EARNINGS RELEASE

29/07/2022

MWG: 1H2022 business results

Mobile World Investment JSC (HSX: MWG) announced 2Q2022 net revenue of VND34,337bn (+8.5% YoY) and EAT of VND1,131bn (-6.9% YoY). On a cumulative basis, the company delivered net revenue of VND70,804bn (+13.3% YoY) and EAT of VND2,576bn (+1% YoY) in 1H2022.

TGDD (including Topzone) and DMX chains, together accounting for 80.5% of MWG's net revenue, generated 17% YoY revenue growth in 1H2022. BHX chain, accounting for 18.1% of the company's net revenue, reported 8% and 4% YoY decline in revenue in 2Q2022 and 1H2022, respectively. However, it needs to note that 2Q2021 had a high base because of COVID-19 outbreak and social distancing. The restructuring process of BHX, started from April 2022, has shown positive signals and the company expects the average monthly sales per store to reach VND1.3bn in 3Q2022, sooner than the earlier plan. As of June 2022, BHX had 1,889 stores with about 1,500 stores revamped. One-off expenses incurred from shutting down BHX stores did and will impact BHX's and MWG's net profit in 2Q and 3Q2022.

An Khang pharmacy chain increased its number of store to 365 while AVA Kids had 53 stores and AVA Sport had 10 stores in operation at the end of June 2022.

Comments: The first half results completed c.50% and c.41% of our full-year projections. Further details will be available after a full review of the 1H earnings and updated outlook for the company.

Chi Luong
chiltk@acbs.com.vn

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