

4 Feb 2025

# Gemadept Corp (GMD)

## Net profit contracts due to extraordinary loss

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- In 4Q24, GMD reported a total revenue of VND1,382bn (+9% QoQ, +34% YoY, figure 1). In particular:
  - **Port operation:** revenue rose to VND1.25tn (90% of total revenue, +27% YoY) thanks to (1) solid ports' throughput volume growth (Nam Dinh Vu +61% YoY, Binh Duong +45% YoY), (2) 3-11% increase in surcharges and ancillary fees.
  - **Logistics:** revenue declined to VND132bn (10% of total revenue, -37% YoY).
- Gains from associates in 4Q24 soared to VND313bn (+125% YoY), in which, GML contributed VND229bn (+216% YoY) and SCS contributed VND63bn.
- GMD's logistics segment generated profit again after unexpected loss in 3Q24 (figure 3), port operation gross profit margin (GPM) picked up at 43.2% (-10.4%p QoQ, +4.0%p YoY). However, operating profit margin (OPM) widened to 23.7% (-7.9%p QoQ, +9.2%p YoY) thanks to growth in port segment (figure 4).
- Despite strong operational performance, the company's bottom line suffered an extraordinary VND334bn loss, GMD did not provide detailed disclosure on this unusual loss.
- All in all, GMD recorded VND356bn NPAT (-20.7% QoQ, +85.6% YoY) in 4Q24 (Figure 2). For the year 2024, GMD has a total NPAT of VND1,878bn (fulfilling 121%/123% of the full-year company guidance).

12M rating **NON-RATED**

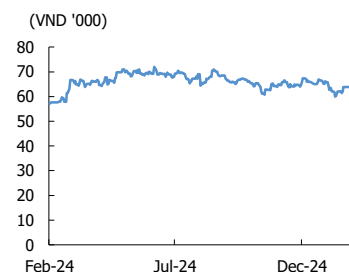
#### Stock Data

VNIndex (04 Feb, pt)	1,265
Stock price (04 Feb, VND)	63,100
Market cap (USD mn)	1,037
Shares outstanding (mn)	414
52-Week high/low (VND)	72,073/57,228
6M avg. daily turnover (USD mn)	2.43
Free float / Foreign ownership (%)	93.6/45.6
Major shareholders (%)	
SSJ Consulting (Viet Nam) LLM	10.0
DCVFMVN DIAMOND ETF	5.4
Le Thuy Huong	5.0

#### Performance

	1M	6M	12M
Absolute (%)	(4.1)	(8.5)	10.6
Relative to VNIndex (%p)	(4.9)	(11.7)	0.8

#### Stock price trend



Source: Bloomberg

	2020A	2021A	2022A	2023A	2024
Sales (VND bn)	2,606	3,206	3,898	3,846	4,832
chg. (% yoy)	(1.4)	23.1	21.6	(1.3)	25.7
Operating profit (VND bn)	496	861	1,309	3,177	2,429
Net profit (VND bn)	440	721	1,161	2,534	1,878
EPS (VND)	1,158	1,912	3,298	6,943	3,525
chg. (% yoy)	(29.3)	65.1	72.5	110.5	(52.1)
EBITDA (VND bn)	879	1,072	1,445	1,513	1,751
PE (x)	35.54	24.98	21.07	11.05	17.90
EV/EBITDA (x)	15.79	15.29	15.67	17.02	14.67
PB (x)	2.1	2.3	3.0	2.9	2.1
ROE (%)	6.3	10.0	15.0	29.0	13.9
Dividend yield (%)	2.92	2.51	2.88	3.44	-

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

Source: Fiinoro. KISVN

#### Research Dept

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## Limited room for growth in 2025F

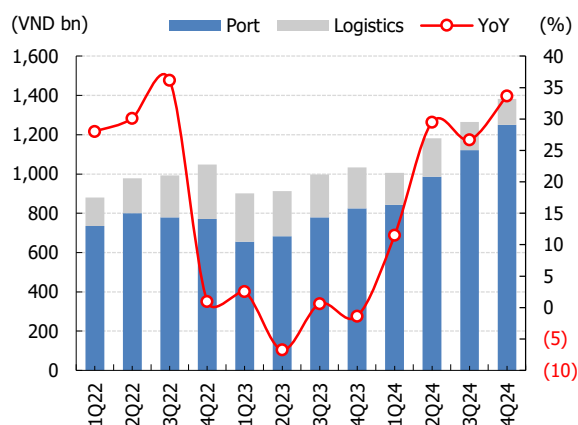
- Vietnam's total exports and imports in 4Q24 reached USD206bn (+12% YoY). While the anticipated Trump presidency in 2025 may introduce uncertainty to global trade, we project Vietnam's total exports and imports to grow by approximately 10% in 2025.
- Our previous estimates indicated that Nam Dinh Vu (NDV) and Gemalink (GML) would reach utilization rates of 94% and 92%, respectively, in the first half of 2024. However, throughput volume has continued its rapid growth in the second half of 2024, resulting in overcapacity. With the expansion projects for NDV phase 3 and GML phase 2A not expected to be completed until December 2025 at the earliest, we anticipate only modest earnings growth for GMD in 2025.

**Table 1. Quarterly earnings snapshot in 4Q24**

	4Q23	1Q24	2Q24	3Q24	4Q24	QoQ	YoY
Sales	1,034	1,006	1,181	1,264	1,382	9.3	33.6
OP	150	291	341	399	327	(18.1)	118.6
OP margin	14.5	29.0	28.8	31.6	23.7	(7.9)	9.2
EBT	253	708	511	501	351	(29.9)	38.6
NP	192	656	418	448	356	(20.7)	85.6

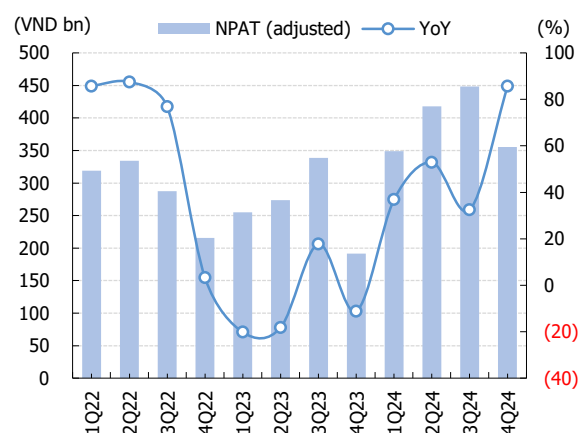
Source: Company data, FiinproX, KIS Research

**Figure 1. 4Q24 revenue up 34% YoY as throughput volume growth remains high**



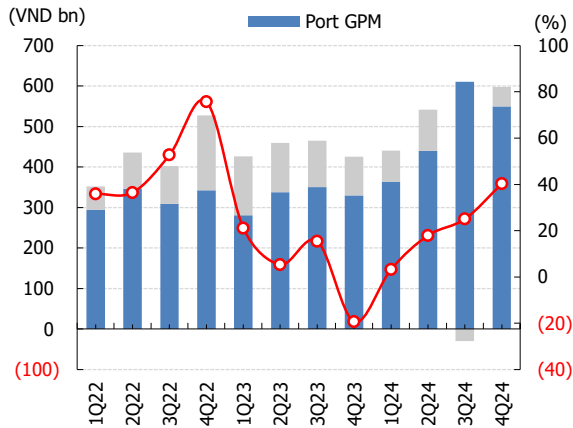
Source: Company data, KIS Research

**Figure 2. 4Q24 NPAT up 86% YoY**



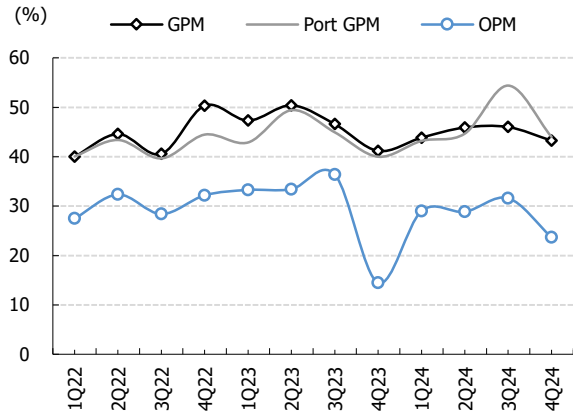
Note: NPAT is adjusted by excluding gains from port divestments  
Source: Company data, KIS Research

**Figure 3. High volume and fee increases boosted 4Q24 gross profit to up 40% YoY**



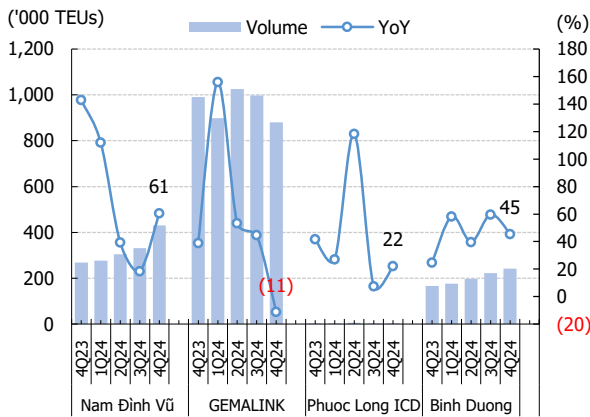
Source: Company data, KIS Research

**Figure 4. Widened Port GPM expanded OPM**



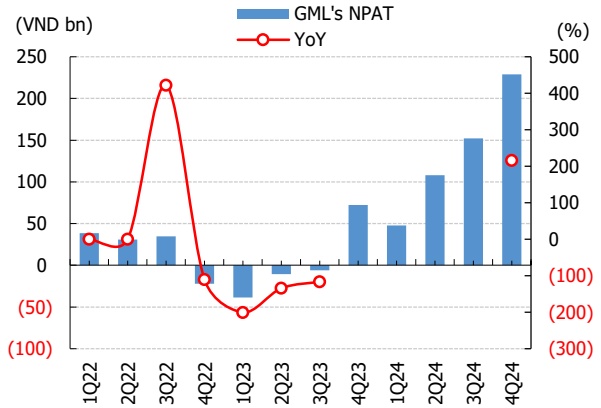
Note: Gemalink's throughput volume includes barge handling  
Source: VPA, KIS Research

**Figure 5. GMD's ports reaped solid volume growth**



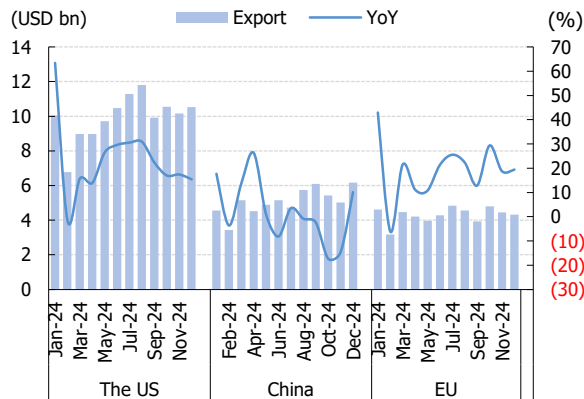
Note: Gemalink's throughput includes barge handling  
Source: VPA, KIS Research

**Figure 6. Record VND234bn NPAT from GML in 4Q24**



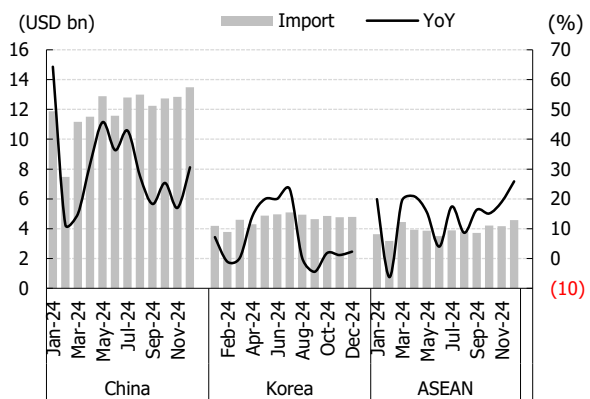
Note: Numbers are estimated using data in financial statements  
Source: Company data, KIS Research

**Figure 7. Exports to the China bounced back in Dec**



Note: Data as of Dec-24  
Source: FiinproX, KIS Research

**Figure 8. Imports accelerated in Dec**



Note: Data as of Dec-24  
Source: FiinproX, KIS Research

**■ Company Overview**

Gemadep Corporation (GMD), formerly known as General Forwarding and Agency Corporation, was established in 1990. The company specializes in port operation and logistics services. GMD has been the leading port operator with one of the largest deep-sea port in Vietnam.

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