

Vingroup (VIC)

2Q2022 NPAT up 120%

Vingroup (VIC) announced 2Q22 business results with NPAT of the parent company being VND3,191 billion (+120% YoY thanks to VND9,784 billion in earnings after divesting from One Mount Group and VinWonders Nha Trang) on revenue of VND13,854 billion (-66% YoY).

In 2Q22, inventory property sales achieved good results and leasing recovered strongly

- Vinhomes (VHM) posted VND509 billion (-95%YoY due to the handover mainly in 2H22) in NPAT of the parent company and VND4,668 billion (-83%YoY) in revenue (including bulk sales and BCC projects) in 2Q22. Unbilled bookings by the end of 2Q22 reached VND129.3 trillion (+127%YoY) thanks to the launch of Vinhomes The Empire.
- VHM opened for sale about 5,800 low-rise apartments at Vinhomes The Empire in late April 2022. By the end of 2Q22, the absorption rate hit 86%, equivalent to a total contract value of VND49 trillion. Management shared that VHM may hand over 45% out of 12,600 low-rise products at this project, equaling VND60 trillion in revenue by the end-3Q22. Thus, the total contract value was VND92.5 trillion in 1H22, fulfilling 77% of the full-year plan.
- Vincom Retail (VRE) released 2Q22 results with NPAT of the parent company reaching VND773 billion (+100YoY) on revenue of VND1,850 billion (+23% YoY). Business results rebounded YoY because: (1) The company reduced the size of the support package for customers in 2Q22 compared to 2Q21, given the recovery of the retail market; and (2) VRE opened three new shopping malls in Hanoi, My Tho, and Bac Lieu. By the end-2Q22, VRE's total leasable floor area was 1.75 million m² (+6%YoY), with the occupancy rate reaching 82.5% (down 1.6 pts YoY).

VIC would promote electric car production

- Over the second quarter, VIC suffered a loss of VND7,404 billion on revenue of VND3,284 billion (-27%YoY) in manufacturing after ceasing gasoline vehicle production.
- In 2Q22, VinFast sold 8,000 cars (-18%YoY) and 15,300 electric motorcycles (-9% YoY), maintaining its leading position in the electric motorcycle market share. VinFast handed over about 1,680 VF e34 electric cars during the quarter and would hand over another 18,000 by the end of this year.
- VinFast has received more than 60,000 pre-orders for two electric car models VF8 and VF9, 20% of which were from abroad (mainly the US). It is expected that VF8 cars will be handed over to customers from the end of August.

Other business activities

- The tourism and accommodation segment witnessed a strong recovery with revenue of VND2,016 billion (+112%YoY). Rooms booked for overnight stays reached 258 thousand (+26%YoY), and the number of visitors to VinWonders hit 1,904 thousand (+324%YoY).

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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

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