

Seafood

1Q25F Preview: “Wait & See”

Pangasius industry - Opposing forces coming into play

In 2M25, total pangasius export turnover sat at USD258mn (-1.6% yoy), due to the slump in export volume (-5.9% yoy). In contrast, pangasius average selling prices gradually inched up by 4.5% yoy. In 1Q25F, we think that (1) China faces challenges from abundant tilapia supply and prolonged weak demand, (2) In the US, uncertainty over Trump 2.0 tariff policy could dampen consumer confidence, but pangasius may gain market share from Chinese tilapia if tariffs are imposed, and (3) The EU shows slight recovery as rising demand eases whitefish oversupply.

Shrimp Industry – Faring better across key markets

In 2M25, per Agromonitor, total shrimp export turnover reached at USD563mn (+32.8% yoy). Particularly, export volume edged up +4.5% yoy and shrimp ASPs swelled on +27.1% yoy. Regarding to white-leg shrimp, export turnover was at USD327mn, only inching up 5.3% yoy thanks to the uptick in export volume (+1.2% yoy) and ASPs (+4.1% yoy). In 1Q25F, our somewhat optimistic projections regarding volume and shrimp average selling prices, the key markets, including US, EU and Japan – picked up in export turnover thanks to the better consumption demand. Notably, the EU markets showed the strongest rebound in both volume and average selling prices.

The sector’s earnings – Not fully rebounded yet

Regarding to 1Q25F’s business results, we expect that the 1Q25F’s earnings for most enterprises could see a modest yoy growth, driven by gross margin expansion thanks to lower aquafeed costs and well controlled costs of raw pangasius/ shrimp amid these prices skyrocketing during 4Q24. VHC is likely to post a weaker-than-expected export volume, while pangasius ASPs see an uptick in yoy and qoq due to the low base effect. Alongside, ANV and IDI are facing the tepid exports to the Chinese market (their key market). For shrimp industry, FMC is capitalizing on the high-efficiency farming areas to reduce input costs and meet export demand revival in EU and Japanese markets.

Recommendation

We maintain **NEUTRAL** rating for whole sector in 1Q25F. Regarding specific companies, we reaffirm **BUY** rating for VHC (TP: VND77,200), meanwhile we maintain **HOLD** recommendation for ANV, IDI. In terms of shrimp segment, we reaffirm **HOLD** rating for FMC shares.

Neutral (Maintain)

Company	Rating	TP (VND)
Vinh Hoan Corp	BUY	77,200
Nam Viet Corp	HOLD	
I.D.I Corp	HOLD	
Sao Ta Foods	HOLD	

Table 1. Coverage valuation

Recommendation & TP				Earnings & Valuation									
Company				Sales	OP	NP	EPS	BPS	PE	PB	ROE	EV/EBITDA	DY
				(VNDbn)	(VNDbn)	(VNDbn)	(VNDbn)	(VNDbn)	(X)	(X)	(%)	(X)	(%)
VHC	Recommendation	BUY	2023A	10,033	969	974	4,865	44,629	15.1	1.7	11.6	14.6	2.6
	TP (VND)	77,200	2024A	12,535	1,253	1,311	5,441	38,685	12.8	1.8	14.5	12.4	5.7
	Price (Apr 8, VND)	50,700	2025F	12,987	1,557	1,514	6,242	40,927	8.0	1.2	15.8	7.1	7.9
	Market cap. (VNDbn)	11,380	2026F	13,972	1,833	1,852	7,634	44,561	6.6	1.1	18.0	6.0	7.9
			2027F	14,612	1,857	1,901	7,833	50,394	6.4	1.0	16.7	6.0	3.9
ANV	Recommendation:	HOLD	2023A	4,439	183	39	293	21,326	105.6	1.5	1.4	32.5	3.1
	TP (VND)	N/A	2024A	4,911	194	48	182	10,490	108.9	1.9	1.7	34.7	-
	Price (Apr 8, VND)	13,300	2025F	4,830	230	126	471	10,961	28.2	1.2	4.4	21.8	-
	Market cap. (VNDbn)	3,541	2026F	5,909	495	301	1,127	12,088	11.8	1.1	9.8	10.1	-
			2027F	6,174	614	397	1,487	13,575	8.9	1.0	11.6	8.1	-
IDI	Recommendation:	HOLD	2023A	7,221	303	73	254	14,266	35.4	0.8	1.8	18.4	-
	TP (VND)	N/A	2024A	7,137	288	73	221	12,102	31.7	0.7	1.8	19.4	-
	Price (Apr 8, VND)	5,990	2025F	7,401	320	110	333	12,435	14.9	0.5	2.7	17.4	-
	Market cap. (VNDbn)	1,636	2026F	7,666	303	147	450	12,778	11.2	0.5	3.6	18.3	-
			2027F	7,945	309	183	561	13,205	9.0	0.5	4.3	18.0	-
FMC	Recommendation:	HOLD	2023A	5,087	292	302	4,221	31,024	9.7	1.5	14.0	11.7	-
	TP (VND)	N/A	2024A	6,913	363	424	4,675	33,151	7.3	1.4	14.6	8.4	4.3
	Price (Apr 8, VND)	37,950	2025F	8,694	436	478	5,486	36,637	5.2	1.0	15.7	5.7	5.3
	Market cap. (VNDbn)	2,482	2026F	8,567	433	473	5,430	40,067	5.2	0.9	14.2	5.7	5.3
			2027F	9,182	434	484	5,550	43,617	5.1	0.9	13.3	5.7	5.3

Source: Bloomberg, KISVN estimate

Table 2: 1Q25F business results forecast, KIS's coverage

(VNDbn, %)

	Revenue			NPAT-MI		
	1Q25F	yoy	qoq	1Q25F	yoy	qoq
VHC	2,695	(5.6)	(15.9)	342	1.01	(19.5)
ANV	985	(3.1)	(27.6)	19	10.6	2.2x
IDI	1,599	(1.9)	(5.2)	10	(36.9)	(21.3)
FMC	2,273	55.6	66.6	62	24.0	(43.6)

Source: Company data, KISVN estimate

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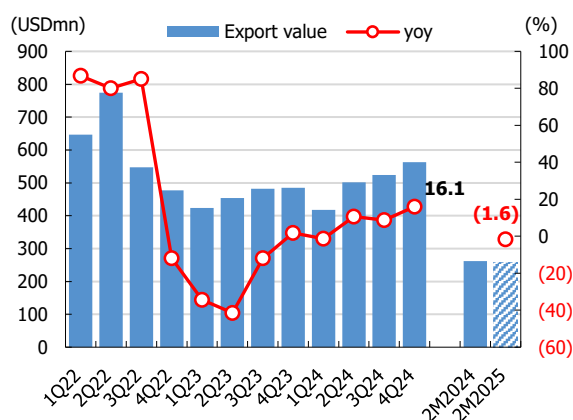
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I. Pangasius Industry: Opposing forces coming into play

1. 2M25 – Chinese market dragged on industry growth

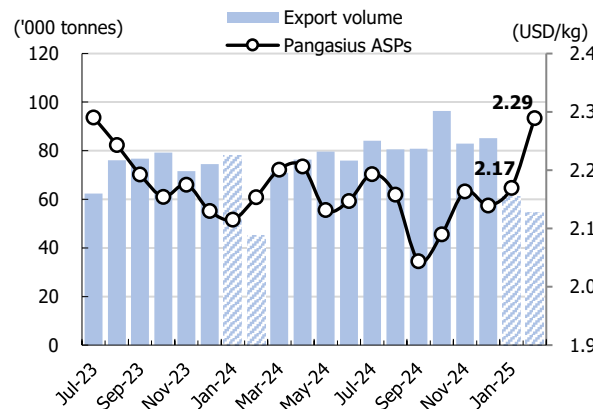
In 2M25, total pangasius export turnover stayed at USD258mn (-1.6% yoy), due to the slump in export volume (-5.9% yoy). In contrast, pangasius ASPs gradually inched up by 4.5% yoy, to USD2.23/kg. The subdued export momentum was driven by weaker-than-expected demand from the Chinese market. Meanwhile, the US and EU maintained a growth trajectory, albeit at a slower pace compared to the overall performance in 2024. (Figure 1, 2, and 3)

Figure 1. Pangasius export turnover slightly decreased -1.6% yoy in 2M25



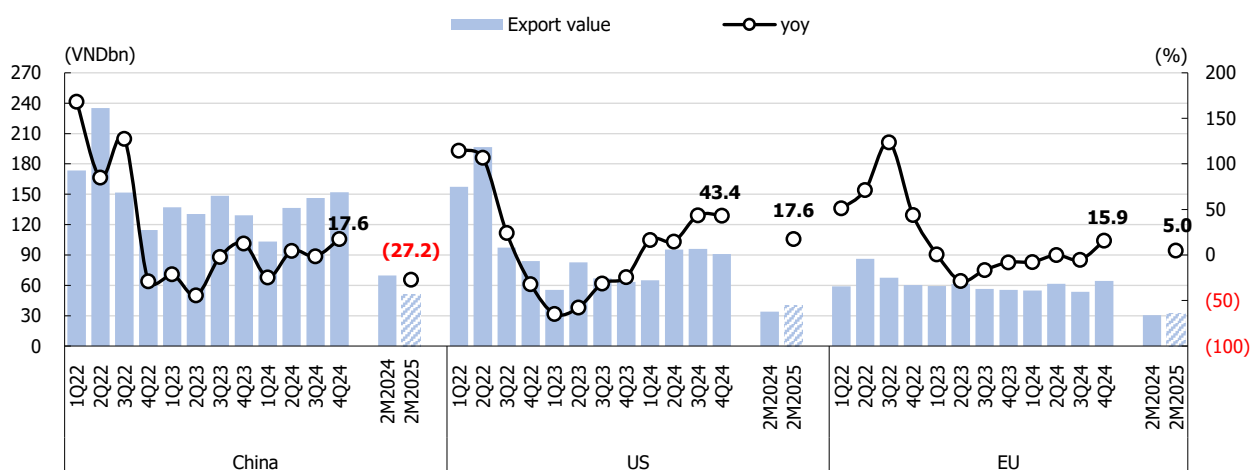
Source: Agromonitor, KIS Research

Figure 2. Pangasius ASPs inched up while volume lowered than yoy



Source: Agromonitor, KIS Research

Figure 3. Total export turnover across key markets, including: US, EU, Chinese markets



Source: Agromonitor, KIS Research

2. 1Q25F – The off-peak quarter of year

In 1Q25F, we think pangasius export across key markets which could not strongly soar. Specifically, we see that:

- The difficulty of Chinese market is caused by (1) An abundant tilapia supply in domestic, and (2) The tepid consumption is still prolonged.
- In the US, the import tariff policy under Trump 2.0 remains uncertain, which could potentially dampen consumer confidence and pangasius export orders in the short term. However, pangasius is expected to gain market share from Chinese tilapia after tariff materialization.

- Meanwhile, the EU market witnessed the slight recovery thanks to a demand revival after easing the abundant whitefish's supply.

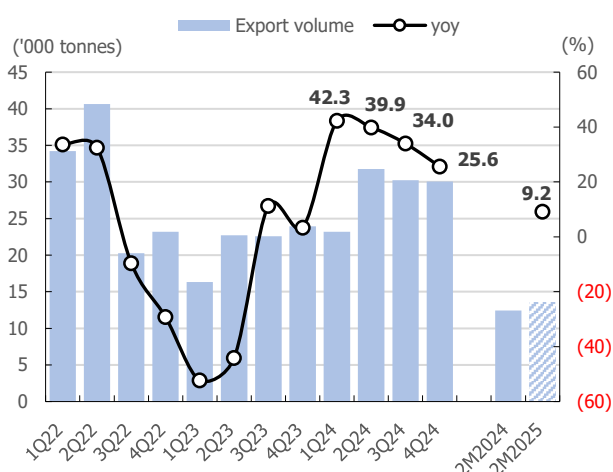
2.1. The US market – Uncertainty of tariff policies is the biggest concern

In 2M25, pangasius export to US was at USD40mn (+17.6% yoy). Particularly, the export volume was moderate +9.2% yoy, alongside this, pangasius ASPs picked up to USD2.95/kg (+7.6% yoy). (Figure 4, 5)

The slowdown compared to 2024 was attributed to: (1) demand not yet rising to absorb the large volume importing during 3Q24 and 4Q24, (2) the US importing a large quantity of Chinese tilapia prior to the implementation of tariffs in 4Q24 and Jan-25 (Figure 6). Therefore, we anticipate that 1Q25F will mark the trough season in export to the US.

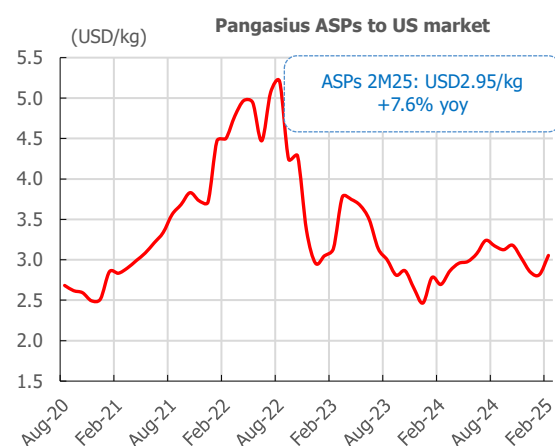
In our forecasts, we expect 1Q25F's export volume to US could soar by 10~12% yoy and ASPs will likely sit at USD2.95/kg ~ USD3.0/kg (+5~6% yoy).

Figure 4. Pangasius export volume to US increased modestly by 9.2% yoy



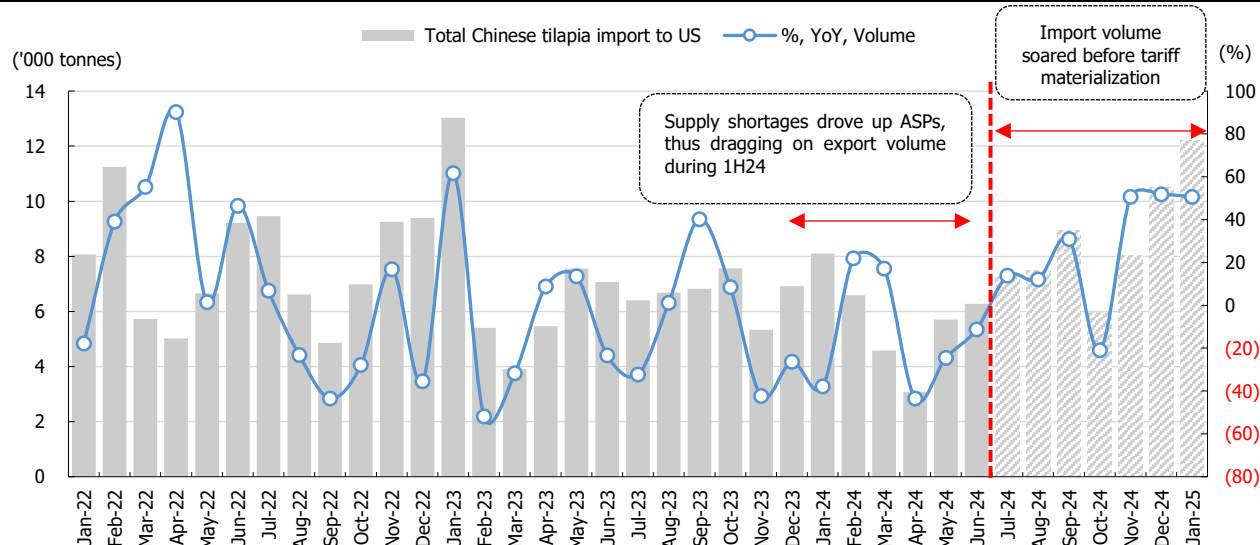
Source: Agromonitor, KIS Research

Figure 5. Meanwhile, ASPs also showed a slight upturn (+7.6% yoy)



Source: Agromonitor, KIS Research

Figure 6... However, the resurgence of Chinese tilapia exporting to US, which partially hindered pangasius export to US market



Source: NOAA, KIS Research

From 2Q25F onward, we expect the trend of exporting pangasius to the US to become more favorable thanks to (1) The imposition of an additional 30% tariff on tilapia, potentially bringing the total tariff to 55% if the policy is fully implemented, (2) Expectations of a clearer upward trend as stockpiles will gradually be absorbed from late 2Q25F and into 3Q25F.

However, still incurring some notable risks...

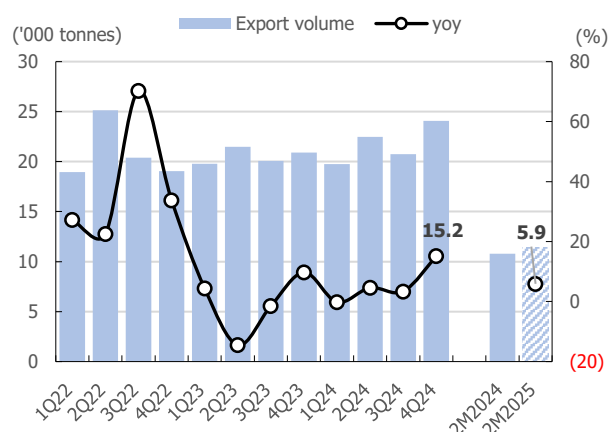
- (1) We notice that the risk of tariffs being imposed on Vietnamese goods still persists in the near term. These effects could weigh on the recovery momentum of ASPs, as pangasius exporters may share the burden of tariff increases with importers, given the difficulty of passing fully costs to end-users (*Further detailed discussion in report: [Reciprocal tariff: A painful blow](#)*).
- (2) Additionally, protectionist policies and support for the domestic pollock industry may impact the demand for pangasius. Specifically:
 - The CEO of the Genuine Alaska Pollock Producers (GAPP) stated that the USDA plans to purchase up to USD50mn worth of Alaska pollock.
 - In Feb-25, the US Department of Agriculture (USDA) issued a tender request to procure over 21mn pounds (approximately 9.5mn kg) of Alaska pollock, marking the latest purchase in a series of government transactions involving this species.

2.2. The EU market – Export turnover saw a modest upturn

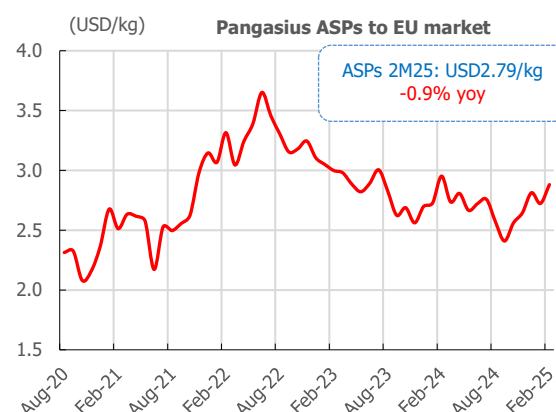
Pangasius export to EU kept reviving in 2M25, as such export turnover edged up +5% yoy in Jul- and Aug-24, including: export volume (11,400 tonnes, +5.9% yoy), while pangasius ASPs stayed at USD2.79/kg (-0.9% yoy), but this trend gradually bottomed out (*Figure 7,8*).

Although, the Pollock market in the EU which is still competitive as Alaska pollock and Russian pollock which are expected to increase total allowance catch (TAC) in 2025F, as Russian pollock TAC: +7.7% yoy and Alaska pollock TAC: +2.5% yoy (*Figure 9*), the trend of pollock ASPs bottomed out in 4Q24, indicating EU consumption demand resurgence strongly. Therefore, the potential risks of an abundant whitefish's supply could ease, which, in turn, supporting pangasius ASPs in the near-term.

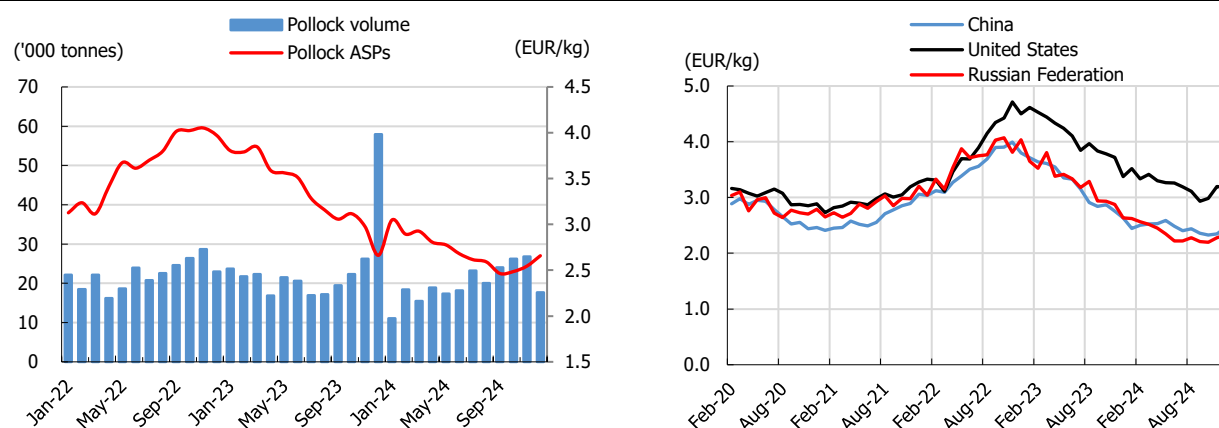
Overall, in 1Q24F, we expect export volume could be moderate +6~8% yoy, but the ASPs will likely not rebound in short-term due to the abundant whitefishes' supply in this market, swing around USD2.8/kg ~ USD2.85/kg (+1.5~2% yoy).

Figure 7. Pangasius export volume edged up +5.9% yoy

Source: Agromonitor, KIS Research

Figure 8.... Pangasius ASPs to EU persisted low vs. to yoy

Source: Agromonitor, KIS Research

Figure 9. Russia and US plan to increase TAC on pollock harvest in 2025F, but pollock ASPs in EU rebounded in late 2024 and early 2025, suggesting that demand could be stronger

	2021	2022	2023	2024	2025F
Russian pollock harvest TAC	2,001,163	2,082,527	2,063,158	2,285,000	2,460,000
yoy		4.1	(0.9)	10.8	7.7
Alaska pollock harvest TAC	1,507,297	1,276,933	1,446,165	1,495,720	1,533,748
yoy		(15.3)	13.3	3.4	2.5

Source: EUMOFA, KIS Research

2.3. The Chinese market – Weak consumption drags on export volume

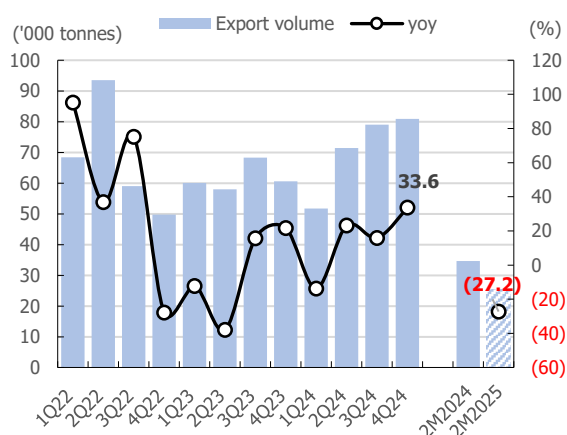
During 2024, most of exporter tended to lower its ASPs to push export orders amidst slow consumption and fierce competition. However, the trend reverted in 2M25, as the export volume slumped steeply by 27.2% yoy, and the pangasius ASPs to China stayed flattish USD2.01/kg in 2M25. There were attributed to:

- On a demand side, the bleak consumption keeps persisting and directly impacting on foodservice channel. Therefore, we think pangasius stockpile in China are remaining at high level after the active restocking activities during 2024 (Figure 12, 13).

- *On the supply side*, abundant supply is expected to keep persisting as ongoing geopolitical sanctions, leading to a continued redirection of Russian pollock supply to the Chinese market. Additionally, we believe that to mitigate the risk of US import tariffs, Chinese tilapia exporters are gradually shifting their supply back to the domestic market for consumption.

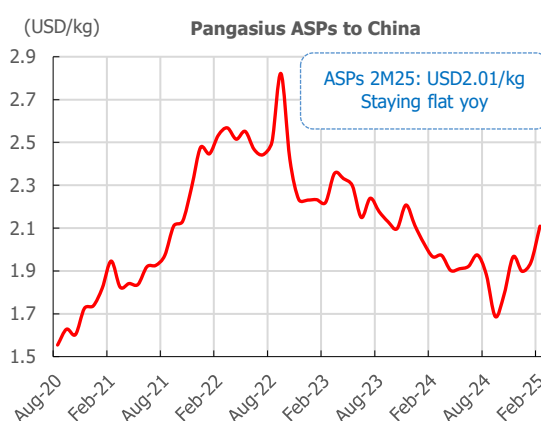
Based on this trend, we forecast pangasius export volume to China will likely slump by 25~28%. Meanwhile, pangasius ASPs could stay around USD2.0/kg ~ USD2.1/kg (+2~3% yoy, vs to the low base yoy) in 1Q25F.

Figure 10. Chinese market witnessed the dwindling export volume, plummeting 27.2% yoy



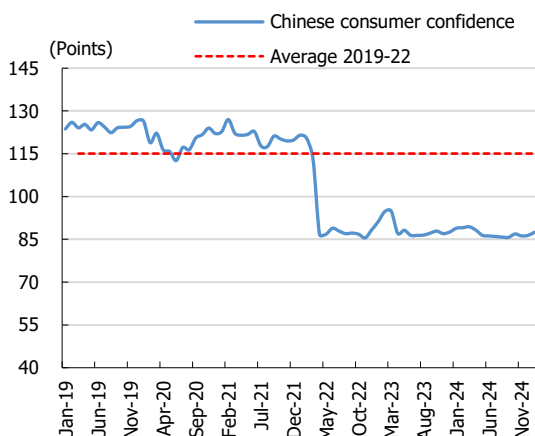
Source: Agromonitor, KIS Research

Figure 11. But ASPs gradually bottomed out in 2M25



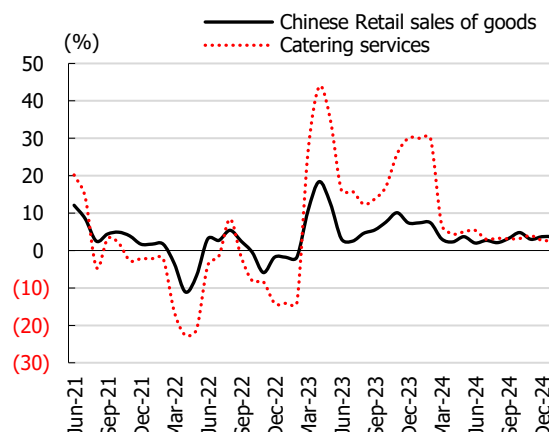
Source: Agromonitor, KIS Research

Figure 12... Due to the tepid consumer confidence



Source: Bloomberg, KIS Research

Figure 13..., which dragged down spending on foodservices



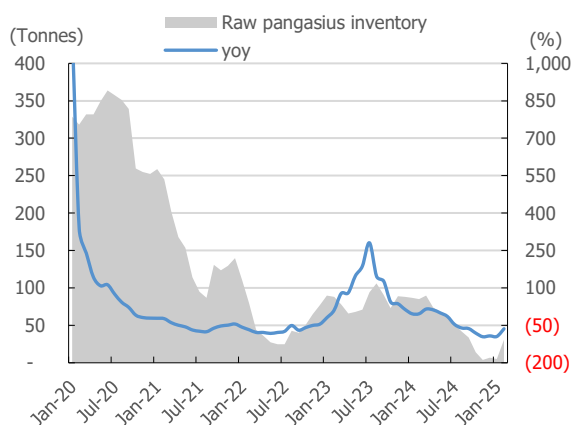
Source: Bloomberg, KIS Research

2.4. Domestic inventory raw pangasius remains at low level

Regarding to domestic raw pangasius, the raw pangasius inventory showed a sign of recovery in 2M25 (Figure 14). We observe a surge in raw pangasius prices, which has encouraged farmers to significantly boost new farming. Supporting this analysis, fingerling prices have risen sharply, suggesting that stocking density among farmers is increasing at a rapid pace (Figure 15). Therefore, we believe that the supply of raw pangasius could recover to normal levels within the next two quarters. Therefore, we expect raw pangasius prices to remain high but gradually decline as supply recovers from late 3Q25F onward.

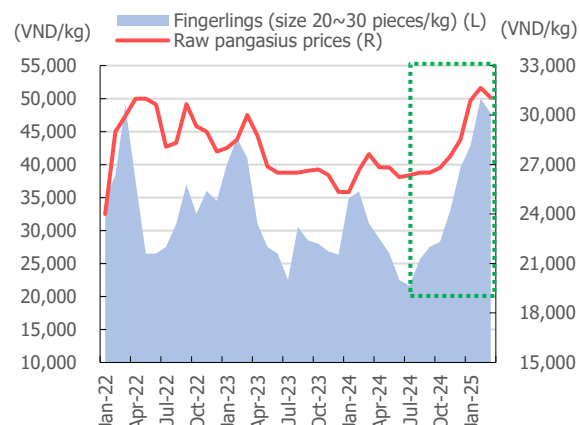
In 1Q25F, the elevated raw pangasius prices could serve as a headwind for enterprises that rely partially or entirely on external farming sources. On the other hand, given the current low supply levels, we note that if there is stronger demand (US, EU and China) in the near term, it could act as a positive catalyst for export ASPs.

Figure 14. Domestic inventory raw pangasius still persists low



Source: Agromonitor, KIS Research

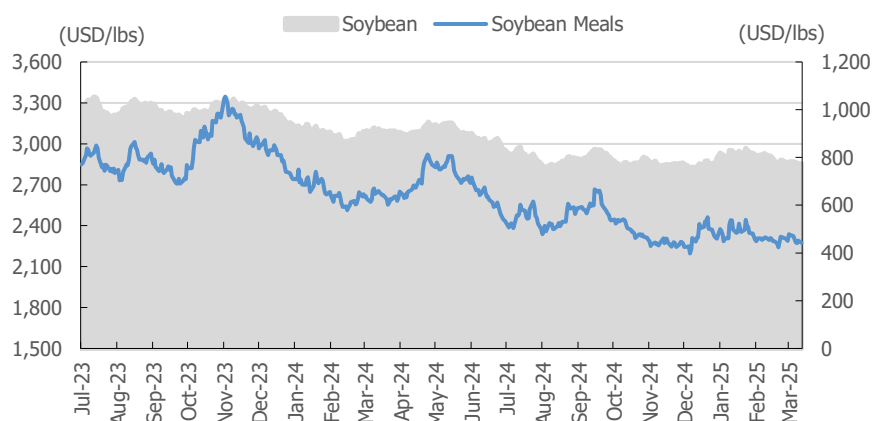
Figure 15... Hence, raw pangasius prices and fingerlings steeply soared in 1Q25



Source: Agromonitor, KIS Research

In terms of aquafeed costs, we believe that the trend of agricultural commodities (Soybean meals – accounting for 70~75% of farming costs), keep sliding during thanks to favorable harvest seasons in major supplying countries such as Brazil and Argentina. Given the decline, we expect the aquafeed prices will likely edge down, supporting the GM of enterprises that manage large pangasius farming areas (VHC, ANV).

Figure 16... However, soybean and soybean meals plummeted, which drag on aquafeed prices



Source: Bloomberg, KIS Research

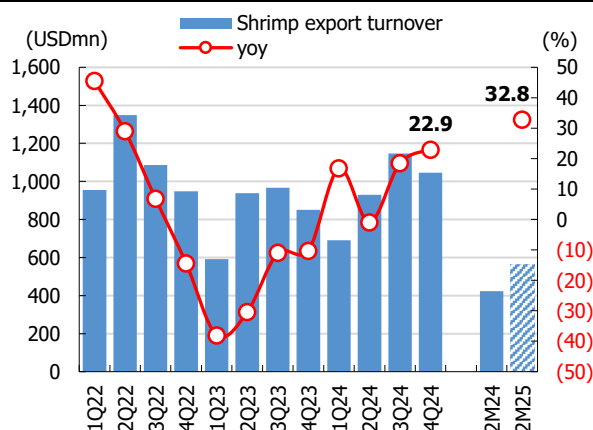
II. Shrimp industry: Faring better across key markets

1. 2M25 – Better-than-expected recovery in both volume and ASPs

In 2M25, per Agromonitor, total shrimp export turnover sat at USD563mn (+32.8% yoy). Particularly, export volume edged up +4.5% yoy and shrimp ASPs swelled on +27.1% yoy, to USD11.35/kg. The steep resurgence of shrimp ASPs is driven by the high demand for other shrimp exporting to Chinese market (giant freshwater and lobster).

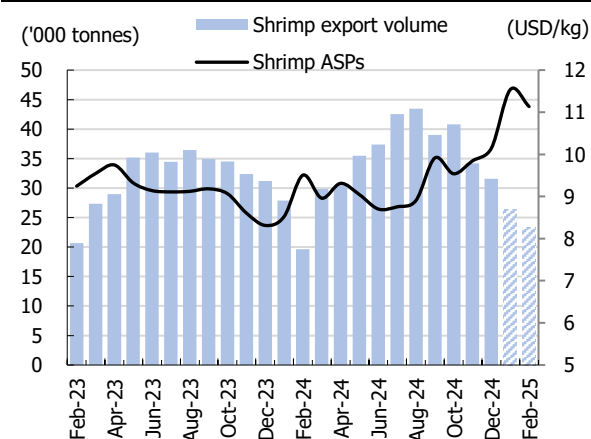
Regarding to white-leg shrimp (the main exporting products of listed shrimp enterprises), export turnover was at USD327mn, only inching up 5.3% yoy thanks to the uptick in export volume (+1.2% yoy) and ASPs (+4.1% yoy, to USD8.75/kg). Particularly, the key markets, including US, EU and Japan – picked up in export turnover thanks to the better consumption demand in 2M25 (Figure 21). Notably, the EU markets showed the strongest rebound in both volume and ASPs.

Figure 17. Total shrimp export turnover sat at USD563mn (+32.8% yoy)



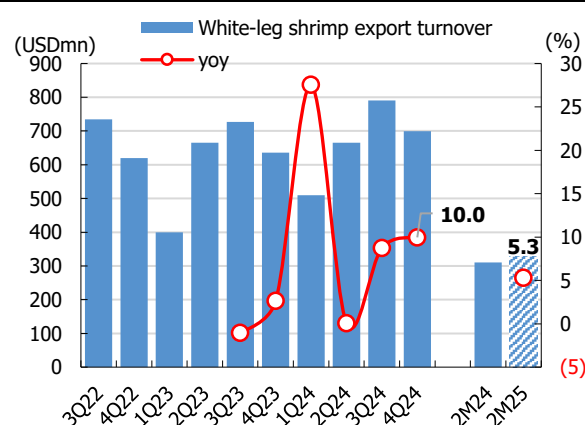
Source: Agromonitor, KIS Research

Figure 18... Thanks to shrimp ASPs swelled on +27.1% yoy



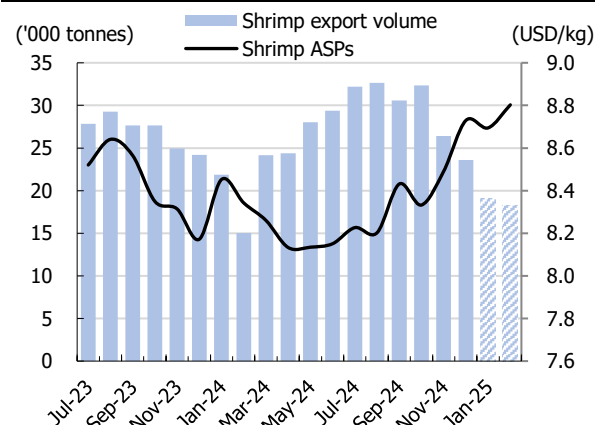
Source: Agromonitor, KIS Research

Figure 19... But white-leg shrimp only inched up 5.3% yoy

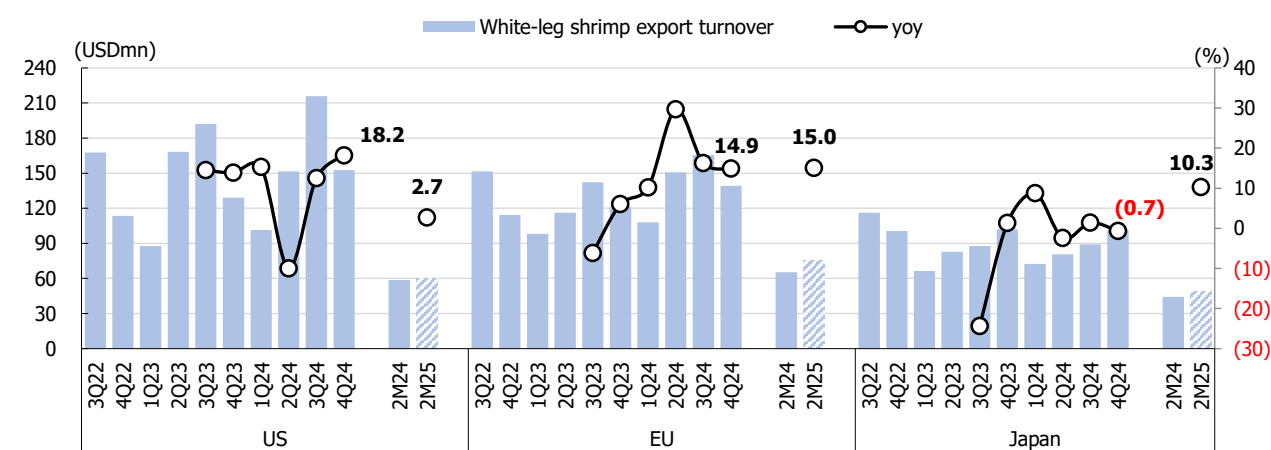


Source: Agromonitor, KIS Research

Figure 20. Thanks to a slight upturn in export volume and ASPs



Source: Agromonitor, KIS Research

Figure 21. Total white-leg shrimp export turnover to US, EU, China in 2M25

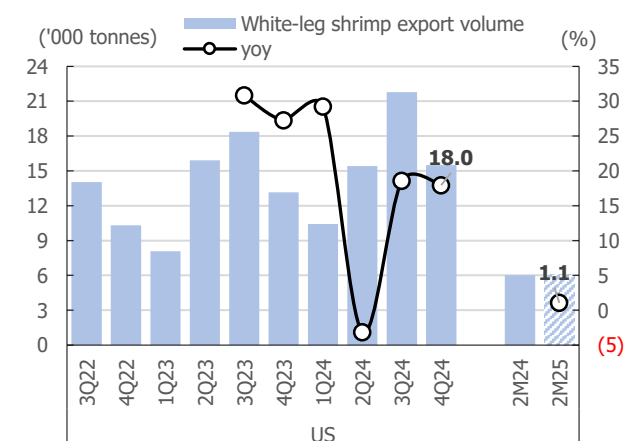
Source: Agromonitor, KIS Research

2. 1Q25F – On the recovery path

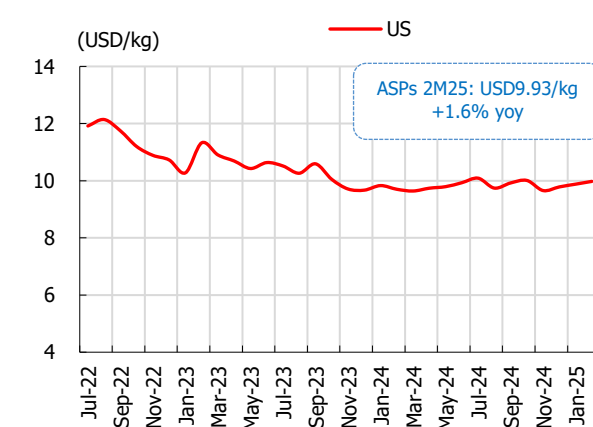
We only focus on an analysis of white-leg shrimp in the scope of report. In 1Q25F, our somewhat optimistic projections regarding volume and ASPs are based on the following factors in major markets such as the US, EU, and Japan.

2.1. The US market – Not yet seen robust growth

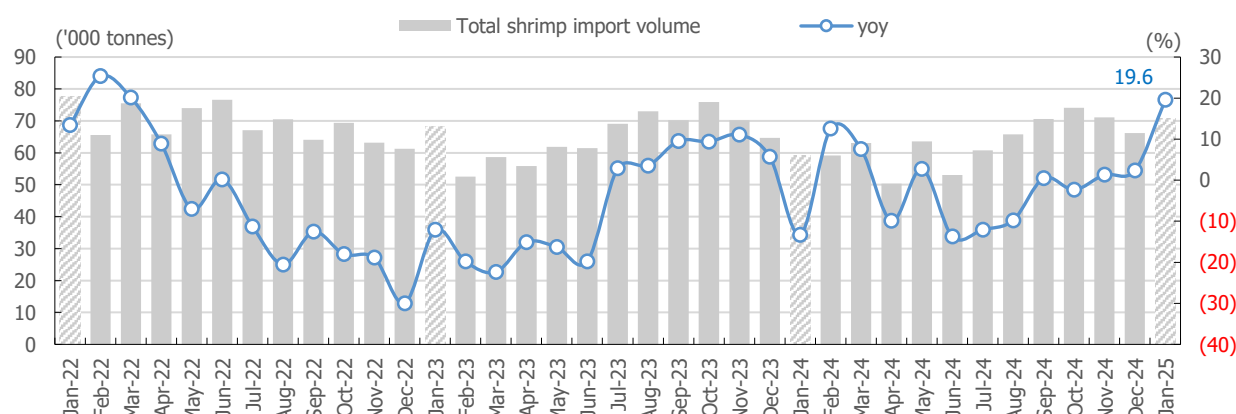
In 2M25, Vietnam posed white-leg export to the US market which inched up by 1.1% yoy and the ASPs recovered +1.6% yoy (Figure 22, 23). According to Circana, US retail seafood sales rebounded in Jan-25. Sales of frozen, fresh, and shelf-stable seafood all experienced growth. Driven by more favorable pricing, fresh shrimp sales increased by 11.4% yoy, while sales volume rose by 13.6% yoy. This positive trend further stimulated import activity, with total shrimp import volumes into the US soaring +19.6% yoy (Figure 24).

Figure 22. White-leg export to the US market which inched up by 1.1% yoy

Source: Agromonitor, KIS Research

Figure 23. Meanwhile, the shrimp ASPs recovered +1.6% yoy

Source: Agromonitor, KIS Research

Figure 24. Total shrimp import to US strongly resurged in Jan-25 thanks to the large import from key suppliers

	Shrimp Volume			Shrimp ASPs			Market share		
Preparations shrimp	1M2024	1M2025	YoY	1M2024	1M2025	YoY	1M2024	1M2025	YoY
INDIA	3,299,394	6,350,562	92.5	9.26	9.36	1.0	25.1	38.5	13.4
INDONESIA	4,356,990	4,012,545	(7.9)	7.47	8.04	7.7	33.2	24.3	(8.9)
THAILAND	1,271,240	1,426,776	12.2	10.88	10.12	(6.9)	9.7	8.6	(1.0)
CHINA	474,353	434,102	(8.5)	6.09	6.27	3.1	3.6	2.6	(1.0)
Total	13,125,530	16,495,321	25.7	8.62	9.06	5.1			
Warm shrimps	1M2024	1M2025	YoY	1M2024	1M2025	YoY	1M2024	1M2025	YoY
INDIA	16,638,699	24,447,342	46.9	7.16	7.77	8.6	36.3	45.2	9.0
ECUADOR	16,692,076	14,893,858	(10.8)	6.55	7.35	12.3	36.4	27.6	(8.8)
INDONESIA	6,811,823	7,501,887	10.1	7.35	8.26	12.3	14.8	13.9	(1.0)
MEXICO	1,897,488	2,009,895	5.9	11.70	11.69	(0.1)	4.1	3.7	(0.4)
Total	45,889,088	54,041,173	17.8	7.49	8.26	10.3			

Source: NOAA, KIS Research

However, the recovery in the US market in 2M25, while showing initial positive signs, remains insufficient to generate a significant boost for the industry. We expect that in 1Q25F and 2Q25F:

- **Export volume:** Although shrimp demand in the US is on track, we observe that pressure from low-cost shrimp supplies from other countries remains significant. For instance, in Jan-25, US shrimp imports from India saw strong resurgence in both processed and frozen shrimps, per NOAA (Figure 25). As a result, Vietnam's shrimp export growth will likely keep a low single-digit growth.
- **Shrimp ASPs:** We think ASPs recovery pace remained slow due to the intense competition and to share costs burdened with importers (AD/CVD tariffs and shipping costs).

Regarding to new reciprocal tariff regime and its effects on Vietnamese shrimp exports, we have discussed in this report: [Reciprocal tariff: A painful blow](#)

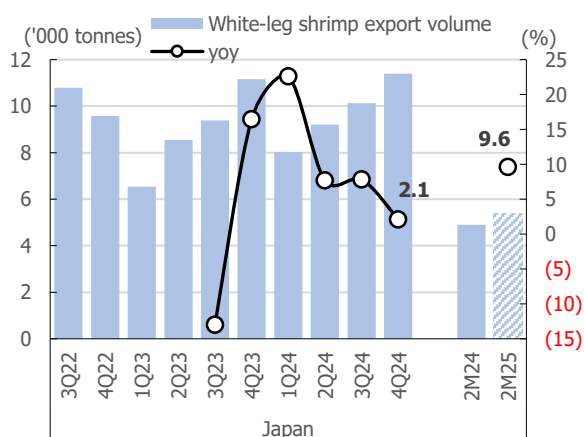
2.2. The Japanese market – Better-than-expected consumption

In 2M25, Vietnam's shrimp exports to Japan posting USD49mn (+10.3% yoy), including export volume: +9.6% yoy and shrimp ASPs staying flat (+0.6% yoy, to USD9.1/kg) (Figure 25, 26).

The revival of consumption demand and the resurgence of the yen are two key drivers for the recovery of shrimp exports to Japan. Particularly, in Jan-25, total shrimp import to Japan bolstered by 15.8% yoy, driven by export volume: +4.2% yoy and shrimp ASPs: +11.2% yoy, per Japan Customs (Table 3). We believe these tailwinds could be prolonged and support a rebound in consumer confidence. Additionally, Vietnamese shrimp exporters possess a competitive edge in deep-processed shrimp for the Japanese market, maintaining the top market share. We therefore assume that shrimp export volume and ASPs will likely be well-positioned to capture the most from the consumption recovery trend compared to competitors.

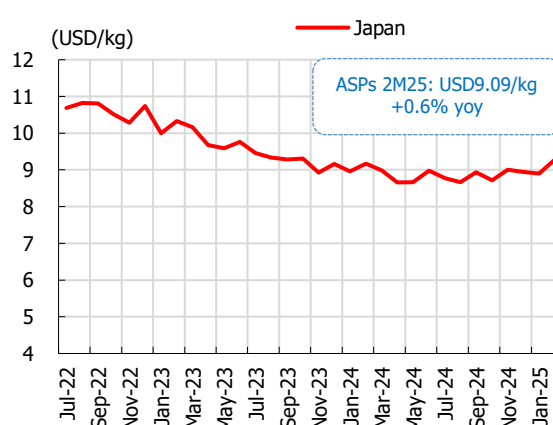
In the short-term, we forecast 1Q25F's export volume and ASPs will likely grow by 10~12% yoy and +1~2% yoy (to USD9.1/kg ~ USD9.2/kg).

Figure 25. Export volume to Japan soared better-than-expected



Source: Agromonitor, KIS Research

Figure 26. Shrimp ASPs remained flattish in 2M25



Source: Agromonitor, KIS Research

Table 3. Vietnam's shrimp keeps a key position in the Japanese markets

('000 tonnes, USD/kg, %, %p)

	Shrimp Volume			Shrimp ASPs			Market share		
	1M2024	1M2025	yoy	1M2024	1M2025	yoy	1M2024	1M2025	yoy
Vietnam	3,398	3,906	14.9	9.7	10.5	8.0	20.0	22.0	2.1
India	3,157	2,979	(5.6)	7.8	8.1	4.5	18.6	16.8	(1.7)
Indonesia	2,568	2,299	(10.5)	8.8	10.1	15.0	15.1	13.0	(2.1)
Thailand	2,094	2,238	6.9	9.1	10.2	11.8	12.3	12.6	0.3
Argentina	2,022	2,104	4.1	6.9	8.3	21.5	11.9	11.9	(0.0)
Total	17,012	17,723	4.2	8.4	9.3	11.2	100	100	

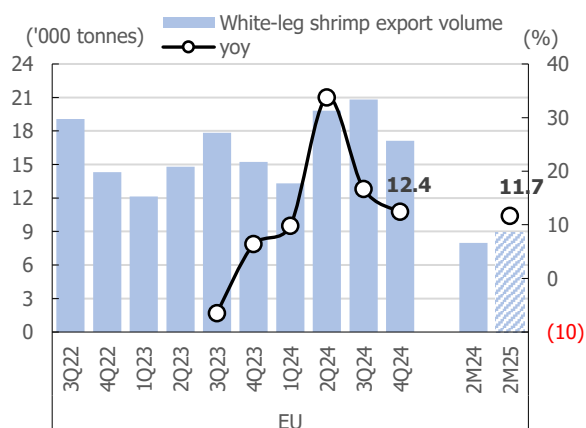
Source: Japan Customs, Agromonitor, KIS Research compiled

2.3. The EU market – Robust growth in volume and ASPs

In EU market, per Agromonitor, shrimp export to EU witnessed the rosy growth in 2M25, to USD75mn (+15% yoy). We saw the strong rebound in both export volume and shrimp ASPs, with +11.7% yoy and +3% yoy, respectively (Figure 28, 29). The tailwinds for consumption demand come from (1) inflationary relief, and (2) the ECB's rate cuts to stimulate the economy. Therefore, the EU market

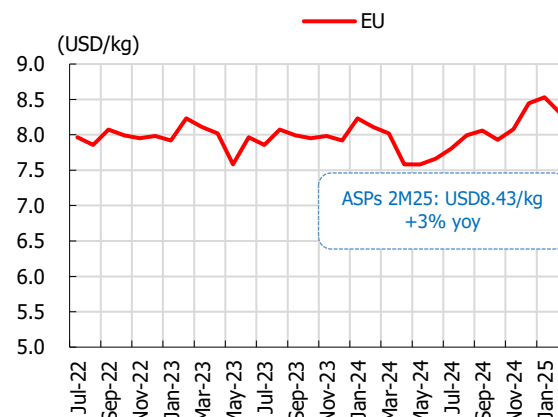
fares better-than-expected thanks to the consumer confidence resumption, hence well-observed the abundant supply and reviving shrimp ASPs trend. Based on these rationales, we forecast 1Q25F's export volume and ASPs growing by +12~15% yoy and +3~5% yoy (to USD8.5/kg ~ USD8.6/kg).

Figure 27. Robust consumption in EU bolstered Vietnamese shrimp export volume



Source: Agromonitor, KIS Research

Figure 28. Shrimp ASPs to EU also fared better than other countries



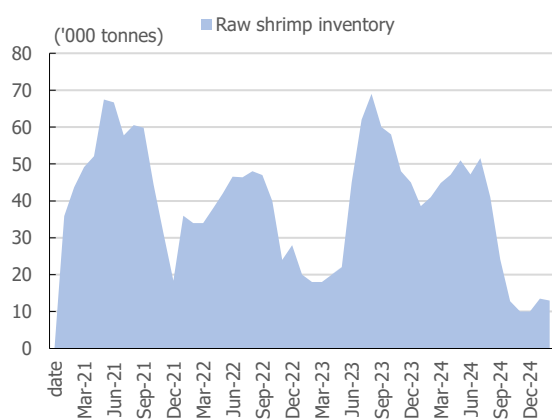
Source: Agromonitor, KIS Research

2.4. Input prices remain high but are offset by reviving in export ASPs

Domestic raw shrimp prices have been on an upward since Jul-24 and remained at high level, driven by increased demand for processing and domestic supply has tightened (*Figure 29*). This may lead to rising input material costs of shrimp export enterprises in 1Q25F. However, as the shrimp export ASPs also revived in 2M25, thereby offsetting the surge in input costs.

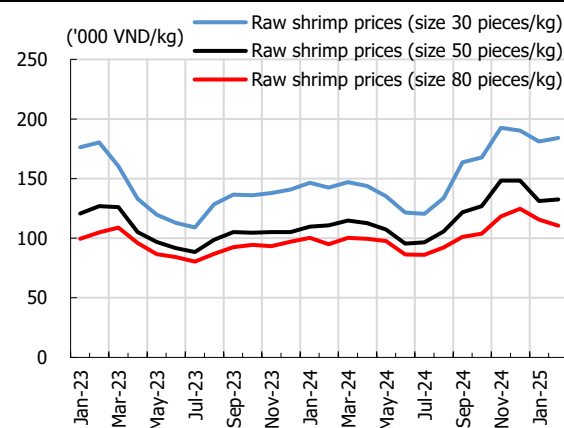
We expect raw shrimp prices that could gradually inch down from 2Q25F onwards due to the high peak harvest season starting from 2Q25F, thereby resurging the domestic raw shrimp inventory and easing its prices.

Figure 29. Shrimp domestic supply has tightened



Source: Agromonitor, KIS Research

Figure 30... leading to an upward in raw shrimp price



Source: Agromonitor, KIS Research

III. 1Q25F business results of listed enterprises

1. VHC – “Wait-and-See”

Table 4. VHC 1Q25F earnings forecast

(VNDbn, %)

	1Q24A	4Q24A	1Q25F			2025F		Consensus	
				yoy	qoq		yoy	1Q25F	2025F
Revenue	2,856	3,206	2,695	(5.6)	(15.9)	12,987	3.6	N/A	14,137
<i>Pangasius fillets & related products</i>	2,368	2,827	2,269	(4.2)	(20)	11,122	2.5	-	-
<i>Collagen & Gelatin</i>	238	142	192	(19.2)	35.2	886	14.6	-	-
<i>Sa Giang (SGC)</i>	162	188	176	8.5	(6.4)	745	5.1	-	-
<i>Thanh Ngoc Fruits</i>	45	49	58	29.6	18.4	234	17.8	-	-
GP	266	578	506	90.2	(12.5)	2,217	17.2	N/A	2,323
SG&A costs	132	202	139	5.3	(31.2)	660	3.4	-	-
OP	207	474	410	98.1	(13.5)	1,698	16.2	-	-
EBT	217	481	419	93.1	(12.9)	1,734	15.9	-	-
NP	189	441	366	93.7	(17)	1,514	15.5	N/A	1,692
Controlling-int. NP	170	425	342	1.01x	(19.5)	1,415	14.7	N/A	1,503

Source: Company data, Bloomberg, KIS Research estimate

Revenue forecasts: In 1Q25F, we peg VHC's revenue posting to VND2,695bn (-5.6% yoy/ -15.9% qoq). Particularly:

- **Pangasius fillets:** Total export value is expected to grow at a slower pace compared to overall 2024, specifically reaching USD56.5mn (-5.3% yoy/ -24.9% qoq):
 - *Pangasius export volume:* posting to 19,182 tonnes, slumping by 12.4% yoy and 28.7% qoq. The downturn in export volume was attributed to the weaker-than-expected exports to US and Chinese markets. Notably, VHC's export to the US sees a loss of growth momentum, we believe that the inventory levels of VHC's key customers in the US increased significantly following a period of aggressive restocking, thereby temporarily dampening demand in 1Q25F. We anticipate a 5.8% yoy decline in export volume.
Meanwhile, the Chinese market remained lackluster due to an oversupply and tepid consumption, further exerting downward pressure on VHC's pangasius exports. As a result, we forecast a 31% yoy decline in volume to China. In contrast, the EU markets are expected to improve +10% yoy.
 - *Pangasius ASPs:* VHC's pangasius ASPs will likely be up to USD2.95/kg (+8.1% yoy/ +5.2% qoq). Specifically, we project ASPs for the US, EU, and China at USD3.0/kg (+10.7% yoy), USD3.5/kg (+1.6% yoy), and USD2.0/kg (-9% yoy), respectively.
- **Pangasius-related products:** Demand for these products has also slowed significantly, particularly for fishmeal- and fish oil-related products (key raw materials for animal feed). This slump is primarily attributed to the sluggish import momentum in China (The primary market for these products).

- **Collagen & Gelatin (C&G):** C&G revenue was bleak, with a slump of -19.2% yoy (VND105bn) in 2M25. Based on this trend, we expect 1Q25F's C&G revenue posting to VND192bn (-19~20% yoy).
- **Sa Giang (SGC):** In 2M25, rice products revenue remained a rosy growth (+50% yoy) thanks to high demand in key export markets. In contrast, shrimp chips product revenue plummeted by 17% yoy. In 1Q25F, we expect a revenue of VND176bn (+10.5% yoy). Amidst the positive export demand for rice products, VHC plans to expand its production lines further in 2025F. Therefore, we anticipate that this business segment will continue to sustain strong growth momentum.

Gross margin & NPAT forecasts: VHC's GM could expand to 19.1% (+10.2%p yoy/ +1.1%p qoq) thanks to an uptick in pangasius ASPs and the lower costs of raw material (aquafeed prices) compared to yoy. At the bottom line, VHC could fare well with VND342bn NPAT-MI (+1.02x yoy/ -19.6% qoq).

Recommendation: We use DCF approach to value VHC share. For DCF method, we think this method is well to reflect the mid-and long-term prospects of VHC and ignoring the fluctuations of pangasius ASPs cycle. This method suggests VHC's share at VND77,200/share.

We consider revise down our TP due to (1) the lower forecasts on pangasius ASPs and export volume in a period of 2025F-29F, and (2) the lower forecasts on the other business segments.

2. ANV – Muted export outlook to Chinese market

Table 5. ANV 1Q25F earnings forecast

(VNDbn, %)

	1Q24A	4Q24A	1Q25F			2025F		Consensus	
				yoy	qoq		yoy	1Q25F	2025F
Revenue	1,016	1,361	985	(3.1)	(27.6)	4,830	(1.7)	N/A	5,360
<i>Pangasius fillets & related products</i>	984	1,330	953	(3.2)	(28.3)	4,702	(1.7)	-	-
<i>Construction & other</i>	4	6	4	-	(33.3)	19	-	-	-
<i>Solar</i>	27	25	27	-	8	109	-	-	-
GP	101	139	114	12.9	(18.0)	584	4.1	N/A	702
SG&A costs	53	116	72	35.8	(37.9)	354	(3.3)	-	-
OP	29	13	22	(24.1)	69.2	152	23.2	-	-
EBT	30	14	22	(26.7)	57.1	148	88.3	-	-
NP	16.9	5.9	18.7	10.7	2.2x	126	1.6x	N/A	145
Controlling-int. NP	16.9	5.9	18.7	10.7	2.2x	126	1.6x	N/A	145

Source: Company data, Bloomberg, KIS Research estimate

Revenue forecasts: In 1Q25F, we peg ANV's revenue of VND985bn, down by 3.1% yoy and 27.6% qoq. Notably, pangasius segment mainly dragged down revenue growth due to the bleak export prospects. For pangasius segment, we expect that:

- **Pangasius export volume:** total of 10,265 tonnes (-21.4% yoy), weighed on by the Chinese market (-80% yoy) and EU (-10~12% yoy). In contrast, Latin America (Brazil, Mexico...) and ASEAN markets surged by +40% yoy and +15% yoy, respectively. Overall, we observe that ANV gradually shifting from China to other countries as Thailand, Latin America countries... to mitigate the subdued consumption in Chinese market.

- **Pangasius ASPs:** It is forecasted to USD2.14/kg (+14.9% yoy/ +0.8% qoq), ASPs have recovered yoy due to the low base effect.
- **Domestic sales:** We expect domestic revenue to uptick by 5% yoy, to VND407bn.

Gross margin & NPAT forecasts: ANV's GM is expected to 11.6% (+1.6% yoy/ +1.4% qoq), the improvement in GM is attributed to (1) The pangasius ASPs rebounded from the low base (2) Input costs are well-controlled amidst the surge in raw pangasius during 4Q24 thanks to 100% self-sufficiency of raw pangasius. At the bottom line, NPAT will likely post to VND18.7bn (+11% yoy/ 2.17% qoq).

Recommendation: We maintain **HOLD rating for ANV** due to the weaker-than-expected export to Chinese market (ANV's key market) and the current valuation is not attractive based on the 2025F's NPAT forecasts.

3. IDI – The hardship drags on

Table 6. IDI 1Q25F earnings forecast

(VNDbn, %)

	1Q24A	4Q24A	1Q25F			2025F		Consensus	
				yoy	qoq		yoy	1Q25F	2025F
Revenue	1,630	1,687	1,599	(1.9)	(5.2)	7,401	3.6	-	-
<i>Pangasius fillet product</i>	644	737	612	(5.0)	(17.0)	2,867	3.3	-	-
<i>Fishmeal, fish oil</i>	697	645	697	-	8.1	3,005	3.8	-	-
<i>Aquafeeds</i>	280	293	280	-	(4.4)	1,475	4.0	-	-
<i>Services</i>	10	13	10	-	(23.1)	54	-	-	-
<i>Real Estate</i>	-	-	-	-	-	-	-	-	-
GP	119	126	118	(0.8)	(6.4)	602	7.7	-	-
SG&A costs	59	73	61	3.4	(16.4)	282	4.0	-	-
OP	19	30	21	10.5	(30.0)	173	62.1	-	-
EBT	19.3	31.3	21.1	9.3	(32.6)	174	1.01x	-	-
NP	16.6	18.5	14.5	(12.7)	(21.6)	120	65.2	-	-
Controlling-int. NP	13.7	15.5	12.2	(10.9)	(21.3)	101	66.7	-	-

Source: Company data, Bloomberg, KIS Research estimate

Revenue forecasts: In 1Q25F, we peg IDI's revenue could sit at VND1,597bn (-2.1% yoy/ -5.4% qoq). Specifically:

- **Pangasius fillet products:** We forecast pangasius revenue will likely post to VND612bn (-4.9% yoy/ -17% qoq). Specifically, pangasius export volume is expected to slump by 15~18%% yoy, dragged down by the subdued consumption in China and Mexico in 1Q25F. Regarding pangasius ASPs, we expect IDI's ASPs to stay at USD2.2/kg, in line with the 2M25 average, per Agromonitor data. For domestic sales, we think IDI tend to boost sales to partially offset the weak export performance, projecting an increase of +5~7% yoy.
- Additionally, fishmeal and fish oil segment could remain at VND758bn 1Q25F's aquafeed revenue is expected to VND280bn.

Gross margin & NPAT forecasts: IDI's GM is forecasted to 7.4% (staying flattish compared to yoy & qoq) thanks to the slightly upturn in pangasius ASPs while the input costs slightly increase to offset higher ASPs. As such, we peg NPAT-MI will likely be at VND12.2bn (-10.7% yoy/ -21.3% qoq).

Recommendation: We reaffirm **HOLD rating** for IDI due to the slow recovery of business results. Besides, we still concern about the risks related to inefficient investments in non-core businesses and large loans to the parent corporation.

4. FMC – Robust export volume is a key engine for growth

Table 7. FMC 1Q25F earnings forecast

(VNDbn, %)

	1Q24A	4Q24A	1Q25F			2025F		Consensus	
				yoy	qoq		yoy	3Q24F	2024F
Revenue	1,461	1,364	2,273	55.6	66.6	8,859	28.2	N/A	7,739
<i>Shrimp products</i>	1,426	1,334	2,254	58.1	69.0	8,727	28.8	-	-
<i>Agricultural products</i>	35	30	19	(45.7)	(36.7)	132	(6.1)	-	-
GP	96	207	169	76.0	(18.4)	913	21.4	N/A	875
SG&A costs	50	70	108	116	54.3	472	21.5	-	-
OP	57	190	83	45.6	(56.3)	486	15.1	-	-
EBT	57	190	83	45.6	(56.3)	486	15.2	-	-
NP	57	187	83	45.6	(56.3)	482	14.0	N/A	391
Controlling-int. NP	50	110	62	24.0	(43.6)	362	18.3	N/A	361

Source: Company data, Bloomberg, KIS Research estimate

Revenue forecasts: We project 1Q25F's total revenue of VND2,273bn (+55.6% yoy), FMC's revenue growth remains intact thanks to the rosy pickup in shrimp segment. Particularly, shrimp revenue is forecasted to VND2,254bn (+58.1% yoy), on the backdrop of:

- *Shrimp volume:* 2M25's Sales volume bolstered to 4,100 tonnes (+87% yoy), and it was beat our expectations thanks to the strong recovery of export to key markets, especially exporting to EU markets. We think Khang An Foods (FMC holds 51% share in KAF) could benefit the most from the growth of EU markets due to the well-positioned exporting high value-added shrimp products. Therefore, we expect that shrimp sales volume soaring approximately +50~55% yoy in 1Q25F.
- *Shrimp ASPs:* per our estimates, shrimp ASPs are expected to VND340,500/kg (on average +2% yoy) thanks to the gradual resumption of consumption, and mainly driven by the Japanese and EU markets.

Gross margin & NPAT forecasts: FMC's input costs (raw shrimp prices), it could see a slight upturn in 1Q25F due to the surge in raw shrimp prices during 4Q24. However, regarding to self-sufficient raw shrimp, BOD's views are confident about off-season shrimp framings. They have already stocked all shrimp fry across their current self-operated farming areas. Therefore, we believe that self-farmed shrimp production will be abundant, partially mitigating the risk of fluctuations in raw shrimp costs. As such, FMC's GM could sit at 7.45% (+0.85%p yoy). At the bottom line, we expect FMC's NPAT-MI could be at VND62bn (+24% yoy), thanks to higher export volume in 1Q25F.

Recommendation: We reaffirm **HOLD rating** for FMC shares. Although NPAT-MI in 2025F is expected to be positive, fueled by shrimp volume growth and stable GM, as well as anti-dumping tax refunds, a more significant positive shift in shrimp ASPs is necessary for the valuation to be genuinely attractive. Therefore, we believe it is essential to monitor global shrimp supply-demand dynamics to better predict shrimp ASPs trends before making any changes to our recommendations

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