

Petrovietnam Technical Services Corp (PVS)

Profit growth in line with expectations

- 3Q25 revenue grew by 99% yoy, and NPAT grew 73% yoy
- Net financial gains drove 3Q25 NPAT growth
- 4Q25F: Staying busy, with triple-digit NPAT growth expected

Facts: financial gains boosted NPAT growth

PVS's 3Q25 revenue continue to witness a solid growth of 99% yoy (+30% qoq) to VND9.6tn thanks to high construction workload for the Block B – O Mon and offshore wind farm projects, which fulfilled 134% of KIS forecast. Of which, M&C revenue was recorded at VND6.48tn (+169% yoy), 127% of KIS forecast.

3Q25 gross profit was recorded at VND323bn (-3.2% yoy, 96% KIS forecast), translating to a low GPM of 3.4%. Of which, gross profit from M&C was at a low 0.4%. We believe the low M&C GPM in 3Q25 is temporary, resulting from PVS recording higher upfront costs during the initial stages of project execution.

Earnings from FSO/FPSO affiliates flattened yoy at VND214bn (in line with KIS forecast).

Notably, financial revenue surged by 179% yoy to VND234bn (+VND150bn yoy), mainly thanks to a sharp rise in FX gain (+310% yoy). Financial expenses remained low at VND30bn (-VND136bn yoy). Overall, the combination of higher financial income and lower financial expenses the key driver of net profit growth, contributing VND286bn to absolute profit growth in 3Q25. This also offset the negative effect of SG&A that rose 41% yoy, to VND346bn.

Ultimately, 3Q25 NPAT rose by 73% yoy, to VND334bn (+5% qoq, fulfilling 108% of our 3Q25 forecast.

Pros & cons: high M&C workloads boosting growth

In 4Q25F, we continue to forecast double-digit yoy growth (15-30% in total revenue, driven by solid M&C revenue growth. PVS tend to record more revenue in the 4th quarter, in the last 3 years, PVS recorded revenue growth of 52%-103% qoq in the 4th quarter.

We note that 4Q24, PVS recorded a net abnormal income of VND571bn which will potentially distort bottom line growth in 4Q25F. Adjusting for abnormal gains, we forecast tripple-digit growth for 4Q25F NPAT.

Action: maintaining BUY with the TP of VND45,800

We maintain a BUY rating (TP: VND45,800; +42% upside) for PVS stock for mid and long-term investment strategies. In the short-term, investors should pay more attention on the downside risks evolved from weaker global oil prices if investing on PVS stocks.

Earnings Review

30 Oct 2025

12M rating **BUY (Maintain)**

12M TP **VND45,800**

Up/Downside +42%

Stock Data

VNIndex (30 Oct, pt)	1,670
Stock price (30 Oct, VND)	32,300
Market cap (USD mn)	586
Shares outstanding (mn)	478
52-Week high/low (VND)	37,900/21,400
6M avg. daily turnover (USD mn)	7.95
Free float / Foreign ownership (%)	41/10
Major shareholders (%)	
Petro Vietnam	51.38
Vietnam Investment Property Holdings	2.4
Norges Bank	1.8
Eaton Vance Corp	1.23
Vietnam Enterprise Investments Limited	1.11
Saigon Investments Ltd	1.11
Amershan Ind Ltd	1.11

Performance

	1M	6M	12M
Absolute	(1.5)	26.2	(12.9)
Relative	(2.2)	(11.8)	(48.0)

Stock price trend



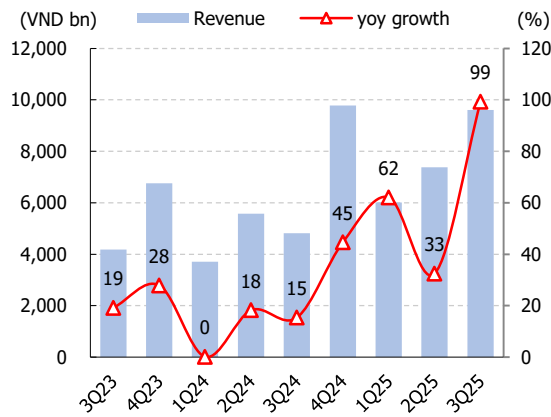
Source: Bloomberg

Table 1. Quarterly earnings snapshot

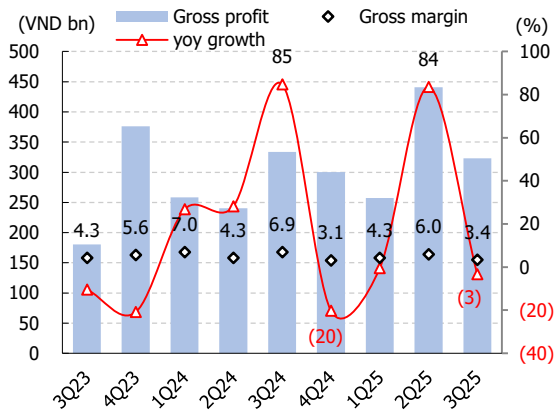
(VND bn, %, %p)

	3Q24	4Q24	1Q25	2Q25	3Q25	QoQ	YoY
Sales	4,820	9,777	6,014	7,383	9,606	30.1	99.3
OP	88	(146)	(138)	22	(23)	(205.9)	(125.9)
OP margin	1.8	(1.5)	(2.3)	0.3	(0.2)	(0.5)	(2.1)
PBT	209	841	384	453	380	(16.1)	82.2
NPAT	193	705	300	319	334	4.6	73.3

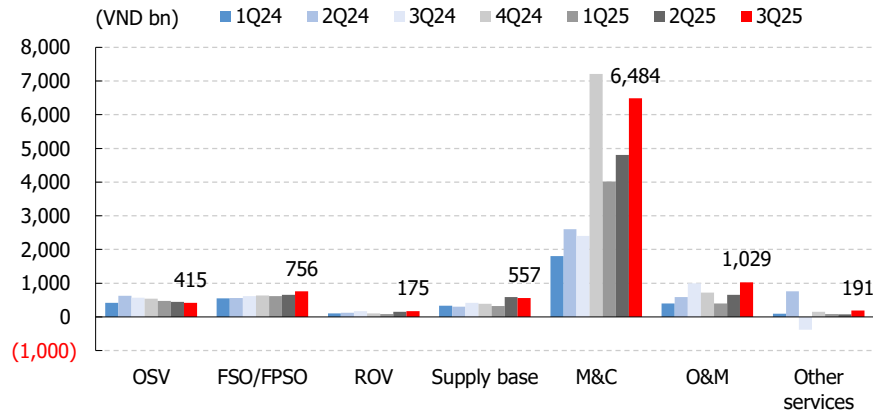
Source: FiiiproX, KIS Research

Figure 1. 3Q25 revenue grew 99% yoy


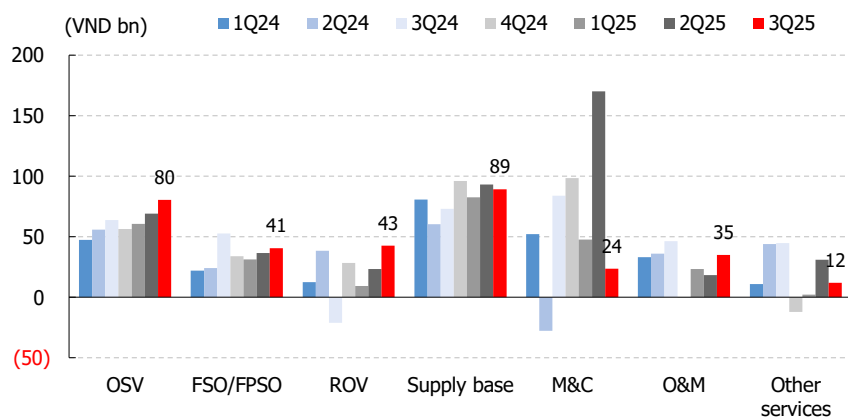
Source: FiiiproX, KIS Research

Figure 2. 3Q25 gross profit flattened yoy, with GPM downed by 3.6%p yoy as for a low M&C GPM of 0.4%


Source: FiiiproX, KIS Research

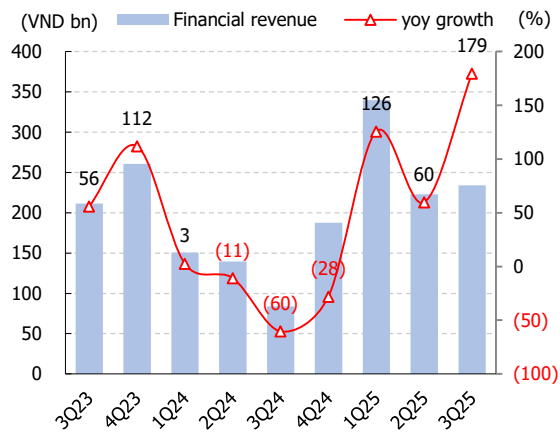
Figure 3. 3Q25 revenue was driven by solid growth from M&C segment


Source: Company data, KIS Research

Figure 4. M&C did not contribute much gross profit in 3Q25


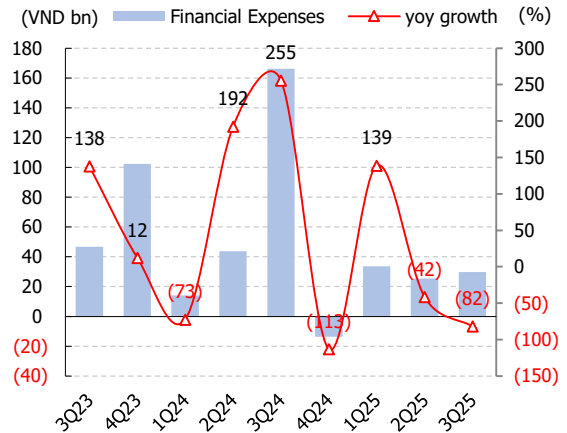
Source: Company data, KIS Research

Figure 5. Financial income surged 179% yoy (+VND150bn yoy) thanks to higher FX gain...



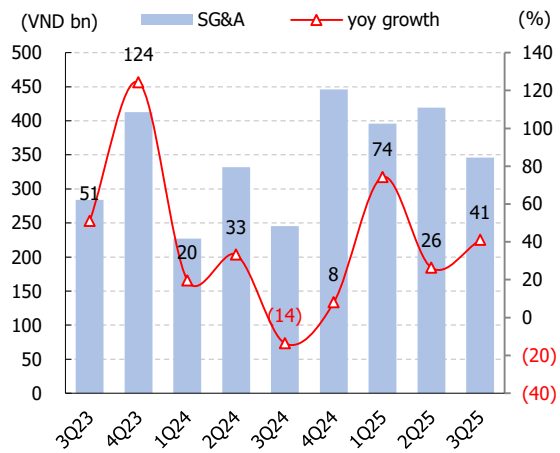
Source: FiinproX, KIS Research

Figure 6. ... and financial expenses was 82% lower yoy (-VND136bn yoy), strongly boosted NPAT growth



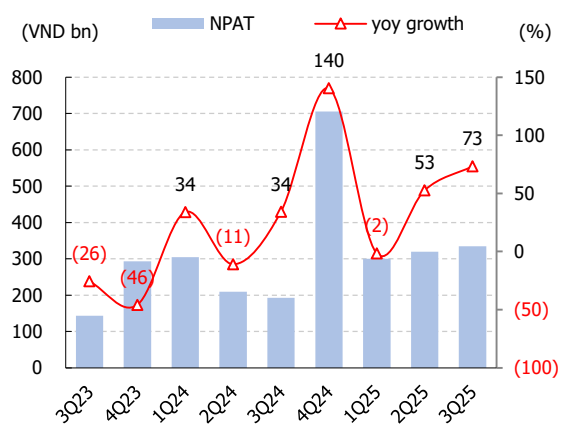
Source: FiinproX, KIS Research

Figure 7. SG&A grew 41% yoy



Source: FiinproX, KIS Research

Figure 8. 3Q25 NPAT grew by a solid 73% yoy



Source: FiinproX, KIS Research

Balance sheet

(VND bn)

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
Current assets	16,290	23,880	22,671	22,259	19,281
Cash & cash equivalents	5,757	11,422	7,857	7,661	6,244
Accounts & other receivables	4,185	6,148	8,504	8,287	6,727
Inventory	1,470	1,924	1,924	1,924	1,924
Non-current assets	10,533	12,459	14,814	14,598	13,037
Fixed assets	3,391	3,588	3,483	3,329	3,111
Investment assets	4,945	4,722	4,722	4,722	4,722
Others	1,790	1,884	1,927	1,970	2,012
Total assets	26,416	34,074	32,804	32,280	29,127
Advances from customers	252	346	494	482	393
Unearned revenue	10	166	50	50	50
Trade payables	3,513	4,655	5,124	4,996	4,072
Others	4,109	7,630	4,096	4,096	4,096
ST debt & due bonds	1,176	869	684	554	383
LT debt & bonds	564	790	730	670	611
Total liabilities	12,872	19,184	17,864	17,373	14,955
Controlling interest	12,834	13,325	14,157	14,979	15,772
Capital stock	4,780	4,780	4,780	4,780	4,780
Capital surplus	40	40	40	40	40
Other reserves	3,967	4,311	4,311	4,311	4,311
Retained earnings	4,048	4,194	5,026	5,848	6,642
Minority interest	710	1,566	1,611	1,655	1,699
Shareholders' equity	13,544	14,890	15,768	16,634	17,471

Cash flow

(VND bn)

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
C/F from operations	(285)	4,288	(1,832)	1,563	1,047
Net profit	1,277	1,700	1,812	1,796	1,751
Dep'n & Amort'n	493	601	657	669	717
Net incr. in W/C	880	1,873	1,886	1,930	1,951
C/F from investing	818	1,109	(70)	(117)	(123)
Capex	(894)	(839)	(635)	(628)	(610)
Incr. in investment	1,712	1,948	565	511	487
C/F from financing	(32)	198	(580)	(524)	(565)
Incr. in equity	-	-	-	-	-
Incr. in debt	345	577	(185)	(130)	(171)
Dividends	(378)	(379)	(335)	(335)	(335)
C/F from others	37	69	-	-	-
Increase in cash	538	5,664	(2,482)	921	359

Income statement

(VND bn)

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
Sales	19,374	23,878	34,159	33,309	27,147
COGS	18,335	22,745	32,753	31,875	25,915
Gross profit	1,039	1,133	1,406	1,433	1,232
SG&A expenses	1,052	1,250	1,028	1,025	1,000
Operating profit	(13)	(117)	378	409	232
Financial income	790	562	712	657	634
Interest income	464	242	392	338	314
Financial expenses	216	210	218	213	207
Interest expenses	73	64	72	66	61
Other non-operating profit	66	603	90	90	90
Gains (Losses) in associates, subsidiaries and JV	651	863	850	852	1,002
Earnings before tax	1,277	1,700	1,812	1,796	1,751
Income taxes	217	288	308	305	298
Net profit	1,060	1,412	1,504	1,490	1,454
Net profit of controlling interest	1,026	1,182	1,459	1,446	1,410
EBITDA	1,843	2,365	2,541	2,531	2,528

Key financial data

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
Per-share data (VND, adj.)					
EPS	2,148	2,473	3,052	3,024	2,950
BPS	26,852	27,878	29,619	31,339	32,999
DPS	-	-	700	700	700
Growth (%)					
Sales growth	18.4	23.3	43.1	(2.5)	(18.5)
OP growth	(112.4)	787.3	(422.1)	8.0	(43.2)
NP growth	0.9	33.2	6.5	(0.9)	(2.5)
EPS growth	3.7	15.1	23.4	(0.9)	(2.5)
EBITDA growth	(112.4)	787.3	(422.1)	8.0	(43.2)
Profitability (%)					
OP margin	(0.1)	(0.5)	1.1	1.2	0.9
NP margin	5.5	5.9	4.4	4.5	5.4
EBITDA margin	(0.1)	(0.5)	1.1	1.2	0.9
ROA	4.1	4.7	4.5	4.6	4.7
ROE	8.2	9.0	10.6	9.9	9.2
Dividend yield	2.3	2.3	2.3	2.3	2.3
Dividend payout ratio	32	24	22	22	23
Stability					
Net debt (VND bn)	(4,017)	(9,762)	(6,443)	(6,436)	(5,250)
Net debt/equity (%)	(30)	(66)	(41)	(39)	(30)
Valuation (x)					
PE	13.9	10.5	9.8	9.9	10.2
PB	1.1	1.1	1.0	1.0	0.9
EV/EBITDA	(1,115.1)	(125.7)	39.0	36.1	63.6

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