truefriend KIS Viet Nam Securities Corporation

Company Brief

13 Nov 2026

Hoa Sen Group (HSG)

Exports continued to recover

12M rating **NON-RATED**

4QFY26 – Exports recovering, domestic flat

- In 4QFY26 (corresponding to calendar 3Q26), HSG posted consolidated revenue of VND10,384bn, +24.3% yoy and +3.9% qoq. Of which, the steel segment recorded:
    - **Total sales volume** in 4QFY26 reached 470.2 thousand tons (per VSA), up 13% yoy or 4.6% qoq (VSA data, figure 2), specifically:

      Domestic market volume in 4QFY26 reached 308.2 thousand tons, +4.9% yoy or +0.7% qoq. Based on these figures, we believe HSG's sales activities remain fairly healthy.

      Export market volume in 4QFY26 reached 161.9 thousand tons, +34.3% yoy or +12.8% qoq. Growth continued from the previous quarter, indicating that exports remain on a positive recovery path, particularly in Europe, where energy costs are escalating and production has been disrupted in two major steel-producing countries, Russia and Ukraine.
    - **Average selling price** is estimated at USD797/ton, +10.3% yoy, +0.1% qoq (figures 4, 6). HSG's average selling price trend in 4QFY26 was fairly correlated with developments in the domestic market and its key export markets (figure 4)
- **Gross profit** in 4QFY26 reached VND1,250bn, +21.9% yoy, with gross margin at 12.0%, down slightly by 0.2ppt yoy and -3.2ppt qoq (figure 5). The qoq decline was mainly due to flat average selling prices of steel products as mentioned above, while input HRC prices from both domestic and imported sources trended upward (figures 6, 7).
- As a result, **NPAT** in 4QFY26 came in at VND56bn, -37% yoy or -86% qoq.

	2022A	2023A	2024A	2025A	2026A
Sales (VND bn)	50,090	32,084	39,883	37,321	38,651
chg. (% YoY)	2.0	(36.3)	24.1	(7.0)	3.3
Operating profit (VND bn)	330	96	511	754	734
Net profit (VND bn)	251	30	515	735	624
EPS (VND)	(1,803)	1,321	929	1,012	772
chg. (% YoY)		(173.3)	(29.7)	8.9	(23.7)
EBITDA (VND bn)	354	1,713	1,479	1,545	2,030
PE (x)	(10.9)	13.2	17.3	10.9	14.3
EV/EBITDA (x)	39.1	8.0	10.1	7.9	8.0
PB (x)	1.16	0.99	0.90	0.60	0.75
ROE (%)	(10.0)	7.7	5.3	5.6	5.4
Dividend yield (%)	-	2.87	3.11	-	-

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

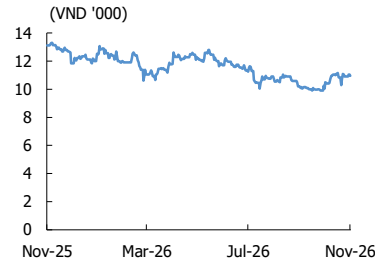
Stock Data

VNIndex (12 Nov, pt)	1,735
Stock price (12 Nov, VND)	11,050
Market cap (USD mn)	345
Shares outstanding (mn)	807
52-Week high/low (VND)	13,308/9,900
6M avg. daily turnover (USD mn)	1,18
Free float / Foreign ownership (%)	82.0/3.3
Major shareholders (%)	
BoD & related	36.67
Dragon Capital & related	22.84
Others	40.49

Performance

	1M	6M	12M
Absolute (%)	9.0	(10.2)	(16.5)
Relative to VNIndex (%p)	8.5	(2.5)	(24.3)

Stock price trend



Source: Bloomberg

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1QFY27F – Favorable yoy trend expected to be sustained

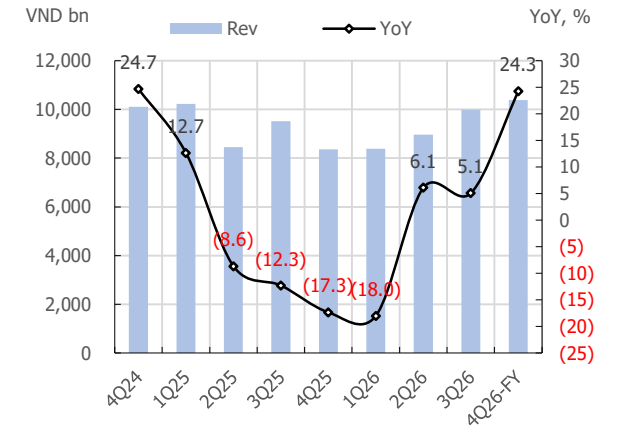
- In 1QFY27F, we maintain our view that *sales volume* is likely to continue improving yoy as domestic demand stays flat or declines only slightly, while growth will be driven by exports, which are on a recovery path in European and North American markets.
- We also believe that *gross margin and gross profit* could be maintained at high levels as in 4QFY26 thanks to: *(i)* selling prices across markets remaining on an uptrend, while HRC prices have only edged up slightly, and *(ii)* the sales mix toward Europe and North America – which carry higher margins than other markets – expected to remain favorable in 1QFY27F.

Table 1. Quarterly earnings snapshot in 4QFY26 (VND bn, %, %p)

Fiscal year	4Q25	1Q26	2Q26	3Q26	4Q26	QoQ	YoY
Sales	8,357	8,383	8,967	9,993	10,384	3.9	24.3
OP	109	112	236	542	238	143.6	118.2
OP margin	2.7	1.9	(1.2)	(0.5)	2.3	2.8	(0.4)
EBT	116	96	156	446	92	(79.3)	(20.7)
NP	88	62	119	382	56	(85.5)	(36.9)

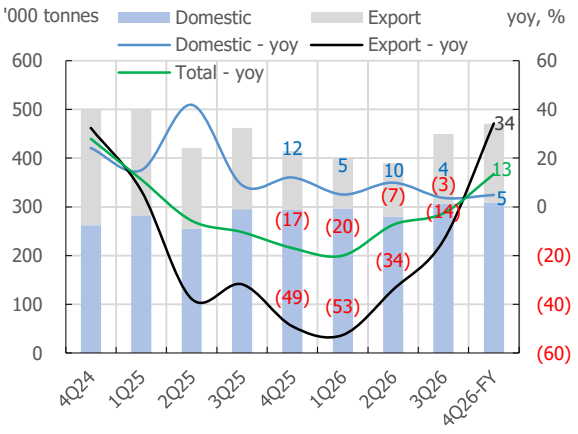
Source: Company data, FiinproX, KIS Research

Figure 1. Total revenue rose 24% yoy in 4QFY26



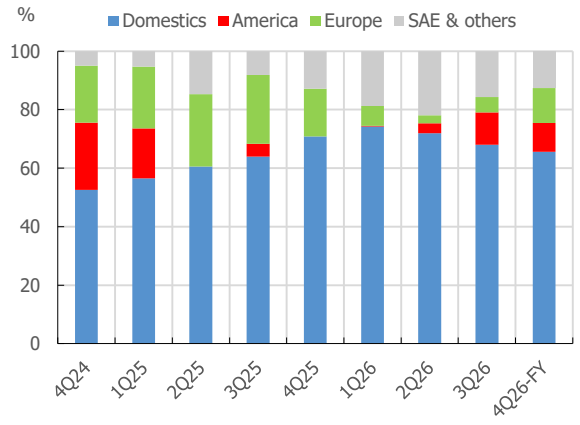
Source: Company data, KIS Research

Figure 2. … with revenue growth led by the recovery in exports



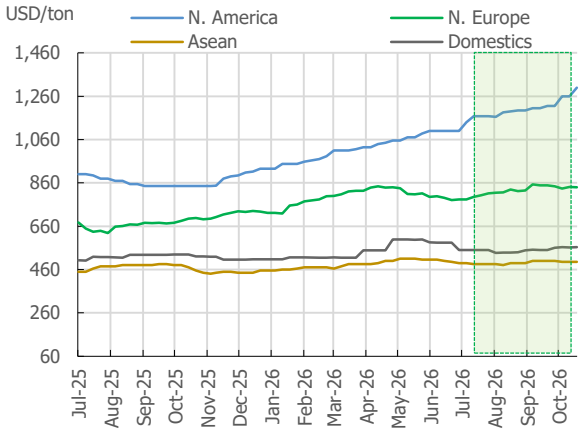
Source: VSA, KIS Research

Figure 3. Exports continued to recover in Europe amid escalating energy prices and supply disruptions from Russia and Ukraine



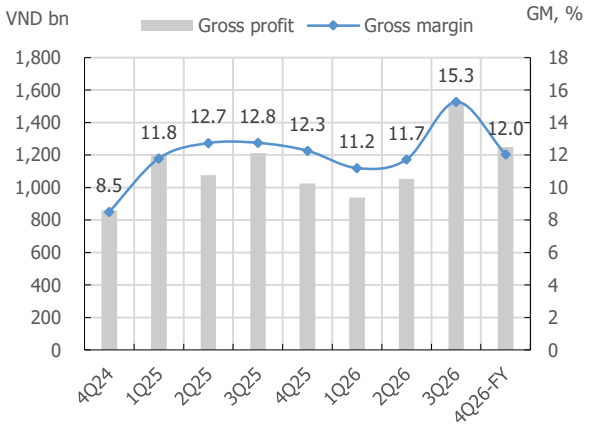
Source: VSA, Tradeint, KIS Research

Figure 4. North American selling prices continued to rise in 3Q26, while other markets were flat versus 2Q26



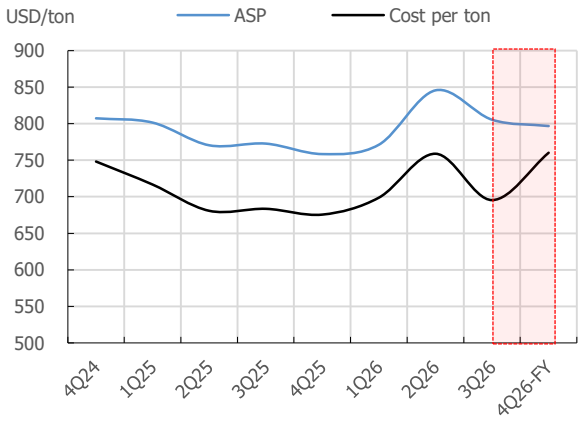
Source: Bloomberg, Thitruongthep, KIS Research

Figure 5. Gross margin declined slightly in 3Q26 ...



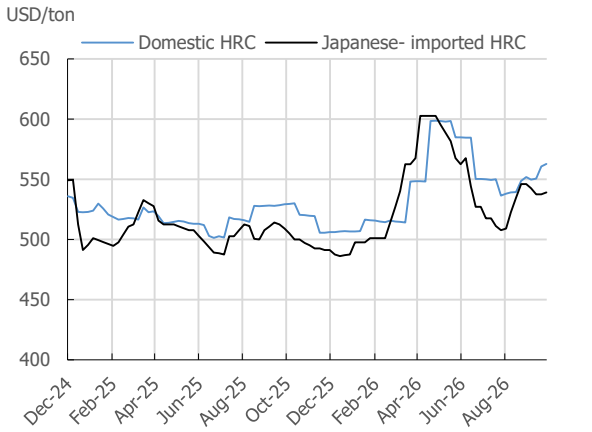
Source: Company data, KIS Research

Figure 6. ... due to flat average selling prices of steel products, while input HRC prices trended upward ...



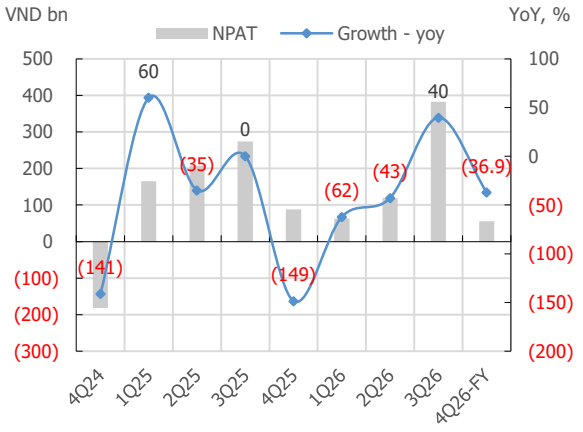
Source: Company data, KIS Research

Figure 7. ... for both domestic and imported sources



Source: Thitruongthep.com, KIS Research

Figure 8. As a result, NPAT came in at VND56bn, -37% yoy or -86% qoq



Source: Company data, KIS Research

■ Company overview

Hoa Sen Group Joint Stock Company (HSG) was established in 2001 and is the market leader in Vietnam's coated steel manufacturing and trading industry. The company specializes in producing and distributing key building material products, including galvanized steel, aluminum-zinc alloy coated steel, color-coated steel, steel pipes and plastic pipes. With 10 manufacturing plants and a network of nearly 400 branches and direct distribution stores nationwide, HSG currently has a total coated steel capacity of over 2.7 million tons/year and holds approximately 28% of the domestic coated steel market share.

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