

PetroVietnam Drilling & Well Services (HSX: PVD)

New jack-up rig in 2025 is expected to be growth driver

- In 3Q24, PVD's net profit increased 21% yoy and 31% qoq yoy thanks to higher average jack-up rig day rates yoy and the absence of maintenance cost. PVD's net profit for 9M24 rose by 26% yoy, completed 49% our previous full-year forecast.
- We expect the PVD's net profit to increase by 13.7%/39.9%/9.5% in FY24-26F, respectively, thanks to a solid rig day rate environment and contribution of the new jack-up rig, expected to be in 2Q25.
- Reiterate **ADD** rating with a lower target price (TP) of 31,400 VND/share, as a lower base of oil price and rig market surplus may affect the stock's attractiveness.

3Q24: Revenue surged by leased rigs, but gross profit margin fell

In 3Q24, PVD's revenue surged 76.5% yoy & 6.8% qoq thanks to relatively stable jack-up rig day rates and the contribution of 2 leased rigs. The gross profit margin in 3Q24 is 18.4%, 2.5% pts lower yoy due to the decrease of drilling services and well services segments. Leased rigs make the revenue of PVD's drilling services surge but contribute modestly to gross profit margin, while the well services' gross profit margin fell. Net profit in 3Q24 increased 21% yoy and 31% qoq as no maintenance cost is recognized. In 9M24, PVD's revenue increased 61.2% yoy, gross profit increased 54.4% and gross profit margin reached 21.3% (-0.9% pts yoy). Net profit in 9M24 increased 26% yoy and completed 49% our previous full-year forecast, as the new jack-up rig seems not to be received in 2024 as our previous expectation.

The new jack-up rig will be a profit growth catalyst for PVD in 2025

Regional demand for jack-up rigs in the coming years is solid, which ensures the implementation of upstream oil & gas projects and the stability of PVD's jack-up rig day rates. We expect PVD's average jack-up day rate to reach 96,800/ 94,800/ 94,800 USD in FY24-26, respectively. In particular, PVD may recognize the contribution from a new jack-up rig in 2Q25, which is the profit growth catalyst for the company. The new jack-up rig's day rate is estimated to be 90,000 USD. This may lead to an increase of 5.8%/5.9% in PVD's drilling revenue in 2025F-2026F and an increase of 8.4%/8.9% in PVD's drilling gross profit. To sum up, we expect PVD's net profit to increase by 13.7%/ 39.9%/ 9.5% yoy in FY24-26F, respectively.

Reiterate **ADD** rating with a lower target price of 31,400 VND/share

Our new TP is 10.3% lower than the previous one, mainly due to: (1) We lower our FY24-25F EPS forecast by 31.4%/32.7%, mainly due to the change of new jack-up rig reception from 4Q24 to 2Q25 and lower gross profit margin of well services, and (2) We lower our target P/B from 1.24x to 1.1x on a lower base of oil price and rig market surplus in Middle East. Despite lowering our target price, we still see PVD as a good investment opportunity, given that the stock is currently 27.4% below its 52w high, which may already factor in the risk of lacking growth driver. If PVD obtains the new rig in 2025, the stock could potentially be back to its upward cycle.

Financial indicators	2023	2024F	2025F	2026F
Net revenue	5,804	8,279	8,595	9,030
Net profit after tax & minority interest	585	665	930	1,019
Net revenue growth	6.9%	42.6%	3.8%	5.1%
NPATMI growth	n/a	13.7%	39.9%	9.5%
Gross profit margin	22.5%	21.3%	22.3%	23.1%
EBITDA margin	27.8%	24.7%	23.9%	24.8%
ROAE	4.1%	4.4%	5.9%	6.1%
ROAA	2.8%	3.0%	3.8%	3.9%
EPS (VND/share)	1,051	1,195	1,672	1,831
BVPS (VND/share)	26,354	27,634	29,291	31,108

Source: PVD, MBS Research's projection

ADD

Target price

VND 31,400

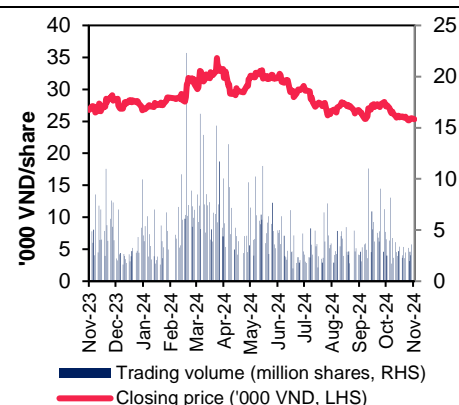
Upside

23.9%

Major changes:

Adjust the EPS forecast for 2024 and 2025 by -31.4% and -32.7%, respectively, compared to the previous forecast.

Stock information



Source: FiinPro, MBS Research

Market price (VND)	25,350
High 52w (VND)	34,900
Low 52w (VND)	25,150
Market cap (VND bn)	14,092
P/E (TTM)	21.1
P/B	0.9
Dividend yield (%)	0%
Foreign ownership ratio (%)	11.8%

Source: <https://s24.mbs.com.vn/>

Ownership structure

PetroVietnam	50.41%
Others	49.59%

Source: <https://s24.mbs.com.vn/>

Analyst



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PetroVietnam Drilling & Well Services (HSX: PVD)

Investment thesis & Recommendation

Investment thesis

- Regional demand for jack-up rigs in the coming years is solid thanks to a stable and high oil price environment, which ensures the implementation of upstream oil & gas projects. We expect PVD's average jack-up day rate to reach 96,800/ 94,800/ 94,800 USD/day in FY24-26F, respectively.
- The new jack-up rig is expected to start contributing to PVD's business results in 2Q25 with an estimated day rate of 90,000 USD. This may lead to an increase of 5.8%/5.9% in PVD's drilling revenue in 2025F-2026F and an increase of 8.4%/8.9% in PVD's drilling gross profit.
- Heating up domestic upstream oil & gas projects will bring good opportunities for PVD's well services segment. We expect the revenue of well services segment of PVD will rise by 21.2%/4.8%/3.8% in FY24-26, respectively; the gross profit margin is expected to reach 21.0%/20.2%/20.2% in FY24-26, respectively.

Valuation & Recommendation

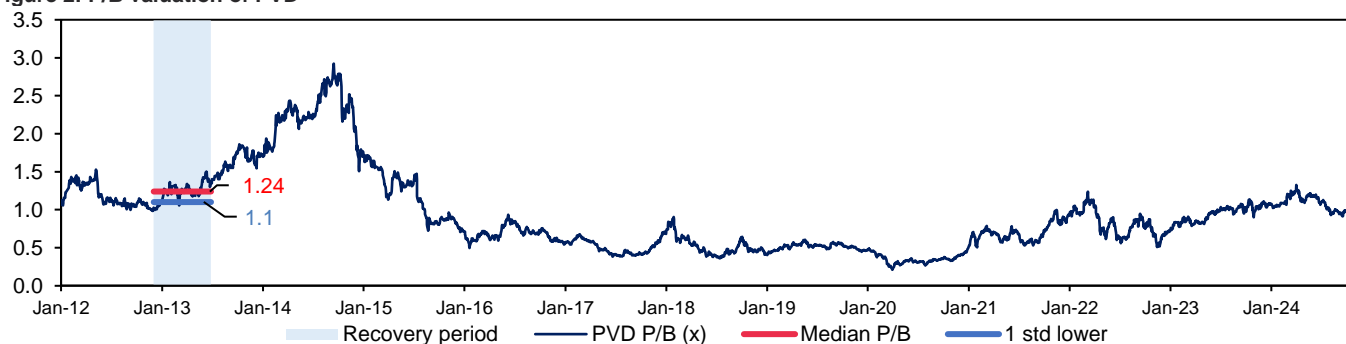
We use two methods, FCFE and P/B, to determine the rounded fair value of PVD stock at one year from the recommendation date, which is 31,400 VND/share (implying a 23.9% upside potential compared to the closing price on November 11, 2024). This new target price is 10.3% lower than the previous one, primarily due to: (1) We change our EPS forecast for FY24-25 by -31.4% and -32.7%, mainly due to the assumption change of the new jack-up rig reception from 24Q4 to 25Q2 and lower gross profit margin of the well services, and (2) We lower our target P/B from 1.24x to 1.1x as we see risk from a lower base of oil price and rig market surplus in Middle East may affect the attractiveness of the stock. The new target P/B is one standard deviation (1 std) lower than the previous one, which is the median P/B in the recovery period of PVD.

Figure 1: Valuation Summary

Method	Weight	Price (VND/share)
FCFE	50%	30,600
Forward P/B (target P/B 2025 = 1.1x)	50%	32,200
Target price		31,400
Current price		25,350
Upside potential		23.9%

Source: MBS Research

Figure 2: P/B valuation of PVD



Source: FiinProX, MBS Research

Figure 3: Projected FCFF

	2024	2025	2026	2027	2028
Profit after tax	648	906	993	1,014	980
Non-cash charges	928	820	862	864	869
Interest expenses after tax	145	144	161	151	141
Working capital investment	142	486	(285)	5	281
Fixed asset investment	(468)	(2,314)	(159)	(160)	(161)
FCFF	1,395	42	1,572	1,873	2,109

Figure 4: FCFF valuation

(+) PV of FCFF for the period 2024-2028	VND bn	4,659
(+) PV of terminal value	VND bn	10,708
(+) Cash & equivalents	VND bn	4,902
(-) Debt	VND bn	3,016
(-) Minority interest	VND bn	234
Enterprise value	VND bn	17,019
Number of shares outstanding	million shares	556.3
Share price	VND/share	30,600

Cost of equity

Risk-free rate	3.0%
Beta	1.28
Equity risk premium	9.0%
Cost of equity	14.5%

WACC and long-term growth rate

Cost of debt	6.9%
Tax rate	20.0%
WACC	12.9%
Long term growth	2.0%

Downside risk:

- The gross profit margin of PVD's well services segment is lower than expected due to rising cost.

- The new jack-up rig is not to be received in 2Q25 as our expectation, which could lead to a lower-than-expected 2025's net profit and negatively affect the stock's attractiveness.

Figure 5: Peer comparison

Company	Nation	Ticker	Market cap USD mn	P/E (x) TTM	P/B (x) Current	ROA%		ROE (%)	
						2024F	2025F	2024F	2025F
Petra Energy BHD	Malaysia	PENB MK Equity	93	5.9	1.0	10.3	n/a	17.2	n/a
Velesto Energy BHD	Malaysia	VEB MK Equity	334	8.4	0.6	5.3	6.5	6.2	8.0
Sinopec Oilfield Equipment-A	China	000852 CH Equity	828	65.7	1.9	0.9	n/a	2.9	n/a
Jindal Drilling & Indus Ltd	India	JDDL IN Equity	253	41.8	1.6	4.7	n/a	6.9	n/a
China Oilfield Services Ltd	China	601808 CH Equity	8,071	10.0	0.7	3.9	4.0	7.7	8.2
PTT Explor & Prod Public Co	Thailand	PTTEP TB Equity	14,318	6.5	0.9	8.3	7.6	14.7	12.9
Transocean Ltd	US	RIG US Equity	3,941	n/a	0.4	0.5	1.0	(0.8)	1.7
Borr Drilling Ltd	US	BORR US Equity	1,070	11.8	1.0	2.7	4.3	10.4	19.1
Average				21.4	1.0	4.6	4.7	8.1	10.0
PVD Drilling	Vietnam	PVD VN Equity	563.7	21.1	0.9	3.0	3.8	4.4	5.9

Source: Bloomberg, MBS Research

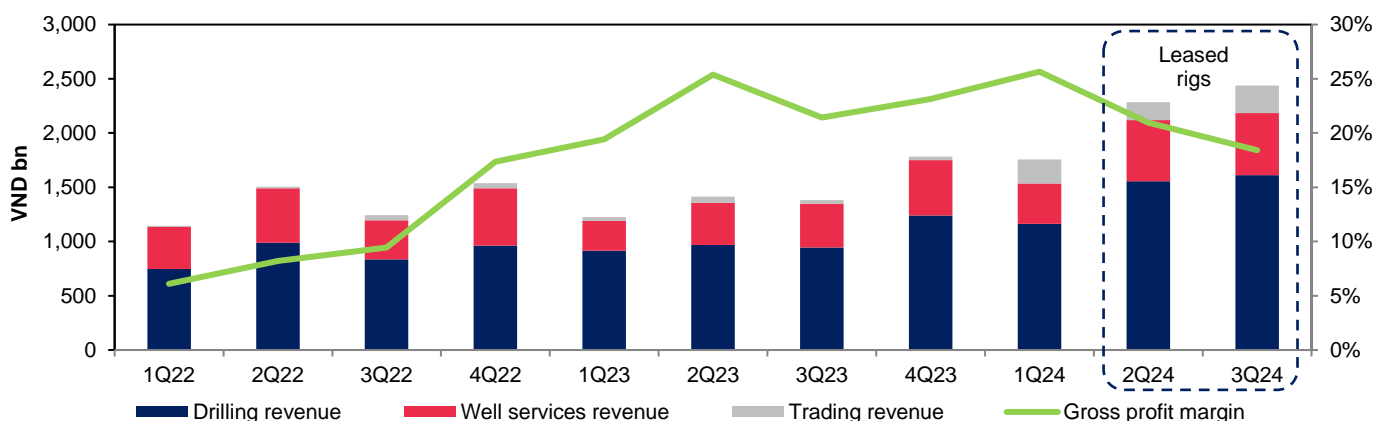
3Q24 and 9M24 update: Revenue surged thanks to leased rigs

Figure 6: 3Q24 and 9M24 business results (Units: VND bn)

Business results	3Q24	% yoy	% qoq	9M2024	% yoy	% prev. FY forecast	Comments
Revenue	2,438	76.5%	6.8%	6,477	61.2%	86%	Revenue surged in 2Q24 and 3Q24 thanks to: (1) relatively stable jack-up rig day rate, and (2) contribution of 2 leased rigs including Hakuryu and Borr (Thor).
- Trading	254	684.1%	56.0%	637	415.6%	368%	
- Drilling services	1,612	70.8%	3.6%	4,330	53.1%	77%	In line with our previous full-year forecast. PVD's land rig has remained stack since early 2Q24, while all jack-up rigs and TAD rig have been working with 100% utilization.
- Well services	572	41.1%	1.3%	1,510	41.3%	89%	PVD participated in some domestic upstream projects such as Golden Camel and White Lions, which supports the company's increase in well services revenue.
Gross profit	449	51.8%	-6.0%	1,378	54.4%	75%	
Gross profit margin	18.4%	-3% pts	-2.5% pts	21.3%	-0.9% pts	-3.1% pts	
- Trading	8.9%	2.3% pts	2.6% pts	7.2%	0.6% pts	0.7% pts	
- Drilling services	18.9%	-0.2% pts	-3.1% pts	23.7%	4.8% pts	0.1% pts	Relatively in line with our previous forecast thanks to the stable day rate of owned jack-up rigs. The gross profit margin declined qoq as leased rigs have low profit margin but contribute about 35% drilling revenue in 3Q24.
- Well services	21.2%	-6.8% pts	-1% pts	20.3%	-12.6% pts	-8.7% pts	
SG&A	172	45%	11%	445	19%	63%	
% SG&A/ Revenue	7.1%	-1.5% pts	0.3% pts	6.9%	-2.5% pts	-2.5% pts	
Financial revenue	49	12.9%	25.8%	114	18%	61%	Higher cash and cash equivalents but lower interest rate environment.
Financial expenses	96	-28%	-29%	354	14%	82%	Lower interest rate environment but higher fx loss.
Profit from joint ventures	27	674%	n/a	13	-53%	14%	5 out of 6 PVD's joint ventures have recorded negative profit in 1H24, though performed better in 3Q24. This is far below our previous full-year forecast.
Profit before tax	249	63%	19%	673	56%	64%	
Net profit after tax & minority interest (NPATMI)	182	21%	31%	478	26%	49%	Missed our previous FY forecast as PVD's profit from joint ventures falls short of our expectation.

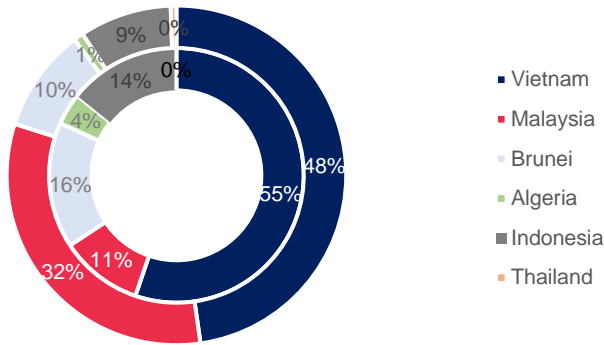
Source: PVD, MBS Research

Figure 7: PVD's quarterly revenue contribution and gross profit



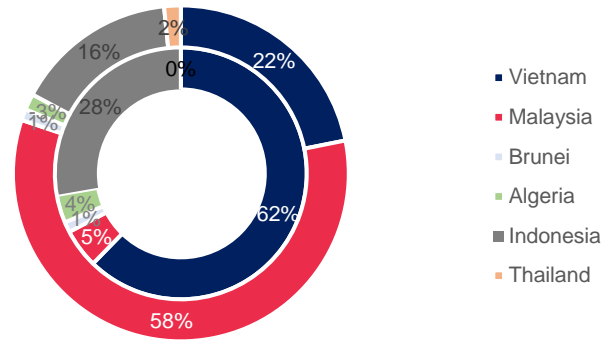
Source: PVD, MBS Research

Figure 8: PVD's revenue contribution by country in 9M23 and 9M24



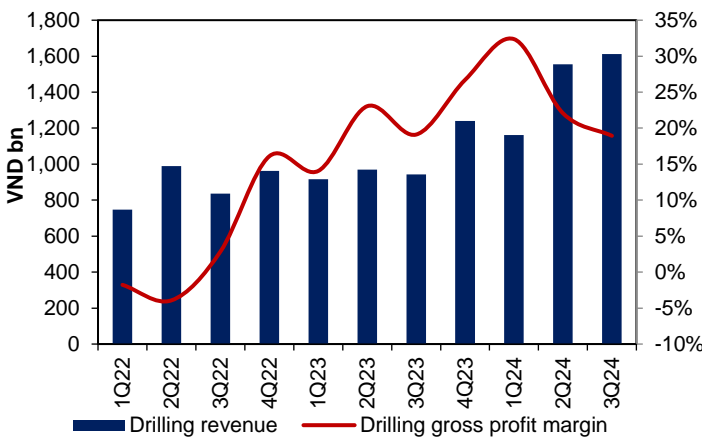
(* Inner: 9M23, Outer: 9M24)
Source: PVD, MBS Research

Figure 9: PVD's gross profit contribution by country in 9M23 and 9M24



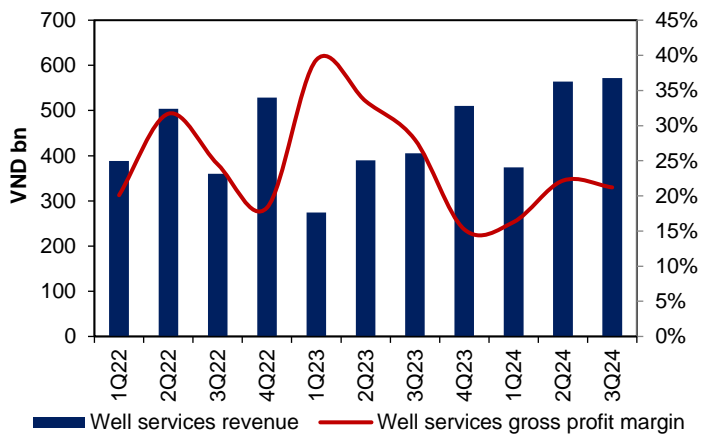
(* Inner: 9M23, Outer: 9M24)
Source: PVD, MBS Research

Figure 10: PVD's drilling revenue and gross profit



Source: PVD, MBS Research

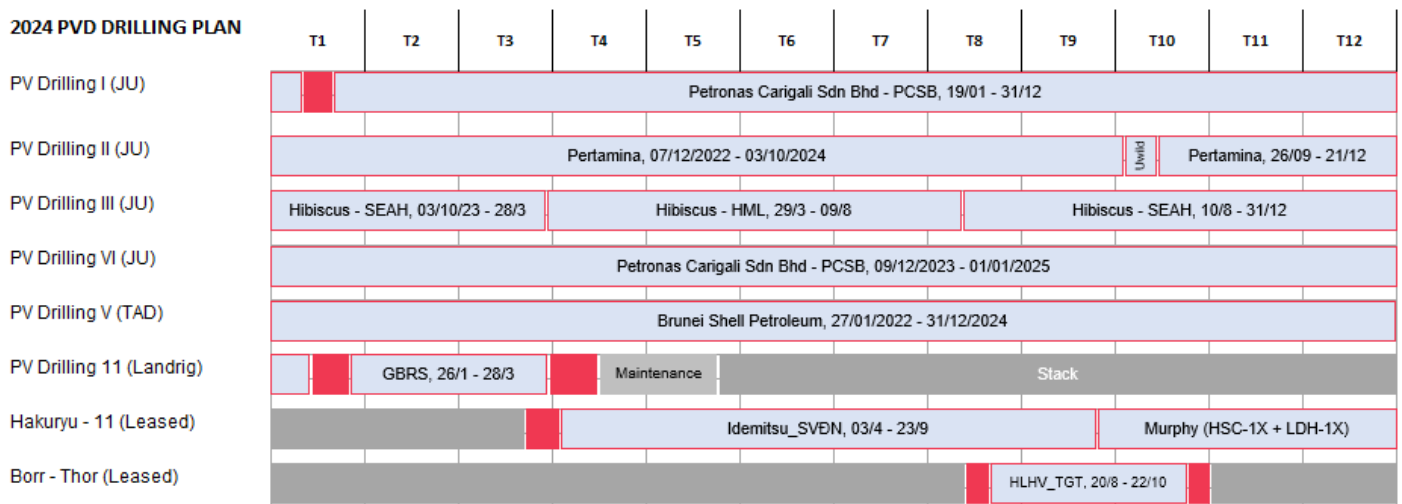
Figure 11: PVD's well services revenue and gross profit



Source: PVD, MBS Research

Figure 12: PVD's 2024 drilling plan

2024 PVD DRILLING PLAN



Source: PVD, MBS Research

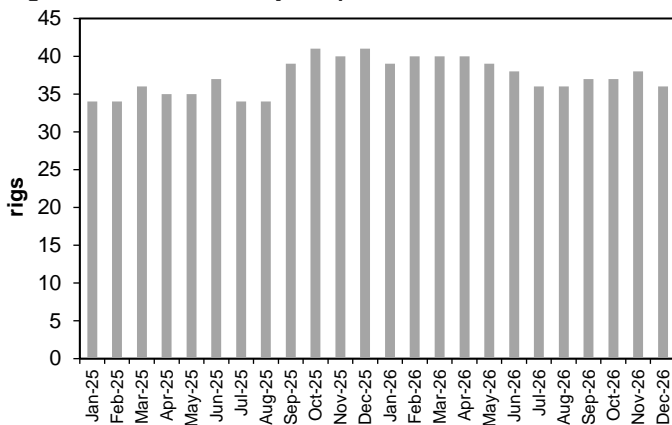
Solid rig day rates will support the drilling segment's profit

Regional rig day rates are likely to remain high thanks to solid demand and limited supply

In 2025, our view implies that crude oil price may fall below 80 USD/bbl but still remain higher than 70 USD/bbl, which will not seriously affect the implementation of upstream projects. As the global and Southeast Asia jack-up demand is still forecasted to remain solid in 2025-2026, while supply is growing slowly, we expect rig day rates to remain high. However, as Saudi Aramco has postponed their expansion project, which drives up the global jack-up rigs supply, the jack-up day rates may be slightly lower than the 2024 average.

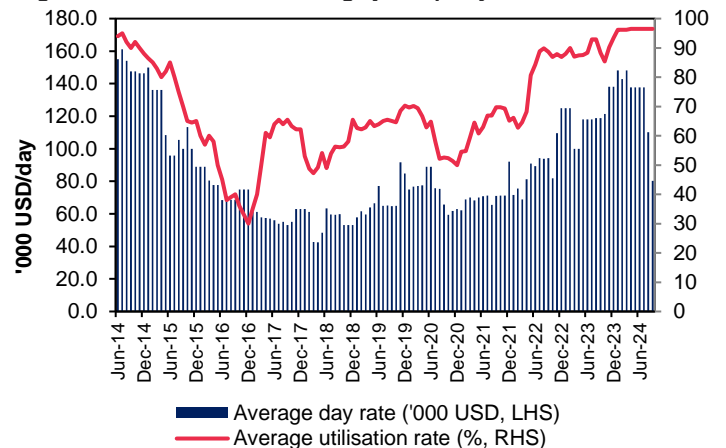
In our assumption, PVD's average owned jackup rig day rates for FY24-26F are 96,750 USD/day, 94,750 USD/day, and 94,750 USD/day, relatively. PVD's day rates are more stable than regional day rates as the company has engaged in long-term projects. Recently, the reference Southeast Asia average jack-up rate significantly declined while utilization remains high. This is due to a new contract from one low-cost provider, but this is a reference rate for the regional average and has no impact on PVD's day rate, in particular.

Figure 13: Southeast Asia jack-up demand forecast



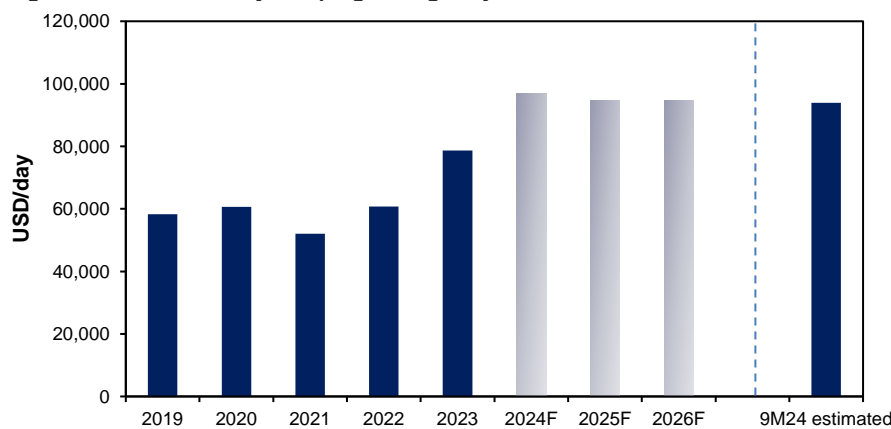
Source: S&P Global

Figure 14: Southeast Asia average jack-up day rate and utilization



Source: S&P Global, MBS Research

Figure 15: PVD's owned jack-up rig average day rate



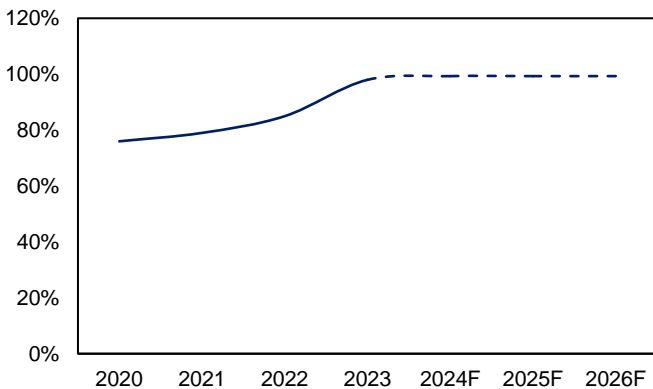
Source: PVD, MBS Research's projection

All jack-up rigs have secured their drilling plans for next year, but the outlook for PVD’s land rig remains uncertain

According to PVD, 4 out of 4 currently owned jackup rigs have secured long-term contracts, ensuring full operations until the end of 2025, with options to extend until 2028 or even 2030. PVD’s most advanced jackup rig, PVD VI, will work for Petronas until the end of 2025 and is offered with contract renewal in early 2026. However, PVD still prioritizes utilizing this jack-up rig for domestic oil and gas projects and is monitoring local project opportunities. If no domestic project has sufficiently long drilling timelines, PVD will proceed with contract renewal with Petronas. Our assumption for PVD’s currently owned jack-up rig utilization in FY24-26F is all 100%, thanks to solid demand and regional long-term contracts.

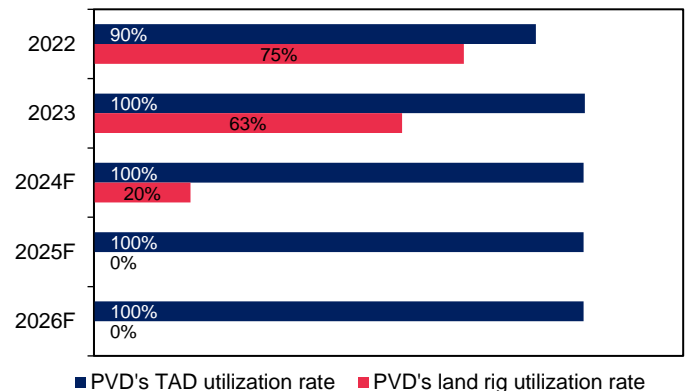
However, the outlook for PVD’s land rig (PVD 11) in 2025-2026 is relatively uncertain. The rig completed drilling in Algeria in early 2Q24 to go on repair and maintenance (R&M) process but remained rested since then. PVD’s land rig utilization rate in 2024 is estimated to be 19.7% (not including R&M and transition days). To derive a conservative forecast, our projection for PVD’s land rig utilization rates in FY25-26F are all 0%.

Figure 16: PVD’s average jack-up rig utilization rate (currently owned)



Source: PVD, MBS Research’s projection

Figure 17: PVD’s TAD and land rig utilization rate



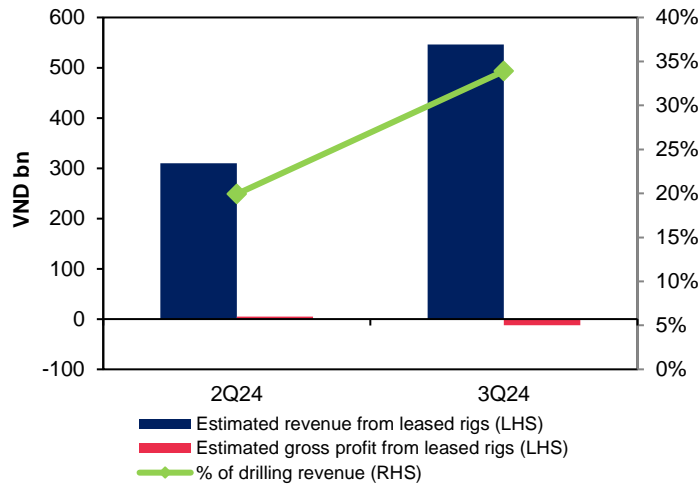
Source: PVD, MBS Research’s projection

Leased rigs seem to modestly contribute to PVD’s gross profit

Heating domestic upstream projects will bring a great backlog for drilling companies like PVD. However, as all the owned jack-up rigs of PVD have secured their foreign drilling plan in the near term, the company has leased 2 rigs for operation in 2024.

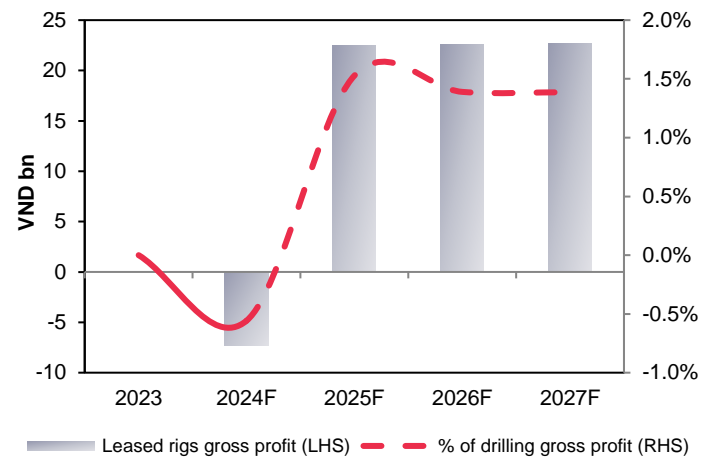
Our observation implied that PVD’s leased rigs have significantly higher day rates than owned rigs, but only contribute modestly to the company’s gross profit. PVD may continue to lease rigs in the next 3 years to support domestic exploration and production projects (6 wells and 3 tieback wells for PVEP POC, 9 wells for Hong Long JOC, and 4 wells for Cuu Long JOC). We expect the leased rigs to have a better gross profit in 2025 thanks to a lower crude oil price base leading to lower operating expenses, and transportation cost. However, these leased rigs for domestic drilling projects will not be the company’s catalyst for profit growth.

Figure 18: Our estimation of PVD's leased rigs revenue & gross profit



Source: MBS Research's estimation

Figure 19: Our projection for PVD's leased rigs results



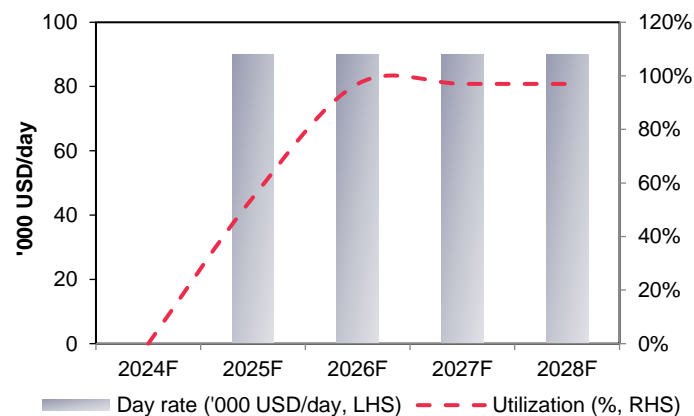
Source: MBS Research's projection

The new jack-up rig is expected to start working in 2Q25

In PVD's 2024 Annual General Meeting, the company planned to buy 1 or 2 new jack-up rigs to support domestic and regional exploration and production activities. However, this plan seems not to be implemented in 2024 as PVD wants the new rig to immediately start working with a long-term contract, which optimizes the rig's operational efficiency. According to PVD, a new rig is likely to begin working in 2025, which is a key catalyst for PVD's next year's profit growth with the expectation of stable day rates.

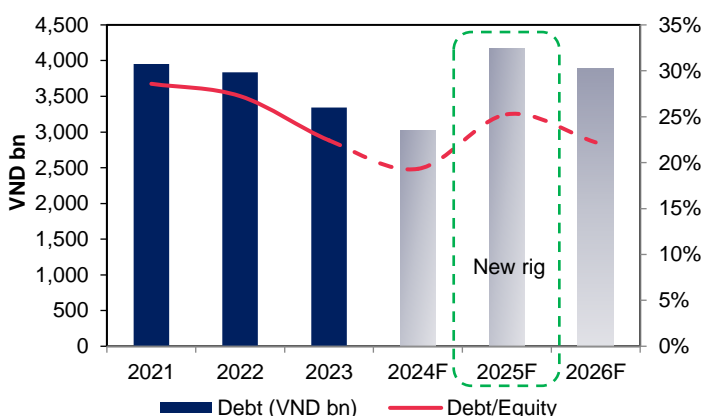
Therefore, we change our assumption of the new rig's working date from 4Q24 to 2Q25. This new rig is estimated to be worth USD 90m, and we expect the day rate for this jack-up rig to be USD 90,000 USD/day. This jack-up rig utilization rate is forecasted to be 55% in 2025 and 97% in 2026, as we expect the rig will start working right after being received.

Figure 20: Forecast on PVD's new rig day rate and utilization



Source: MBS Research's projection

Figure 21: Forecasted Debt/Equity after receiving the new rig, assuming 60% of the rig financed by debt



Source: PVD, MBS Research's projection

Heating up domestic oil and gas projects is a support factor for PVD's well services

A high base of crude oil price for a relatively long time will ensure the implementation of domestic upstream projects in oil and gas. This will not only bring better backlog for drilling companies but also create giant opportunities for

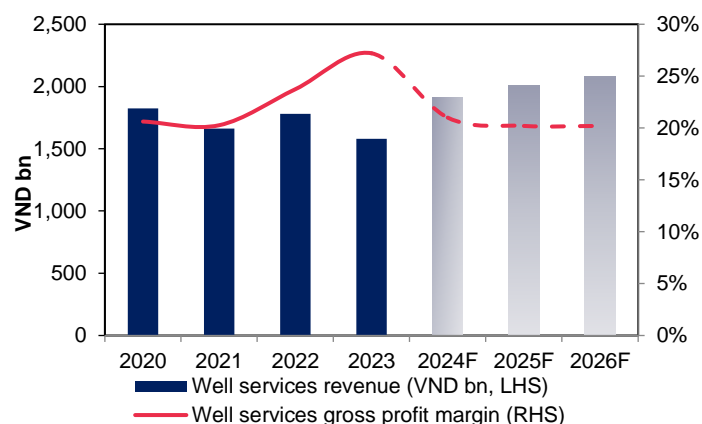
the well services. As all of PVD’s currently owned jack-up rigs are operating in foreign countries, we expect the well services will be the main segment that benefits from the domestic market. This can be seen in PVD’s 9M24 results, in which well services’ revenue surged 41.5% yoy. However, rising costs make the gross profit of PVD’s well services segment in 9M24 decline by 12.1% pts yoy. We expect the gross profit of PVD’s well services segment to be more stable in 4Q24 and 2025 thanks to a better backlog and a stable oil price environment. PVD’s well services revenue is expected to rise by 21.2%/4.8%/3.8% in FY24-26, respectively; the gross profit margin for this segment is expected to reach 21.0%/20.2%/20.2% in FY24-26F, respectively.

Figure 22: Domestic oil & gas upstream projects that are likely to be implemented in the coming years

No	Project	Time
1	Block 05-1A (PVEP POC)	Q3/2024
2	Ca Tam (Vietsovpetro)	2025-2026
3	Yellow Camel (Murphy Oil)	2025-2026
4	Block B - O Mon	Early 2026
5	White Lion 2B (Cuu Long)	Late 2025

Source: PVD, MBS Research

Figure 23: PVD’s well services revenue and gross profit margin



Source: PVD, MBS Research's projection

FY24-26F earnings revision

Figure 24: Our revision for PVD's FY24-26F business results (Units: VND bn)

Metrics	2024F	% yoy	% prev. forecast	2025F	% yoy	% prev. forecast	2026F	% yoy	Comments
Average JU day rate ('000 USD/day)	96.8	22.9%	0.0%	94.8	-2.1%	-6.6%	94.8	0.0%	
Average JU utilization rate (%)	99.0%	1% pts	-0.4 % pts	90.2%	-8.9% pts	-8.5 % pts	98.6%	8.5% pts	
Revenue	8,279	42.6%	10.4%	8,595	3.8%	-2.1%	9,030	5.1%	
-Trading	707	350.0%	309.1%	601	-15.0%	231.2%	607	1.0%	
- Drilling	5,658	39.1%	0.6%	5,988	5.8%	-12.0%	6,340	5.9%	A new jack-up rig is expected to start contributing to drilling revenue in 2Q25 but the land rig (PVD 11) outlook is uncertain.
- Well services	1,914	21.2%	12.3%	2,005	4.8%	12.0%	2,082	3.8%	
Gross profit	1,765	35.2%	-3.6%	1,913	8.4%	-13.7%	2,083	8.9%	
Gross profit margin	21.3%	-1.2% pts	-3.1 % pts	22.3%	0.9% pts	-3 % pts	23.1%	0.8% pts	
-Trading	7.0%	-0.9% pts	0.5 % pts	6.5%	-0.5% pts	0 % pts	6.5%	0% pts	
- Drilling	23.2%	2% pts	-0.3 % pts	24.5%	1.3% pts	0 % pts	25.6%	1.1% pts	Lower than the previous forecast as the R&M cost for PVD 11 is higher than expected; and the leased rigs' gross profit margin is lower than expected
- Well services	21.0%	-6.2% pts	-8 % pts	20.2%	-0.8% pts	-9.8 % pts	20.2%	0% pts	Adjust forecast due to 9M24 gross profit is lower than expected.
SG&A	650	18.9%	-7.8%	675	3.8%	-17.8%	706	4.7%	
% SG&A/ Revenue	7.9%	-1.6% pts	-1.6 % pts	7.9%	0% pts	-1.5 % pts	7.8%	0% pts	
Financial income	149	11.0%	-20.5%	138	-7.7%	-37.3%	135	-1.5%	
Financial expenses	351	-10.4%	-18.2%	270	-23.2%	-13.9%	303	12.2%	
Profit from JVs	27	-58.9%	-70.2%	27	-1.4%	-75.7%	31	17.1%	Adjust forecast due to 9M24 lower-than-expected results.
Profit before tax	926	40.6%	-12.5%	1,133	22.4%	-24.9%	1,241	9.5%	
Profit after tax	648	18.7%	-32.0%	906	39.9%	-33.2%	993	9.5%	
Net profit after tax and minority interest (NPATMI)	665	13.7%	-31.4%	930	39.9%	-32.7%	1,019	9.5%	Lower NPATMI as (1) lower well services's gross profit margin, and (2) lower profit from joint ventures.
EPS (VND/share)	1,195	13.7%	-31.4%	1,672	39.9%	-32.7%	1,831	9.5%	

Source: MBS Research's projection

FINANCIAL STATEMENTS

Income Statement	2023	2024F	2025F	2026F	Cash Flow Statement	2023	2024F	2025F	2026F
Net revenue	5,804	8,279	8,595	9,030	Profit before tax	658	926	1,133	1,241
Cost of goods sold	(4,499)	(6,514)	(6,682)	(6,947)	Depreciation and amortization	857	928	820	862
Gross profit	1,305	1,765	1,913	2,083	Interest expenses	(37)	(278)	(227)	(248)
Administrative expenses	(523)	(621)	(645)	(677)	Other adjustments	202	144	150	157
Selling expenses	(24)	(29)	(30)	(29)	Changes in working capital	-	142	486	(285)
Profit from operation	759	1,116	1,238	1,377	Cash flow from operations	1,681	1,862	2,362	1,727
Net EBITDA	1,616	2,043	2,058	2,239	Investment in PPE	(149)	(511)	(2,314)	(159)
Pre-tax & interest income	759	1,116	1,238	1,377	Proceeds from sales of PPE	3	-	-	-
Interest income	134	149	138	135	Other items	(749)	(420)	(672)	(224)
Financial expenses	(392)	(351)	(270)	(303)	Cash flow from investment	(894)	(931)	(2,986)	(384)
Other net income	91	(15)	-	-	Share issuance & contributions from shareholders	-	-	-	-
Income from associates & JVs	66	27	27	31	Net cash from borrowings	(586)	(325)	1,159	(282)
Pre-tax profit	658	926	1,133	1,241	Other cash flow from financing activities	-	-	-	-
Corporate income tax	(112)	(278)	(227)	(248)	Dividends, profit paid to shareholders	(3)	-	(278)	(278)
Net profit after tax	546	648	906	993	Cash flow from financing	(590)	(325)	881	(560)
Minority interests	39	17	24	26	Beginning cash & equivalents	2,079	2,256	3,246	3,571
Net profit	585	665	930	1,019	Net cash flow over the year	197	606	257	783
Dividend payment	(3)	-	(278)	(278)	Ending cash & equivalents	2,321	3,246	3,571	4,427
Retained earnings	581	665	652	741					
Balance Sheet	2023	2024F	2025F	2026F	Financial ratios	2023	2024F	2025F	2026F
Cash and cash equivalents	2,256	3,246	3,571	4,427	Net revenue growth	7%	43%	4%	5%
Short-term investments	1,278	1,656	2,407	2,709	EBITDA growth	90%	26%	1%	9%
Accounts receivable	1,719	2,273	1,966	2,240	Operating profit growth	1132%	147%	111%	111%
Inventory	1,000	1,041	1,021	1,055	Pre-tax profit growth	n/a	41%	22%	10%
Other current assets	674	964	1,004	1,050	Net profit growth	n/a	14%	40%	10%
Total current assets	6,928	9,179	9,968	11,482	EPS growth	n/a	14%	40%	10%
Fixed assets	12,951	12,497	14,000	13,307					
Intangible assets	165	158	149	139	Gross profit margin	22.5%	21.3%	22.3%	23.1%
Construction in progress	9	53	53	53	EBITDA margin	27.8%	24.7%	23.9%	24.8%
Investment in subsidiaries	-	-	-	-	Net profit margin	10.1%	8.0%	10.8%	11.3%
Income from associates and joint ventures	666	680	693	709	ROAE	4.1%	4.4%	5.9%	6.1%
Other long-term investments	-	-	-	-	ROAA	2.8%	3.0%	3.8%	3.9%
Other long-term assets	914	833	856	884	ROIC	3.2%	3.6%	4.5%	4.8%
Total long-term assets	14,705	14,221	15,751	15,092					
Total assets	21,633	23,400	25,720	26,573	Asset turnover	27.4%	36.8%	35.0%	34.5%
					Dividend payout ratio	0.6%	0.0%	29.9%	27.3%
Short-term debts	553	403	432	470	Debt to equity	22.4%	19.3%	25.3%	22.2%
Account payables	569	688	844	763	Net debt to equity	7.3%	-1.5%	3.7%	-3.1%
Other short-term liabilities	2,023	2,931	2,974	3,124	Net debt to total assets	5.0%	-1.0%	2.3%	-2.0%
Total short-term liabilities	3,146	4,022	4,250	4,357	Interest coverage	302.9%	540.0%	688.8%	682.6%
Long-term debts	2,788	2,613	3,742	3,423					
Other long-term liabilities	801	1,159	1,203	1,264	Days of sales outstanding	108	100	83	91
Total long-term liabilities	3,589	3,772	4,946	4,687	Days of inventory	81	58	56	55
Total liabilities	6,735	7,794	9,196	9,044	Days of payables outstanding	46	39	46	40
Share capital	5,563	5,563	5,563	5,563	Liquidity ratio	2.2	2.3	2.3	2.6
Additional paid-in capital	2,434	2,434	2,434	2,434	Quick ratio	1.9	2.0	2.1	2.4
Treasury stock	(21)	(21)	(21)	(21)	Cash ratio	1.1	1.2	1.4	1.6
Retained earnings	694	1,211	2,058	2,988					
Reserve funds	3,784	3,595	3,602	3,610	Valuation				
Effects of changes in foreign exchange rates	2,207	2,590	2,658	2,731	EPS (VND/share)	1,051	1,195	1,672	1,831
Shareholders' equity	14,661	15,372	16,294	17,305	BVPS (VND/share)	26,354	27,634	29,291	31,108
Minority interests	237	234	229	224	P/E (x)	24.3	21.3	15.3	13.9
Total shareholders' equity	14,898	15,606	16,524	17,529	P/B (lần)	1.0	0.9	0.9	0.8
Total shareholders' equity	21,633	23,400	25,720	26,573					

Source: PVD, MBS Research's projection

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ADD	The stock can generate a profitability of 15% or more
HOLD	The stock can generate a profitability of between -15% and 15%
REDUCE	The stock can generate a loss of 15% or more

Sector rating

POSITIVE	Industry stocks have Add recommendations on a weighted market capitalization basis
HOLD	Industry stocks have Hold recommendations on a weighted market capitalization basis
NEGATIVE	Industry stocks have Reduce recommendations on a weighted market capitalization basis

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