KIS Viet Nam Securities Corporation

Company

Brief

18 May 2026

HA DO GROUP (HDG)

12M rating **Non-rated**

Earnings weighed down by provisions

1Q26 - Provisions pressured earnings

In 1Q26, revenue reached VND684bn (+14% yoy, -23% qoq, figure 1), mainly driven by the real estate segment and hotel services. Gross profit came in at VND442bn (+10% yoy, figure 2), with gross margin at 64.6% (-2.4%p yoy).

- ***Power segment:*** Revenue and gross profit were VND508bn (-1% yoy, figure 1) and VND354bn (-4% yoy, figure 2), respectively. We estimate the capacity factor declined by ~4% yoy due to the intensifying impact of El Niño, despite flat electricity prices yoy.
- ***Real estate segment:*** Revenue and gross profit reached VND49bn (no revenue in 1Q25, figure 1) and VND43bn (+150% yoy, figure 2), respectively. We believe Charm Villas Phase 3 recorded sales of 2 units (a plan of 25 units).
- ***Hotel services:*** Revenue was VND45bn (+22% yoy, figure 1), supported by improved occupancy at the IBIS hotel chain to 82% (1Q25: 75%) and ~10% yoy growth in average room rates. Gross profit increased to VND28bn (+34% yoy, figure 2), with gross margin expanding to 61.4% (+5.7%p yoy).
- ***Real estate leasing & services:*** Revenue reached VND87bn (+10% yoy, figure 1), while gross profit declined to VND22bn (-28% yoy, figure 2), resulting in gross margin contraction from 38.5% to 25.2%, mainly due to higher depreciation and operating costs.

As a result, NPAT was VND104bn (-50% yoy, figure 4), primarily due to a sharp increase in administrative expenses to VND258bn (4.7x yoy, figure 3), driven by provisioning for the Infra 1 project.

	2021A	2022A	2023A	2024A	2025A
Sales (VND bn)	3,778	3,581	2,889	2,775	2,816
chg. (% yoy)	(24.4)	(5.2)	(19.3)	(5.9)	2.5
Operating profit (VND bn)	1,651	1,615	961	831	1,103
Net profit (VND bn)	1,344	1,362	866	447	993
EPS (VND)	5,470	4,479	2,175	1,036	2,082
chg. (% yoy)	(12.0)	(18.1)	(51.4)	(52.4)	101.1
EBITDA (VND bn)	2,295	2,577	2,010	1,665	1,987
PE (x)	5.8	5.9	12.2	26.5	11.7
EV/EBITDA (x)	6.3	5.1	7.3	9.0	7.6
PB (x)	1.45	1.22	1.37	1.51	1.32
ROE (%)	29.8	22.7	11.9	5.8	11.9
Dividend yield (%)	3.13	-	1.88	-	2.04

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

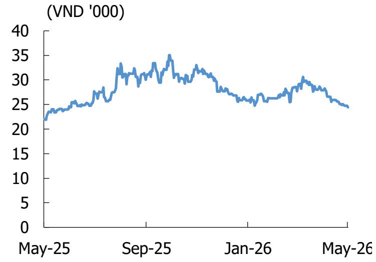
Stock Data

VNIndex (18 May, pt)	1,928
Stock price (18 May, VND)	24,450
Market cap (USD mn)	343
Shares outstanding (mn)	370
52-Week high/low (VND)	35,058/21,873
6M avg. daily turnover (USD mn)	2.63
Free float / Foreign ownership (%)	57.2/18.3
Major shareholders (%)	
Nguyen Trong Thong	31.83
CTBC Vietnam Equity Fund	10.01
Nguyen Van To	8.05

Performance

	1M	6M	12M
Absolute (%)	(12.4)	(24.1)	11.0
Relative to VNIndex (%p)	(18.7)	(40.8)	(39.6)

Stock price trend



Source: Bloomberg

Research Department

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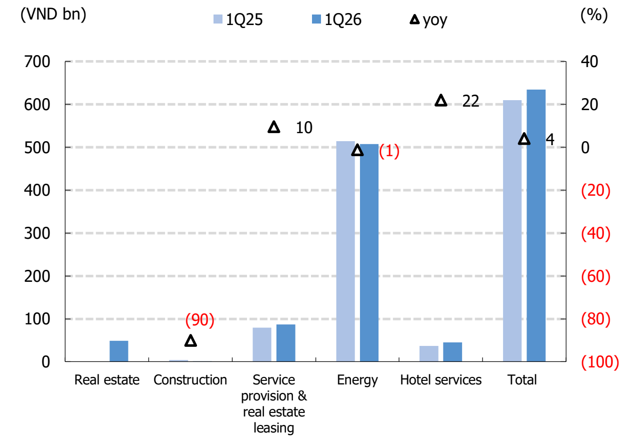
2Q26F – Earnings growth from a low base

In 2Q26F, we anticipate Ha Do Group to deliver an optimistic outlook, supported by earnings growth from a low base. The key growth drivers are expected to come mainly from the real estate and hotel services segments.

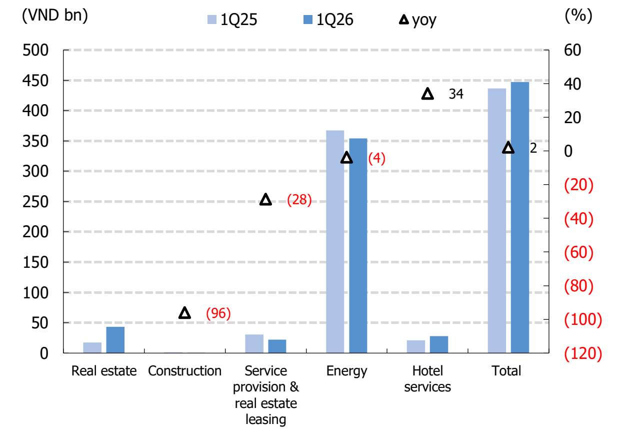
- ***Power segment:*** We estimate that HDG's power segment may deliver weak performance in 2Q26F, mainly due to lower production as El Niño is expected to strengthen and persist until the end of 2026. Nevertheless, the segment could receive partial support from improving selling prices, driven by a 2.8x n/n increase in CAN prices in 2026.
- ***Real estate segment:*** In 2Q26F, we expect this segment to continue delivering positive results, supported by the anticipated handover and stronger contribution from the Villas Charm 3 project compared to the same period last year.
- ***Hotel services:*** We expect this segment to continue recording positive performance, supported by the consistently high occupancy rate at the IBIS hotel, reaching 82% (2Q25: 74%), along with expectations of a slight improvement in rental rates.
- ***Real estate leasing & services:*** In 2Q26F, we expect this segment to remain stable, supported by a steady occupancy rate of around 75%. However, NPAT may record weaker results, mainly due to higher depreciation and operating costs.

Figure 1. The real estate and hotel services segments boosted revenue growth by 14% yoy



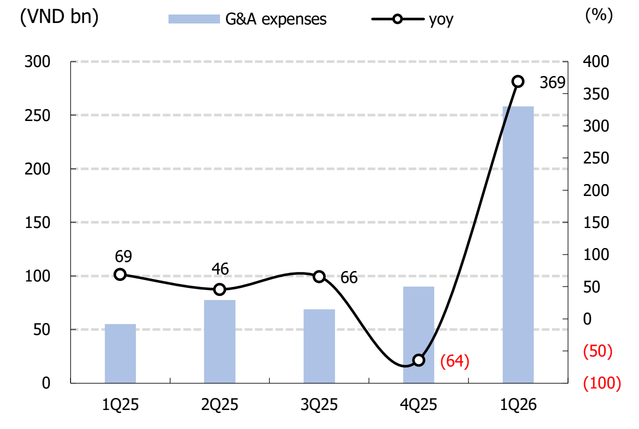
Source: Company data, KIS Research

Figure 2. Gross profit came in at VND442bn (+10% yoy)



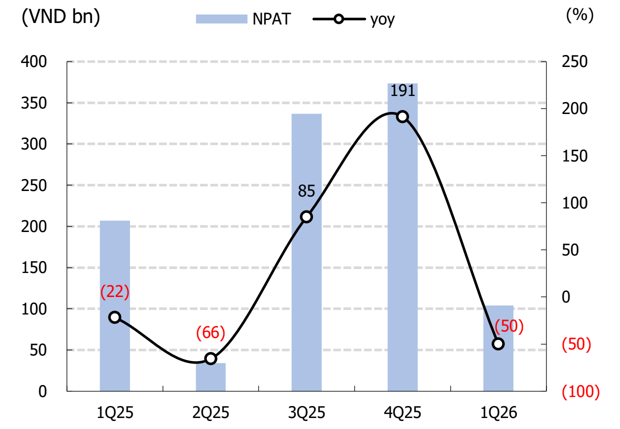
Source: Company data, KIS Research

Figure 3. … due to a sharp increase in administrative expenses to VND258bn (4.7x yoy)



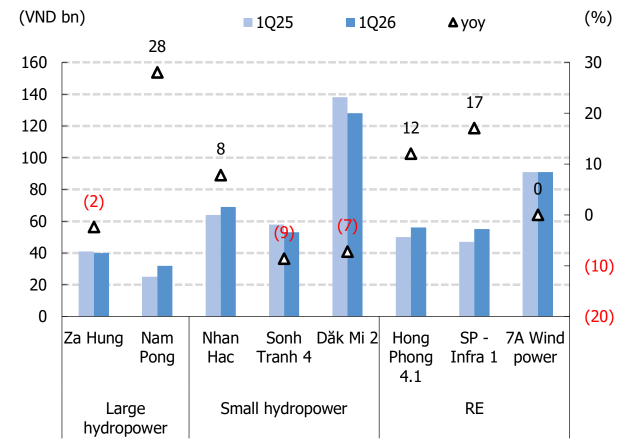
Source: Company data, KIS Research

Figure 4. NPAT recorded a sharp decline of 50% yoy in 1Q26



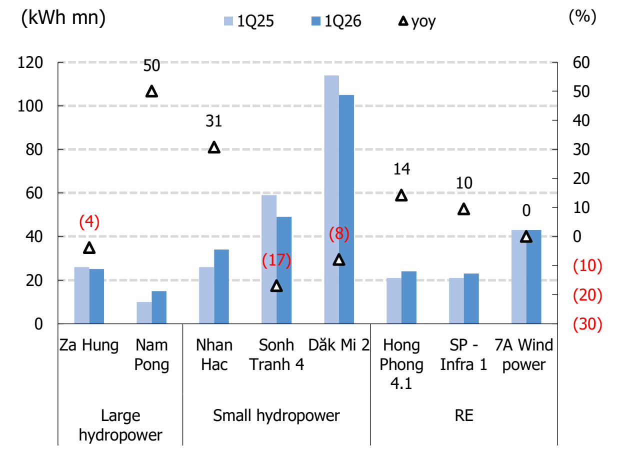
Source: Company data, KIS Research

Figure 5. Revenue slightly declined by 1% yoy, supported by the renewable energy segment



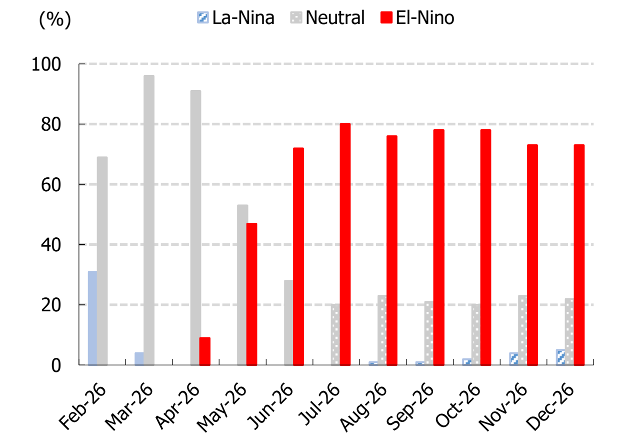
Source: Comapny data, KIS Research, EVN

Figure 6. … with production across the renewable energy segment recording growth in 1Q26



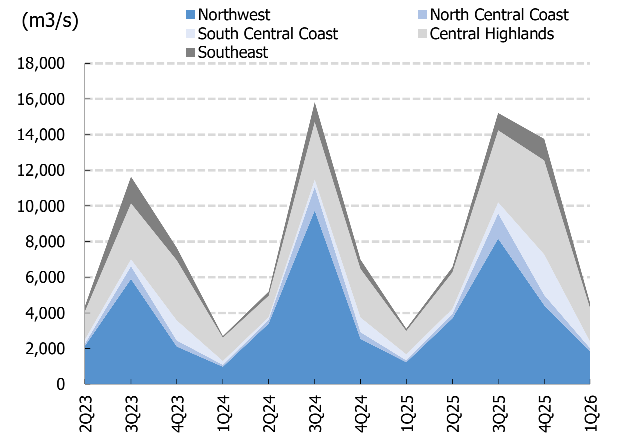
Source: Comapny data, KIS Research, EVN

Figure 7. El Niño intensified from June and was expected to persist through the end of 2026



Source: EVN, KIS Research

Figure 8. Reservoir inflow remained stable in 1Q26



Source: NOAA, KIS Research

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Prepared by: Research Department

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