

## Vietnam

**ADD** (no change)

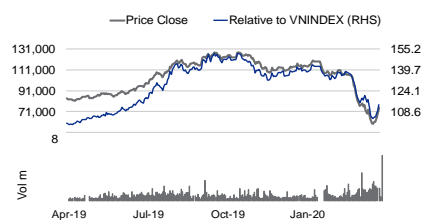
Consensus ratings\*: Buy 15 Hold 0 Sell 0

Current price:	VND74,600
Target price:	VND139,900
Previous target:	VND142,100
Up/downside:	87.5%
CGS-CIMB / Consensus:	-5.2%
Reuters:	MWG.HM
Bloomberg:	MWG VN
Market cap:	US\$1,440m
	VND33,780,180m
Average daily turnover:	US\$3.90m
	VND90,927m
Current shares o/s:	453.3m
Free float:	92.7%

\*Source: Bloomberg

**Key changes in this note**

- FY20F Revenue decreased by 3.3%.
- FY20F EPS decreased by 21.5%.
- FY21F EPS decreased by 7.9%.
- FY22F EPS decreased by 1.9%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-27.7	-35.5	-11.3
Relative (%)	-11.5	-13.4	13.2

Major shareholders	% held
Mobile World Retail Advisory Co. Ltd	11.4
Tri Tam Co. Ltd	8.5
Vietnam Enterprise Investments	3.5

**Analyst(s)**

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# Mobile World Investment Corp

## Direct strike from social distancing

- MWG announced that it will close its consumer electronics stores in Hanoi in response to the government's two-week social distancing period.
- We conservatively estimate that 28% of all TGDD and DMX stores, i.e. 548 stores, will be closed for up to a month starting from 26 Mar.
- We reiterate our Add call with a lower TP of VND139,900.

### Temporary shutdown from 26 Mar to 15 Apr

In an attempt to curb the spread of Covid-19, the government has ordered for nationwide social distancing and closure of stores except for grocery stores, pharmacies and medical treatment services. Hence, MWG has announced that it will temporarily close The Gioi Di Dong (TGDD) and Dien May Xanh (DMX) consumer electronics (CE) stores from 26 Mar until 15 Apr as requested by local authorities.

### Store closures account for 25% of total CE stores

MWG has temporarily closed 488 TGDD and DMX stores in 41 out of 63 provinces across Vietnam. This accounts for 25% of TGDD and DMX's combined nationwide network. The closed stores are mainly in Hanoi (7% of total stores), Da Nang (1.2% of total stores) and Hai Phong (1.2% of total stores). We estimate a total of 548 stores (60 more stores vs. currently) will be temporarily closed until 15 Apr.

### Changes to forecasts in FY20F

In our scenario analysis, we assume that the store closures will be for a four-week period vs. the announced two-week lockdown. We project three scenarios: (1) the government only requires closures of consumer discretionary stores in affected cities, (2) the government requires all consumer discretionary stores in Vietnam to close, and (3) the government requires the closing of consumer discretionary stores and restricts movement except for essential purposes. We cut our revenue/net profit forecasts by 3.3%/21.7% in FY20F due to store closures and narrower gross margins for CE chains (TGDD and DMX).

### Reiterate Add rating with a lower TP of VND139,900

We cut our FY20/21/22F EPS forecasts by 21.5%/7.9%/1.9% due to the revenue and margin squeeze in the consumer electronic businesses amid the outbreak and subsequently lower our DCF-based TP to VND139,900 (WACC: 12.4%). Our TP implies 15.1x FY20F P/E. MWG remains an Add, supported by: 1) the success of grocery store chain BHX amid the outbreak, 2) high demand for consumer electronics, and 3) online shopping compensating for lower revenue from store closures. Downside risks are: 1) slower-than-expected store openings by BHX, and 2) scenarios 2 and 3 playing out. A re-rating catalyst is a shorter-than-expected social distancing period.

**Financial Summary**

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Revenue (VNDb)	86,516	102,174	111,286	147,891	172,305
Operating EBITDA (VNDb)	5,094	6,420	6,776	8,699	11,007
Net Profit (VNDb)	2,879	3,834	3,397	5,229	6,819
Core EPS (VND)	6,839	8,560	7,522	11,333	14,286
Core EPS Growth	25.0%	25.2%	(12.1%)	50.7%	26.1%
FD Core P/E (x)	9.57	8.62	10.00	6.67	5.33
DPS (VND)	1,500	1,501	1,501	1,501	1,501
Dividend Yield	2.01%	2.01%	2.01%	2.01%	2.01%
EV/EBITDA (x)	6.80	6.91	6.79	4.90	3.41
P/FCFE (x)	230	828,889	73	4	6
Net Gearing	36.7%	90.4%	83.1%	42.2%	7.7%
P/BV (x)	3.50	2.75	2.28	1.78	1.40
ROE	38.7%	36.3%	25.2%	30.3%	30.0%
% Change In Core EPS Estimates			(21.5%)	(7.9%)	(1.9%)
CGS-CIMB/Consensus EPS (x)			0.79	0.97	1.01

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

## Direct strike from social distancing

### Scenario analysis for MWG under Covid-19 ►

We examine MWG under three possible store closure scenarios depending on the spread of Covid-19 in Vietnam. For all scenarios, we conservatively assume that the store closure period would be over four weeks (vs. the current social distancing period of two weeks).

Vietnam is currently facing scenario (1), with nationwide social distancing required by the government. We would elaborate on the other scenarios in the event the outbreak becomes more complicated.

**Scenario 1 – our base case: The government only requires closure of consumer discretionary stores in affected cities.** We estimate MWG would close all 548 TGDD and DMX physical stores across Vietnam and turn to online sales. In other cities, there would be a limit on the number of customers in a store at any given time. MWG customers can call any TGDD and DMX store to arrange for home delivery.

**Figure 1: Adjustments to MWG’s sales under the base case (Scenario 1)**

Scenario 1 (Base case)	TGDD and DMX	BHX	Total	Comments
Store closure (stores)	548	0	548	MWG temporarily closes all TGDD and DMX stores in the five major cities
Changes in revenue (VNDbn)	-3,758	0	-3,758	* The reduction in revenue was made as 1) we omitted 67% of one-month revenue of the closed TGDD and DMX stores (as 1/3 the revenue would be secured by the online sales) and 2) average revenue per TGDD/DMX store on normal operation would decline by 53%/44% vs. old forecast
Estimated FY20F revenue (VNDbn)	84,953	26,333	111,286	

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

**Figure 2: A temporarily closed DMX store with a banner displaying the website and phone number for online orders**



SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

**Scenario 2: The government requires all consumer discretionary stores in Vietnam to close.** Under this scenario, MWG would close all 2,023 TGDD and DMX stores and continue selling online. As per management, MWG is preparing to launch a “shopping on behalf of the customers” service which allows 1) TGDD

and DMX staff to receive and process delivery requests from BHX stores and 2) staff to receive VND30,000/delivery.

**Figure 3: Adjustments to MWG's sales under scenario 2**

Scenario 2	TGDD and DMX	BHX	Total	Comments
Store closure (stores)	2,023	0	2,023	MWG temporarily closes all TGDD and DMX stores in the country
Changes in revenue (VNDbn)	-6,156	584	-5,572	* The reduction in TGDD and DMX revenue was made as we omitted 80% of one-month revenue of the closed TGDD and DMX stores (as 20% the revenue would be secured by the online sales)
Estimated FY20F revenue (VNDbn)	82,555	26,917	109,472	* The increase in BHX revenue was driven by the improved revenue per store of BHX (+33% vs. old forecast)

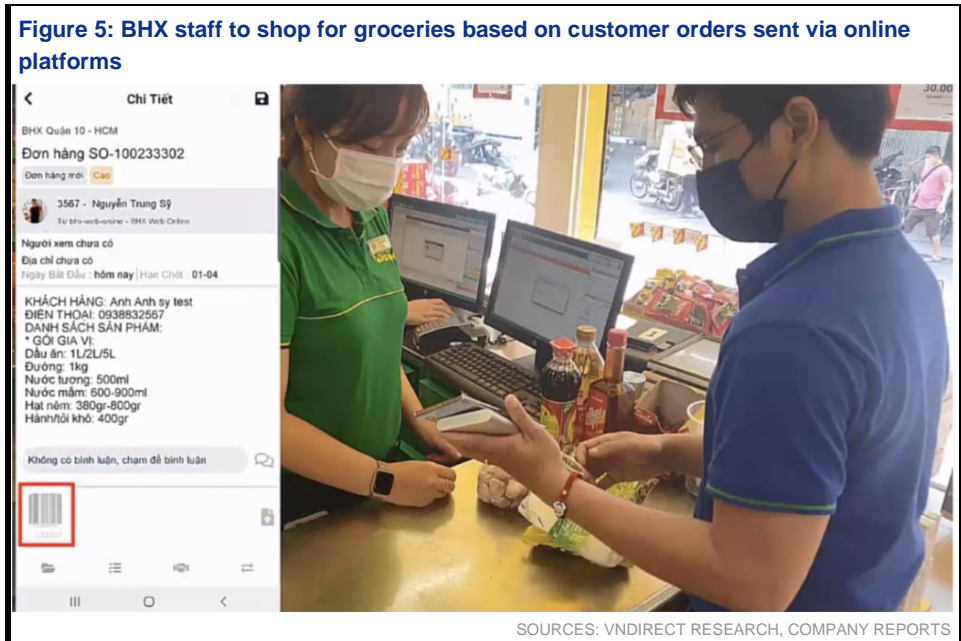
SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

**Scenario 3: The government requires the closure of consumer discretionary stores and restricts movement except for essential purposes.** All 2,023 TGDD and DMX stores would be closed and online channels for the two chains would also be suspended. Call centres and the website would be available to serve customers who pre-order products as soon as the movement restriction order is lifted. As it is a grocery store chain, BHX can continue to operate while TGDD and DMX would share their resources including staff, distribution centres (DC) and transportation vehicles to support BHX. MWG would also emphasise BHX's online channel with "shopping on behalf of the customers" services.

**Figure 4: Adjustments to MWG's sales under scenario 3**

Scenario 3	TGDD and DMX	BHX	Total	Comments
Store closure (stores)	2,023	0	2,023	MWG temporarily closes all TGDD and DMX stores in the country
Changes in revenue (VNDbn)	-7,460	1,168	-6,292	* The reduction in TGDD and DMX revenue was made as we omitted 100% of one-month revenue of the closed TGDD and DMX stores (as online channel would also be put off)
Estimated FY20F revenue (VNDbn)	81,251	27,501	108,752	* The increase in BHX revenue was driven by the improved revenue per store of BHX (+67% vs. old forecast)

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS



### Earnings revision ➤

We revise our FY20F projections according to the base case (Scenario 1) as mentioned above.

**Figure 6: Earnings revision**

	2020F			2021F			2022F			Comments
	Old	New	%Δ	Old	New	%Δ	Old	New	%Δ	
<b>Net revenue</b>	<b>115,044</b>	<b>111,286</b>	<b>-3.3%</b>	<b>147,891</b>	<b>147,891</b>	<b>0.0%</b>	<b>172,305</b>	<b>172,305</b>	<b>0.0%</b>	
TGDD	30,630	29,229	-4.6%	30,902	30,902	0.0%	31,294	31,294	0.0%	FY20F: We have revised according to the base case (case 1) with the omission of the revenue from TGDD and DMX temporarily closed stores and declining average revenue per TGDD/DMX store on operation
DMX	58,081	55,724	-4.1%	74,115	74,115	0.0%	82,976	82,976	0.0%	
BHX	26,333	26,333	0.0%	42,874	42,874	0.0%	58,035	58,035	0.0%	
<i>Net revenue growth</i>	<i>12.6%</i>	<i>8.9%</i>		<i>28.6%</i>	<i>32.9%</i>		<i>16.5%</i>	<i>16.5%</i>		
Gross profit	22,145	20,420	-7.8%	29,175	28,755	-1.4%	34,479	34,479	0.0%	FY20-21F: We revised downward our GPM of TGDD/DMX segment by 1.2% pts/0.4% pts due to the necessary discount promotion and marketing campaign to boost sales
<b>Gross profit margin</b>	<b>19.2%</b>	<b>18.3%</b>	<b>-0.9% pts</b>	<b>19.7%</b>	<b>19.4%</b>	<b>-0.3% pts</b>	<b>20.0%</b>	<b>20.0%</b>	<b>+0.0% pts</b>	
Selling expenses	14,125	13,671	-3.2%	18,757	18,757	0.0%	21,948	21,948	0.0%	FY20F: We revised downward our SG&A costs due to 1) cost cut from the closed-down TGDD and DMX stores with less staff working hours and salary adjustment to the company's actual performance, 2) lower rental rate during store closing time (-50% vs. pre-closing time), 3) scale down marketing and promotion activities and 4) reduce utilities expenses at stores and head office
<i>% of revenue:</i>	<i>12.3%</i>	<i>12.3%</i>	<i>+0.0% pts</i>	<i>12.7%</i>	<i>12.7%</i>	<i>+0.0% pts</i>	<i>12.7%</i>	<i>12.7%</i>	<i>+0.0% pts</i>	
G&A expenses	2,071	1,948	-5.9%	2,810	2,810	0.0%	3,274	3,274	0.0%	
<i>% of revenue:</i>	<i>1.8%</i>	<i>1.8%</i>	<i>+0.0% pts</i>	<i>1.9%</i>	<i>1.9%</i>	<i>+0.0% pts</i>	<i>1.9%</i>	<i>1.9%</i>	<i>+0.0% pts</i>	
<b>Operating profit</b>	<b>5,949</b>	<b>4,801</b>	<b>-19.3%</b>	<b>7,608</b>	<b>7,188</b>	<b>-5.5%</b>	<b>9,257</b>	<b>9,257</b>	<b>0.0%</b>	
EBT	5,726	4,480	-21.8%	7,517	6,896	-8.3%	9,112	8,993	-1.3%	
<b>Net profit</b>	<b>4,342</b>	<b>3,400</b>	<b>-21.7%</b>	<b>5,700</b>	<b>5,234</b>	<b>-8.2%</b>	<b>6,909</b>	<b>6,826</b>	<b>-1.2%</b>	
<i>Net margin</i>	<i>3.8%</i>	<i>3.1%</i>	<i>-0.7% pts</i>	<i>3.9%</i>	<i>3.5%</i>	<i>-0.4% pts</i>	<i>4.0%</i>	<i>4.0%</i>	<i>+0.0% pts</i>	

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

## Valuation

We reiterate our Add call. We cut our FY20/21/22F EPS forecasts by 21.5%/7.9%/1.9% due to the temporary closure of selected TGDD/DMX stores and narrower gross profit margin. Our DCF-based TP is subsequently lowered to VND139,900. We apply the sum-of-parts method to MWG's two core businesses: consumer electronics (TGDD and DMX) and grocery retailing (BHX). In particular, we use a 10-year DCF for both businesses as we expect 1) the consumer electronics segment to return to its pre-outbreak revenue level in FY21F and resume its growth momentum and 2) the grocery segment to narrow the gap with TGDD and DMX starting from 2024F.

**Figure 7: Discounted Cash Flows – TGDD and DMX**

(VNDbn)	FY20F	FY21F	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F	FY28F	FY29F	FY30F
EBIT	4,688	6,446	7,343	7,204	7,112	7,588	7,816	8,067	8,353	8,666	8,751
Tax	-1,054	-1,488	-1,717	-1,709	-1,696	-1,817	-1,872	-1,936	-2,337	-2,431	-2,299
Depreciation	1,188	321	395	446	390	394	200	190	160	121	82
Capex	-413	-311	-187	-190	-194	-198	-202	-206	-210	-214	-223
Change in work cap	-2,878	1,292	727	643	584	827	259	273	308	378	-475
Free Cash Flows	1,531	6,260	6,561	6,394	6,196	6,794	6,201	6,388	6,274	6,520	5,836
Present Value of FCF	1,363	4,945	4,593	4,028	3,470	3,397	2,728	2,491	2,196	2,021	1,634

SOURCES: VNDIRECT RESEARCH ESTIMATES

For BHX, we maintain a WACC of 15% to reflect our conservative view on the risks in terms of profitability and expansion capabilities.

**Figure 8: Discounted Cash Flows – BHX**

(VNDbn)	FY20F	FY21F	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F	FY28F	FY29F	FY30F
EBIT	112	741	1,913	3,256	5,343	6,403	7,165	7,918	8,574	9,268	9,191
Tax	-26	-174	-450	-765	-1,256	-1,505	-1,684	-1,861	-2,015	-2,178	-2,160
Depreciation	786	1,187	1,353	1,467	1,310	908	805	861	916	970	926
Capex	-2,088	-1,925	-1,521	-966	-912	-945	-978	-632	-651	-673	-695
Change in work cap	85	367	383	566	210	1	-222	-433	-640	-310	-1,042
Free Cash Flows	-1,131	196	1,678	3,558	4,695	4,862	5,086	5,853	6,184	7,077	6,220
Present Value of FCF	-984	149	1,107	2,028	2,348	2,091	1,933	1,931	1,732	1,769	1,306

SOURCES: VNDIRECT RESEARCH ESTIMATES

**Figure 9: WACC**

Cost of Capital	DCF Method	Amount (VNDbn)
Beta	0.9	PV of Free Cash Flows
Market Risk Premium	11.0%	PV of Terminal Value (2.0% growth)
Risk Free Rate	4.0%	Enterprise value
Cost of Equity	14.3%	Cash and cash equivalents
Cost of Debt	8.0%	Total debts
<b>WACC</b>	<b>12.4%</b>	Equity Value
		Shares
		Price per share (VND/share)

SOURCES: VNDIRECT RESEARCH ESTIMATES

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**Figure 11: DCF valuation – BHX**

DCF Method	Amount (VNDbn)
PV of Free Cash Flows	14,104
PV of Terminal Value (2.0% growth)	11,953
Enterprise value	26,057
Cash and cash equivalents	682
Total debts	0
Equity Value	26,739
Shares	453
Price per share (VND/share)	59,000

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

**Figure 12: Summary of valuation for MWG**

	Method	Equity value per share (VND)
TGDD and DMX	DCF	80,900
BHX	DCF	59,000
<b>Target price</b>		<b>139,900</b>

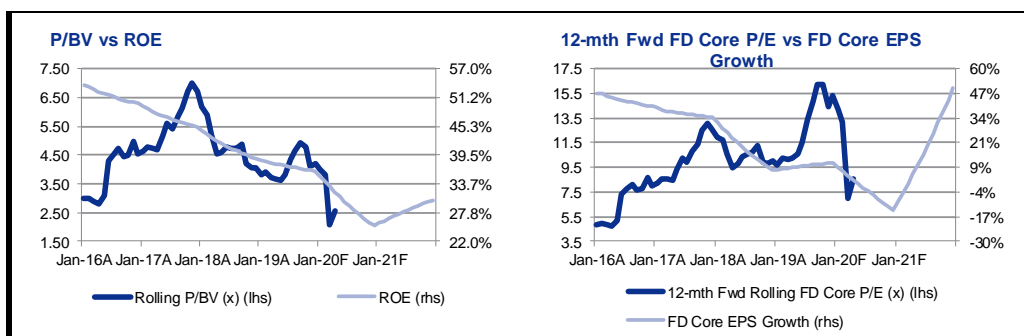
SOURCES: VNDIRECT RESEARCH

**Figure 13: Peer comparison**

Company	Ticker	Recom.	Current share price (local currency)	Target Price (local currency)	Market Cap (US\$ m)	EPS growth (%)		P/E (x)		P/B (x)		ROE (%)		ROA (%)	
						FY20F	FY21F	FY20F	FY21F	FY20F	FY21F	FY20F	FY21F	FY20F	FY21F
<b>Consumer electronics peers</b>															
Erajaya Swasembada Tbk PT	ERAA IJ	HOLD	1,130.0	1,000.0	222	5.5	85.1	12.2	6.6	0.8	0.7	6.4	11.0	4.9	7.2
FPT Digital Retail JSC	FRT VN	NA	15,000.0	NA	50	-22.7	0.2	6.7	6.7	0.8	0.7	13.3	12.0	2.8	2.7
Challenger Technologies Ltd	CHLG SP	NA	0.43	NA	98	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Tsann Kuen Enterprise Co Ltd	2430 TT	NA	12.8	NA	77	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sunfar Computer Co Ltd	6154 TT	NA	10.5	NA	29	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Average</b>						<b>-8.6</b>	<b>42.7</b>	<b>9.5</b>	<b>6.7</b>	<b>0.8</b>	<b>0.7</b>	<b>9.9</b>	<b>11.5</b>	<b>3.9</b>	<b>5.0</b>
<b>Median</b>						<b>-8.6</b>	<b>42.7</b>	<b>9.5</b>	<b>6.7</b>	<b>0.8</b>	<b>0.7</b>	<b>9.9</b>	<b>11.5</b>	<b>3.9</b>	<b>5.0</b>
<b>Grocery retailing peers</b>															
Sumber Alfaria Trijaya Tbk PT	AMRT IJ	NA	810.00	NA	2,064	15.4	26	26.6	21.1	4.3	3.8	14.6	15.4	4.1	5.1
Taiwan FamilyMart Co Ltd	5903 TT	NA	211.00	NA	1,564	9.4	15	23.5	20.5	7.4	6.8	31.9	33.2	5.8	6.1
<b>Average</b>						<b>12.4</b>	<b>20.5</b>	<b>25.1</b>	<b>20.8</b>	<b>5.9</b>	<b>5.3</b>	<b>23.3</b>	<b>24.3</b>	<b>5.0</b>	<b>5.6</b>
<b>Median</b>						<b>12.4</b>	<b>20.5</b>	<b>25.1</b>	<b>20.8</b>	<b>5.9</b>	<b>5.3</b>	<b>23.3</b>	<b>24.3</b>	<b>5.0</b>	<b>5.6</b>
<b>MWG</b>	<b>MWG VN</b>	<b>ADD</b>	<b>74,600.0</b>	<b>139,900</b>	<b>1,497</b>	<b>-12.1</b>	<b>50.7</b>	<b>9.3</b>	<b>6.2</b>	<b>2.1</b>	<b>1.7</b>	<b>37.7</b>	<b>36.5</b>	<b>12.7</b>	<b>12.4</b>

SOURCES: VNDIRECT RESEARCH, BLOOMBERG (as of 07 June 2020)

## BY THE NUMBERS



### Profit & Loss

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
<b>Total Net Revenues</b>	<b>86,516</b>	<b>102,174</b>	<b>111,286</b>	<b>147,891</b>	<b>172,305</b>
<b>Gross Profit</b>	<b>15,292</b>	<b>19,488</b>	<b>20,420</b>	<b>28,755</b>	<b>34,479</b>
<b>Operating EBITDA</b>	<b>5,094</b>	<b>6,420</b>	<b>6,776</b>	<b>8,699</b>	<b>11,007</b>
Depreciation And Amortisation	-1,223	-1,443	-1,975	-1,511	-1,750
<b>Operating EBIT</b>	<b>3,871</b>	<b>4,977</b>	<b>4,801</b>	<b>7,188</b>	<b>9,257</b>
Financial Income/(Expense)	-94	61	-343	-322	-298
Pretax Income/(Loss) from Assoc.	-2	-3	0	0	0
Non-Operating Income/(Expense)	12	19	22	30	34
<b>Profit Before Tax (pre-EI)</b>	<b>3,786</b>	<b>5,053</b>	<b>4,480</b>	<b>6,896</b>	<b>8,993</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>3,786</b>	<b>5,053</b>	<b>4,480</b>	<b>6,896</b>	<b>8,993</b>
Taxation	-906	-1,217	-1,080	-1,662	-2,167
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>2,880</b>	<b>3,836</b>	<b>3,400</b>	<b>5,234</b>	<b>6,826</b>
Minority Interests	-2	-2	-3	-5	-7
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>2,879</b>	<b>3,834</b>	<b>3,397</b>	<b>5,229</b>	<b>6,819</b>
Recurring Net Profit	2,879	3,834	3,397	5,229	6,819
<b>Fully Diluted Recurring Net Profit</b>	<b>2,879</b>	<b>3,834</b>	<b>3,397</b>	<b>5,229</b>	<b>6,819</b>

### Cash Flow

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
<b>EBITDA</b>	<b>5,094</b>	<b>6,420</b>	<b>6,776</b>	<b>8,699</b>	<b>11,007</b>
Cash Flow from Inv. & Assoc.	-2	-3	0	0	0
Change In Working Capital	-1,981	-6,454	-3,483	1,070	860
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	12	19	22	30	34
Other Operating Cashflow	50	-235	527	307	-49
Net Interest (Paid)/Received	-94	61	-343	-322	-298
Tax Paid	-830	-1,092	-1,080	-1,662	-2,167
<b>Cashflow From Operations</b>	<b>2,249</b>	<b>-1,286</b>	<b>2,419</b>	<b>8,122</b>	<b>9,387</b>
Capex	-1,484	-3,067	-2,501	-2,237	-1,708
Disposals Of FAs/subsidiaries	1	1	2	3	4
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	-850	-2,752	-643	-1,365	-813
<b>Cash Flow From Investing</b>	<b>-2,332</b>	<b>-5,818</b>	<b>-3,142</b>	<b>-3,598</b>	<b>-2,517</b>
Debt Raised/(repaid)	203	7,104	1,188	3,504	-682
Proceeds From Issue Of Shares	705	90	0	245	146
Shares Repurchased	-1	-5	0	0	0
Dividends Paid	-486	-658	-666	-703	-724
Preferred Dividends					
Other Financing Cashflow	0	0	0	0	0
<b>Cash Flow From Financing</b>	<b>422</b>	<b>6,532</b>	<b>522</b>	<b>3,047</b>	<b>-1,260</b>
Total Cash Generated	338	-572	-200	7,570	5,610
<b>Free Cashflow To Equity</b>	<b>120</b>	<b>0</b>	<b>466</b>	<b>8,028</b>	<b>6,188</b>
<b>Free Cashflow To Firm</b>	<b>353</b>	<b>-6,534</b>	<b>66</b>	<b>5,437</b>	<b>7,858</b>

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Cash And Equivalents	3,749	3,177	2,977	10,547	16,157
Total Debtors	1,560	1,815	2,273	2,889	3,298
Inventories	17,446	25,745	28,368	30,989	32,786
Total Other Current Assets	634	4,274	4,391	5,824	6,932
<b>Total Current Assets</b>	<b>23,390</b>	<b>35,012</b>	<b>38,009</b>	<b>50,250</b>	<b>59,173</b>
Fixed Assets	3,305	5,375	5,901	6,626	6,581
Total Investments	60	56	67	74	69
Intangible Assets	581	520	528	540	548
Total Other Non-Current Assets	805	745	1,093	1,334	1,408
<b>Total Non-current Assets</b>	<b>4,751</b>	<b>6,696</b>	<b>7,588</b>	<b>8,573</b>	<b>8,606</b>
Short-term Debt	5,797	13,031	14,349	18,009	17,521
Current Portion of Long-Term Debt					
Total Creditors	12,049	15,340	15,296	20,216	23,589
Other Current Liabilities	62	72	82	107	124
<b>Total Current Liabilities</b>	<b>17,907</b>	<b>28,442</b>	<b>29,727</b>	<b>38,332</b>	<b>41,234</b>
Total Long-term Debt	1,248	1,122	992	836	642
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	2	0	0	0	0
<b>Total Non-current Liabilities</b>	<b>1,250</b>	<b>1,122</b>	<b>992</b>	<b>836</b>	<b>642</b>
Total Provisions	0	0	0	0	0
<b>Total Liabilities</b>	<b>19,157</b>	<b>29,565</b>	<b>30,719</b>	<b>39,168</b>	<b>41,876</b>
Shareholders' Equity	8,977	12,136	14,867	19,639	25,879
Minority Interests	6	8	11	16	23
<b>Total Equity</b>	<b>8,983</b>	<b>12,144</b>	<b>14,878</b>	<b>19,655</b>	<b>25,902</b>

### Key Ratios

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Revenue Growth	30.4%	18.1%	8.9%	32.9%	16.5%
Operating EBITDA Growth	46.8%	26.0%	5.6%	28.4%	26.5%
Operating EBITDA Margin	5.89%	6.28%	6.09%	5.88%	6.39%
Net Cash Per Share (VND)	-7,829	-24,503	-27,158	-17,748	-4,119
BVPS (VND)	21,328	27,092	32,656	42,005	53,130
Gross Interest Cover	8.87	8.73	6.09	7.87	9.37
Effective Tax Rate	23.9%	24.1%	24.1%	24.1%	24.1%
Net Dividend Payout Ratio	16.9%	17.2%	19.6%	13.4%	10.6%
Accounts Receivables Days	3.82	1.15	1.39	1.51	1.40
Inventory Days	75.6	95.3	109.0	90.9	84.4
Accounts Payables Days	40.04	44.82	46.76	39.43	41.44
ROIC (%)	41.6%	40.7%	20.8%	26.5%	33.2%
ROCE (%)	29.3%	26.5%	18.6%	22.6%	24.1%
Return On Average Assets	11.7%	10.8%	8.6%	10.6%	11.3%

### Key Drivers

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
ASP (% chg, main prod./serv.)	N/A	N/A	N/A	N/A	N/A
Unit sales grth (% , main prod./serv.)	N/A	N/A	N/A	N/A	N/A
No. of POS (main prod/serv)	1,782	2,014	2,084	2,129	2,129
SSS grth (% , main prod/serv)	N/A	N/A	N/A	N/A	N/A
ASP (% chg, 2ndary prod./serv.)	N/A	N/A	N/A	N/A	N/A
Unit sales grth (% ,2ndary prod/serv)	N/A	N/A	N/A	N/A	N/A
No. of POS (2ndary prod/serv)	405	1,008	1,628	2,168	2,568
SSS grth (% , 2ndary prod/serv)	N/A	N/A	N/A	N/A	N/A

SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS



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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS-CIMB Thailand does not confirm nor certify the accuracy of such survey result.

<b>Score Range:</b>	90 - 100	80 – 89	70 - 79	Below 70 or	No Survey Result
<b>Description:</b>	Excellent	Very Good	Good	N/A	

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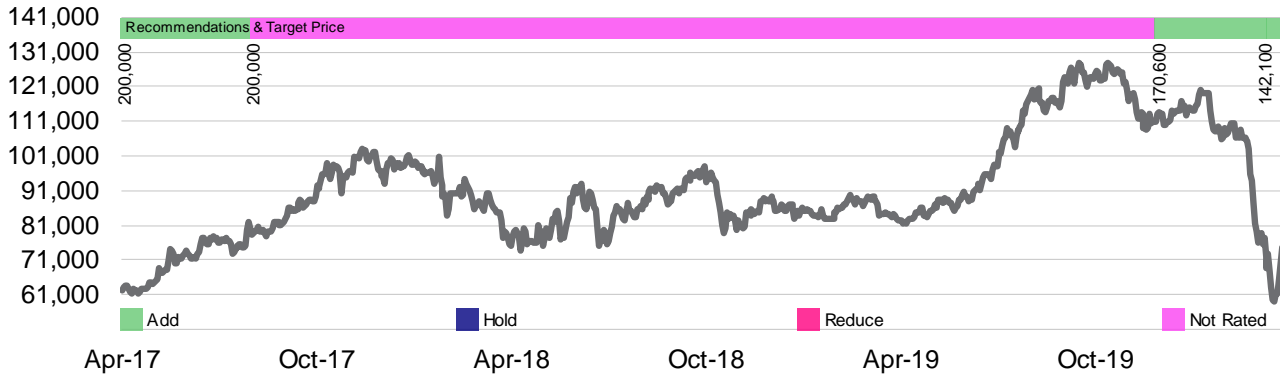
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Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2019		
798 companies under coverage for quarter ended on 31 December 2019		
	Rating Distribution (%)	Investment Banking clients (%)
Add	61.4%	0.0%
Hold	25.2%	0.0%
Reduce	13.4%	0.0%

Spitzer Chart for stock being researched ( 2 year data )

**Mobile World Investment Corp (MWG VN)**

— Price Close



## Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2019, Anti-Corruption 2019

**ADVANC** – Excellent, Certified, **AEONTS** – Good, n/a, **AH** – Very Good, n/a, **AMATA** – Excellent, Declared, **ANAN** – Excellent, Declared, **AOT** – Excellent, n/a, **AP** – Excellent, Certified, **ASP** – Very Good, Certified, **BAM** – not available, n/a, **BANPU** – Excellent, Certified, **BAY** – Excellent, Certified, **BBL** – Very Good, Certified, **BCH** – Good, Certified, **BGP** – Excellent, Certified, **BPCG** – Excellent, Certified, **BDMS** – Very Good, n/a, **BEAUTY** – Good, n/a, **BEC** – Very Good, n/a, **BGRIM** – Very Good, Declared, **BH** – Good, n/a, **BJC** – Very Good, n/a, **BJCHI** – Very Good, Certified, **BLA** – Very Good, Certified, **BPP** – Very Good, Declared, **BR** – Good, n/a, **BTS** – Excellent, Certified, **CBG** – Very Good, n/a, **CCET** – Good, n/a, **CENDEL** – Very Good, Certified, **CHAYO** – Good, n/a, **CHG** – Very Good, Declared, **CK** – Excellent, n/a, **COL** – Excellent, Declared, **CPALL** – Excellent, Certified, **CPF** – Excellent, Certified, **CPN** – Excellent, Certified, **CPNREIT** – not available, n/a, **CRC** – not available, n/a, **DELTA** – Excellent, Declared, **DEMCO** – Excellent, Certified, **DDD** – Very Good, n/a, **DIF** – not available, n/a, **DREIT** – not available, n/a, **DTAC** – Excellent, Certified, **EA** – Excellent, n/a, **ECL** – Very Good, Certified, **EGCO** – Excellent, Certified, **EPG** – Very Good, n/a, **ERW** – Very Good, n/a, **GFPT** – Excellent, Certified, **GGC** – Excellent, Certified, **GLOBAL** – Very Good, n/a, **GLOW** – Very Good, Certified, **GPSC** – Excellent, Certified, **GULF** – Very Good, n/a, **GUNKUL** – Excellent, Certified, **HANA** – Excellent, Certified, **HMPRO** – Excellent, Certified, **HUMAN** – Good, n/a, **ICHI** – Excellent, Declared, **III** – Excellent, n/a, **INTUCH** – Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** – Excellent, Certified, **JASIF** – not available, n/a, **BJC** – Very Good, n/a, **JMT** – Very Good, n/a, **KBANK** – Excellent, Certified, **KCE** – Excellent, Certified, **KKP** – Excellent, Certified, **KSL** – Excellent, Certified, **KTB** – Excellent, Certified, **KTC** – Excellent, Certified, **LH** – Excellent, n/a, **LPN** – Excellent, Certified, **M** – Very Good, Certified, **MACO** – Very Good, n/a, **MAJOR** – Very Good, n/a, **MAKRO** – Excellent, Certified, **MALEE** – Excellent, Certified, **MC** – Excellent, Certified, **MCOT** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** – Excellent, Certified, **MK** – Very Good, n/a, **MTC** – Excellent, n/a, **NETBAY** – Very Good, n/a, **OSP** – Very Good, n/a, **PLANB** – Excellent, Certified, **PLAT** – Very Good, Certified, **PR9** – Excellent, n/a, **PSH** – Excellent, Certified, **PSTC** – Very Good, Certified, **PTT** – Excellent, Certified, **PTTEP** – Excellent, Certified, **PTTGC** – Excellent, Certified, **QH** – Excellent, Certified, **RATCH** – Excellent, Certified, **ROBINS** – Excellent, Certified, **RS** – Excellent, n/a, **RSP** – not available, n/a, **S** – Excellent, n/a, **SAPPE** – Very Good, Declared, **SAT** – Excellent, Certified, **SAWAD** – Very Good, n/a, **SC** – Excellent, Certified, **SCB** – Excellent, Certified, **SCC** – Excellent, Certified, **SCN** – Excellent, Certified, **SF** – Good, n/a, **SHR** – not available, n/a, **SIRI** – Very Good, Certified, **SPA** – Good, n/a, **SPALI** – Excellent, n/a, **SPRC** – Excellent, Certified, **STA** – Very Good, Certified, **STEC** – Excellent, n/a, **SVI** – Excellent, Certified, **SYNEX** – Excellent, Certified, **TASCO** – Excellent, Certified, **TCAP** – Excellent, Certified, **THANI** – Excellent, Certified, **TIPCO** – Very Good, Certified, **TISCO** – Excellent, Certified, **TKN** – Very Good, n/a, **TMB** – Excellent, Certified, **TNR** – Very Good, Certified, **TOP** – Excellent, Certified, **TPCH** – Good, n/a, **TPIPP** – Good, n/a, **TRUE** – Excellent, Certified, **TU** – Excellent, Certified, **TVO** – Excellent, Declared, **UNIQ** – not available, n/a, **VGI** – Excellent, Certified, **WHA** – Excellent, Certified, **WHART** – not available, n/a, **WICE** – Excellent, Certified, **WORK** – Good, n/a.

1 CG Score 2019 from Thai Institute of Directors Association (IOD)

2 AGM Level 2018 from Thai Investors Association

3 Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 30, 2018) are categorised into:

companies that have declared their intention to join CAC, and companies certified by CAC.

4 The Stock Exchange of Thailand : the record of listed companies with corporate sustainable development "Thai sustainability Investment 2018" included:

SET and mai listed companies passed the assessment conducted by the Stock Exchange of Thailand: THSI (SET) and THSI (mai)

SET listed companies passed the assessment conducted by the Dow Jones Sustainability Indices (DJSI) .

### RECOMMENDATION FRAMEWORK

#### Stock Ratings

#### Definition:

Add	The stock's total return is expected to reach 15% or higher over the next 12 months.
Hold	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock's total return is expected to fall below negative 10% over the next 12 months.

*The total expected return of a stock is defined as the sum of the:(i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.*

#### Sector Ratings

#### Definition:

Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

#### Country Ratings

#### Definition:

Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.

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