

5 Feb 2025

## Petro Vietnam Technical Services (PVS)

### One-off income boosted earnings

#### 4Q24 earning is boosted by one-off income

- 4Q24 revenue grew to VND9.78tn (+45% yoy) thanks to boosted M&C segment (VND7.21tn, +77% yoy, +199% qoq). Other segments grew in opposite directions, including: OSV: +13% yoy, FSO/FPSO: -10% yoy, ROV: -43% yoy, supply base: -11% yoy, O&M: +6% yoy.
- Total gross profit (GP) contracted by 20% yoy to VND300bn.
- Gross margin shrank to 3.1% (-3.8%p qoq, -2.5%p yoy) as (1) M&C GPM was thin at 1.4% (-0.4% yoy, -2.1% qoq) and (2) GPM of non-M&C segments also contracted to 7.9% (-2.9%p qoq, -3.4%p yoy).
- Profit from FSO/FPSO joint ventures was stable at VND215bn (+0.2% qoq, +41% yoy). SG&A picked up by 8% yoy to VND446.
- Notably, PVS recorded high abnormal incomes in 4Q24 including (a) supplier debt reduction of VND311bn resulted from the dissolve of PTSC CGGV (PVS owned 51%) and (b) VND251bn from the reversal of project warranty provision.
- Thus, NPAT/NPAT-MI surged to VND705bn/VND551bn, respectively grew by 140%/92% yoy.

#### 2024 wrap-up in robust growth

- 2024 revenue grew by 23% yoy, sitting at VND 23.9tn, of which M&C revenue is VND14.0tn.
- Gross profit also grew 9% yoy VND1.13tn, corresponding to a GPM of 4.7%.
- Profit from FSO/FPSO joint ventures surged by 32% yoy to VND863bn. Meanwhile, financial revenue contracted to VND562bn (-29% yoy).
- 2024 SG&A rose by 10% yoy to a total of VND 1.25tn.
- 2024 NPAT/NPAT-MI hit record highs at VND1.4tn/VND1.2tn (+57%/+37% yoy) thanks to high other income of VND647bn.

	2020A	2021A	2022A	2023A	2024
Sales (VND bn)	20,180	14,277	16,373	19,379	23,880
chg. (% YoY)	19.6	(29.3)	14.7	18.4	23.2
Operating profit (VND bn)	310	756	1,090	1,211	1,097
Net profit (VND bn)	624	675	989	1,026	1,412
EPS (VND)	1,046	887	1,438	1,579	2,472
chg. (% YoY)	(38.4)	(15.2)	62.1	9.8	15.1
EBITDA (VND bn)	401	558	578	480	484
PE (x)	33.77	26.84	20.12	23.12	13.30
EV/EBITDA (x)	24.48	17.39	30.65	31.26	15.55
PB (x)	1.14	0.95	1.46	1.43	1.18
ROE (%)	5.1	5.6	8.2	8.2	9.0
Dividend yield (%)	3.5	3.4	1.9	2.1	2.1

Note: Net profit, EPS and ROE are based on figures attributed to controlling interest  
Source: FiinproX, KIS Research

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12M rating **Non-rated**

12M TP **N/A**

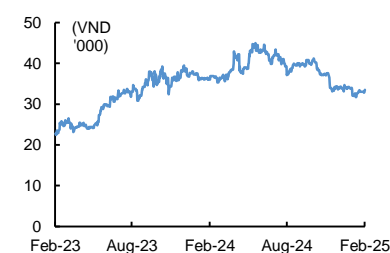
#### Stock Statistics

VNIndex (05 Feb, pt)	1,270
Stock price (05 Feb, VND)	33,500
Market cap (USD mn)	636
Shares outstanding (mn)	478
52-Week high/low (VND)	44,950/31,700
6M avg. daily turnover (USD mn)	3.53
Free float / Foreign ownership (%)	40.2/19.4
Major shareholders (%)	
Petro Vietnam	51.38
Vietnam Investment Property Holdings	2.45
Norges Bank	2.01
Vietnam Enterprise Investments Limited	1.24
Saigon Investments Limited	1.15
Saigon Investments Fund	1.06

#### Performance

	1M	6M	12M
Absolute (%)	(1.5)	(9.7)	(7.0)
Relative to VNIndex (%p)	(2.7)	(17.5)	(16.0)

#### Stock price trend



Source: Bloomberg

#### Research Dept

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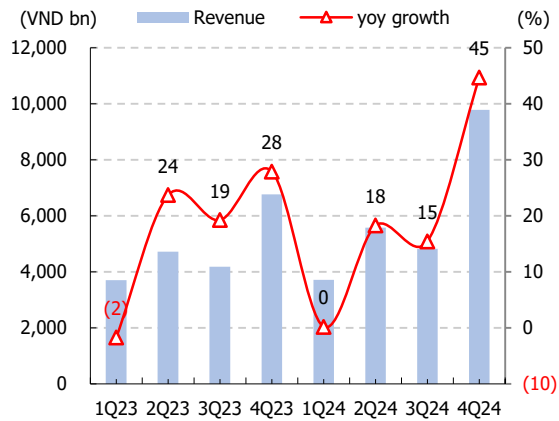
**Table 1. Quarterly earnings snapshot**

(VND bn, %, %p)

	4Q23	1Q24	2Q24	3Q24	4Q24	QoQ	YoY
Sales	6,758	3,710	5,571	4,820	9,777	102.8	44.7
OP	275	365	241	221	271	22.6	(1.6)
OP margin	4.1	9.8	4.3	4.6	2.8	(1.8)	(1.3)
PBT	328	368	282	209	841	303.5	156.3
NPAT	293	305	209	193	705	265.8	140.4

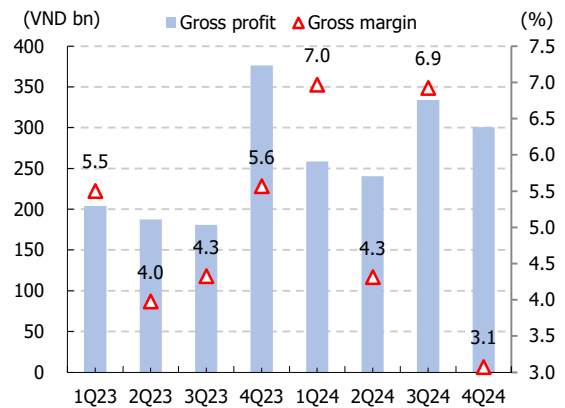
Source: FiinproX, KIS Research

**Figure 1. 4Q24 revenue grew by 45% yoy**



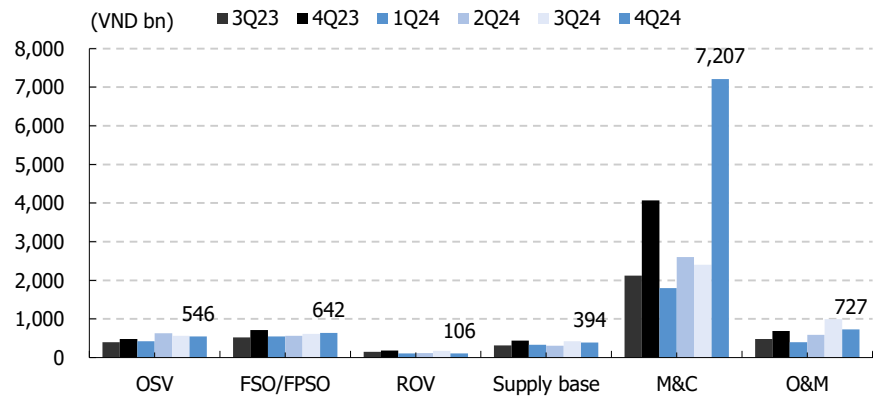
Source: Company data, KIS Research

**Figure 2. 4Q24 GP contracted by 20% yoy with GPM -2.5%p yoy**



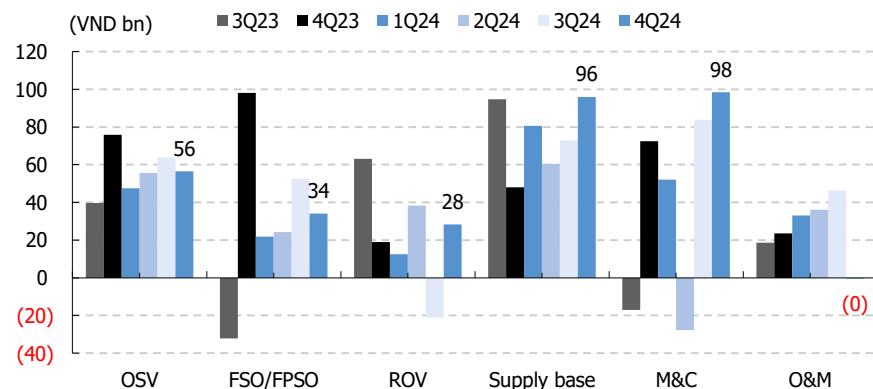
Source: Company data, KIS Research

**Figure 3. 4Q24 revenue was driven by blooming M&C segment**



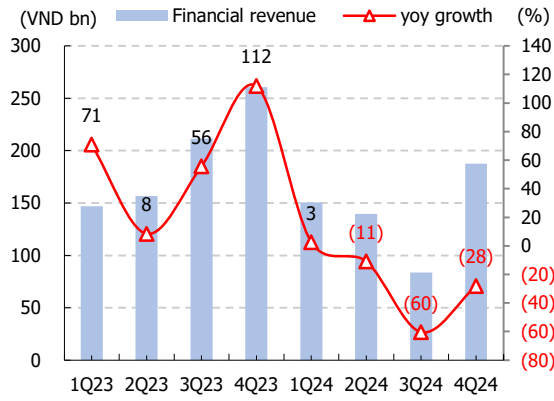
Source: Company data, KIS Research

**Figure 4. Supply base and M&C contributed the most GP, while O&M's GP turned negative in 4Q24**



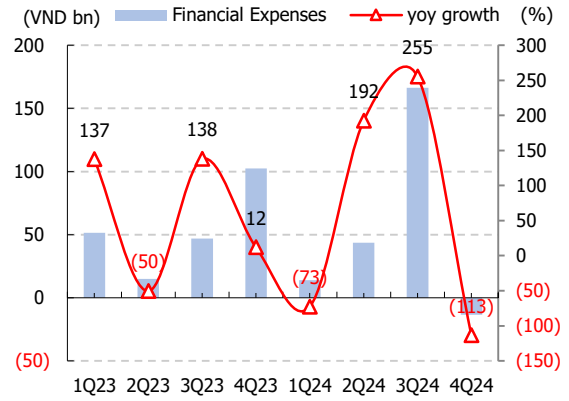
Source: Company data, KIS Research

**Figure 5. Financial income shrank 28% yoy**



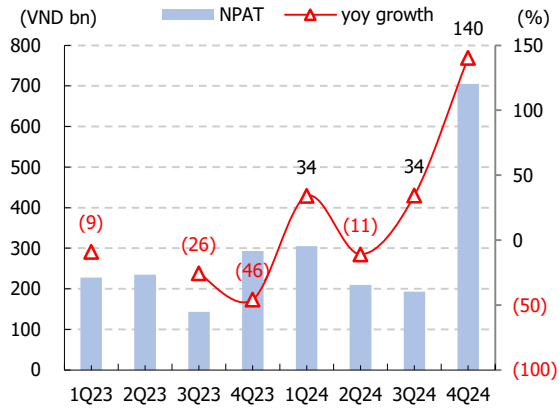
Source: Company data, KIS Research

**Figure 6. Financial expenses eased**



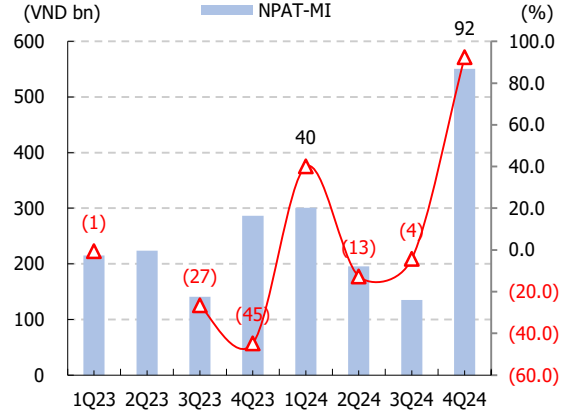
Source: Company data, KIS Research

**Figure 7. NPAT rose by 140% yoy**



Source: Company data, KIS Research

**Figure 8. NPAT-MI grew 92% yoy**



Source: Company data, KIS Research

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