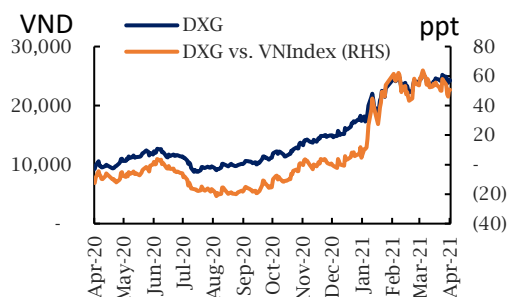


NOT RATING
TP upside/downside: N/A
Close 16 April 2021
Price VND 24,250
12M Target N/A
Share price performance relative to VN


Market cap	USD 544.75 mn
6M avg. daily turnover	USD 6.38 mn
Outstanding shares	518.29 mn
Free float	82.03%
FINI ownership	33.20%
Major shareholders	55.01%
2020 P/E (x)	10.15x
2020 P/B (x)	1.66x
EV / EBITDA	22.9x
FOL Room	15.61%
Trading platform	HOSE
Dividend yield	N/A

Source: Bloomberg, Company data, YSVN

Research Analyst:
Di Luu
 +84 28 3622 6868 ext. 3845
di.luu@yuanta.com.vn
Tam Nguyen
 +84 28 3622 6868 ext 3874
tam.nguyen@yuanta.com.vn
Bloomberg code: YUTA
Meeting Highlights: Great Growth Expectation

Event: DXG held an analyst meeting on Friday morning (April 16).

Key takeaways

High performance in 1Q21. Management guides for revenue of VND 2,852bn (+374% YoY) and NPATMI of VND 530bn (+685% YoY) in 1Q21, with the growth largely attributable to deliveries at Opal Boulevard and Gem Sky World, which contributed more than 81% of total PBT, whereas the service segment contributed 19% of PBT.

Resilient sales. DXG sold c. 420 units in 1Q21, of which Gem Sky World accounted for 77%. In addition, the St. Moritz project began construction on April 8, and DXG expects to launch this project at the end of 3Q21. DXG's landbank currently totals 2,295ha, which includes an additional 5 hectares in 1Q21 from the acquisition of Opal Central Park, which is located in Binh Duong province near Highway 13. Management estimates that nearly 6,000 units will be deployed there.

Other 1Q21 highlights include the establishment of Dat Xanh E&C JSC, which operates consulting services on administrative procedures, design, and project management. The newly established subsidiary will cooperate with DXS to create a service consulting ecosystem for Dat Xanh. In addition, DXG signed a strategic cooperation agreement with McKinsey as a core consultant on the Group's 10-year strategy.

Ambitious plans for 2021. DXG plans to launch five projects in 2H21: Opal Skyline (c. 1,630 units), Opal Central Park (8,500 units), Opal Skyview (c. 170 units), Lux Star (c. 840 units), and Gem Riverside (c. 3,181 units).

Update on DXS's IPO. We expect the total capital raised to reach VND 2.3 trillion (c. USD 1bn) with current shareholder selling 35 million shares and an additional 35 million shares as new equity. Some 20% of the company will be sold during the IPO. Baoviet and Dragon are among the core investors. The closing date for registering to buy shares is today (April 19). DXS is expected to be listed on the HOSE on May 23 or 24.

Our view:

A successful IPO of DXS should reduce DXG's cashflow pressure and support its ambitious 2021 business plan. In addition, restarting the Gem Riverside project could be another catalyst for DXG's share price. The project was launched on 1Q18 at an average selling price of VND 30mn/sqm. However, it has been in limbo since 2Q18 due to administrative difficulties, and we reckon the current ASP is over VND 55mn/sqm.

Some observers have voiced concerns about potential conflicts of interest between DXG's shareholders and those of its subsidiaries in which DXG's ownership rate is relatively low. DXG's effective ownership in DXS's subsidiaries is only around 55% (i.e., it owns 85% of pre-IPO DXS, which owns an average of 65% of its various subsidiaries). This effective ownership will decline as a result of the IPO. However, these companies will benefit from sales and consulting fees in DXG's projects.

ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES ARE LOCATED IN APPENDIX A.

Yuanta does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

Appendix A: Important Disclosures

Analyst Certification

Each research analyst primarily responsible for the content of this research report, in whole or in part, certifies that with respect to each security or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about those securities or issuers; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in the research report.

Ratings Definitions

BUY: We have a positive outlook on the stock based on our expected absolute or relative return over the investment period. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile. We recommend investors add to their position.

HOLD-Outperform: In our view, the stock's fundamentals are relatively more attractive than peers at the current price. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile.

HOLD-Underperform: In our view, the stock's fundamentals are relatively less attractive than peers at the current price. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile.

SELL: We have a negative outlook on the stock based on our expected absolute or relative return over the investment period. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile. We recommend investors reduce their position.

Under Review: We actively follow the company, although our estimates, rating and target price are under review.

Restricted: The rating and target price have been suspended temporarily to comply with applicable regulations and/or Yuanta policies.

Note: Yuanta research coverage with a Target Price is based on an investment period of 12 months. Greater China Discovery Series coverage does not have a formal 12 month Target Price and the recommendation is based on an investment period specified by the analyst in the report.

Global Disclaimer

© 2020 Yuanta. All rights reserved. The information in this report has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. It is not an offer to sell or solicitation of an offer to buy any securities. All opinions and estimates included in this report constitute our judgment as of this date and are subject to change without notice.

This report provides general information only. Neither the information nor any opinion expressed herein constitutes an offer or invitation to make an offer to buy or sell securities or other investments. This material is prepared for general circulation to clients and is not intended to provide tailored investment advice and does not take into account the individual financial situation and objectives of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities, investments or investment strategies discussed or recommended in this report. The information contained in this report has been compiled from sources believed to be reliable but no representation or warranty, express or implied, is made as to its accuracy, completeness or correctness. This report is not (and should not be construed as) a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on such business in that jurisdiction.

Yuanta research is distributed in the United States only to Major U.S. Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended and SEC staff interpretations thereof). All transactions by a US person in the securities mentioned in this report must be effected through a registered broker-dealer under Section 15 of the Securities Exchange Act of 1934, as amended. Yuanta research is distributed in Taiwan by Yuanta Securities Investment Consulting. Yuanta research is distributed in Hong Kong by Yuanta Securities (Hong Kong) Co. Limited, which is licensed in Hong Kong by the Securities and Futures Commission for regulated activities, including Type 4 regulated activity (advising on securities). In Hong Kong, this research report may not be redistributed, retransmitted or disclosed, in whole or in part or and any form or manner, without the express written consent of Yuanta Securities (Hong Kong) Co. Limited.

Taiwan persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Attn: Research
Yuanta Securities Investment Consulting
4F, 225,
Section 3 Nanking East Road, Taipei 104
Taiwan

Hong Kong persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Attn: Research
Yuanta Securities (Hong Kong) Co. Ltd
23/F, Tower 1, Admiralty Centre
18 Harcourt Road,
Hong Kong

Korean persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Head Office
Yuanta Securities Building
Euljiro 76 Jung-gu
Seoul, Korea 100-845
Tel: +822 3770 3454

Indonesia persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Attn: Research
PT YUANTA SECURITIES INDONESIA
(A member of the Yuanta Group)
Equity Tower, 10th Floor Unit EFGH
SCBD Lot 9
Jl. Jend. Sudirman Kav. 52-53
Tel: (6221) - 5153608 (General)

Thailand persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Research department
Yuanta Securities (Thailand)
127 Gaysorn Tower, 16th floor
Ratchadamri Road, Pathumwan
Bangkok 10330

Vietnam persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Research department
Yuanta Securities (Vietnam)
4th Floor, Saigon Centre
Tower 1, 65 Le Loi Boulevard,
Ben Nghe Ward, District 1,
HCMC, Vietnam

YUANTA SECURITIES NETWORK



YUANTA SECURITIES VIETNAM OFFICE

Head office: 4th Floor, Saigon Centre, Tower 1, 65 Le Loi Boulevard, Ben Nghe Ward, District 1, HCMC, Vietnam

Institutional Research

Matthew Smith, CFA

Head of Research

Tel: +84 28 3622 6868 (ext. 3815)

matthew.smith@yuanta.com.vn

Tam Nguyen

Analyst (Property)

Tel: +84 28 3622 6868 (ext. 3874)

tam.nguyen@yuanta.com.vn

Di Luu

Assistant Analyst

Tel: +84 28 3622 6868 (ext. 3845)

di.luu@yuanta.com.vn

Binh Truong

Deputy Head of Research (O&G, Energy)

Tel: +84 28 3622 6868 (3845)

binh.truong@yuanta.com.vn

Tanh Tran

Analyst (Banks)

Tel: +84 28 3622 6868 (3874)

tanh.tran@yuanta.com.vn

Institutional Sales

Huy Nguyen

Head of Institutional sales

Tel: +84 28 3622 6868

(3808)

Huy.nguyen@yuanta.com.vn

Trung Nguyen

Sales Trader

Tel: +84 28 3622 6868 (ext.

3890)

trung.nguyen2@yuanta.com.vn