

PETROVIETNAM TECHNICAL SERVICES CORPORATION (HSX: PVS)

Industry
Oil & Gas
PRIMED FOR STRONG GROWTH AND RETURNS
RECOMMENDATION
BUY
Target price (VND) – 12 mo
40,755

Current price (VND)

36,000

Upside/Downside

+13.21%

Date

 Feb 26th, 2024

Financials
2023
2024F
Unit: VND billion

	2023	2024F
Revenue	19,349	22,252
Gross profit	948	1132
Gross margin	4.90%	5.09%
Net profit	866	1082
Net margin	4.48%	4.65%
EPS (VND)	1,812	2,165
BVPS (VND)	26,516	26,954
ROA (%)	3.41%	3.25%
ROE (%)	6.72%	6.82%

Price chart

Shareholders

Petrovietnam (PVN)	51.38%
Other shareholders	48.62%

Company description

Petrovietnam Technical Services Corporation (PTSC) is a regional industry leader in oil field service (OFS), offering a wide range of services from EPCI for offshore facilities & EPC for industrial plants, FPSO/FSO leasing & operating, port & supply base operations; offshore Operation and Maintenance (O&M), Installation to deep sea operations. In recent years, PTSC has actively promoted research and investment in renewable energy projects, making a significant transition toward renewable energy sector, with a focus on offshore wind power.

Senior Analyst
Tri Nguyen
trinp@psi.vn

- FY23 consolidated revenue of 19,349 billion VND, +18.2% YoY, +153% plan; realized EBT of 1,103 billion VND, -6.01% YoY, +141% plan.
- Trading at P/B of 1.43x vs. its 5-year avg. of 0.96x (industry median 1.20x); P/E of 20.97x vs. its 5-year avg. of 15.61x.
- Robust margins aided by strong offshore activity and operation efficiency.
- Solid financial foundation with excess cash reserves of approximately 10,057 billion VND (or equivalent to 21,040 VND/share).

High oil price continues to support upstream operation activities.

2023 was another highly productive and successful year for Petrovietnam Technical Services Corporation (PTSC) with many domestic and international awarded M&C offshore contracts. Forecasted oil price remained high throughout 2024 by major institutions is seen as a primary driving force for vibrant upstream operations.

Renewable energy transition – long-term value creation.

According to Vietnam's Eighth National Power Development Plan (PDP VIII), Vietnam's ambition and commitment to transition toward renewable energy will hugely benefit PTSC in the long-term by actively promoting research and investment in renewable energy projects, with a focus on offshore wind power. The partnership with Denmark's Ørsted to manufacture and supply turbine foundations for Greater Changhua offshore windfarms project in Taiwan marked a remarkable milestone for PTSC's development and renewable energy transition commitment.

Lac Da Vang project has received Final Investment Decision from U.S.

Murphy Oil. The project will generate considerable workload for PTSC with the total contract value of \$283 million, from 2024-2026.

Block B – O Mon project awaiting Final Investment Decision.

On 30/10/2023, PTSC, in a consortium with McDermott, has been awarded a key contract from Phu Quoc Petroleum Operating Company (PQPOC) for an engineering, procurement, construction, installation (EPCI#1) on Block B – O Mon gas-to-power upstream project with a total estimated contract value of \$1 billion. On the same period, PVS also landed an upstream contract EPCI#2 (\$300 mil) from PQPOC and potentially another EPCI contract for Block B – O Mon midstream gas pipeline. A Final Investment Decision (FID) is expected to be reached in mid-2024, promising to create many jobs across the network chain.

Outlook & valuation. We estimate a strong FY24 revenue growth of 22,252 billion VND (+15% YoY), slight margins expansion with gross margin and net margin increasing to 5.09% and 4.65%, respectively, led by robust M&C segment outlook, high FPSO/FSO utilization rate and strong cash balance. We base our 2024 12-mo target price of **40,755 VND/share** for PVS on a 5-year forecasted period using the equal weight of discounted cash flow method (FCFE) and comparative method (P/B, P/E).

2023 EARNINGS RESULT: STRONG REVENUE GROWTH THANKS TO M&C AND FPO/FPSO SEGMENTS

Fiscal Year	2019	2020	2021	2022	2023	2024F
Revenue (VND bil)	16,969	20,180	14,198	16,373	19,349	22,252
Gross Profit (VND bil)	898	778	776	915	948	1,132
Net Profit (VND bil)	849	624	601	884	866	1,082
EBITDA (VND bil)	1,320	1,304	1,223	1,466	1,479	1,639
Total assets (VND bil)	26,004	26,279	24,845	25,828	26,401	27,706
Total equity (VND bil)	12,784	12,884	12,534	12,949	13,384	13,607
Gross Margin	5.29%	3.86%	5.46%	5.59%	4.90%	5.09%
Net Margin	5.01%	3.09%	4.23%	5.40%	4.48%	4.65%
EBITDA Margin	7.78%	6.46%	8.62%	8.96%	7.65%	7.37%
ROA	3.11%	2.70%	2.73%	3.66%	3.41%	3.25%
ROE	6.32%	5.51%	5.40%	7.29%	6.72%	6.82%
ROCE	6.77%	5.50%	6.42%	6.94%	6.73%	8.11%

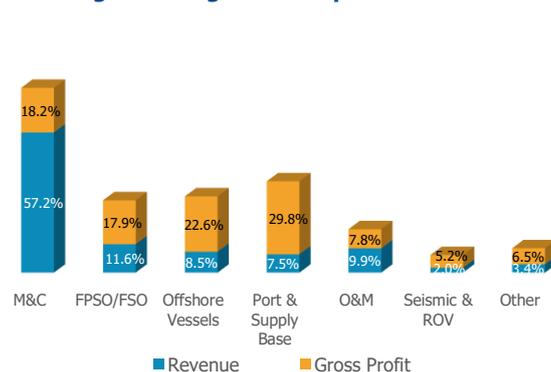
Figure 1. Key financial performance metrics

Fourth Quarter 2023 business results represent homogeneous growth across majority of PVS business segments.

- Fourth quarter revenue increased by a notable 27.87% year-on-year (YoY) to 6,759 billion VND.
- Fourth quarter net income attributable to the company of 411 billion VND, up 25.69% compared to 2022 fourth quarter.
- Financial income experienced a significant jump of 112.2% year-on-year to approximate 261 billion VND due to its large pile of cash & cash equivalents and short-term financial investments.
- M&C, FPSO/FSO, Offshore Vessels, O&M, and Seismic & ROV experienced double-digit revenue growth of more than 30% year-on-year. During the fourth quarter, the FPSO/FSO segment and offshore vessels segment's gross profit came in at 98 billion VND (+275.5% YoY) and 76 billion VND (+77.6% YoY), respectively.

Figure 2. Segment revenue growth

Fiscal Year 2023 business results record strong growth due to tremendous backlog.
Figure 3. Financial performance

Figure 4. Segment composition FY23


- PVS concluded fiscal year 2023 (FY23) with a consolidated revenue and gross profit of 19,349 billion VND (+18.2% YoY) and 948 billion VND (+3.7% YoY), respectively.
- Full-year net income attributable to PVS slightly slipped by 4.77% to 899 billion VND despite strong revenue growth.
- Financial income reached a record high of 776 billion VND (+58.69% YoY), financial expense of 215 billion VND, added 560 billion VND to the company net operating profit.
- Slightly unattractive valuation since PVS is trading at P/B of 1.43x (5-year avg. of 0.96x), P/E of 20.97x (5-year avg. of 15.61x), nevertheless, the company's prospects remain strong.

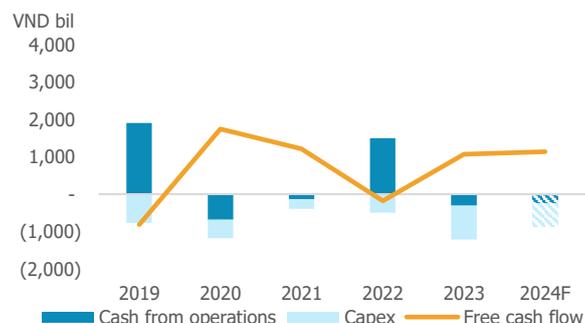
Due to high order backlog from offshore EPCI wind power and oil & gas projects, domestically and internationally, M&C segment cost and general & administration expenses for FY23 rose significantly high to 28.77% and 26.86% year-on-year, respectively, led to a reduction in the company FY23 net income (-4.77% YoY). However, financial income delivered a record number of 776 billion VND (+58.69% YoY), benefiting from high foreign exchange rates environment and primarily interest earned from short-term financial instruments, compensating for the income deficit caused by increasing operating expenses.

Meanwhile, free cash flow remains positive despite huge capex spending of nearly 897 billion VND (+105.92% YoY). Cash flow from operations to capex at a stable level indicates that PVS has sufficient liquidity to support its capital expenditure requirements.

Figure 5. Financial activities vs. operating expenses



Figure 6. Abundant liquidity



Margins remain robust, backed by vibrant upstream activities. As the global economy is on pace of recovery, oil and gas demand will gradually improve going forward. Plus, coupled with a healthy oil price will encourage E&P producers to increase spending in E&P activities, therefore, benefiting oil field service contractors. We believe that margins will continue to stabilize and progressively increase overtime mainly due to (1) revival of domestic exploration & extraction operations (Block B – O Mon) with the anticipation official launching date in the second half of 2024, (2) market dynamic improvement (modest global GDP growth, stable oil & gas demand, healthy oil price), (3) continuation of streamlining operating model and implementing cost-effective reduction strategy, and (4) contribution from high profit margin business segment (FPSO/FSO, port & supply base).

Figure 7. Margins demonstrate a stable trend

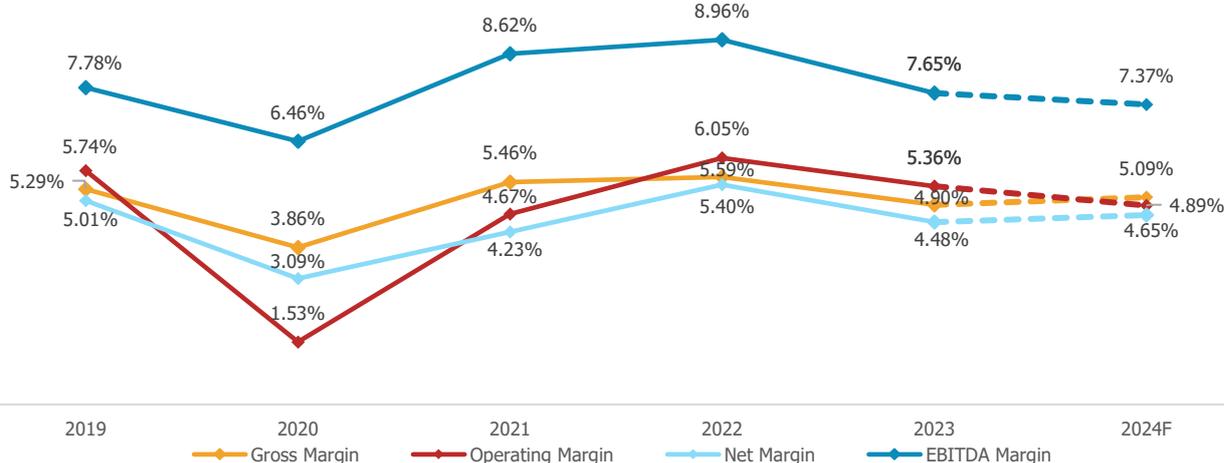
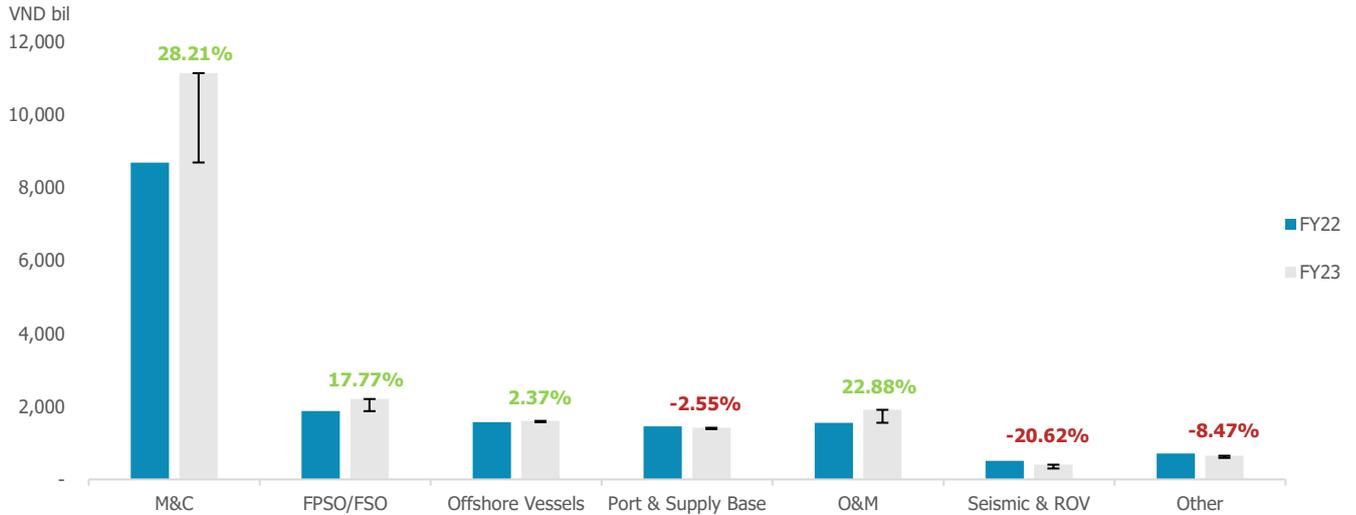


Figure 8. Segment revenue growth YoY



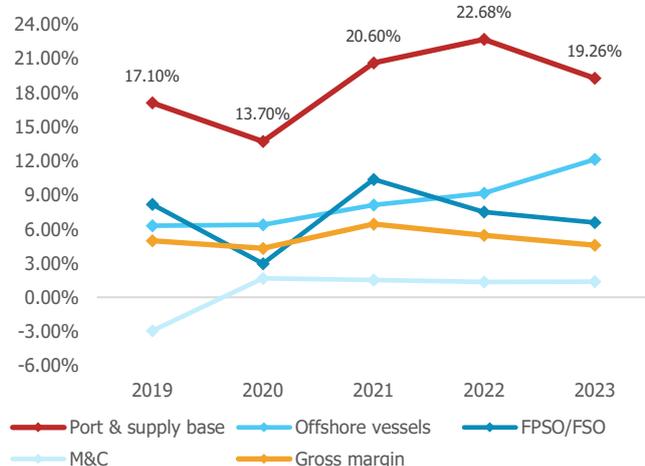
M&C Segment Reaffirm as the company’s strategic business segment, continued to dominate PVS total revenue of more than 50% for the fourth consecutive year, generated FY23 segment’s aggregate revenue of 11,151 billion VND, an increase of 28.2% YoY. The expansion to international market in recent years, especially in renewable energy industry has pushed marginal revenue for the sector by a moderate amount. The company is focusing on exploring new growth opportunities without depending too much on domestic’s oil and gas market.

Figure 9. FPSO/FSO net profit contribution



FPSO/FSO Segment Continue to contribute more than 60% of PVS net profit. FPSO/FSO profits from JVs/Associates in recent years have generated a stable stream of income for the company due to long-term contracts secured with decent rental rates per day (avg. \$42,000/day). FY23 segment’s aggregated revenue came in at 2,207 billion VND (+17.8% YoY). In addition, PVS had made it final payment of 444 billion VND for PTSC White Tiger FSO5 (with a total investment of up to 208 million USD in 2010) to Shipbuilding Industry Corporation.

Figure 10. Gross margin by segment



O&M Segment O&M is a sub-services business as the segment revenue growth aligns with M&C and FPSO/FSO segments. Moving from a culture of “repair-focused” to “reliability-focused”, since then PVS has been effectively increased uptime, facilities reliability, and reducing maintenance cost, hence, increasing overall marginal returns.

Port & Supply Base Segment Although only contributing 7-10% of PVS total revenue annually, port & supply base segment has a relatively steady gross margin due to its unique position in the domestic market as a sole participant in providing oil and gas services, utilizing its port facilities and equipment to support companies and contractors conducting E&P activities in Vietnam. FY23 segment’s aggregated revenue slightly declined to 1,418 billion VND (-2.55% YoY) but still made up nearly 20% of the company total gross margin.

FINANCIAL HEALTH

Figure 11. Liquid assets structure

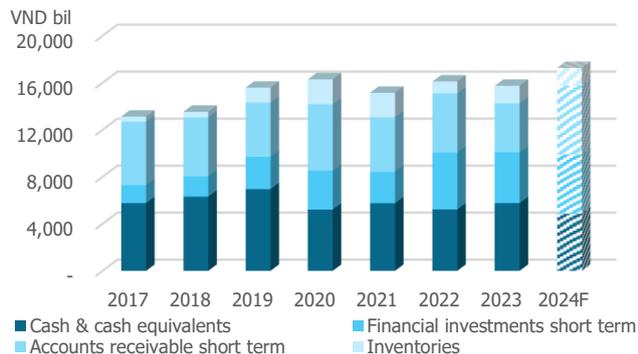


Figure 12. Liquidity ratios

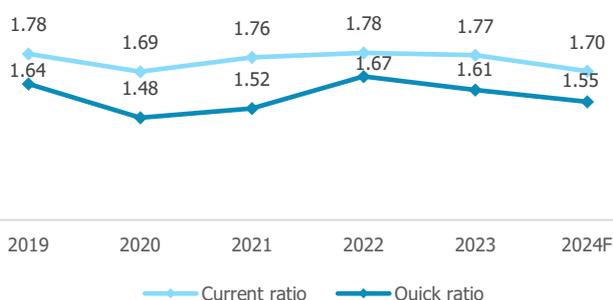


Figure 13. Operational efficiency



Figure 14. Assets turnover



Figure 15. Leveraging capability



Solid financial foundation. PVS ended FY23 with cash & cash equivalent of 5,757 billion VND and short-term financial investments of 4,329 billion VND, made up a decent chunk of its balance sheet (appx. 38.2% of its total assets, slightly above its 5-year avg. of 36.15%).

In evaluating PVS financial condition, we look at vital financial ratios using data over the past 5 years to assess the business' operational efficiency and ability to meet short-term obligations.

PVS possesses a high liquidity portfolio. Liquidity ratios are maintained at a level greater than one, demonstrating the company has sufficient cash to service its short-term debt if necessary.

Efficiency in assets deployment. In terms of asset utilization, the asset management ratios show no sign of deteriorated but positive trend. High receivables and inventories turnover imply the company's ability to manage its operation.

Balancing obligations. Net borrowings are maintained in a tight range of 5 - 6% of total assets as shown in figure 14. Short-term loan and long-term loan in 2023 were higher than 5-year average mainly due to increasing construction volume, but still in a well-controlled range with a debt-to-equity ratio of 0.13 and liability-to-equity ratio of 1.04.

We expect PVS will continue to demonstrate prudent financial management and deploy its assets efficiently and effectively. With its huge cash reserves north of 10,057 billion VND, PVS has ample resources to allocate capital to fund its existing operation and investment. A strong balance sheet instills confidence in the company's ability to meet short-term obligations while capitalizing on future growth opportunities.

INDUSTRY OUTLOOK

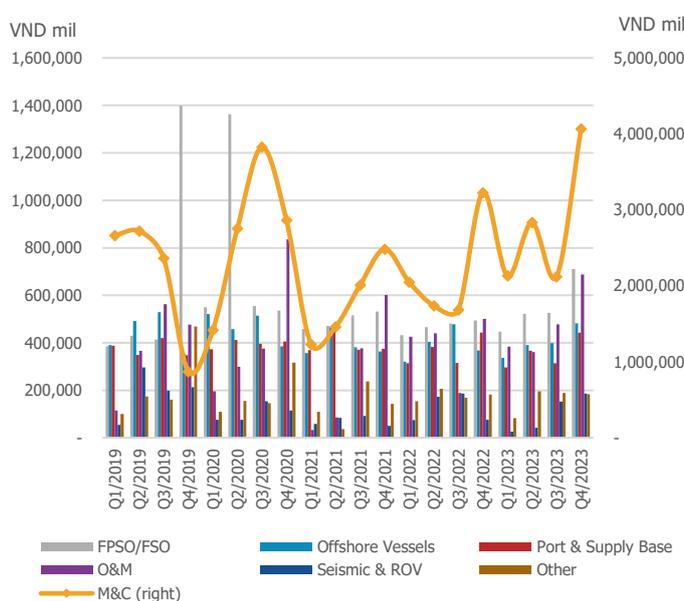
FINANCIAL INSTITUTIONS	Q1 24	Q2 24	Q3 24	2024F
RYSTAD ENERGY	\$82.5	\$82.5	\$82.5	\$82.5
WESTPAC BANKING	\$76.0	\$79.0	\$81.0	\$84.0
MACQUARIE GROUP	\$79.0	\$76.0	\$79.0	\$74.0
MORGAN STANLEY	\$80.0	\$80.0	\$80.0	\$80.0
JP MORGAN CHASE	\$79.0	\$84.0	\$84.0	\$85.0

Figure 16. Brent oil price forecast 2024 (Source: Bloomberg, PSI)

According to major financial institutions, Brent oil price is expected to anchor around \$80/barrel throughout 2024 due to these factors (1) Modest global economy recovery, (2) Global crude oil supplies is expected to remain at a low level mainly because of OPEC+ voluntary production cut commitments, (3) United States and OECD significant reduction in oil inventory, and (4) Prolonging geopolitical uncertainties (Russia – Ukraine war, Israel – Hamas conflict). Oil price remains high is a positive sign for the country’s oil and gas upstream businesses.

COMPANY OUTLOOK

Figure 17. PVS Quarterly segment revenue



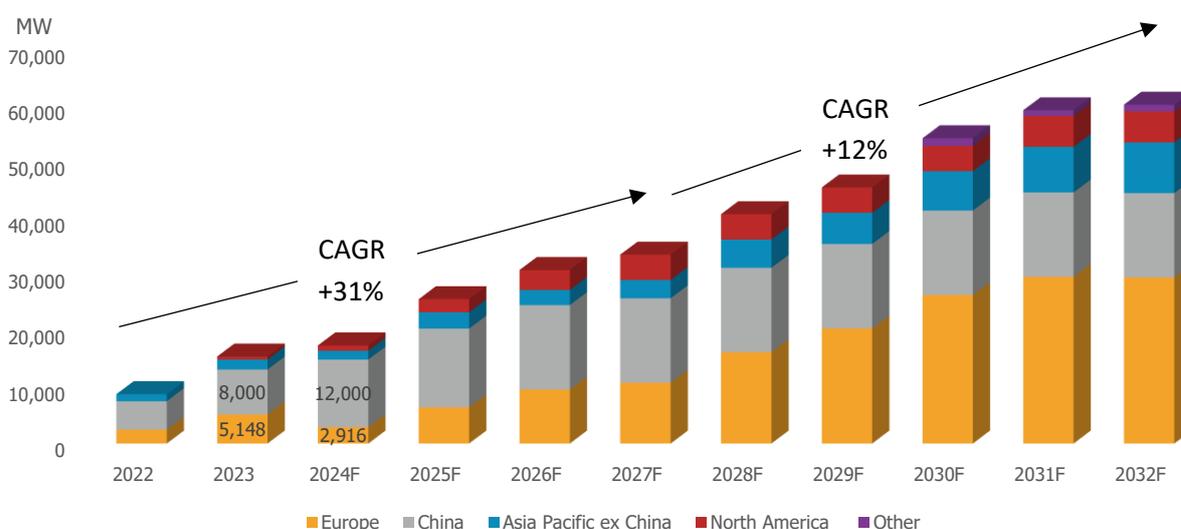
M&C Segment continues as a strategic business segment for PVS, with the focus on offshore EPCI projects, EPC for industrial plants, and recently renewable energy wind turbine. Beside receiving FID from U.S. Murphy Oil in November 2023 for Lac Da Vang project, PVS is also awarded a limited letter of award (LLOA) for Block B – O Mon gas-to-power upstream project with a total contract estimated value of more than \$1 billion, in which the full project is slated to be execute in early 2024 - awaiting FID to be reached. The awarded EPCI contract with North Oil Company (Gallaf Batch 3) in 2021, and historic partnership with global renewable energy giant Ørsted (Greater Changhua 2a&4) in 2023 have put PTSC name on the global map. We believe that PVS will continue to leverage its in-house engineering capability, technological advantage and competitive local resources to gain a competitive edge among other regional OFS companies.

Figure 18. PVS Offshore Wind and Oil & Gas projects timeline (Source: Company data, PSI)

M&C Projects	Estimated Timeline										Estimated Contract Value (mil USD)	Client	
	21	22	23	24	25	26	27	28	29	30			
Offshore Wind Projects													
Shwe phase 3 (Myanmar)	■											200	POSCO International Corp
Hai Long 2&3 (Taiwan)		■										90	Taiwan
Greater Changhua 2a&4 (Taiwan)			■									300	Ørsted Taiwan Ltd
Baltica (Poland)			■									180	PGE Group, Ørsted
Fengmiao (Taiwan)				■								100	Copenhagen Infrastructure Partners
Oil & Gas Projects													
Galaff Batch 3 (Qatar)	■											380	North Oil Company
EPCI#1, Block B - O Mon				■								493	PQPOC
EPCI#2, Block B - O Mon				■								300	PQPOC
EPC pipeline, Block B - O Mon				■								245	SWPOC
LNG Thi Vai phase 2			■									100	PV Gas
LNG Son My phase 1				■								300	Vietnam
Lac Da Vang				■								283	Vietnam
Su Tu Trang phase 2				■								250	Vietnam

Renewable Energy Segment The partnership with global renewable energy giant Ørsted (Denmark) on October 2023 was a historical turning-point event for PTSC as this is the first time a huge export contract (\$300 million) in the offshore wind energy industry is awarded to a Vietnam’s enterprise. Despite facing numerous challenges due to rising construction cost, declining domestic’s investment in exploration & production projects and stalling reserves, PTSC is still able to navigate through rough sea, reflecting in its business model and mindset transformation from a single tailor-made unit to a serial production manufacturer. Moreover, the company has been proactively pushing investment and innovation, taking advantage of the global energy transition trend while expanding its business to international market. PDP VIII lays out a vision for Vietnam wind installed capacity shifting from 3% in 2022 to 19% in 2050, in addition with global offshore wind installations growing consistently at a CAGR of 31% (2024-2027) and settling at a CAGR of 12% (2028-2032), presenting ample opportunity growth for PVS in the renewable energy sector.

Figure 19: Global offshore wind installations (MW), market outlook 2032 (Source: GWEC, PSI)



FPSO/FSO Segment As of December 2023, PVS vessel fleet consisting of 2 FPSO and 4 FSO, operating and servicing client’s production activities domestically and internationally, has a weighted average commercial uptime of more than 95 percent (PTSC reports). With the expectation of high oil price throughout 2024, revival of domestic’s upstream oil & gas businesses and high vessel utilization rate, we believe that FPSO/FSO segment will continue to generate a stable revenue stream and profit for PVS.

Figure 20: PVS FPSO/FSO fleet

Vessel Name	FPSO/FSO	Capacity	Area of operation	Clients	Launch Date	Contract Period
MV 12	FSO	300,000	Rong Doi	KNOC	2007	2024
Orkid	FSO	745,000	PM3 CAA	TML	2009	2027
Golden Star	FSO	700,000	Sao Vang - Dai Nguyet	Mitsui	2020	2027
Bien Dong I	FSO	350,000	Hai Thach - Moc Tinh	Bien Dong POC	2011	2024
Ruby II	FPSO	645,000	Hong Ngoc	PCVL	2009	2024
Lam Son	FPSO	350,000	Thang Long - Dong Do	PVEP	2011	2024

Source: Company data, PSI

Port & Supply Base Segment PVS is currently operating 8 port & supply bases, contributing approximately 1,400 – 1,800 billion VND in revenue annually. As the global economy is on pace of recovery, the flow of good will gradually return to a more stable level. Furthermore, the company has just finished building 6 facilities with advanced technology that manufacturing wind turbine foundation, promising that renewable energy offshore contracts will contribute to the company’s revenue growth.

VALUATION AND METHODOLOGY

We apply discounted cash flow method (FCFE) and comparative method (P/B, P/E) to derive our target price for PVS.

- For DCF method, we have chosen FCFE approach to evaluate the business short-term operational efficiency and free cash flow generation capability.
- For comparative method, we have chosen P/B approach to determine the value of PVS's stock based on peer's P/B ratio of other regional OFS companies. In addition, we assume an exit multiple targets based on P/E 5-year avg. and trailing twelve-month (TTM).

Forecasting Model Assumptions

- (1) Healthy oil price averaging \$80/barrel throughout 2024.
- (2) Revival of domestic's E&P activities - Block B – O Mon gas-to-power upstream projects receive FID mid-2024.
- (3) Solid financial position with strong cash reserves.
- (4) Renewable energy transition

Valuation Model Assumptions

- Details of our DCF method of valuation assumptions are as follows:

Figure 21: Free Cash Flow to Equity calculation.

VND bil	FY24F	FY25F	FY26F	FY27F	FY28F
EBIT	1,401	1,443	1,509	1,590	1,487
+ Income tax	267	280	291	307	287
NOPAT	1,134	1,163	1,219	1,284	1,200
+ D&A	506	520	533	549	564
- Capex	600	453	460	521	264
- Change in Working capital	(98)	(42)	(396)	1,420	(419)
Free Cash Flow to Firm	1,138	1,272	1,687	(108)	1,919
+ Net borrowing	(40)	(77)	99	(12)	(72)
- Interest Expense	52	63	57	60	59
Free Cash Flow to Equity	1,046	1,132	1,729	(179)	1,789

Figure 22: CAPM-based WACC assumptions.

	Value
Risk-free rate	2.50%
Equity risk premium	9.57%
Beta	1.39
Cost of equity	15.81%
Cost of debt	3.43%
Tax rate	20.00%
Cost of debt after tax	2.74%

Figure 23: Capital structure and WACC.

	Value
Equity/Total Capital	94.67%
Debt/Total Capital	5.33%
WACC	15.09%

Figure 24: FCFE valuation – 5-year forecasted period.

VND bil	FY24F	FY25F	FY26F	FY27F	FY28F
Free Cash Flow to Equity	1,046	1,132	1,729	(179)	1,789
Terminal growth rate (g) (%)	-	-	-	-	2%
Terminal value	-	-	-	-	12,948
Future cash flow	1,046	1,132	1,729	(179)	14,737
Present value cash flow	1,046	977	1,289	(115)	8,190
Enterprise value	11,387				
+ Cash balance	10,057				
Implied Equity Value	21,444				
Current outstanding shares (bil)	0.478				
Fair value per share (VND)	44,865				

Figure 25: Target price sensitivity analysis. Our base case with a terminal growth rate of 2.0% and risk-free rate of 2.5%.

	VND	Risk-free rate				
		1.50%	2.00%	2.50%	3.00%	3.50%
Terminal Growth Rate	44,865					
	1.00%	45,529	44,659	43,849	43,094	42,389
	1.50%	46,114	45,194	44,340	43,545	42,804
	2.00%	46,745	45,769	44,865	44,027	43,247
	2.50%	47,428	46,389	45,431	44,544	43,721
	3.00%	48,168	47,060	46,040	45,100	44,229

- Details of our comparative method of valuation assumptions are as follows:

Figure 26: P/B valuation. Sample chosen based on relative market capitalization size, business operating model. (Source: Bloomberg)

Country	Company	Market Cap (VND bil)	P/B
Netherlands	SBM Offshore NV	56,450	0.7
China	Yinson Holdings BHD	37,940	1.0
Japan	Modec Inc	25,880	1.39
Oman	Abraj Energy Services SAOG	15,280	1.7
Malaysia	Dayang Enterprise Holdings Berhad	12,180	1.5
China	BOMESC offshore Engr	10,400	1.0
Industry median			1.20x

PVS	P/E	P/B
5-year average	15.61	0.96
TTM	20.97	1.43
2024 exit multiple target assumptions	18.29x	1.20x
Total Owners' Equity (VND)	13,607,233,176,422	
Less: Non-controlling interests (VND)	724,147,260,070	
Book Value (VND)	12,883,085,916,352	
PAT attributable to parent company (VND)	987,622,336,697	
Number of outstanding shares	477,966,290	
<i>BVPS (VND)</i>	<i>26,954</i>	
<i>EPS (VND)</i>	<i>2,165</i>	
Stock price (P/B)	32,210	
Stock price (P/E)	39,601	

Valuation Result

Methodology	Weight		Price (VND)		Target Price (VND)
FCFE	50%	X	44,865		
P/E	30%	X	39,601	—————▶	40,755
P/B	20%	X	32,210		
Current price (as of closing on 02/23/24)					36,000
Upside/Downside					13.21%
RATING					BUY

RISKS

- (1) Oil price downside volatility.
- (2) Subdued domestic exploration and production activities.
- (3) Arising competition in the region

RECOMMENDATION

Based on provided investment catalysts, company outlooks, and valuation methodology, we recommend a **BUY** stand for PVS stock price with a 12-month target price of **40,755 VND/share** (upside of 13.21% comparing to the close price of 36,000 VND/share on 23/02/2024).

SUMMARY OF FINANCIAL STATEMENTS

Income Statement (bil VND)	2023	2024F	2025F	Balance sheet (bil VND)	2023	2024F	2025F
Revenue	19,349	22,252	24,477	Current assets			
Cost of good solds	18,401	21,120	23,177	Cash & cash equivalents	5,757	4,876	5,656
Gross profit	948	1,132	1,300	Short-term investment	4,329	5,048	4,438
Selling expenses	(85)	(102)	(108)	Accounts receivable	4,160	5,846	5,617
General & administration expenses	(1,050)	(1,057)	(1,114)	Inventories	1,498	1,500	1,449
Net operating profit	1,037	1,087	1,127	Other current assets	552	425	492
Financial income	776	600	535	Total current assets	16,297	17,696	17,652
Financial expense	(215)	(154)	(185)	Non-current assets			
<i>Including: Interest expense</i>	73	52	63	Historical cost	13,385	14,076	14,470
Profit sharing from associates/JVs	664	668	698	Accumulated depreciation	(10,028)	(10,534)	(11,054)
Net other income	66	248	273	Tangible fixed assets	3,357	3,542	3,416
Net accounting profit before tax	1,103	1,335	1,400	Construction in progress	321	143	107
Corporate income tax	(203)	(267)	(280)	Other long-term assets & investments	6,025	5,957	6,078
Net profit after tax	899	1,082	1,101	Total non-current assets	10,104	10,010	9,951
Non-controlling interests	33	47	47	Total assets	26,401	27,706	27,603
Owners of the parent Company	866	1,035	1,054	Current liabilities	9,206	10,428	10,227
Shares outstanding (mil)	478	478	478	Accounts payable	3,510	4,922	4,860
EPS (VND)	1,812	2,165	2,205	Short-term borrowings	1,176	890	979
BVPS (VND)	26,516	26,954	27,251	Accrued expenses & other liabilities	2,368	2,399	2,147
				Non-current liabilities	3,812	3,670	3,625
				Shareholders' equity	13,384	13,607	13,751
				Shareholders' capital	4,780	4,780	4,780
				Retained earnings	3,888	4,059	4,031
				Investment & development fund	3,451	3,612	3,786
				Non-controlling interests	710	724	726
				Total Capital	26,401	27,706	27,603
				Financial ratios	2023	2024F	2025F
				Current ratios			
				Current ratio	1.77	1.70	1.73
				Quick ratio	1.61	1.55	1.58
				Operating ratios			
				Receivables turnover	4.65	3.81	4.36
				Inventories turnover	12.92	14.84	16.90
				Assets turnover	0.73	0.80	0.89
				Leverage ratios			
				Total debt-to-equity ratio	0.13	0.11	0.12
				Total liabilities-to-equity ratio	0.97	1.04	1.01
				Profitability			
				Gross margin	4.90%	5.09%	5.31%
				Net profit margin	4.65%	4.86%	4.50%
				EBITDA margin	7.65%	7.37%	6.88%
				ROA	3.41%	3.90%	3.99%
				ROE	6.72%	7.95%	8.00%

CONTACT**PETROVIETNAM SECURITIES INCORPORATED**

Hanoitourist Tower, No. 18 Ly Thuong Kiet Street, Hoan Kiem District, Hanoi

Tel: + 84 4 3934 3888 - Fax: +84 3934 3999

Website: www.psi.vn

Ho Chi Minh City Office

1st floor, PVFCCo Tower, No. 43 Mac Dinh Chi Street, Da Kao Ward, District 1, Hochiminh City
Tel: (84-8) 3914 6789
Fax: (84-8) 3914 6969

Vung Tau Office

5th floor, Silver Sea Tower, No. 47 Ba Cu, Vung Tau City
Tel: (84-64) 254520/22/23/24/26
Fax: (84-64) 625 4521

Da Nang Office

G floor and 1st floor, PVcomBank Danang Tower, Lot A2.1 30/4 Street, Hoa Cuong Bac Ward, Hai Chau District, Danang City.
Tel: (84-236) 389 9338
Fax: (84-236) 38 9933

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