

COMPANY: VINHOMES JSC (VHM)

AGM 2021 update

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VINHOMES JSC

Sector: Residential property – Real Estate

Report date: July 01 2021

Recommendation: **Neutral**

Target price: **VND 102,300**

Upside/Downside: 0%

Current price: VND 118,000

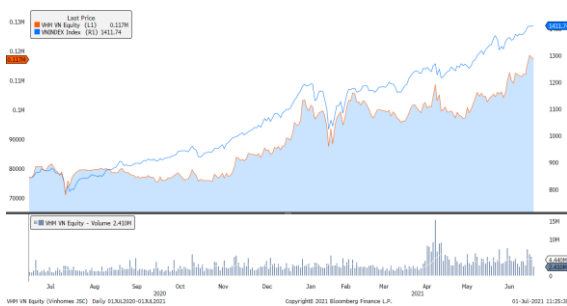
Company background

Founded in 2008, Vinhomes offers real estate service. The company provides sale and leasing of residential complexes and apartments. Vinhomes is biggest company in the industry.

Key figures

Market cap (VND billion)	388,162,642
Outstanding shares (million)	3,289.513
Average 1M volume (shares)	4,464,265
Foreign ownership	22.61%
P/E trailing 4Q	15x
Dividend yield	-

Stock performance



Change in Share price:

	3M	YTD	1Y
Absolute (%)	18.3%	30.8%	52.28%
Relative to benchmark (%)	2%	2.4%	-8.9%

- In 2020, VHM's revenue reached 71.5 trillion VND (+39% y-o-y), gross profit reached 25.9 trillion VND (-5% y-o-y), GPM reduce from 53% to 36%. VHM delivered 31,600 units, mostly from 3 mega projects Vinhomes Ocean Park, Grand Park and Smart City. The total converted revenue (including BCC projects) was 93.9 trillion VND (+44% y-o-y). NPAT was 27.8 trillion VND (+31% y-o-y)
- VHM's revenue for 2021 is planned at 90 trillion VND (+26% y-o-y), and NPAT for 2021 is planned at 35 trillion VND (+26% y-o-y).
- Vinhomes will continue to launch and sell the 3 mega projects, Vinhomes Ocean Park, Grand Park and Smart City. At the same time, VHM will finish construction and deliver product to customers.
- The key focus for VHM this year is to launch Vinhomes Dream City in Hung Yen province, Vinhomes Wonder Park in Dan Phuong, Hanoi and Vinhomes Co Loa in Q3 and Q4 2021. The detail of projects is following:

	Vinhomes Dream city	Vinhomes Wonder Park	Vinhomes Co Loa
Location	Hung Yen, near Ocean Park	Dan Phuong, Hanoi	Dong Anh, Hanoi
Area	460 ha	133 ha	385 ha
Total NSA	7,853,000	976,000	5,000,000
Timeline	2021-2023	2021-2023	2021-2023
Products	Apartments / Villas / Shophouses / Schools / Hospitals / Shopping Mall (44,000 units)	Apartments/Villas /Townhouses /Schools/Shopping Mall/ Eco-parks/Swimming Complex (2,350 low rise, 2 block high rise)	Apartments / Villas / Shop houses / Schools / Shopping Malls / Exhibition Complex

Source: Vinhomes

- Vinhomes Long Beach Can Gio and Vinhomes Ha Long Xanh are waiting for approval and will start developing when the investment policy is issued. The 2 projects are much bigger in size and larger in total investment, about \$10 billion for Ha Long Xanh and Long Beach Can Gio. The development timeline for these projects would be in 2022, 2023.
- The industrial land project in Hai Phong would finish legal procedures in Q4 2021 and start developing after that. VHM estimates this business line would contribute from 5% to 10% revenue.
- Vinhomes will only develop projects which are large size (>100 ha) and located far from center. The bulk sale would remain around 30% revenue of project.
- The Q2 2021 result was not revealed during the meeting.

COMPANY RATING DEFINITION

Benchmark: VN – Index.

Time Horizon: 6 to 18 months

Rating	Definition
Buy	Relative Performance is greater than 15% Or the Fundamental outlook of the company or sector is favorable
Accumulate	Relative Performance is 5% to 15% Or the Fundamental outlook of the company or sector is favorable
Neutral	Relative Performance is -5% to 5% Or the Fundamental outlook of the company or sector is neutral
Reduce	Relative Performance is -15% to -5% Or the Fundamental outlook of the company or sector is unfavorable
Sell	Relative Performance is lower than -15% Or the Fundamental outlook of the company or sector is unfavorable

SECTOR RATING DEFINITION

Benchmark: VN – Index

Time Horizon: 6 to 18 months

Rating	Definition
Outperform	Relative Performance is greater than 5% Or the Fundamental outlook of the sector is favorable
Neutral	Relative Performance is -5% to 5% Or the Fundamental outlook of the sector is neutral
Underperform	Relative Performance is lower than -5% OrThe Fundamental outlook of the sector is unfavorable

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