



GMD Flash note – Not rated

February 2, 2024



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Earnings Flash note

Recommendation

Not rated
HOSE: GMD

Seaport

Target price (VND)

NA

Market price (VND)

69,000

Expected share price return

NA

Expected dividend yield

NA

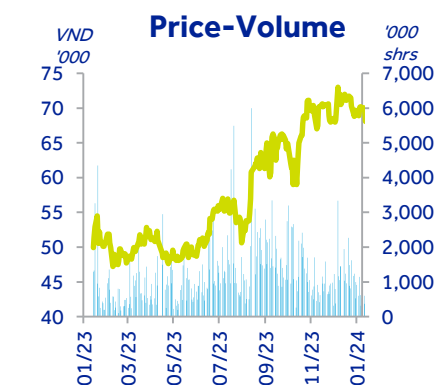
Expected total return

NA

Stock performance (%)

	YTD	1M	3M	12M
Absolute	-3.8	-2.1	8.7	54.5
Relative	-7.4	-5.9	-0.4	43.4

Source: Bloomberg



Ownership

VietFund Management Ltd.	7.51%
Korean Investment Management Co Ltd.	5.15%
KIM VN Growth EQ Fund	3.42%
Schroders PLC	2.6%
Tokio Marine Holding Inc	2.23%

Stock Statistics

01-Feb-24

Bloomberg code

GMD

52-week range (VND)	44,650-73,000
Shares O/S (m)	305.9
Mkt cap (VND bn)	21,107
Mkt cap (USD m)	855.9
Est. Foreign room left (%)	0.4
Est. free float (%)	96.2
3m avg daily vol (shrs)	1,100,495
VND/USD	24,660
Index: VNIndex / HNX	1,173.1/230.6

GEMADEPT CORPORATION (HSX: GMD)

Gemadep Corporation (HSX: GMD) announced Q4/2023 revenue of VND 1,033.8 bn (-3.0% YoY). Gross profit was VND 425.7 bn (-6.3% YoY) with gross profit margin (GPM) of 41.2% (-1.5% YoY). Profit before tax recorded at VND 253.4 bn (+0.8% YoY).

- The port segment posted Q4/2023 revenue and gross profit of VND 825 bn (+7.0% YoY) and VND 330 bn (-3.8% YoY) respectively. GPM decreased to 40% from 44.5% in Q4/2022.
- The logistics segment posted Q4/2023 revenue and gross profit of VND 209 bn (-24.7% YoY) and VND 96 bn (-48.0% YoY) respectively, leading to a drop of 20.6% from 66.5% in Q4/2022 to 45.9%.
- Q4/2023 net operating profit achieved VND 288.1 bn (-8.9% YoY) due to a significant increase of 45% in selling expenses & general administration (SG&A), reported at VND 276 bn and accounted for 26.7% of total revenue.

In Q2/2023, GMD recorded a divestment of VND 1,840 bn from Nam Hai Dinh Vu port as a financial income. **FY2023, GMD reported revenue and profit before tax of VND 3,845.8 bn (-1.3% YoY) and VND 3,143.7 bn (+140.3% YoY), achieving 98.1% and 276.7% of the company's target, respectively.** Excluding financial income from divestment, profit after tax achieved 114.8% of the company's target.

In November 2023, GMD announced the resolution to divestment from Nam Hai JSC. We expect the restructure will give an additional financial income of around VND 200-300 bn for GMD 1H.2024 to support business operations and investment in expanding capacity of deep-water port Nam Dinh Vu and Gemalink.

Circular 39 initiations from Feb 15, 2024, focusing on increasing service charges at ports is believed to boost GMD's performance in general. Besides the average increase of about 10% for stevedoring fees, the following will be separately applied to deep-water ports: stevedoring fees for transshipment containers increase by around 40% compared to the old fees in Circular 54, equivalent to the rate applied for import-export containers.

	2019	2020	2021	2022	2023
Net Sales (VND bn)	2,643	2,606	3,206	3,898	3,845
Growth (%)	-2%	-1%	23%	22%	-1%
EBITDA (VND bn)	1,216	1,067	1,305	1,832	3,674
Growth (%)	-54%	-12%	22%	40%	100%
Profit after tax	517	371	612	994	2,222
Growth (%)	-72%	-28%	65%	62%	124%
EPS (bonus-adjusted, VND)	1,690	1,213	2,001	3,249	7,264
Growth (%)	28%	72%	165%	162%	224%
ROE (%)	7.9%	5.6%	9.0%	13.3%	25.2%
ROA (%)	5.1%	3.7%	6.0%	8.4%	16.7%
Net debt/EBITDA (x)	1.7	1.8	1.5	1.1	0.5
EV/EBITDA (x)	8.6	14.5	16.7	12.5	14.4
P/E (x)	12.7	25.8	22.4	13.5	9.6
P/B (x)	1.1	1.6	2.2	1.9	2.5
DPS (VND)	1,500	1,000	1,200	1,200	2,000
Dividend yield (%)	7%	3%	3%	3%	3%

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BUY: Expected prospective total return (including dividends) in VND will be 20% or more within 12 months

OUTPERFORM: Expected prospective total return (including dividends) in VND will be from 10% to 20% within 12 months

NEUTRAL: Expected prospective total return (including dividends) in VND will be from -10% to 10% within 12 months

UNDERPERFORM: Expected prospective total return (including dividends) in VND will be from -20% to -10% within 12 months

SELL: Expected prospective total return (including dividends) in VND will be less than -20% within 12 months

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