

01/07/2024

RECOMMENDATION	HOLD
Fair price	44,600
Current price	41,700
Upside/downside	6.9%

#### STOCK INFORMATION

Outstanding shares (mil)	86.9
Free float (mil)	38%
Market cap. (billion VND)	3,584
3m avg. volume (shares)	803,032
Foreign ownership (%)	4.15%
First listing date	30/11/2007

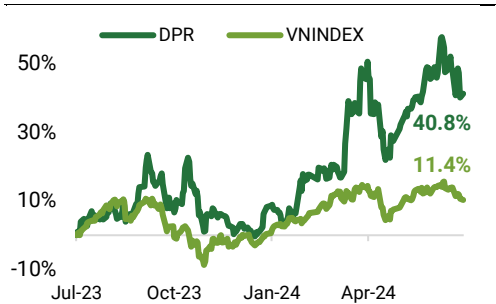
#### SHAREHOLDER STRUCTURE

Vietnam Rubber Group (HSX: GVR)	55.2%
Others	44.8%

#### KEY ATTRIBUTES

TTM EPS (VND)	2,372
BVPS (VND)	27,447
Debt/Equity (%)	0.00%
ROA (%)	4.85%
ROE (%)	8.66%
P/E	18.26
P/B	1.50
Dividend yield (%)	3.64%

#### PRICE PERFORMANCE



#### COMPANY PROFILE

Dong Phu Rubber Joint Stock Company (HSX: DPR), listed on HOSE in 2007, currently operates over 16,700 hectares of rubber plantations. Besides, together with Binh Phuoc Rubber JSC and Nam Tan Uyen JSC, DPR established Bac Dong Phu Industrial Park JSC in 2009, and operates 02 fully occupied Industrial Parks in Binh Phuoc.

#### RESEACH DIVISION

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## ANNUAL GENERAL MEETING 2024

We projected strong recovery in the rubber segment, coupled with compensation income from transferred land, is expected to drive revenue and NPAT-mi of DPR up by 29%/3% and 63%/28% in FY24F/FY25F.

We have revised our recommendation from BUY (as stated in the Rubber Industry Report published in March 2024) to HOLD, with a potential upside of 6.9%.

#### DPR AGM held on June 27, 2024, approved the following points:

**(1) 2024 Business Plan:** Total parent company income (including revenue and dividend income) is set to reach VND 842.7 billion (+9.3% YoY). PBT is expected to be VND 277.3 billion (+29.9% YoY); and NPAT is anticipated to be VND 221.8 billion (+23% YoY).

**(2) Production plan for parent company:** (i) Harvested rubber amount reached 10,955 tons (-8.7% YoY); (ii) Selling rubber volumes reached 14,000 tons (+0% YoY); (iii) Average selling price ~VNDmn 36.54 /ton (+5.6% YoY).

**(3) Cash Dividend:** A cash dividend rate of 15% (VND 1,500 per share), representing a yield of 3.6% based on the closing price on July 1, 2024. The approval of a minimum dividend rate of 15% of charter capital for 2024.

#### Discussion sections at DPR AGM:

##### (1) DPR's industrial parks condition:

- The existing DPR IPs are fully occupied, and DPR is completing legal procedures for the expansion of IPs with a total area of 797 ha.

- Bac Dong Phu IP Expansion phase 2 (317 ha): The documentation is nearly complete, with 133 ha scheduled for development from now until 2025. Post-2025, additional land use plans for 2026-2030 will be allocated for the remaining area.

- Nam Dong Phu IP Expansion phase 2 (480 ha): The project has been submitted to the Ministry of Planning and Investment but faces financial capacity issues in completing the documentation (ensuring the equity capital ratio meets 15% of the total investment). Once BDP Phase 2 receives investment approval, DPR will increase the capital of Bac Dong Phu IP JSC to finalize the financial documents for this project.

##### (2) DPR's rubber transferred land and compensation progress:

- In 2023A, Binh Phuoc Province approved the transferred of 100 ha of DPR's rubber land to develop the Tien Hung 1 & Tien Hung 2 residential areas. As of June 2024, the Tien Hung 2 residential area (40 ha) has been successfully auctioned, and DPR has received VND 40 bn in compensation.

- For 2024F, Binh Phuoc Provincial People's Committee will not collect any DPR land. However, after 2025 period, over 500 ha will be recovered to establish the Suoi Cang urban center in Dong Xoai City.

- Regarding compensation value for the Tien Hung 1 residential project and future projects, the province is currently reviewing, and they may finalize the suitable compensation rates soon.