

Vietnam

ADD (no change)

Consensus ratings*: Buy 10 Hold 0 Sell 0

Current price:	VND86,200
Target price:	VND104,300
Previous target:	VND104,300
Up/downside:	21.0%
CGS-CIMB / Consensus:	-2.2%
Reuters:	VHM.HM
Bloomberg:	VHM VN
Market cap:	US\$12,193m
	VND283,556,096m
Average daily turnover:	US\$4.67m
	VND107,545m
Current shares o/s:	3,350m
Free float:	10.4%

*Source: Bloomberg

Key changes in this note

➤ N/A



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	2	-12.7	7.9
Relative (%)	5.5	-4.6	7

Major shareholders	% held
Vingroup JSC	69.7
GIC	5.7

Analyst(s)

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Vinhomes JSC

Brighter outlook expected

- VHM posted an FY19 PATMI of VND21.3tr, up 49.1% yoy, beating our full-year forecast of VND19.4tr.
- We expect VHM to record a PATMI CAGR of 36.7% in FY18-21F, driven by the delivery of its mid-range projects.
- Maintain Add rating with an unchanged TP of VND104,300.

Record yoy gross margin expansion in 4Q19

Vinhomes JSC's (VHM) 4Q19 PATMI soared 132% yoy to VND5,981bn as gross margin gained 50.5% pts yoy to 70.6% in 4Q19. We believe the GM expansion was driven by 1) a better GM from bulk sales of Smart City project, and 2) the absence of one-off high-construction-cost Landmark 81 project recorded in 4Q18. The high GM helped to offset a contraction of 12.8% yoy in 4Q19 revenue, falling to VND14,184bn.

FY19 PATMI exceeds expectations

VHM's FY19 PATMI topped those listed on Vietnam's equity market at VND21.3tr (+49.1% yoy), beating expectations at 109.6%/118% of our/management's estimates, respectively. The solid PATMI growth was driven by 1) an impressive topline increase of 34% yoy to reach VND51.8tr, driven by all-round growth, including i) property delivery revenue that jumped 34.6% yoy to VND48.2tr, VND35.9tr of which came from bulk sales, ii) real estate management revenue that surged 53.4% yoy to VND1,473bn, and iii) leasing revenue that advanced 43.5% yoy to VND1,172bn; and 2) a GM expansion of 26.8% pts yoy to 52.8% in FY19, backed by higher gross margin from bulk sales.

Solid earnings outlook for FY20-21F

We forecast VHM's FY20F revenue to jump 53.8% yoy, and FY20F PATMI to grow 16.8% yoy, underpinned by retail delivery at Ocean Park, Grand Park and Smart City. In the longer term, we expect a PATMI CAGR of 36.7% in FY18-21F, driven by deliveries of mid-range projects. We expect the FY19-21F ROE to be sustained at above 35%, but believe it will track below the FY18 level (57%) due to the high-base effect in FY18.

Reiterate Add with a target price of VND104,300

We think investors can do worse than accumulating VHM stock currently, given the company's stellar unbilled bookings and unrivalled land bank of 89m sq m, which translates to a promising outlook for FY20-21F. We reiterate our Add rating and RNAV-based target price at VND104,300. Potential re-rating catalysts include faster bulk sales and higher retail presales from upcoming launches of the Galaxy, Wonder Park, and Dream City projects. A downside risk is a longer-than-expected licensing process that may dampen VHM's retail presales.

Financial Summary

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Net Revenues (VNDb)	38,664	51,826	79,719	128,113	191,649
Operating EBITDA (VNDb)	7,879	23,452	27,035	47,774	76,079
Net Profit (VNDb)	14,284	21,305	24,886	36,398	58,855
Core EPS (VND)	4,567	6,361	7,430	10,867	17,571
Core EPS Growth	(19.0%)	39.3%	16.8%	46.3%	61.7%
FD Core P/E (x)	18.87	13.55	11.60	7.93	4.91
DPS (VND)	0.0	0.0	1,000.0	1,000.0	1,000.0
Dividend Yield	0.00%	0.00%	1.16%	1.16%	1.16%
EV/EBITDA (x)	38.45	13.52	12.37	7.08	4.49
P/FCFE (x)	NA	22.3	239.9	78.2	54.8
Net Gearing	59.0%	29.8%	39.6%	27.7%	17.8%
P/BV (x)	6.68	5.19	3.57	2.54	1.70
ROE	57.0%	43.1%	36.5%	37.4%	41.6%
% Change In Core EPS Estimates					
CGS-CIMB/Consensus EPS (x)			0.90	1.06	1.62

SOURCES: VND RESEARCH, COMPANY REPORTS

Brighter outlook expected

FY19 review: exceeding our expectations on robust bulk sales

4Q19 results: record gross margin expansion ➤

4Q19 GM hit a record 70.6% (+50.5% pts yoy) for which we believe the bulk sales delivery from two mega projects, Smart City and Ocean Park, were the key contributors. Not only were these projects acquired at a lower cost than Times City Park Hill condo and Green Bay projects in 4Q18 but they also benefited from the steady rise of 5-7% yoy in average selling price during FY2017-19. In addition, 4Q18 GM was a much lower base due to the high-construction-cost delivery of the Landmark 81 skyscraper, which required high spending. Combining these effects, 4Q19 GM rose to a record level, helping to compensate for the weak 4Q19 revenue that fell 12.8% yoy to VND14,184bn.

FY19 results: beating our estimates ➤

FY19 results came in with revenue growing as strong as 34% yoy to VND51.8tr, largely in line with our forecast (at 103.2%). The remarkable FY19 revenue growth was mostly driven by property delivery that grew 34.6% yoy. The delivery involved the bulk sales of Smart City and Ocean Park projects, in addition to a strong growth by other segments: revenue of the real estate management jumped 53.4% yoy to VND1,473bn, while that of the leasing jumped 43.5% yoy to VND816bn.

FY19 gross profit surged 172.0% yoy to VND27bn, thanks to a 26.8% pts yoy expansion in blended GM during the period. As the Ocean Park and Smart City projects have been acquired at low cost and benefitted from a 5-7% yoy rise in average selling price during FY2017-19, they offered a higher GM (50-75%), above that of Golden River, Green Bay, Central Park, Times City Park Hill and Green Bay projects (35-45%) and the high-construction-cost Landmark 81 skyscraper. Nevertheless, financial income fell 37.9% yoy to VND9,046bn due to the lack of investment gain (vs. a stake transfer in the Vinhomes Lotus project in FY18). Hence, the FY19 bottomline jumped a small quantum of 49.1% yoy to VND21.3tr, slightly better than our expectations and coming in at 109.6% of our full-year forecast.

Figure 1: 4Q19 Key data

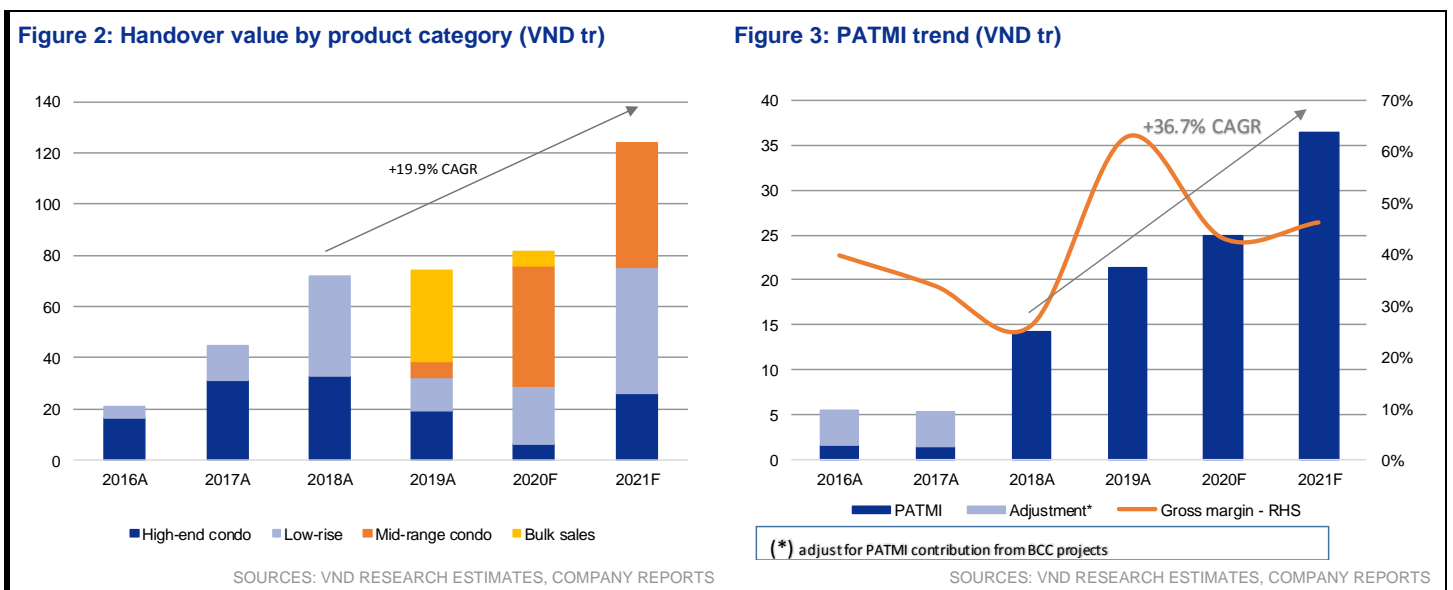
	4Q19	4Q18	YoY%	FY19	FY18	YoY%	Our FY19 forecast	Comments
Net revenue	14,184	16,259	-12.8%	51,826	38,664	34.0%	103.2%	
Project delivery	13,199	15,441	-14.5%	48,155	35,769	34.6%		
Ocean Park project	3,400	-		25,200	-			VHM recognised bulk sales of two towers in 4Q19.
Smart City	8,100	-		10,700	-			VHM recognised bulk sales of five towers in 4Q19.
Green Bay project	-	1,600		4,400	6,600			
Golden River	-	1,300		2,300	4,300			
Central Park	-	1,200		2,100	5,500			
Metropolis	-	-		800	-			
Remainders	1,699	16,875		2,655	19,369			Most of FY18 remainders' value came from the delivery of high-construction cost Landmark 81 project, Times City Park Hill and Green Bay projects .
Real estate management	411	228	80.7%	1,473	961	53.4%		
Leasing	218	173	26.3%	1,172	816	43.5%		
Other	355	418		1,025	1,118			
Gross profit	10,018	3,278	205.6%	27,360	10,058	172.0%		
Gross profit margin	70.6%	20.2%	50.5% pts	52.8%	26%	26.8% pts		The GM of bulk sales of 50-80% from Ocean Park and Smart City projects in 4Q19 was higher than that of retail sales from Green Bay, Golden River projects, while the one-off higher-construction cost Landmark 81 helped expand GM of the project delivery segment in 4Q19.
SG&A expense	(2,233)	(1,076)	107.6%	(4,249)	(2,444)	73.8%		
% SG&A to sales	16%	7%		8%	6%			
Financial income	1,388	3,529	-60.7%	9,046	14,565	-37.9%		
BCC	828	2,497		5,175	9,513	-45.6%		
Interest income	560	567		2,377	1,542			
Other	1	465		1,493	3,510			FY19 financial income did not have a stake transfer in Lotus project as recorded in FY18
Financial expense	(589)	(814)	-27.7%	(2,542)	(2,457)	3.5%		
Net other income	60	(55)		43	(7)			
Net profit	5,981	2,578	132.0%	21,305	14,284	49.1%	109.6%	

SOURCES: VND RESEARCH, COMPANY REPORTS

FY20F: Promising outlook

In contrast to booming bulk sales revenue of VND35.9tr, making up 69.3% total revenue in FY19, the start of retail delivery from three mega projects, namely Ocean Park, Smart City, and Grand Park, estimated at VND71.2tr, could be the key driver of total revenue in FY20F. We also maintain other segments' growth, including a 22.6% yoy rise in property management segment revenue to VND1,807bn, and leasing revenue reaching VND1,143bn in FY2020. Overall, VHM's FY20F topline could reach VND79.7tr, in our view.

In FY20-21F, we expect GM to stay below that in FY19, but still remaining above 40%, mostly backed by the significant handover value from low-rise units at mega projects, for which we assume GM will rebound to the range of 40-60%. Therefore, we estimate PATMI could post a CAGR of 36.7% in FY18-21F to reach VND24.8tr in FY20F, and VND36.4tr in FY21F. Given the 50-70% contribution from mega projects to our FY20-21F PATMI forecast, we believe our expected PATMI growth for VHM is achievable, given the unbilled bookings at end-2019 was worth VND91.4tr, +31% yoy.



We reiterate our Add call with an RNAV-based TP of VND104,300 due to its on-track unbilled bookings and unchanged forecasts in FY20-21F. Our RNAV calculation is largely driven by housing demand in huge residential hubs like HCMC & Hanoi, and also due to our expectation of a housing boom in new markets where the economy is boosted by logistics or the Airbnb tourism industry. However, about 50% of NAV premium belong to projects that will be launched before 2021F, while several long-awaited projects like Cu Chi, Green Ha Long and Long Beach Can Gio contribute 32% of the value due to our deep discounts. For such substantial long-term pipeline projects, we applied an 80% haircut to phases that are due to start after 2023F. We also reiterate that future new wholesale transactions have not been reflected in our model due to the complexity of the deal terms and our assumption that the company would aim to closely retrieve project NAV by developing the projects internally. In addition, we have yet to include the industrial park business in our forecast, since the company is still considering the timeline of such transactions, as well as the capex required.

Figure 4: Equity valuation

Inventory and Investment	BV as at 30		Fair value	Method
	Sept 2019	Premium		
Residential property	45,848	272,770	318,617	DCF
Office lease			23,344	DCF
Other	353		353	Book value
Total property value	46,200	296,113	342,314	
Add:				
Cash and cash equivalent	14,036		14,036	
Short-term investments	576		576	
Short-term receivables	49,900		49,900	
Other short-term assets	11,121		11,121	
Long-term assets	17,102		17,102	
Less:				
Net debt (exclude CB)	26,062		26,062	
Other liabilities	53,901		53,901	
Minority interest	5,830		5,830	
Discounted RNAV			349,256	
Shares outstanding (m)	1,921		3,350	
Target price (VND/share)			104,300	

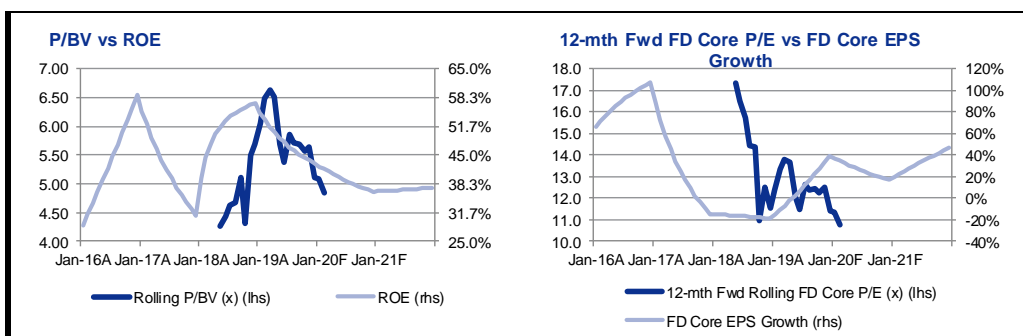
SOURCES: VND RESEARCH, COMPANY REPORTS

Figure 5: Peer comparison

Company Name	Ticker	Share price (local cur)	TP (local cur)	Upside	Recom.	Market Cap (US\$m)	3-year Fwd EPS CAGR (%)	P/E (x)		P/B (x)		ROE (%)		Dividend yield (%)		Net D/E (%)
								2020F	2021F	2020F	2021F	2020F	2021F	2020F	2021F	
Vinhomes	VHM VN	86,200	104,300	21.0%	ADD	12,200	34.7	11.6	7.9	3.6	2.5	38.0	35.5	1.2	1.2	1.4
Local peer average							17.9	10.0	9.1	1.4	1.3	13.2	17.9	2.6	1.9	31.4
Local peer median							17.9	8.7	8.7	1.4	1.3	12.6	18.4	1.9	1.9	15.2
Regional peer average							(1.5)	13.4	10.8	1.1	1.0	13.5	13.3	4.2	4.3	50.1
Regional peer median							5.5	12.6	9.9	0.9	0.9	8.9	9.1	4.6	4.6	37.7
Vietnam																
Novaland	NVL VN	54,200	NR	N/A	NR	2,261	N/A	18.0	16.0	2.1	N/A	12.4	12.1	N/A	N/A	113.1
Khang Dien	KDH VN	25,000	28,300	13.2%	HOLD	586	7.5	12.3	13.1	1.7	1.6	12.9	14.5	1.9	1.9	-5.5
Dat Xanh	DXG VN	12,650	NR	N/A	NR	330	N/A	4.4	3.1	0.8	N/A	18.0	22.7	4.0	N/A	35.8
Nam Long	NLG VN	26,100	39,600	51.7%	ADD	280	28.3	5.1	4.2	1.1	0.9	9.7	22.3	1.8	1.8	-17.7
China & Hongkong																
China Vanke-A	000002 CH	31.0	32.6	5.2%	ADD	48,629	13.8	6.8	5.8	1.4	1.2	23.1	23.2	5.0	5.5	36.3
Sun Hung Kai	16 HK	117.5	147.0	25.1%	ADD	45,501	(100.0)	9.1	-	0.6	-	6.5	-	4.6	-	12.5
China Overseas Land	688 HK	30.1	33.8	12.3%	ADD	40,682	12.2	6.0	5.5	0.8	0.7	18.1	18.8	4.4	4.9	32.5
China Resources Land	1109 HK	38.1	40.5	6.3%	ADD	33,316	18.3	6.7	5.9	1.3	1.3	28.1	29.2	5.2	5.9	33.0
China Evergrande	3333 HK	21.5	28.0	30.2%	ADD	33,467	2.3	4.8	4.3	1.3	1.1	48.4	46.7	8.3	10.5	175.8
Country Garden	2007 HK	12.4	9.0	-27.4%	REDUCE	33,176	11.3	4.7	4.3	1.1	0.9	38.2	35.0	7.3	8.0	50.8
Indonesia																
Pakuwon Jati	PWON IJ	575	750	30.4%	ADD	2,066	7.0	12.9	10.7	2.0	1.7	16.3	17.2	1.6	1.5	7.3
Bumi Serpong Damai	BSDE IJ	1,275	2,200	72.5%	ADD	1,785	33.9	9.9	8.4	0.8	0.8	8.9	9.7	0.9	1.0	11.4
Ciputra Development	CTRA IJ	1,045	1,600	53.1%	ADD	1,395	11.4	16.2	12.3	1.3	1.0	8.2	9.1	0.8	1.1	31.3
Summarecon Agung	SMRA IJ	990	1,700	71.7%	ADD	1,063	14.0	32.8	27.2	2.3	2.2	7.3	8.3	0.6	0.6	78.1
Malaysia																
KLCCP Stapled	KLCCSS MK	8.0	8.1	0.7%	HOLD	3,530	4.6	18.1	17.7	1.1	1.1	7.0	7.1	6.7	6.9	10.0
SP Setia	SPSB MK	1.6	1.9	18.5%	HOLD	1,493	2.1	14.2	7.5	0.4	0.4	2.8	5.1	3.1	5.8	55.8
Sime Darby Property	SDPR MK	0.9	1.3	46.9%	ADD	1,440	21.6	24.3	15.1	0.6	0.6	3.3	5.1	2.9	4.6	27.8
Singapore																
CapitaLand	CAPL SP	3.7	4.1	12.1%	ADD	14,627	(6.7)	12.5	12.4	0.8	0.8	6.1	6.2	3.3	3.6	55.9
Keppel Corp	KEP SP	6.7	8.4	25.6%	ADD	9,204	5.5	10.0	9.9	0.9	0.8	9.1	8.7	4.6	4.6	47.0
City Developments	CIT SP	11.0	10.7	-3.1%	ADD	7,630	(6.5)	20.7	20.7	0.9	0.8	4.3	4.2	1.9	1.9	32.8
UOL Group	UOL SP	8.3	8.5	2.2%	ADD	5,295	(7.3)	16.7	18.1	0.6	0.6	3.8	3.4	2.3	2.3	27.3
Frasers Property	FPL SP	1.7	2.1	22.6%	ADD	3,778	(100.0)	15.0	-	0.5	-	4.3	-	4.9	-	85.9
Ascott Residence	ART SP	N/A	1.3	N/A	HOLD	3,111	6.9	24.7	23.9	1.0	1.1	4.2	4.4	5.5	5.6	53.6
Thailand																
Land And Houses	LH TB	9.8	12.3	25.5%	ADD	4,015	0.9	12.6	11.7	2.4	2.3	19.4	20.3	6.7	7.4	84.4
WHA Corporation	WHA TB	3.9	5.2	33.3%	ADD	1,635	14.2	17.3	16.0	2.4	2.2	14.2	14.1	2.4	2.6	104.5
Pruksa Holding	PSH TB	14.8	21.9	48.0%	ADD	1,103	3.1	6.6	6.4	0.9	0.8	14.0	13.7	8.3	8.6	61.3
Supalai	SPALI TB	18.0	22.7	26.1%	HOLD	1,271	3.7	6.1	5.7	0.9	0.9	16.2	15.7	5.8	6.4	37.7

Note: all prices are based on the closing prices on Feb 11 2020. All estimates for Non-rated (NR) stocks are based on Bloomberg consensus estimates.

SOURCES: VND RESEARCH, BLOOMBERG, COMPANY REPORT

BY THE NUMBERS

Profit & Loss

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Net Revenues	38,664	51,826	79,719	128,113	191,649
Gross Profit	10,061	27,360	34,348	59,116	90,612
Operating EBITDA	7,879	23,452	27,035	47,774	76,079
Depreciation And Amortisation	(262)	(341)	(269)	(272)	(683)
Operating EBIT	7,617	23,111	26,766	47,503	75,396
Financial Income/(Expense)	12,108	6,504	7,718	3,576	4,846
Pretax Income/(Loss) from Assoc.	0	0	0	0	0
Non-Operating Income/(Expense)	(7)	43	0	0	0
Profit Before Tax (pre-EI)	19,719	29,658	34,484	51,078	80,242
Exceptional Items					
Pre-tax Profit	19,719	29,658	34,484	51,078	80,242
Taxation	(4,942)	(5,451)	(6,897)	(10,216)	(16,048)
Exceptional Income - post-tax					
Profit After Tax	14,776	24,206	27,588	40,863	64,193
Minority Interests	(492)	(2,901)	(2,702)	(4,465)	(5,339)
Pref. & Special Div	0	0	0	0	0
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	0	0	0	0	0
Net Profit	14,284	21,305	24,886	36,398	58,855
Recurring Net Profit	14,284	21,305	24,886	36,398	58,855
Fully Diluted Recurring Net Profit	14,284	21,305	24,886	36,398	58,855

Cash Flow

(VNDb)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
EBITDA	7,879	23,452	27,035	47,774	76,079
Cash Flow from Invnt. & Assoc.	0	0	0	0	0
Change In Working Capital	(3,331)	2,207	(1,401)	(11,194)	(39,621)
Straight Line Adjustment	0	0	0	0	0
(Incr)/Decr in Total Provisions	262	341	510	498	867
Other Non-Cash (Income)/Expense	(29)	(244)	(10,327)	(6,235)	(7,558)
Other Operating Cashflow	(453)	4,278	10,058	5,964	6,874
Net Interest (Paid)/Received	(2,383)	(2,306)	(2,609)	(2,660)	(2,712)
Tax Paid	(3,408)	(6,188)	(6,897)	(10,216)	(16,048)
Cashflow From Operations	(1,463)	21,540	16,368	23,931	17,881
Capex	0	0	0	0	0
Disposals Of FAs/subsidiaries	1,619	456	0	0	0
Disposals of Investment Properties	26,398	37,349	0	0	0
Acq. Of Subsidiaries/Investments	(52,277)	(40,836)	(20,165)	(20,237)	(12,614)
Other Investing Cashflow	6,419	0	0	0	0
Cash Flow From Investing	(17,842)	(3,032)	(20,165)	(20,237)	(12,614)
Debt Raised/(repaid)	9,963	(5,555)	5,000	0	0
Proceeds From Issue Of Shares	12,241	(5,550)	0	0	0
Shares Repurchased	0	0	0	0	0
Dividends Paid	(945)	(3,687)	(3,350)	(3,350)	(3,350)
Preferred Dividends					
Other Financing Cashflow	0	0	0	0	0
Cash Flow From Financing	21,259	(14,792)	1,650	(3,350)	(3,350)

SOURCES: VND 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	3,515	7,231	5,086	5,430	7,349
Properties Under Development	36,743	60,075	99,674	129,288	153,347
Total Debtors	43,356	53,875	31,696	44,964	56,895
Inventories	116				
Total Other Current Assets	7,473	12,640	10,215	14,053	13,019
Total Current Assets	91,203	133,822	146,671	193,735	230,610
Fixed Assets	100	216	323	297	270
Total Investments	24,670	35,565	96,075	122,391	141,995
Intangible Assets	1,109	1,020	868	779	690
Total Other Non-Current Assets	2,607	26,547	3,796	5,532	7,761
Total Non-current Assets	28,486	63,348	101,062	128,999	150,716
Short-term Debt	6,403	18,162	8,209	8,209	9,683
Current Portion of Long-Term Debt	0	0	0	0	0
Total Creditors	2,504	5,875	3,353	5,099	7,466
Other Current Liabilities	33,965	97,016	109,073	144,576	139,694
Total Current Liabilities	42,872	121,053	120,635	157,884	156,844
Total Long-term Debt	25,506	8,343	32,700	32,700	31,225
Hybrid Debt - Debt Component	0	0	0	0	0
Total Other Non-Current Liabilities	3,166	3,018	3,836	4,075	4,337
Total Non-current Liabilities	28,672	11,361	36,536	36,774	35,562
Total Provisions	0	0	0	0	0
Total Liabilities	71,544	132,414	157,171	194,658	192,406
Shareholders' Equity	43,231	55,597	80,804	113,852	169,358
Minority Interests	4,912	9,159	9,758	14,223	19,562
Total Equity	48,143	64,756	90,562	128,076	188,920

Key Ratios

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Revenue Growth	153%	34%	54%	61%	50%
Operating EBITDA Growth	123%	198%	15%	77%	59%
Operating EBITDA Margin	20.4%	45.3%	33.9%	37.3%	39.7%
Net Cash Per Share (VND)	(8,477)	(5,754)	(10,695)	(10,592)	(10,019)
BVPS (VND)	12,907	16,599	24,124	33,991	50,562
Gross Interest Cover	3.20	10.02	10.26	17.86	27.80
Effective Tax Rate	25.1%	18.4%	20.0%	20.0%	20.0%
Net Dividend Payout Ratio	NA	NA	13.5%	9.2%	5.7%
Accounts Receivables Days	321.6	342.4	196.4	109.2	97.0
Inventory Days	1.48	0.86	0.00	0.00	0.00
Accounts Payables Days	21.88	62.50	37.22	22.35	22.70
ROIC (%)	31%	34%	42%	111%	133%
ROCE (%)	42.1%	37.5%	33.3%	35.8%	41.6%
Return On Average Assets	6.0%	12.0%	9.6%	13.3%	17.1%

Key Drivers

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Unbooked Presales (m) (VND)	68,900.0	101,829.7	142,755.5	197,273.0	176,382.7
Unbooked Presales (area: m sm)	N/A	N/A	N/A	N/A	N/A
Unbooked Presales (units)	N/A	N/A	N/A	N/A	N/A
Unsold attrib. landbank (area: m sm)	N/A	N/A	N/A	N/A	N/A
Gross Margins (%)	26.0%	52.8%	43.1%	46.1%	47.3%
Contracted Sales ASP (per Sm) (VND)	N/A	N/A	N/A	N/A	N/A
Residential EBIT Margin (%)	N/A	N/A	N/A	N/A	N/A
Investment rev / total rev (%)	N/A	N/A	N/A	N/A	N/A
Residential rev / total rev (%)	95.9%	95.4%	96.3%	96.9%	93.7%
Inv. properties rental margin (%)	N/A	N/A	N/A	N/A	N/A
SG&A / Sales Ratio (%)	-6.3%	-8.2%	-9.5%	-9.1%	-7.9%

SOURCES: VND RESEARCH, COMPANY REPORTS

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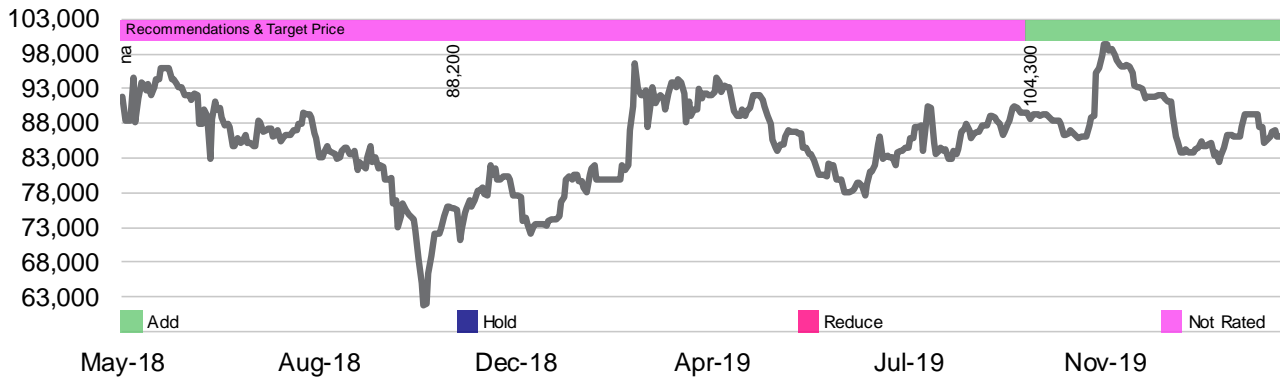
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Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2019		
798 companies under coverage for quarter ended on 31 December 2019		
	Rating Distribution (%)	Investment Banking clients (%)
Add	61.4%	0.0%
Hold	25.2%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

Spitzer Chart for stock being researched (2 year data)

Vinhomes JSC (VHM 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, **BCPG** – 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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