

7 Aug 2024

VOSCO JSC (VOS)

2Q24: Record quarter earnings result

Record NPAT comes from oil tanker liquidation

- In 2Q24, VOS reported a VND1.87tn revenue (+80% YoY). In particular:
 - **Commercial segment:** revenue jumped to VND1.36tn (69% of total revenue, +164% YoY). According to VOS, this revenue comes from importing coal from Indonesia to sell in Vietnam, we believe it's an action to utilize their dry fleet as VOS's bulk dry shipping revenue slows down.
 - **Shipping and chartering:** revenue increased to VND608bn (31% of total revenue, +16% YoY). We believe most of the growth comes from higher shipping rates in 2Q24 for dry bulk (+12% YoY, Figure 1) and product tanker (2-11% YoY, Figure 2).
- VOS's commercial segment accounts for most of the revenue growth yet has a very low GPM. VOS's ship depreciation adjustment in 2Q24 (+56% YoY) dragged its shipping segment's GPM down to be negative and caused a gross profits loss of VND23bn (Figure 3, 4).
- VOS liquidated Dai Minh oil tanker in 2Q24 with VND393bn pre-tax profits and had a record VND288bn NPAT (27x YoY).

	2019A	2020A	2021A	2022A	2023A
Sales (VND bn)	1,545	1,281	1,424	2,420	3,189
chg. (% YoY)	4.7	(8.6)	(17.1)	11.1	70.0
Operating profit (VND bn)	(183)	(260)	354	531	81
Net profit (VND bn)	51	(187)	490	488	155
EPS (VND)	365	(1,338)	3,502	3,485	1,110
chg. (% YoY)	198.0	(466.7)		(0.5)	(68.2)
EBITDA (VND bn)	4,359	(2,409)	(2,914)	(3,384)	(115)
PE (x)	4.6	(3.1)	5.2	2.9	10.9
EV/EBITDA (x)	17.72	(31.52)	(24.69)	(21.93)	(711.27)
PB (x)	0.3	1.1	2.5	0.9	1.0
ROE (%)	7.5	(30.8)	64.6	38.5	9.7
Dividend yield (%)	0.7	0.0	0.0	0.0	0.0

Note: Net profit, EPS and ROE are based on figures attributed to controlling interest
Source: Fiinpro, KISVN

12M rating **NON-RATED**

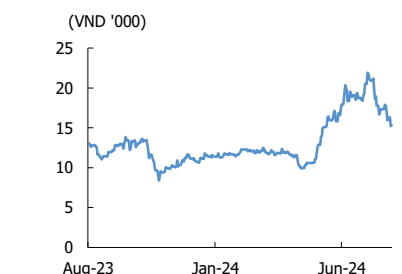
Stock Data

VNIndex (07 Aug, pt)	1,216
Stock price (07 Aug, VND)	15,100
Market cap (USD mn)	84
Shares outstanding (mn)	140
52-Week high/low (VND)	21,900/8,400
6M avg. daily turnover (USD mn)	2.06
Free float / Foreign ownership (%)	48.8/1.9
Major shareholders (%)	
Vietnam Maritime Corporation	51.0
PYN Elite Fund (non-ucits)	4.9
ACB	4.9

Performance

	1M	6M	12M
Absolute (%)	(26.3)	22.8	16.2
Relative to VNIndex (%p)	(21.2)	20.4	16.4

Stock price trend

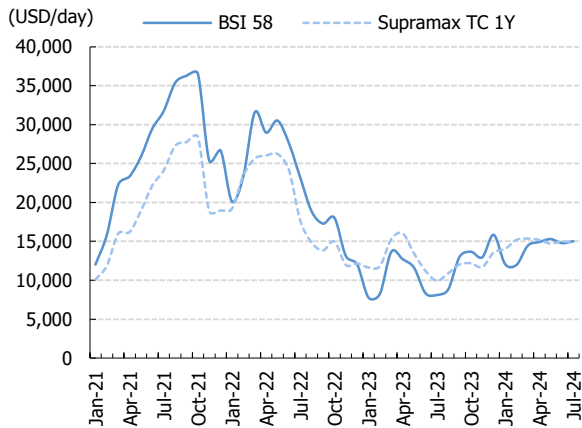


Source: Bloomberg

Research Dept

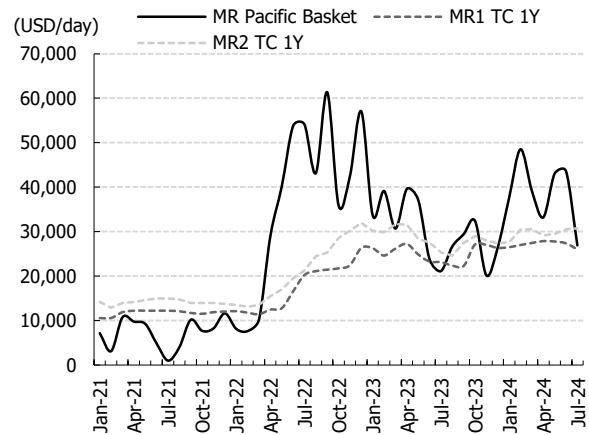
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Figure 1. Dry bulk monthly average charter rates



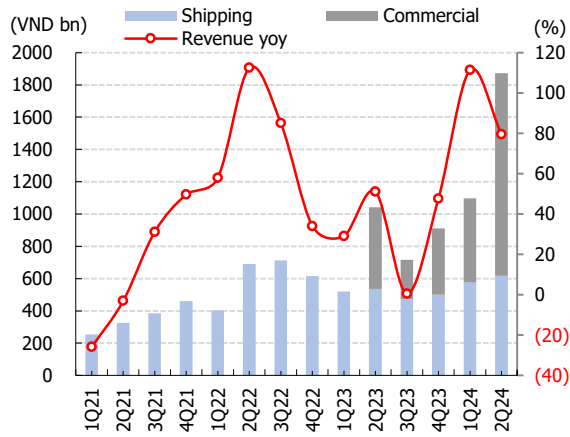
Note: Supramax = 40k-65k DWT
Source: Banhero Costa Research, KISVN

Figure 2. Clean tanker monthly average charter rates



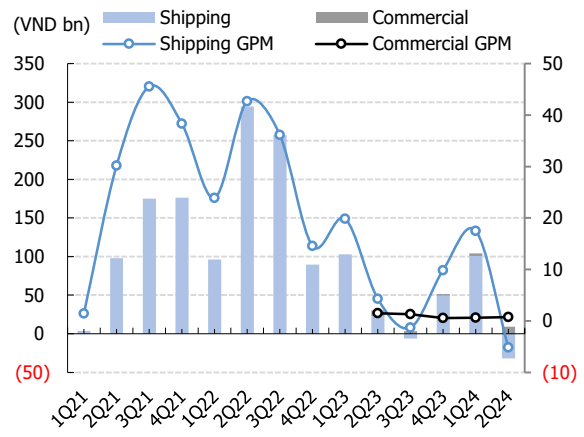
Note: MR1 = 30k-42k DWT, MR2 = 42k-60k DWT
Source: Banhero Costa Research, KISVN

Figure 3. Commercial segment boosted VOS's revenue growth



Source: Company data, KISVN

Figure 4. However, this segment doesn't contribute much to VOS's gross profits



Source: Company data, KISVN

■ **Company overview**

Vietnam Ocean Shipping JSC (VOS), a member of VIMC, was established in 1970. VOS specializes in sea transportation and other marine services such as vessel agency, training and supplying seafarers. VOS own a fleet of 13 vessels including 7 bulk dry ships, 4 product tankers and 2 container ships.

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Prepared by: Research Dept

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