



HHV Flash note - BUY

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Earnings Flash note

Recommendation

BUY

HSX: HHV

Construction

Target price (VND) 16,000

Market price (VND) 12,150

Expected share price return 31.6%

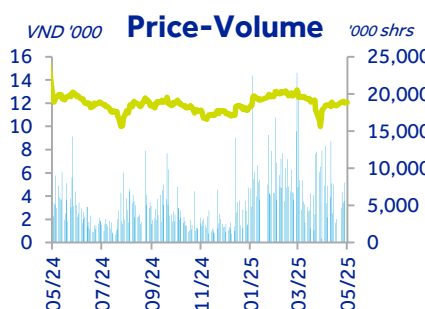
Expected dividend yield 0%

Expected total return 31.6%

Stock performance (%)

	YTD	1M	3M	12M
Absolute	3.4	20.0	-4.4	-1.9
Relative	2.0	4.1	-3.9	-5.3

Source: Bloomberg



Ownership

B.O.T Hai Thach Investment JSC 16.09%

Stock Statistics 12-May-25

Bloomberg code HHV VN

52-week range (VND) 9,720 - 13,450

Shares O/S (m) 474

Mkt cap (VND bn) 5,709

Mkt cap (USD m) 224

Est. Foreign room left (%) 41.1

Est. free float (%) 83.9

3m avg daily vol (shrs) 7,766,061

VND/USD 25,502

Index: VNIIndex / HNX 1283.26/216.04

DEO CA TRAFFIC INFRASTRUCTURE INVESTMENT JSC (HHV VN)

HHV reported a 1Q2025 NPAT of VND173 bn (+51.8% YoY), achieving 31.7% of its full-year target and 35.5% of ACBS's forecast. This positive result was primarily thanks to enhancements in gross profit margin. Maintain our 2025 forecast and reiterate our BUY recommendation with unchanged YE2025 target price at VND16,000/share, reflecting a potential return of 32.7%.

HHV set ambitious financial targets for 2025 with revenue of VND 3,585 bn (+8% YoY) and NPAT of VND 555 bn (+12% YoY). In 1Q2025, HHV reported revenue of VND 735 bn (+6.5% YoY) and NPAT of VND 173 bn (+51.8% YoY), fulfilling 20.4% and 31.7% of its annual targets, respectively. HHV's growth was primarily driven by two core business segments: BOT toll collection and construction services.

BOT Segment: This segment remained the primary revenue contributor, accounting for 73% of total revenue, with VND 526 bn (+10.5% YoY). Growth was driven by a 16% YoY increase in PCUs, equivalent to 1.4 ml additional PCUs, alongside planned toll rate adjustments under its financial strategy. In 4Q2024, HHV acquired the remaining 38% stake of Deo Ca Group in Cam Lam - Vinh Hao Expressway JSC, fully consolidating its financial results from 4Q2024 onward.

Construction Segment: This segment contributed 23% of total revenue, reaching VND 166 bn (-15.3% YoY). The decline was attributed to lower project volume, particularly in the Quang Ngai - Hoai Nhon Expressway development.

Gross Profit Margin: Gross profit margins strengthened in 1Q2025, rising from 48.6% to 52.5%. Specifically, the BOT operations experienced margin expansion from 66.2% to 69.8%, driven by higher vehicle throughput and toll fee adjustments. The construction margins declined from 6.6% to 4.0%, as the projects undertaken in 1Q2025 were government-assigned contracts with lower technical complexity, leading to reduced profitability compared to the previous year.

Outlook: Between 2025 and 2027, vehicle traffic through BOT toll stations managed by HHV is projected to grow steadily at 8–10%, ensuring a stable revenue stream from toll collections. Additionally, increased public investment spending by the government is expected to generate new project opportunities for HHV. As of 1Q2025, HHV's backlog value stands at VND 2,300 bn, 2.3 times its 2024 construction revenue, reinforcing its strong business outlook for 2025–2026. Over the next two years, HHV is estimated to add VND 5,000 bn in backlog from major projects such as Huu Nghi – Chi Lang, Tan Phu – Bao Loc, and HCMC – Thu Dau Mot – Chon Thanh. **We maintain our 2025 forecast and YE2025 target price at VND16,000/share. Reiterate our Buy recommendation for this stock.**

	2022	2023	2024	2025F	2026F
Net Sales (VNDbn)	2,095	2,686	3,308	3,792	4,187
Growth	12.6%	28.2%	23.1%	14.6%	10.4%
EBITDA (VNDbn)	1,277	1,411	1,639	1,791	1,899
Growth	16.9%	10.5%	16.1%	9.3%	6.1%
PATMI (VNDbn)	264	322	426	430	519
Growth	-1.5%	22.0%	25.7%	1.0%	20.6%
EPS (bonus-adjusted, VND)	929	678	1,025	1,034	1,202
Growth	75.2%	-27.0%	5.6%	0.9%	16.1%
ROE	3.3%	3.8%	4.8%	4.1%	4.8%
ROA	0.8%	0.9%	1.0%	1.0%	1.2%
Net debt/EBITDA (times)	15.9	14.2	11.4	9.6	8.1
EV/EBITDA (times)	19.9	17.9	15.6	12.7	10.9
PER (times)	12.3	13.2	13.5	16.5	13.3
PBR (times)	0.6	0.9	1.0	0.8	0.7
DPS (VND)	0	0	0	0	0
Dividend yield	0%	0%	0%	0%	0%

Table: 1Q2025 business results

Unit: VND bn	1Q2024	1Q2025	YoY growth	2025 Target	% Completion	2025F ACBS Forecast	% Completion
Net revenue	690	735	6.5%	3,585	21%	3,792	19%
Gross profit	335	386	15.3%				
Financial income	7	14	90.2%				
Financial expenses	-208	-221	5.9%				
SG&A expenses	-17	-17	0%				
NPAT	114	173	51.8%	555	32%	487	36%
NPATMI	96	146	52.3%				

Sources: HHV, ACBS.

Table 2: List of backlog

Projects	Total investment (VND bn)	Time of execution	Contract value (VND bn)	Remaining value (VND bn)	Output 1Q2025 (VND bn)	Revenue in 1Q2025 (VND bn)
Quang Ngai-Hoi Nhon Expressway	1,081	2022-2025	1,671	383	128	119
Binh Dinh coastal road	1,203	2023-2025	536	154	18	14
Lien Chieu Port Connecting Road	14,113	2025-2026	138	74	13	12
Dong Dang – Tra Linh Expressway	20,470	2023-2025	1,735	1,718	17	7
HCMC - Thu Dau Mot – Chon Thanh Expressway	14,331	2024-2026			Expected value: VND1,500 bn	

Sources: HHV, ACBS.

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Our Recommendation System

BUY: Expected prospective total return (including dividends) in VND will be 20% or more within 12 months

OUTPERFORM: Expected prospective total return (including dividends) in VND will be from 10% to 20% within 12 months

NEUTRAL: Expected prospective total return (including dividends) in VND will be from -10% to 10% within 12 months

UNDERPERFORM: Expected prospective total return (including dividends) in VND will be from -20% to -10% within 12 months

SELL: Expected prospective total return (including dividends) in VND will be less than -20% within 12 months

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