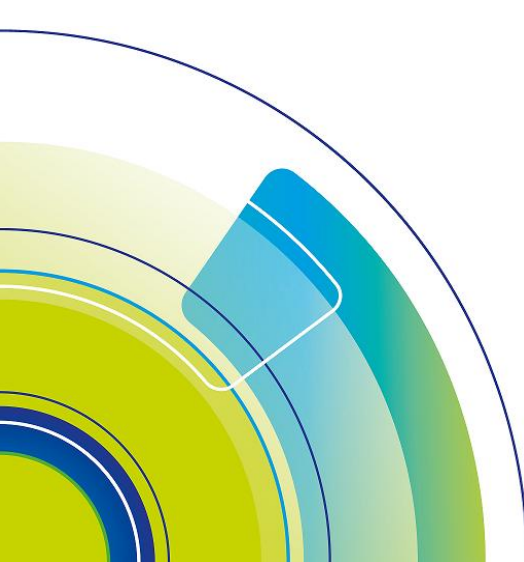




IMP Update- BUY

November 11, 2025



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Company Update

Recommendation

BUY
HSX: IMP
Pharmaceuticals
Target price (VND) 60,000

Current price (VND) 49,300

Expected share price return 21.8%

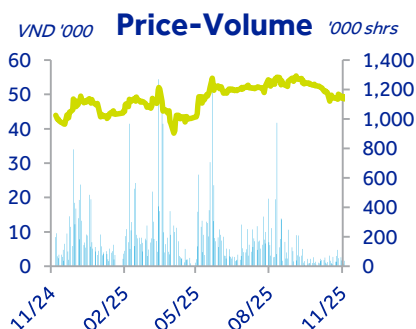
Expected dividend yield 1.0%

Expected total return 22.8%

Stock performance (%)

	YTD	1M	3M	12M
Absolute	5.8	-5.0	-8.5	13.2
Relative	-21.8	4.4	-8.8	-15.3

Source: Bloomberg



Ownership

SK and related parties (KBA, Binh Minh Kim)	64.8%
Vietnam Pharmaceutical Corp.	22.0%

Stock Statistics

Nov 10th, 2025

Bloomberg code IMP VN

52-week range (VND) 36,100 - 56,500

Shares O/S (m) 154

Mkt cap (VND bn) 7,585

Mkt cap (USD m) 288

Foreign room left (%) 26.9

Est. free float (m) 12.1

3m avg daily vol (shrs) 90,120

VND/USD 26,358

Index: VNIndex / HNX 1580.5/258.1

IMEXPHARM CORP (IMP VN)

In 3Q2025, the company delivered 5.3% YoY and 6.2% YoY increases in net revenue and EAT, respectively, in line with our projections. We maintain our respective growth projections at 14.3% YoY and 17.1% YoY for IMP in 2025 and target price at VND60,000/share by YE2026. Rating **BUY**.

Net revenue and EAT climbed by 5.3% YoY and 6.2% YoY in 3Q2025, bringing IMP's 9M2025 figures to VND1,800bn (+15.9% YoY) and VND242bn (+20.7% YoY), respectively. Sales from in-house production captured almost 100% of its net revenue.

The softer performance in 3Q was largely attributable to the pharmacy channel while the hospital channel stayed on its growth track. Pharmacy gross revenue slid by 4.2% YoY (net revenue not disclosed), as the 1H base effect normalized and customers' demand decelerated following stockpiling in 2Q ahead of IMP price hikes and the government's revised household business tax policies. Nonetheless, 9M pharmacy revenue still surged by 19% YoY. Traditional pharmacies, accounting for 75% of channel sales, rose by 2.7% YoY in 3Q and 21% YoY in 9M.

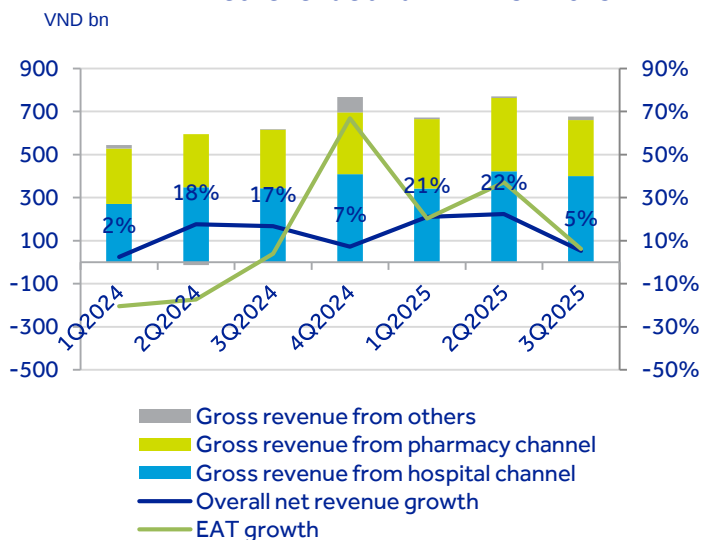
Meanwhile, the hospital channel sustained its growth trajectory (+16.5% YoY in 3Q and 21% YoY in 9M in gross sales; net sales not disclosed). The government's priority for local drugs, along with the company's advanced production standards and increasing focus on high-value products have underpinned the hospital channel's momentum.

EAT was supported by a heightened gross margin throughout three quarters of the year (reaching 39.7% in 9M2025 vs. 38.0% in 9M2024) thanks to a well-managed materials sourcing, optimized production planning, slight increase in material prices and preference for high-margin products. Still, the SG&A-to-net revenue ratio slightly inflated to 21.8% in 9M2025 (from 21.2% a year earlier).

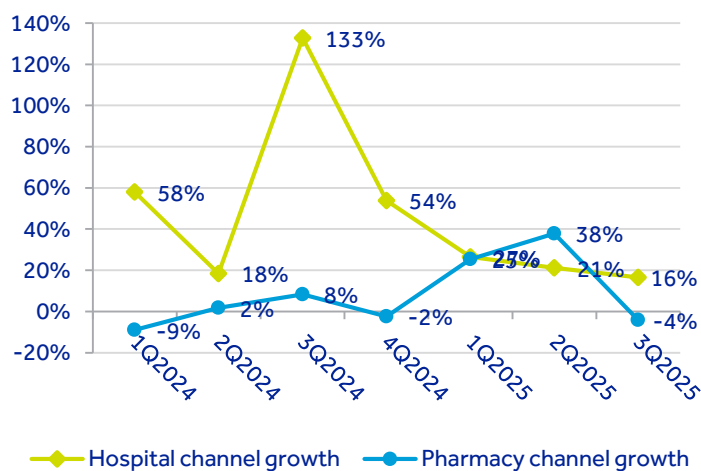
We maintain our projections that the company may deliver VND2,520bn (+14.3% YoY) in net revenue and VND376bn (+17.1% YoY) in EAT in 2025. The respective growth is projected at 13.9% and 15.2% YoY in 2026. Combining the DCF and PER methods, our target price for IMP by YE2026 is VND60,000/share.

	2023	2024	2025F	2026F	2027F
Net Sales (VNDbn)	1,994	2,205	2,520	2,870	3,254
Growth	21.3%	10.6%	14.3%	13.9%	13.4%
EAT (VNDbn)	300	321	376	433	485
Growth	34.1%	7.1%	17.1%	15.2%	12.1%
EPS (bonus-adjusted, VND)	1,709	1,791	2,097	2,416	2,709
Growth	45.6%	4.8%	17.1%	15.2%	12.1%
ROE	15.1%	15.0%	16.1%	16.3%	16.0%
ROA	12.8%	13.1%	14.2%	13.8%	12.5%
Net debt/EBITDA (times)	(0.3)	(0.4)	(0.4)	0.2	0.6
EV/EBITDA (times)	16.5	14.6	12.7	10.9	9.5
EV/sales (times)	3.7	3.3	2.9	2.6	2.3
PER (times)	28.8	27.5	23.5	20.4	18.2
PBR (times)	1.7	3.5	3.1	2.7	2.3
DPS (VND)	1,000	500	500	500	500
Dividend yield	2.0%	1.0%	1.0%	1.0%	1.0%

Net revenue and EAT in 9M2025



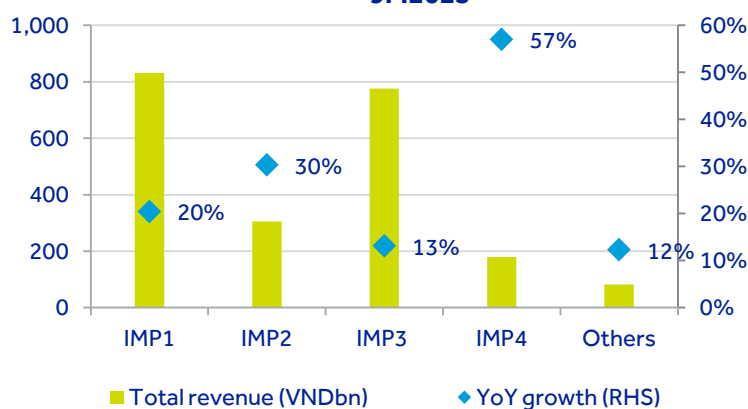
The hospital channel sustained momentum - the hospital channel swung



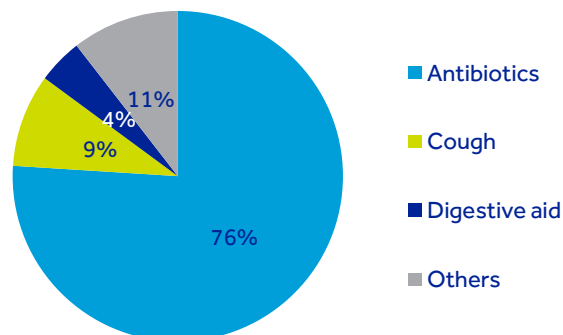
Source: IMP; ACBS

The hospital channel (accounting for 54% of IMP's gross revenue) stayed on its growth stream, while the pharmacy channel (contributing 46% of IMP's gross revenue) experienced a contraction in 3Q2025.

Revenue increased across all factories in 9M2025



Antibiotics is the company's key category

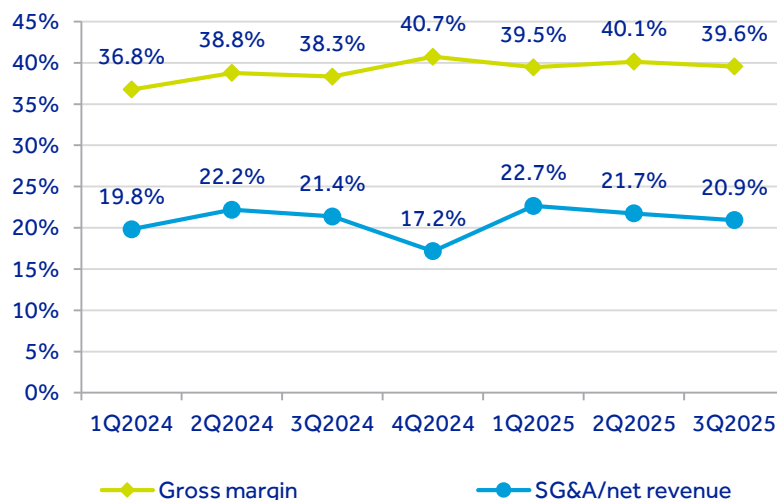


Source: IMP; ACBS

IMP3 and IMP4 reported increases in both production and revenue in 9M2025 thanks to high demand for EU-GMP injectable antibiotics in the hospital channel. Among the EU-GMP factories (IMP2,3,4), IMP2 and 4 are expected to continue outperforming the remainders given their ample remaining capacities, although IMP1 and 3 may remain the largest contributors in terms of revenue and capacity until IMP5 comes online.

Antibiotics is still the company's most crucial product category, rising by 51% YoY and responsible for 76% of the overall revenue. Cough medicines followed, with 9% revenue contribution and 38% YoY growth in 9M2025.

EAT growth was supported by a widened gross margin YoY



Source: IMP; ACBS

The EAT was fostered a widened gross margin fueled by a well-managed materials sourcing, optimized production plans, slight increase in material prices and preference for high-margin products. This was despite SG&A expenses increase in 9M2025 for marketing, promotion and network expansion – especially in the North – and spending on human resources development, digital transformation and operational system modernization.

Forecast and valuation

We retain our projections that the company may generate our projections that the company may generate VND2,520bn (+14.3% YoY) in net revenue and VND376bn (+17.1% YoY) in EAT in 2025. The respective growth is projected at 13.9% and 15.2% YoY in 2026. Combining the DCF and PER methods, **our target price for IMP by YE2026 is VND60,000/share.**

IMP FINANCIALS MODEL	Price (VND):	49,300	Target (VND):	60,000	Mkt cap (VND bn):	7,585
(VND bn except where stated)	2023	2024	2025F	2026F	2027F	
Total Net Sales	1,994	2,205	2,520	2,870	3,254	
<i>Sales growth (%)</i>	<i>21.3%</i>	<i>10.6%</i>	<i>14.3%</i>	<i>13.9%</i>	<i>13.4%</i>	
CoGS ex-dep'n	1,111	1,253	1,408	1,604	1,816	
Selling expenses ex-dep'n	304	307	379	425	485	
G&A expenses ex-dep'n	115	124	133	143	154	
Financial revenues (excl. interest income)	8	5	8	8	9	
Financial expenses (excl. interest expense)	26	22	25	28	32	
EBITDA	446	504	583	678	776	
<i>EBITDA margin (%)</i>	<i>22.4%</i>	<i>22.9%</i>	<i>23.1%</i>	<i>23.6%</i>	<i>23.8%</i>	
Depreciation	83	106	110	120	133	
Operating profit	364	399	473	558	642	
<i>Operating profit margin (%)</i>	<i>18.2%</i>	<i>18.1%</i>	<i>18.8%</i>	<i>19.5%</i>	<i>19.7%</i>	
Other profits/losses	3	1	0	0	0	
Profits/Losses from associates	-	-	-	-	-	
Net interest expense	(11)	(4)	(0)	13	31	
<i>as % of avg net debt</i>	<i>4.9%</i>	<i>2.4%</i>	<i>0.2%</i>	<i>-24.9%</i>	<i>9.9%</i>	
<i>Interest cover (x)</i>	<i>(33)</i>	<i>(91)</i>	<i>(1,314)</i>	<i>43</i>	<i>21</i>	
Tax	78	83	98	112	126	
<i>Effective tax rate (%)</i>	<i>20.8%</i>	<i>20.7%</i>	<i>20.6%</i>	<i>20.6%</i>	<i>20.6%</i>	
Minority interest	-	-	-	-	-	
NPATMI	300	321	376	433	485	
Cash earnings	382	426	486	553	619	
Total number of shares	66,705,370	70,038,449	154,042,762	154,042,762	154,042,762	
EPS (VND) (after treasury shares)	3,760	1,791	2,097	2,416	2,709	
Bonus factor (x)	0.45	1.00	1.00	1.00	1.00	
Adjusted EPS (VND)	1,709	1,791	2,097	2,416	2,709	
<i>EPS growth (%)</i>	<i>45.6%</i>	<i>4.8%</i>	<i>17.1%</i>	<i>15.2%</i>	<i>12.1%</i>	

KEY CASHFLOW AND BS ITEMS	2023	2024	2025F	2026F	2027F
Increase in working capital	318	116	144	136	152
Capex	61	92	150	650	650
Change in investment in affiliates	0	-4	0	0	0
Other cashflow items	-82	-84	-83	-84	-83
Free cash flow	-79	138	109	-317	-266
Share issues	-	-	-	-	-
Dividends paid	67	70	77	77	77
Increase in net debt	145	-68	-32	394	343
Net debt, end of year	-150	-218	-250	144	488
Shareholders' equity	2,085	2,183	2,482	2,838	3,246
BVPS (VND)	29,778	14,175	16,114	18,425	21,076
Net debt / equity (%)	-7.2%	-10.0%	-10.1%	5.1%	15.0%
Net debt / EBITDA (x)	-0.3	-0.4	-0.4	0.2	0.6
Total assets	2,393	2,505	2,772	3,521	4,273

KEY RETURN AND VALUATION RATIOS	2023	2024	2025F	2026F	2027F
ROE	15.1%	15.0%	16.1%	16.3%	16.0%
ROA	12.8%	13.1%	14.2%	13.8%	12.5%
ROIC	16.5%	16.3%	17.9%	17.0%	15.2%
WACC	8.6%	8.6%	8.6%	7.2%	8.5%
EVA	7.8%	7.6%	9.3%	9.8%	6.7%
PER (x)	28.8	27.5	23.5	20.4	18.2
EV/EBITDA (x)	16.5	14.6	12.7	10.9	9.5
EV/FCF (x)	-93.8	53.4	67.9	-23.3	-27.7
PBR (x)	1.7	3.5	3.1	2.7	2.3
PSR (x)	3.8	3.4	3.0	2.6	2.3
EV/sales (x)	3.7	3.3	2.9	2.6	2.3
PEG (x, 3 yr prospective)	1.3	2.2	1.6	1.6	1.6
Dividend yield	2.0%	1.0%	1.0%	1.0%	1.0%

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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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