

28/04/2025

RECOMMENDATION	OVERWEIGHT
Fair price	50,600
Current price	43,000
Upside/downside	18%

STOCK INFORMATION

Outstanding shares (mil)	154.0
Free float (mil)	20.0
Market cap. (billion VND)	6,622.39
3m avg. volume (shares)	244,465
Foreign ownership (%)	49.4%
First listing date	04/12/2006

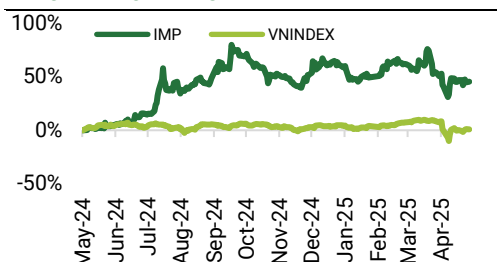
SHAREHOLDER STRUCTURE

SK and related parties (KBA, Binh Minh Kim)	64.8%
Vietnam Pharmaceutical Corporation - JSC	22.0%
Others	13.2%

KEY ATTRIBUTES

TTM EPS (VND)	2,156
BVPS (VND)	14,594
Debt/Equity	0.3
ROA (%)	12.7%
ROE (%)	15.4%
P/E	21.8
P/B	2.9
Tỷ suất cổ tức (%)	1.2%

PRICE PERFORMANCE



COMPANY PROFILE

Imexpharm Pharmaceutical JSC (HSX: IMP) was established in 1977, originally known as Grade-2 Pharmaceutical Company in Cao Lanh City, Dong Thap Province. Imexpharm operates in the field of manufacturing and trading various pharmaceutical products, including various types of medicines and other medical products. IMP currently operates 4 factories, including 12 production lines meeting EU-GMP standards and leading the antibiotic market share in Vietnam, reaching 10%.

ANALYST(S)

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LEADING POSITION, SUSTAINABLE GROWTH

- IMP reported strong Q1/2025 business results, achieving 23% of its 2025 revenue target and 19% of its 2025 pre-tax profit target. Growth was supported evenly across both the ETC and OTC channels, recording 27% YoY and 25% YoY growth, respectively.
- For 2025, IMP has set a business plan targeting total Gross Revenue growth of 18.6% YoY to VND 2,981 bn and PBT growth of 22.1% YoY to VND 493.5 bn. The company's strategic focuses include: (1) exploit the high-tech pharmaceutical segment in the ETC channel; (2) strengthening partnerships with pharmacy chains and expanding its distribution network in North in the OTC channel. IMP5 factory is scheduled to commence construction by end-2025, start commercial production in 2H2028, focusing on therapeutic areas beyond antibiotics such as cardiovascular, diabetes, and digestive.
- We maintain a positive outlook on IMP's growth prospects, based on expectations of: (1) a favorable industry trend, (2) its manufacturing advantage through EU-GMP standards, (3) market leadership in the antibiotic segment, and (4) its strategy to expand into non-antibiotic therapeutic categories over the medium to long term. For 2025F, we forecast that IMP would record Gross Revenue growth of 14.8% YoY to VND 2,886 bn and PBT growth of 18.1% YoY to VND 477 bn. Gross Margin is expected to slightly improve to 39.5% (+70bps YoY), supported by a higher contribution from premium antibiotics and effective raw material cost management.
- Using the DCF and P/E valuation methods, we make **OVERWEIGHT** recommendation for IMP with fair value of VND 50,600/share (up 19% compared to our previous valuation), representing an upside potential of 18%.

Q1/2025 Business results update

IMP reported strong Q1/2025 business results with Gross Revenue increasing by 23.3% YoY to VND 671 bn and PBT rising by 22.5% YoY to VND 95 bn, fulfilling 23% of the 2025 revenue target and 19% of the PBT target. Growth was supported across both the ETC and OTC channels:

- ETC channel: Revenue grew by 27% YoY, driven by expanded collaborations with hospitals and a positive contribution from high-value injectable antibiotics. Additionally, one more production line at IMP was certified to EU-GMP standards at the end of 2024, bringing the total number of EU-GMP certified lines to 12, further contributing to the strong performance in the hospital channel.
- OTC channel: Strong recovery with revenue up 25% YoY, reaching the highest quarterly level in several years, particularly in the North (+69% YoY) thanks to effective promotional campaigns and enhanced partnerships with pharmacy chains. Cough medicine posted impressive growth of +42% YoY, driven by a rise in respiratory illnesses earlier this year. The company's expansion plans in the North are expected to further support OTC channel performance going forward.

Gross Margin improved by 270bps YoY to 39.5%, benefiting from effective cost control measures and ramped-up production across all EU-GMP standards lines. Notably, production output at the IMP4 plant increased by 126% YoY. During the quarter, IMP also launched 9 new products and is