

## MWG: Analyst meeting

Mobile World Investment JSC (HSX: MWG) held an analyst meeting on November 23<sup>rd</sup>, 2022. Below are some key points:

- The management held a cautious view about 2023 growth (at least 1Q2023) given the current economic conditions and concerns about weaker purchasing power. Expansion of store network of each chain is not set in details and not emphasized in 2023.
- The company has controlled costs, inventories, etc. more carefully and does not face difficulties in terms of its financial situation or cashflows. Securing cashflows will continue to be the company's priority in the upcoming time.
- For 2022, the company expects to satisfy its revenue target, while EAT may reach just 90% of 2021 result (i.e -10% YoY). TGDD and DMX in 4Q2022 may not outperform the high base last year, however they are still expected to post double-digit growth for the whole year.
- One-off costs related to BHX's restructuring were c.VND500bn and booked entirely in 9M2022.
- The company management believes that BHX is highly likely to be profitable in 4Q2023 if the economic conditions does not worsen seriously. The chain will boost revenue from new customers by upgrading fresh food category (e.g. adding more products, upgrading quality, etc.) and spurring promotion programs largely through cooperation with manufacturers. Optimizing the operations will continue to enhance BHX's efficiency. Expansion of the store network in 2023 will focus on 150m<sup>2</sup> and 200m<sup>2</sup> sized stores, accompanied by requirements in terms of efficiency. BHX has not planned to expand to new provinces but the existing regions.
- BHX is still continuing with its plans to sell up to a 20% stake. The deal is expected to complete in 1Q2023.
- An Khang expanded aggressively and may stop at 529 stores in 2022, compared with the initial plan of 800 stores. The company does not target net profit for this chain at this stage but focuses on optimizing operations to improve business efficiency. The chain may continue to expand next year at a suitable point of time with requirements in terms of efficiency.
- MWG will open its first 5 consumer electronics stores in Indonesia in December 2022. Further expansion remains but with a conservative pace.

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