

4 Feb 2025

HAI AN JSC (HAH)

Record quarterly profit

Higher charter rates boosted revenue and profits

- In 4Q24, HAH reported a VND1,211bn revenue (+82% YoY, figure 1). In particular:
 - *Vessel operation*: revenue doubled to VND1,163bn (96% of total revenue, +105% YoY) thanks to (1) fatter self-operated transport volume results from new services in 2Q24 and rising rates, (2) 7/15 vessels are for lease with higher rates than in 1H24 (Figure 5, 6).
 - *Port operation*: revenue declined to VND52bn (4% of total revenue, -10% YoY) despite increase in port fees and rosy throughput volume (figure 4) due to intercompany revenue.
- 4Q24 blended gross margin (GPM) rose to 42.8% (vs 17.0% in 2Q24 which saw the revival, figure 3) mainly through the hike in container rates: average CCFI +72% YoY, T/C rates soared 70% and 130% for 1,100-TEU and 1,700-TEU vessels respectively (Figure 5, 6).
- Larger gross debt (+68% YoY) to finance fleet expansion in 4Q23 led to larger interest expenses in 4Q24 (+91% YoY). In addition, the company recorded VND38bn provision for uncollectible receivables resulting in higher SG&A expenses (+160% YoY). HAH's operating margin (OPM) and net margin (NPM) expanded to 35.6% (vs 12.0% in 4Q23) thanks to stronger GPM.
- Consequently, 4Q24 NPAT-MI skyrocketed to VND280bn (+345% YoY, +41% QoQ). This represents the highest quarterly net profit HAH has ever recorded.
- For the year 2024, HAH reported total revenue of VND3,393bn (+53% YoY) and NPAT-MI of VND650bn (+69% YoY), fulfilling 101%/145% of the full-year company guidance.

	2020A	2021A	2022A	2023A	2024
Sales (VND bn)	1,192	1,955	3,206	2,613	3,992
chg. (% YoY)	7.5	64.1	63.9	(18.5)	52.8
Operating profit (VND bn)	170	642	1,300	447	980
Net profit (VND bn)	147	551	1,041	358	800
EPS (VND)	2,694	8,795	11,684	3,648	5,361
chg. (% YoY)	13.7	226.4	32.9	(68.8)	47.0
EBITDA (VND bn)	309	793	1,586	850	1,529
PE (x)	21.9	3.8	3.3	13.6	9.7
EV/EBITDA (x)	10.1	2.9	2.6	8.1	5.5
PB (x)	2.7	1.0	1.2	2.0	1.9
ROE (%)	13.4	34.0	42.6	15.5	21.9
Dividend yield (%)	1.7	3.0			

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

12M rating **NON-RATED**

Stock Data

VNIndex (04 Feb, pt)	1,265
Stock price (04 Feb, VND)	51,800
Market cap (USD mn)	249
Shares outstanding (mn)	121
52-Week high/low (VND)	52,100/33,087
6M avg. daily turnover (USD mn)	4.22
Free float / Foreign ownership (%)	49.0/13.9
Major shareholders (%)	
Hai Ha Investment & Transport	16.8
Leadvisors Capital	11.4
TM Holding Fund Company Limited	4.4

Performance

	1M	6M	12M
Absolute (%)	6.5	31.1	55.5
Relative to VNIndex (%p)	5.7	28.0	45.7

Stock price trend



Source: Bloomberg

Research Dept

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Against the uncertainty

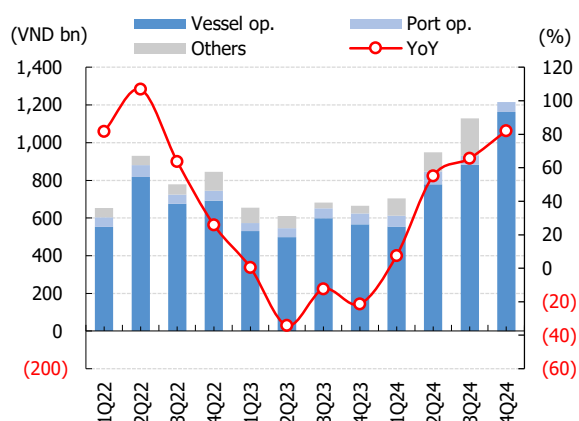
- A Trump presidency in 2025 is anticipated to bring heightened global tensions and a shift away from China in global trade. Furthermore, continued Red Sea inaccessibility and vessel speed limitations are projected to drive up TEU-mile demand, favoring smaller, more adaptable vessels and leading to higher shipping rates in 2025 (Xeneta). This upward trend in container rates would generally benefit HAH, particularly given their ongoing fleet expansion. However, a resolution to the Red Sea situation would likely dampen container rates, posing a potential threat to HAH's fleet expansion and earnings in 2025.

Table 1. Quarterly earnings snapshot in 4Q24

	4Q23	1Q24	2Q24	3Q24	4Q24	QoQ	YoY
Sales	665	704	949	1129	1211	7.3	82.1
OP	80	72	206	347	431	24.5	440.5
OP margin	12.0	10.2	21.7	30.7	35.6	4.9	23.6
EBT	53	65	172	321	418	30.1	689.2
NP	39	47	127	277	348	25.8	788.5
Capacity (TEU)	17,752	17,752	21,314	23,095	26,493	14.7	49.2

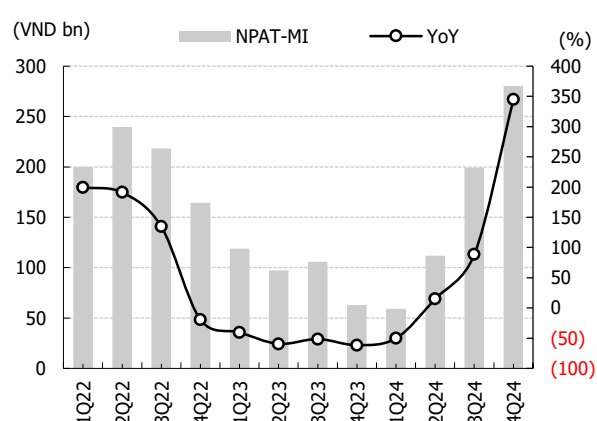
Source: Company data, FiinproX, KIS Research

Figure 1. 4Q24 revenue up 82% yoy as vessel operation segment doubled



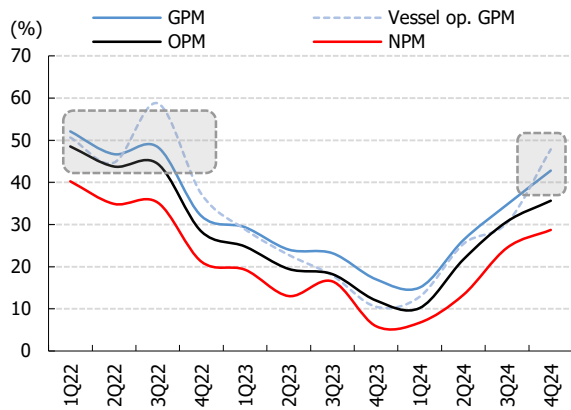
Source: Company data, KIS Research

Figure 2. NPAT-MI up 345% yoy, a streak of 3 consecutive 2-digit growth



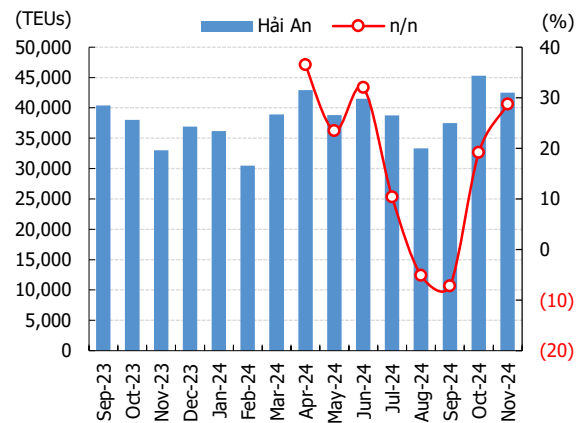
Source: Company data, KIS Research

Figure 3. Vessel GPM in 4Q24 widen at 42.8%, close to historic highs



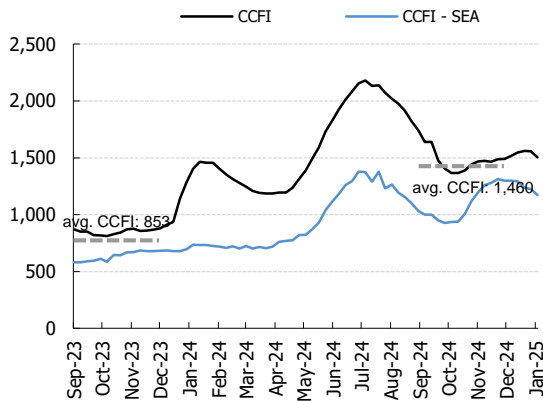
Source: Company data, KIS Research

Figure 4. Throughput volume in Oct and Nov in 19% and 29% YoY, respectively



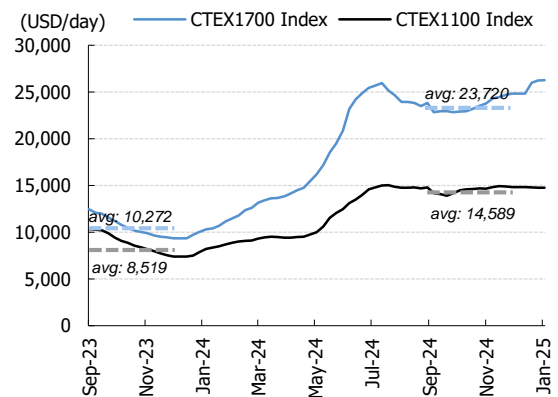
Source: VPA, KIS Research

Figure 5. Average CCFI in 4Q24 up 72% YoY



Note: SEA = services to South East Asia; Data as of Jan 24, 2025
Source: SSE, KIS Research

Figure 6. Average T/C rates in 4Q24 picked up 70% and 130% YoY for 1,100-TEU and 1,700-TEU vessel



Note: Data as of Jan 24, 2025
Source: Bloomberg, KIS Research

■ **Company overview**

Hal An Transport and Stevedoring JSC (HAH), was established in 2009. HAH specializes in port operation vessel agency, and vessel operation. HAH owns the largest container fleet in Vietnam of 16 vessels with total capacity of over 26 thousand TEUs.

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