return 6.6%

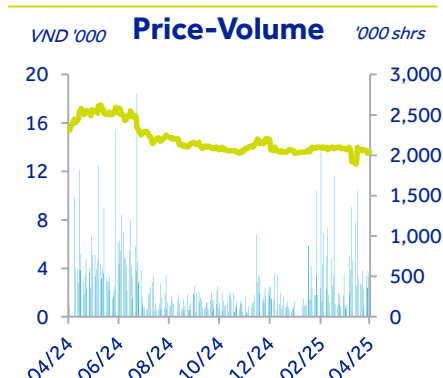
Expected dividend yield 7.4%

Expected total return **14.0%**

Stock performance (%)

| | YTD | 1M | 3M | 12M |
|----------|------|------|-----|------|
| Absolute | -2.9 | -2.2 | 0.7 | -2.2 |
| Relative | 0.0 | 5.8 | 3.9 | -5.5 |

Source: Bloomberg



Ownership

| | |
|------------|-------|
| EVNGENCO 1 | 42.0% |
| PPC | 16.4% |
| SCIC | 11.4% |
| DTK | 10.6% |

Stock Statistics

25-Apr-25

Bloomberg code

QTP VN

52-week range (VND) 12,100 – 17,700

Shares O/S (m) 450

Mkt cap (VND bn) 6,120

Mkt cap (USD bn) 245

Foreign room left (%) 47.7

Est. free float (%) 47.4

3m avg daily vol (shrs) 503,558

VND/USD 25,030

Index: VNIIndex / HNX 1,229.2/211.7

Quang Ninh Thermal Power JSC (Upcom: QTP)

QTP announced its Q1/2025 results, with VND2,912 bn in revenue, -3.3% YoY; VND239 bn in gross profit, -15.8% YoY; and NPAT of VND173 bn, -23.8% YoY. This completes 37.6% of the 2025 company plan and 39.1% of our forecast. The decline in NPAT was primarily attributed to an increased CIT from 10% last year to 20% in Q1/2025 and a decrease in the average selling price to VND1,621/kWh, -3.3% YoY. We maintain an OUTPERFORM recommendation for QTP with a target price of VND 14,600/share, representing an expected total return of 14.0%.

Q1/2025's output reached 1.8 bn kWh, approximately flat YoY. However, Q1/2025 revenue -3.3% YoY due to a corresponding -3.3% YoY in the average selling price to VND1,621/kWh. This was primarily due to the general impact of a decrease in the Full Market Price (FMP) in the competitive market, with the average FMP in Q1/2025 reaching VND1,249/kWh, -16.7% YoY. Consequently, gross profit -15.8% YoY to VND239 bn, and the gross margin decreased to 8.2% from 9.4% in Q1/2024. Financial expenses also decreased from VND9 bn in Q1/2024 to VND4 bn in Q1/2025. However, the applicable tax rate increased to 20% from 10% in Q1/2024 due to the expiration of tax incentives under Decree 218/2013/ND-CP. This resulted in a decrease in QTP's Q1/2025 NPAT to VND173 bn, -23.8% YoY, and a decrease in the NPAT's margin from 7.5% in Q1/2024 to 5.9% in Q1/2025.

Quick conclusion: QTP achieved 37.6% of 2025 NPAT plan and 39.1% of ACBS's 2025 forecast. The business performance was relatively strong compared to the targets. However, management has adopted a conservative outlook due to general economic headwinds, concerns about potential inflationary pressures from tariff policies and global trade tensions, which could lead to lower electricity prices alongside increased input costs and other expenses. A positive factor for coal-fired power generators is the rapid conclusion of the La Niña cycle within the first 3 months of 2025, coupled with expectations of continued increases in mobilized electricity output while alternative sources are not yet able to fully compensate, thereby ensuring demand for QTP's production.

| | 2022 | 2023 | 2024 | 2025F | 2026F |
|---------------------------|--------|--------|--------|--------|--------|
| Net Sales (VNDbn) | 10,417 | 12,058 | 11,908 | 11,273 | 10,498 |
| Growth | 21.5% | 15.8% | -1.2% | -5.3% | -6.9% |
| EBITDA (VNDbn) | 1,934 | 1,587 | 1,278 | 1,069 | 1,064 |
| EBITDA margin | 13.4% | -17.9% | -19.5% | -16.4% | -0.5% |
| NPAT (VNDbn) | 770 | 612 | 619 | 442 | 461 |
| Growth | 33.2% | -20.5% | 1.1% | -28.5% | 4.2% |
| EPS (bonus-adjusted, VND) | 1,418 | 1,207 | 1,231 | 880 | 917 |
| Growth | 21.3% | -14.9% | 2.0% | -28.5% | 4.2% |
| ROE | 12.5% | 11.6% | 12.2% | 8.1% | 8.5% |
| ROA | 9.6% | 8.3% | 8.3% | 5.9% | 6.3% |
| Net debt/EBITDA (x) | 0.6 | 0.1 | 0.1 | (1.2) | (2.2) |
| EV/EBITDA (x) | 2.6 | 3.8 | 4.7 | 6.9 | 8.0 |
| P/E (x) | 8.2 | 10.1 | 10.0 | 13.9 | 13.4 |
| P/B (x) | 1.0 | 1.2 | 1.2 | 1.1 | 1.1 |
| Dividend (VND) | 2,250 | 1,500 | 1,000 | 1,000 | 1,000 |
| Dividend yield | 16.5% | 11.0% | 7.4% | 7.4% | 7.4% |

Q1/2025's QTP Performance

| Unit: bn VND | Q1/2024 | Q1/2025 | <i>Svck</i> | 2024 | 2025 | <i>Svck</i> |
|--------------------------|--------------|--------------|---------------|--------------|--------------|---------------|
| Rev | 3,010 | 2,912 | -3.3% | 3,010 | 2,912 | -3.3% |
| Gross profit | 284 | 239 | -15.8% | 284 | 239 | -15.8% |
| <i>Gross margin</i> | <i>9.4%</i> | <i>8.2%</i> | | <i>9.4%</i> | <i>8.2%</i> | |
| Financial Expenses | 9 | 4 | -55.6% | 9 | 4 | -55.6% |
| <i>Interest Expenses</i> | <i>6</i> | <i>4</i> | <i>-33.3%</i> | <i>6</i> | <i>4</i> | <i>-33.3%</i> |
| Administrative Expenses | 23 | 23 | 0.0% | 23 | 23 | 0.0% |
| NPAT | 227 | 173 | -23.8% | 227 | 173 | -23.8% |
| <i>NPAT's margin</i> | <i>7.5%</i> | <i>5.9%</i> | | <i>7.5%</i> | <i>5.9%</i> | |

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DISCLAIMER

Our Recommendation System

BUY: prospective 12 month VND total return (including dividends) will be more than 20%.

OUTPERFORM: prospective 12 month VND total return (including dividends) will be 10% to 20%.

NEUTRAL: prospective 12 month VND total return (including dividends) will be -10% to 10%.

UNDERPERFORM: prospective 12 month VND total return (including dividends) will be will be -20% to -10%.

SELL: prospective 12 month VND total return (including dividends) will be lower than -20%.

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