

November 2, 2021

Property Senior Analyst
Pham Hoang Bao Nga
ngaphb@kbsec.com.vn

Vingroup (VIC)

3Q earnings hit by prolonged social distancing

9M21 earnings down 21% YoY.

- 3Q revenue and NPAT reached VND30,112 billion (-16%YoY) and VND257 billion (-82%YoY) due to tax due to tax payables from the properties sale profit without deducting the loss from other business activities.
- After the first nine months, revenue and Profit after tax and minority interest reached VND90,848 billion (+ 22% YoY) and VND3,193 billion (-21%YoY).

The sales of inventory properties were stable, while other business activities hit by prolonged social distancing.

- In 3Q2020, Vingroup sold 5,973 units (-58%QoQ but +975YoY), in which, the total number of retail units was 1,385 units (-44%QoQ) with the total contract value of VND5,404 billion. As of September 30, Total unbilled booking value was VND42.2 tn. In 3Q, Vingroup handed over 10,143 units with total revenue of VND19,626 billion (+62%YoY).
- Revenue from leasing activity post a 46%YoY decline to VND971 bn (-46%Yoy) because Vincom Retails disbursed a support package of VND925 billion in 3Q to tenants who were affected by the fourth Covid-19 wave.
- Hospitality activity was significantly affected, therefore revenue decreased 43% QoQ to VND 417 billion. 27/35 hotels/resorts stayed opened by September for long stay customers and utilized as quarantine hotels, therefore the number of room nights sold slight decreased compared to the previous quarter and reached 221,000 (-8% QoQ)

Continuing the plan to expand the international markets

- Revenue from manufacturing in 3Q reached VND3,550 billion (-26%YoY) and loss before tax was VND2,708 billion.
- In 3Q2021, VinFast sold 15,900 cars (+115%YoY) and 12,600 e-motorcycles (-21% YoY). VinFast remained its first position in the market share of all segment. As of Sep 30, VinFast sold 25,600 cars and 29,400 e-motorcycles and achieved 61% and 14% respectively the full-year target. Vingroup expects the total number of cars sold in 2021 may reach 35-40 thousand. This number is lower than the 2021 target of 42 thousand cars sold.
- In the first nine months, Vingroup built more than 10,000 charging ports across 62/63 provinces/cities in Vietnam.
- In 4Q2021, VinFast launched the VF e35 and VF e36 EV models at Los Angeles Auto Show. Vingroup focuses on launching these new car models in the international markets, especially the US and EU market. In this quarter, VinBus shall ready for commercial launch.

KB SECURITIES VIETNAM RESEARCH

Nguyen Xuan Binh
Head of Research
binhnx@kbsec.com.vn

Equity

Duong Duc Hieu
Head of Equity Research
hieudd@kbsec.com.vn

Nguyen Anh Tung
Senior Analyst – Financials & Information technology
tungna@kbsec.com.vn

Pham Hoang Bao Nga
Senior Analyst – Property
ngaphb@kbsec.com.vn

Le Anh Tung
Senior Analyst – Oil & Gas & Banks
tungla@kbsec.com.vn

Nguyen Ngoc Hieu
Analyst – Power & Construction Materials
hieunn@kbsec.com.vn

Pham Nhat Anh
Analyst – Industrial Real Estate & Logistics
anhpn@kbsec.com.vn

Luong Ngoc Tuan Dung
Analyst – Consumers & Retailing
dunglnt@kbsec.com.vn

Research Division
research@kbsec.com.vn

Macro/Strategy

Tran Duc Anh
Head of Macro & Strategy
anhtd@kbsec.com.vn

Le Hanh Quyen
Analyst – Macroeconomics & Banks
quyenlh@kbsec.com.vn

Thai Huu Cong
Analyst – Strategy & Mid cap Stocks
congth@kbsec.com.vn

Tran Thi Phuong Anh
Analyst – Strategy & Mid cap Stocks
anhhttp@kbsec.com.vn

Support team

Nguyen Cam Tho
Assistant
thonc@kbsec.com.vn

Nguyen Thi Huong
Assistant
huongnt3@kbsec.com.vn

KB SECURITIES VIETNAM (KBSV)

Head Office:

Levels G, M, 2 & 7, Sky City Tower, 88 Lang Ha Street, Dong Da District, Hanoi, Vietnam
Tel: (+84) 24 7303 5333 – Fax: (+84) 24 3776 5928

Hanoi Branch:

Level 1, VP Building, 5 Dien Bien Phu, Ba Dinh District, Hanoi, Vietnam
Tel: (+84) 24 7305 3335 – Fax: (+84) 24 3822 3131

Ho Chi Minh Branch:

Level 2, TNR Tower Nguyen Cong Tru, 180–192 Nguyen Cong Tru Street, District 1, HCMC, Vietnam
Tel: (+84) 28 7303 5333 – Fax: (+84) 28 3914 1969

Saigon Branch:

Level 1, Saigon Trade Center, 37 Ton Duc Thang, Ben Nghe Ward, District 1, HCMC, Vietnam
Tel: (+84) 28 7306 3338 – Fax: (+84) 28 3910 1611

CONTACT INFORMATION

Institutional Client Center: (+84) 28 7303 5333 – Ext: 2656
Private Customer Care Center: (+84) 24 7303 5333 – Ext: 2276
Email: ccc@kbsec.com.vn
Website: www.kbsec.com.vn

Investment ratings & definitions

Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

Buy:	Hold:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

Opinions in this report reflect the professional judgment of the research analyst(s) as of the date hereof and are based on information and data obtained from sources that KBSV considers reliable. KBSV makes no representation that the information and data are accurate or complete and the views presented in this report are subject to change without prior notification. Clients should independently consider their own particular circumstances and objectives and are solely responsible for their investment decisions and we shall not have liability for investments or results thereof. These materials are the copyright of KBSV and may not be reproduced, redistributed or modified without the prior written consent of KBSV. Comments and views in this report are of a general nature and intended for reference only and not authorized for use for any other purpose.