

BUSINESS PLAN GRADUATION THESIS

CONTAINER OPTIMIZATION PLATFORM

The background of the slide features a large cargo ship with a green hull and a red bottom, heavily loaded with colorful shipping containers. Above the ship, a white Airbus A380-800 is in flight, its landing gear extended. The sky is a clear blue with some light clouds. In the bottom left corner, a yellow container is visible on a truck.

LOOP

LOGISTIC • OPTIMIZE

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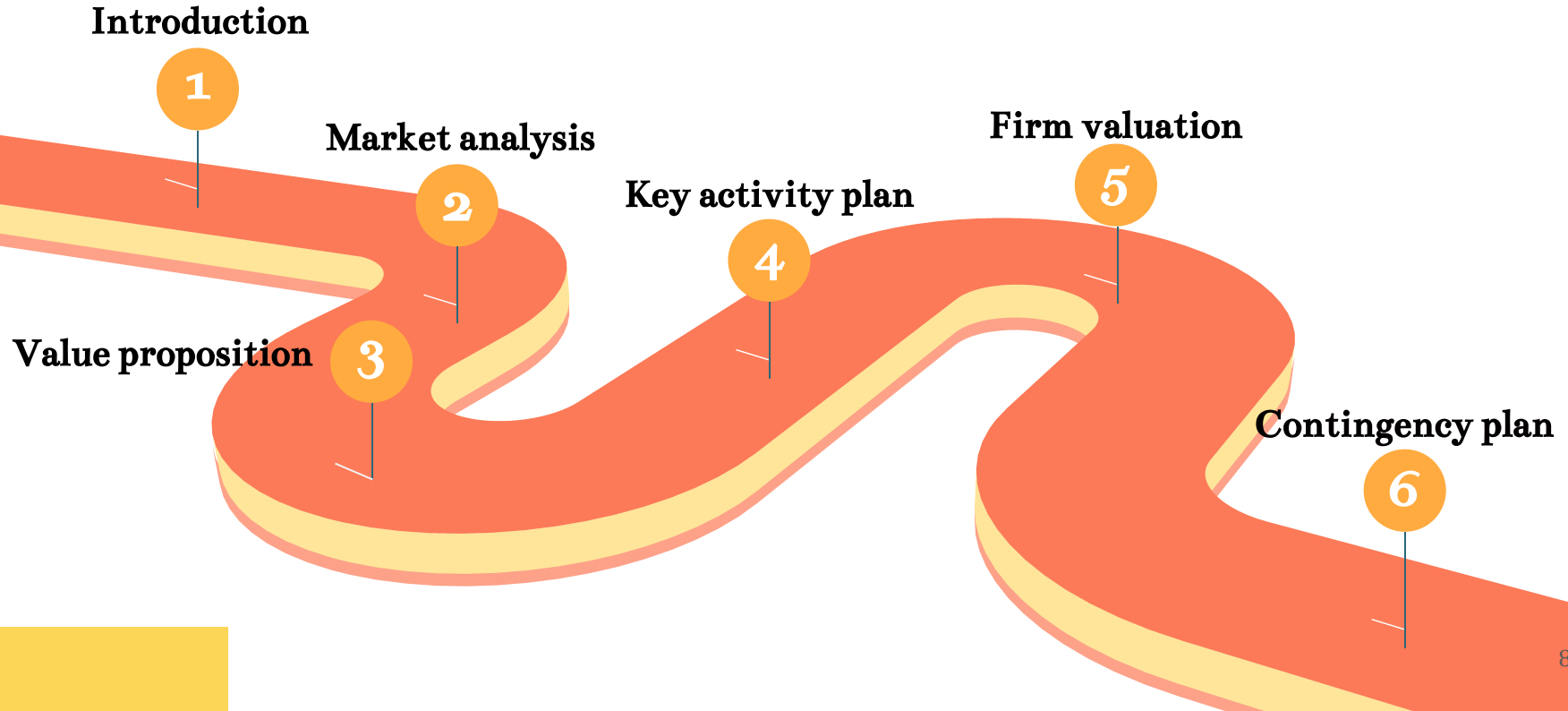
GRP490_G1

Members



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CONTENTS





01

Introduction

- 1.1. Topic background
- 1.2. Company introduction
- 1.3. Service idea

1.1. Topic background

Topic Relevant



Market problem identification



Opportunity introduction



1.2. Company introduction

- LOOP Logistics Optimizing JSC.
- “LOgistic” and “OPtimize”
- Two letters “O” symbolize a loop

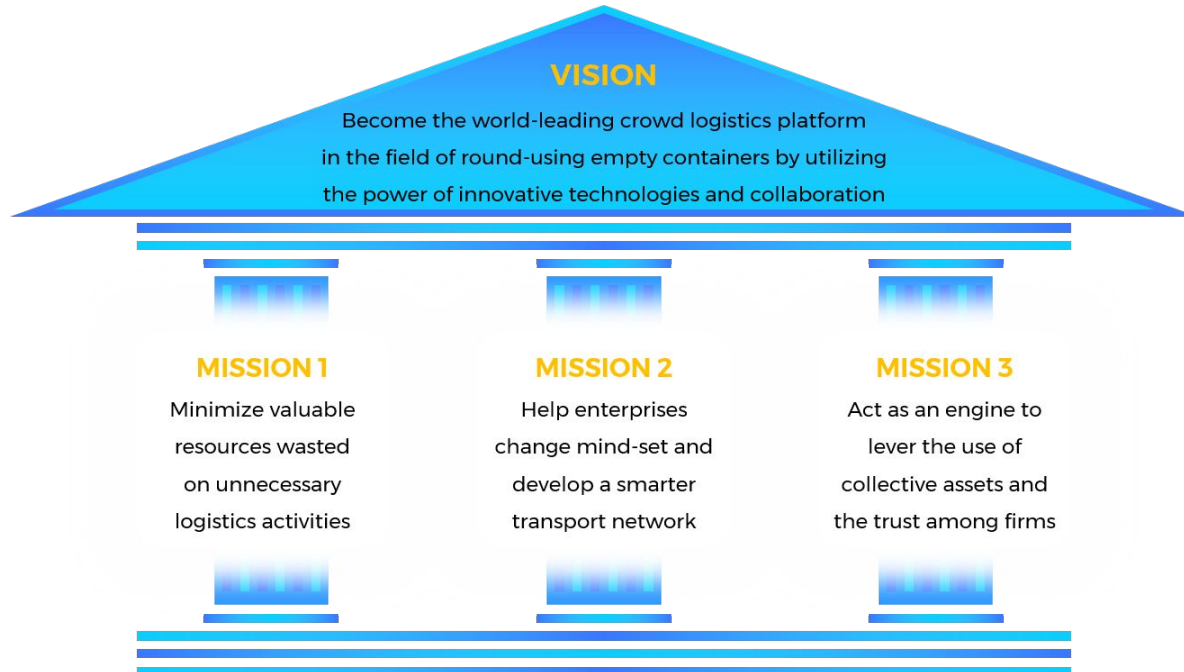


Type of enterprise

- LOOP will be established as a joint-stock company
- Be a separate entity
- Increase professionalism
- Bring huge advantages for investors



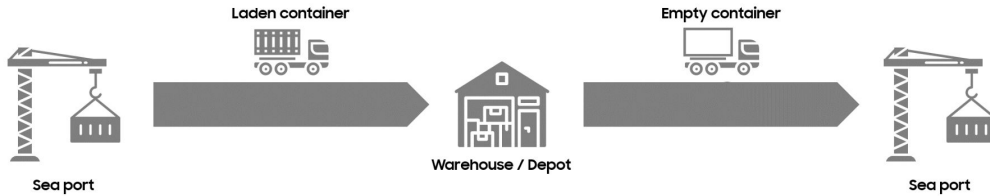
Vision & Mission



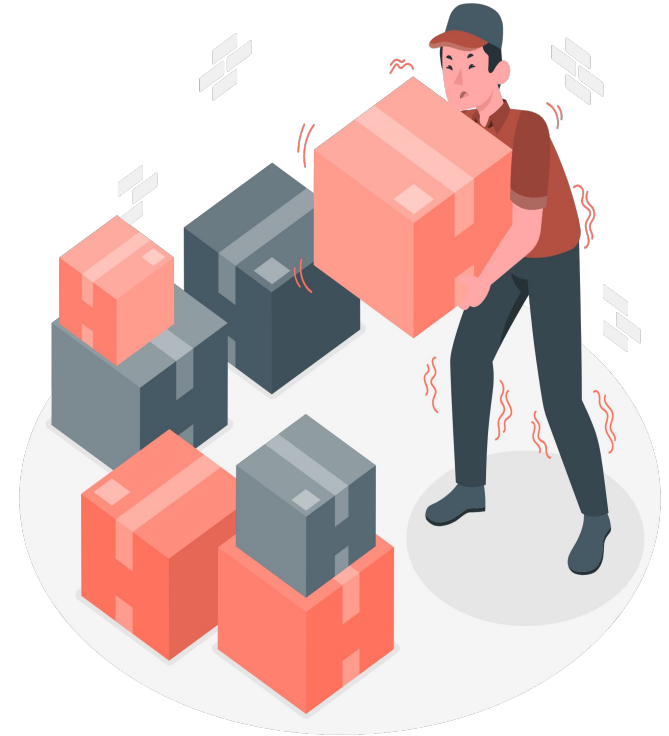


The usual import-export process

IMPORT



EXPORT



LOOP platform's round-use model

IMPORT

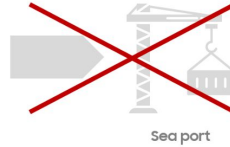


LOOP
LOGISTIC • OPTIMIZE



EXPORT

Wasted activities
have been removed



02. Market analysis



2.1 Industry analysis

- PESTLE analysis
- Trend analysis



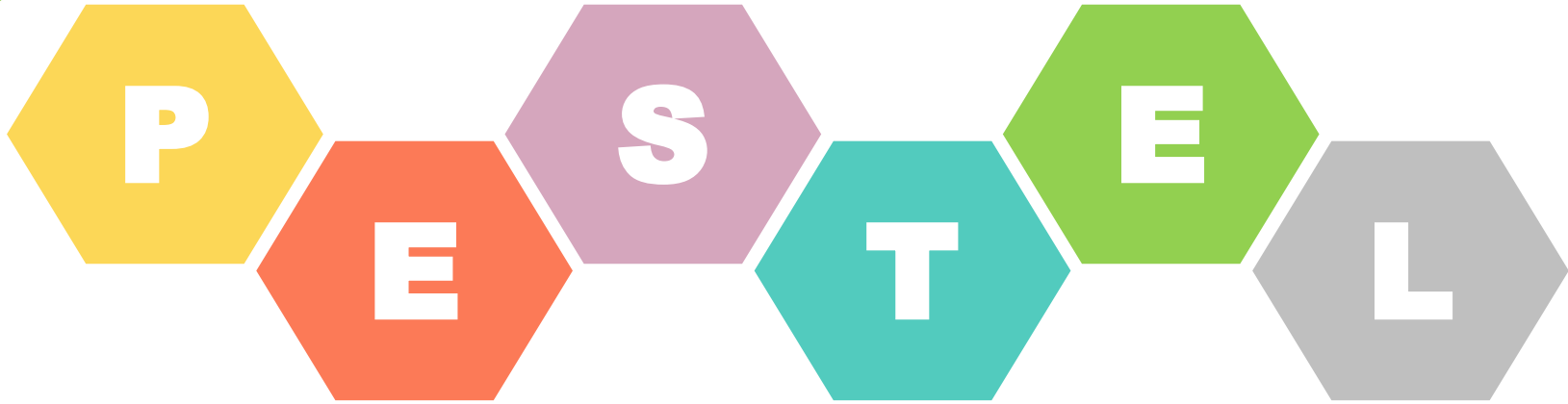
2.2. Competitors analysis

- Current competitors
- Future new entrants



2.3. Customers analysis

- Geographic segmentation
- Segmentation by roles



2.1. Industry analysis

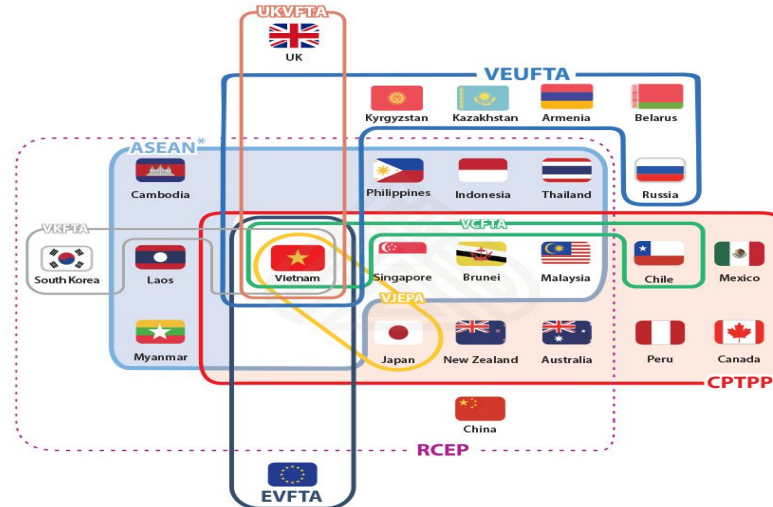
2.1. Industry analysis

P

Political

- Vietnam's stable political situation attracts foreign investment (FTA)
- Vietnam participation in globalization created a favorable setting for LOOP

Free Trade Agreements



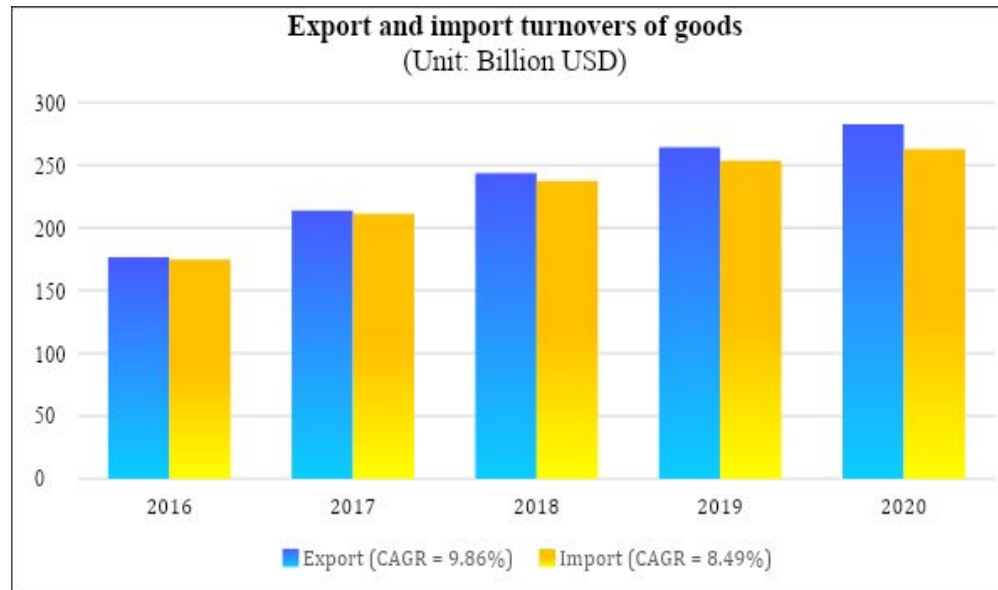


2.1. Industry analysis

E

Economic

- Vietnam import & export turnovers from 2015-2020 have witnessed positive growth
- During COVID-19 pandemic, the industry still achieve many successes

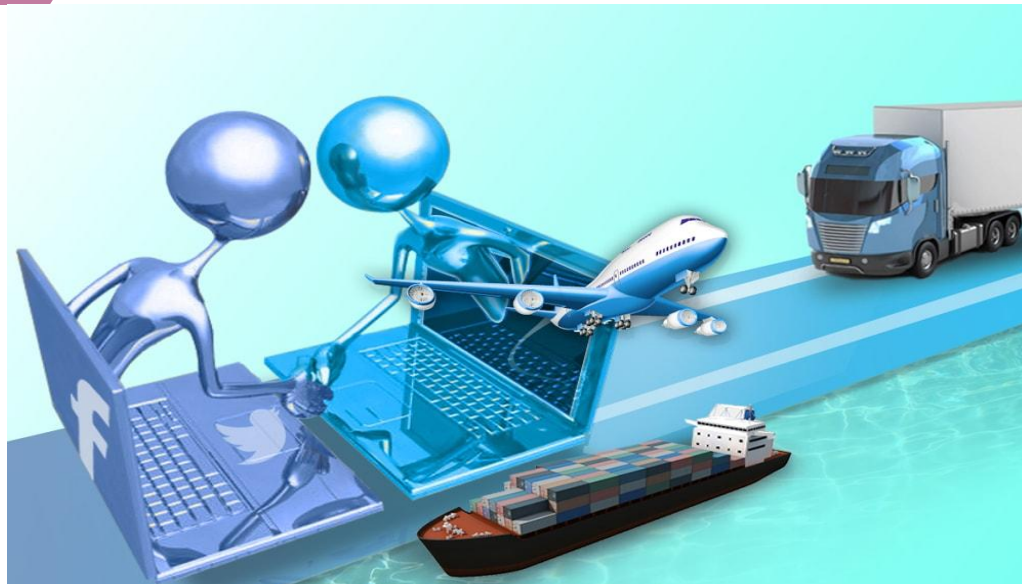


2.1. Industry analysis

S

Social

Customer expectations are increasing, demanding goods to be shipped faster & at a lower cost

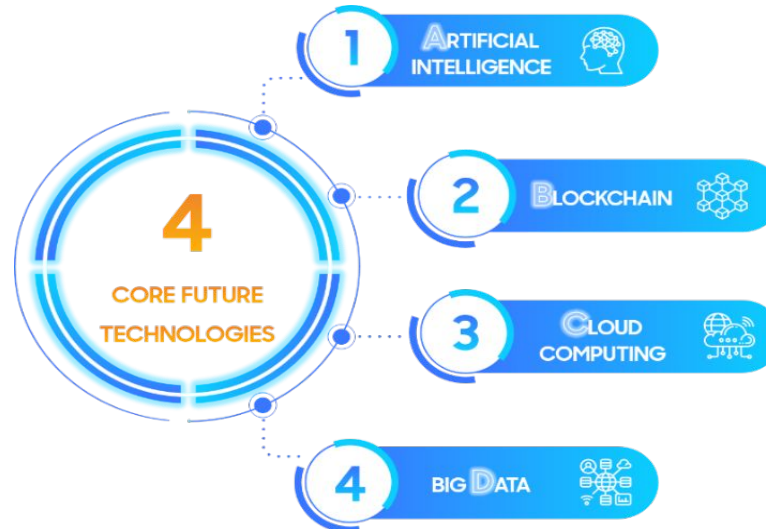


2.1. Industry analysis

T

Technology

4.0 technologies helps LOOP offer more solutions for customers



2.1. Industry analysis

E

Environment

- Green logistics trend
- LOOP aims to reduce wasted resources & CO₂ emission



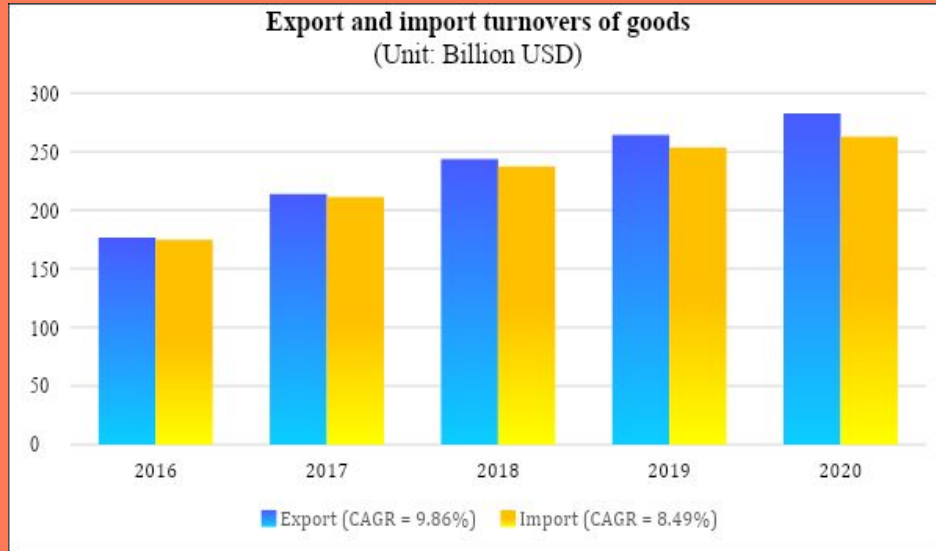
2.1. Industry analysis



Legal

Vietnam's Government aims to boost Logistics industry in the future





Historical trend

Trend analysis

Export turnovers > Import turnovers

=> The more exports, the more chance
for LOOP to grow



Future growth

Trend analysis

- Expectation of quick recovery after COVID-19
 - Motivation for exports growth
- => Promising market for LOOP

2.2 Competitors analysis



Unofficial groups & round-use platforms (no partnership with shipping lines)



Save costs & time



- Small customer base
- No security & supports from shipping lines & port authorities

Round-use platforms (partnership with shipping lines)

Strength

- Reduce costs & time
- Large number of customers
- High reputation
- Part of their own logistics ecosystems

Weakness

- Partnership with only one shipping line
- No demo & not convenient
- No refund policy



Foreign container round-use platforms



avANTIDA
by E2OPEN™



Strengths:

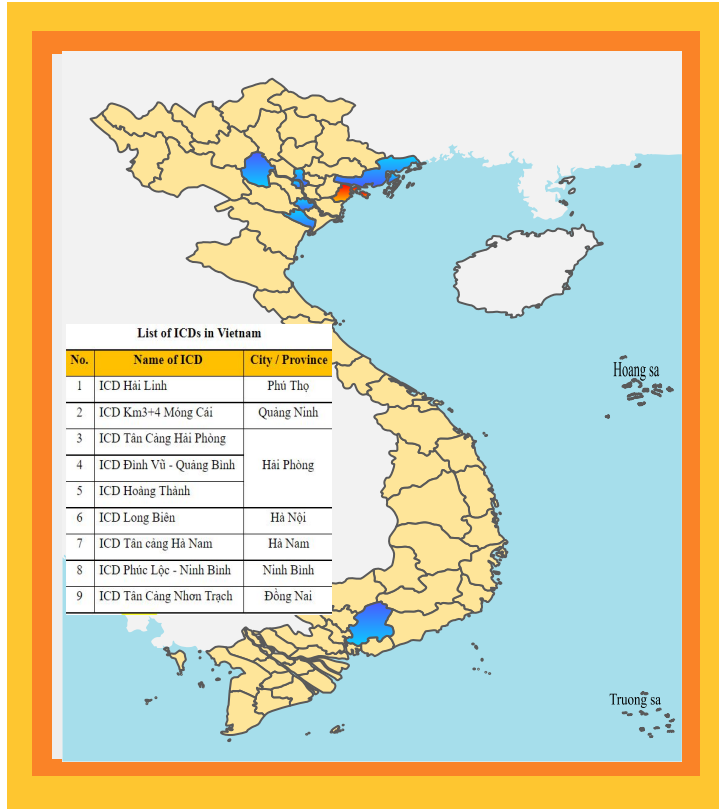
- Solid partnership with shipping lines
- Finance, technology, human resources, and experience advantage

Weaknesses: Vietnam's weak currency & the gap in exchange rates



2.3 Customers analysis

Geographic segmentation



Segmentation by role

Shippers

Deal with two problems:

- High logistics costs
- Container shortage

=> *Primary customers*



Transport companies

- Have round-use before to provide competitive prices
- Large network of customers

=> *Potential customers*



03. Value proposition



Values of the solution

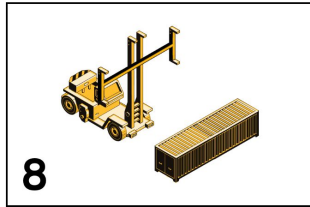
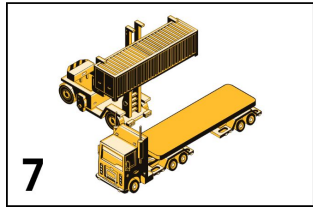
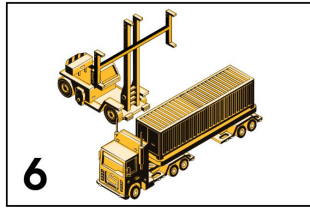
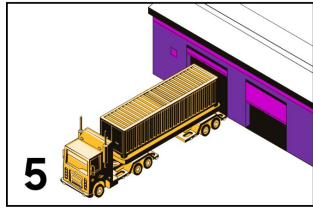
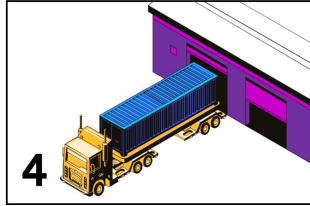
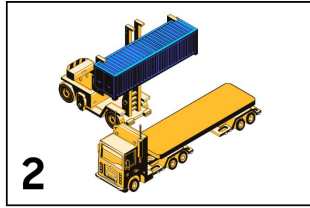
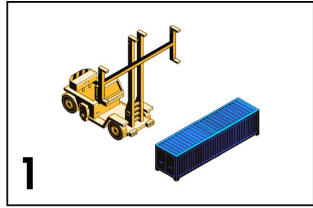
- Value to shippers
- Value to transport companies
- Value to shipping lines
- Value to other stakeholders



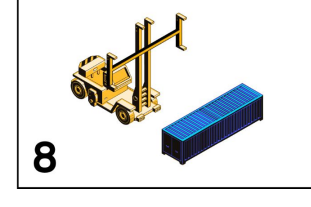
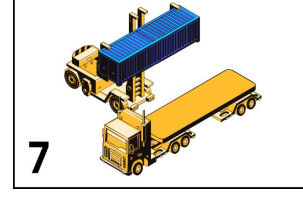
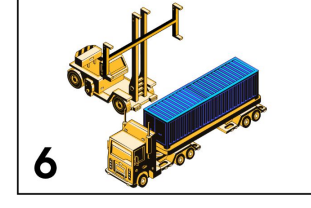
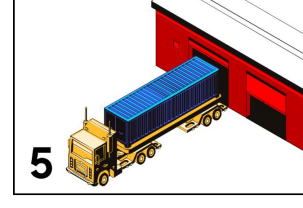
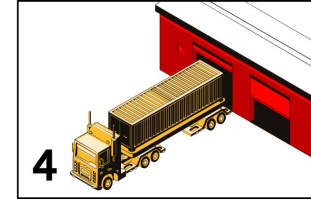
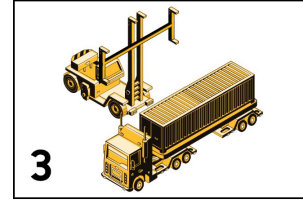
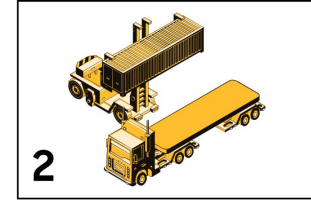
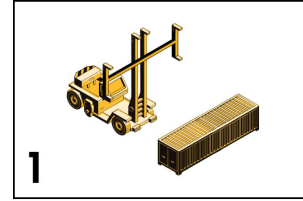
USP (Unique Selling Point)

- Reuse a variety of containers
- Reputation scoring system
- Return, refund, and exchange policies

3.1.1 Value to shippers



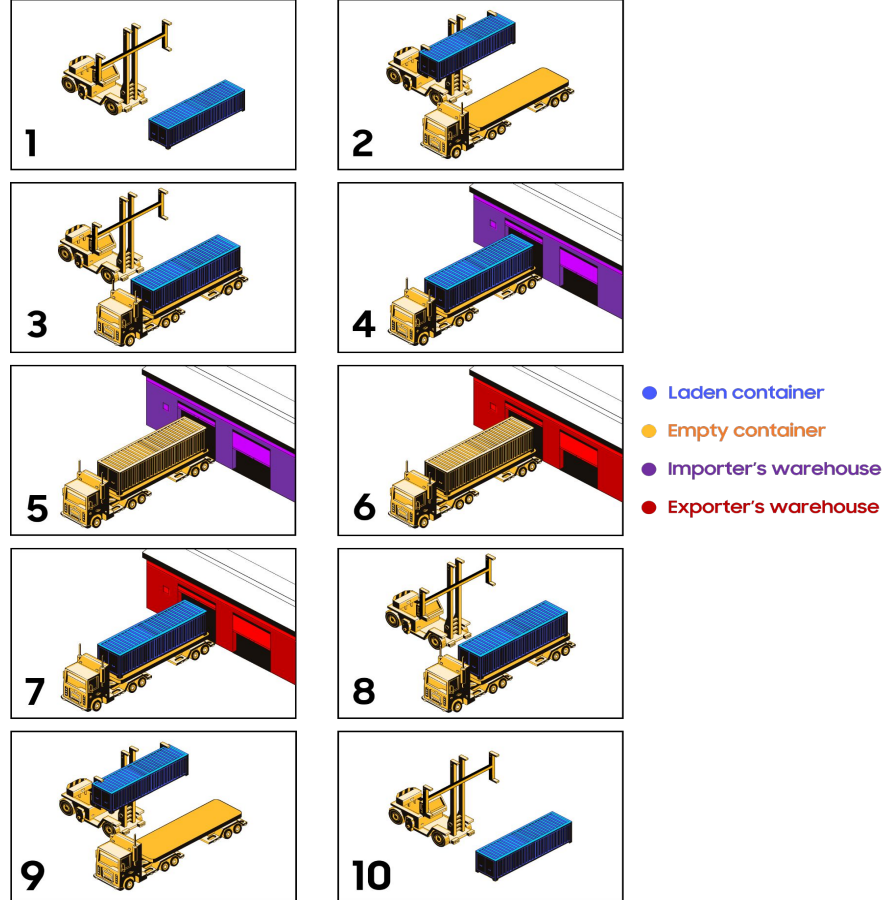
- Laden container
- Empty container
- Exporter's warehouse



- Laden container
- Empty container
- Importer's warehouse

3.1.1 Value to shippers

- Reducing lift-on lift-off costs
- Reducing transportation costs
- Reducing container shortage and container imbalance charge





- **Responsive supply**
 - Transport companies' greatly increased flexibility
 - More proactive in finding customers
- **Utilized resources**
 - Reduced number of vehicles needed
 - Reduced capital expense, increase revenue

3.1.2 Value to transport companies

3.1.3 Value for the Shipping lines

- Improved service quality
- Utilized resources





3.1.4. Value to other stakeholders

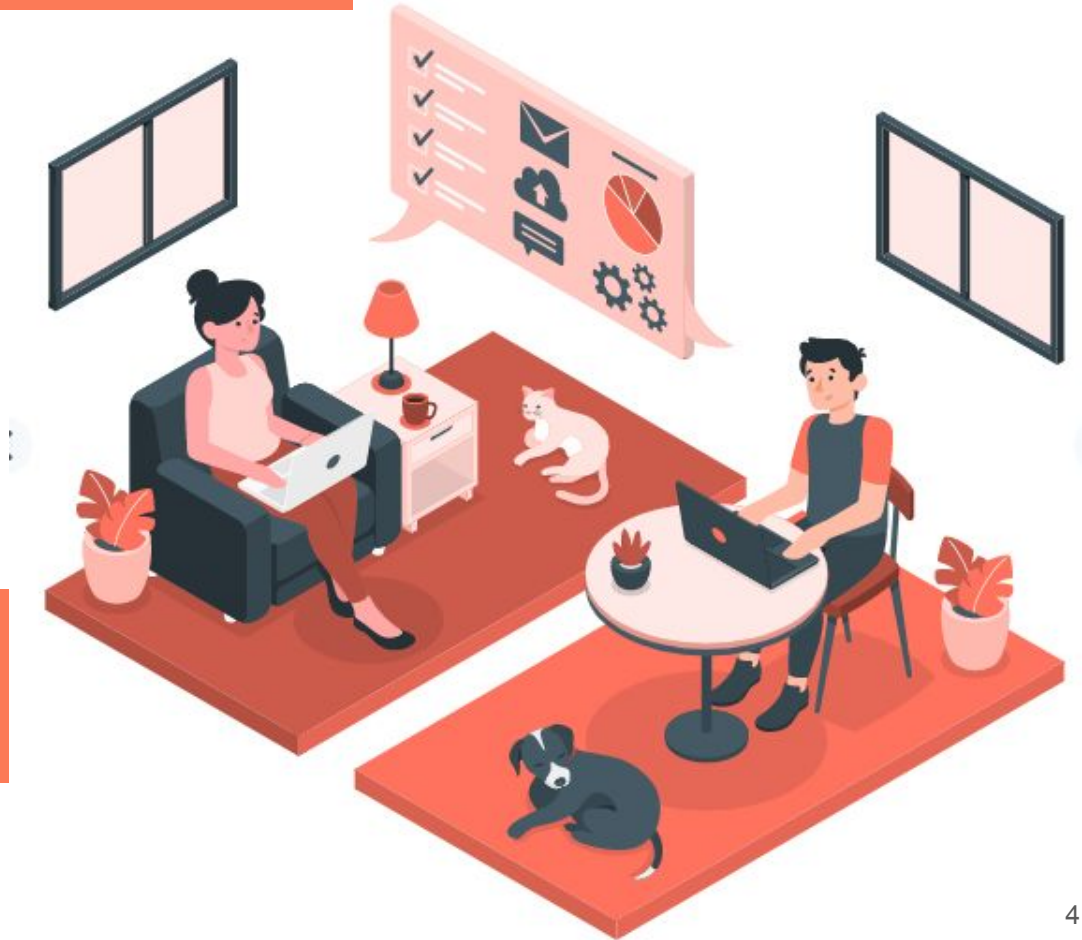
- Depots
- Logistics industry
- National economy
- Consumers
- Environment

3.2 USP

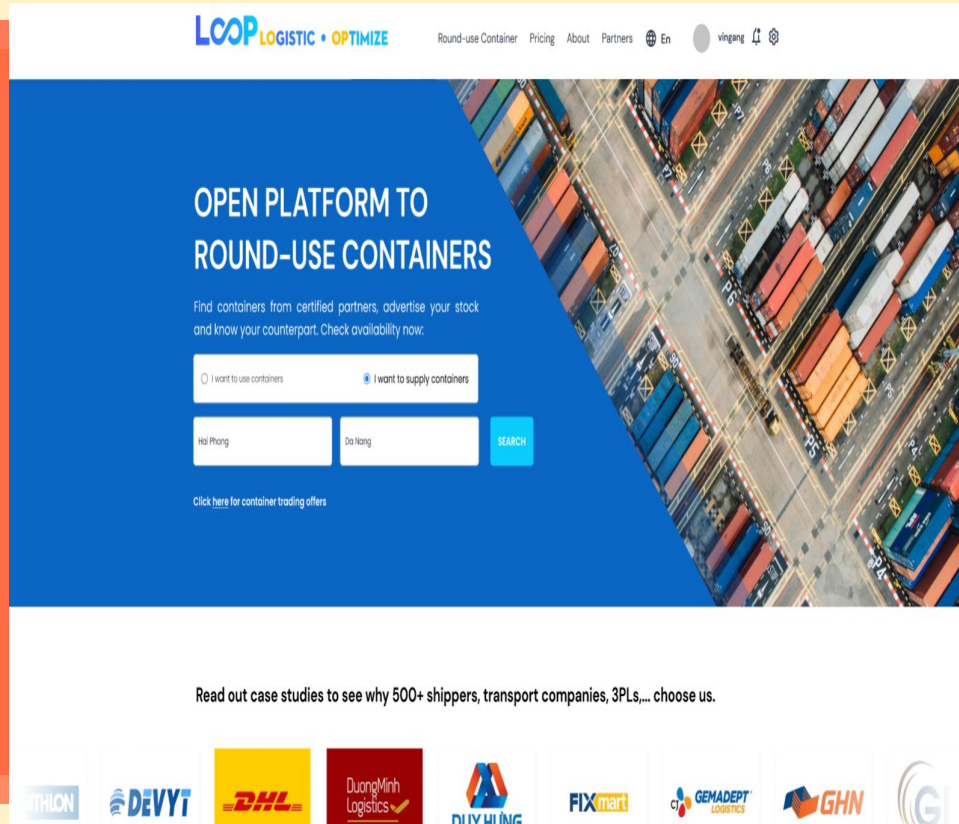


- **Reuse platform**
- **Reputation scoring system**
- **Return, refund, exchange policies**

4. KEY ACTIVITY PLAN



4.1. Operation



The screenshot displays the LOOP Logistic website. The header includes the logo "LOOP LOGISTIC • OPTIMIZE" and navigation links: "Round-use Container", "Pricing", "About", "Partners", "En", and a user profile icon labeled "Vingang". The main content area features a blue background with the text "OPEN PLATFORM TO ROUND-USE CONTAINERS". Below this, a sub-header reads: "Find containers from certified partners, advertise your stock and know your counterpart. Check availability now." There are two radio buttons: "I want to use containers" (selected) and "I want to supply containers". Below these are two input fields for "Hải Phòng" and "Đà Nẵng", followed by a blue "SEARCH" button. A link "Click here for container trading offers" is positioned below the search fields. The right side of the page shows an aerial view of a container yard. At the bottom, a section titled "Read out case studies to see why 500+ shippers, transport companies, 3PLs,... choose us." lists several partner logos: ATHLON, DEVYT, DHL, Duong Minh Logistics, DIVI HING, FIXmart, GEMADEPT LOGISTICS, GHN, and a partially visible logo on the far right.

LOOP LOGISTIC • OPTIMIZE

Round-use Container Pricing About Partners En Vingang

OPEN PLATFORM TO ROUND-USE CONTAINERS

Find containers from certified partners, advertise your stock and know your counterpart. Check availability now.

☒ I want to use containers ☐ I want to supply containers

Hải Phòng Đà Nẵng **SEARCH**

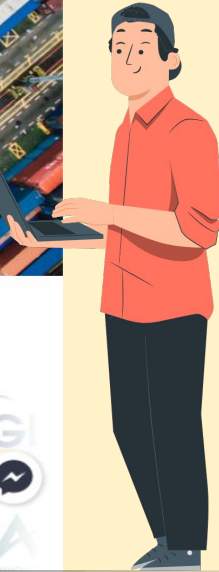
[Click here for container trading offers](#)

Read out case studies to see why 500+ shippers, transport companies, 3PLs,... choose us.

ATHLON DEVYT DHL Duong Minh Logistics DIVI HING FIXmart GEMADEPT LOGISTICS GHN

4.1.1. Building LOOP platform


LOOP's home page (for guests)



Sign-in page



LOOP LOGISTIC • OPTIMIZE



Reduce inefficient costs!
Our platform offers round-use services that helps you save not only time, costs, but also manual workload!
Choose containers based on your demand! Whether type, location or price, we have them all!

Sign In

Username

Password


[I don't remember my password](#)


☐ Remember me

Sign In

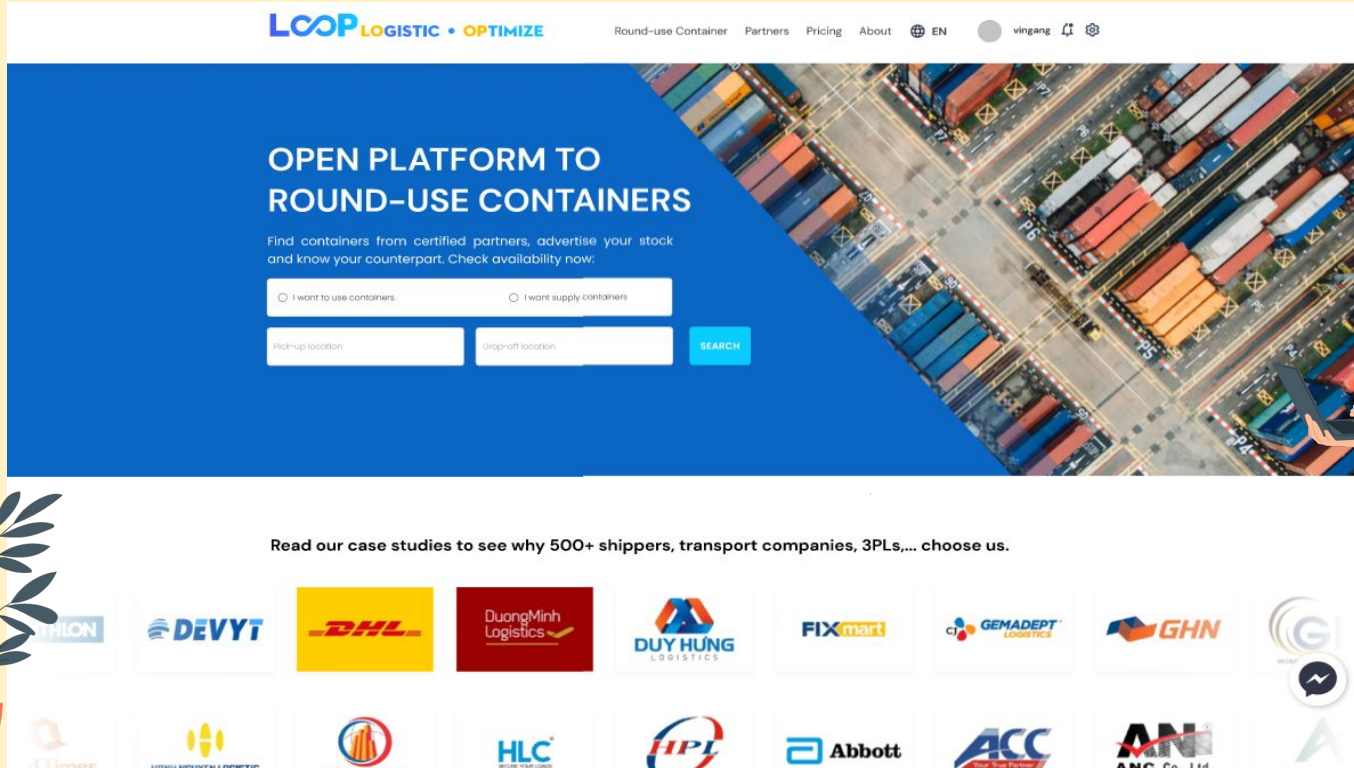
[Create new account](#)

[Terms and conditions](#)
[Privacy policy](#)





LOOP's homepage (for customers)



LOOPLOGISTIC • OPTIMIZE

Round-use Container Partners Pricing About EN vingroup

OPEN PLATFORM TO ROUND-USE CONTAINERS

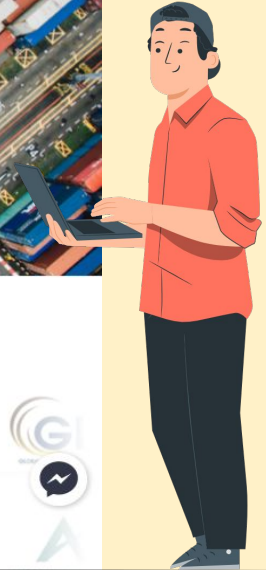
Find containers from certified partners, advertise your stock and know your counterpart. Check availability now.

☐ I want to use containers ☐ I want supply containers

Pick-up location Drop-off location **SEARCH**

Read our case studies to see why 500+ shippers, transport companies, 3PLs,... choose us.

Logistics partners logos: THLON, DEVYT, DHL, DuongMinh Logistics, DUY HUNG LOGISTICS, FIXmart, GEMADEPT LOGISTICS, GHN, G, 4Times, HIRSHI MOORE & LOGISTIC, HLC, HPL, Abbott, ACC, ANI Co., Ltd.



Supplier's request page

LOOP LOGISTIC • OPTIMIZE

Round-use Container Partners Pricing About EN vingar

Create a supply request

Press to change

Please add your information below

Warehouse location *

Select warehouse location

Depot location *

Select depot location

Shipping line*

Select shipping line

Container number *

Container number

Bill of Lading Number *

Export reference

Size *

Choose a size

Type *

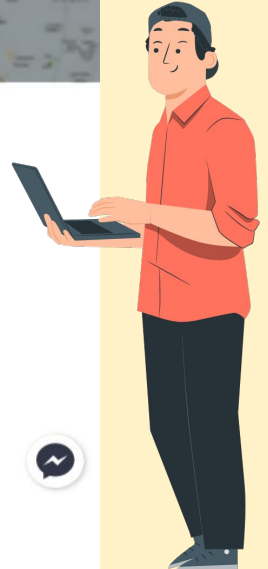
Choose a type

End of DET allowance: January 1, 2021

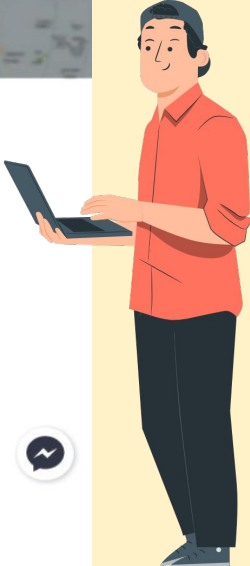

Comment Add a comment

☐ I have read and agree with Terms and conditions

+ Add a container



Exporter's request page



LOOP LOGISTIC • OPTIMIZE

Round-use Container Partners Pricing About EN vingan

Search for an empty container

Press to change

Please add your requirement below

Shipping line*

Select shipping line

Warehouse location *

Select import location

Depot location *

Select export location

Bill of Lading Number *

Export reference

Size *

Choose a size

Type *

Choose a type

Round - use date: **January 1, 2021**

Comment

Add a comment

☐ I have read and agree with this shipping line's

☐ I have read and agree with Terms and conditions

Total amount: --

Submit request

Exporter's request result page



LOOP LOGISTIC • OPTIMIZE

Round-use ContainerPartnersPricingAboutEN

vingang

Find empty containers

Search Filter

Location

Warehouse Location

Depot Location

Details

Container size

Container type

Rating

★★★★★

★★★★☆ & Up

★★★☆☆ & Up

★★☆☆☆ & Up

★☆☆☆☆ & Up

Clear all

Your request result

Sort by: latest

Search

Deutsche Post DHL Group

★★★★☆

Equipment	Location	Price	Date	
MEDU 870768-8 20ft DC	Ha Noi	...	25/11/2021	<div>View</div> <div>Book</div>

TBS Logistics

★★★★☆

Equipment	Location	Price	Date	
MSKU 523569-6 45ft DC	Ho Chi Minh	...	14/11/2021	<div>View</div> <div>Book</div>

HATECO Logistics Jsc.

★★★★★

Equipment	Location	Price	Date	
CKUS 357487-2 45ft RE	Khanh Hoa	...	04/11/2021	<div>View</div> <div>Book</div>

GHN Jsc.

★★★★★

Equipment	Location	Price	Date	
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48

← Back

MEDU 870768-8



Deutsche Post DHL Group

Member since 2021

Ha Noi, Vietnam

Founded in 1969



4.0 based on 100 review

[Give a review](#)

About us

We have always been revolutionizing, shaping, and simplifying the world of logistics. From inventing the international air express industry to becoming the world's leading logistics company; we're thinkers, makers and pioneers that constantly challenge what's possible. And now we're tackling the ultimate border: Delivering to the moon.

[Contact this company](#)

Operational performance

30+ transaction within previous 12 months

Response Time: ★★★★★

Data Quality: ★★★★★

Release speed: ★★★★★

Supply Commitment: ★★★★★

Latest reviews



HATECO Logistics Jsc.



Review DHL now!

Share your experience with DHL and help others assess DHL's performance.

Rating DHL now!



✓ Verified by LOOP

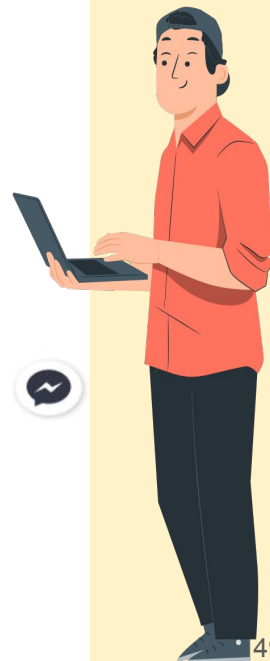
- FINANCIAL DOCUMENTS provided
- COMPANY REGISTRATION document verified
- PASSPORT of CEO/MD verified
- SHAREHOLDER documentation verified

Search for other companies

Similar company profiles



Supplier's
profile page



4.1.2. Matching constraint system



<i>Type</i>	Feet (20 ft, 40 ft, 45 ft...) Purpose (dry, reefer,...)
<i>Same shipping line</i>	CMA-CGM, MAERSK, MSC...
<i>Availability</i>	Right now/In xxx days/From day xxx to day xxx
<i>Time</i>	Date (November 24, December 1st...)
<i>Price</i>	500,000 VND/TEU
<i>Geography proximity</i>	Km (20km, 30km...)

4.1.3. Payment methods



4.1.4. Information security management



4.2. Marketing Plan



4.2.1. The 4Ps Model

4.2.1.1 Product

4.2.1.2 Price

4.2.1.3 Place

4.2.1.4 Promotion



4.2.1.1 Product

LOOP offers solutions in optimizing empty containers

Bring highest service so customers can:

- **Transact online**
- **Choose suppliers**
- **Be supported 24/7**



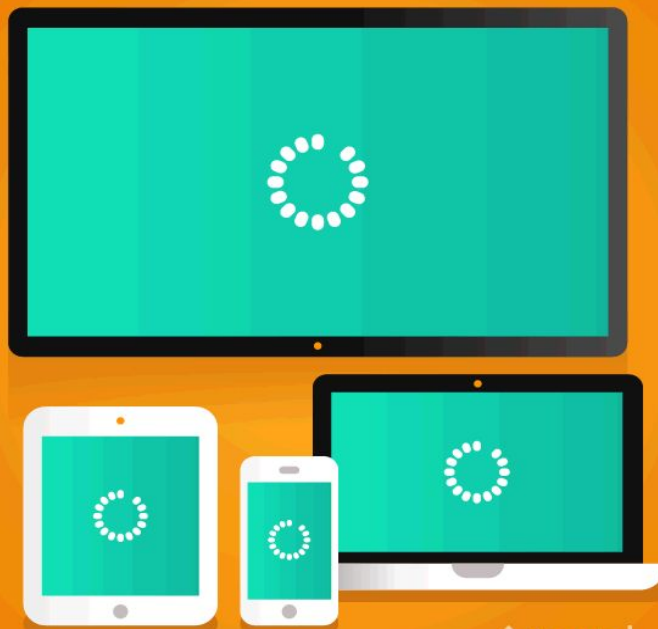


4.2.1.2 Price

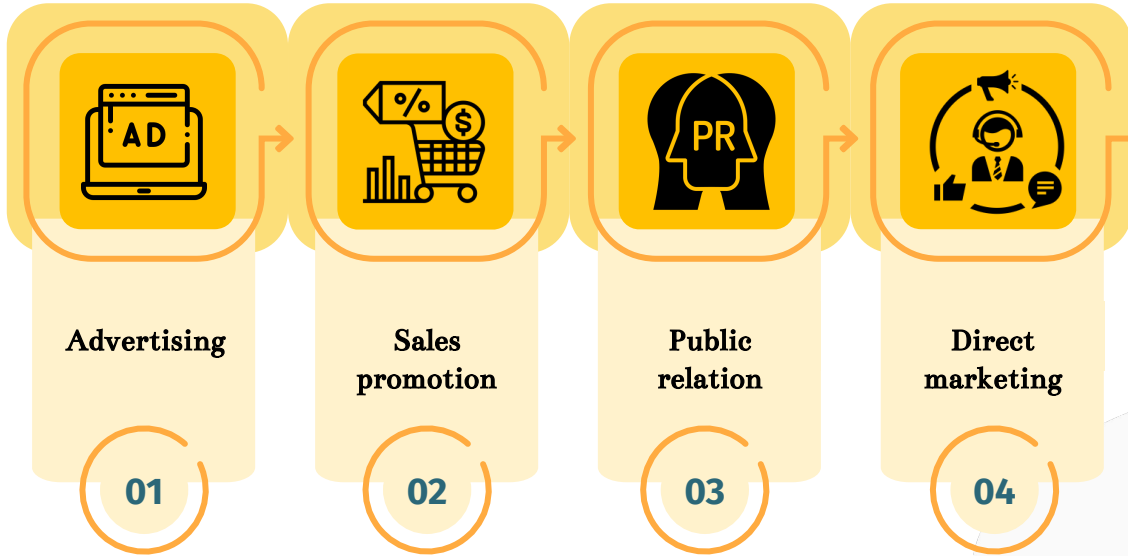
The average LOLO price = 800.000 ~ 1.000.000 VND
=> LOOP's service fee = 500.000 vnd (before 10% VAT)

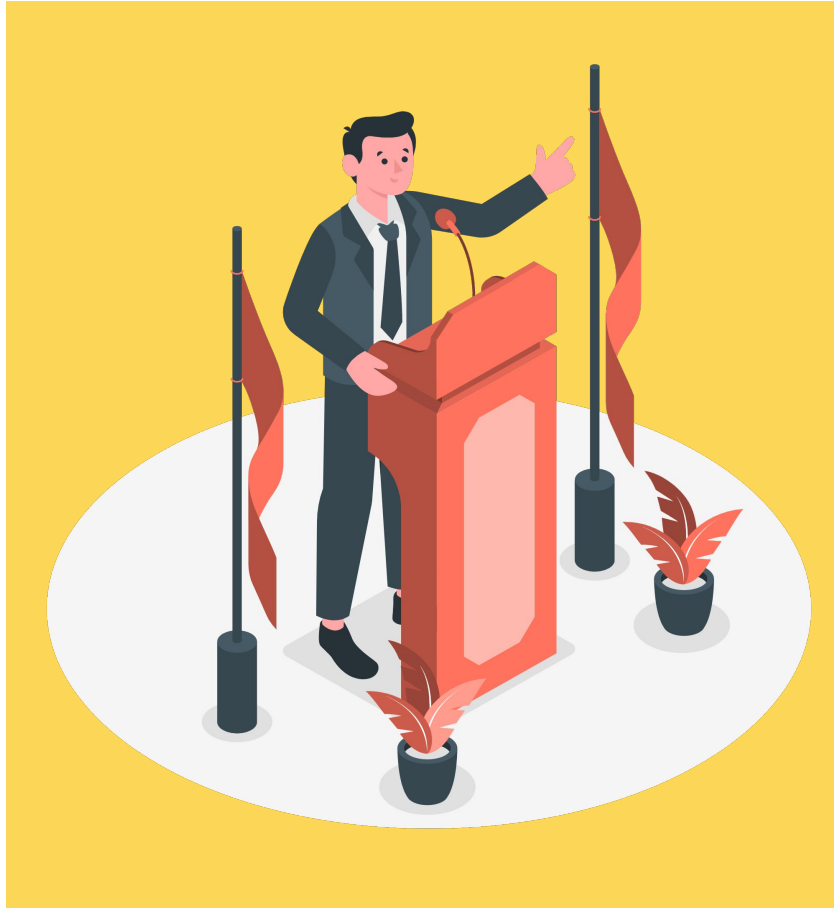
4.2.1.3 Place

Apps for smartphone and tablet



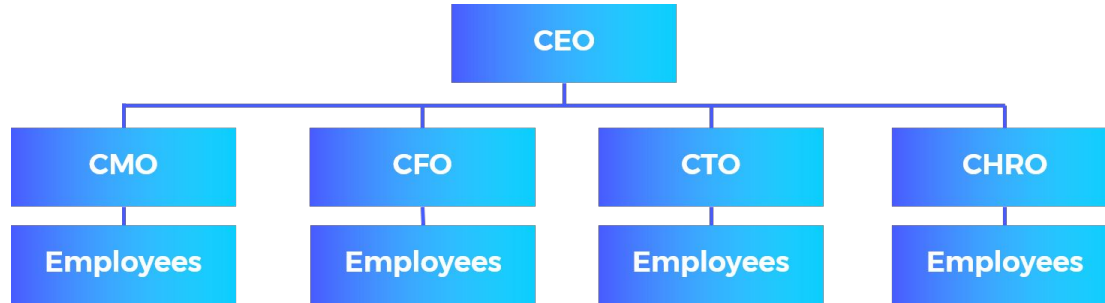
4.2.1.4 Promotion





Promotional mix objective	Timeline	Types of promotion tools
Inform: <ul style="list-style-type: none"> - Increase awareness - Explain how LOOP work - Suggest new uses - Build company image 	First 6 months	Advertising Sales promotion Direct marketing
Persuade: <ul style="list-style-type: none"> - Encourage brand switching - Change customers' perception of product attributes - Influence buying decision - Persuade customers to call 	6 months – 1 year	Sales promotion Direct marketing Public Relations
Remind: <ul style="list-style-type: none"> - Remind customers that product may be needed - Remind customers where to use LOOP - Maintain customer awareness 	Continuous and long-term	Advertising Direct marketing Public Relations

4.3. Human Resource Management



5. Firm valuation

Two-stage model & nominal term

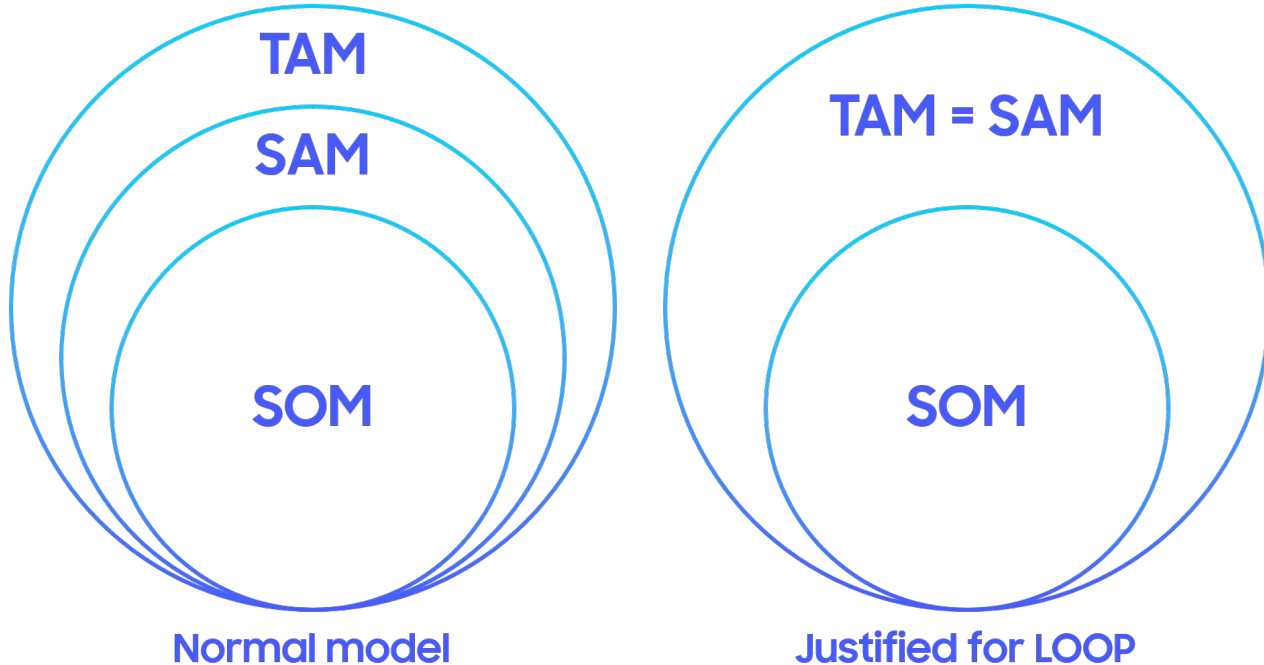
- + First 6 months: Initial investments
- + High-growth period: July 2022-2026
- + Additional CapEx in 2024
- + Stable-growth stage: Thereafter with the growth of 4%



Initial investments

Item	Invested amount (before adjustments) (1)	Invested amount (after adjustments) (2) = (1) * (1+4%) ^{0.5}
Office equipment	595,481,818	607,274,682
Intellectual property	1,000,600,000	1,020,415,785

TAM SAM SOM analysis



Costs of service

Items	2022	2023	2024	2025	2026
Cloud computing server	363,600,000	727,200,000	727,200,000	727,200,000	727,200,000
Domain	520,000	260,000	260,000	260,000	260,000
Web hosting	870,000	1,740,000	1,740,000	1,740,000	1,740,000
Costs of service <i>(before adjustment)</i>	364,990,000	729,200,000	729,200,000	729,200,000	729,200,000
Coefficient to adjust for inflation	$(1 + 4\%)^1$	$(1 + 4\%)^2$	$(1 + 4\%)^3$	$(1 + 4\%)^4$	$(1 + 4\%)^5$
Costs of service <i>(after adjustment)</i>	379,589,600	788,702,720	820,250,829	853,060,862	887,183,296

Operating expenses

Item	2022	2023	2024	2025	2026
Marketing expenses	2,002,730,000	2,005,460,000	2,005,460,000	2,005,460,000	2,005,460,000
Payroll expenses	2,550,440,000	5,105,480,000	5,123,780,000	5,141,230,000	5,156,680,000
Office expenses	441,303,000	668,494,000	668,494,000	668,434,000	668,434,000
Other costs (2% sales)	94,000,000	220,000,000	256,600,000	291,500,000	322,400,000
Operating expenses <i>(before adjustment)</i>	5,088,473,000	7,999,434,000	8,054,334,000	8,106,624,000	8,152,974,000
Coefficient to adjust for inflation	$(1 + 4\%)^1$	$(1 + 4\%)^2$	$(1 + 4\%)^3$	$(1 + 4\%)^4$	$(1 + 4\%)^5$
Operating expenses <i>(after adjustment)</i>	5,292,011,920	8,652,187,814	9,060,030,361	9,483,603,479	9,862,947,618

Depreciation & Amortization rate = 20%

Add back 80% of non-cash items

Marginal CIT rate = 20%

VAT excluded

Non-cash working capitals

Items	% to sales
Prepaid expenses	2%
Unearned revenue	8%
Accrued expenses	15%

Weighted-average cost of capital

No debt \Rightarrow WACC = Cost of equity

Cost of equity follows CAPM

Cost of equity

Risk-free rate (the build-up approach)

= Vietnam's forecasted inflation rate + Interest on 10-year US TIPS

= 4% + (-0.48%) = 3.52%

Company	Raw beta	Adjusted beta	Unlevered beta
FPT	0.99	0.99	0.59
CMC	0.82	0.88	0.62
ELCOM	0.82	0.88	0.78
ITD	0.76	0.84	0.71
Mean			0.67

Cost of equity

Equity risk premium

= Base premium for mature equity market + Vietnam's risk premium

= 4.38% + 3.02% = 7.4%

LOOP's WACC

= LOOP's cost of equity

= Risk-free rate + Beta relative to market portfolio * Equity risk premium

= 3.52% + 0.67 * 7.4% = 8.51%

Firm valuation (most likely scenario)

PRO-FORMA INCOME STATEMENT					
Calendar year	Half year 2022	2023	2024	2025	2026
End of notional year	1	2	3	4	5
Sales volume	9,400	22,000	25,660	29,150	32,240
Unit price per TEU (before VAT)	500,000	500,000	500,000	500,000	500,000
Revenue	4,700,000,000	11,000,000,000	12,830,000,000	14,575,000,000	16,120,000,000
Costs of service	(379,589,600)	(788,702,720)	(820,250,829)	(853,060,862)	(887,183,296)
Gross profit	4,320,410,400	10,211,297,280	12,009,749,171	13,721,939,138	15,232,816,704
Operating expenses	(5,292,011,920)	(8,652,187,814)	(9,060,030,361)	(9,483,603,479)	(9,862,947,618)
EBITDA	(971,601,520)	1,559,109,466	2,949,718,811	4,238,335,659	5,369,869,085
Depreciation (20%)	(60,727,468)	(121,454,936)	(121,454,936)	(256,537,117)	(256,537,117)
Ammortization (20%)	(102,041,579)	(204,083,157)	(204,083,157)	(431,064,444)	(431,064,444)
EBT	(1,134,370,567)	1,233,571,372	2,624,180,717	3,550,734,098	4,682,267,524
Corporate income tax (CIT) (20%)	0	(19,840,161)	(544,676,305)	(1,254,823,124)	(2,191,276,629)
Net income	(1,134,370,567)	1,213,731,211	2,079,504,413	2,295,910,974	2,490,990,895
Dividend (30%)	0	0	(623,851,324)	(688,773,292)	(747,297,269)
Retained earnings	(1,134,370,567)	1,213,731,211	1,455,653,089	1,607,137,682	1,743,693,627

Firm valuation

(most likely scenario)

PRO-FORMA BALANCE SHEET						
Calendar year End of notional year	June 2022 0.5	2022 1	2023 2	2024 3	2025 4	2026 5
Assets						
Current assets						
Cash & marketable securities	1,372,309,533	1,387,708,013	4,249,977,317	6,415,468,500	7,266,340,405	10,022,085,592
Prepayments & other current assets	-	94,000,000	220,000,000	256,600,000	291,500,000	322,400,000
Total current assets	1,372,309,533	1,481,708,013	4,469,977,317	6,672,068,500	7,557,840,405	10,344,485,592
Non-current assets						
Office equipments						
At cost	607,274,682	607,274,682	607,274,682	607,274,682	1,282,685,584	1,282,685,584
Accumulated depreciation	-	(60,727,468)	(182,182,405)	(303,637,341)	(560,174,458)	(816,711,575)
Net value	607,274,682	546,547,214	425,092,278	303,637,341	722,511,126	465,974,009
Intangible assets						
At cost	1,020,415,785	1,020,415,785	1,020,415,785	1,020,415,785	2,155,322,221	2,155,322,221
Accumulated ammortization	-	(102,041,579)	(306,124,736)	(510,207,893)	(941,272,337)	(1,372,336,781)
Net value	1,020,415,785	918,374,207	714,291,050	510,207,893	1,214,049,884	782,985,440
Total non-current assets	1,627,690,467	1,464,921,421	1,139,383,327	813,845,234	1,936,561,010	1,248,959,449
Total assets	3,000,000,000	2,946,629,433	5,609,360,644	7,485,913,733	9,494,401,415	11,593,445,042
Liabilities & equity						
Current liabilities						
Deferred revenue	-	376,000,000	880,000,000	1,026,400,000	1,166,000,000	1,289,600,000
Accrued expenses	-	705,000,000	1,650,000,000	1,924,500,000	2,186,250,000	2,418,000,000
Total current liabilities	-	1,081,000,000	2,530,000,000	2,950,900,000	3,352,250,000	3,707,600,000
Equity						
Ordinary shares	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Accumulated retained earnings	-	(1,134,370,567)	79,360,644	1,535,013,733	3,142,151,415	4,885,845,042
Total equity	3,000,000,000	1,865,629,433	3,079,360,644	4,535,013,733	6,142,151,415	7,885,845,042
Total liabilities & equity	3,000,000,000	2,946,629,433	5,609,360,644	7,485,913,733	9,494,401,415	11,593,445,042

Firm valuation (most likely scenario)

PRO-FORMA CASHFLOW STATEMENT							
Calendar year End of notional year	Jun-22 0.5	2022 1	2023 2	2024 3	2025 4	2026 5	Terminal value
CapEx	(1,627,690,467)	-	-	(1,810,317,338)	-	(3,438,007,805)	
Non-cash NWC	-	(987,000,000)	(2,310,000,000)	(2,694,300,000)	(3,060,750,000)	(3,385,200,000)	
Change in non-cash NWC	-	987,000,000	1,323,000,000	384,300,000	366,450,000	324,450,000	
Net income	-	(1,134,370,567)	1,213,731,211	2,079,504,413	2,295,910,974	2,490,990,895	
Add back 80% depreciation	-	60,727,468	97,163,949	97,163,949	205,229,693	205,229,693	
Add back 80% ammortization	-	102,041,579	163,266,526	163,266,526	344,851,555	344,851,555	
Operating cash flow	-	(971,601,520)	1,474,161,686	2,339,934,887	2,845,992,223	3,041,072,144	
FCF	(1,627,690,467)	15,398,480	2,797,161,686	913,917,550	3,212,442,223	3,365,522,144	77,608,492,902
DCF	(1,562,560,848)	14,190,840	2,375,625,858	715,315,650	2,317,161,326	2,237,193,944	77,608,492,902
Accumulation	(1,562,560,848)	(1,548,370,008)	827,255,850	1,542,571,500	3,859,732,826	6,096,926,770	83,705,419,672

Firm valuation (most likely scenario)

VALUATION CRITERIA	
Firm value	85,022,818,275
Modified internal rate of return (MIRR)	48%
Discounted payback period (Discounted PB)	1.65

Scenario analysis

Scenario	Pessimistic	Most likely	Optimistic
Initial outlay	+5%		-5%
Sales forecast	-5%		+5%
Costs of service	+5%		-5%
Operating expenses	+5%		-5%
Dividend payout ratio	40%	30%	20%
Valuation criteria			
Firm value	75,006,255,518	85,022,818,275	93,544,579,522
MIRR	31%	48%	57%
Discounted PB	3.23	1.65	1.38



6. Contingency plan

- Risk analysis
- Future oriented

Risk analysis



01

Risk of human factor

Risk of cyber attacks..

02

03

Financial risk

Risk from competitors

04

05

Risk of the COVID pandemic

Future orientations

Container move

Container rental



**THANK YOU
FOR
LISTENING!**

