

PetroVietnam General Services (PET)

Aug 2022 Brief: iPhone 14 series - the rising stars

On Sep 27, PetroVietnam General Services (PET) released the performance report for Aug 2022. Here are some noticeable updates.

Sales upswing in Aug 2022 mainly from ICT distribution

- PET's Aug performance stayed flattish with a VND1.7tn of net revenue, +30.9% yoy, and a VND24bn EBT (+4.3% yoy). EBT margin in Aug 2022 was 3.9%, 0.5%p lower yoy due to the revenue collapse of real estate leasing, which had higher profit margin than other segments.
- In Aug 2022, PET reach revenue of:
 - VND1.6tn from merchandise distribution (accounting for 91% of total revenue), up 39%
 - VND110bn from catering services (6%), up 33% yoy
 - VND30bn from leasing & RE management of (2%), fell 27% yoy
 - VND12bn from other services (1%), fell 80% yoy.
- Revenue of PET's distribution segment in Aug 2022 mostly came from laptop distribution of VND552bn (35% of distribution revenue), cell phones of VND683bn (43%), PP & LPG of VND169bn (11%), and other IT products of VND176bn (11%).

PET is looking forward sales peak thanks to iPhone 14 series

- In 8M22, PET revenue inched by 8% yoy to VND11.3tn (fulfilling 56% of full-year guidance) and GP rose by 30.5% yoy to VND666. GPM in 8M22 was 5.9%, vs 5.0% in 8M21. 8M22 stellar performance was mainly driven by greater sales of laptops that grew by 14% yoy to VND2.9tn and smartphones that went up by 11% yoy to VND4.1bn. These two segments could surge in 2H22F thanks to the high demand of students for the new semester and the latest iPhone 14 models available in Vietnam in October 2022.
- PBT in 8M22 was VND201bn, declined 3.2% yoy, attributed to the allowance for a decline in value of investments in securities.

	2017A	2018A	2019A	2020A	2021A
Sales (VND bn)	10,703	11,092	10,008	13,453	17,598
chg. (% YoY)	N.A	3.6	(9.8)	34.4	30.8
Operating profit (VND bn)	245	219	136	235	383
Net profit (VND bn)	131	113	122	137	265
EPS (VND)	-1,908	831	252	1,579	2,831
chg. (% YoY)	N.A	(143.5)	(69.7)	526.5	79.2
EBITDA (VND bn)	988	1,305	1,684	1,580	1,484
PE (x)	(17.8)	40.9	134.9	21.5	12.0
EV/EBITDA (x)	12.2	13.6	18.0	12.4	8.4
PB (x)	1.8	1.8	1.8	1.8	1.6
ROE (%)	17.3	7.9	7.8	8.5	17.3
Dividend yield (%)	3.8	4.1	3.8	3.1	3.6

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

12M rating **Non-rated**

12M TP **N.A**

Up/Downside N.a

Stock Data

VNIndex (28 Sep, pt)	1,144
Stock price (28 Sep, VND)	34,000
Market cap (USD mn)	129
Shares outstanding (mn)	90
52-Week high/low (VND)	67,800/26,400
6M avg. daily turnover (USD mn)	1.70
Free float / Foreign ownership (%)	67.7/0
Major shareholders (%)	
Vietnam Oil and Gas Group	22.94
Phung Tuan Ha	4.88
Samarang Ucits - Samarang Asian Prosperity	4.37

Performance

	1M	6M	12M
Absolute (%)	(17.1)	(48.5)	29.8
Relative to VNIndex (%p)	(6.3)	(26.3)	43.2

Stock price trend

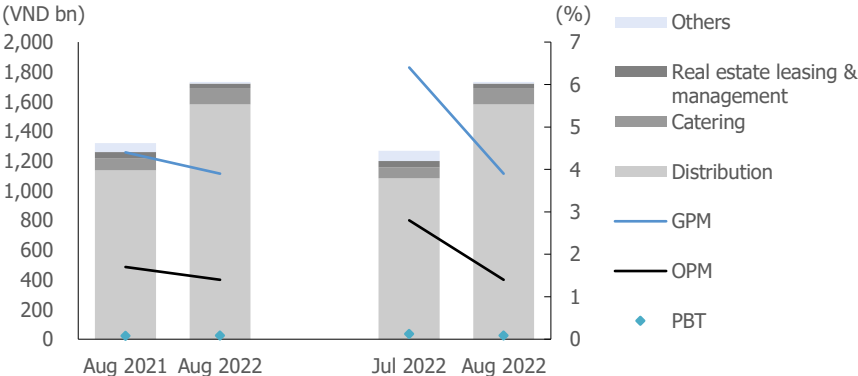


Source: Bloomberg

Ngoc Pham

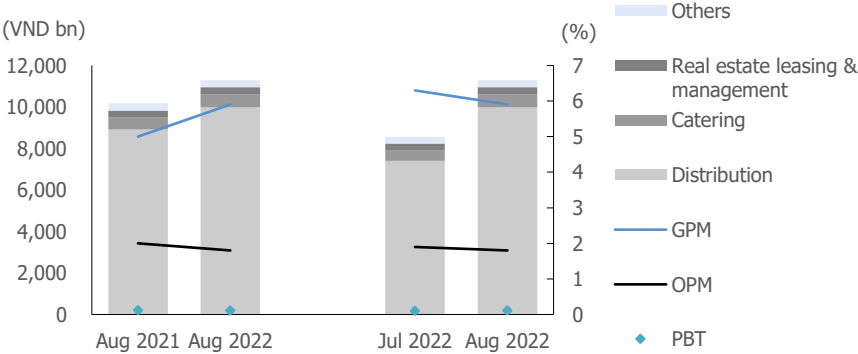
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Figure 1. Monthly revenue movement



Source: Company data, KIS

Figure 2. Accumulated revenue movement



Source: Company data, KIS

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