

The background of the slide features a large, modern cargo ship, likely an oil tanker, sailing across a vast, blue ocean under a clear sky. The ship is oriented diagonally from the bottom left towards the top right.

PETROVIETNAM TRANSPORTATION CORP. (HOSE: PVT)

Investment Proposal

June 2025

Investment Proposal

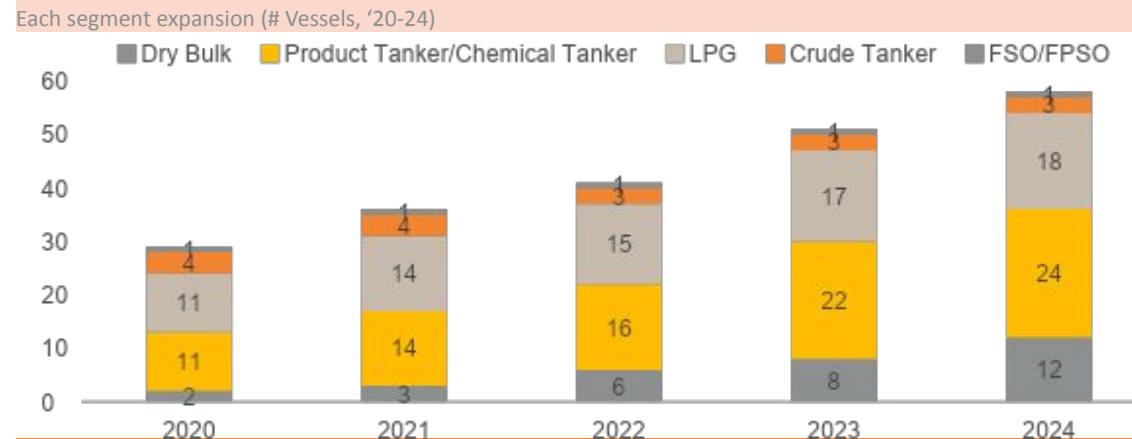
Analyst	Phuc Nguyen
Time Horizon	1-2 years
Recommendation	BUY

PVT prioritizes high-margin segments and secures stable cash flows in other segments via PVN's long-term contracts.

Investment Rationale

- PVT is expanding its **high-margin chemical segment**, backed by IMO chemical tankers with high technical specs that justify **premium rates**, and participation in **international pools** like Womar and Maersk.
- PVT benefits from **increased domestic crude oil** transport volume as Dung Quat refinery operates at **over 110% capacity**.
- PVT's LPG segment remains stable with domestic transport, while international expansion is planned as **new U.S. export terminals** come online by late 2025 and U.S. - China tensions ease.

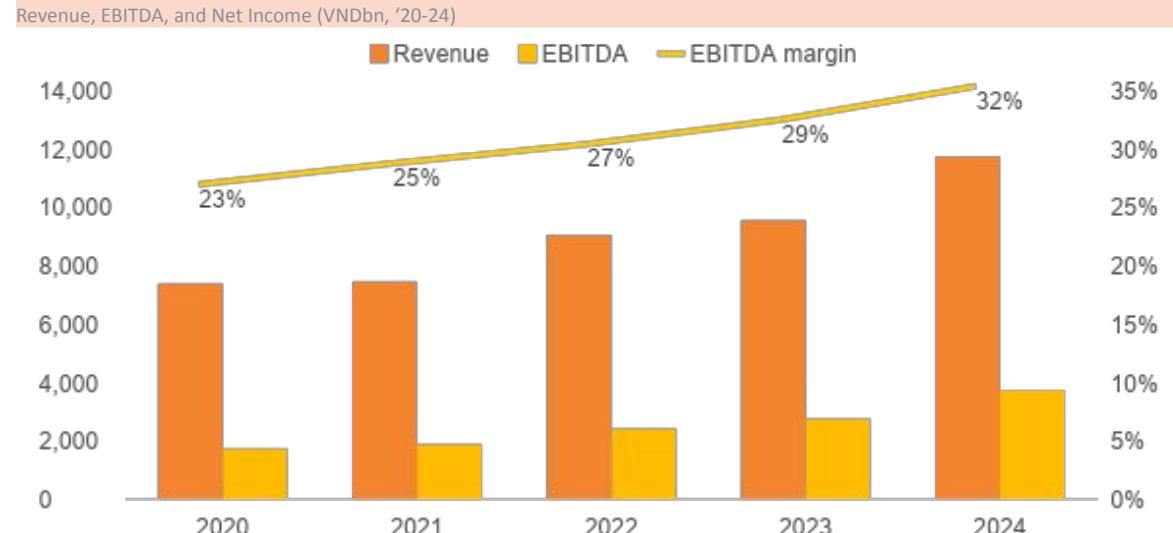
Product/Chemical tanker account for more 40% of total vessels



2024 results improved after a slow 2023

Financial Performance (VNDbn, '20-24)		2020A	2021A	2022A	2023A	2024A
Revenue		7,383	7,460	9,047	9,556	11,732
Growth		1.0%		21.3%		5.6%
						22.8%
EBITDA		1,731	1,880	2,430	2,769	3,737
Growth		8.6%		29.3%		35.0%
Margin		23.4%		25.2%		31.9%
Net Income		830	834	1,156	1,222	1,470
Growth		0.5%		38.6%		20.3%
Margin		11.2%		12.8%		12.5%
EV/EBITDA		5.1x	4.8x	4.3x	5.0x	3.2x
ROE		11.1%	10.0%	15.3%	15.2%	15.1%
ROA		6.1%	5.6%	6.4%	6.1%	5.9%
P/E		12.1x	11.2x	10.3x	9.7x	6.0x
P/B		1.6x	1.4x	1.4x	1.3x	0.8x

EBITDA and revenue rose steadily with margin rising from 23% to 32%.



Company Overview

Vietnam's energy shipping arm under PVN, backed by state-led fleet growth and stable volumes from the PVN network.

HIGHLIGHTS



Founded in 2002



Hochiminh City



MARKETCAP

8,473 (VNDbn)

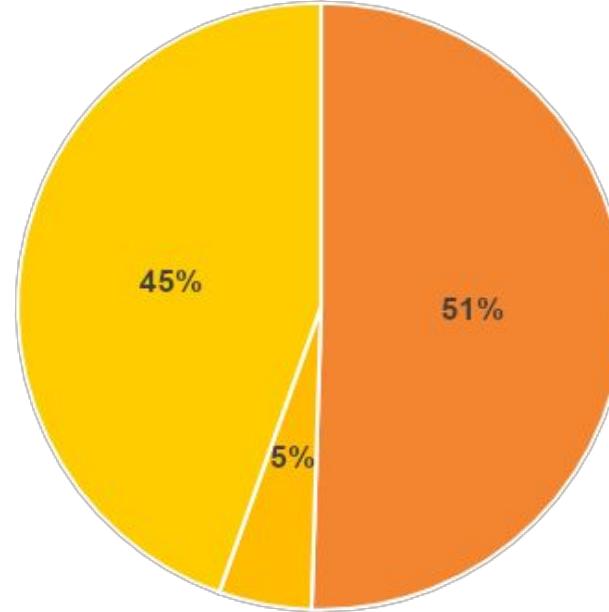


REVENUE 2024A

11,732 (VNDbn)

OWNERSHIP STRUCTURE

■ PVN ■ PVcomBank ■ Others



PVT's Subsidiaries

PVT's subsidiaries cover all key segments including crude, product, gas and dry bulk, ensuring scale and operational stability.

Thang Long Shipping JSC



- Chemical & dry bulk transport; maritime services
- PVT owns 99.9%

Phuong Nam Petroleum Transportation JSC



- Product oil transport via MR tankers
- PVT owns 69.6%

International Gas Product Transportation JSC (HOSE: GSP)



- LPG transport; chemical tanker operations
- PVT owns 68.0%

Indochina Petroleum Transportation JSC (UPCoM: PTT)



- Small/mid-size oil/chemical & road/CNG transport
- PVT owns 54.1%

Pacific Petroleum Transportation JSC (HOSE: PVP)



- Crude oil transport via Aframax & FSO
- PVT owns 64.9%

Phuong Dong Viet Shipping And Logistics Corp. (UPCoM: PDV)



- Oil/chemical & bulk transport; ship management
- PVT owns 51.9%

Nhat Viet Petroleum Transportation JSC



- LPG & dry bulk transport; ship leasing
- PVT owns 51.0%

Quang Ngai Petroleum Transportation JSC



- Maritime agency; LPG bottling; bulk trucking
- PVT owns 50.7%

Hanoi Petroleum Transportation JSC



- Dry bulk & chemical transport
- PVT owns 50.5%

PTSC Offshore Services JSC



- FSO/FPSO operations & offshore services
- PVT owns 49.0%

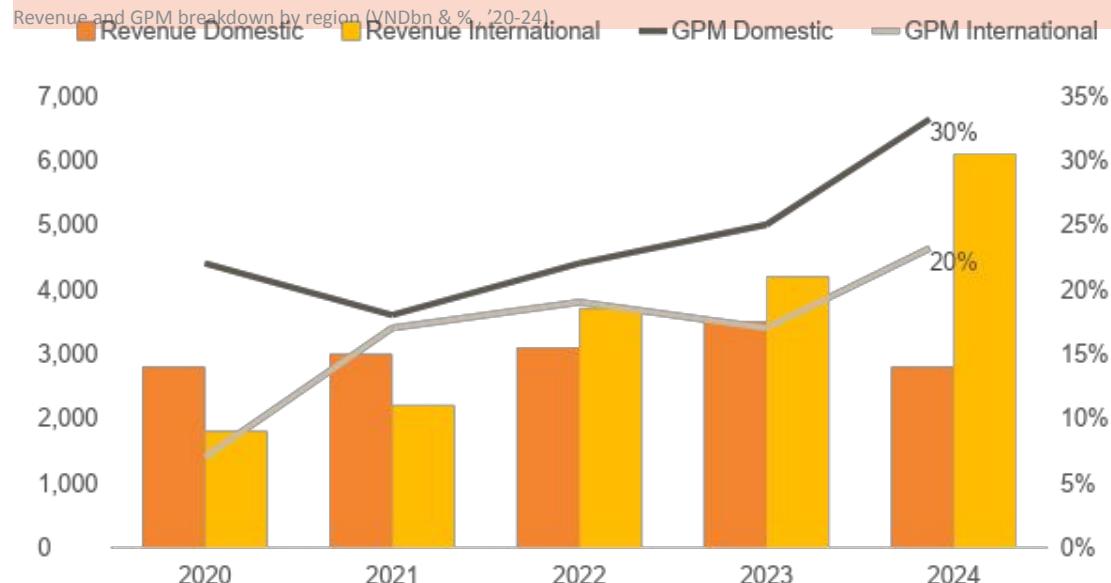
PVT's regional performance and strategic fleet expansion

Strong international growth and stable margins despite lower volumes; expansion targets crude, chemical, and LPG.

Key Highlights

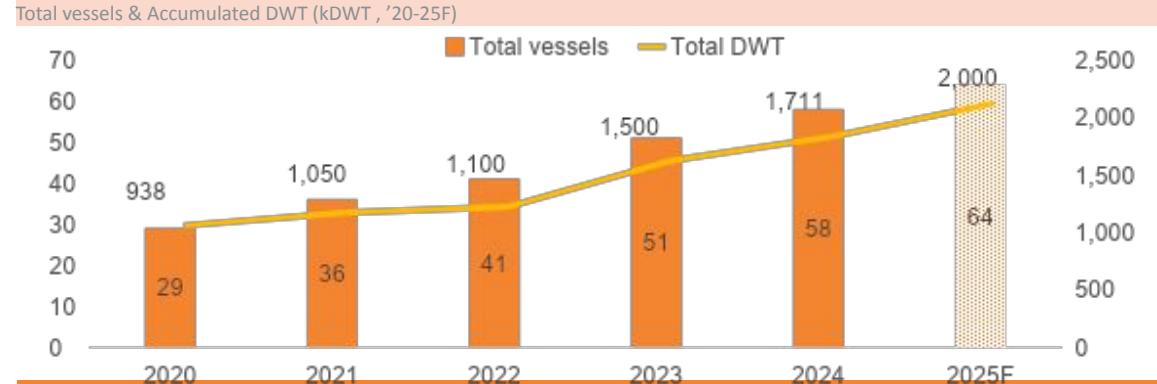
- In 2025, PVT plans to add **6 vessels** targeting crude, chemical, and LPG—its three most profitable segments.
- Despite a decline in transport volume in 2024, revenue continued to grow due to:
 - Higher freight rates** on long-haul international routes, where clients pay more per tonne-mile.
 - Improved fleet efficiency**, as larger vessels like Aframax and VLCC tankers reduce cost per unit and enhance margin.

Majority of revenue comes from international, with stable margins

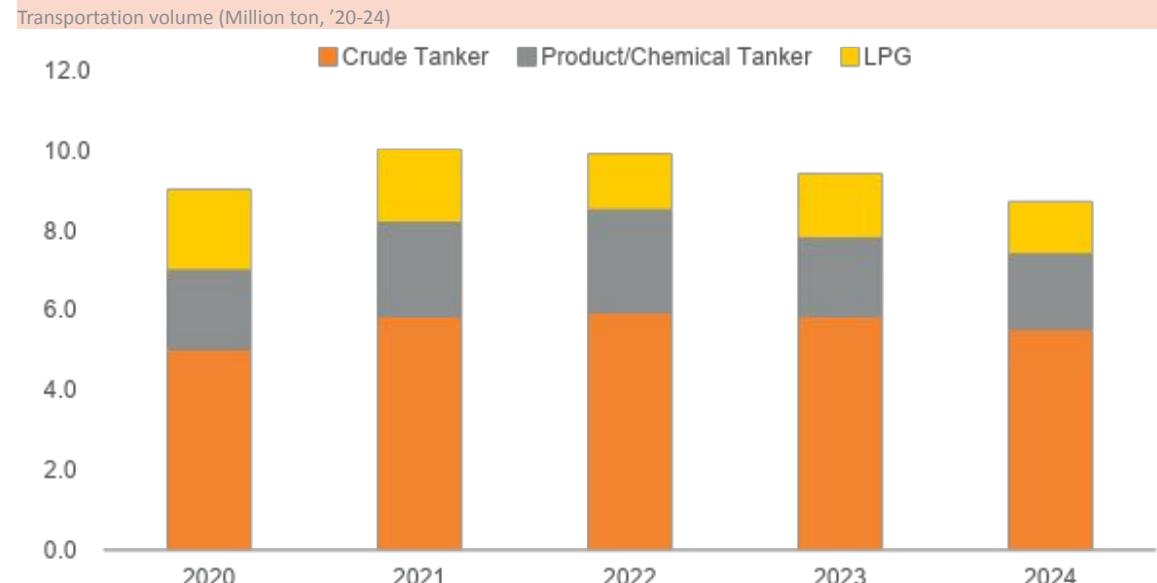


Source: Company Annual Report, PVT

PVT plans to add 6 vessels focused on crude, chemical, and LPG in 2025



Crude leads; LPG and chemical volumes shrink after 2021.

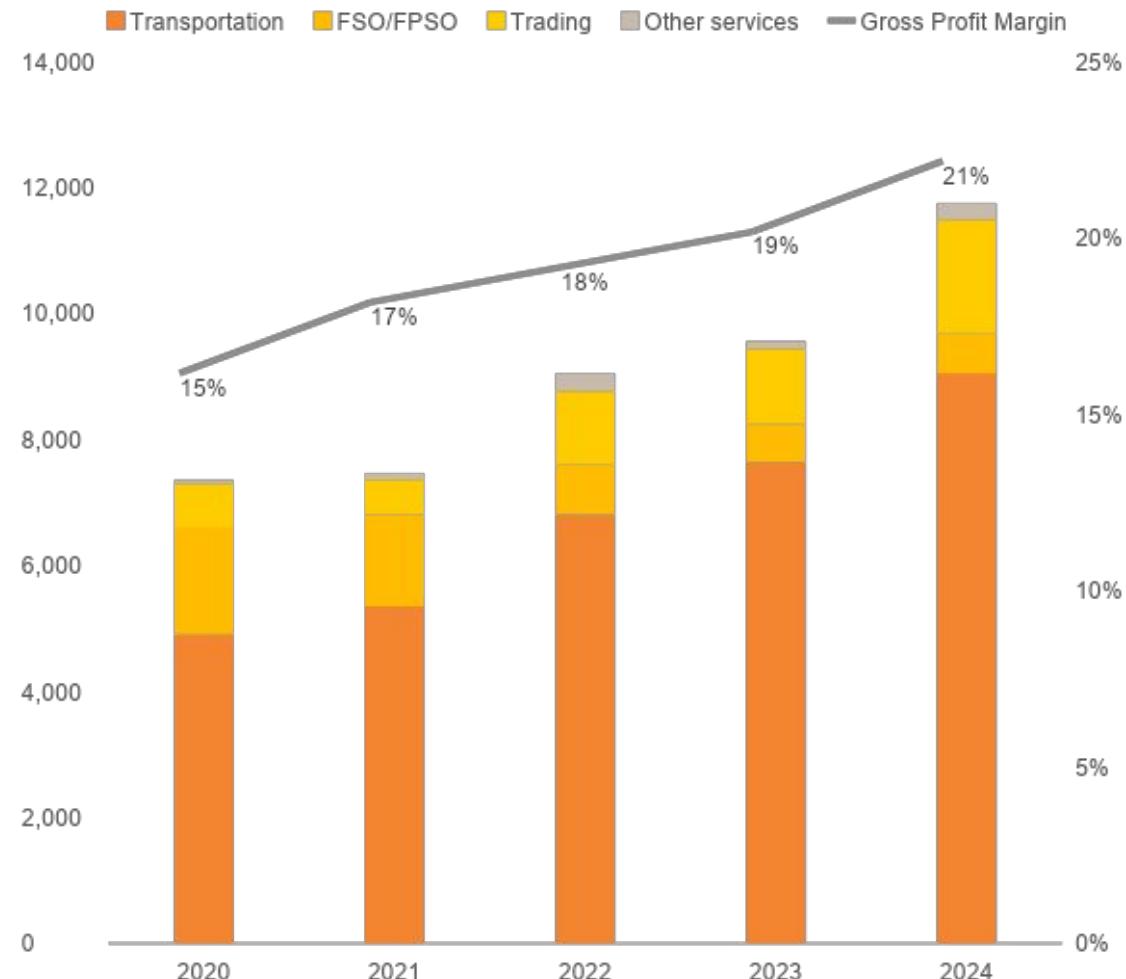


PVT Revenue structure and breakdown by segments

Transportation continues to drive topline growth, accounting for the majority of revenue, while gross profit margin steadily improved.

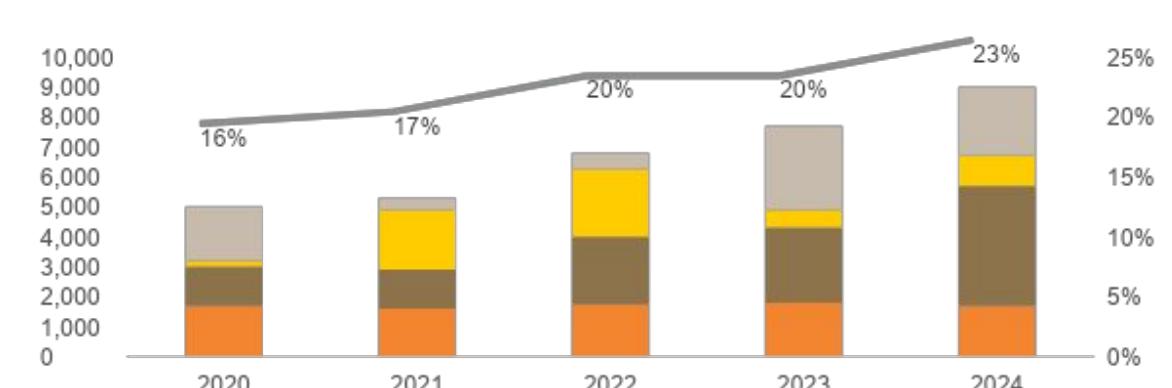
Transportation dominates revenue; margin grew steadily to 21% by 2024

Revenue structure & GPM (VNDbn & %, '20-24)



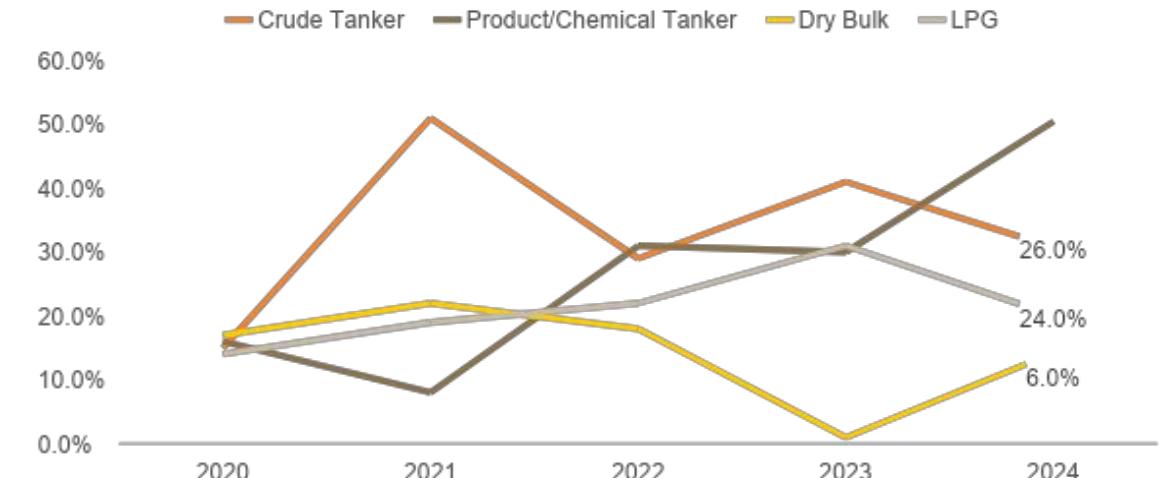
Transport revenue growth is led by Product/Chemical and LPG volumes

Transport revenue breakdown by segment ('20-'24)



Product/Chemical and LPG segments maintained strong margins

Gross Profit Margin each segment ('20-'24)



Source: Company Annual Report, PVT

Chemical Tanker segment Overview

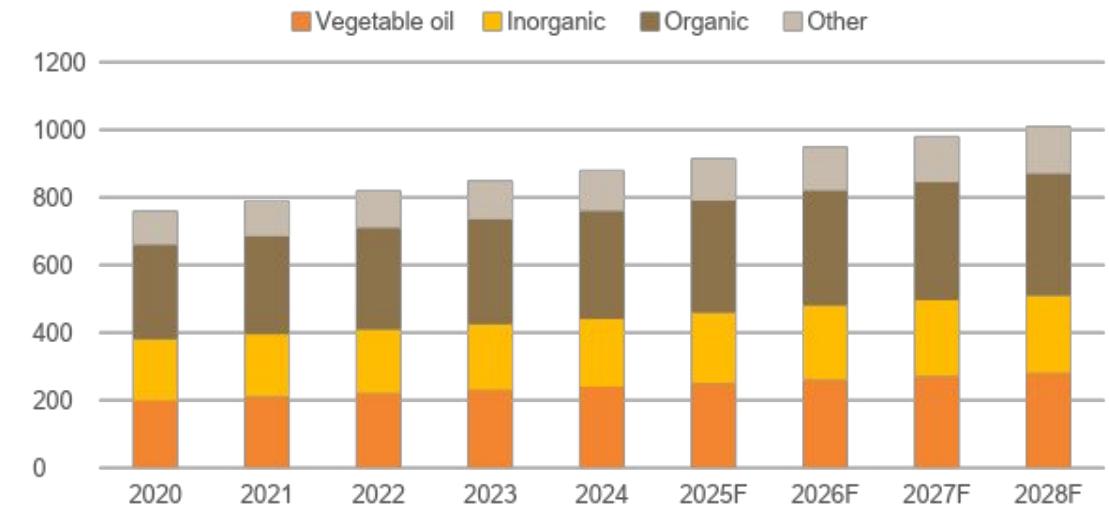
Chemical segment is PVT's most stable business, driven by steady demand, balanced supply, diverse cargo, and stable charter rates.

Key Highlights

- **Palm oil exports** from Malaysia to India, China, and Europe are rising sharply, while Indonesia is expanding **palm-based biofuel** use in 2025 => Continues to drive demand for vegetable oil transport.
- Rates for 13k–20k DWT vessels remain stable as only **IMO II/III tankers** can handle sensitive cargoes like organic, inorganic chemicals, and vegetable oils.
- In 2025 and forward, demand for vegetable oils and organic chemicals is expected to increase => driving **tonne-mile growth** and **supporting rate recovery**.

Chemical tonne-mile demand shows steady growth across all segments

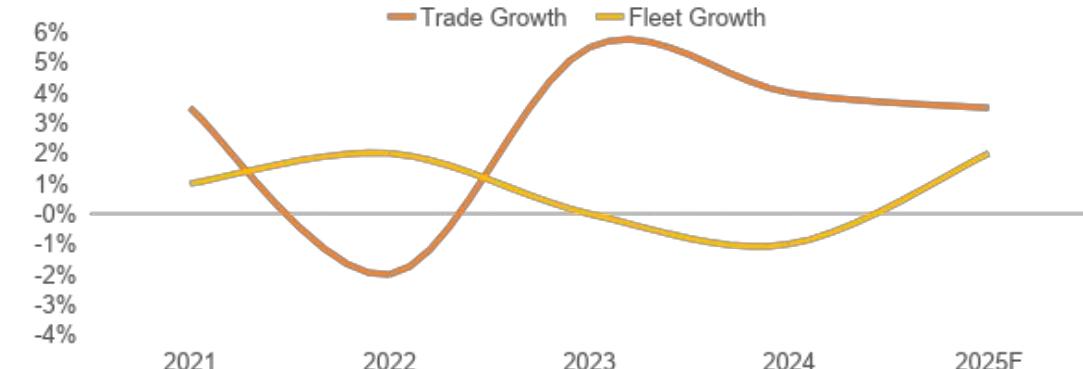
Chemical tonne-mile demand per product (Tonne-miles Bn , '20-28F)



Source: Company Annual Report, PVT

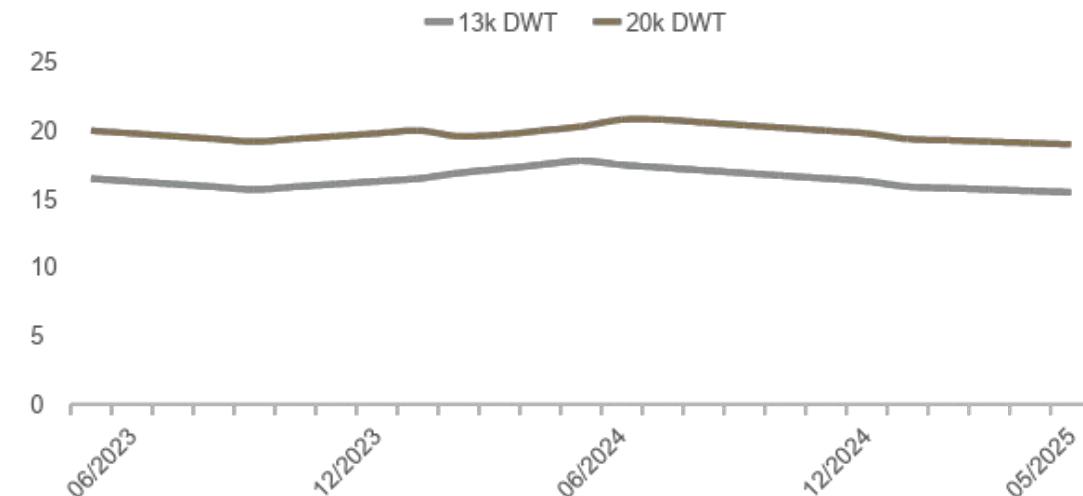
Chemical trade growth is expected to outpace fleet growth in 2025

Trade Growth & Fleet Growth of Chemical segment (% , '20-25F)



13k and 20k DWT chemical tanker rates remained relatively stable

Chemical tanker 1Y TC rate (USdk , '23-25)

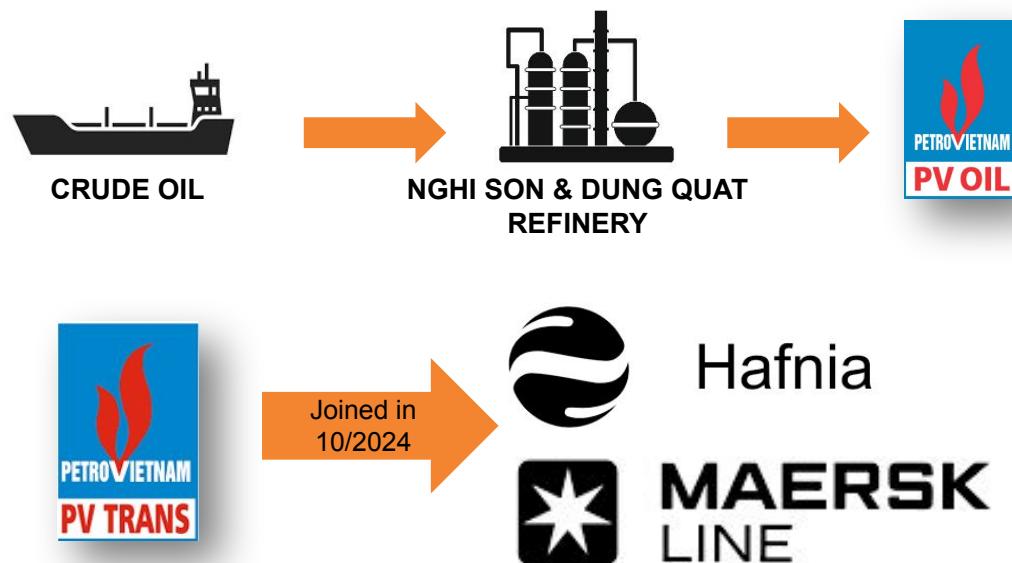


Crude & Product Tanker segment Overview

Crude & Product segment provides stable cash flow, supported by PVN's domestic cargoes.

Key Highlights

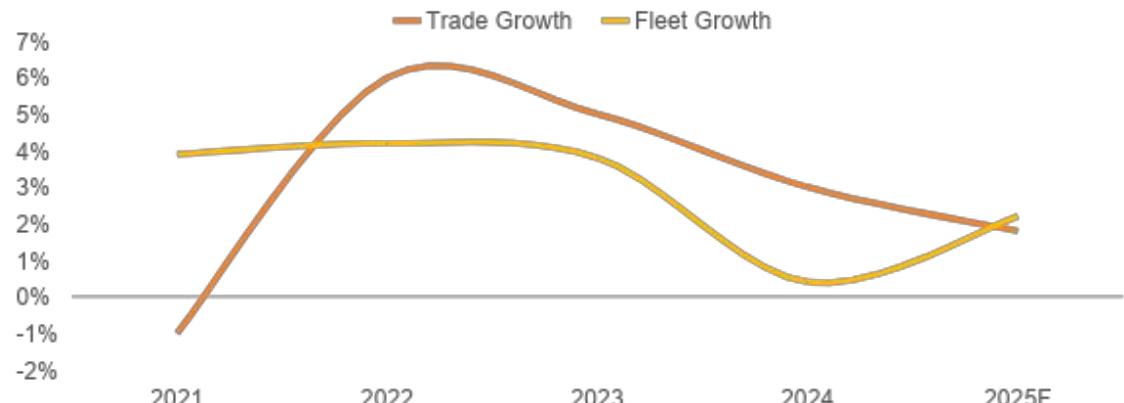
- PVT handles **all domestic crude transport** reaching **5.1 million tons** in 2024 , with 2/3 Aframax tankers serving Dung Quat amid rising refinery output, the other Aframax is serving international route.
- Product tankers expanding globally, joining **international pools** (Maersk, Hafnia) while domestic volumes stay secured via **PVN contracts** (transporting from Nghi Son and Dung Quat refinery to PVOil), reaching **2 million tons** in 2024.
- Five new product tankers** (45.000-55.000 DWT) bought in 2023 and 2024, adding capacity and boosting international deployment in 2025.



Source: Company Annual Report, PVT

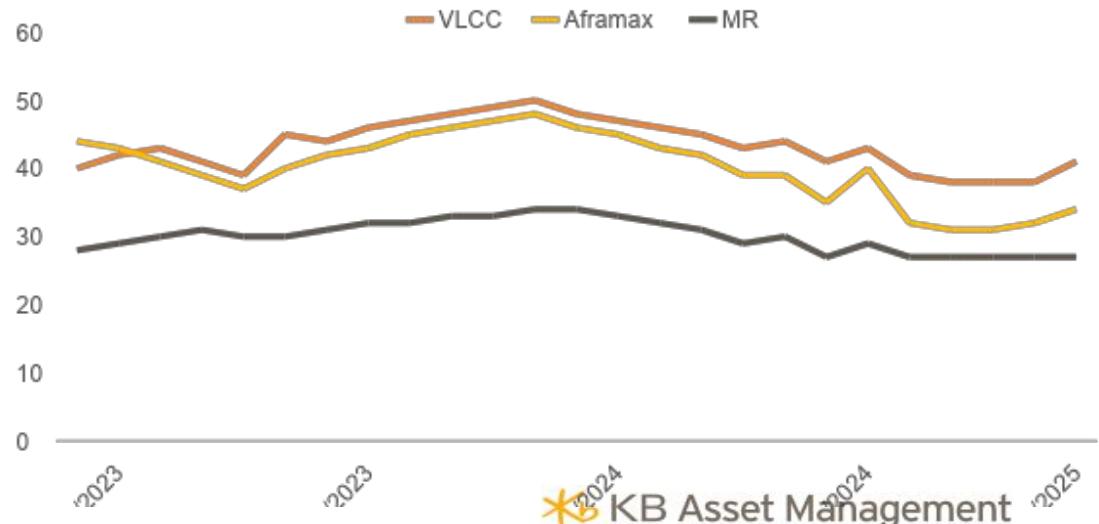
Crude and product fleet and trade growth are expected to be balanced

Trade Growth & Fleet Growth of Crude & Product segment (% , '21-25F)



TC rate is recovering in early 2025, especially for VLCC and Aframax

Crude & Product tanker 1Y TC rate (USdk , '23-25)



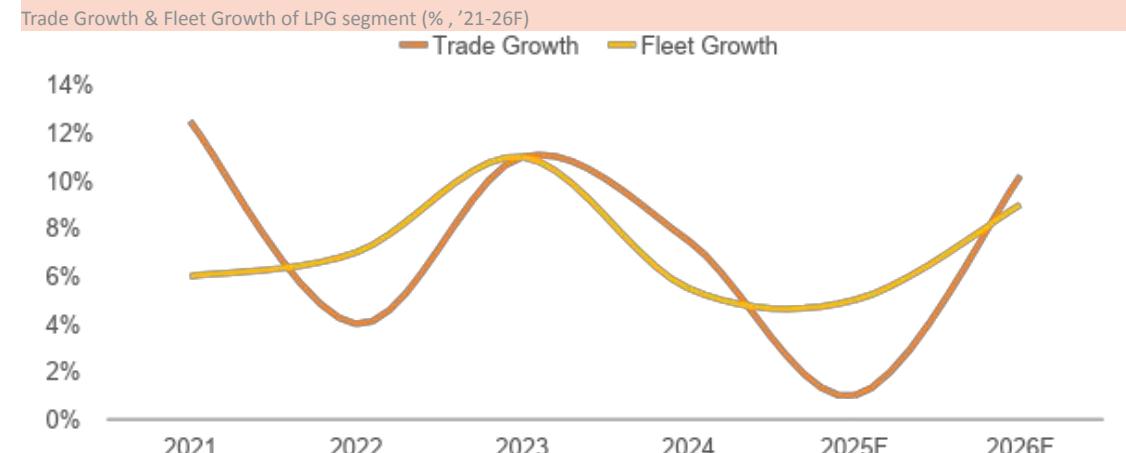
LPG segment Overview

PVT's LPG segment remains stable, with international upside likely returning in 2026 as global trade momentum picks up.

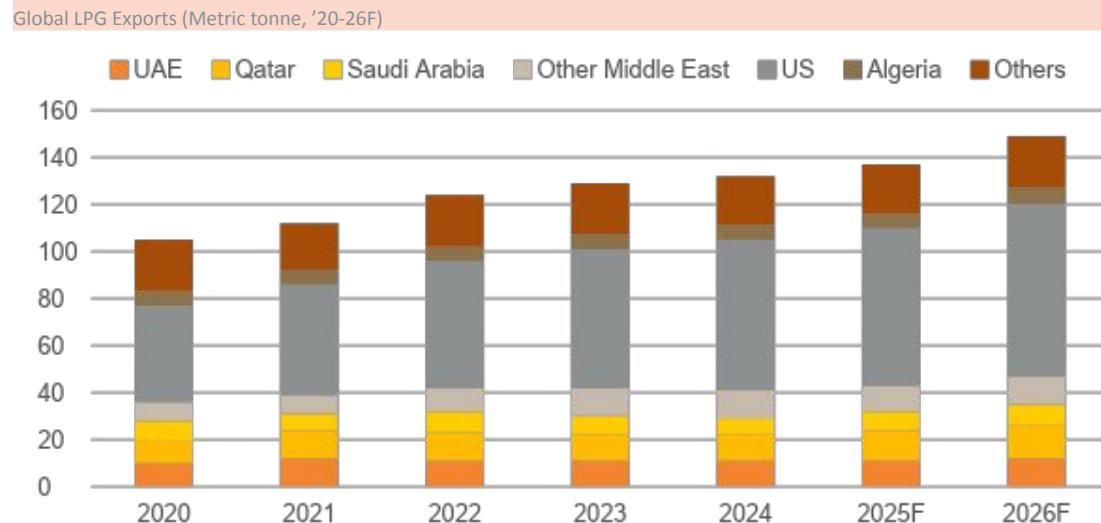
Key Highlights

- Domestically, PVTrans safely and efficiently transported the entire LPG volume for PVGas, BSR, and GPP Ca Mau in 2024, reaching **1.3 million tons** in 2024.
- Internationally, the company owns 2 VLGCs positioned to capitalize on **U.S. LPG export terminals** expected to come online by late 2025 (Enterprise's SPOT and Targa's Galena Park expansion).
- Global LPG trade volume is set to rebound as China slashes LPG import tariffs on U.S. from **125% to 10%**, with import demand rising from China (+6%) and India (+3%).

LPG trade slows sharply in 2025 but rebounds strongly in 2026



US share keeps rising, reinforcing its role as key LPG exporter



Source: Company Annual Report, PVT

The VLGC market has been volatile recently due to US-China trade war



Financial Projection

The future of SASCO is predicated on the growth rate of international passenger traffic

Key Assumptions (Base Case)

- **Crude Oil**
 - Domestic transportation volume will increase as expected BSR transportation volume up 18% YoY driven by Dung Quat refinery finished maintenance.
 - Charter rate for crude oil tanker remains relatively stable in 2H2025 as (1) geopolitical tensions resolved and (2) long term contract from PVN.
- **Product/Chemical**
 - Charter rate for chemical tanker remains high as fleet growth is still low while demand is high. However, charter rate for product tanker will be slightly decreased as fleet growth is expected to surpass demand growth in 2025-2026.
 - 5 new product tankers purchased in 2023-2024 will be fully running in 2025, adding more capacity in this segment.
- **Expected Growth between segments**
 - Revenue growth in 2025E is supported by

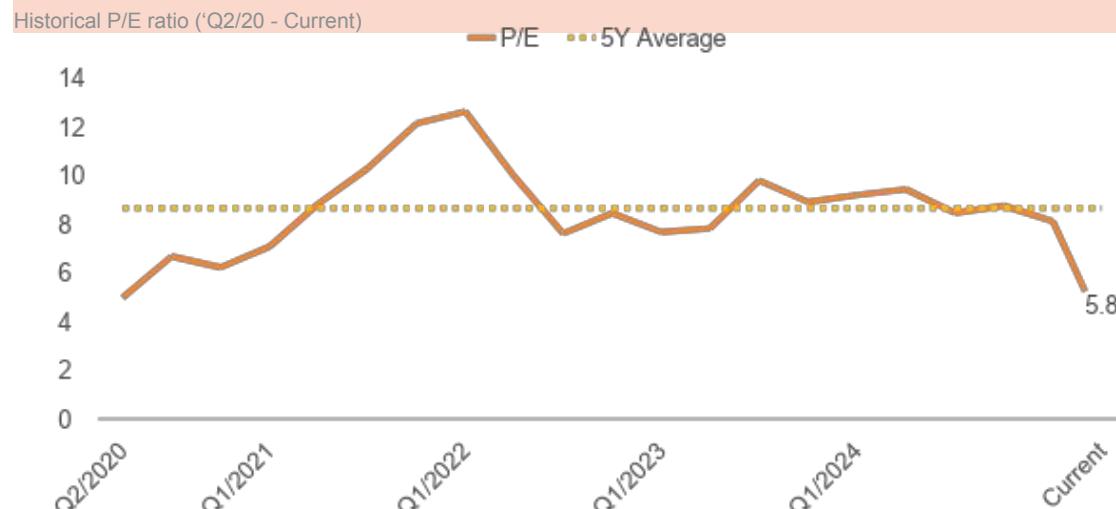
	Actual			Forecasted		
	2024A	2025F	2026F	2027F	2028F	2029F
Revenue	2,906	3,318	3,737	4,160	4,589	4,965
YoY Growth	12.6%	14.2%	12.6%	11.3%	10.3%	8.2%
COGS	1,187	1,327	1,607	1,706	1,881	1,986
Gross Profit	1,719	1,991	2,130	2,454	2,707	2,979
YoY Growth	23.1%	15.8%	7.0%	15.2%	10.3%	10.0%
Margin	59.2%	60.0%	57.0%	59.0%	59.0%	60.0%
SG&A	1,353	1,493	1,644	1,664	1,881	1,986
EBIT	366	498	486	790	826	993
YoY Growth	120.5%	36.1%	-2.4%	62.6%	4.6%	20.2%
Margin	12.6%	15.0%	13.0%	19.0%	18.0%	20.0%
NOPAT	283	380	370	608	637	768
YoY Growth	239.8%	34.3%	-2.6%	64.3%	4.8%	20.6%
Margin	9.7%	11.5%	9.9%	14.6%	13.9%	15.5%

Comparable Analysis

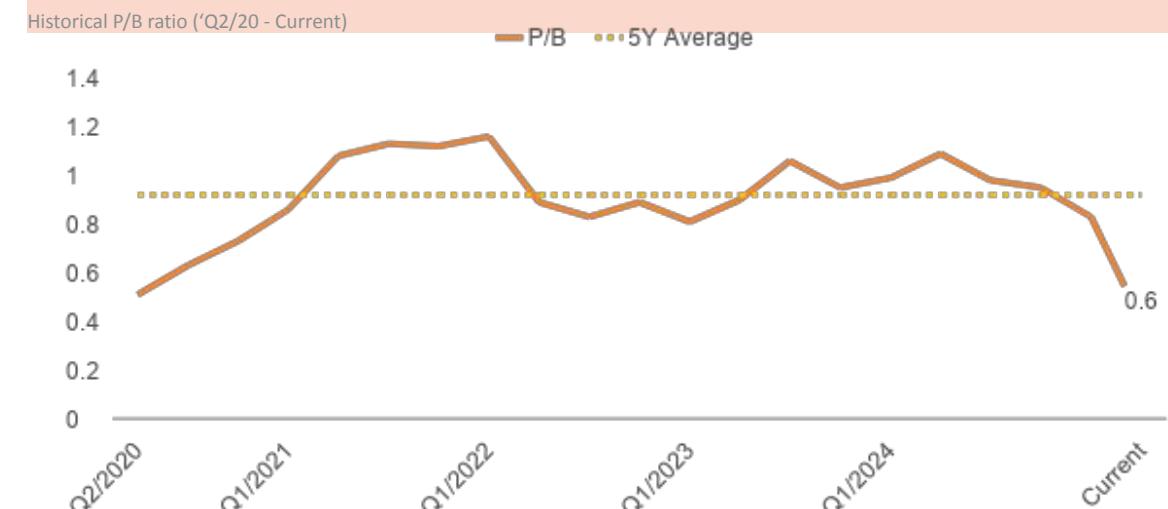
PVT trades below peers on both P/E and P/B despite comparable profitability, suggesting a potential valuation gap.

Company	Location	Market cap (mUSD)	P/E ttm	P/B ttm	ROE 2024	ROA 2024	EV/EBITDA 2024
Vận tải Xăng dầu VIPCO	VN	33.6	8.8x	0.7x	7.3%	6.6%	4.4x
Vận tải xăng dầu VITACO	VN	39.1	11.6x	0.9x	9.6%	6.8%	1.1x
Great Eastern Shipping	INDIA	1624.5	5.8x	1.0x	16.4%	15.5%	3.5x
Thoresen Thai Agencies	THAI	305.6	6.3x	0.2x	0.5%	0.3%	4.1x
KSS Line	KR	165.3	3.9x	0.7x	10.8%	3.0%	6.7x
PV Transportation	VN	342.9	5.8x	0.6x	15.1%	5.9%	3.3x
<i>Mean</i>		433.6	7.3x	0.7x	8.92%	6.4%	4.0x
<i>Median</i>		165.3	6.3x	0.7x	9.60%	6.6%	4.1x

PVT's 5-year average P/E is 8.7, higher than current P/E which is 5.8x



PVT's 5-year average P/B is 0.9, higher than current P/B which is 0.6x



Final Investment Decision

Stable domestic cash flow backed by PVN, with upside from expanding LPG and chemical tanker operations internationally

**Buying PVT with a buying price of 17,850
VND – indicating a 20%-30% IRR within
time horizon of 1-2 years**

Share Price	Downside	Base	Upside
FY2026 EPS	2,557	3,326	3,580
24-26 CAGR	1%	15.2%	19.5%
P/E multiple (median)	6.3x	7.3x	8.3x
Implied Share Price	16,109	24,278	29,711
(+) 2 years of dividend	600	600	600
Implied Value per Share	16,709	24,878	30,311
IRR	-3.30%	18.06%	30.31%

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