

10/02/2025

RECOMMENDATION

Target price	111,700
Current price	98,200
Upside/downside	17%

STOCK INFORMATION

Outstanding shares (mil)	338
Free float (mil)	51
Market cap. (billion VND)	32,371
3m avg. volume (shares)	1.1
Foreign ownership (%)	49%
First listing date	23/03/2009

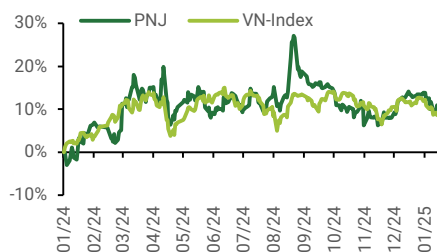
SHAREHOLDER STRUCTURE

Dragon Capital Vietfund Management Joint Stock Company	9.6%
Sprucegrove Investment Management Ltd	5.1%

KEY ATTRIBUTES

TTM EPS (VND)	6,696
BVPS (VND)	34,138
Debt/Equity (%)	0.4
ROA (%)	15.4%
ROE (%)	21.5%
P/E	14.3
P/B	2.8
Dividend yield (%)	2.3%

PRICE PERFORMANCE



COMPANY PROFILE

PNJ is Vietnam's leading jewelry company, with a network of over 400 stores and more than 3,000 distributors. The company operates across five jewelry segments, catering to different customer groups. Notably, the jewelry retail segment consistently accounts for a significant share of both revenue and profit.

ANALYST

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GROWTH MOMENTUM HAS IMPROVED COMPARED TO THE PREVIOUS YEAR

- In 2024, PNJ recorded net revenue and NPAT-MI of VND 37.8 trillion (+14% YoY) and VND 2.1 trillion (+7% YoY), respectively, achieving 102% and 101% of its set targets.
- For 2025, we maintain a positive outlook on PNJ's business performance, primarily due to the expected growth from its jewelry retail segment, driven by market share expansion in the industry is becoming polarized. We forecast 2025 net revenue and NPAT-MI to reach VND 36.4 trillion (-4% YoY) and VND 2.4 trillion (+15% YoY), respectively, bringing the 2025 forward PE ratio to 14.5x—lower than the average from 2020 to 2024.
- We recommend an Overweight rating with a target price of VND 111,700, representing an upside potential of 17% from the closing price on 10/02/2025.

Business Results in 2024

In 2024, PNJ recorded net revenue and NPAT-MI of VND 37.8 trillion (+14% YoY) and VND 2.1 trillion (+7% YoY), respectively, achieving 102% and 101% of its set targets. Key highlights are as follows:

- Net revenue grew by +14% YoY, primarily driven by the jewelry retail segment's market share expansion and a boost from the gold bar business, which saw increased activity due to gold speculation in the first half of 2024.
- Gross profit margin slightly declined by -0.6 basis points YoY, mainly due to the higher proportion of gold bars, which carry lower profit margins.
- NPAT-MI experienced a modest increase of +7% YoY, supported by a +6% YoY improvement in core business activities.

Business results forecast for 2025F

We forecast net revenue and NPAT-MI for 2025 to reach VND 36.4 trillion (-4% YoY) and VND 2.4 trillion (+15% YoY), respectively, based primarily on the following assumptions:

- (i) Jewelry retail revenue grew by +17% YoY, but this was not enough to offset the -46% YoY decline in gold bar revenue. As a result, we estimate overall net revenue to have decreased slightly by -4% YoY.
- (ii) Gross profit margin is expected to increase by +3.3 basis points YoY, driven by the higher margin contribution from the jewelry retail segment compared to the gold bar segment.
- (iii) NPAT-MI is forecast to improve by +15% YoY, reflecting better performance in core business activities compared to the same period last year.

Investment thesis:

1. **Jewelry retail revenue for 2025 is forecast to grow by +17% YoY, driven by market share expansion through** (i) increasing the number of stores to expand coverage, and (ii) diversifying the product portfolio to enhance revenue per store per quarter.