

Phuoc Hoa Rubber Jsc (HSX: PHR)

Sector: Rubber, Industrial property

WEAK IP BUSINESS WEIGHS ON PROFIT DESPITE HIGH RUBBER SEASON

3Q24 results: Lower IP business dragged bottom line

PHR reported 3Q24 revenue decreased by 9.1% yoy to VND412bn due to the contrast in two core business: Rubber, wood and IP. Thanks to high rubber season with higher-than-expected both rubber sale volume and rubber price, 3Q24 rubber, wood revenue surged by 48.9% yoy to VND384bn, while 3Q24 IP revenue dropped by 91.2% yoy to VND17bn. The disappointed results of IP business come from lack of one-off IP revenue like 3Q23.

Following that, 3Q24 gross profit declined by 44.4% yoy to VND83bn while GPM narrowed down by 12.7% pts. Thus, NPAT-MI decreased by 19.0% yoy to VND98bn.

9M24 accumulated results: stay low as expected

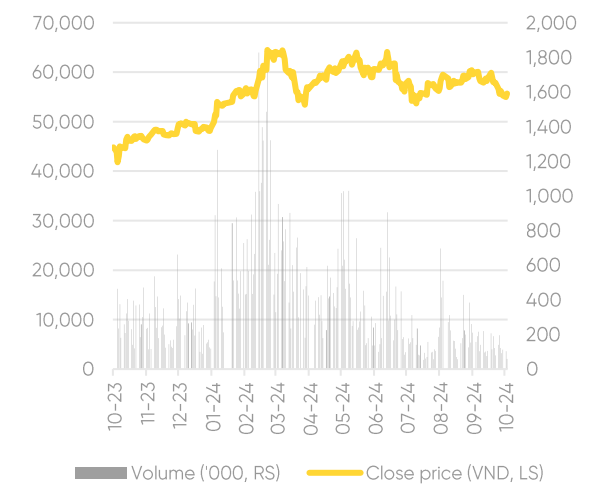
9M24 revenue increased by 13.1% yoy to VND1,007bn mostly from the rebound of rubber, wood business with a 42.2% yoy increase in 9M24 revenue, thanks to the upward trend of rubber price since the early of the year. On the other hand, lack of one-off IP revenue in 3Q, leading to 9M24 IP revenue dropped by 78.4% yoy to VND48bn.

With the lower-than-expected contribution of IP business (offer higher GPM) and lack of one-off gain from land compensation from VSIP III, 9M24 NPAT-MI fall by 49.9% yoy to VND236bn, just completed 43.5% of our full-year forecast.

KEY STATISTICS

52w Average Volume	369,624
Outstanding share (mn)	135,499,198
52w High/Low (VND)	64,500/41,800
Mkt Cap (VNDbn)	7,547
Free float	28%
Avail Foreign Room	18.3%
Beta	1.2

Share price performance	1M	3M	12M
PHR	-6.5%	-4.5%	24.2%
VNINDEX	-2.3%	1.2%	19.0%



Analyst
Son Le

sonla@vpbanks.com.vn

(VNDbn)	3Q24	3Q23	%yoy	9M24	9M23	%yoy	9M24/FY24F
Revenue	412	453	-9.1%	1,007	890	13.1%	63.5%
_ Rubber, wood	384	258	48.9%	933	656	42.2%	74.3%
_ IP	17	193	-91.2%	48	223	-78.4%	17.4%
_ Other	11	2	397.4%	26	10	146.3%	49.0%
Gross profit	83	149	-44.4%	213	242	-12.2%	47.7%
SG&A expenses	30	36	-15.8%	87	89	-2.7%	58.3%
Net financial income	42	32	29.4%	95	120	-20.8%	67.9%
Net other income	1	(0)	N/A	3	275	-99.0%	1.6%
PBT	116	170	-31.7%	287	608	-52.7%	39.3%
NP	104	144	-27.8%	253	505	-49.9%	43.2%
NPAT-MI	98	121	-19.0%	236	471	-49.9%	43.5%
GPM	20.1%	32.9%	-12.7% pts	21.1%	27.2%	-6.1% pts	
NPM	23.9%	26.8%	-2.9% pts	23.4%	52.9%	-29.5% pts	

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CONTACTS

VPBank Securities JSC

FL21&25, VPBANK Tower, 89 Lang Ha St, Dong Da Dist, Hanoi

Tel: 1900 636679

Email: cskh@vpbanks.com.vn

Website: www.vpbanks.com.vn

Equity Research Department

Email: research@vpbanks.com

Senior Analyst

Son Le

Email: sonla@vpbanks.com