February 10th, 2025

Shinhan Securities



Hai An Transport & Stevedoring Joint Stock Company

[Vietnam / Logistics]

Bloomberg Code (HAH VN) | Reuters Code (HAH.HM)

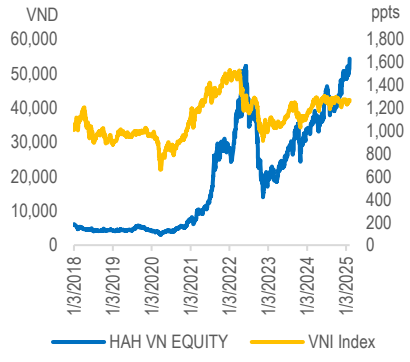
BUY

Update

Target price (12 months)	**60,000 VND**
Current price (02/10/25)	52,100 VND
Upside/downside (%)	15.1%

VNINDEX	1,264
HNXINDEX	226
Market Cap (bn VND)	5,326
Outstanding shares (mn)	121
Free-Floating (mn)	31
52-Wk High/Low (VND)	47,150/23,826
90-day avg. trading volume (mn)	2.93
90-day avg. turnover (bn VND)	98
Major shareholders (%) Hai Ha Investment and Transport JSC	16.8
Major shareholders (%) Leadvisors capital management company	11.38

Performance	3T	6T	12T
Absolute (%)	21.6	39.1	54.0
Relative to VN-Index (%)	20.8	34.0	47.0



Source: Bloomberg

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Keep the ball rolling

Maintain BUY rating and target price of VND 60,000

Hai An Transport & Stevedoring Company (HAH) is a pioneer in shipping sector in Viet Nam. In 2024, HAH's NPAT reached VND 800 bn (+124% YoY), marking the second-highest profit in HAH's history. The company experienced a breakthrough in profit from Q2/2024, driven by the addition of new ships, strong growth in cargo throughput, and high freight rates. In 2025, HAH's business outlook is forecast to be positive, thanks to signed ship lease contracts at favorable rates in 2024, along with the addition of new vessels. Based on DCF methods, we update HAH's target price at VND 60,000.

The profit in 2024 increased significantly thanks to the addition of new ships, along with the growth in cargo throughput and freight rates.

In Q4/2024, HAH reported revenue of VND 1,211 bn (+82% YoY) and NPAT of VND 347 bn (+567% YoY). In 2024, total revenue reached VND 3,992 bn (+52.8% YoY), and NPAT reached VND 800 bn (+124% YoY), marking the second-highest profit in HAH's history. HAH's profits began to significantly improve from Q2/2024, when the company added four new ships. Additionally, freight rates remained high due to strong demand amid geopolitical instability and the booming cross-border trade.

- Stevedoring revenue in Q4/2024 is estimated to grow 60% YoY with cargo throughput increasing significantly (estimated to grow by 40% YoY). The growth driver mainly comes from vibrant import-export activities and the adjusted increase in stevedoring rates.
- Shipping revenue is estimated to grow by 110% YoY, thanks to improvements in both maritime freight rates and charter rates compared to the same period last year. HAH has added 4 new ships to its fleet, significantly boosting ship operation revenue.

Positive outlook for 2025

HAH continued to approve a ship purchase plan in November 2024 and January 2025 (the ship tonnage has not been disclosed). Once completed, we estimate that HAH's fleet size will reach 17 vessels, with a total capacity increase of 10% YoY, reaching 28,500 TEU.

We maintain a positive outlook for HAH's business in 2025, driven by (1) the new ships received in 2024, which have favorable freight rates with a 10% increase compared to the beginning of 2024, (2) the expansion of new intra-Asia routes, and (3) the positive demand on intra-Asia routes due to new tariff policies. We project HAH's NPAT for 2025 to reach VND 893 bn (+11.5% YoY).

Risk: (1) a sharp decrease of world sea freight rates, (2) a global recession and (3) a sharp rise in vessel fleet.

Year to Dec.	2023	2024	2025F	2026F	2027F
Revenue (bn VND)	**2,613**	**3,992**	**4,760**	**4,884**	**5,093**
OP (bn VND)	447	980	1,087	1,103	1,126
NP (bn VND)	**358**	**800**	**893**	**906**	**925**
EPS (VND)	3,648	5,361	5,958	6,047	6,175
BPS (VND)	25,240	27,005	34,361	41,827	49,450
OPM	17.1%	24.6%	22.8%	22.6%	22.1%
NPM	13.7%	20.0%	18.8%	18.5%	18.2%
ROE	**11.2%**	**20.1%**	**17.7%**	**14.8%**	**12.8%**
PER (x)	16.2	11.1	9.9	9.7	9.5
PBR (x)	2.3	2.2	1.7	1.4	1.2
EV/EBITDA (x)	3.8	2.1	1.8	1.8	1.7

Source: Company data, Shinhan Securities Vietnam

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Valuation and Recommendation

Maintain BUY rating and target price of VND 60,000

We apply a DCF valuation method to value HAH. We update our BUY recommendation with a target price of 60,000 VND equivalent to a return of 15.1%.

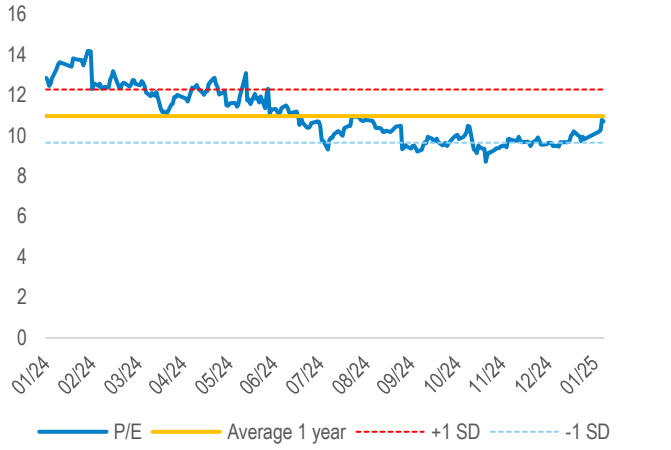
Valuation

DCF valuation					
Unit: billion VND	**2025F**	**2026F**	**2027F**	**2028F**	**2029F**
NPAT-Mi	723	734	749	804	831
Plus: After-tax interest expense	111	123	134	147	162
Plus: Depreciation & Amortization	565	624	677	734	796
Minus: Change in working capital	-38	-11	-18	-14	-17
Minus: CapEx	847	624	677	734	796
Free Cash Flow (FCF)	590	868	901	965	1,009
PV of FCF	2,900				
Growth rate	0%				
Present value of long-term value	5,734				
Enterprise value	**8,635**				
Debt	2,330				
Cash and cash equivalents	992				
Equity value	**7,297**				
Number of shares outstanding (mn units)	121				
Target price (VND)	**60,000**				

WACC	**11.9%**
Risk-free rate	3.1%
Equity risk premium	8.35%
Beta	1.13
Debt cost	8%
The cost of equity	13.3%
Debt-to-equity ratio	72.8%
Total debt (VND bn)	2,330

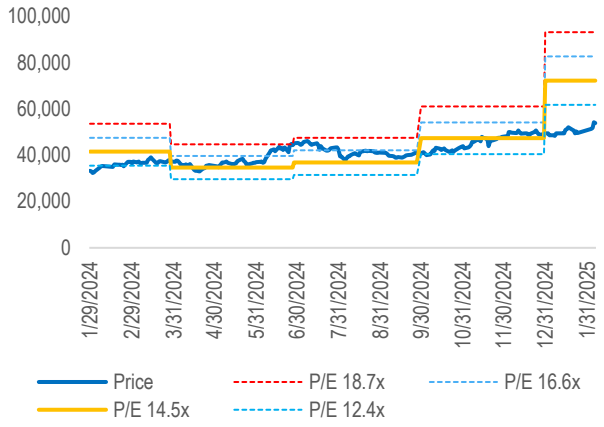
Source: Company data, Shinhan Securities Company

HAH's PER



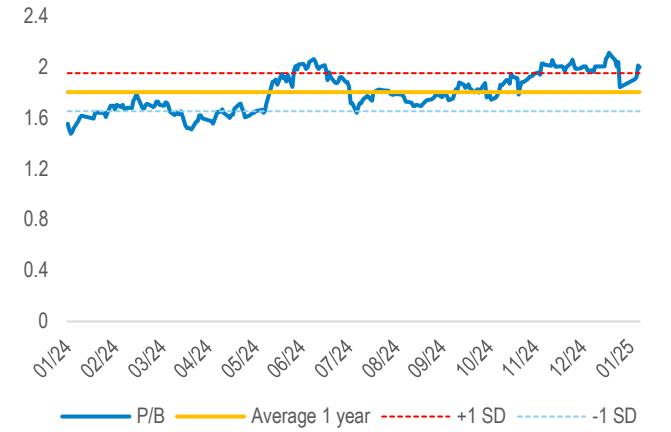
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PER band chart of HAH



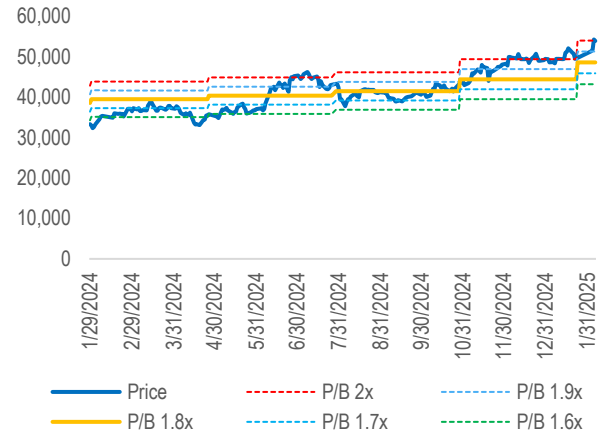
Source: Bloomberg, Company data, Shinhan Securities Vietnam

HAH's PBR



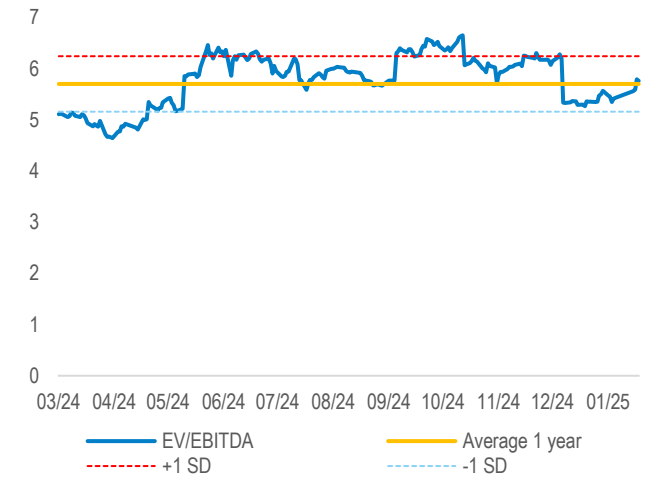
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PBR band chart of HAH



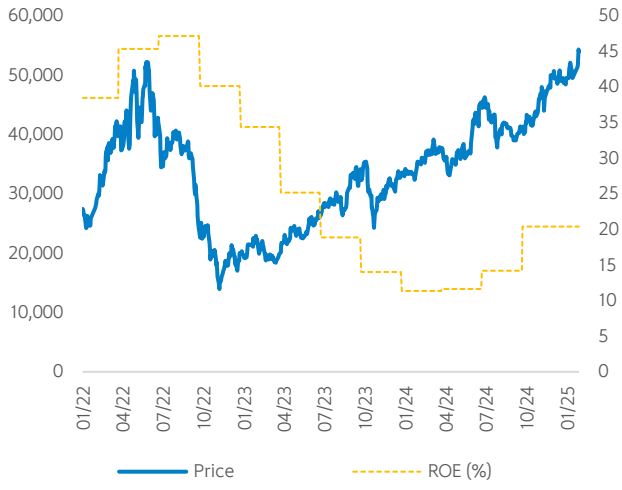
Source: Bloomberg, Company data, Shinhan Securities Vietnam

HAH's EV/EBITDA



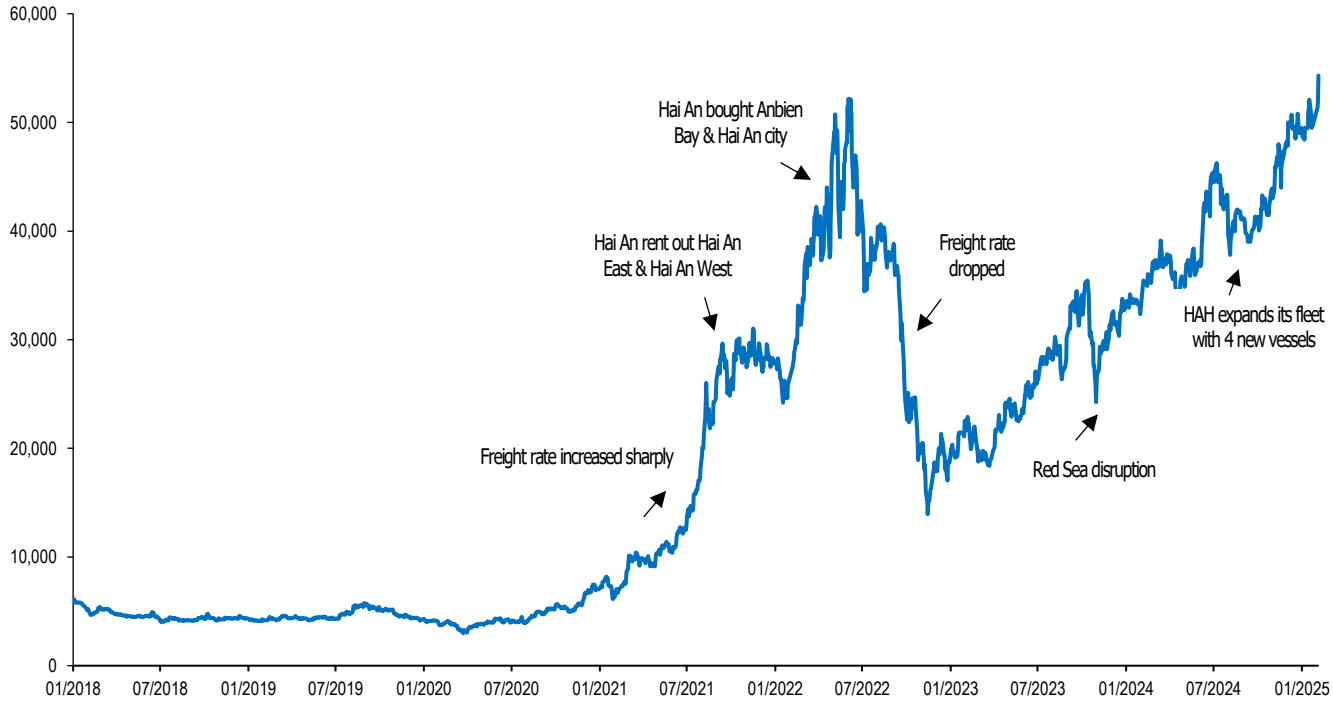
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Correlation of HAH's price and ROE



Source: Bloomberg, Company data, Shinhan Securities Vietnam

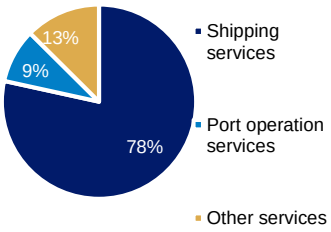
Key event chart of HAH



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Appendix: Company background

Revenue breakdown in 2024



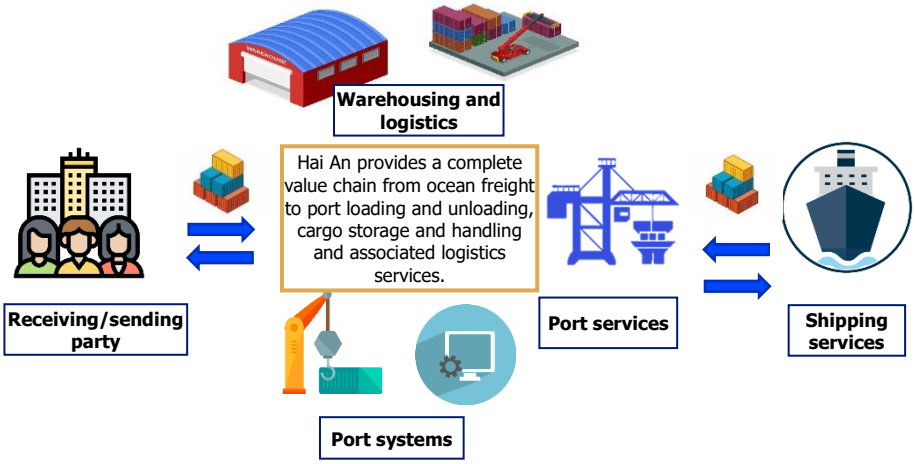
Source: Hai An financial report 2024

Hai An Partners'

History of Hai An Transport and Stevedoring JSC

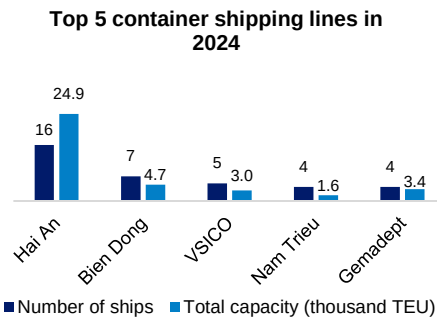
On May 8th 2009, Hai An Transport and Stevedoring Joint Stock Company was established in Hanoi by merging 5 companies: Hanoi Maritime Joint Stock Company (MHC - HOSE), Joint Stock Company Maritime Technical Supply and Services (MAC - HNX), Hai Minh Joint Stock Company (HMH - HNX), Hai An Shipbuilding Joint Stock Company, Hai Ha Transport and Investment Joint Stock Company. Hai An was established with a total capital charter of VND 150 billion. The company's main business includes shipping services (accounting for 82%), port operations (accounting for 11%), and other services (accounting for 7%) such as shipping agency, logistics, etc. On March 11th 2015, the Company was listed on the Ho Chi Minh Stock Exchange with the stock code HAH.

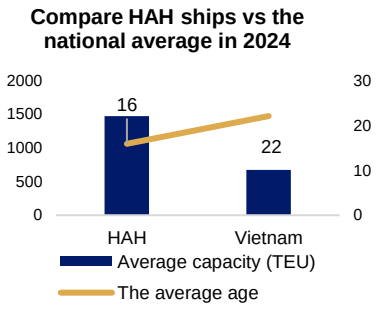
Hai An Company owns a complete value chain in the shipping industry



Hai An is one of the few companies with a complete value chain in the shipping industry. Hai An provides a full range of shipping services including freight services (for North-South routes and international maritime routes), shipping agency (distributing international shipping lines services), port operation services through Hai An port (such as receiving ships, loading, and unloading goods), warehousing services (withdrawing and storing goods) and logistics services (multimodal transport of domestic goods). The complete value chain helps Hai An operate efficiently and optimize costs.

Hai An continues to invest and develop the container fleet

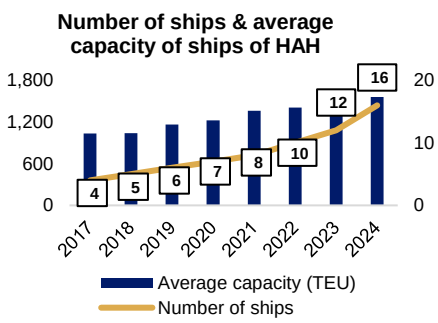


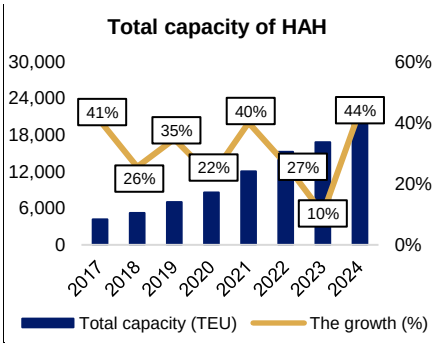


Source: Shinhan synthesis

Hai An is one of the companies with the largest container fleet in the country. Hai An owns a fleet of container ships with a capacity from 800 TEU to 1700 TEU. With the trend of shipping by containers in the future (because shipping by container saves cost and time in loading and unloading goods), Hai An constantly invests in the quantity and quality of container ships. Compared to the top 5 container fleets across the country, Hai An has a larger number of container ships as well as a larger total capacity than other shipping lines. This creates a competitive advantage for Hai An in operating in the shipping industry. According to the latest data from the Vietnam Shipowners Association, the country currently has 10 container shipping companies, owning 48 container ships with a total capacity of 39,519 TEUs. Thus, the total capacity of Hai An accounts for 38.5% of the total capacity of the country. Hai An's ships have a larger average capacity and a lower

average age. Therefore, Hai An's shipping capacity is more efficient than that of other companies.





Source: Hai An annual report

Hai An's number of ships has continuously increased in number and capacity. The new ships also have a lower age and are more modern than the old ones. The total capacity of Hai An has grown year by year with an average growth rate of about 30% per year. Hai An is currently in the ranking of the Top 100 largest fleets in the world by Alphaliner. Currently, Hai An owns 10 ships, of which 4 are rented out with a period of 2-3 years to take advantage of the rising sea freight rates in late 2021 and 6 shipping ships operate in domestic and foreign countries (including 3 domestic routes and 3 international routes).

Besides, Hai An has extensive relationships with many major international shipping companies, including 9 shipping lines in the top 10 in the world such as Maersk, Cosco, Hapag-Lloyd, CMA CMG, One, Yang Ming, HMM, MSC, and Zim. This helps Hai An to combine transportation and transshipment of goods with shipping lines.

Hai An port service operates stably



Hai An Port is located at Cam River - Hai Phong, with a loading and unloading capacity of 250,000 TEU/year. The port is capable of receiving ships up to 20,000 DWT. Hai An Port always maintains over 100% efficiency thanks to the support of cargo volume from Hai An's fleet and Hai An's partner fleet. Hai An is one of the few transport enterprises owning a rotation port for business activities. Currently, Hai An port has reached its maximum capacity. Compared to other ports, Hai An port has a great advantage thanks to the ability to concentrate cargo, which saves time waiting for goods. However, the location of Hai An port is not good as it is behind Bach Dang bridge, which limits the accessibility to the port.

Warehousing and logistics services support fleets and seaports

Hai An has a container yard with a total area of 150,000 m2, a CFS bonded warehouse with an area of nearly 4,000 m2, and more than 25,000 m2 of yards for closing, withdrawing, storing retail goods, and other operations. Hai An also has a depot of 55,000 m2. Besides, Hai An company entered into a joint venture with Korean company Pantos Holdings Incorporation to establish Pan Hai An Co., Ltd. The joint venture built and used the depot as a goods distribution center in Hai Phong. Pan Hai An was built in Nam Dinh Vu Industrial Park - Hai An - Hai Phong with a total exploitation area of 154,000 m2. The company has now been put into operation Depot & Off Dock with an area of 80,000 m2 and a designed capacity of 9,000 TEU, a repair container center of 10,000 m2, and 2 CFS & bonded warehouses with a total area of 20,000 m2.

Hai An's port support services are large-scale, which can meet the needs of domestic and foreign shipping lines, and also support the operation of Hai An's fleet.

Appendix: Financial statements

Statement of financial position

Year to Dec. (bn VND)	2023	2024	2025F	2026F	2027F
Total assets	5,369	7,290	8,831	10,165	11,557
Current assets	1,597	1,753	2,722	3,763	4,859
Cash & equivalents	245	922	1,774	2,795	3,858
Short-term financial asset	73	71	71	71	71
Accounts receivable	1,005	504	601	617	644
Inventories	93	88	108	112	119
Non-current assets	3,772	5,464	5,768	5,788	5,809
Net fixed assets	3,118	4,775	5,078	5,099	5,120
Investment assets	30	21	21	21	21
Other long-term assets	624	669	669	669	669
Total liabilities	2,183	3,318	3,798	4,053	4,344
Current liabilities	889	1,210	1,490	1,545	1,637
Accounts payable	155	206	253	263	278
Short-term borrowings	351	532	656	681	721
Others	382	472	580	602	637
Non-current liabilities	1,294	2,108	2,308	2,508	2,708
Long-term borrowings	1,035	1,798	1,998	2,198	2,398
Other financial liabilities	258	310	310	310	310
Total shareholders' equity	3,186	3,972	5,034	6,112	7,213
Capital stock	1,055	1,213	1,213	1,213	1,213
Capital surplus	192	192	192	192	192
Other capital	664	819	819	819	819
Retained earnings	753	1,053	1,946	2,852	3,777
Non-controlling interest equity	523	695	864	1,036	1,212
*Total debt	1,387	2,330	2,654	2,879	3,119
*Net debt (cash)	1,069	1,338	810	13	(810)

Statement of comprehensive income

Year to Dec. (bn VND)	2023	2024	2025F	2026F	2027F
Revenue	2,613	3,992	4,760	4,884	5,093
Growth		52.8%	19.2%	2.6%	4.3%
COGS	2,002	2,725	3,359	3,485	3,692
Gross profit	611	1,267	1,401	1,399	1,401
GPM	23.4%	31.7%	29.4%	28.6%	27.5%
SG&A	125	211	238	244	255
Operating profit	447	980	1,087	1,103	1,126
Growth		119.3%	10.8%	1.5%	2.1%
OPM	17.1%	24.6%	22.8%	22.6%	22.1%
Non-operating profit	-54	-94	-96	-74	-45
Financial income	30	25	57	94	136
Financial expense	84	119	153	168	181
In which: interest expenses	73	101	136	151	163
Net other non-operating profit	3	-3	3	3	3
Pre-tax profit	450	977	1,090	1,106	1,130
Income tax	92	177	197	200	205
Net profit	358	800	893	906	925
Growth		123.6%	11.5%	1.5%	2.1%
NPM	13.7%	20.0%	18.8%	18.5%	18.2%
Controlling interest	385	650	723	734	749
Non-controlling interest	-27	150	170	172	176
EBIT	486	1,056	1,163	1,155	1,147
Growth		117.5%	10.1%	-0.7%	-0.7%
EBIT Margin	18.6%	26.5%	24.4%	23.6%	22.5%
EBITDA	820	1,504	1,728	1,779	1,824
Growth		83.3%	14.9%	3.0%	2.5%
EBITDA margin	31.4%	37.7%	36.3%	36.4%	35.8%

Statement of cash flow

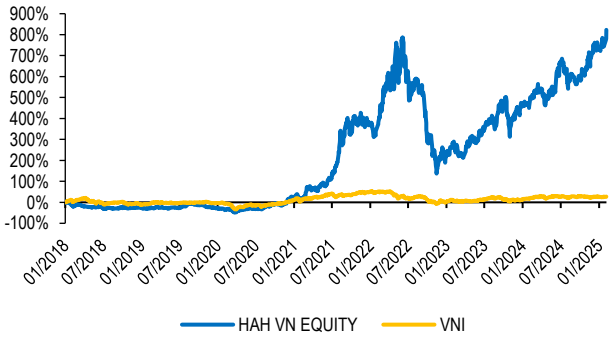
Year to Dec. (bn VND)	2023	2024	2025F	2026F	2027F
Cash flow from operations	1,294	942	1,327	1,370	1,445
Net profit	358	800	723	734	749
Depreciation expense	335	447	565	624	677
(Gain) from investing activities					
Change in working capital	-145	658	38	11	18
Others	0	1	1	1	1
Cash flow from investments	-1,661	-776	-847	-624	-677
Change in fixed assets	-866	-1,158	-847	-624	-677
Change in investment assets	109	44	0	0	0
Others	11	51	0	0	0
Cash flow from financing	299	-337	372	275	295
Change in equity	300	330	170	172	176
Net borrowing	65	943	324	225	240
Dividends	-106	-121	-121	-121	-121
Change in total cash	-68	-170	852	1,021	1,063
Beginning cash	415	245	922	1,774	2,795
Change in FX rates					
Ending cash	245	922	1,774	2,795	3,858

Key ratios

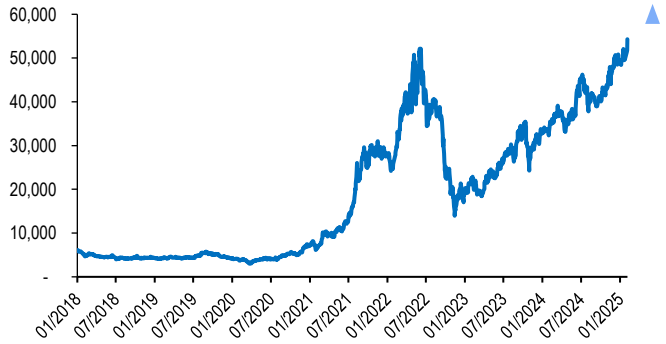
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BPS (VND)	25,240	27,005	34,361	41,827	49,450
DPS (VND)	1,000	1,000	1,000	1,000	1,000
PER (x)	16.1	11.0	9.9	9.7	9.5
PBR (x)	2.3	2.2	1.7	1.4	1.2
EV/EBITDA (x)	3.8	2.1	1.8	1.8	1.7
Dividend payout ratio	27%	19%	17%	17%	16%
Dividend yield	0.3%	0.3%	0.3%	0.3%	0.3%
Profitability					
EBITDA margin	31.4%	37.7%	36.3%	36.4%	35.8%
OPM	17.1%	24.6%	22.8%	22.6%	22.1%
NPM	13.7%	20.0%	18.8%	18.5%	18.2%
ROA	6.7%	11.0%	10.1%	8.9%	8.0%
ROE	11.2%	20.1%	17.7%	14.8%	12.8%
Stability					
Debt to equity ratio	43.5%	58.7%	52.7%	47.1%	43.2%
Net debt ratio	-130.3%	-89.0%	-46.9%	-0.7%	44.4%
Cash ratio	27.6%	76.2%	119.1%	180.9%	235.7%
Interest coverage ratio (x)	6.6	10.4	8.6	7.7	7.0
Activity					
Working capital turnover (times)	129	30	30	30	30
Inventory turnover (days)	17	12	12	12	12
Receivable turnover (days)	140	46	46	46	46

Hai An Transport & Stevedoring Joint Company (HAH VN)

Share price



Target price (VND)



Date	Rating	TP (VND)	TP gap (%)	
			TB	Max/Min
09/08/2022 (Initiation)	BUY	72,800	61	12/183
04/11/2022 (Update)	BUY	45,570	5	-30/110
24/02/2023 (Update)	HOLD	39,000	-32.3	-57/75.4
07/02/2024 (Update)	BUY	44,670	67.8	24.8/154.2
01/11/2024 (Update)	BUY	51,300	26.8	-0.4/88.8
02/10/2025 (Update)	BUY	60,000	35.2	7.2/82.8

Note: Calculation of target price gap based on past 12 months

Shinhan Securities Vietnam

Stock	Sector
◆ **BUY:** Expected 12-month gain of 15% or more ◆ **HOLD:** Expected 12-month loss of 15% to gain of 15% ◆ **SELL:** Expected 12-month loss of 15% or more	◆ **OVERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated BUY ◆ **NEUTRAL:** Based on market cap, largest share of sector stocks under coverage is rated HOLD ◆ **UNDERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated SELL

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