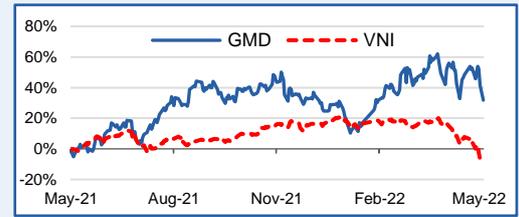


Gemadept (GMD) [BUY +31.8%]

Update Report

Industry:	Ports		2021	2022F	2023F	2024F
Report Date:	May 16, 2022	Rev Growth	23.1%	8.3%	9.3%	6.7%
Current Price:	VND48,400	EPS Growth	67.4%	12.4%	33.7%	23.5%
Target Price:	VND62,600	GPM	35.6%	36.1%	36.3%	36.8%
Last Target Price:	VND57,400	NPM	19.1%	22.8%	28.3%	33.2%
Upside to TP:	+29.3%	EV/EBITDA*	12.7x	10.0x	8.3x	7.0x
Dividend Yield:	2.5%	P/E	25.8x	22.9x	17.1x	13.9x
TSR:	+31.8%	P/B	2.3x	1.9x	1.8x	1.7x



		GMD	Peers	VNI
Market Cap:	USD631.9mn	11.1x	7.3x	N/A
Foreign Room:	USD26.4mn	23.2x	15.7x	12.8x
ADTV30D:	USD7.0mn	2.0x	1.7x	2.0x
State Ownership:	0.0%	ROE	11.5%	12.7%
Outstanding Shares:	301.4 mn	ROA	6.9%	9.0%
Fully Diluted Shares**:	341.6 mn			2.6%

** adjusted for potential right issue ^ ttm; * EBITDA includes net income from affiliates

Company Overview:

GMD is one of Vietnam's largest port operators and domestic logistics service providers that has integrated capabilities across the logistics value chain. In addition to its core businesses in port operations and logistics services, GMD has investments in real estate projects and rubber plantations.

Dang Thai, CFA
Senior Analyst
dang.thai@vcsc.com.vn
+8428 3914 3588 ext. 149

Hong Luu
Senior Manager
hong.luu@vcsc.com.vn
+8428 3914 3588 ext.120

Gemalink Phase 2 to be key profit driver from 2023F

- We upgrade our rating for GMD to BUY from OUTPERFORM and raise our target price (TP) by 9.1% to VND62,600/share.
- Our higher TP is mainly driven by (1) the positive effect from rolling our TP to mid-2023 vs previously end-2022 and (2) our higher capacity assumption for the Gemalink deep-sea port Phase 2 following management's new capacity guidance. These factors are partially offset by the dilution effect from an upcoming rights issuance for a total of approximately 100.5 million shares at an issuing price of VND20,000/share, which was approved by shareholders at GMD's AGM on April 25, 2022 (see page 5).
- We broadly maintain our NPAT-MI forecasts for 2022F and raise our aggregate NPAT-MI forecasts for 2023-2024F by 4.3% thanks to GMD's deleveraging financial position after the rights issue as well as increasing our aggregated NPAT-MI forecasts for 2025-2030F by 13%, which mainly reflects our higher capacity assumption for Gemalink Phase 2.
- For 2022F, we forecast revenue of VND3.5tn (USD152mn; +8.3% YoY) and NPAT-MI of VND790bn (USD34mn; +29% YoY). We assume upbeat profit growth in 2022F will be mainly driven by a full-year profit contribution from Gemalink.
- We note that Gemalink is recorded as GMD's affiliate despite the company owning a 65% stake in the port; as a result, our forecast for single-digit revenue growth in 2022F has not factored in the revenue contribution from Gemalink.
- We expect GMD to be a major beneficiary of growing manufacturing activity in Vietnam. Despite GMD trading at high premium vs its peer median, the port operator is set for a solid capacity expansion and superior profit growth in the next three years thanks to Gemalink.
- Downside risks to our view: Lower growth in throughput and/or tariffs; slower development of Vietnam's transportation infrastructure network.

Gemalink Phase 2 is expected to start operation in 2023F, and the company targets to increase its capacity compared to what was previously planned. GMD shared that it is in the process of adjusting the investment plan of Gemalink Phase 2; this plan targets to increase Phase 2's capacity to 1.5 million TEUs vs the previously planned 900,000 TEUs by expanding the port's berth and equipping more modern and efficient machinery. GMD expects to partially start Phase 2's operations in 2023F and fully operate from 2024F. Following management's new target for Gemalink Phase 2's capacity, we raise our capacity assumption for Gemalink (Phase 1 & 2) to 3 million TEUs in total vs previously 2.4 million TEUs and raise our aggregate NPAT-MI forecasts for GMD by 13% in 2025-2030F.

Successful divestment from rubber plantations to be a catalyst. Management has expressed that it targets to divest its rubber plantations in Cambodia over the short term to leverage the currently favorable conditions of the natural rubber sector. We believe a successful divestment from these projects will be a positive catalyst for GMD.

Q1 2022 Recap: Strong profit growth thanks to Gemalink

Figure 1: GMD's Q1 2022 results

VND bn	Q1 2021	Q1 2022	YoY Growth	Q1 2022 as % of Old 2022F	VCSC comment
Revenue	687	880	28.0%	25.3%	
<i>Ports</i>	582	736	26.3%	24.5%	<p>* Port revenue increased 26% YoY to VND736bn (USD32mn) in Q1 2022, completing ~25% of our full-year forecast.</p> <p>* Although GMD has not provided a revenue breakdown for its ports, we believe the main revenue drivers in Q1 2022 were GMD's downstream ports in Hai Phong.</p> <p>* According to data provided by Vietnam Port Associate (VPA), total container throughput in GMD's downstream Nam Dinh Vu and Nam Hai Dinh Vu ports was up 38% YoY in Q1 2022.</p>
<i>Logistics & others</i>	105	144	37.2%	30.9%	
Gross Profit	259	352	36.0%	28.1%	
SG&A expenses	-100	-110	10.3%	22.0%	
Operating profit	159	242	52.2%	32.2%	
Financial income	22	4	-80.5%	11.5%	
Financial expenses	-28	-32	17.4%	19.8%	
Net income from affiliates	25	126	408.8%	25.4%	<p>* In Q1 2022, net income from affiliates jumped 5.1x YoY to VND126bn (USD5.5mn), which was mainly driven by (1) Gemalink achieving profit of VND36bn (USD1.6mn) vs a loss of around VND35bn (USD1.6mn) in Q1 2021 (per our estimates), and (2) SCS's bottom line surging 37% YoY to VND188bn (USD8.2mn). Gemalink while SCS made up ~76% of GMD's net income from affiliates in Q1 2022.</p>
Net other (loss)/gain	14	11	-23.2%	N.M.	
Profit before tax	192	350	82.4%	34.5%	
NPAT before MI	172	319	85.7%	34.0%	
MI	25	45	83.7%	29.4%	
NPAT-MI	147	274	86.1%	35.0%	<p>* The upbeat profit growth in Q1 2022 was thanks to Gemalink, which has been profitable since Q3 2021, according to the company. Meanwhile, GMD's core businesses were broadly in line with our expectation.</p>
<i>GPM</i>	37.7%	40.0%			
<i>Ports</i>	39.3%	40.0%			
<i>Logistics</i>	28.9%	40.1%			
<i>OPM</i>	23.1%	27.5%			
<i>NPM</i>	21.4%	31.1%			

Source: GMD, VCSC

2022 Outlook: Gemalink to drive profit growth

Figure 2: 2022 forecast for GMD

VND bn	2021A	Old 2022F	New 2022F	YoY Growth	VCSC assumptions
Revenue	3,206	3,471	3,471	8.3%	
<i>Ports</i>	2,762	3,006	3,006	8.8%	* We maintain our forecast for GMD's port revenue increasing 8.8% YoY to VND3tn (USD130mn), which we expect will mainly be driven by GMD's downstream ports in the Hai Phong port cluster.
<i>Logistics & others</i>	444	466	466	5.0%	
Gross Profit	1,142	1,252	1,252	9.6%	
SG&A expenses	-449	-502	-493	9.9%	
Operating profit	693	751	759	9.5%	
Financial income	40	37	45	13.8%	
Financial expenses	-108	-163	-164	52.1%	
Net income from affiliates	237	494	489	106.4%	* We maintain our forecast for Gemalink to make a profit of VND270bn (USD11mn) in 2022F with an expected cargo throughput of 1.3 million TEUs — or ~90% of Phase 1 capacity. * For 2022F, we expect Gemalink to contribute 36% to GMD's net income from affiliates. * We forecast GMD's other major affiliates — including SCS and CJ GMD Logistics & Shipping — to also achieve solid YoY net income growth in 2022F of 24% and 15% YoY, respectively.
Net other gain/(loss)	-55	-104	-104	88.5%	* We believe net other losses were mainly derived from uncapitalized expenses from natural rubber plantations in Cambodia, which we expect will happen in H2 2022.
Profit before tax	806	1,014	1,024	27.1%	
NPAT before MI	721	938	946	31.3%	
MI	108	155	156	44.1%	
NPAT-MI, reported	612	783	790	29.1%	
<i>GPM</i>	35.6%	36.1%	36.1%		
<i>Ports</i>	37.0%	37.5%	37.5%		
<i>Logistics</i>	27.4%	26.9%	26.8%		
<i>OPM</i>	21.6%	21.6%	21.9%		
<i>NPM</i>	19.1%	22.6%	22.8%		

Source: GMD, VCSC

Valuation

We apply a **sum-of-the-parts (SoTP) approach to value GMD**. We use the SoTP approach for GMD given the large contribution from its affiliates as well as the company's intention to divest its non-core assets.

We apply an unchanged valuation discount of 10% on GMD in order to factor in its conglomerate structure as well as its limited information access related to its non-core businesses (real estate and rubber plantations). Our SoTP valuation includes:

(1) Port and consolidated logistics segments, which we value using a DCF method as these businesses mostly generate predictable cash flows.

(2) Saigon Cargo Service (SCS), which is the main contributor to GMD's net income from affiliates. We value SCS using a DCF method. For more information on our view and valuation of SCS, please see our [May 13, 2022 SCS Update Report](#).

(3) Gemalink port, which we value using a DCF method. We value Gemalink separately as we do not yet have sufficient information on its financial position and timeline to consolidate this project into our forecast for the core business.

(4) Rubber plantations, which we value by a P/B approach. We apply a target P/B of 1.0x, which is equivalent to the two-year average median P/B of selected peers. We benchmark GMD's rubber plantations against selected pure rubber plantation peers in Vietnam as there are no listed peers in Cambodia. We believe the isolated location of GMD's rubber plantations in Cambodia has limited potential for redevelopment.

(5) CJ Gemadept Logistics and CJ Gemadept Shipping, which we value using relative P/E multiples. We apply a target P/E of 12.0x, which is equivalent to the two-year average median P/E of selected peers. We benchmark CJ Gemadept Logistics and Shipping against other listed logistics players in Asia that also provide integrated logistics services and are small and geographically concentrated to their own domestic markets.

(6) Real estate projects and other investments, which we value at book value given the current uncertainty around land-use rights approval and development timelines.

Figure 3: Valuation summary

VND bn	Method	Value	GMD's ownership	Equity value attributed to GMD
Ports and consolidated logistics	DCF	9,130	100.0%	9,130
SCS	DCF	9,654	34.5%	3,333
Rubber plantation	P/B	1,571	100.0%	1,571
Gemalink port	DCF	9,750	65.1%	6,350
CJ Gemadept Logistics & Shipping	P/E	2,194	49.1%; 51.0%	1,097
Others (*)	BV	360	100.0%	360
Total Equity Value				21,841
Discount (%)				10%
Discounted equity value ***				21,666
Share count (million) **				346.1
Target price (VND/share)				62,600
Upside to target price				+29.3%
Dividend yield				2.5%
TSR				+31.8%
2022F PER at TP				29.6x
2023F PER at TP				22.2x
2022F EV/EBITDA at TP				14.2x
2023F EV/EBITDA at TP				11.8x

Source: VCSC. Note: (*) Including other affiliates (real estate projects, K'Line Logistics and Mekong Logistics) and long-term investments; (**) factoring expected ESOP issuance and the fair value element of potential rights issue in 2022F; (***) including VND2tn (USD87mn) proceeds from rights issue.

GMD's planned rights issue and our related assumptions

Figure 4: Summary of GMD's rights issue plan, which was approved at GMD's AGM on April 25, 2022

Right issue	
Timeline of issuance	2022 after approval from the State Securities Commission
Rights issue ratio	90:30 (a shareholder who owns 90 shares can buy 30 new shares)
Number of shares to be issued	100.5 million shares
Exercise price	VND20,000/share
Proceeds	VND2tn (USD87mn). The proceeds are planned to finance investments in Nam Dinh Vu Phase 2 (40% of proceeds) and Gemalink Phase 2 (50%), in addition to fixed assets purchases for the company's businesses (10%).

Source: GMD, VCSC

Figure 5: Summary of our assumption for GMD's rights issue

Our assumption	
Pre-money share price for market capitalization calculation (1)	VND18.1tn (USD787mn)
(1) = our assumed share price before ex-rights date of the rights issue (VND60,000/share) multiplied by pre-rights issue share outstanding	
Theoretical diluted price (2)	VND50,000
(2) = [(1) + proceeds from exercised rights] / (GMD's current outstanding shares + issued share amount)	
Fair value element of the rights issue (3)	40.2 million shares
(3) = proceeds/(2)	
Bonus element of the rights issue (4)	60.3 million shares
(4) = Issued share amount - (3)	

Source: VCSC

Port and consolidated logistics segments

Figure 6: Port and consolidated logistics DCF valuation

Cost of Capital	Previous	Revised	FCFF (10-Year)	VND bn
Beta	0.9	0.9	PV of Free Cash Flows	4,827
Market Risk Premium %	7.0%	7.0%	PV of Terminal Val (0.0% g)	6,336
Risk Free Rate %	5.5%	5.5%	PV of FCF and TV	11,163
Cost of Equity %	11.8%	11.8%	+ Cash & ST investments	614
Cost of Debt %	10.0%	10.0%	- Debt	-1,876
Debt %	30.0%	30.0%	- Minority Interest	-771
Equity %	70.0%	70.0%	Equity Value	9,130
Corporate Tax Rate %	10.0%	10.0%	Shares (million)*	346.1
WACC %	11.0%	11.0%	Value per share, VND	26,400

Source: Bloomberg, VCSC. Note: (*) factoring expected ESOP issuance and the fair value element of potential rights issue in 2022F.

Figure 7: Port and consolidated logistics cash flow summary

VND bn	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F
EBIT	759	846	933	1,059	1,100	1,246	1,379	1,506	1,570	1,617
- Tax	-81	-90	-99	-134	-139	-157	-174	-190	-198	-204
+ Dep.	421	489	563	627	650	660	669	683	707	744
- Capex	-1,385	-960	-1,547	-667	-230	-230	-230	-230	-230	-230
- Working cap increase	51	-105	-85	-94	-71	-156	-149	-129	-76	-62
Free Cash Flow	-235	180	-236	791	1,310	1,362	1,494	1,640	1,772	1,865
PV of FCF	-223	154	-182	550	821	769	760	752	732	694
Cumulative PV of FCF	-223	-69	-251	299	1,120	1,889	2,649	3,400	4,133	4,827

Source: VCSC

SCS — air cargo terminal affiliate

Figure 8: Valuation summary

VND bn	Valuation method	Value
SCS	Five-year DCF	9,654
GMD ownership stake % in SCS		34.5%
Equity value attributed to GMD		3,333

Source: VCSC

Rubber plantations

We apply our target P/B of 1.0x for GMD's rubber plantations in Cambodia — in line with the two-year average peer median P/B.

Figure 9: Rubber plantation peers in Vietnam (USD mn)

Company	Country	Mkt cap	TTM Net Sales	YoY %	TTM NPAT	YoY %	Debt/Equity	ROE	TTM P/E	LQ P/B	TTM EV/EBIT-DA
Tan Bien Rubber JSC	Vietnam	103	39	33%	11	50%	18.9%	18.4%	9.4x	1.7x	8.9x
Ba Ria Rubber JSC	Vietnam	95	22	27%	6	34%	0.0%	11.1%	15.0x	1.6x	16.4x
Dong Phu Rubber JSC	Vietnam	127	53	-1%	19	119%	2.0%	21.2%	6.8x	1.3x	5.4x
Daklak Rubber JSC	Vietnam	36	26	33%	4	249%	36.1%	11.4%	9.8x	1.2x	4.0x
Median		99	32	30%	9	85%	10.4%	14.9%	9.6x	1.5x	7.2x
Average		90	35	23%	10	113%	14.2%	15.6%	10.2x	1.5x	8.7x

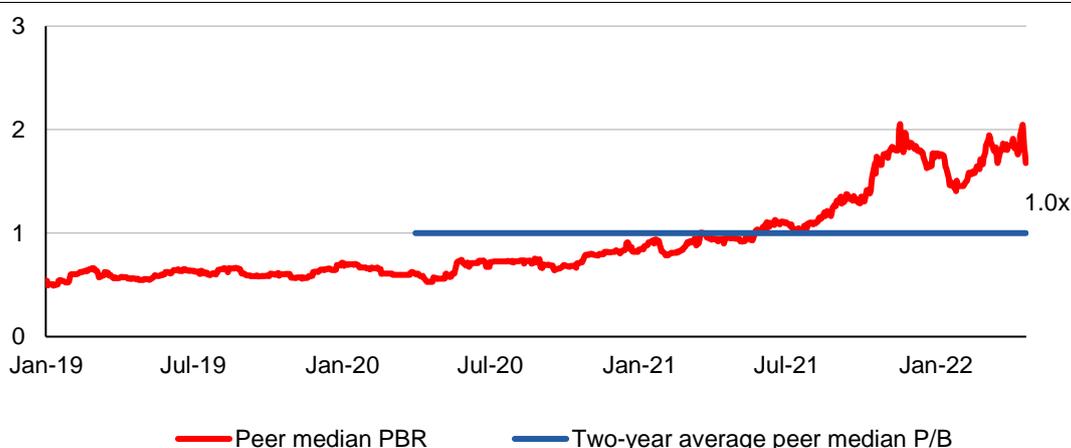
Source: Bloomberg, VCSC (data as of May 12, 2022)

Figure 10: Rubber plantation valuation summary

VND bn	Value
Book value	1,571
Target P/B	1.0x
Equity value	1,571
GMD ownership stake %	100%
Equity value attributed to GMD	1,571

Source: VCSC

Figure 11: Rubber peer median PBR (x)



Source: Bloomberg, VCSC

Gemalink port

Figure 12: VCSC's forecast for Gemalink's top line

VND bn	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F
Revenue	1,829	2,515	3,530	4,766	5,742	5,915	6,092	6,214	6,338	6,465	6,594	6,726	6,861	6,998	7,138
Throughput (TEUs, 000's)	1,330	1,663	2,161	2,702	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Average tariff (VND mn /TEU)	1.38	1.51	1.63	1.76	1.85	1.91	1.97	2.00	2.04	2.09	2.13	2.17	2.21	2.26	2.30

Source: VCSC

Figure 13: Gemalink DCF valuation

Cost of Capital	Previous	Revised	FCFF (15-Year) - VND bn	Value
Beta	0.9	0.9	PV of Free Cash Flows	9,716
Market Risk Premium %	7.0%	7.0%	PV of Terminal Val (0.0% g)	4,118
Risk Free Rate %	5.5%	5.5%	PV of FCF and TV	13,834
Cost of Equity %	11.8%	11.8%	- Net debt *	4,083
Cost of Debt %	10.0%	10.0%	- Others	0
Debt %	30.0%	30.0%	Equity Value	9,750
Equity %	70.0%	70.0%	Effective ownership	65.1%
Corporate Tax Rate %	10.0%	10.0%	Shares (million)	346.1
WACC %	11.0%	11.0%	Value per share, VND	18,300

Source: VCSC. Note: (*) We currently assume Gemalink will disburse all of the total required debt balance as of end-2022.

Figure 14: Gemalink's cash flow assumption summary

VND bn	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F
EBIT	530	792	1,165	1,620	1,981	2,070	2,132	2,175	2,250	2,263	2,324	2,388	2,453	2,519	2,587
- Tax	0	0	117	162	198	207	213	217	225	226	349	478	491	504	517
+ Dep.	372	428	428	428	428	428	428	428	428	428	428	428	428	428	428
- Capex	-2,415	-1,691	0	0	0	0	0	0	0	0	0	0	0	0	0
Free Cash Flow	-1,507	-458	1,489	1,899	2,223	2,304	2,359	2,398	2,465	2,477	2,416	2,351	2,403	2,456	2,510
PV of FCF	-1,431	-392	1,148	1,319	1,392	1,300	1,200	893	827	749	659	577	532	490	451
Cumulative PV of FCF	-1,431	-1,823	-674	645	2,037	3,338	4,538	5,430	6,258	7,007	7,665	8,243	8,774	9,264	9,716

Source: VCSC

CJ Gemadept Logistics & CJ Gemadept Shipping

Figure 15: Selected peers of CJ Gemadept Logistics & CJ Gemadept Shipping (USD mn)

Company	Country	Mkt cap	TTM Net Sales	YoY %	TTM NPAT	YoY %	Debt/Equity	ROE	TTM P/E	LQ P/B	TTM EV/EBIT-DA
TASCO Bhd	Malaysia	184	355	56%	16	58%	42%	13%	12.4x	1.6x	7.2x
Chien Shing Harbour	Taiwan	128	90	30%	20	113%	173%	21%	6.3x	1.3x	8.8x
South Logistics JSC	Vietnam	135	133	38%	10	42%	13%	14%	13.2x	1.7x	8.3x
Tiger Logistics	India	30	23	-44%	-2	0%	36%	-26%	NA	5.5x	13.4x
CJ Century Logistics	Malaysia	80	207	43%	2	628%	42%	2%	19.5x	0.8x	6.4x
T3EX Global Holdings	Taiwan	550	1,444	118%	160	392%	13%	59%	3.5x	1.5x	1.5x
Median		132	170	41%	13	86%	39%	13%	12.4x	1.5x	7.8x
Average		185	375	40%	34	205%	53%	14%	11.0x	2.1x	7.6x

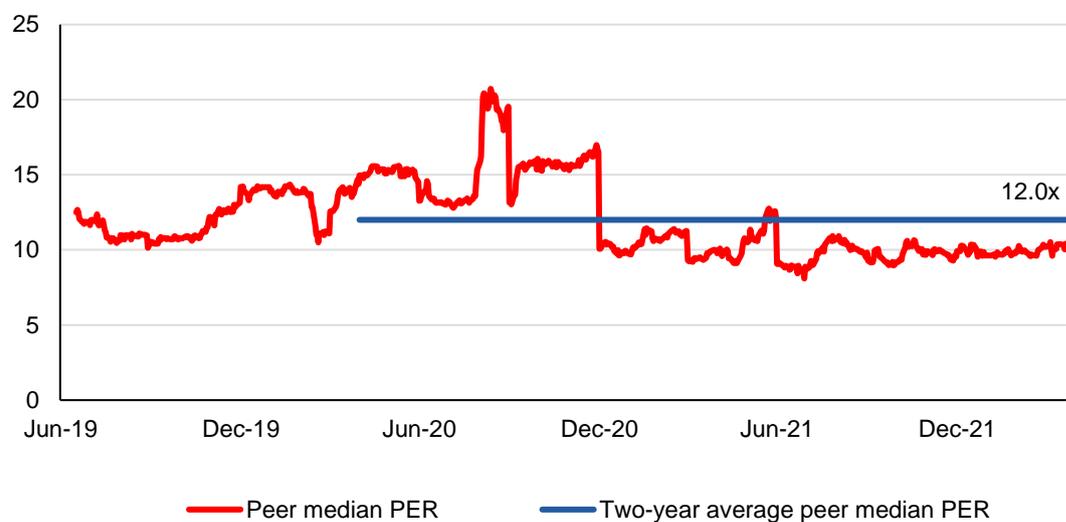
Source: Bloomberg, VCSC (data as of May 12, 2022)

Figure 16: CJ Gemadept Logistics & CJ Gemadept Shipping valuation summary

VND bn	Value
2022F Net income	183
Target P/E	12.0x
Equity value	2,194
GMD ownership stake %	49.1%; 51.0%*
Equity value attributed to GMD	1,097

Source: VCSC. Note: (*) We assume an average of 50%.

Figure 17: Logistics peer median PER (x)



Source: Bloomberg, VCSC

Peer comparison

We benchmark GMD against small and mid-sized listed port operators in Asia whose revenues are mainly derived from container port operations — as well as operators who are also geographically concentrated to one or two port clusters.

GMD is trading at a TTM of 23.2x, which is a 48% premium compared its peer median. However, we believe GMD's valuation is attractive following its solid capacity expansion vs its peers who mostly have been in a mature phase without capacity expansion — in addition to its superior profit growth in the next three years thanks to Gemalink.

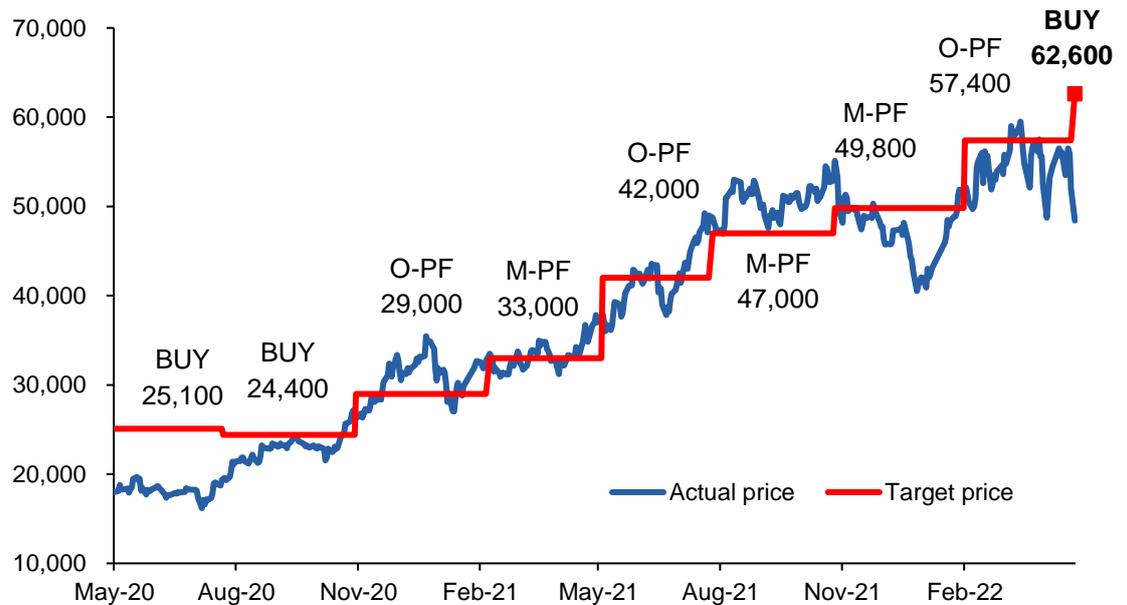
Figure 18: GMD's comparable peers (USD mn)

Company	Country	Mkt cap	TTM Net Sales	YoY %	TTM NPAT	YoY %	Debt/Equity	ROE	TTM P/E	LQ P/B	TTM EV/EBIT-DA
PHP	Vietnam	272	101	10%	24	10%	13%	13%	11.6x	1.4x	5.8x
VSC	Vietnam	227	84	12%	13	24%	0%	13%	15.7x	1.9x	6.2x
Tianjin Port Co Ltd	China	1,683	2,132	-5%	141	17%	32%	5%	13.5x	0.7x	7.5x
Westports Holdings Bhd	Malaysia	3,175	486	1%	180	6%	39%	26%	18.5x	4.7x	10.8x
Gujarat Pipavav Port Ltd	India	491	92	-7%	30	-31%	2%	10%	17.1x	1.7x	7.3x
Median		491	101	1%	30	10%	13%	13%	15.7x	1.7x	7.3x
Average		1,170	579	2%	78	5%	17%	13%	15.3x	2.1x	7.5x
Gemadep JSC	Vietnam	632	149	26%	32	83%	27%	12%	23.2x	2.0x	11.1x

Source: Bloomberg, VCSC (data for peers is as of May 12, 2022)

Recommendation History

Figure 19: Historical VCSC target price vs share price (VND/share)



Source: Bloomberg, VCSC

Financial Statements

P&L (VND bn)	2021A	2022F	2023F	2024F
Revenue	3,206	3,471	3,794	4,050
COGS	-2,064	-2,219	-2,416	-2,561
Gross Profit	1,142	1,252	1,378	1,490
Sales & Marketing exp.	-154	-169	-186	-193
General & Admin exp.	-295	-324	-346	-364
Operating Profit	693	759	846	933
Financial Income	40	45	31	20
Financial Expenses	-108	-164	-119	-95
- o/w Interest Expense	-119	-134	-89	-64
Associates	237	489	676	885
Net Other Income/(Loss)	-55	-104	-76	-51
Profit Before Tax	806	1,024	1,358	1,692
Income Tax	-86	-78	-104	-129
NPAT Before MI	721	946	1,254	1,563
Minority Interest	108	156	182	219
NPAT Less MI, Reported	612	790	1,073	1,344
EBITDA	1,072	1,179	1,335	1,495
EPS Reported (1), VND	1,879	2,112	2,824	3,487
EPS Reported (2), VND	1,879	1,799	2,411	2,982
DPS Reported, VND	1,200	1,200	1,500	2,000
DPS/EPS Report (1) (%)	64%	57%	53%	57%

RATIOS	2021A	2022F	2023F	2024F
Growth YoY				
Revenue	23.1%	8.3%	9.3%	6.7%
Op. Profit (EBIT)	48.3%	9.5%	11.5%	10.2%
PBT	57.3%	27.1%	32.6%	24.6%
Reported EPS	67.4%	12.4%	33.7%	23.5%

Profitability	2021A	2022F	2023F	2024F
Gross Profit Margin	35.6%	36.1%	36.3%	36.8%
Op. Profit, (EBIT) Margin	21.6%	21.9%	22.3%	23.0%
EBITDA Margin	33.4%	34.0%	35.2%	36.9%
NPAT-MI Margin	19.1%	22.8%	28.3%	33.2%
ROE	10.0%	10.5%	11.9%	13.7%
ROA	7.0%	8.0%	9.6%	11.3%

Efficiency	2021A	2022F	2023F	2024F
Days Inventory On Hand	13	12	12	12
Days Accts, Receivable	97	95	93	94
Days Accts, Payable	65	64	63	63
Cash Conversion Days	44	43	42	43

Liquidity	2021A	2022F	2023F	2024F
Current Ratio	0.7x	1.1x	0.8x	0.6x
Quick Ratio	0.7x	1.0x	0.7x	0.5x
Cash Ratio	0.3x	0.6x	0.3x	0.1x
Debt / Assets %	18.7%	12.0%	6.1%	5.9%
Debt / Capital %	21.4%	12.9%	7.1%	6.6%
Net Debt / Equity	21.2%	8.1%	-7.1%	-0.3%
Interest Coverage	9.0x	8.8x	15.1x	23.2x

B/S (VND bn)	2021A	2022F	2023F	2024F
Cash & Equivalents	637	1,542	841	285
ST Investment	52	52	52	52
Accounts Receivables	842	877	959	1,023
Inventories	69	76	83	88
Other Current assets	91	98	107	115
Total Current Assets	1,690	2,645	2,041	1,562
Fixed Assets, Gross	5,823	7,208	8,168	9,716
- Depreciation	-2,677	-3,097	-3,586	-4,149
Fixed Assets, Net	3,146	4,110	4,582	5,567
LT investments	2,836	3,122	3,578	4,222
LT assets, other	3,065	2,975	3,020	3,043
Total LT Assets	9,047	10,207	11,180	12,831
Total Assets	10,738	12,852	13,221	14,394
Accounts Payable	377	396	431	457
ST Debt	860	909	959	959
Other ST Liabilities	1,031	1,078	1,135	1,180
Total Current Liabilities	2,268	2,383	2,525	2,596
LT Debt	1,061	507	-161	-147
Other LT liabilities	363	377	386	394
Total Liabilities	3,692	3,267	2,751	2,842
Preferred Equity	0	0	0	0
Paid in capital/Issued capital	3,014	4,018	4,070	4,123
Share premium	1,942	2,946	2,946	2,946
Treasury share	0	0	0	0
Retained earnings	654	1,029	1,680	2,489
Other equity	702	702	702	702
Minority interest	734	890	1,072	1,291
Total equity	7,045	9,586	10,470	11,551
Liabilities & equity	10,738	12,852	13,221	14,394
Y/E shares out, mn (1)	301.4	346.1	351.3	356.5
Y/E shares out, mn (2)	301.4	406.4	411.5	416.8

CASH FLOW (VND bn)	2021A	2022F	2023F	2024F
Beginning Cash Balance	428	637	1,542	841
Net Income	612	790	1,073	1,344
Dep. & Amortization	379	421	489	563
Δ in Working Capital	48	51	-105	-85
Other Adjustments (3)	-34	-297	-449	-612
Cash from Operations	1,005	965	1,008	1,210
Capital Expenditures, Net	-584	-1,385	-960	-1,547
Investments, Net	187	237	239	250
Cash from Investments	-397	-1,148	-721	-1,297
Dividends Paid	-426	-415	-422	-535
Δ in Share Capital	0	2,009	52	53
Δ in ST Debt	98	49	50	0
Δ in LT Debt	-76	-554	-668	14
Other financing C/F	8	0	0	0
Cash from Financing	-398	1,088	-988	-469
Net Change in Cash	210	905	-701	-556
Ending Cash Balance	637	1,542	841	285

Source: Company financial statements, VCSC forecasts

Note: (1) YE outstanding share forecast, not including the bonus value element shares of GMD's upcoming rights issue; (2) YE outstanding forecast, including the bonus value element shares of GMD's upcoming rights issue; (3) other adjustments mainly include non-cash income from affiliates, while cash dividends from affiliates are classified as cash from investments.

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Contacts

Corporate

www.vcsc.com.vn

Head Office

Bitexco Financial Tower, 15th Floor
2 Hai Trieu Street, District 1, HCMC
+84 28 3914 3588

Hanoi Branch

109 Tran Hung Dao
Hoan Kiem District, Hanoi
+84 24 6262 6999

Transaction Office Nguyen Hue

Vinatex Building, 1st & 3rd Floor
10 Nguyen Hue Street, District 1, HCMC
+84 28 3914 3588 (417)

Transaction Office Nguyen Cong Tru

Floor 6B, 236-238 Nguyen Cong Tru Street
District 1, HCMC
+84 28 3914 3588 (400)

Transaction Office Dong Da

9 Nguyen Ngoc Doan,
Dong Da District, Hanoi
+84 24 6262 6999

Transaction Office ABS

Sailing Tower, 8th Floor,
111A Pasteur Street, District 1, HCMC
+84 28 3914 3588 (403)

Research

Research Team: +84 28 3914 3588
research@vcsc.com.vn

Alastair Macdonald, Head of Research, ext 105
alastair.macdonald@vcsc.com.vn

Banks, Securities and Insurance

Long Ngo, Associate Director, ext 123

- Truc Ngo, Analyst, ext 116
- Ngoc Huynh, Analyst, ext 138
- Nhan Nguyen, Analyst, ext 139

Macro

Luong Hoang, Manager, ext 364

- Nguyen Truong, Senior Analyst, ext 132

Consumer

Nam Hoang, Manager, ext 124

- Ha Dao, Senior Analyst, ext 194
- Ha Huynh, Analyst, ext 185
- Huy Phan, Analyst, ext 173

Oil & Gas and Power

Duong Dinh, Senior Manager, ext 140

- Tram Ngo, Manager, ext 135
- Duc Le, Analyst, ext 196
- Thang Hoang, Analyst, ext 151

Real Estate and Infrastructure

Hong Luu, Senior Manager, ext 120

- Dang Thai, Senior Analyst, ext 149
- Duc Pham, Analyst, ext 174
- Thuc Than, Analyst, ext 174

Materials and Industrials

Vy Nguyen, Manager, ext 147

- Vinh Bui, Analyst, ext 149

Retail Client Research

Duc Vu, Senior Manager, ext 363

- Trung Nguyen, Senior Analyst, ext 129
- Anh Tong, Analyst, ext 363
- Ha Bui, Analyst, ext 364

Brokerage and Institutional Sales & Trading

Tuan Nhan

Managing Director, Brokerage & Institutional Sales & Trading

+84 28 3914 3588, ext 107
tuan.nhan@vcsc.com.vn

Quynh Chau

Managing Director Brokerage

+84 28 3914 3588, ext 222
quynh.chau@vcsc.com.vn

Dung Nguyen

Director Institutional Sales & Trading

+84 28 3914 3588, ext 136
dung.nguyen@vcsc.com.vn