

11 May 2026

BAF Vietnam (BAF)

NPAT grew, but operating expenses also increased rapidly

12M rating **NON-RATED**

1Q26 - Growth driven by capacity expansion

- In 1Q26, BAF recorded revenue of VND1,762bn (+56.8% YoY). This growth was driven by:
 - o *BAF's average selling price (ASP)* reached VND69,900/kg for live hogs, a slight increase of 5% YoY, tracking the general market uptrend (Figure 2).
 - o *Sales volume* reached nearly 240,000 heads in 1Q26 (+50% YoY), as the total sow herd at the end of 4Q25 had expanded by +68% YoY (Figures 3, 4).
- Gross profit reached VND451bn (+55% YoY). Gross profit margin (GPM) stood at 25.6%, down 0.2 ppts YoY but up 29.1 ppts QoQ. The slight YoY GPM compression despite higher selling prices was primarily due to a rise in transportation costs for imported feed ingredients in 1Q26. Meanwhile, according to Vietnam Customs data, feed prices excluding freight have not yet recorded an increase (Figures 5, 6).
- Selling expenses remained high at VND61bn (+72% YoY), continuing to be impacted by increased shipping costs since BAF expanded two additional commercial pig distribution hubs in Binh Duong and Hanoi.
- Interest expenses continued to climb to VND100bn (+60.5% YoY, Figure 7), due to rising debt levels incurred to fund farm development activities.
- As a result, NPAT reached VND206bn, up +54.4% YoY.

Stock Data

VNIndex (11 May, pt)	1,888
Stock price (11 May, VND)	35,400
Market cap (USD mn)	409
Shares outstanding (mn)	304
52-Week high/low (VND)	39,200/31,350
6M avg. daily turnover (USD mn)	3.42
Free float / Foreign ownership (%)	65.8/2.9
Major shareholders (%)	
Siba Holdings	28.47
Others	71.53

Performance

	1M	6M	12M
Absolute (%)	1.4	9.6	2.9
Relative to VNIndex (%p)	(6.5)	(9.2)	(48.6)

Stock price trend



Source: Bloomberg

	2021A	2022A	2023A	2024A	2025A
Sales (VND bn)	10,435	7,085	5,204	5,641	5,042
chg. (% YoY)	(18.8)	(32.1)	(26.6)	8.5	(10.7)
Operating profit (VND bn)	390	344	33	302	87
Net profit (VND bn)	322	288	30	319	127
EPS (VND)	4,125	1,998	187	1,326	416
chg. (% YoY)	350.0	(51.6)	(90.6)	607.8	(68.6)
EBITDA (VND bn)	450	424	255	668	607
PE (x)	4.2	12.5	147.5	27.0	85.5
EV/EBITDA (x)	2.7	10.4	24.3	16.5	24.6
PB (x)	0.93	2.07	2.09	2.93	2.67
ROE (%)	32.1	18.0	1.5	13.1	3.6
Dividend yield (%)	-	-	-	-	-

Note: Net profit, EPS and ROE are based on figures attributed to controlling interest

Source: FiiproX, KIS Research

Research Dept

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2Q26F – Facing mounting challenges

- We believe BAF's NPAT growth trend may encounter significant challenges in 2Q26F due to:
 - *A high base for comparison:* Both live hog prices (BAF's 2Q25 average: VND77,700/kg) and NPAT (2Q25: VND196bn) were recorded at elevated levels.
 - *Impact of rising input costs:* Although live hog prices in April and early May 2026 remained relatively high at ~VND65k–66k/kg, animal feed prices have surged since March 2026. This, combined with higher transportation costs, will put upward pressure on the Cost of Goods Sold (COGS).
 - *Forecasted spike in interest expenses:* Interest expenses in 2Q26F are projected to reach VND120bn–135bn (+72–100% YoY), based on our analysis of the company's expanding debt levels.

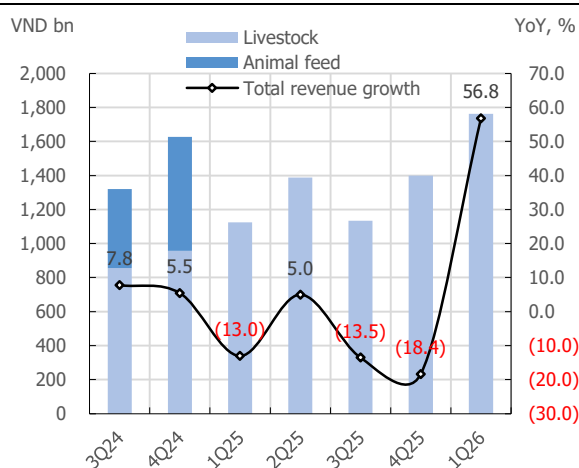
Table 1. Quarterly earnings snapshot in 1Q26

(VND bn, %, %p)

	1Q25	2Q25	3Q25	4Q25	1Q26	QoQ	YoY
Sales	1,124	1,387	1,136	1,399	1,762	25.9	56.8
OP	202	270	86	(196)	314		55.4
OP margin	18.0	19.4	7.6	(14.0)	17.8	31.8	(0.2)
EBT	141	210	26	(278)	211		50.0
NP	134	196	22	(265)	206		54.4

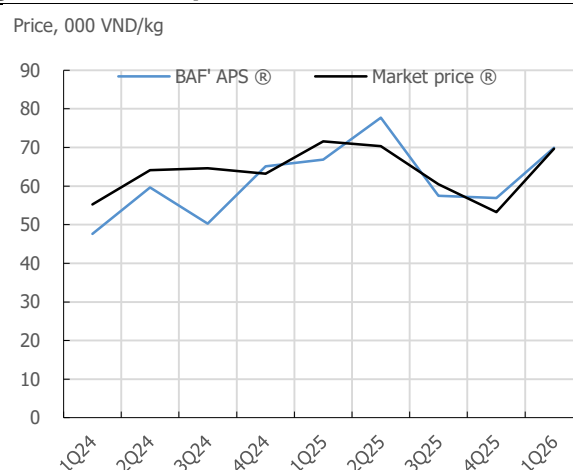
Source: Company data, FiinProX, KIS Research

Figure 1. BAF recorded revenue of VND1,762bn (+56.8% YoY). This growth was driven by :



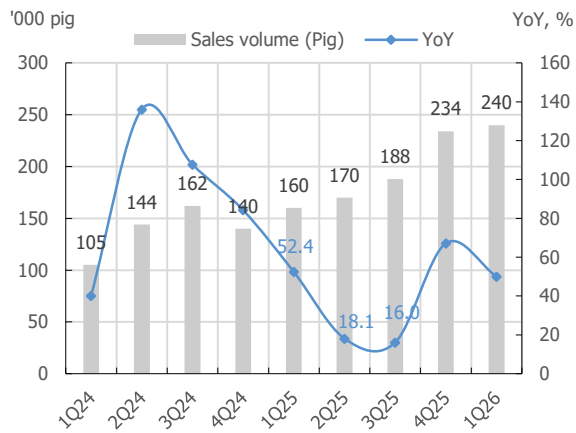
Source: Company data, KIS Research

Figure 2. ... BAF's ASP reached VND69,900/kg for live hogs, a slight increase of 5% YoY, tracking the general market uptrend



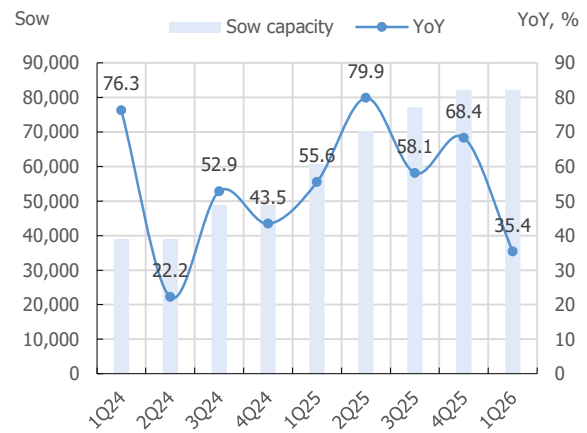
Source: Company data, Anovafeed, KIS Research

Figure 3. ... Sales volume reached nearly 240,000 heads in 1Q26 (+50% YoY),



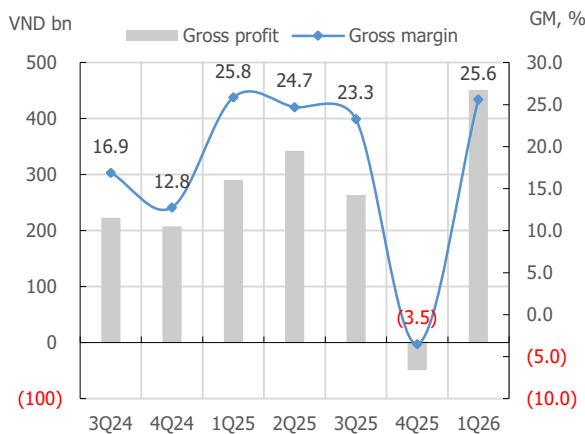
Source: Company data, KIS Research

Figure 4. ... as the total sow herd at the end of 4Q25 had expanded by +68% YoY



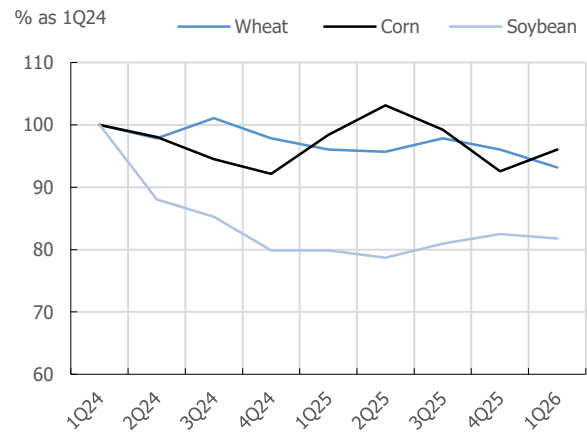
Source: Agromonitor, KIS Research

Figure 5. ... The slight YoY-GPM compression despite higher selling prices was primarily due to a rise in transportation costs for imported feed ingredients in 1Q26



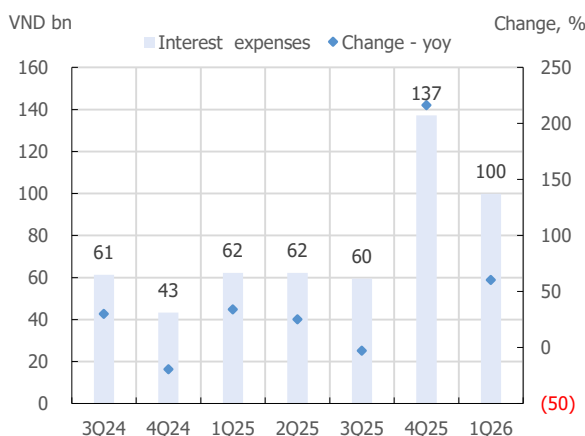
Source: Anovafeed, KIS Research

Figure 6. ... Meanwhile, according to Vietnam Customs data, feed prices excluding freight have not yet recorded an increase



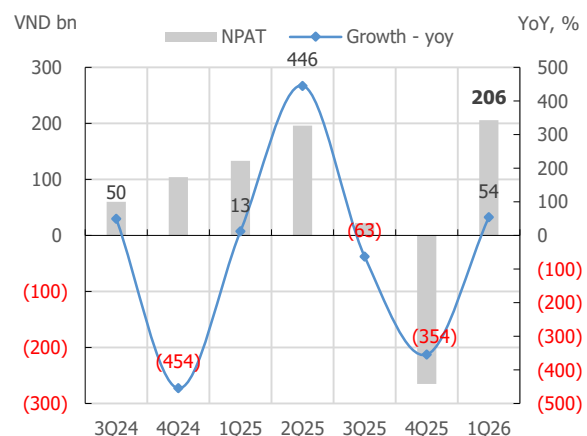
Source: Vietnam Customs, KIS Research
Note: 3-month average, 1-month lagged

Figure 7. Interest expenses continued to climb to VND100bn (+60.5% YoY), due to rising debt levels incurred to fund farm development activities



Source: Company data, KIS Research

Figure 8. ... Consequently, NPAT recorded VND206bn, +54% YoY



Source: Company data, KIS Research

■ Company overview

BAF Vietnam Agriculture Joint Stock Company (BAF) was established in 2017 and is a member of the Tân Long Group. The company operates an integrated agricultural business model focusing on livestock farming and feed production, under the concept of “Feed–Farm–Food.” BAF is one of Vietnam’s leading producers of commercial pigs, with a rapidly expanding network of modern farms across provinces such as Binh Phuoc, Tay Ninh, and Nghe An

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