

Gemadept (GMD)

Steering through global tariff headwinds

May 29, 2025

Analyst Nguyen Thi Ngoc Anh

(+84) 24-7303-5333 anhntn@kbsec.com.vn

GMD reported NPAT of VND528 billion (-20% YoY) on net revenue of VND1,277 billion (+27% YoY) in 1Q2025

In 1Q2025, GMD delivered net revenue of VND1,277 billion (+27% YoY), with core port operations contributing VND1,138 billion (+35% YoY). NPAT reached VND528 billion (-20% YoY); however, excluding the one-off gain from the divestment of Nam Hai Port in 1Q2024, NPAT would have grown by 36% YoY.

Total port throughput is forecast to remain flat YoY in 2025, followed by a potential decline of 8-10% YoY in 2026

For full-year 2025, total port throughput is expected to remain flat compared to 2024. Strong volume growth in the first half of the year, driven by accelerated import-export activity during the temporary tax suspension period is anticipated to offset a projected volume decline starting in 3Q2025, as relatively high retaliatory tariffs on Vietnamese goods come into effect. For 2026, port throughput is forecast to decline by 8-10% YoY.

Port service charges may increase 3-8% annually through end-2028

Despite the impact of reciprocal tariffs, GMD's service price escalation plan is expected to proceed with minimal disruption. Port service prices in the northern and southern regions are projected to grow at a compound annual growth rate of 3-4% and 5-8%, respectively, through end-2028.

We downgrade GMD to NEUTRAL with a target price of VND69,000/share

Taking into account the business outlook and risks associated with global tariff uncertainties, we downgrade GMD from BUY to NEUTRAL, with a target price of VND69,000 per share, representing a 14% upside from the closing price on May 29, 2025.

Neutral change

Target price VND69,000

Upside	14%
Current price (May 29, 2025)	VND60,500
Consensus target price	VND65,200
Market cap (VNDtn/USDbn)	25.4/1.0

Forecast earnings & valuation

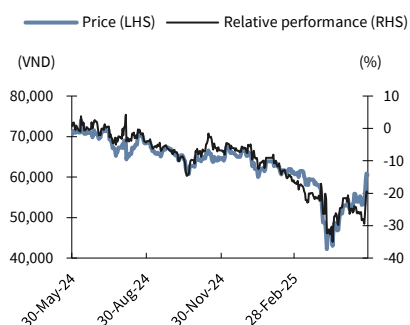
FY-end	2023	2024	2025F	2026F
Net revenue (VNDbn)	3,846	4,832	5,122	5,070
Operating income/loss (VNDbn)	3,177	2,419	2,243	1,956
NPAT-MI (VNDbn)	2,251	1,455	1,707	1,636
EPS (VND)	7,207	4,276	4,123	3,895
EPS growth (%)	138	-41	-4	-6
P/E (x)	8.4	14.1	14.7	15.5
P/B (x)	2.6	1.8	1.7	1.7
ROE (%)	26	14	13	12
Dividend yield (%)	3	4	1	1

Trading data

Free float	91.6%
3M avg trading value (VNDbn/USDmn)	132.2/5.1
Foreign ownership	39.8%
Major shareholder	SSJ Consulting Vietnam (7.17%)

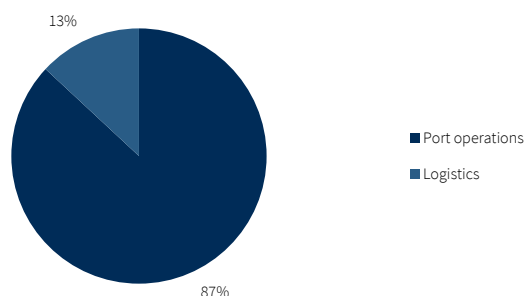
Share price performance

(%)	1M	3M	6M	12M
Absolute	14.2	-0.3	-6.5	-14.3
Relative	4.7	-3.1	-13.8	-20.3



Source: Bloomberg, KB Securities Vietnam

Revenue composition (2024)



Source: Gemadept Corporation, KB Securities Vietnam

Business operation

Gemadept Corporation (GMD) is one of Vietnam's foremost companies in the port operations and logistics sector, achieving a total throughput of over 4.4 million TEUs in 2024. The company boasts an extensive network of ports across the Northern, Central, and Southern regions, offering a diverse range of inland ports, river ports, and seaports. Notably, its deep-water port, Gemalink, is capable of accommodating the world's largest Megaships currently in service.

Investment Catalysts

Gemalink 2 (800,000 TEUs in Phase 2A) and Nam Dinh Vu 3 (600,000 TEUs) will support GMD's long-term growth potential, with commercial operations scheduled for early 2027 and early 2026, respectively.

Service charges at GMD-operated ports are projected to grow at a CAGR of 3–8% through 2030, driven by annual growth of 3–4% in the North and 5–8% in the South.

Reciprocal tariffs may not significantly impact overall throughput, with volumes at GMD's northern and southern ports forecast to decline by 8% and 13%, respectively.

Notes

Please find more details [here](#)

Please find more details below

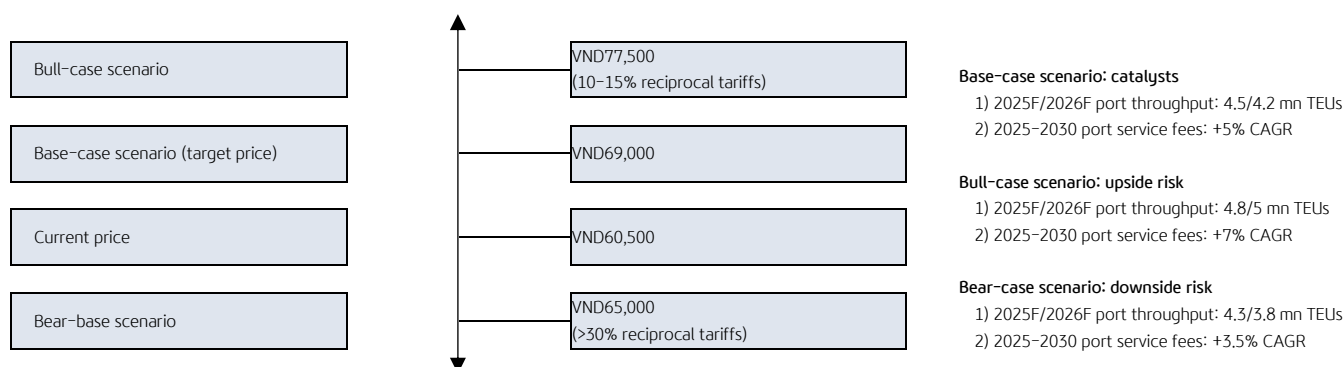
Please find more details below

Revised earnings estimates

(VNDbn)	KBSV estimates		Change vs previous estimates		Consensus*		Difference	
	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E
Revenue	5,122	5,070	-5%	-13%	4,676	5,033	+10%	+1%
EBIT	2,335	2,061	-2%	-18%	1,668	1,414	+40%	+46%
NP after MI	1,707	1,636	-2%	-19%	1,464	1,474	+17%	+11%

Source: Bloomberg, KB Securities Vietnam

Investment opinion & risks



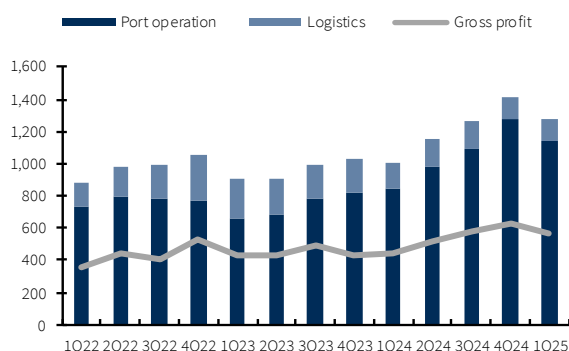
Business performance

Table 1. GMD – 1Q2025 financial results

(VNDbn)	1Q2024	1Q2025	+/-%YoY	Notes
Revenue	1,006	1,277	27%	
– Port operations	843	1,138	35%	In 1Q2025, total port throughput across GMD's port system (excluding Gemalink) reached 700,000 TEUs, up 26% YoY. This growth was driven by: (i) the completion of the Ha Nam canal upgrade project, which enhanced access for larger vessels at Nam Dinh Vu Port; and (ii) a surge in cargo stockpiling by businesses amid rising global tariff uncertainties. Port service charges were adjusted upward across the board compared to the same period last year. Southern ports saw increases ranging from 3% to over 30%, while northern ports recorded more modest hikes of 0-5%.
– Logistics	163	139	-15%	
Gross profit	441	562	27%	
Gross profit margin	44%	44%	0	
Financial income	354	29	-92%	The sharp decline was due to the absence of the one-off profit of VND335 billion recorded in 1Q2024 from the divestment of Nam Hai Port.
Financial expenses	-39	-29	-27%	
Shared profits from affiliates	98	227	132%	The strong increase was primarily driven by Gemalink's profit contribution, which reached nearly VND160 billion in 1Q2025, compared to VND50 billion in 1Q2024, supported by a 24% YoY rise in port throughput to 440,000 TEUs.
SG&A	-149	-212	42%	
Operating income/loss	704	578	-18%	
Other income	4	5	42%	
Profit before tax (PBT)	708	583	-18%	
Net profit after tax (NPAT)	656	528	-20%	NPAT would have grown by 36% YoY if excluding the one-off gain from the port divestment recognized in 1Q2024.
NPAT-MI	559	403	-28%	
NPAT margin	56%	32%	-24 ppts	

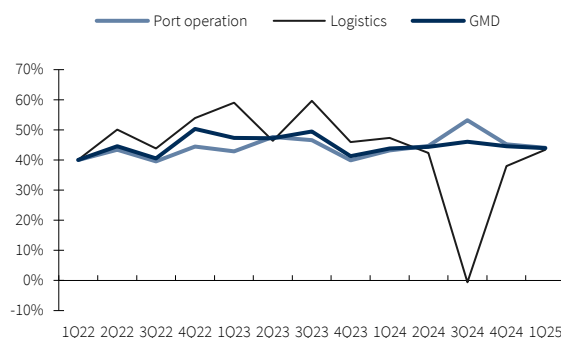
Source: Gemadept Corporation, KB Securities Vietnam

Fig 2. GMD – Revenue breakdown, gross profit (VNDbn)



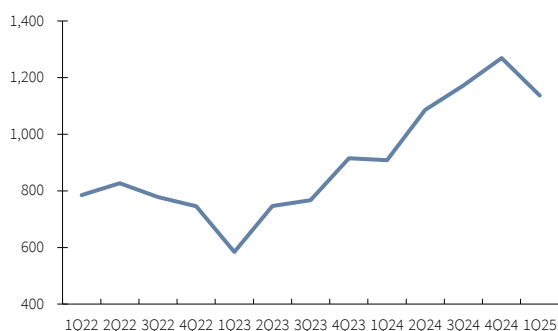
Source: Gemadept Corporation, KB Securities Vietnam

Fig 3. GMD – Gross profit margin (%)



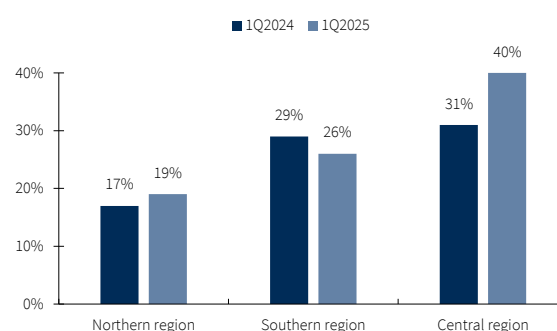
Source: Gemadept Corporation, KB Securities Vietnam

Fig 4. GMD – Port throughput ('000 TEUs)



Source: Gemadept Corporation

Fig 5. GMD – Market share (%)



Source: Gemadept Corporation

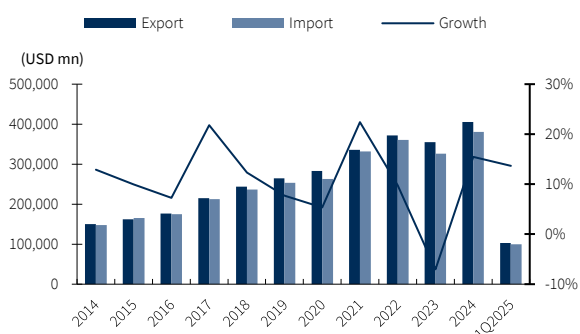
Total port throughput is forecast to remain flat YoY in 2025, followed by a potential decline of 8–10% YoY in 2026

Port throughput across GMD's port system is expected to see robust growth in the first half of 2025, followed by a noticeable decline after the expiration of the temporary tariff suspension period on July 8. Specifically:

- Vietnam's import-export turnover in 1H2025 is expected to sustain the strong momentum observed in the first four months of the year, during which total trade value reached USD277 billion, up 16% YoY. The surge in orders compared to the same period last year was driven by: (i) accelerated imports of Vietnamese goods by US businesses during the 90-day tariff suspension window, and (ii) manufacturers expediting order fulfillment to reduce inventories.
- In the base-case scenario, Vietnam may negotiate a reduction in retaliatory tariffs to 20–25%, effective from July 8. Even so, US orders are expected to drop by 50–60% from current levels, resulting in reduced imports of input materials for export manufacturers. The tariffs alone are expected to cause an 8% drop in GMD's port throughput in the North and a 13% drop in the South, with financial impacts becoming evident from 2H2025 onward.

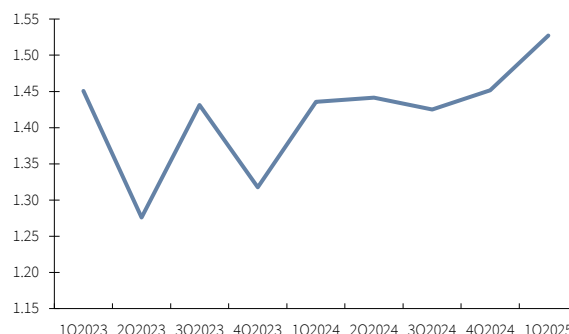
However, the decline in cargo volumes from the US market is expected to be partially mitigated by several factors, including: (i) increased trade activity with other markets, especially within intra-Asia, leading to more vessel calls at GMD ports; (ii) GMD's strategic efforts to diversify away from US independence, as evidenced by Gemalink's receipt of vessels from four new shipping routes to Europe, Africa, Brazil, and Canada; and (iii) higher revenue per TEU, supported by the company's expansion of its logistics value chain and a stronger focus on inland services.

Fig 6. Vietnam – Export-import turnover & growth in 2014–2025 (USDmn, %)



Source: General Statistics Office of Vietnam

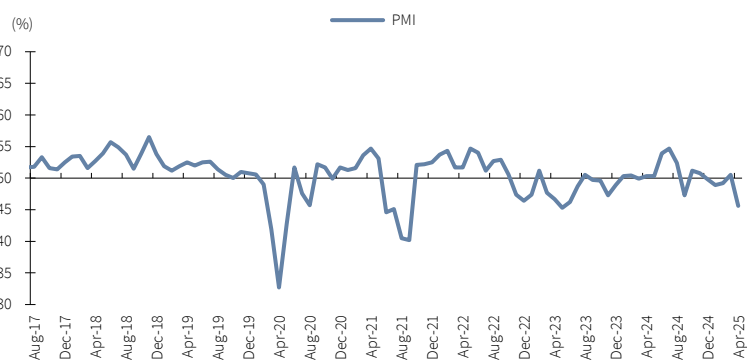
Fig 7. GMD – Revenue per TEU (VNDmn/TEU)



Source: Gemadept Corporation, KB Securities Vietnam

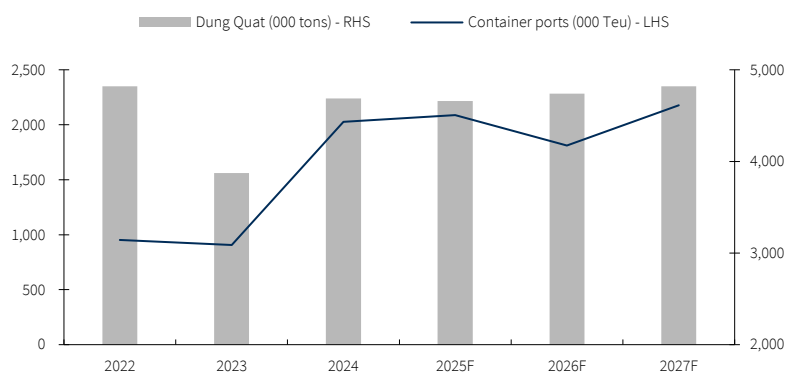
The Purchasing Managers' Index (PMI) has remained below the 50-point threshold since the start of the year, falling to 45.6 in April 2025. This indicates a pessimistic outlook among businesses regarding future manufacturing activity amid ongoing economic and political uncertainties as well as volatile trade policy conditions.

Fig 8. Vietnam – PMI in 2017–2025v



Source: S&P Global

Fig 9. GMD – 2022A–2027F bulk cargo & container throughput ('000 tons, '000 TEUs)



Source: S&P Global

Service rates at GMD ports are expected to rise 3–10% annually

From late 2024 to early 2025, port service charges across GMD-operated ports were adjusted upward, with average increases of 0–5% at northern ports and more substantial hikes of 3–30%, depending on service type, at southern ports. We assess retaliatory tariffs will have a limited impact on GMD's port service pricing roadmap, given the ample room for further price increases. Specifically: (i) Vietnam's current port service rates are still 30–40% lower than those of neighboring countries; (ii) Domestic port operators are collectively advocating for continued upward adjustments to the port service tariff framework; and (iii) Nam Dinh Vu and Gemalink hold significant advantages in terms of scale and location relative to other regional ports. KBSV expects service charges at southern ports to grow at a 5–8% CAGR, while northern ports are likely to see a slower growth pace of 3–4% per year due to more intense competition.

The expansion projects remain on track and are progressing as planned

GMD is currently focused on constructing Nam Dinh Vu 3 and completing legal groundwork for the development of Gemalink 2. Once operational, these two projects are expected to add a combined 2.2 million TEUs to the company's total handling capacity.

- **Nam Dinh Vu 3** is scheduled for completion by the end of 2025, with commercial operations expected to begin in 2026. Under our bear-case scenario, the port will reach 25% of its designed capacity in its first year, given current geopolitical and economic challenges. It is projected to reach breakeven, estimated at 45–50% utilization, by early 2028, and ramp up to over 70% utilization by 2029, following the end of President Trump's term.
- **Gemalink 2A** is anticipated to commence operations in late 2026 or early 2027, with throughput expected to exceed 70% of designed capacity before 2030.

In addition, GMD and SSA Marine have submitted a letter of interest for the Cai Mep Ha General Port and Cai Mep Ha Logistics Center project. If awarded, this development could meaningfully expand GMD's capacity while strengthening its end-to-end logistics offerings.

Fig 10. GMD – Nam Dinh Vu Port

Nam Dinh Vu Port is the closest gateway to the sea among ports in Hai Phong, consisting of two phases, with a combined capacity of 1.2 million TEUs. Phase 1 has been operational since 2018, while Phase 2 began operations in mid-2023. The port is currently running at full capacity, with an average monthly throughput exceeding 100,000 TEUs. In 1Q2025, throughput reached 355,000 TEUs, equivalent to a utilization rate of 118%.

Phase 3 is currently under construction with a total investment of about VND2,500 billion. It will expand the port's total area to 65 ha and increase the berth length to 1.5 km. Nam Dinh Vu 3 is expected to be completed in 4Q2025, with projected utilization exceeding 70% within the first two years of operation.

Upon completion, Nam Dinh Vu's total capacity will reach 2 million TEUs, a 67% increase from its current capacity, making it the largest river port in Northern Vietnam.



Source: Gemadept Corporation

Fig 11. GMD – Gemalink Port

Gemalink continues to operate beyond its designed capacity, recording throughput of over 440,000 TEUs in 1Q2025, equivalent to 117% of its designed capacity (+24% YoY).

Gemalink 2 is currently in the permitting stage, with Phase 2A expected to commence construction in the second half of 2025 and be completed in 2H2026. Phase 2B is planned to begin once Phase 2A reaches at least 70% capacity utilization, with the earliest expected operational date by 2029.

The project is 25% funded by CMA-CGM. Upon completion of phases 2A and 2B, the total handling capacity will reach 2.2 million TEUs and 3 million TEUs, respectively, with the ability to accommodate vessels of up to 25,000 TEUs.



Source: Gemadept Corporation

Forecast & Valuation

GMD's business performance is projected based on a base-case scenario in which the retaliatory tariffs imposed by the US on Vietnamese goods are successfully negotiated down to 20–25%, effective from July 8, 2025.

Table 12. GMD – 2024A–2026F financial results

(VNDbn)	2024	2025F	+/-%YoY	2026F	+/-%YoY	Notes
Revenue	4,832	5,122	6%	5,070	-1%	
– Port operations	4,201	4,459	6%	4,373	-2%	In 2025/2026, container throughput at Nam Dinh Vu is expected to reach 1.37/1.34 million TEUs, respectively. In 2025/2026, container throughput across Phuoc Long and Binh Duong is projected at 1.37/1.24 million TEUs, respectively. The average port service price is expected to increase by 5% YoY in 2025 and 4% YoY in 2026.
– Logistics	632	663	5%	697	5%	
Gross profit	2,162	2,194	1%	2,074	-5%	
Gross profit margin	45%	43%	-2 ppts	41%	-2 ppts	The decline in gross margin from port operations (due to reduced cargo volumes from the US market) is partially offset by the logistics segment, where vessel chartering margins have improved thanks to contract renewals at higher rates than previous agreements.
Financial income	426	179	-58%	170	-5%	
Financial expenses	-150	-143	-5%	-155	9%	
Shared profits from affiliates	829	858	3%	705	-18%	In 2025/2026, Gemalink is expected to contribute VND515 billion and VND390 billion, respectively, to GMD, with port throughput reaching 1.76 million TEUs in 2025 and 1.59 million TEUs in 2026.
SG&A	-822	-845	3%	-837	-1%	
Operating income/loss	2,419	2,243	-7%	1,956	-13%	
Other income	-320	-51	-84%	-51	-1%	
Profit before tax (PBT)	2,099	2,192	4%	1,906	-13%	
Net profit after tax (NPAT)	1,924	1,935	1%	1,805	-7%	
NPAT-MI	1,455	1,707	17%	1,636	-4%	
NPAT margin	30%	33%	+3 ppts	32%	-1 ppt	

Source: Gemadept Corporation, KB Securities Vietnam

**We downgrade GMD to NEUTRAL
with a target price of
VND69,000/share**

We use the sum of the parts (SOTP) valuation method to value GMD, including: (i) its core businesses (port operations and logistics) and shared profits from joint ventures and associates; (ii) contribution from SCSC Cargo Service Corporation (SCS), (iii) the Gemalink project; and (iv) rubber and real estate projects. Accordingly, we revise our target price for GMD shares down to VND69,000/share, implying a potential upside of 14% from the closing price on May 29, 2025, based on the following assumptions:

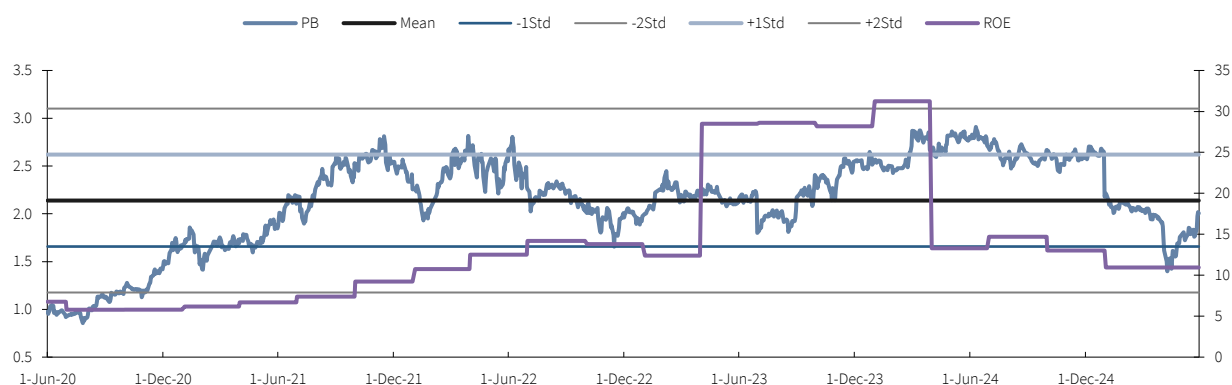
- Nam Dinh Vu is expected to operate at 123% utilization in 1H2025, decreasing to 106% from 3Q2025 onward. While retaliatory tariffs will likely reduce throughput by 8%, cargo volumes from other markets are projected to grow by 3% YoY in 2H2025 and 5% per year during 2026–2028. Nam Dinh Vu 3 is scheduled to commence operations in early 2026, with capacity utilization reaching 25%/40%/60% in 2026/2027/2028, partially offsetting the decline from US cargo volumes.
- Retaliatory tariffs may decrease current throughput at Gemalink by 13% starting from 3Q2025; however, cargo volumes from other markets are anticipated to grow by at least 5% annually through 2028. The commencement of operations for Gemalink 2A and 2B is now projected for early 2027 and 2029, respectively.

Table 13. GMD – Valuation results

	Valuation method	Value (VNDbn)	GMD's ownership	Contribution to GMD
Port operations + Logistics	FCFF	15,632	100%	15,632
SCS	FCFF	8,070	36.24%	2,925
Gemalink	FCFF	12,968	65.10%	8,442
Rubber	P/B	1,729	100%	1,729
Real estate	BV	290	100%	290
Equity value				29,017
Number of shares outstanding (mn shares)				420.19
Target price				69,000
Current price (VND/share)				60,500
Upside				14.0%

Source: Gemadept Corporation, KB Securities Vietnam

Fig 14. GMD – P/B, ROE in 2020–2025



Source: Bloomberg, KB Securities Vietnam

KB SECURITIES VIETNAM RESEARCH

Research Division

research@kbsec.com.vn

Nguyen Xuan Binh – Head of research

binhnx@kbsec.com.vn

Financials

Nguyen Anh Tung – Manager

tungna@kbsec.com.vn

Pham Phuong Linh – Analyst

linhpp@kbsec.com.vn

Consumer

Nguyen Duc Quan – Analyst

quannd@kbsec.com.vn

Nguyen Hoang Duy Anh – Analyst

anhnhd@kbsec.com.vn

Real Estate

Pham Hoang Bao Nga – Manager

ngaphb@kbsec.com.vn

Nguyen Thi Trang – Analyst

trangnt6@kbsec.com.vn

Industrials & Materials

Nguyen Duong Nguyen – Senior analyst

nguyennd1@kbsec.com.vn

Nguyen Thi Ngoc Anh – Analyst

anhntn@kbsec.com.vn

Macro & Strategy

Tran Duc Anh – Head of macro & strategy

anhtd@kbsec.com.vn

Nghiem Sy Tien – Analyst

tienss@kbsec.com.vn

Nguyen Dinh Thuan – Analyst

thuannd@kbsec.com.vn

Energy, Utilities & IT

Nguyen Viet Anh – Analyst

anhnv3@kbsec.com.vn

Support Team

Nguyen Cam Tho – Assistant

thonc@kbsec.com.vn

Nguyen Thi Huong – Assistant

huongnt3@kbsec.com.vn

KB SECURITIES VIETNAM (KBSV)

Head Office:

Levels 16&17, Tower 2, Capital Place, 29 Lieu Giai Street, Ba Dinh District, Hanoi, Vietnam

Tel: (+84) 24 7303 5333 – Fax: (+84) 24 3776 5928

Hanoi Branch:

Level 1, Office Building, 5 Dien Bien Phu Street, Ba Dinh District, Hanoi, Vietnam

Tel: (+84) 24 7305 3335 – Fax: (+84) 24 3822 3131

Ho Chi Minh Branch:

Level 21, Vietinbank Tower, 93-95 Ham Nghi Street, District 1, HCMC, Vietnam

Tel: (+84) 28 7303 5333 – Fax: (+84) 28 3914 1969

Saigon Branch:

Level 1, Saigon Trade Center, 37 Ton Duc Thang Street, District 1, HCMC, Vietnam

Tel: (+84) 28 7306 3338 – Fax: (+84) 28 3910 1611

CONTACT INFORMATION

Hotline: 1900 1711

Email: info@kbsec.com.vn

Website: www.kbsec.com.vn

Investment ratings & definitions

Investment Ratings for Stocks

(Based on the expectation of price gains over the next 6 months)

Buy:	Neutral:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(Based on the assessment of sector prospects over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

Opinions in this report reflect the professional judgment of the research analyst(s) as of the date hereof and are based on information and data obtained from sources that KBSV considers reliable. KBSV makes no representation that the information and data are accurate or complete and the views presented in this report are subject to change without prior notification. Clients should independently consider their own circumstances and objectives and are solely responsible for their investment decisions. We shall not have liability for investments or results thereof. These materials are the copyright of KBSV and may not be reproduced, redistributed or modified without the prior written consent of KBSV. Comments and views in this report are of a general nature and intended for reference only, not authorized to use for any other purposes.