

**Buy** (from Add)

Target price: VND59,000 (unchanged)

Up/downside: 36.9%

**Share price (VND) (as of 16 Mar 2026) 43,100**

Bloomberg code	DGW VN
52-week range (VND)	28,316-56,000
Trading value (5D) (VNDmn)	109,159
Market cap. (VNDbn)	9,532
Market cap. (USDmn)	363
Shares outstanding (mn)	221
Total FOL share room (mn)	108
Current FOL share room (mn)	65.0
Foreign ownership limit	49.0%
Foreign owned ratio	19.6%
Free float	54.0%
Major shareholder	Created Future (31.7%)

Source: Company, HSC Research estimates

**Share price performance**


Share price (%)	-1 mth	-3 mth	-12 mth
Ordinary shares	(14.7)	6.95	8.59
Relative to index	(7.02)	10.2	(18.7)
Relative to sector	-	-	-

Source: Company, FactSet

**HSC vs. consensus**

EPS adj. (VND)	HSC	Cons	% diff
2026F	3,089	2,972	3.9
2027F	3,762	3,567	5.5
2028F	4,582	4,266	7.4

Source: Bloomberg, HSC Research estimates

**Company description**

DGW is a market expansion services (MES) provider for technical and consumer goods products. Its four operating categories are mobiles, laptops & tablets, office equipment and consumer goods & health care.

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## Upgrading to Buy after share price dip

- We upgrade DGW to Buy (from Add) following a 15% dip in the share price in the past 1M related to broader market weakness not deterioration in business fundamentals.
- Revenue growth in early 2026 appears to remain strong across all core segments (office equipment, laptops, and home appliances). We retain our FY26-28 estimates, which call for a 3-yr net profit CAGR of 23%.
- DGW is now trading a 1-yr rolling fwd P/E of 13.4x, c.1.2 SDs below its historical average of 17.4x. We upgrade DGW to Buy with 37% upside to our TP of VND59,000. We continue to favor DGW for its well-placed position in Vietnam's ICT sector.

### Event: Share price dip despite intact fundamentals

The first two weeks of Mar-26 saw the VN Index correct by around 10%, partly exacerbated by a broad 'risk-off' sentiment amid escalating geopolitical tensions between the US and Iran. We stress that DGW's share price has declined despite no significant change in the company's underlying business outlook, creating a more attractive entry point, in our view.

DGW's revenue momentum appears to remain strong. Its revenue in the first five days of March grew 50% y/y to VND300bn; this follows a solid Feb-26 performance with revenue reaching VND2,200bn (up 20% y/y), driven by mobile phones (up 21% y/y) and laptops (up 16% y/y). 2M26 revenue thus came to VND5,300bn, up 54% y/y, supported by broad-based growth across all key segments: laptops, office equipment, home appliances and mobile phones.

Looking ahead, we expect strong growth to be delivered across all core segments. Office equipment and laptops & tablets should continue to benefit from rising AI-driven demand, while home appliances are supported by from new brands and product. We continue to favor DGW for its well-placed positioning in Vietnam's ICT sector, as the company remains a key beneficiary of the ongoing tech-driven consumption.

### Retaining forecasts; 3-yr net profit CAGR of 23% seen

We maintain our FY26-28 forecasts for DGW, which suggest net profit growth of 25% y/y this year to VND683bn and a robust 3-yr net profit CAGR of 23%.

### Upgrade to Buy on attractive valuation

Down 15% in the past 1M, DGW is now trading on a 1-yr rolling fwd P/E of 13.4x, 1.2 SD below its historical mean of 17.4x (since Feb-23), a cheap valuation and a good entry point. We upgrade DGW to Buy (from Add) with an unchanged TP of VND59,000, implying 37% upside. Detail re. are earnings forecasts and valuations can be found in our report from 25-Feb '[Brighter outlook, only partially priced in](#)'.

Year end: December	12-24A	12-25A	12-26F	12-27F	12-28F
EBITDA adj. (VNDbn)	615	826	993	1,186	1,425
Reported net profit (VNDbn)	444	548	683	832	1,013
EPS adj. (VND)	2,003	2,477	3,089	3,762	4,582
DPS (VND)	500	500	500	1,000	1,000
BVPS (VND)	13,592	15,520	18,109	20,952	24,606
EV/EBITDA adj. (x)	17.1	12.9	9.74	7.84	6.04
P/E adj. (x)	21.5	17.4	14.0	11.5	9.41
Dividend yield (%)	1.16	1.16	1.16	2.32	2.32
P/B (x)	3.17	2.78	2.38	2.06	1.75
EPS adj. growth (%)	21.0	23.7	24.7	21.8	21.8
Ret. on avg. equity (%)	15.9	17.1	18.4	19.3	20.1

Note: Use of ▲ ▼ indicates that the item has changed by at least 5%.  
 Source: Bloomberg, HSC Research estimates

## Financial statements and key data

Income statements (VNDbn)	12-24A	12-25A	12-26F	12-27F	12-28F
Sales	22,078	26,632	31,514	35,964	40,366
Gross profit	2,055	2,311	2,756	3,192	3,661
SG&A	(1,529)	(1,593)	(1,885)	(2,140)	(2,382)
Other income	55.0	74.3	87.9	100	113
Other expenses	-	-	-	-	-
<b>EBIT</b>	<b>581</b>	<b>792</b>	<b>959</b>	<b>1,152</b>	<b>1,391</b>
Net interest	(93.5)	(132)	(195)	(200)	(212)
Associates/affiliates	1.30	2.50	2.50	2.50	2.50
Other non-operational	-	-	-	-	-
Exceptional items	79.6	26.1	95.3	95.3	95.3
<b>Pre-tax profit</b>	<b>569</b>	<b>689</b>	<b>862</b>	<b>1,050</b>	<b>1,277</b>
Taxation	(120)	(134)	(172)	(209)	(255)
Minority interests	(4.67)	(7.12)	(7.25)	(8.20)	(9.05)
Exceptional items after tax	-	-	-	-	-
<b>Net profit</b>	<b>444</b>	<b>548</b>	<b>683</b>	<b>832</b>	<b>1,013</b>
<b>Net profit adj'd</b>	<b>444</b>	<b>548</b>	<b>683</b>	<b>832</b>	<b>1,013</b>
<b>EBITDA adj.</b>	<b>615</b>	<b>826</b>	<b>993</b>	<b>1,186</b>	<b>1,425</b>
EPS (VND)	2,003	2,494	3,089	3,736	4,511
EPS adj. (VND)	2,003	2,477	3,089	3,762	4,582
DPS (VND)	500	500	500	1,000	1,000
Basic shares, average (mn)	219	221	221	221	221
Basic shares, period end (mn)	219	221	221	221	221
Fully diluted shares, period end (mn)	219	221	221	221	221

  

Balance sheets (VNDbn)	12-24A	12-25A	12-26F	12-27F	12-28F
Cash	1,407	1,742	3,171	3,864	4,639
Short-term investments	0	697	697	697	697
Accounts receivable	2,383	3,223	3,751	4,173	4,562
Inventory	3,501	4,436	5,127	5,764	6,288
Other current assets	483	603	(10.8)	65.2	140
<b>Total current assets</b>	<b>7,774</b>	<b>10,701</b>	<b>12,735</b>	<b>14,562</b>	<b>16,326</b>
PP&E	67.0	55.9	56.3	56.4	56.1
Intangible assets	105	71.0	69.2	67.2	65.0
Investment properties	0	0	0	0	0
Long-term investments	2.26	22.8	22.8	22.8	22.8
Associates/JVs	11.5	14.0	14.0	14.0	14.0
Other long-term assets	541	392	355	328	300
<b>Total long-term assets</b>	<b>726</b>	<b>556</b>	<b>517</b>	<b>488</b>	<b>458</b>
<b>Total assets</b>	<b>8,500</b>	<b>11,257</b>	<b>13,253</b>	<b>15,050</b>	<b>16,784</b>
Short-term debt	2,487	2,899	3,309	3,632	3,714
Accounts payable	2,303	3,524	4,567	5,212	5,850
Other current liabilities	482	1,037	949	1,095	1,247
<b>Total current liabilities</b>	<b>5,483</b>	<b>7,780</b>	<b>9,196</b>	<b>10,356</b>	<b>11,273</b>
Long-term debt	0	0	0	0	0
Deferred tax	2.91	0	0	0	0
Other long-term liabilities	2.53	4.53	4.53	4.53	4.53
<b>Long-term liabilities</b>	<b>5.45</b>	<b>4.53</b>	<b>4.53</b>	<b>4.53</b>	<b>4.53</b>
<b>Total liabilities</b>	<b>5,488</b>	<b>7,784</b>	<b>9,200</b>	<b>10,361</b>	<b>11,278</b>
Shareholders' funds	2,979	3,433	4,005	4,634	5,442
Minority interests	33.1	39.9	47.2	55.4	64.4
<b>Total equity</b>	<b>3,012</b>	<b>3,472</b>	<b>4,052</b>	<b>4,689</b>	<b>5,507</b>
<b>Total liabilities and equity</b>	<b>8,500</b>	<b>11,257</b>	<b>13,253</b>	<b>15,050</b>	<b>16,784</b>
BVPS (VND)	13,592	15,520	18,109	20,952	24,606
Net debt/(cash)*	1,080	1,157	138	(231)	(925)

  

Cash flow statements (VNDbn)	12-24A	12-25A	12-26F	12-27F	12-28F
EBIT	581	792	959	1,152	1,391
Depreciation & amortisation	(33.8)	(33.8)	(33.8)	(33.8)	(33.8)
Net interest	(93.5)	(132)	(195)	(200)	(212)
Tax paid	(121)	(184)	(172)	(209)	(255)
Changes in working capital	(565)	118	(297)	(297)	(153)
Others	53.0	(718)	663	(56.0)	(67.9)
<b>Cash flow from operations</b>	<b>(112)</b>	<b>(89.4)</b>	<b>992</b>	<b>423</b>	<b>737</b>
Capex	(45.2)	(0.79)	(8.23)	(8.81)	(9.43)
Acquisitions & investments	(220)	(94.6)	0	0	0
Disposals	155	68.0	0	0	0
Others	48.3	60.0	145	158	171
<b>Cash flow from investing</b>	<b>(61.6)</b>	<b>32.6</b>	<b>137</b>	<b>150</b>	<b>162</b>
Dividends	(83.5)	(110)	(111)	(223)	(225)
Issue of shares	53.3	20.0	0	20.0	20.0
Change in debt	160	481	410	323	81.3
Other financing cash flow	-	-	-	-	-
<b>Cash flow from financing</b>	<b>129</b>	<b>392</b>	<b>299</b>	<b>120</b>	<b>(124)</b>
Cash, beginning of period	1,450	1,407	1,742	3,171	3,864
<b>Change in cash</b>	<b>(44.0)</b>	<b>335</b>	<b>1,429</b>	<b>693</b>	<b>775</b>
Exchange rate effects	0.30	0.27	0	0	0
<b>Cash, end of period</b>	<b>1,407</b>	<b>1,742</b>	<b>3,171</b>	<b>3,864</b>	<b>4,639</b>
<b>Free cash flow</b>	<b>(157)</b>	<b>(90.2)</b>	<b>984</b>	<b>415</b>	<b>728</b>

  

Financial ratios and other	12-24A	12-25A	12-26F	12-27F	12-28F
<b>Operating ratios</b>					
Gross margin (%)	9.31	8.68	8.75	8.88	9.07
EBITDA adj. margin (%)	2.79	3.10	3.15	3.30	3.53
Net profit margin (%)	2.01	2.06	2.17	2.31	2.51
Effective tax rate (%)	21.2	19.5	19.9	20.0	20.0
Sales growth (%)	17.3	20.6	18.3	14.1	12.2
EBITDA adj. growth (%)	23.5	34.3	20.2	19.4	20.2
Net profit adj. growth (%)	25.3	23.4	24.7	21.8	21.8
EPS growth (%)	21.0	24.5	23.9	21.0	20.7
EPS adj. growth (%)	21.0	23.7	24.7	21.8	21.8
DPS growth (%)	0	0	0	100	0
Dividend payout ratio (%)	25.0	20.0	16.2	26.8	22.2
<b>Efficiency ratios</b>					
Return on avg. equity (%)	15.9	17.1	18.4	19.3	20.1
Return on avg. CE (%)	20.5	24.4	25.5	26.3	27.3
Asset turnover (x)	2.76	2.70	2.57	2.54	2.54
Operating cash/EBIT (x)	(0.19)	(0.11)	1.03	0.37	0.53
Inventory days	63.8	66.6	65.1	64.2	62.5
Accounts receivable days	43.4	48.4	47.6	46.5	45.4
Accounts payable days	42.0	52.9	58.0	58.0	58.2
<b>Leverage ratios</b>					
Net debt*/equity (%)	41.6	41.8	11.7	3.10	(9.27)
Debt/capital (%)	31.1	28.2	27.4	26.6	24.6
Interest coverage (x)	6.22	6.01	4.93	5.75	6.57
Debt/EBITDA (x)	4.30	3.85	3.66	3.38	2.90
Current ratio (x)	1.42	1.38	1.38	1.41	1.45
<b>Valuation</b>					
EV/sales (x)	0.48	0.40	0.31	0.26	0.21
EV/EBITDA adj. (x)	17.1	12.9	9.74	7.84	6.04
P/E (x)	21.5	17.3	14.0	11.5	9.56
P/E adj. (x)	21.5	17.4	14.0	11.5	9.41
P/B (x)	3.17	2.78	2.38	2.06	1.75
Dividend yield (%)	1.16	1.16	1.16	2.32	2.32

Note: \*Excluding short-term investments.  
Source: Company, HSC Research estimates