



## Company Report: Dong Phu rubber (DPR VN)

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## 2023 AM updated

- Business plan 2023: Revenue reached VND 819 billion, down 4% YoY. Profit after tax reached 220 billion dong, up 7.8% YoY.
- Rubber tree exploitation plan: 2,430 ha, the target output is 9,528 tons, the capacity is 1.95 tons/ha.
- The company continues to complete the legal procedures for issuing shares to increase charter capital, the ratio is 1:1.
- Expected dividend would be 30% of charter capital if the company increases its charter capital at a ratio of 1:1 before record date, otherwise the dividend rate would be 15% of the charter capital.
- Regarding the implementation progress of 2 industrial zones North Dong Phu and South Dong Phu, the planning phase is approved by Binh Phuoc' authority. DPR is waiting for the investment approval to be passed by the Prime Minister for these two industrial parks. Bac Dong Phu Industrial Park review report from the Ministry of Planning and Investment for area of 317 hectares was issued in May 2023. BOD confirmed that this project can be implemented in 2023. We expect the compensation rate will be approved and transferred to the company in early 2024.
- Nam Dong Phu Industrial Park project, which is expected to increase its charter capital in 2023, will be eligible to apply for an investment approval.

Rating:

**Buy**

Initial

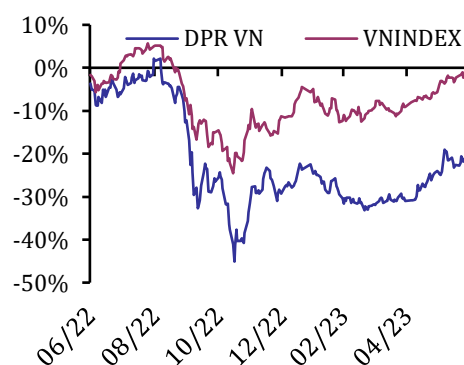
6-18m TP:

**70,000**

Share price:

VND57,200

### Stock performance



| Change in Share Price  | 1 M    | 3 M    | 1 Y    |
|------------------------|--------|--------|--------|
| Abs. %                 | 6.1%   | 18.1%  | -21.2% |
| Rel. % to VNI index    | -1.1%  | 14.3%  | -5.2%  |
| Avg. share price (VND) | 58,239 | 54,873 | 58,232 |

Source: Bloomberg, Guotai Junan Vietnam

| Year End | Revenue   | Net Profit | EPS    | EPS  | PER  | BPS    | PBR | DPS   | Yield | ROE |
|----------|-----------|------------|--------|------|------|--------|-----|-------|-------|-----|
| 12/31    | (VND bil) | (VND bil)  | (VND)  | (△%) | (x)  | (VND)  | (x) | (VND) | (%)   | (%) |
| 2018A    | 1,030     | 235        | 5,865  | 10%  | 5.4  | 47,382 | 0.7 | 5,000 | 85%   | 12  |
| 2019A    | 1,033     | 183        | 4,558  | -22% | 8.6  | 44,154 | 0.9 | 5,000 | 110%  | 10  |
| 2020A    | 1,138     | 178        | 4,435  | -3%  | 10.0 | 44,562 | 1.0 | 2,500 | 56%   | 10  |
| 2021A    | 1,217     | 431        | 10,335 | 133% | 7.0  | 50,973 | 1.4 | 3,500 | 34%   | 22  |
| 2022A    | 1,211     | 248        | 5,767  | -44% | 9.2  | 53,676 | 1.0 | N/A   | N/A   | 11  |

|                             |                 |                      |                     |
|-----------------------------|-----------------|----------------------|---------------------|
| Shares in issue (m)         | 43              | Major shareholder    | Rubber Group 55.24% |
| Market cap. (VNĐ b)         | 2,554.02        | Free float (%)       | 45.0                |
| 3-month average vol. ('000) | 82.8            | FY21 Net gearing (%) | 37.0                |
| 52 Weeks high/low (VNĐ)     | 36,650 / 74,450 |                      |                     |

Source : the Company, Guotai Junan Vietnam.

### COMPANY RATING DEFINITION

Benchmark: **VN – Index.**

Time Horizon: **6 to 18 months**

| Rating            | Definition   |
|-------------------|--|
| <b>Buy</b>        | Relative Performance is greater than 15%<br>Or the Fundamental outlook of the company or sector is favorable   |
| <b>Accumulate</b> | Relative Performance is 5% to 15%<br>Or the Fundamental outlook of the company or sector is favorable          |
| <b>Neutral</b>    | Relative Performance is -5% to 5%<br>Or the Fundamental outlook of the company or sector is neutral            |
| <b>Reduce</b>     | Relative Performance is -15% to -5%<br>Or the Fundamental outlook of the company or sector is unfavorable      |
| <b>Sell</b>       | Relative Performance is lower than - 15%<br>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  |
|---------------------|---|
| <b>Outperform</b>   | Relative Performance is greater than 5%<br>Or the Fundamental outlook of the sector is favorable  |
| <b>Neutral</b>      | Relative Performance is -5% to 5%<br>Or the Fundamental outlook of the sector is neutral          |
| <b>Underperform</b> | Relative Performance is lower than -5%<br>Or The Fundamental outlook of the sector is unfavorable |

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