



DIGIWORLD

Investor Presentation

November 2024

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DIGIWORLD

Introduction

- Vision – Core values
- Executive summary

Company overview

Business overview

Growth drivers

Financial overview

Vision

Digiworld is a billion-dollar company recognized for its role in the elevation of Vietnam with everyone in the company well-rewarded and fulfilling their life purpose.

Executive summary

Company name	Digiworld Corporation
Ticker	DGW (HOSE)
Year of Establishment	1997
Market Capitalization	~VND 8,735bn (USD 360mn)
Listing date	3 August 2015
Net revenue 2023	VND 18,818bn (USD 777mn)
NPAT 2023	VND 354bn (USD 14.6mn)
Trailing EPS	VND 2,123
PE trailing	22x
PE forward	18x
Industry	Market Expansion Services
Number of employees	815
Website	www.digiworld.com.vn

Updated: 29 Dec 2023



Digiworld is the **leading Market Expansion Services provider** in Vietnam



Digiworld provides **top-notch quality services and tailor-made solutions** for the most rapid and effective market penetration and market expansion for brands entering Vietnam's growing market



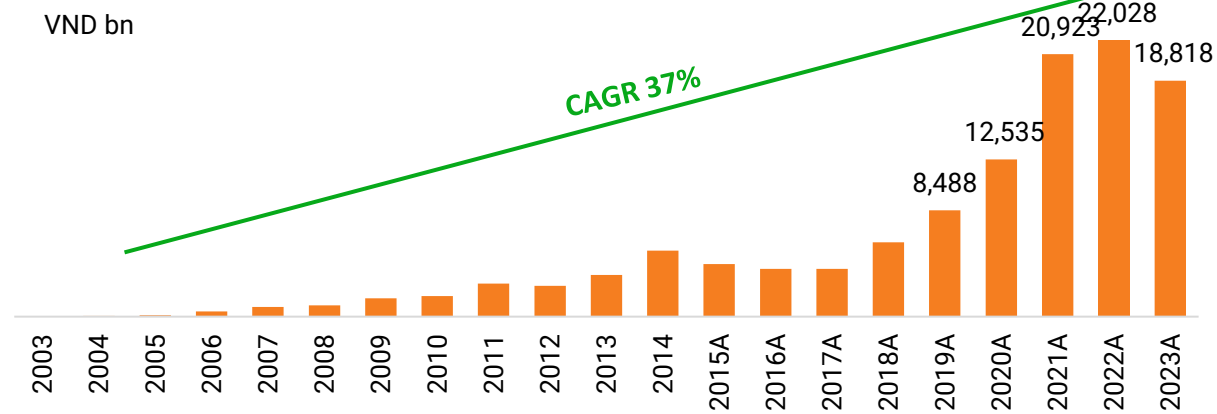
Digiworld is a distributor of **30+ world-class technology brands**



Our core strengths are in **5 value-added services**: Market analysis, Marketing, Sales, Logistics, and After-sales service



Revenue history



Introduction

Company overview

- Business structure
- Board of directors
- Shareholder structure and commitment to minority shareholders
- Cash dividend, M&A strategy
- ESG & Sustainability

Business overview

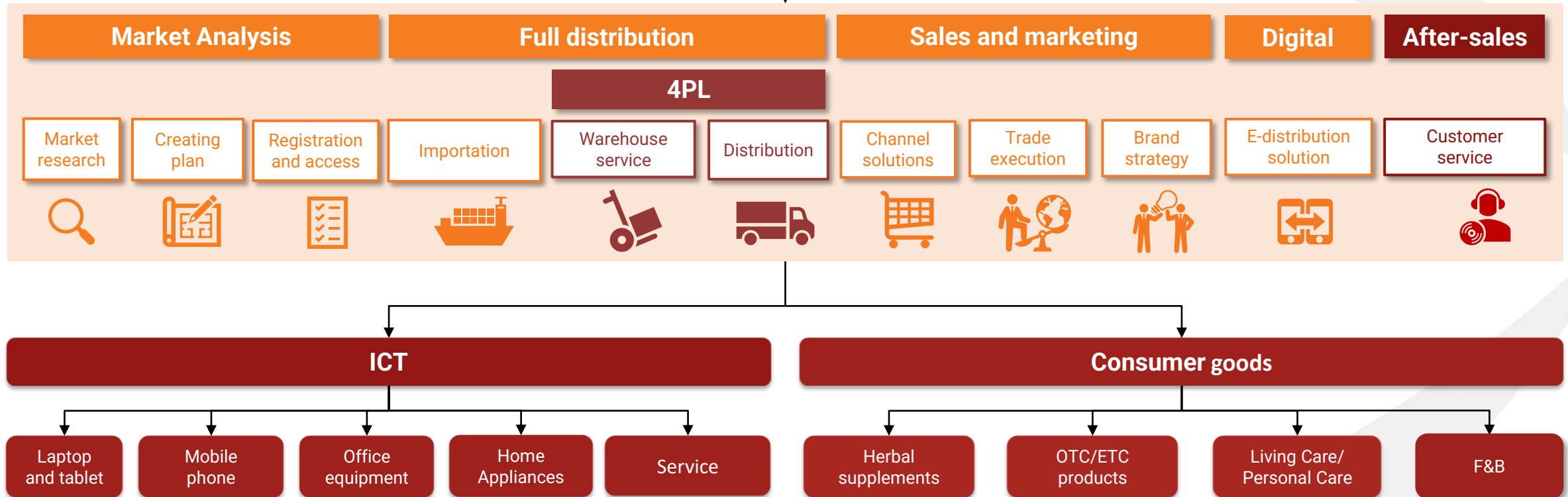
Growth drivers

Financial overview

Business structure



Market Expansion Services (MES)



Board of directors



Doan Hong Viet

Chairman

1993-1997
Lien Phuong Co., Ltd.
IT Head

1997-2003
Hoang Phuong Co., Ltd.
Director

2003-present
Digiworld Corporation

Other current positions
Chairman of Members' Council of
Created Future Co., Ltd.



Dang Kien Phuong

Member and General Director

1989-1994
Viettronic Thu Duc Co., Ltd.
Accountant

1995-1997
T&C Co., Ltd.
Accountant

1999-2002
Hoang Phuong Co., Ltd.
Accountant

2003-present
Digiworld Corporation



To Hong Trang

Member and Deputy General Director

1997-2000
ANSV Telecommunication Co., Ltd.
Project Assistant

2000-2003
Hoang Phuong Co., Ltd.
Deputy Director

2003-present
Digiworld Corporation

Other current positions
General Director of Created Future Co.,
Ltd.



Tran Bao Minh

Independent Member

2006-2009: Vinamilk
Deputy General Director

2009-2011: TH true milk
General Director

2011-2012: A Chau Food Co.
Deputy General Director

2012-2018: International Dairy Products
(IDP) General Director

2018-2020: Diageo Vietnam - General
Director

Other current positions
Vice president of Nutifood



Nguyen Duy Tung

Independent Member

2007-2010
REE Corporation
Vice Director – Projects

2011-2014
REE Electric Appliances
Deputy Director

2015-present
DOMESCO
Financial Director

Other current positions
Financial Director cum Person-in-charge
of Corporate Governance of DOMESCO

Shareholder structure and commitment to minority shareholders

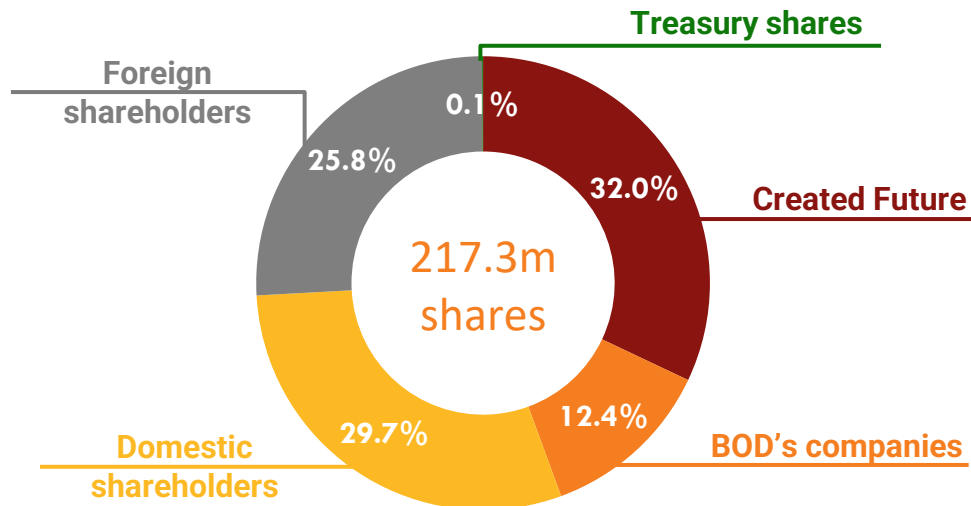
Shareholder structure

Major shareholders (as of 16 Sep 2024)	No. of shares	%
Created Future Co., Ltd. (*)	69.6m	32.0
DKP Co., Ltd. (**)	11.0m	5.1
DHV Co., Ltd. (**)	9.0m	4.2
TOHT Co., Ltd. (**)	6.8m	3.1
Public float	120.9m	55.6
Total	217.3m	100.0

Commitment to minority shareholders

We are committed to creating value for minority shareholders and acting in their best interests through:

1. Consistent payment of dividends
2. All documents and communication published in both English and Vietnamese and sent to all shareholders whether major or minor, domestic or foreign
 - We will do our best to give the information to all shareholders at the same time
 - We will communicate with minority shareholders via email, phone, meet directly, answer all inquiries



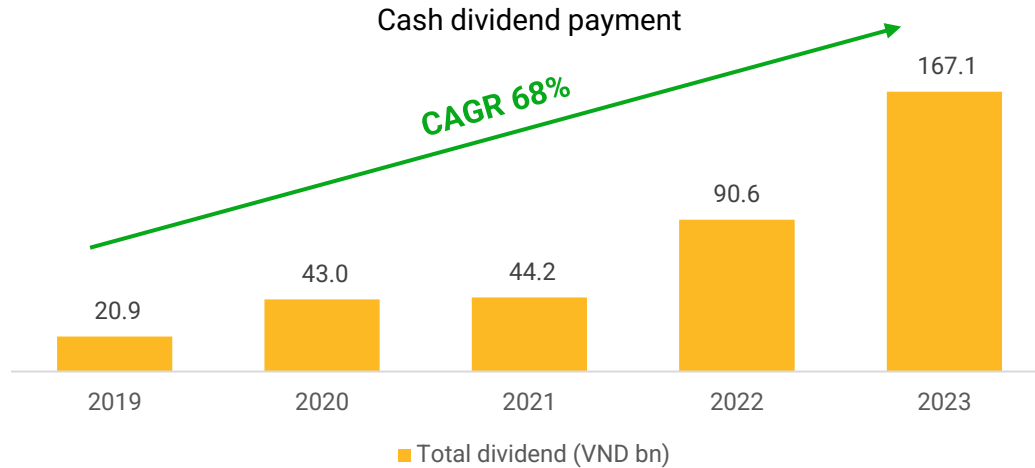
(*) Created Future was established in 2014 and is owned by Mr. Doan Hong Viet.

Business description: holding DGW's shares.

(**) DKP Co., Ltd, DHV Co., Ltd, and TOHT Co., Ltd were established in 2021 and are owned by Mrs. Dang Kien Phuong, Mr. Doan Hong Viet, and Mrs. To Hong Trang.

Cash dividend, M&A strategy

Cash dividend policy



Since our listing on the stock exchange, Digiworld has maintained a dividend payout ratio whereby 20-40% of the net profit will be for cash dividends and the remaining 60-80% will be reinvested in working capital and business expansion.

M&A history



Investment made: 2017

Digiworld's share: 90% (indirectly)

Business description: CL is an FMCG distributor with 16 years of experience in the industry



Investment made: 2022-2023

Digiworld's share: 75% (indirectly)

Business description: distributes safety products and industrial equipment

M&A strategy

- Finding target companies that help DGW expand product lines, distribution channels (scale \leq 20% DGW)
- Funding for M&A will mainly come from retained earnings, bank loans or bond issuance.

B2X

Investment made: 2017-2024

Digiworld's share: 49%-90%

Business description: Managing subsidiaries, joint ventures and affiliates which provide after-sales services to ICT brands



Investment made: 2023

Digiworld's share: 72.8% (indirectly)

Business description: pawn lending services, trading secondhand products, payment services, financial consulting.

ESG & Sustainability

Awards



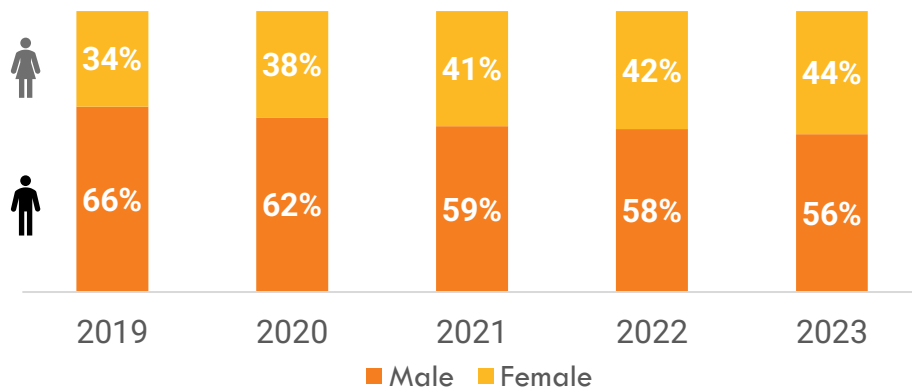
for 8 consecutive years
(from 2016-2023)

Certificate



for Sustainable
Development Report

Employees by gender



Regulation on conflict of interest

Purpose:

1. Deliver integrity in our business operations, minimize financial and resource losses that could affect our reputation.
2. Ensure clear understanding among our employees to avoid any violations.
3. Enable monitoring and updating of relationships that can lead to conflicts of interest while managing risks for better prevention.

Regulations on prevention of corruption and bribery

Purpose:

Ensure that there is zero-tolerance stance toward corruption, that all Digiworld's business operations are transparent, protecting the reputation of the company, and that all employees are fully aware of their duty to act with integrity.



Introduction

Company overview

Business overview

- Product portfolio
- Value chain: One-stop solution
- Distribution network (ICT)
- Partnership with large companies (ICT)
- Omnichannel fulfilling (CGHC)
- Geographic footprint

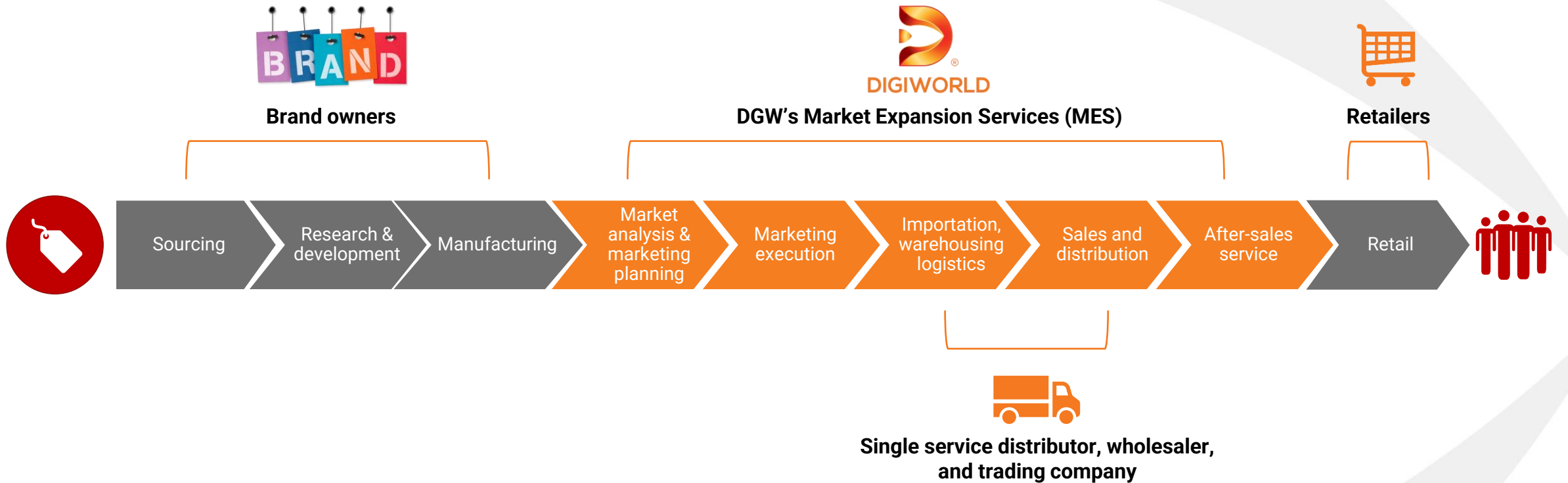
Growth drivers

Financial overview

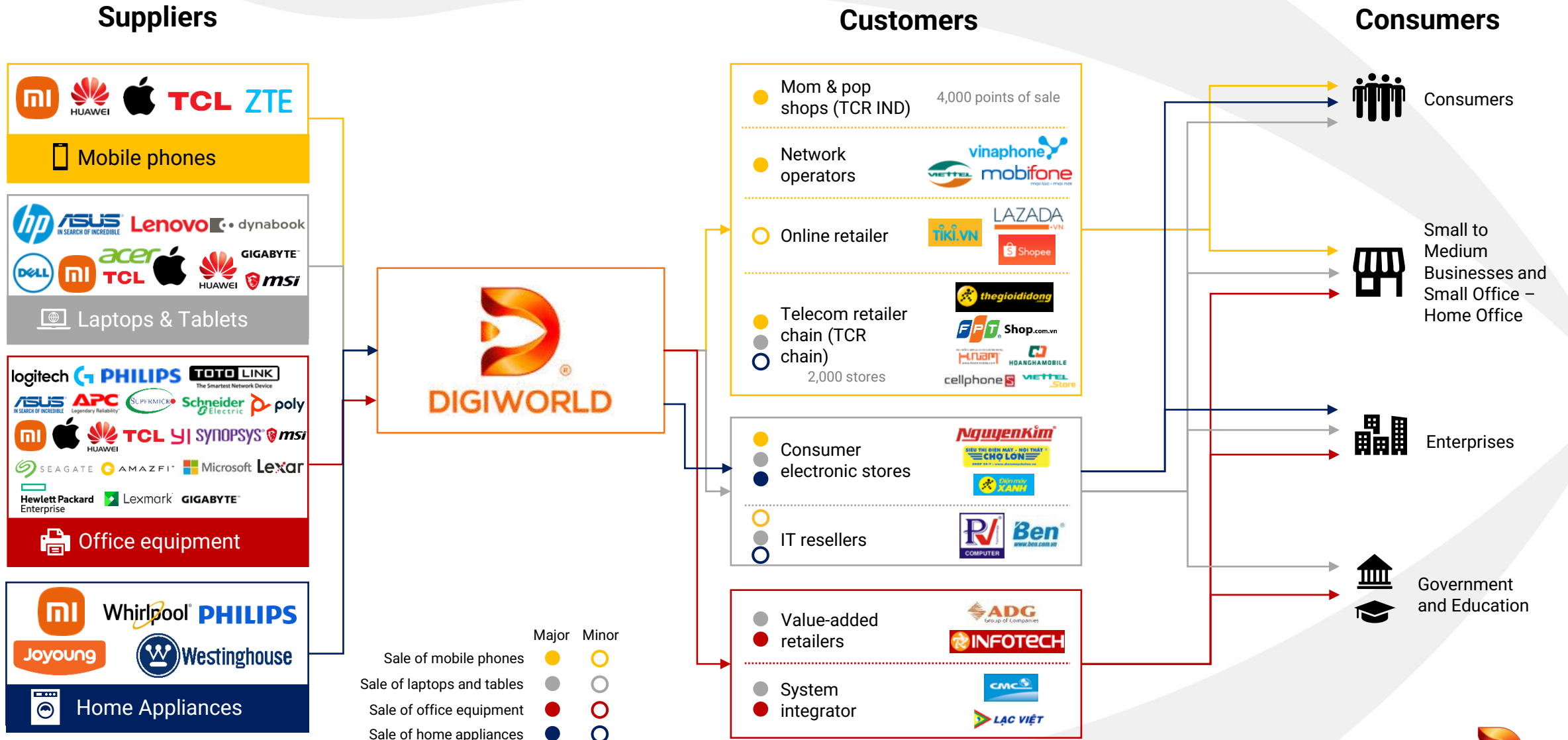
Product portfolio

Laptops & tablets	Laptops				Tablets				
									
Mobile phones									
Office equipment	Server – PC	Storage devices		Network & security solutions		Internet of Things		Industrial Equipment	
									
Home Appliances	Large products					Small products			
									
Consumer goods – healthcare	Toothbrush	Toothpaste	Washing powder and liquid	Detergent liquid	Dishwashing liquid	Healthcare Products		Food & Beverage	
									

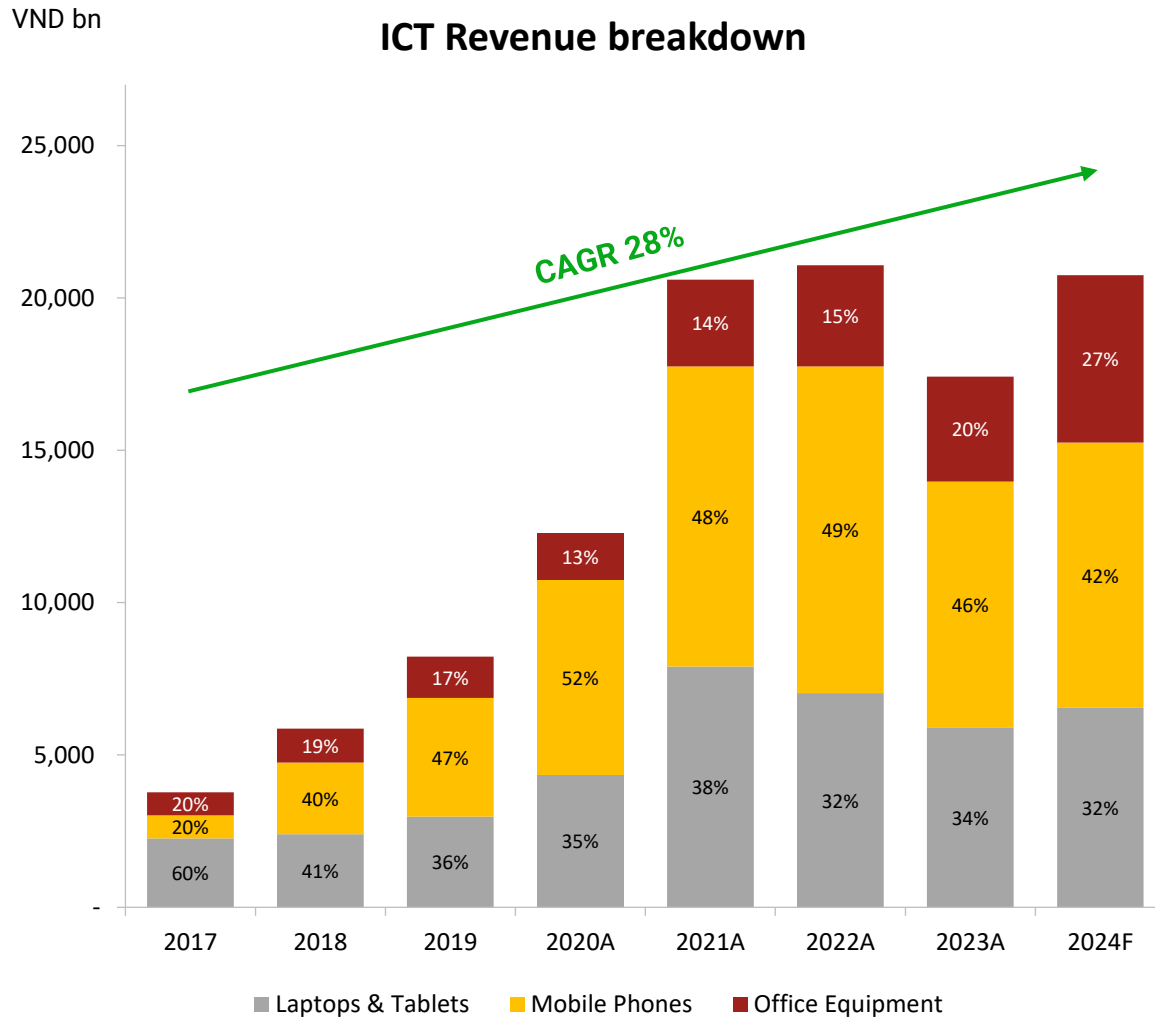
Value chain: One-stop solution



ICT – Distribution network



ICT – Partnership with large companies



Achievement

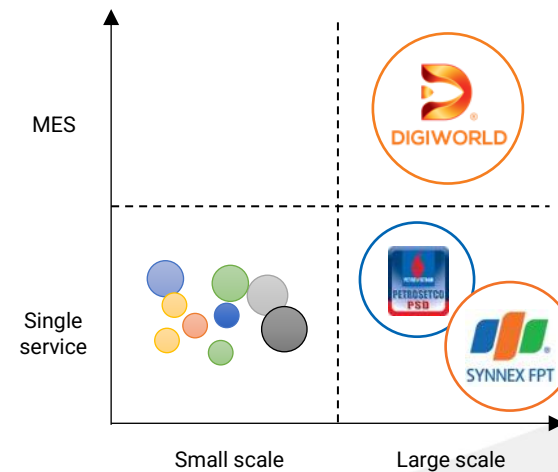
- The **biggest** ICT Distributor
- Largest distribution network
- CAGR **28%**
- Revenue **5x** in **10** years



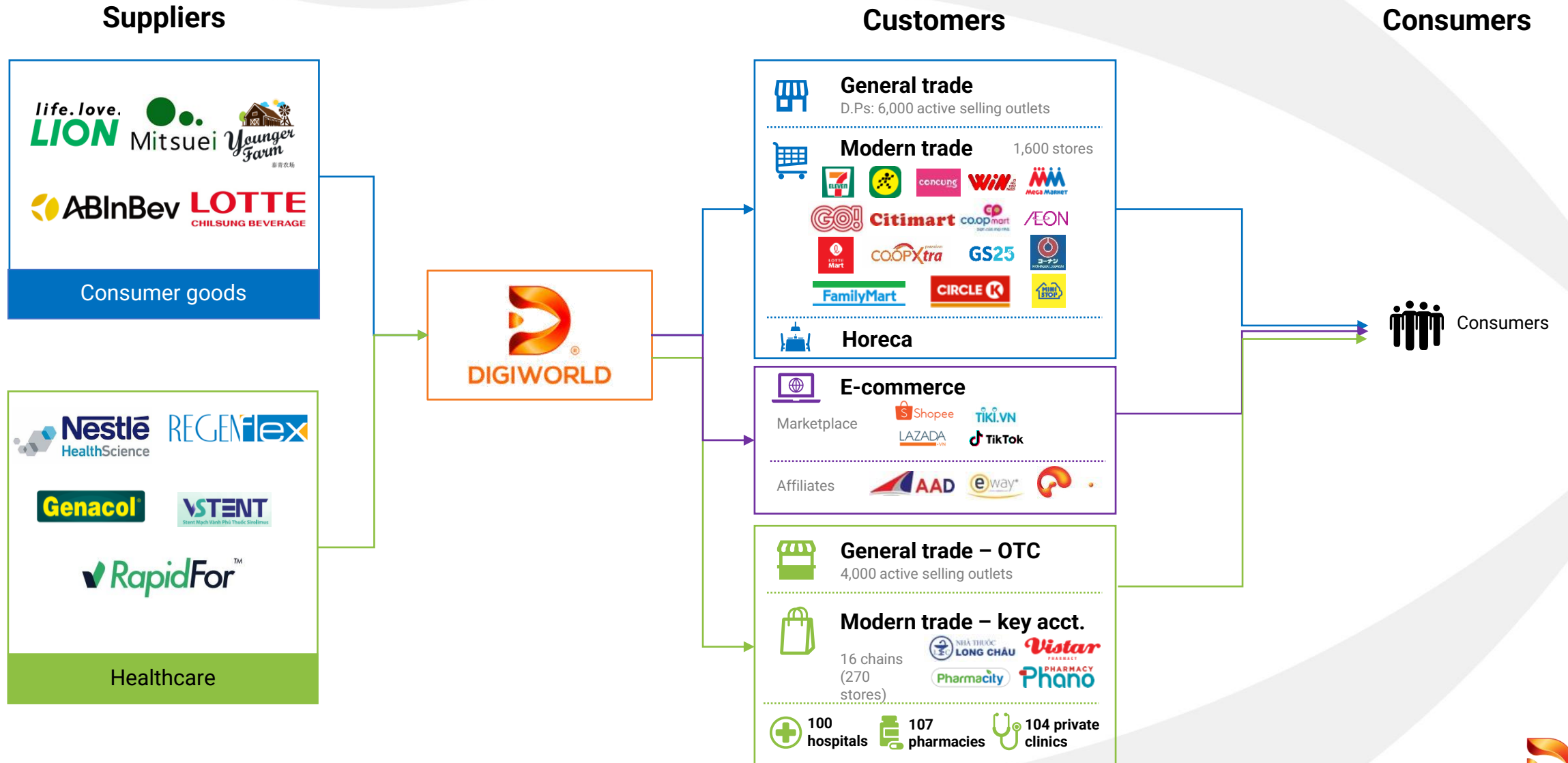
Key success factors

- Inventory management with **ERP from 2010**
- Receivable Management
- Trend catching

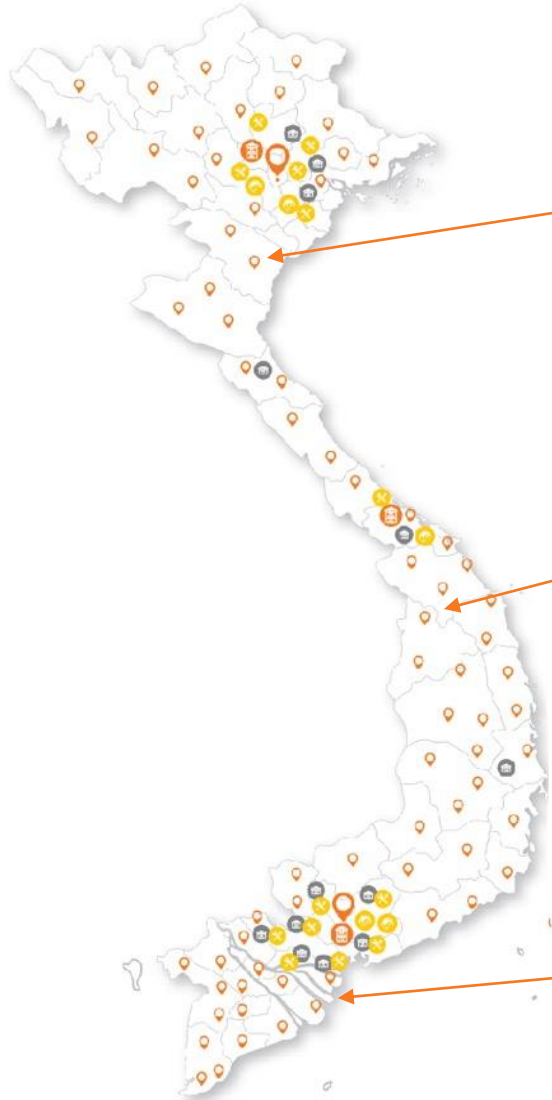
The market has been well-consolidated:



Consumer Goods & Healthcare – Omnichannel fulfilling



Geographic footprint



Hanoi Branch

- **Office:** Dong Da, Hanoi
 - Employees: ~55 people
- **Warehouse:** Dong Anh, Hanoi
 - Capacity: 9000 m³
 - Total area: 7,500 m²
 - SKU: 900
 - Employees: ~50 people
- **DCare:** Dong Da, Hanoi

Danang Branch

- **Office:** Thanh Khe, Danang
 - Employees: ~9 people
- **Warehouse:** Thanh Khe, Danang
 - Capacity: 200 m³
 - Total area: 300 m²
 - SKU: 436
 - Employees: ~5 people
- **DCare:**
 - Thanh Khe, Danang
 - Hai Chau, Danang

Headquarters

- **Office:** District 4, HCMC
 - Employees: ~220 people
- **Warehouse:** District 12, HCMC & Binh Duong
 - Capacity: 17,700 m³
 - Total area: 15,300 m²
 - SKU: 1,430
 - Employees: ~150 people
- **DCare:** Districts 1, 3 and 12 in Ho Chi Minh City

Paracel Islands

Spratly Islands

Our Offices

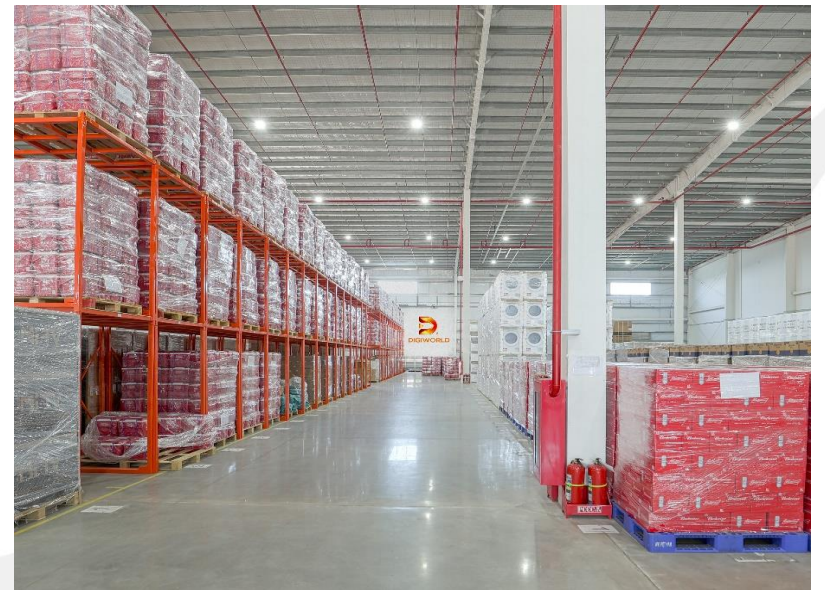


Our Warehouses



Our Service Centers





Our service centers

Multibrand Service Center:

Ho Chi Minh City:

- 65A Ho Xuan Huong Street, Vo Thi Sau Ward, District 3, HCMC
- No. 6 Tan Thoi Nhat 8 Street, Ward 5, Tan Thoi Nhat Ward, District 12, HCMC

Ha Noi:

106A, Alley 34 Hoang Cau Street, O Cho Dua Ward, Dong Da District, Hanoi

Da Nang:

36 Ha Huy Tap Street, Xuan Ha Ward, Thanh Khe District, Da Nang City

Exclusive Service Center for Xiaomi:

Ho Chi Minh City:

66-68 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, HCMC

Da Nang:

100-102 Nguyen Van Linh Street, Nam Duong Ward, Hai Chau District, Da Nang City

Lam Dong:

01-03 Hai Ba Trung Street, Ward 6, Da Lat City, Lam Dong Province

Hai Phong:

293 Tran Nguyen Han Street, Nghia Xa Ward, Le Chan District, Hai Phong City

B2X - SAMSUNG SERVICE CENTER DISTRICT 7
56 Street No. 10, Himlam Residential Area, Tan Hung Ward, District 7, HCMC

B2X - SAMSUNG SERVICE CENTER DISTRICT 5
308 - 312 Hong Bang Street, Ward 12, District 5, HCMC

B2X - SAMSUNG SERVICE CENTER LONG AN
356 Hung Vuong Street, Ward 3, Tan An City, Long An Province

B2X - SAMSUNG SERVICE CENTER TIEN GIANG
No. 95, Tet Mau Than Street, Ward 4, My Tho City, Tien Giang Province

B2X - SAMSUNG SERVICE CENTER DONG THAP
No. 128 Hung Vuong Street, Ward 2, Cao Lanh City, Dong Thap Province

B2X - SAMSUNG SERVICE CENTER CAN THO
70-72 Tran Van Kheo Street, Area 1, Cai Khe Ward, Ninh Kieu District, Can Tho City

B2X - SAMSUNG SERVICE CENTER VUNG TAU
29 Le Loi Street, Ward 4, Vung Tau City, Ba Ria - Vung Tau Province

B2X - SAMSUNG SERVICE CENTER BA RIA
No. 248 Nguyen Tat Thanh Street, Phuoc Nguyen Ward, Ba Ria City, Ba Ria - Vung Tau Province

B2X - SAMSUNG PHAN THIET SERVICE CENTER
F10 Hung Vuong Street, Phu Thuy, Phan Thiet City, Binh Thuan

B2X - SAMSUNG HANOI SERVICE CENTER
Lot 104, Lotte West Lake Ha Noi, 272 Vo Chi Cong Street, Phu Thuong Ward, Tay Ho District, Hanoi

B2X - SAMSUNG DONG NAI SERVICE CENTER
209 Tran Phu Street, Ward 3, Long Khanh Town, Dong Nai Province



Introduction

Company overview

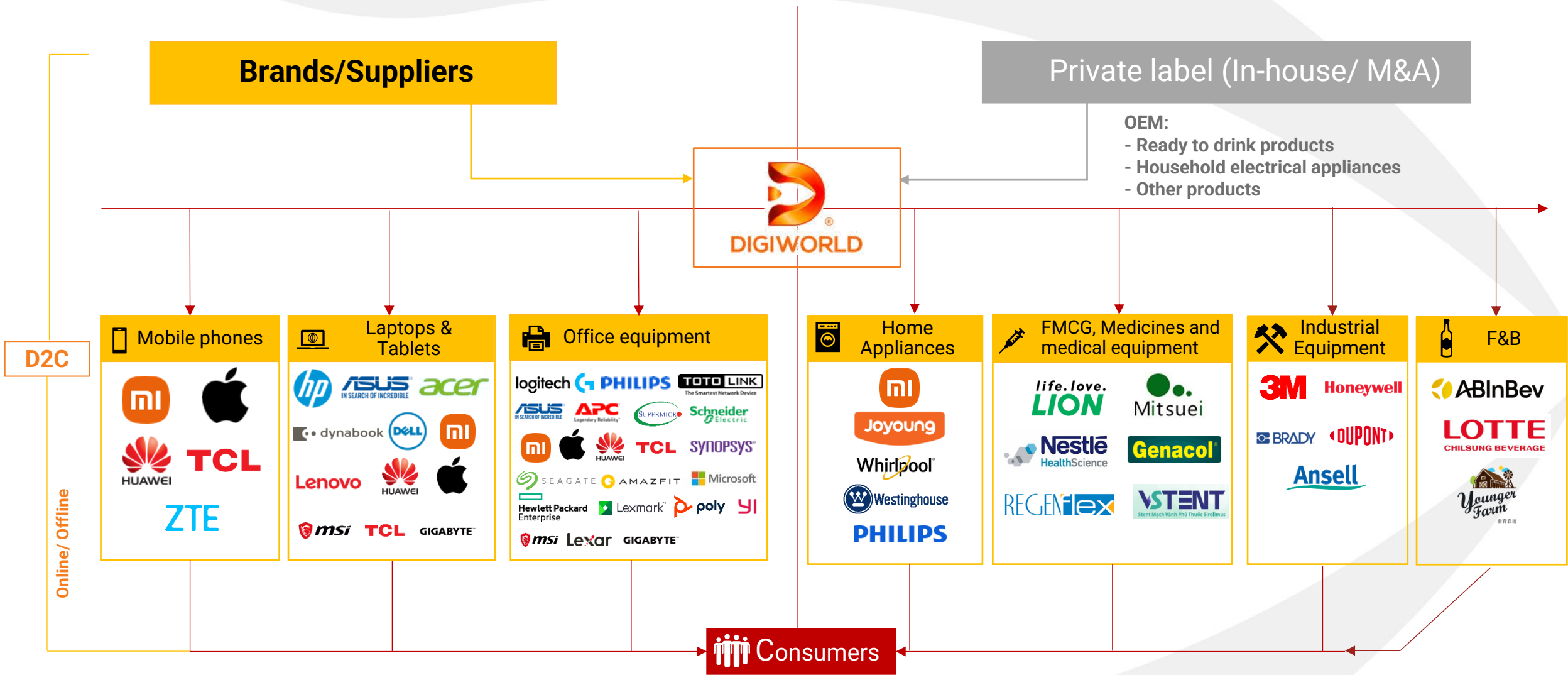
Business overview

Growth drivers

- Growth strategy
- Competitive landscape in CGHC
- New business & Investment projects

Financial overview

Growth strategy



Current Upcoming

Competitive landscape in CGHC



Small distributors/ Family companies

Pros

- ✓ Flexible operation to suit customer requirements
- ✓ Thorough local understanding
- ✓ Take good care of customers
- ✓ Long experience

Cons

- x Weak at finances
- x Lack of transparency
- x Poor corporate governance
- x Traditional warehouse system



Unique competitive advantages

- ✓ Strong financial capabilities & Great transparency
- ✓ Local understanding and vast distribution network
- ✓ Data-driven – ERP and DMS to serve clients' goals
- ✓ Tailor-made solutions to fulfil clients' needs
- ✓ Staying focused and growing with Client's brands



Multinational companies



Pros

- ✓ Strong brand awareness, long experience
- ✓ Great transparency
- ✓ Strong financial capabilities
- ✓ Good corporate governance
- ✓ Modern and efficient warehouse system

Cons

- x Limited local understanding
- x Difficult to be flexible
- x Do not focus on small customers

New business & Investment projects

Adding new brands to existing channel

Laptop + Office Equipment



Office Equipment

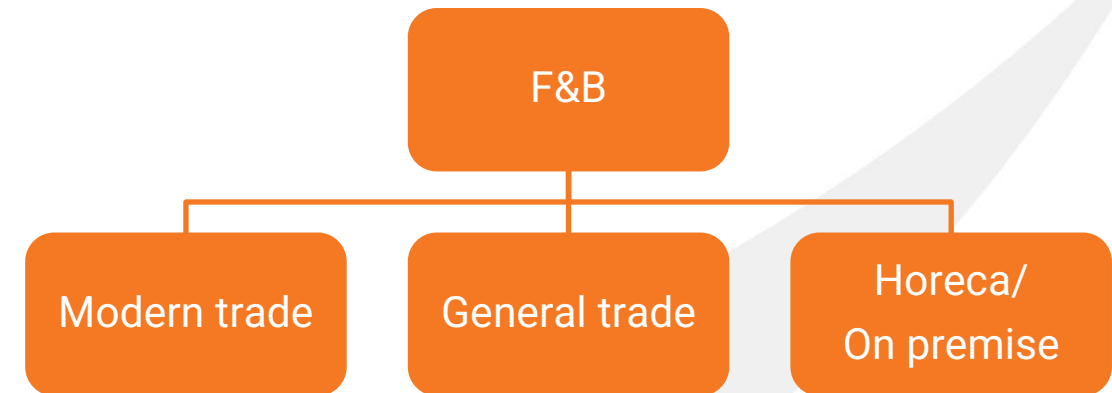


Home Appliances



Adding new channel

Consumer Goods – F&B





DIGIWORLD

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Financial overview

- Segment financials
- Income statement summary and key margins
- Balance sheet summary and key financial ratios
- Earnings guidance

3Q24 business results

Revenue

VND
6,226bn

Net profit

VND
122bn

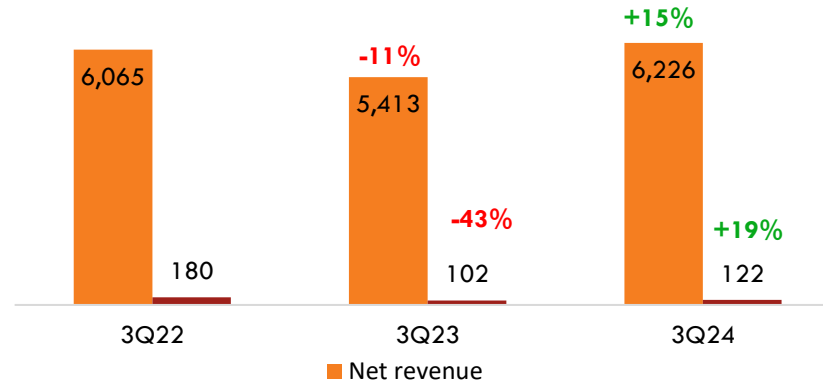
Revenue growth

+15%



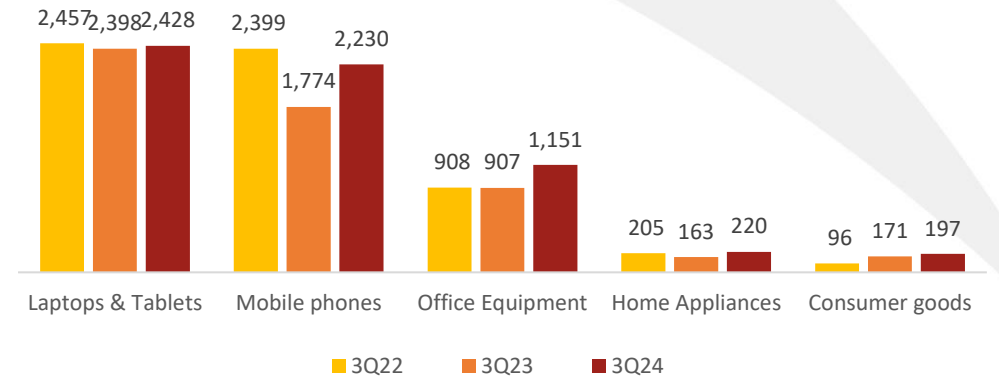
Net revenue and net profit (YoY)

VND bn



Revenue breakdown (YoY)

VND bn

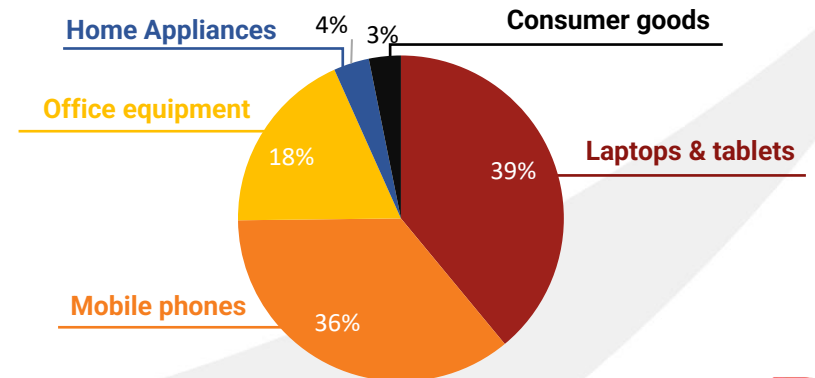


3Q24 Revenue breakdown

(VND bn)	3Q24	3Q23	YoY
Laptops & Tablets	2,428	2,398	1.3%
Mobile phones	2,230	1,774	26%
Office Equipment	1,151	907	27%
Home Appliances	220	163	35%
Consumer goods	197	171	15%
Revenue	6,226	5,413	15%
Net profit	122	102	19%



3Q24 Revenue breakdown (%)



9M2024 business results

Revenue

VND
16,219bn

Net profit

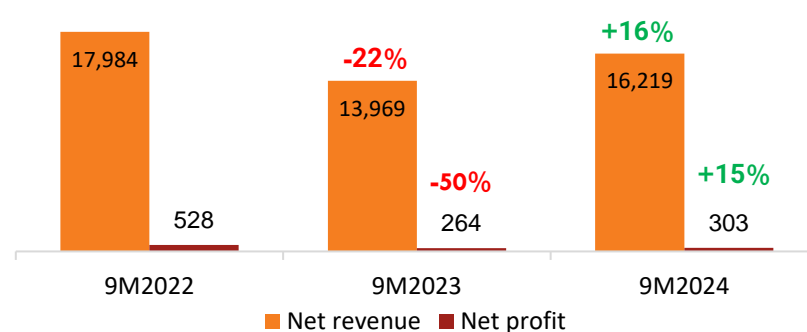
VND
303bn

Revenue growth

16%

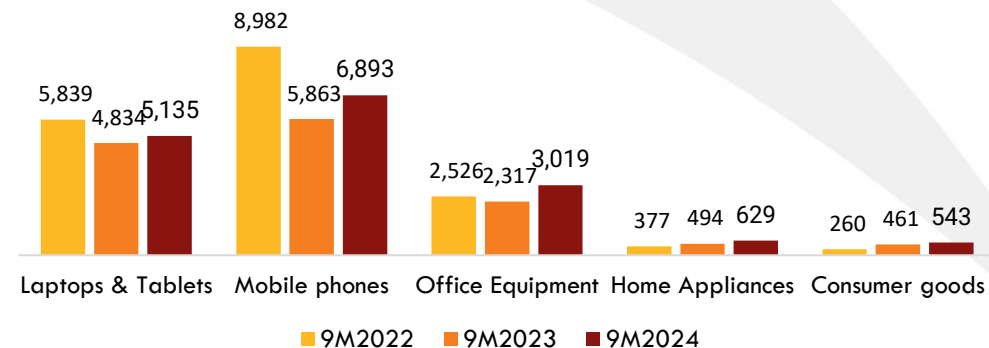
Net revenue and net profit (YoY)

VND bn



Revenue breakdown (YoY)

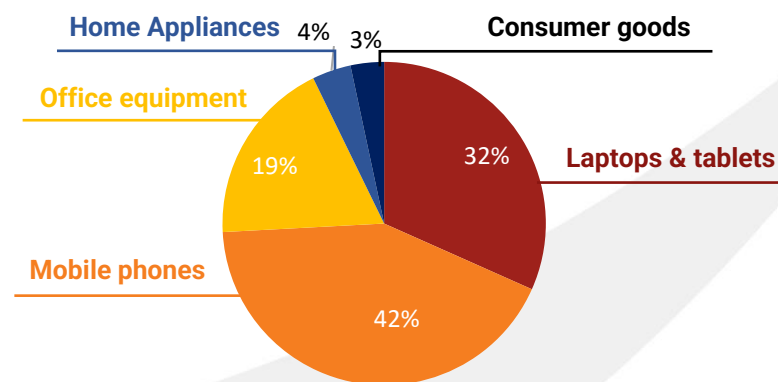
VND bn



9M2024 Revenue breakdown

(VND bn)	9M2024	9M2023	YoY	%Plan
Laptops & Tablets	5,135	4,834	6%	78%
Mobile phones	6,893	5,863	18%	79%
Office Equipment	3,019	2,317	30%	55%
Home Appliances	629	494	27%	60%
Consumer goods	543	461	18%	45%
Revenue	16,219	13,969	16%	71%
Net profit	303	264	15%	62%

9M2024 Revenue breakdown (%)

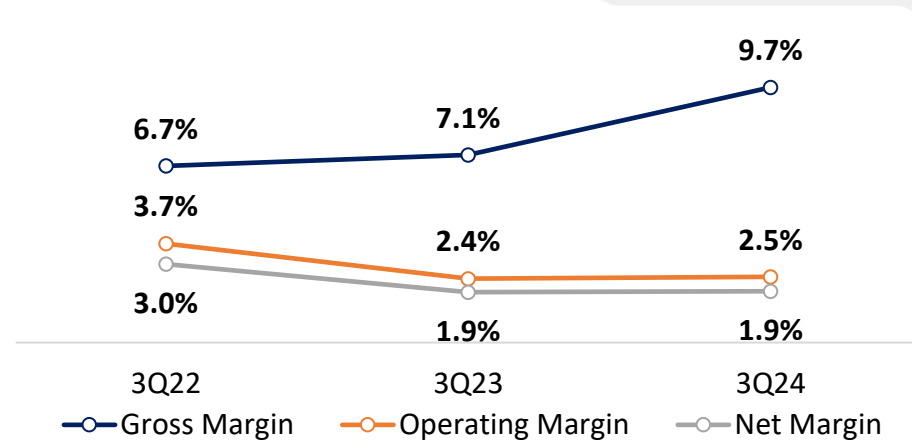


Income statement summary and key margins

Income statement summary

VND (bn)	Consolidated	
	3Q23	3Q24
Total revenue	5,413	6,226
Cost of goods sold	(5,028)	(5,624)
Gross profit	385	602
Interest expense	(31)	(30)
Selling expense	(213)	(428)
General and administrative expense	(49)	(67)
Earnings before tax	134	148
Tax expense	(30)	(27)
Net profit	102	122

Profitability ratios



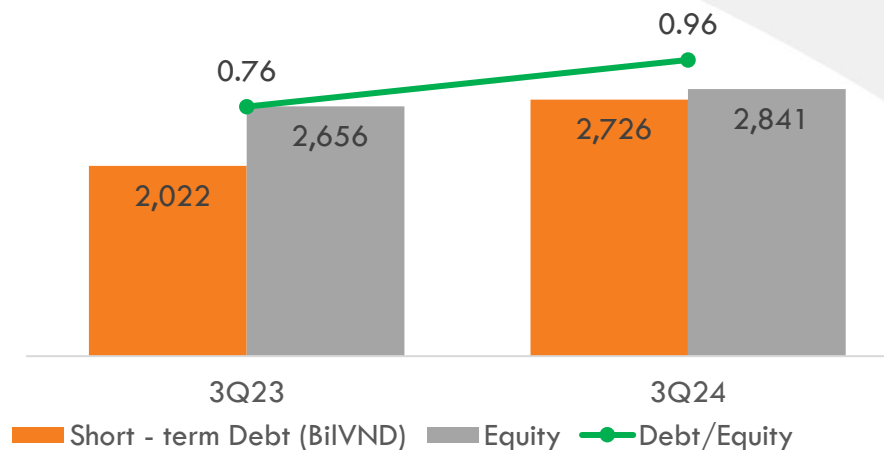
Balance sheet summary and key financial ratios

Balance sheet summary

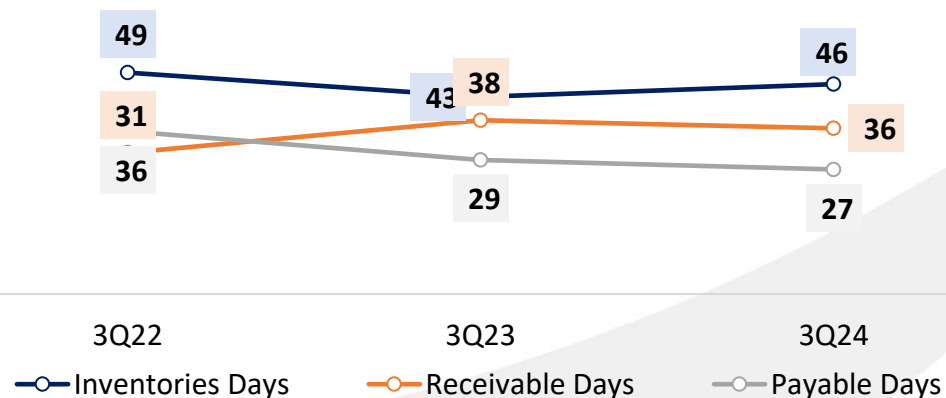
VND (bn)	Consolidated	
	3Q23	3Q24
Cash and cash equivalents	1,562	1,177
Investments and advances	61	12
Total assets	7,003	7,871
Total liabilities	4,347	5,030
Total equity	2,656	2,841
Total interest	31	30
Net debt	460	1,549
Net debt-to-equity	0.17	0.55
Debt-to-equity	0.76	0.96

Leverage ratios

VND bn

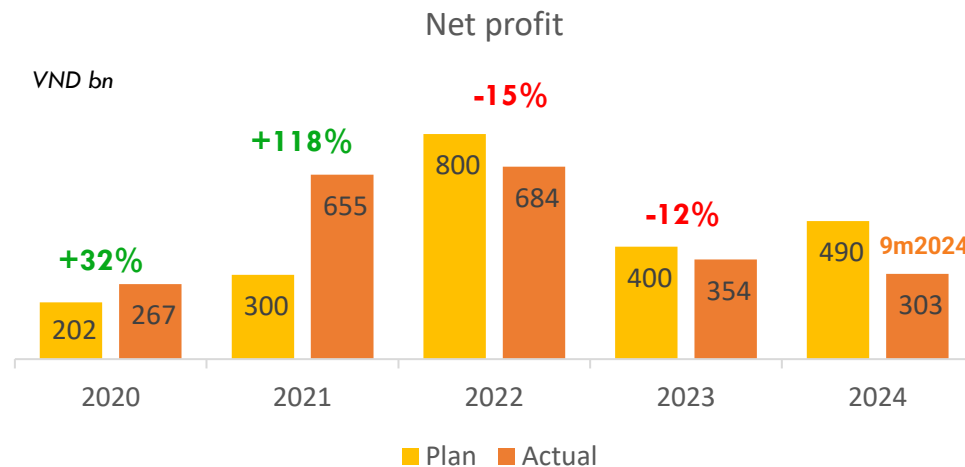
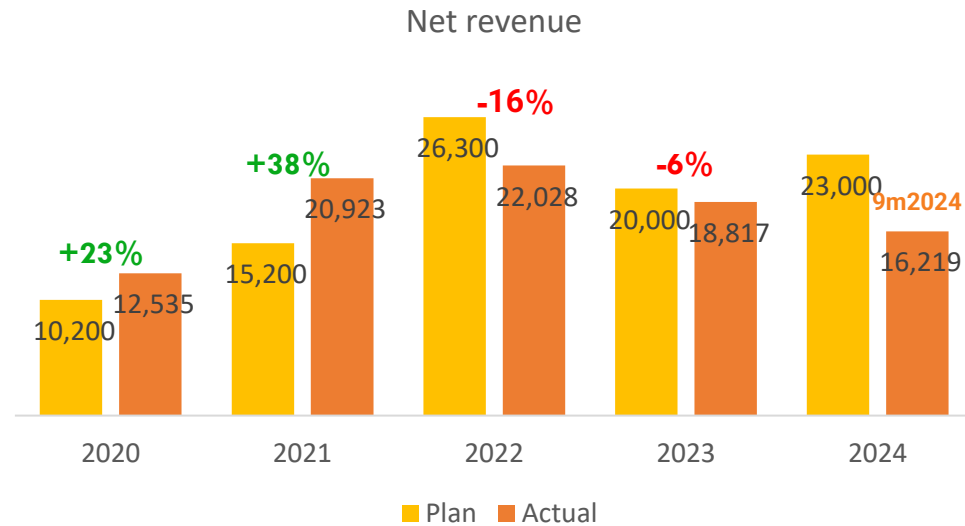


Operating ratios

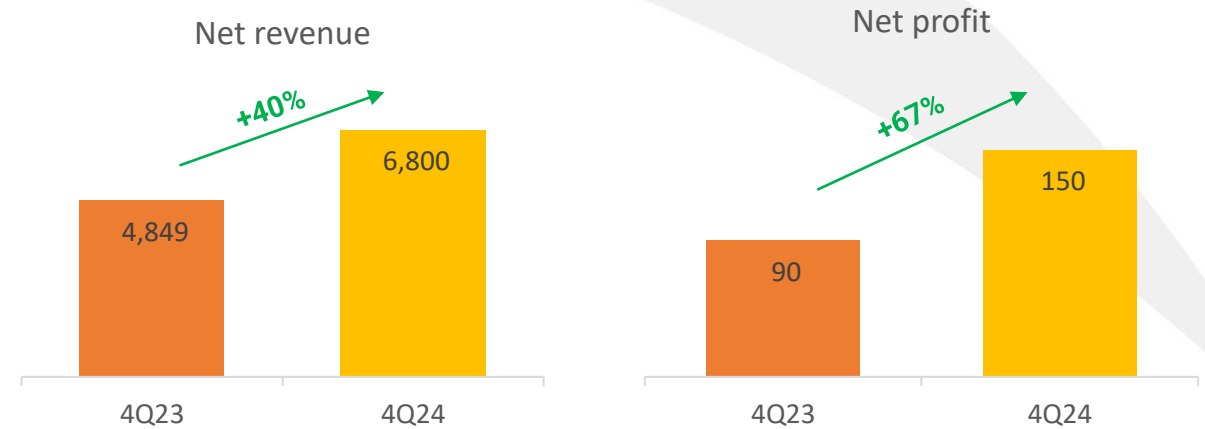


Earnings guidance

2024 Business Plan



4Q24 Expectation



2024E Revenue breakdown

(VND bn)	2024	2023 (*)	YoY
Laptops & Tablets	6,550	5,906	+11%
Mobile phones	8,700	8,067	+8%
Office Equipment	5,500	3,441	+60%
Home Appliances	1,050	728	+44%
Consumer goods	1,200	676	+78%
Net revenue	23,000	18,817	+22%
Net profit	490	354	+38%

(*) audited



Thank you

Contact info

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For more information, please visit our website at Digiworld.com.vn