

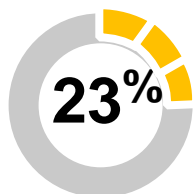
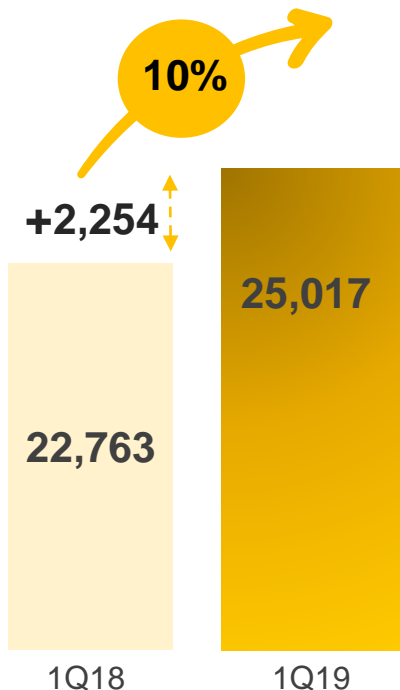
# Mobile World Investment Corporation (MWG)

## YTD MARCH 2019 PERFORMANCE REPORT



### NET REVENUE

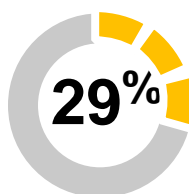
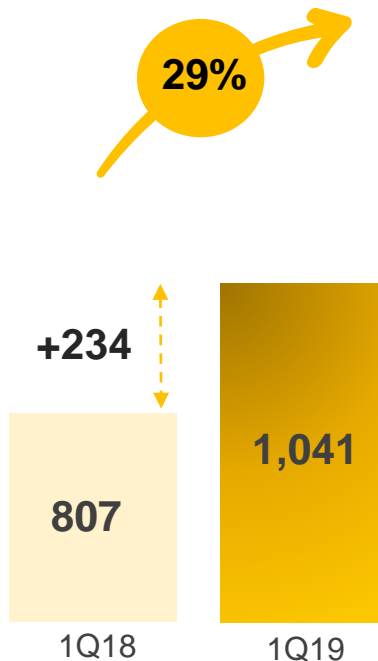
(billion in VND)



**Net Revenue target**  
(VND108,468 billion)  
**was achieved**

### NET PROFIT AFTER TAX

(billion in VND)



**NPAT target**  
(VND3,571 billion)  
**was achieved**

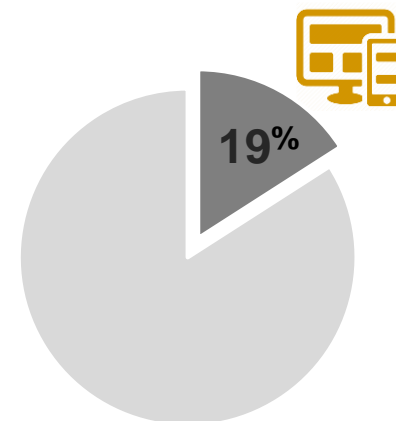


**4,650 VND billion**  
**ONLINE REVENUE**  
**YTD MAR 2019**



**+67%**

**Vs. ONLINE**  
**REVENUE**  
**YTD MAR 2018**



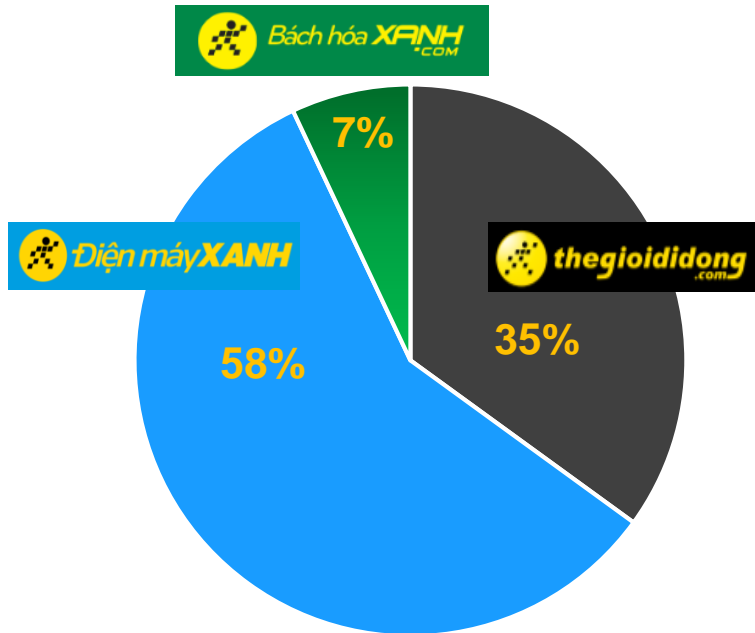
**TOTAL: VND25,017 billion**

# Mobile World Investment Corporation (MWG)

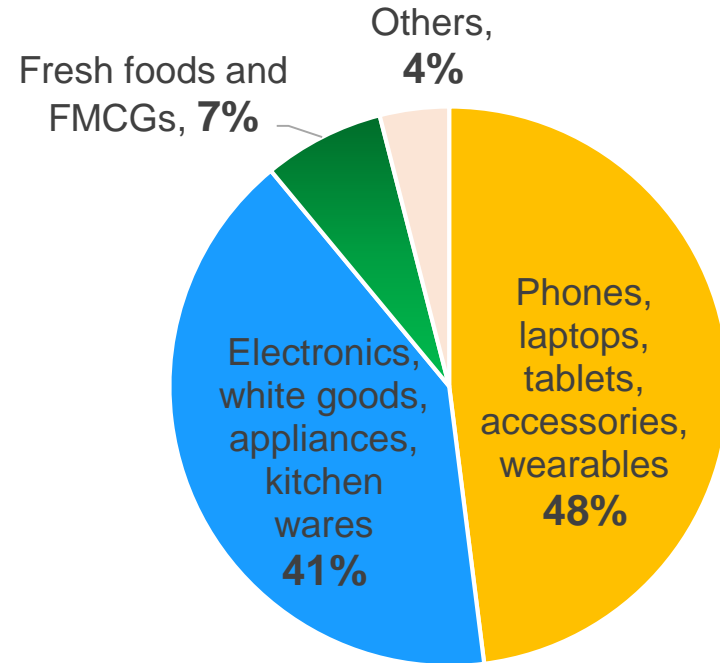
## YTD MARCH 2019 PERFORMANCE REPORT



### REVENUE BREAKDOWN BY CHAINS



### REVENUE BREAKDOWN BY CATEGORIES



\*Others including sim, cards, services...

### NUMBER OF STORES

**2,266**

	1,023 stores
	774 stores
	469 stores

(\* ) 4 thegioididong stores converted to mini-DMX stores



## YTD MARCH 2019 PERFORMANCE REPORT

- For the first 3 months of 2019, MWG recorded consolidated net revenue of VND 25,017 billion (+10% y-o-y growth) and net profit after tax of VND 1,041 billion (+29% y-o-y growth). As the result, MWG fulfilled 23% of the revenue target and 29% of the net profit target for FY 2019.
- Online revenue for the first 3 months of 2019 reached VND 4,650 billion (+67% y-o-y growth), equivalent to 19% of the company's total revenue.
- As of end of March 2019, MWG operated in total 2,266 stores. Just in March alone, MWG opened 50 new stores, of which 46 is Bach Hoa Xanh (BHX). Dien May Xanh (DMX) chain increased by 8 stores, of which 4 was converted from The Gioi Di Dong (TGDD) and 4 as brand new openings.
- Gross margin and net margin for cumulative first 3 months improved from the same period last year. The approx. 4.2% net margin achieved in 1Q19 was the highest since beginning of 2017. Note that net margin in Q1 is usually higher than the remaining quarters of the year.
- Mobile phone sales volume in first 3 months increased 3% y-o-y, while value stayed flat due to the company pushing promotions for the products launched from late 2018 and the brands did not have many new models launching in 1Q19. As for electronics and whitegoods products, MWG recorded 27% increase in sales volume and 14% increase in revenue in 1Q19 vs. 1Q18.
- The strategy to increase sales via “selling new, unprecedented products” at TGDD & DMX has seen positive results as followed:
  - **Watches:** The ‘shop-in-shop’ model selling watches was first experimented in TGDD HCMC on March 08, 2019. MWG now has 2 stores selling over 50 models of ‘smart watches’ and over 1,000 models of ‘fashion watches’ by more than 20 different brands. MWG is focusing on serving mid-end segment with price mainly ranging from VND 1 million to 6 million per item. The products are guaranteed 100% genuine with 1-year warranties.
  - **Small appliances & kitchen wares:** in 1Q19, over 10 million items were sold in DMX, generating more than VND 1,700 billion in revenue; equivalent to the increase in sales volume and value of 130% and 50% respectively vs. same period in 2018.
- In contrast to previous years, MWG in 2019 was mainly focused on high season sales in the first quarter. From April the company will firmly implement the expansion/conversion of TGDD and DMX chains to effectively optimize revenue for the new stores during the hot season and the last 6 months of the year. In particular, MWG has prepared over 100 signed locations for opening new stores, in addition to changing layout in over 200 mini DMX stores to optimize the display area and quantity of items – this is expected to complete before the end of June this year.

# Mobile World Investment Corporation (MWG)

## YTD MARCH 2019 PERFORMANCE REPORT



- Out of total 469 stores by the end of Mar-19, BHX had 95 stores in 12 provinces of Mekong Delta and Southeast regions (accounting for 20% of total stores). By store format, BHX had 52 large stores (300 sqm), accounting for 11% of total stores.
- The Average Monthly Sales Per Store calculated for the stores opened before 1/3/2019 was over VND1.25 billion.
- Depending on store formats (standard or large-size), sales per store in provincial area was about 85-90% compared to stores in HCMC area
- BHX continues to diversify its product selection to better serve customers' needs. At present, large stores are selling about 500 fresh products and 3,000 FMCG products while standard stores are offering 350 fresh SKUs and more than 2,000 FMCG SKUs.
- In Mar-19, BHX sold approx. 6,000 tons of fresh produce, up 20% compared to approx. 5,000 tons sold at the end of 2018 and Jan-19. Fresh produce contributed ~40% of total revenue of BHX chain in 1Q19.
- BHX promotes direct access to supplies in farming and fishing areas to shorten the transportation time, improve the quality and freshness of goods when reaching consumers. Especially for fish and meat products, this "purchase-at-source" method helped March volume and value sales of this product group increased by more than 50% compared to the average of the first two months.
- In 2Q19, BHX will focus on handling direct purchases for imported fruit and confectionery products.

### **DISCLAIMER:**

- *This report is released for the purpose of providing periodical information for all stakeholders of MWG. All data and analyses in this report are unaudited, collected from different sources that may involve incompleteness, inaccuracy and uncertainties.*
- *This report is not intended to encourage any buy or sell decision of any stocks, options, futures or any derivatives. You should not rely upon any statements as predictions, future events or promises of future performance.*
- *The users are entirely responsible for your decisions made based on the provided information.*