

10/10/2024

RECOMMENDATION **NOT RATED**

Current price	24,500
Upside/downside	N/A

STOCK INFORMATION

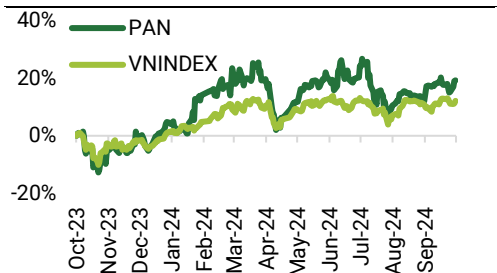
Outstanding shares (mil)	208.89
Free float (%)	65.00%
Market cap. (billion VND)	4,992.58
3m avg. volume (shares)	1,088,549
Foreign ownership (%)	18.65%
First listing date	22/12/2006

SHAREHOLDER STRUCTURE

SSI Securities Corporation	12.73%
NDH Investment Company Limited	11.41%
CSC Vietnam Joint Stock Company	4.99%
Others	70.87%

KEY ATTRIBUTES

TTM EPS (VND)	2,298
BVPS (VND)	22,895
N _q /VCSH	152.70%
ROA (%)	2.22%
ROE (%)	10.33%
P/E	10.84
P/B	1.06
Dividend yield (%)	2.05%

PRICE PERFORMANCE**COMPANY PROFILE**

The PAN Group Joint Stock Company (HSX: PAN) was originally established as Xuyen Thai Binh Joint Stock Company in 1998 with an initial charter capital of VND 250 million. The company holds controlling stakes in reputable firms in the fields of agriculture, fishery, food, and distribution. Through its subsidiaries and affiliates, PAN offers a range of agricultural and food products, including crop seeds, fishery, convenience foods, daily food items, agrochemical products, disinfection solutions, and pest control services.

ANALYST(S)

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UPDATE ON MEETING WITH COMPANIES

- On October 9, 2024, PHS Research held a meeting with PAN and gathered important insights regarding the company's business outlook in the coming period. PAN expressed confidence in maintaining the positive momentum from 1H2024 into 2H2024, especially as it enters the peak season.
- In the agriculture segment, VFG holds a 12% market share in the production and distribution of pesticides, primarily due to its strong partnership with Syngenta. Although there are risks associated with relying on a single partner, PAN sees significant growth potential from this collaboration. NSC's rice segment also experienced steady growth, with revenue contribution rising from 20% in 2023 to around 25-28% in 9M2024, driven by strong demand from traditional and supermarket channels.
- FMC's shrimp export orders recovered strongly in 3Q2024, with estimated revenue reaching USD 91.8 million (+43% YoY), positioning the company well for a positive year-end.
- Bibica's confectionery segment continues to expand, particularly in new markets such as Japan, South Korea, and China, while also growing its B2B gift segment.
- PAN did not suffer significant damage from Typhoon Yagi and remains optimistic about Q4 business results, especially during the upcoming peak season for food and agricultural products.

Business results update

PHS Research held a meeting with PAN on October 9, 2024, where we gathered several insights regarding PAN's future business outlook. Given the positive results in 1H2024, PAN expects equally promising results in 2H2024 as it enters the peak season, specifically:

1. Agriculture segment:

- **Agrochemicals:** As of now, VFG holds a 12% market share in the production and distribution of pesticides in Vietnam, with 75% of its revenue coming from Syngenta's products. PAN acknowledged the risks of relying on a single partner but highlighted the significant revenue growth potential for VFG from Syngenta's products, supported by VFG's strong distribution network. VFG plans to further distribute additional products from Syngenta and other partners in the future.

- **Rice:** NSC's rice segment continues to record compounded growth, with its revenue proportion increasing from 20% in 2023 to 25% - 28% in 9M2024. This positive growth stems from the quality of Vinaseed's rice and its broad coverage across traditional, agent and supermarket channels (especially the Winmart chain, which has been well-received by customers).

Gross Profit Margins for NSC's rice segment reached 13% - 14% as of 9M2024, slightly lower than last year (15%), but still the highest in the industry. This margin is significantly higher than competitors like Loc Troi and Trung An, whose gross margins at 3% - 5%, as these companies mainly sell unbranded white-bag rice.