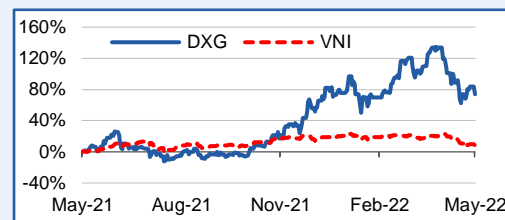


Dat Xanh Group (DXG)

Earnings Flash

Industry	Real Estate		2021A	Q1/22	2022F
Report Date	May 4, 2022	Rev y/y	248.8%	-39.3%	-4.6%
Current Price	VND34,700	EPS y/y	N.M.	-49.3%	17.4%
Target Price*	VND47,000	NPAT-MI y/y	N.M.	-49.1%	17.4%
Upside to TP	+35.4%	GPM	55.5%	57.8%	49.8%
Dividend Yield	0.0%	NPM	11.5%	15.1%	14.1%
TSR	+35.4%	P/B	2.4x	2.3x	2.0x
Rating*	MARKET PERFORM	P/E	18.8x	N.M.	16.0x



			DXG	Peers	VNI
Market Cap	USD916.6mn				
Foreign Room	USD173.7mn	P/E (ttm)	24.3x	24.8x	14.7x
ADTV30D	USD21.2mn	P/B (curr)	2.3x	2.4x	2.3x
State Ownership	0.0%	Net D/E	15.1%	10.9%	N/A
Outstanding Shares	607.5 mn	ROE	11.3%	16.5%	15.8%
Fully Diluted O/S	616.7 mn	ROA	4.7%	7.1%	2.6%

* TP and rating last updated March 2, 2022

Company Overview

DXG is a leading property brokerage company with around 30% market share nationwide. Leveraging off its brokerage knowledge, the company has expanded into residential property development with a focus on the mid-range segment in HCMC, Binh Duong and Dong Nai.

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Q1 2022 handovers mainly at St. Moritz

DXG announced Q1 2022 results with net revenue of VND1.8tn (USD78mn; -39% YoY vs Q1 2021's high base) and NPAT-MI of VND270bn (USD12mn; -49% YoY vs Q1 2021's high base of VND531bn/USD23mn). In Q1 2022, DXG handed over a total of ~300 units at St. Moritz, Gem Sky World and Opal Boulevard — with St. Moritz contributing ~65% of Q1 2022 net revenue at an average of ~VND4.0bn/unit. These revenue and NPAT-MI results are equivalent to 19% and 20% of our respective full-year forecasts; therefore, we foresee insignificant change to our full-year forecasts for revenue of VND9.6tn (USD417mn; flat YoY) and NPAT-MI of VND1.4tn (USD60mn; +17% YoY) as stated in our last [DXG Update Report](#), dated March 2, 2022, pending for a fuller review. Please find further details on DXG's brokerage services segment in our [DXS Earnings Flash](#), dated May 4, 2022.

DXG recorded pre-sales value of ~VND400bn (USD17mn) in Q1 2022 mainly from Gem Sky World. We continue to expect that DXG will relaunch the Gem Riverside project in future quarters to achieve our strong 2022F pre-sales forecast of VND9.4tn (USD407mn; +116% YoY).

Figure: DXG's Q1 2022 results

VND bn	Q1 2021	Q1 2022	YoY%	2022F	Q1 as % of 2022F
Net revenue	2,954	1,792	-39%	9,619	19%
- Brokerage	733	710	-3%	3,908	18%
- Development	2,145	984	-54%	5,127	19%
- Construction	75	98	31%	584	17%
Gross profit	1,736	1,037	-40%	4,788	22%
- Brokerage	559	543	-3%	2,520	22%
- Development	1,169	470	-60%	2,227	21%
- Construction	9	23	169%	41	57%
Selling expenses	(563)	(261)	-54%	(944)	28%
G&A expenses	(149)	(172)	16%	(405)	43%
EBIT	1,025	604	-41%	3,439	18%
Financial income	(11)	(22)	101%	70	N.M.
Financial expenses	(118)	(109)	-8%	(542)	20%
Profit from associates	0	1	N.M.	0	N.M.
Other gain/(loss)	7	19	181%	0	N.M.
PBT	925	536	-42%	2,967	18%
NPAT	712	408	-43%	1,881	22%
NPAT-MI	531	270	-49%	1,359	20%
Gross margin	58.8%	57.8%		49.8%	
- Brokerage	76.2%	76.5%		64.5%	
- Development	54.5%	47.8%		43.4%	
SG&A as % of revenue	24.1%	24.2%		14.0%	
EBIT margin	34.7%	33.7%		35.8%	
NPAT-MI margin	18.0%	15.1%		14.1%	

Source: DXG's financial statements, VCSC forecast (last updated March 2, 2022)

VCSC Rating System

Stock ratings are set based on projected total shareholder return (TSR), defined as (target price – current price)/current price + dividend yield, and are not related to market performance.

Equity rating key	Definition
BUY	If the projected TSR is 20% or higher
OUTPERFORM	If the projected TSR is between 10% and 20%
MARKET PERFORM	If the projected TSR is between -10% and 10%
UNDERPERFORM	If the projected TSR is between -10% and -20%
SELL	If the projected TSR is -20% or lower
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Target prices are generally based on the analyst's assessment of the stock's fair value over a 12-month horizon. However, the target price may differ from the analyst's fair value if the analyst believes that the market will not price the stock in line with assessed fair value over the specified time horizon.

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