true friend KIS Viet Nam Securities Corporation

2H26 OIL & GAS OUTLOOK

UPSTREAM MAY TAKE THE SPOTLIGHT

NEUTRAL

2H26F Oil & Gas Outlook

Upstream may take the spotlight

Sector Rating

NEGATIVE — POSITIVE

2026F Outlook

Natural gas:

- 2H26F natural gas consumption to remain relatively flat +1.3% yoy:
  - Demand from Power to climb up by 2.4% yoy (see next slide for details), of which:
    - ✓ Domestic gas: we expect consumption to grow by 4.8% yoy, thanks to improved supply in Southeast region.
    - ✓ LNG: demand could went flat or slightly decline, as we expect NT3&4 to generate at under 65% Qc in the off-peak season.
  - Fertilizer & Industrial Demand: forecasted to remain stable.
- Domestic gas supply in Southeast region improved:
  - Inflexion point: in 4Q25, Southeast domestic gas capacity turned positive after over 3 years of double-digit declines.
  - We anticipate prolonged recovery trend in upstream supply to push consumption of domestic gas to positive rates and at the same time reduce the need for LNG.

Exploration & Production:

- Rising E&P demand potential fueled by PVN's growth KPIs, smoother legal process and higher oil level and rising upstream investment.
- Demand for drilling rigs remained high in Southeast Asia.

Petroleum distribution:

- Risks remained as refined products still carry war premium of 20-30%.
- State-owned distributors may gain more market share, but the same time gain more risk exposure.

Refinery:

- BSR profit margins to normalize in 2H26F as crack spreads normalize.

Recommendation

- We reinstate optimistic prospect E&P, but generally remained quite NEUTRAL for the rest of the sub-segments. Thus, we rate overall **NEUTRAL recommendation for Oil & Gas Sector**.
- Regarding to stock recommendation, we maintain **HOLD** recommendation for 6 stocks GAS, CNG, PVD, PVS, PLX and BSR.

Sector coverage list

Ticker	Recommendation	TP	Upside	3Q26F NPAT		4Q26F NPAT		2026F NPAT		ROE 2026F	PE Fw 26F	PB Fw 26F	Dividend yield
		VND/share	%	VND bn	yoy, %	VND bn	yoy, %	VND bn	yoy, %	%	x	x	%
GAS	**HOLD**	79,300	+3%	3,174	21	2,991	116	13,764	19	19.3	13.2	2.4	3.3
CNG	**HOLD**	25,800	+28%	20	(23)	20	345	80	16	9.9	11.9	1.2	4.7
PVS	**HOLD**	39,000	+3%	527	58	1,211	25	2,627	37	15.1	6.9	1.1	-
PVD	**HOLD**	18,200	-5%	577	108	647	71	1,939	85	11.3	7.4	1.0	-
PLX	**HOLD**	38,800	+8%	597	(15)	673	(2)	697	(77)	7.9	19.5	1.7	3.4
BSR	**HOLD**	20,100	-23%	1,680	86	2,532	(17)	23,825	3.6x	35.6	5.4	1.7	1.2

2H26 Oil & Gas – Upstream may take the spotlight

I. Industry analysis

1. Natural gas
2. E&P
3. Petroleum
4. Refinery

Total Natural gas & LNG demand: consumption may remain stable in 2H26F

Figure 1. Natural gas demand to grow 1.4% yoy

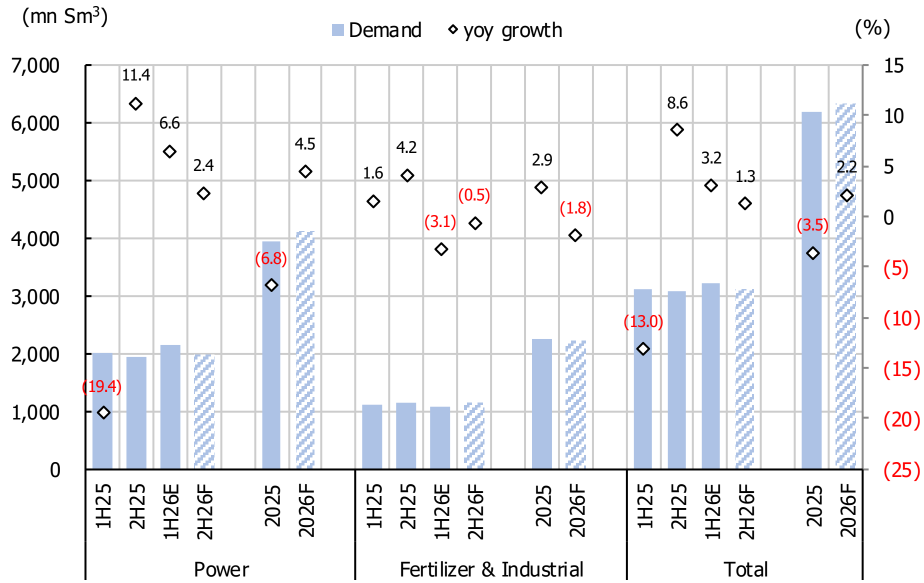


Figure 2. CF of gas-fired generation is forecasted to be stable at 31% in 2H26F

capacity factor	1H24	2H24	1H25	2H25	1H26	2H26F
Hydro	28%	62%	35%	54%	32%	51%
Coal	68%	50%	67%	59%	73%	63%
Gas	38%	31%	32%	29%	35%	31%
RE	19%	19%	20%	20%	21%	21%

2H26F natural gas consumption to remain relatively flat +1.3% yoy:

(1) Demand from Power to climb up by 2.4% yoy (see next slide for details), of which:

- **Domestic gas:** we expect consumption to grow by 4.8% yoy, thanks to improved supply in Southeast region.
- **LNG:** demand could went flat or slightly decline, as we expect NT3&4 to generate at under 65% Qc in the off-peak season.

(2) Fertilizer & Industrial Demand: forecasted to remain stable.

Source: GAS, EVN, KIS Research

Natural gas demand of Power: improved supply of domestic gas supply lead to weaker need for LNG

Figure 3. LNG consumption may flat or slightly drop as NT 3&4 generate at under Qc threshold (65%). Domestic gas consumption may rise 4.8% yoy on improved supply in Southeast region.

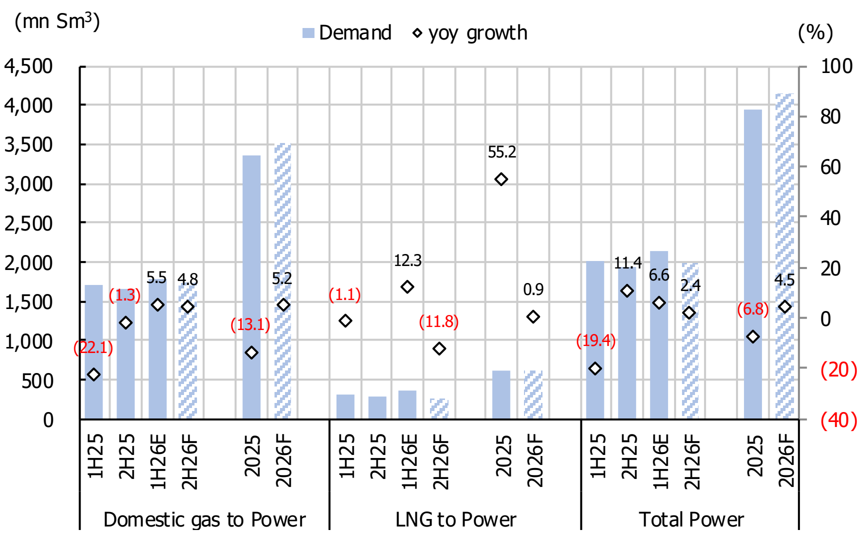


Figure 4. LNG price gap vs domestic gas may remain elevated in 2H26F

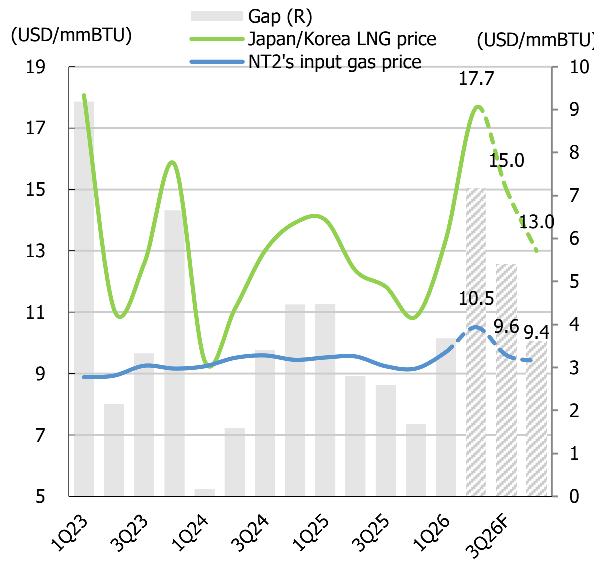
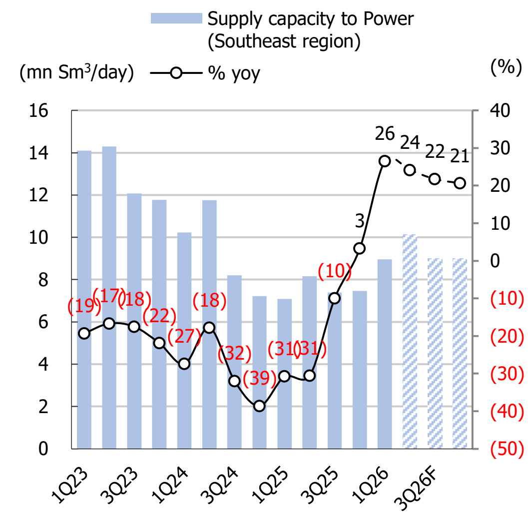


Figure 5. Declining Southeast domestic supply capacity turned positive



High LNG prices subdue EVN's mobilization from Nhon Trach 3&4 (NT3&4)

- **Offpeak performance (1Q26):** Actual generation consistently fell below the contracted volume (Qc) of 65%. EVN opted to pay capacity charges (take-or-pay) rather than mobilize generation due to high LNG costs.
- **Peak season recovery (2Q26):** During the dry season peak, utilization recovered to match the 65% Qc threshold.
- **2H26F LNG outlook:** we forecast a remained elevated price gap between LNG and domestic gas. As an off-peak period with sustained high LNG prices, we think NT3&4 will be mobilized below its Qc, leading to a flat-to-slight decline yoy in total LNG demand.

Southeast supply capacity turned to green are the first time in the last 3 years

- **Inflexion point:** in 4Q25, Southeast domestic gas capacity turned positive after over 3 years of double-digit declines. Policy shifts and aggressive upstream production targets have successfully boosted recovery rates, even at aged gas fields.
- We anticipate prolonged recovery trend in upstream supply, especially in Southeast region. This may push consumption of domestic to positive rates but at the same time reduce the need for LNG.

Source: NT2, GENCO3, Investing.com, KIS Research

Policy shifts: Upstream investment surged; production turned positive after a long-standing downtrend

Figure 6. Upstream CapEx (PVEP) may return to the historical 2015 level in 2026F

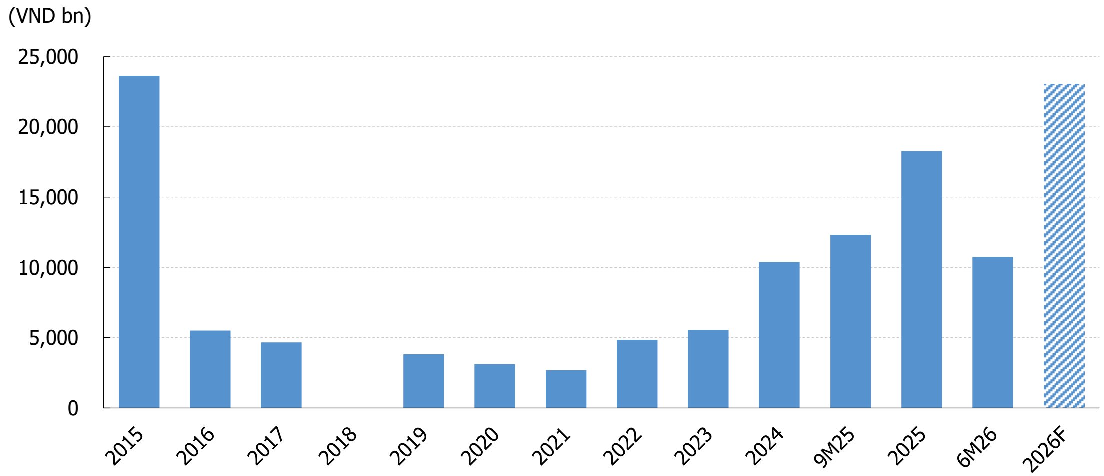
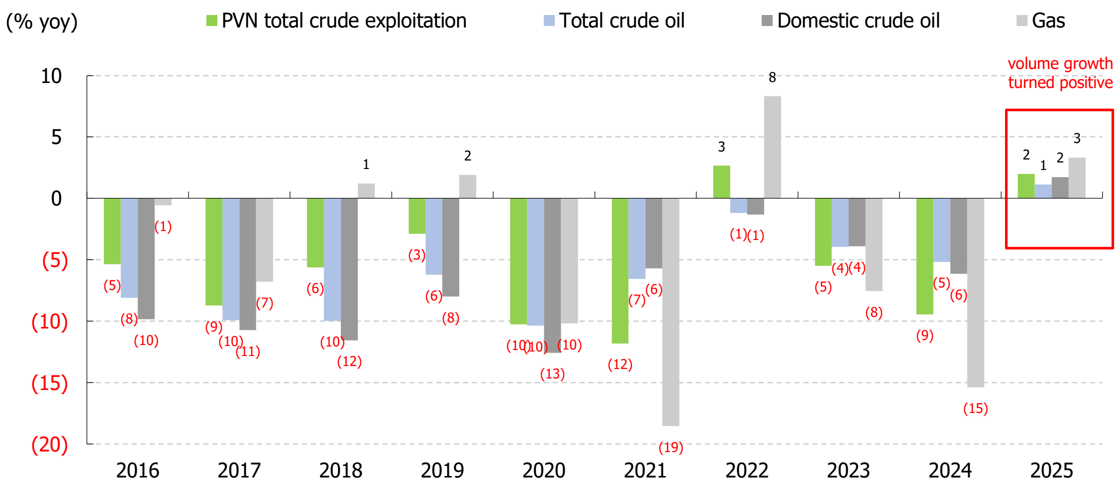


Figure 7. Production output KPI of PVN confirmed reversal in 2025



Source: PVEP, PVN, KIS Research

Upstream turnaround was confirmed, extended growth momentum expected in 2H26:

- **10% GDP growth in 2026 and double-digit throughout 2026-30F:** to align with state-mandated GDP growth KPIs, PVN, as a national cornerstone, is expected to aggressively scale upstream investments to ensure sustainable production growth for itself and subsidiaries.
- **Production reversal was confirmed:** almost all exploitation KPIs turned positive in 2025, against a long-standing decline trend. Of which, crude oil exploitation grew the first time **in 11 years**.
- **Upstream CapEx:** PVEP Upstream investment surged by 76% yoy in 2025 and 26% yoy in 6M26, we expect upstream CapEx to reach 2015 level in 2026.

Underway first oil/gas milestones in 2026-28 to mark the peak CapEx disbursement period

Figure 8. 2026–28F is expected to mark the peak period for upstream capex, driven by the first oil/gas milestones of several major projects currently under development. Among them, Block B – O Mon is the largest project, with first gas scheduled for 3Q27, followed by phased development before the field reaches stable production.

Project name	Type	Location	Pipeline system	First gas/oil plan	Reserves (mmBOE)	CapEx (USD mn)	2025	2026	2027	2028	after 2030
Ken Bau	Gas	Song Hong Basin	N/A	after 2030	1,248 - 1.560	N/A					
Ca Voi Xanh	Gas	Song Hong Basin	N/A	after 2030	936.0	4,600					
Block B	Gas	Malay Tho Chu Basin	Block B - O Mon	3Q27	667.7	6,600	Construction		3Q27	Phased development	
Bao Vang - Bao Den	Gas	Song Hong Basin	N/A	after 2030	361.2	1,321					
Lac Da Vang	Oil	Cuu Long Basin	Export	4Q26	100 - 113	693	Construction	4Q26			
Su Tu Trang (phase 2B)	Gas	Cuu Long Basin	Cuu Long	Jun-2028	99.8	1,300		partial	Construction	Jun 28	
Thien Nga - Hai Au	Gas	Nam Con Son Basin	Nam Con Son 1	late-2026	62.6	349		Construction 4Q26			
Nam Du - U Minh	Gas	Malay Tho Chu Basin	PM3-CCA - Ca Mau	late-2028	34.9	N/A		FDP approved (Mar 2026)		late-28	
Khanh My - Dam Doi	Gas	Malay Tho Chu Basin	PM3-CCA - Ca Mau	4Q27	25.1	N/A		Construction	4Q27		
Kinh Ngu Trang - Kinh Ngu Trang Nam	Oil	Cuu Long Basin	Cuu Long	2025	21.6	650					
Dai Hung Nam	Oil	Nam Con Son Basin	Export	3Q27	N/A	400		Construction	3Q27		
Kinh Ngu Vang	Oil	Cuu Long Basin	Export	3Q27	17.3	N/A		Under FEED (67.4%)	3Q27		

First gas/oil milestone

Construction phase

Source: PVEP, Media, KIS Research

Resolution 66.6: streamlines upstream investment, boosting backlog & production

Figure 9. Empowerments granted to PVN in Resolution No. 66.6/2025/NQ-CP are expected to smooth out upstream investments, creating upstream workloads and boost oil&gas recovery rates

No.	Empowerments	Details
1	**Approval of Outline Development Plans (ODPs)**	- **Approval of the ODPs for oil and gas fields**, excluding onshore development projects and projects featuring integrated chains of synchronized onshore and offshore facilities and equipment; - **Approval of ODP amendments** in cases of changes to the development scheme, with the exception of gas projects and projects involving revised land-use requirements for approved oil and gas discoveries.
2	**Approval for the amendments of Early Production Scheme (EPS)**	- **Amendments resulting in a reduction in CapEx**, irrespective of changes to specific work items or individual cost components; - **Amendments resulting in <10% increase in CapEx**, with the exception of cases involving the construction of additional platforms.
3	**Approval for the amendments of Field Development Plans (FDPs)**	- **Amendments resulting in a reduction in CapEx**, irrespective of changes to specific work items or individual cost components; - **Amendments resulting in <10% increase in CapEx**, with the exception of cases involving the construction of additional platforms.
4	**Approval for the amendments of Decommissioning Plans**	- **Adjustments result in a +/-20% in the cost estimate** compared to the most recently approved plan by the MOIT, irrespective of the nature of the changes.
5	**Approval of the initial Reserves and Resources Report (RRR)**	- Total Stock Tank Oil Initially In Place (STOIIP) **< 30mn m3**; - Total Gas Initially In Place (GIIP) of less than **<30 BCM**.

Source: Resolution No. 66.6/2025/NQ-CP, KIS Research

Drilling outlook: Rising active rig count in Southeast mirror robust demand amid higher oil prices

Figure 10. Worldwide No. of active offshore rigs (3M trailing average) seems to be in the trough region, with easing decline level

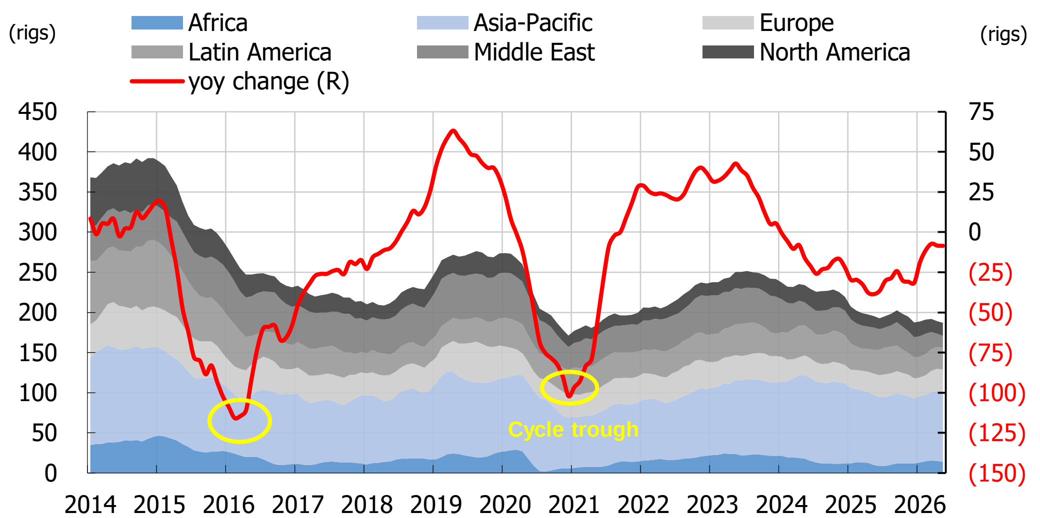
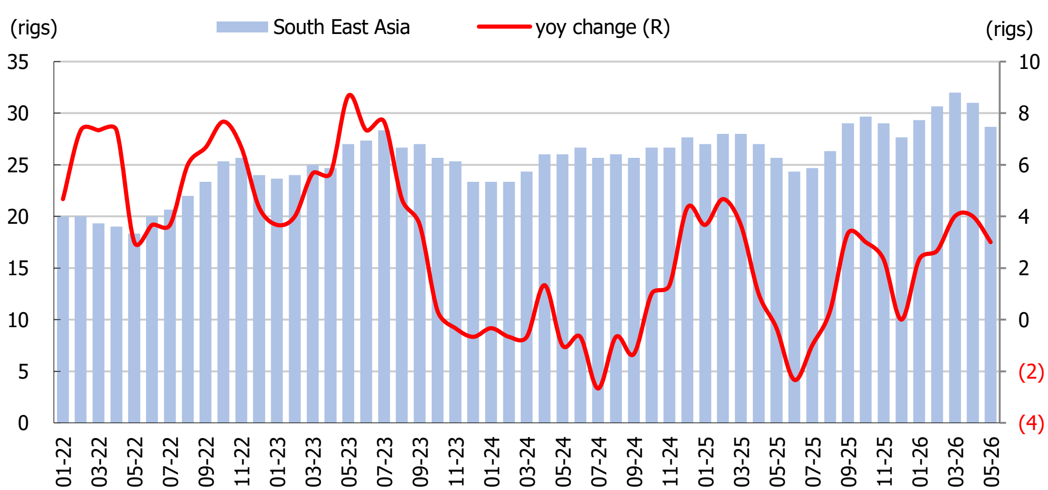


Figure 11. 3M trailing avg no. of active rigs in Southeast Asia is rising thanks to decent demand



Source: Baker Hughes, KIS Research

Bright 2H26F outlook for Drilling driven by demand:

- **Solid SEA E&P demand:** The active rig count has been trending upward, reflecting robust upstream drilling demand, which we believe is supported by:
  - Large-scale drilling campaigns in Indonesia and Malaysia.
  - Rising demand for enhanced recovery operations in Vietnam following recent policy changes and the government's GDP growth targets.
  - Strong demand from ongoing domestic projects, including Block B – O Mon, Su Tu Trang Phase 2B, Lac Da Vang, and others.
- **Price-driven catalysts:** We believe an oil price environment above USD70/bbl will continue to support global upstream investment activities. In our view, the global drilling market could enter a new upcycle if this price level is sustained.

Market trend: state-owned importers like PLX to gain share, but also cary higher inventory risks

Figure 12. PLX domestic volume grew double digits after war outbreak to assure national energy securities, which also raised its exposure to inventory risks …

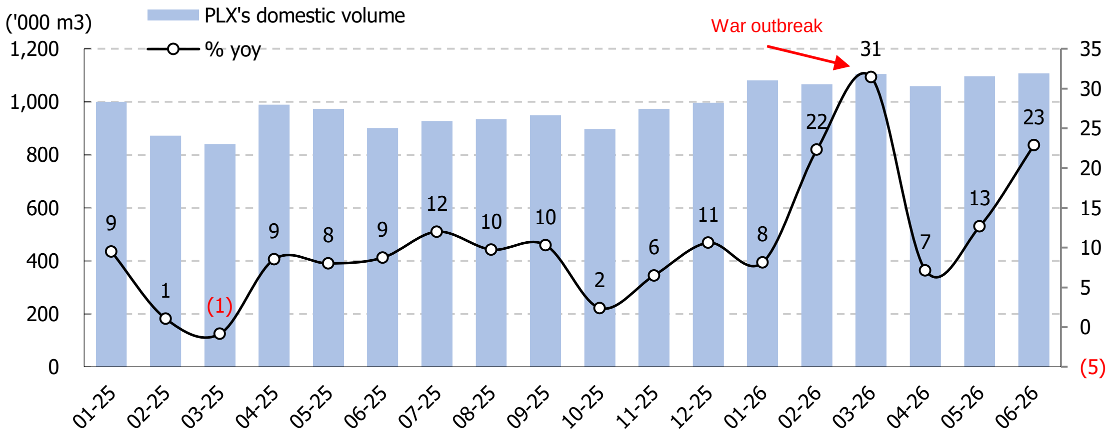
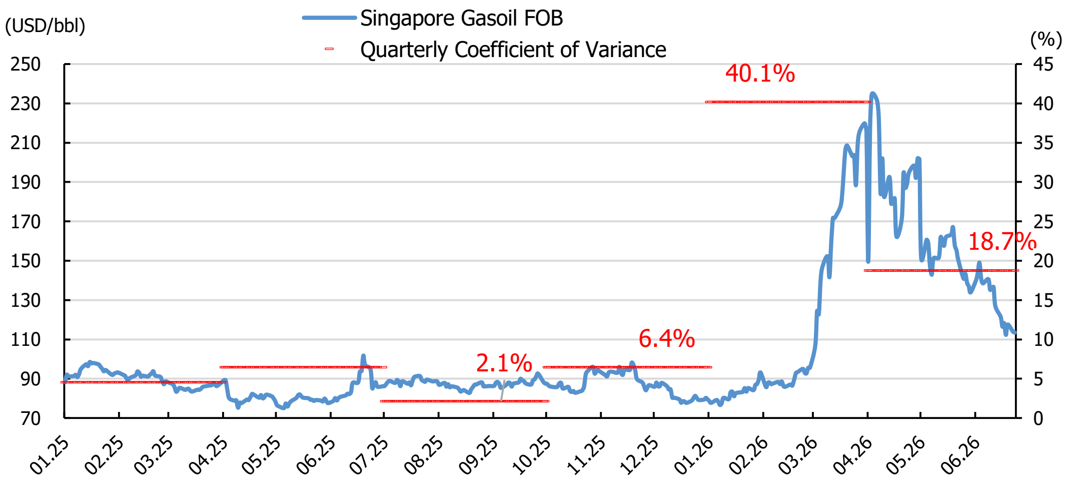


Figure 13. Singapore Diesel price witnessed extreme volatility levels, with Coefficient of Variance at 40% and 19% in 1Q-2Q26. Price by end-1H26 is still 20-30% higher than pre-war level, implying remarkable downside risks.



Source: Bloomberg, PLX, KIS Research
*Note: PLX's domestic volume CAGR 2019-25: 2.6%

Worse market conditions in 1H26:

- Asian petroleum supply was immediately squeezed after war outbreak led to surging and highly volatile petroleum price → worsened business conditions
- Private petroleum importers tend to avoid raising their inventory due to *(1)* high inventory risks and *(2)* squeezed distribution margins.

State-owned distributors gained shares but also took more risks:

- PLX's domestic volume rose by a high 31% yoy* in March and upped 18% yoy throughout March-June period, against rising inventory risks to assure national energy security.
- In 1Q26, PLX booked VND6.2tn in inventory provision against sudden drops of Diesel price.

Risk remained in 2H26F:

- State-owned distributors like PLX may continue to gain shares, with 10-15% growth rate in domestic volume.
- Remained high inventory risk outlook as Singapore gasoline and diesel as of end-1H26 still carry war premiums of 20-30% vs the pre-war price level.

New Petroleum Decree: expecting official release by 1H27F as national security is prioritized

	Decree 80/2023 (current)	10th draft (Jan 2026)
Pricing formula	**Government-set price:** Price of imported/domestic petroleum = Global petroleum price + Cost of importing petroleum to Vietnam/transporting petroleum from domestic refineries to ports +/- Premium + Standard business cost + Price stabilization fund provisions + Tax (Import tax, Special consumption tax, Environmental tax, VAT and others) Price = weighted average (by volume) of imported and domestic petroleum prices	**Semi-market price:** Price = Input petroleum price + Source creation cost + Standard business cost + Profit + Tax (Import tax, Special consumption tax, Environmental tax, VAT and others)
Pricing for remote areas	Government-set price	Maximum 2% premium for logistic cost to remote areas
Who calculate the prices	The MOIT calculates selling price based on average principal of all trading days between 2 announcement periods	The government will calculate Standard business cost (inflation-adjusted, review every 3 years) Distributors determine and self-declare other components and selling prices
Premium	Ministry of Finance reviews every 3 months based on weighted average principal	Not mentioned
Standard transportation cost	Ministry of Finance reviews every 3 months based on weighted average principal	Not mentioned
Standard business cost	Ministry of Finance reviews annually	The government set a standard business cost, adjust for inflation annually and review every 3 years
Standard profit per litter (VND)	300	Not mentioned
Adjustment cycle	7 days	7 days
Reserve requirement	20 days of inventory	20 days of inventory
Maximum No. of wholesalers per retailer	3	1

Refinery margins may normalize in 2H26F as premiums are phased out

Figure 14. Singapore Diesel - Brent crack spread

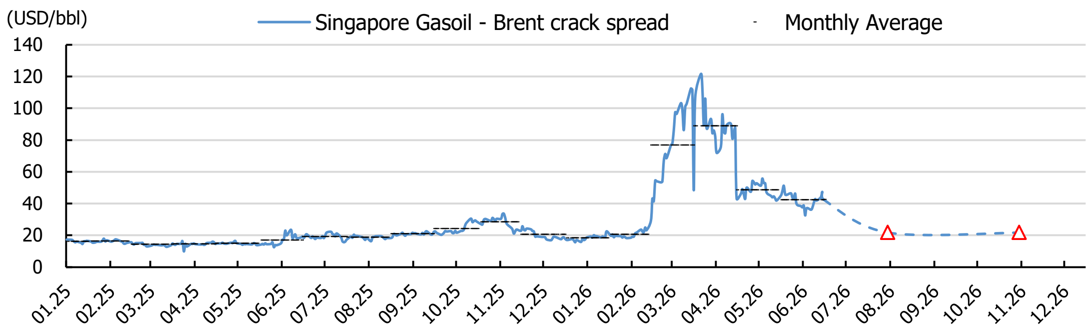


Figure 15. Singapore Gasoline - Brent crack spread

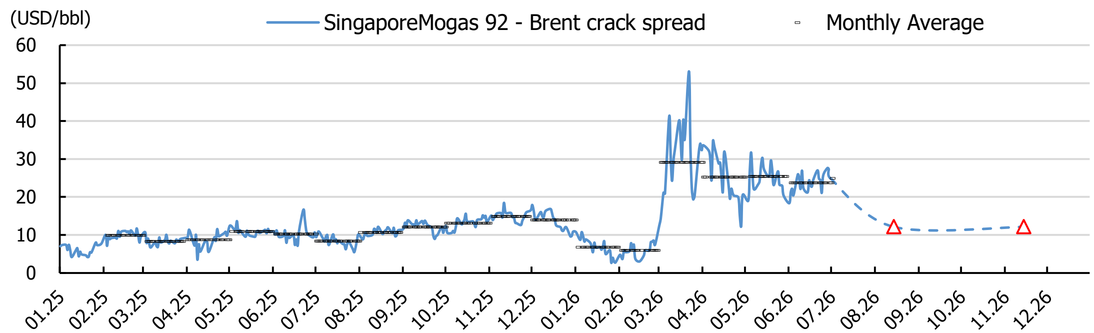
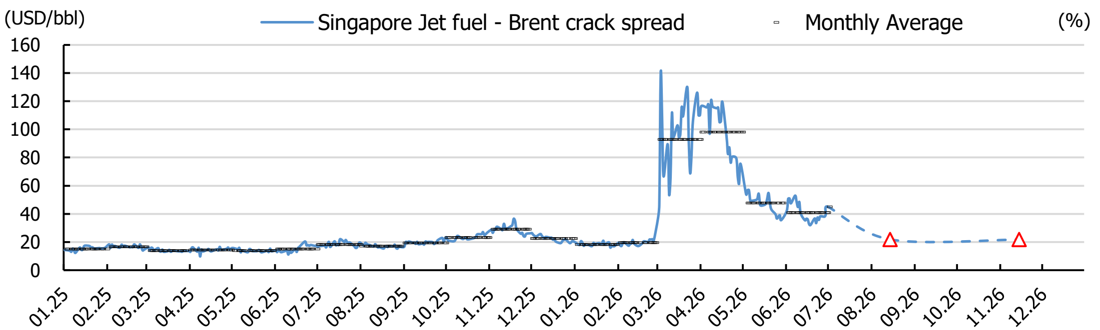


Figure 16. Singapore Jet fuel - Brent crack spread



Source: Bloomberg, KIS Research

2H26F crack spreads to remain above pre-war level:

- By end-1H26, Singapore refined products continue to trade at a premium to pre-war levels, although the war premium embedded in Brent prices appears to have been largely eliminated.
- Given the Gulf region's critical role in global petroleum product supply, we believe the war premium in refined products may only be fully removed once traffic through the Strait of Hormuz is completely restored.
- We anticipate 2H26 crack spreads to drop significantly from the exceptionally high levels seen in 2Q26, but to remain above pre-conflict levels.

2H26 Oil & Gas – Upstream may take the spotlight

II. Company Analysis

1. GAS
2. CNG
3. PVS
4. PVD
5. PLX
6. BSR

1. GAS – HOLD

Back on track

Investment Theme

2H26F:

- We forecast GAS to record revenue of VND52.7tn / VND61.0tn / VND113.8tn in 3Q26F / 4Q26F / 2H26F, representing 48% / 40% / 43% yoy growth, respectively.
- Revenue growth is expected to be driven primarily by *(1)* GAS taking over the PM3-CAA gas trading business from PVN, and *(2)* higher selling prices for LNG and LPG products.
- We forecast core NPAT (excluding the impact of bad debt provisions) at VND3,174bn / VND2,991bn / VND6,164bn in 3Q26F / 4Q26F / 2H26F, representing 21% / 16% / 19% yoy growth, respectively.

Risks to be considered

- GAS could thicken provision for doubleful debts at power plants, pressuring reported NPAT.
- Oil price declines in cases of rising peace prospects could cause negative sentiment.

Figure 17: KIS forecast on GAS, 2025-2027F

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Net Revenue	**38,020**	**41,984**	**52,752**	**61,032**	**135,129**	**193,788**	**178,190**
Natural gas	20,950	32,577	25,334	23,571	52,070	102,983	71,351
LPG	15,489	7,723	25,467	32,790	76,912	82,613	95,993
Gas transportation	574	637	584	643	2,389	2,471	2,962
Others	1,006	1,047	1,367	4,028	3,758	7,309	7,885
Growth	**48.1**	**39.6**	**47.8**	**39.7**	**30**	**43**	**(8)**
Natural gas	90.1	144.9	104.3	53.6	29	98	(31)
LPG	16.2	(49.5)	18.3	22.4	40	7	16
Gas transportation	2.1	10.5	4.0	(6.7)	3	3	20
Others	31.4	13.3	13.3	367.5	(36)	94	8
Gross Profit	**4,508**	**6,500**	**4,969**	**4,788**	**17,051**	**20,765**	**19,559**
% yoy	10.2	31.2	21.1	22.6	(3)	22	(6)
% gross margin	11.9	15.5	9.4	7.8	12.6	10.7	11.0
Operating Profit	**3,488**	**5,498**	**3,701**	**3,464**	**13,125**	**16,150**	**15,180**
% yoy	9.9	(3.0)	28.2	147.6	9	23	(6)
% OP margin	9.2	13.1	7.0	5.7	9.7	8.3	8.5
Net Profit	**2,994**	**4,606**	**3,174**	**2,991**	**11,572**	**13,764**	**12,935**
% yoy	8.4	(4.2)	21.5	115.6	9	19	(6)
% net margin	7.9	11.0	6.0	4.9	8.6	7.1	7.3
% ROE					18.0	19.3	16.2
Net Profit exclude provisions	**2,994**	**4,606**	**3,174**	**2,991**	**11,135**	**13,764**	**12,469**
% yoy	8.1	45.1	21.1	16.4	(11)	24	(9)
Multiple ratio							
PE					15.1	13.2	14.0
PB					2.6	2.5	2.3
DY					**2.9**	**3.3**	**2.7**

Figure 18. 2H26F revenue is forecasted 76% yoy, mainly thanks to higher LNG/LPG prices

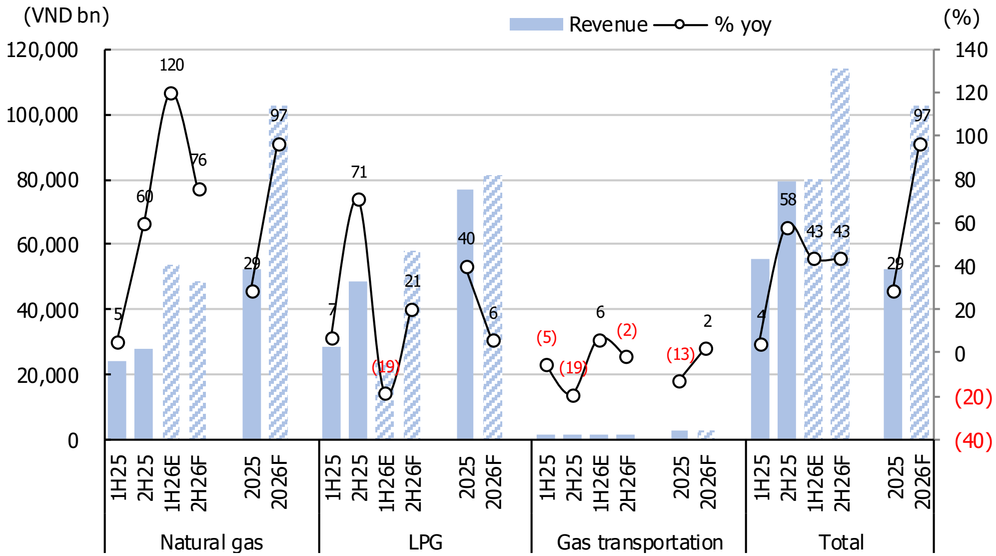


Figure 19. We forecast 2H26F GP to grow by 22% yoy

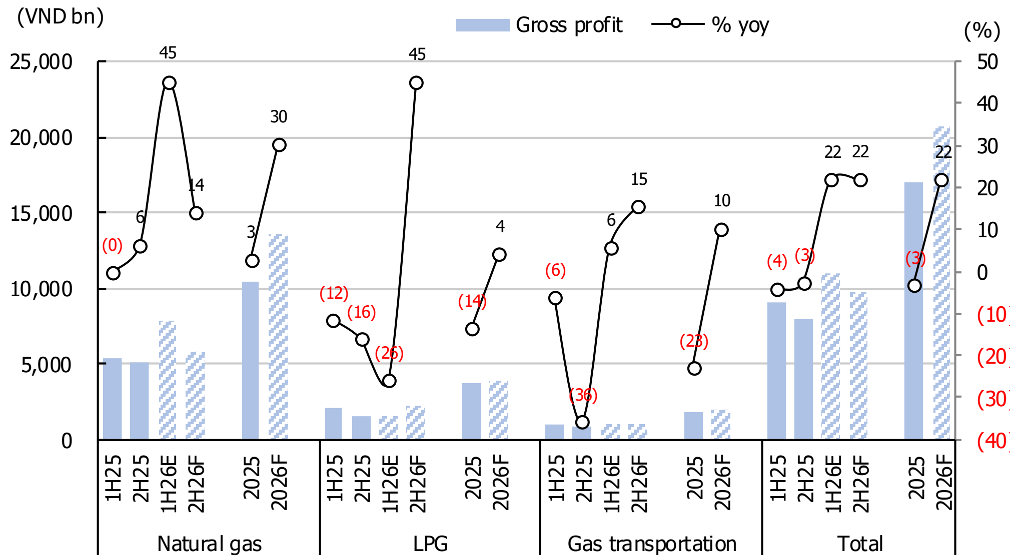
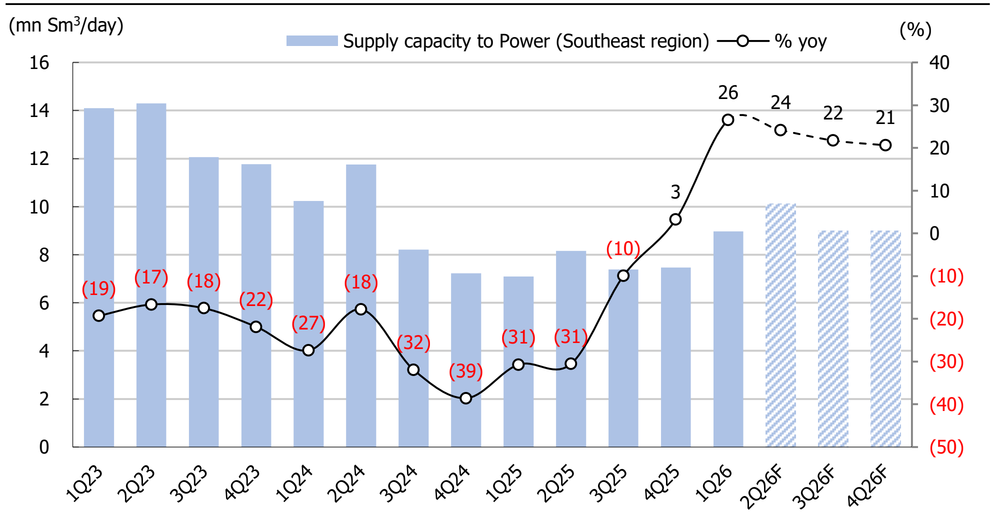


Figure 20. Domestic natural gas supply (Southeast region) turned positive



Source: GAS, KIS Research

2H26F prospect:

GAS is strongly influenced by the growth KPIs, imposed by PVN and government policy direction. Thus, GAS is motivated to boost thin-margin global trading activities (both LNG and LPG) to secure top-line growth, regardless diluted profit margins:

- **Natural gas:** we expect Revenue and GP growth of 76% yoy and 14% yoy. Robust top-line growth mainly sourced from *(1)* inclusion of PM3-CCA gas revenue (previously GAS only record transportation tariff revenue), *(2)* higher contribution of high-value imported LNG and global LNG trading. Moderate GP growth mainly thanks to expanded margins in domestic gas thanks to higher oil prices and added value from global trading.
- **LPG:** we expect Revenue and GP growth of 20% yoy and 45% yoy. Top-line growth mainly reflect higher LPG prices while higher yoy GP growth rate mainly sourced from the abnormally low base last year.

Figure 21. Reported NPAT is forecasted to grow 54% yoy in 2H26F, in case of no further provision

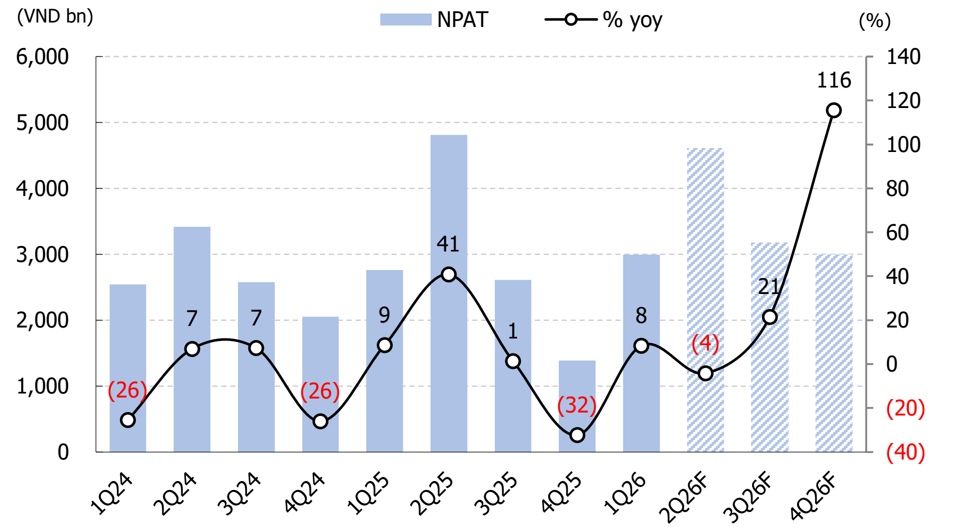


Figure 22. Core NPAT (adjusted to provision) to grow by 19% yoy

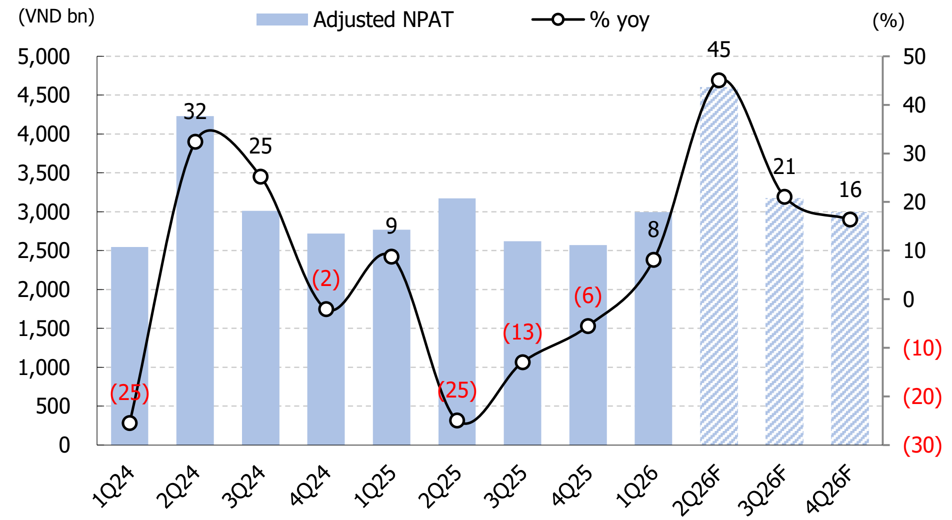
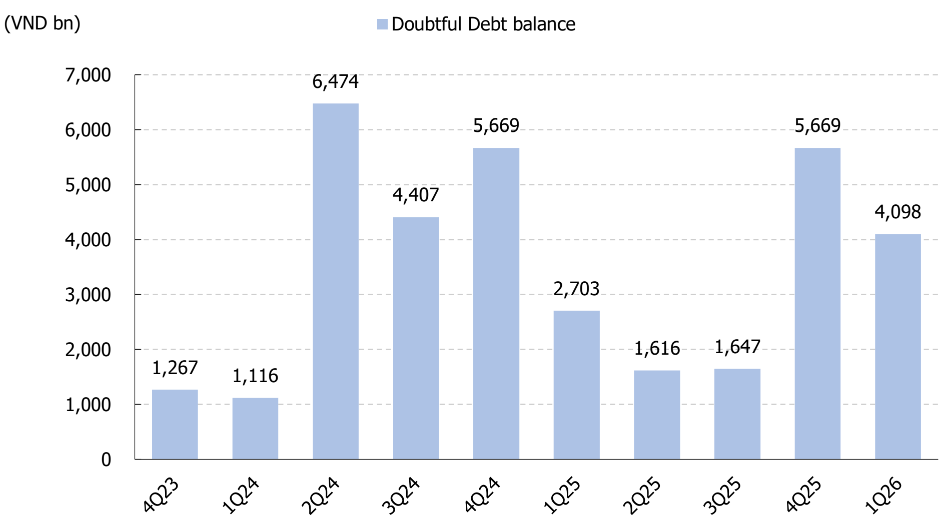


Figure 23. Bad debts balance remained at 4.1tn by end-1Q26



Source: GAS, KIS Research

Core NPAT to grow by 19% in 2H26F:

- Excluding the impact of bad deb provision, we forecast core NPAT to grow by respective 21%/16%/19% yoy in 3Q/4Q/2H26F.

Bad debt provision concerns:

- As of 3Q25, out of more than VND1.6tn of bad debt receivables, VND944bn was attributable to POW, which we believe has recovery potential given EVN's improving financial position.
- According to management, the outstanding bad debt balance from power plants does not reflect deteriorating payment capacity but is primarily attributable to accounting and technical factors.

2. CNG – HOLD

Still under pressure of high selling expenses

Investment Theme

- We forecast 2H26F sales volume and revenue to grow 30% yoy and 57% yoy, respectively.
- We expect 2H26F NPAT to remain modest at VND40bn (+31% yoy), as higher selling expenses continue to weigh on earnings despite robust revenue growth.

Risks to be considered

- Absence of NPAT growth for a long period could cause negative sentiment.
- Oil price declines in cases of rising peace prospects could cause negative sentiment.

Figure 24: KIS forecast on CNG, 2024-2027F

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Net Revenue	**1,192**	**2,179**	**1,830**	**2,468**	**4,681**	**7,669**	**7,809**
CNG	826	1,325	1,074	1,007	3,454	4,233	3,890
LNG/LPG	364	852	754	1,459	1,220	3,431	3,911
Others	1	2	2	2	7	6	8
Growth	**40.2**	**99.0**	**57.0**	**57.2**	**33**	**64**	**2**
CNG	9.0	41.7	15.5	21.4	10	23	(8)
LNG/LPG	305.2	438.8	222.4	97.7	233	181	14
Others	(50.1)	(12.2)	1.1	(9.3)	(9)	(18)	32
Gross Profit	**93**	**141**	**111**	**140**	**362**	**485**	**491**
% yoy	82.1	29.9	9.2	39.2	27	34	1
% gross margin	7.8	6.5	6.1	5.7	7.7	6.3	6.3
Operating Profit	**6**	**45**	**26**	**27**	**87**	**104**	**98**
% yoy	152.1	(0.4)	(18.0)	263.9	(23)	20	(6)
% OP margin	0.5	2.1	1.4	1.1	1.9	1.4	1.3
Net Profit	**4**	**35**	**20**	**20**	**69**	**80**	**69**
% yoy	226.7	(5.2)	(23.1)	344.7	(24)	16	(13)
% net margin	0.4	1.6	1.1	0.8	1.5	1.0	0.9
% ROE					10.9	9.9	11.0
Multiple ratio							
PE					12.0	12.4	11.9
PB					1.7	1.3	1.2
DY					**3.9**	**4.9**	**4.7**

2. CNG – HOLD

Still under pressure of high selling expenses

Figure 25. Volume may grow at +30% yoy…

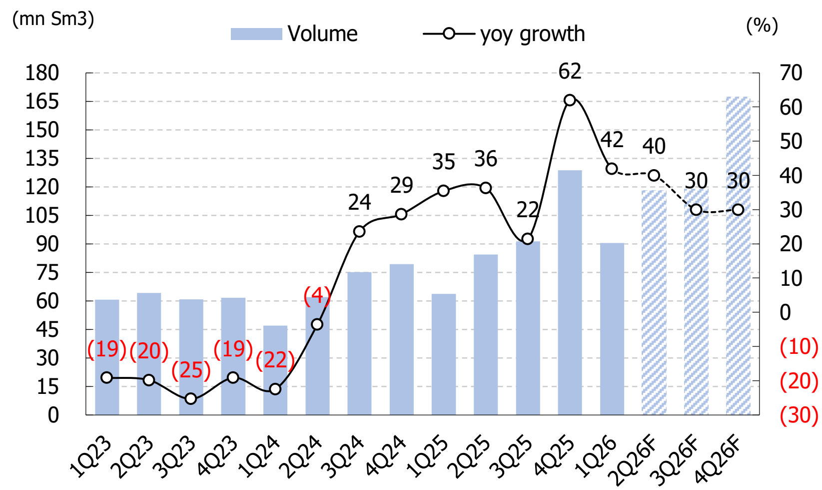


Figure 26. … but selling expenses may continue to squeeze operating margin

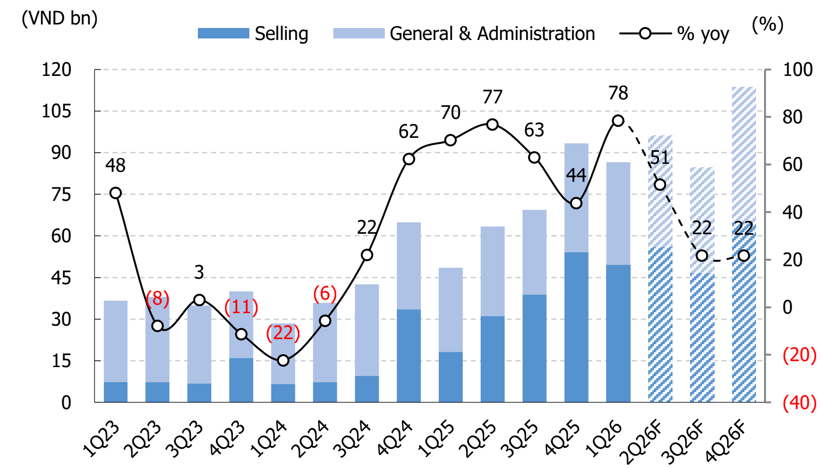
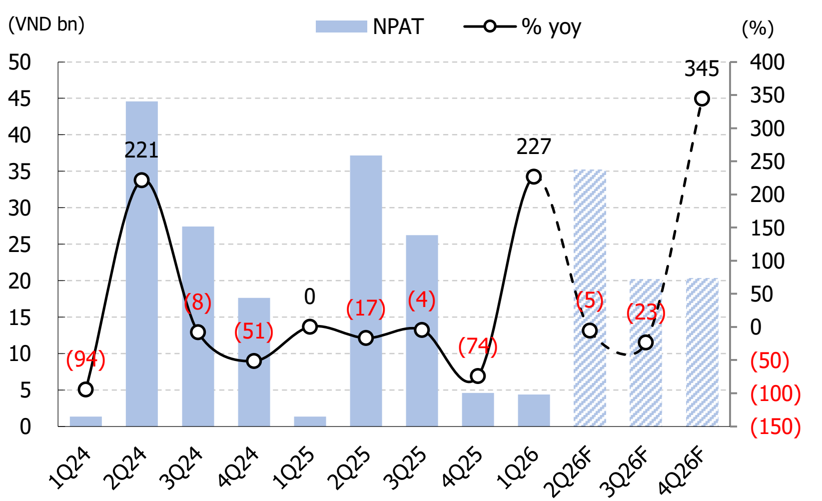


Figure 27. 2H26F NPAT is forecasted at VND40bn



2H26F prospect:

- 2H26 volume growth is expected at 30% yoy, supported by *(1)* higher gas demand as economic outlook remained optimistic and *(2)* robust trading volume (LPG, LNG) growth allowed by CNG's proactively install LNG facilities at customer sites.
- **High selling expenses:** CNG is currently pursuing an aggressive market expansion strategy to stay ahead of the curve. As a result, we expect rising selling expenses, which could be a short-term pressure for CNG.

Source: CNG, KIS Research

3. PVS – HOLD

Higher profit thanks to recording higher M&C margin and one-off income

Investment Theme

- We forecast PVS 2H26F revenue to grow 24% yoy, mainly driven by M&C segment (+30% yoy). Gross profit (old accounting method) is anticipated to grow 27% yoy when M&C GP surged (70% yoy) as we expect PVS to recognize more profit when Block B packages passed initial phases.
- NPAT is forecasted to grow by a strong 33% yoy.
- Support factor: PVS is expected to record one-off gains in upcoming quarters from warranty provision reversals related to the Sao Vang – Dai Nguyet package (remaining balance of ~VND684bn).

Risks to be considered

- Declining oil prices could cause negative sentiment on Oil & Gas stocks.
- Accidents and technical risks could cause damage to PVS's assets.

Figure 28: KIS forecast on PVS, 2025-2027F

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Net Revenue	**8,699**	**9,800**	**11,078**	**12,995**	**32,718**	**42,572**	**50,544**
% yoy	44.6	33.2	15.0	33.8	38	30	19
Gross Profit	**855**	**670**	**757**	**889**	**1,871**	**3,323**	**3,303**
% yoy	232.6	51.8	134.5	4.6	76	78	(1)
% gross margin	9.8	6.8	6.8	6.8	5.7	7.8	6.5
Operating Profit	**232**	**177**	**296**	**441**	**481**	**1,298**	**966**
% yoy	NA	706.3	NA	(28.9)	NA	169.7	(25.6)
% OP margin	2.7	1.8	2.7	3.4	1.5	3.0	1.9
Earning from affiliates	**157**	**160**	**160**	**160**	**826**	**637**	**862**
% yoy	(26.5)	(30.5)	(25.2)	(4.9)	(4.4)	(22.9)	35.4
Net Profit	**435**	**454**	**527**	**1,211**	**1,921**	**2,627**	**2,202**
% yoy	45.3	43.9	57.8	24.5	53	36.8	(20)
% net margin	5.0	4.6	4.8	9.3	5.9	6.2	4.4
% ROE					12.9	15.1	11.4
Multiple ratio							
PE					9.1	6.9	10.2
PB					1.2	1.1	1.0
DY					**0.0**	**0.0**	**0.0**

3. PVS – HOLD

Higher profit thanks to recording higher M&C margin and one-off income

Figure 29. PVS revenue is forecasted to grow 24% yoy in 2H26F, fueled mainly by M&C (+30% yoy)

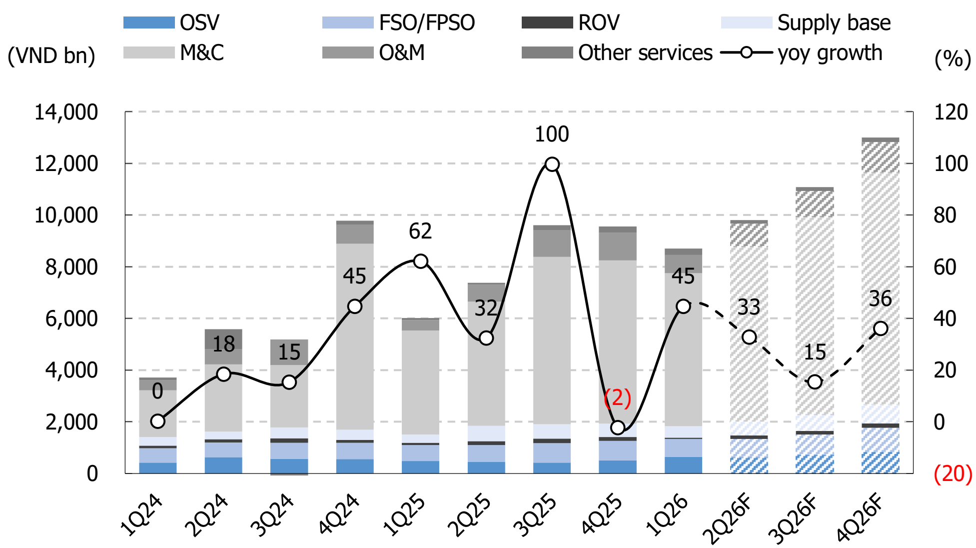


Figure 30. PVS's 2H26F GP (old accounting method) is expected to grow 27% yoy, mainly thanks to robust growth of M&C (+70% yoy)

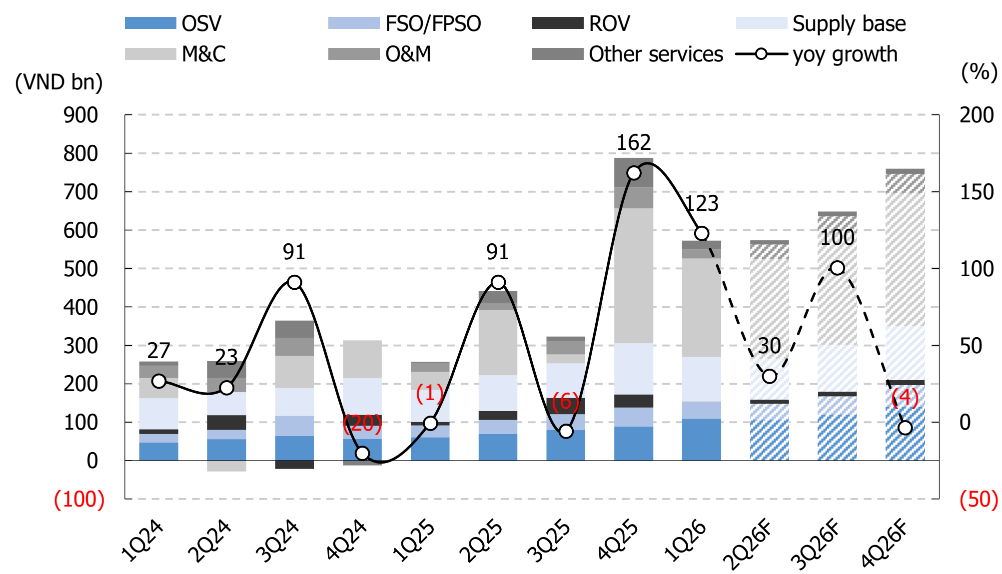
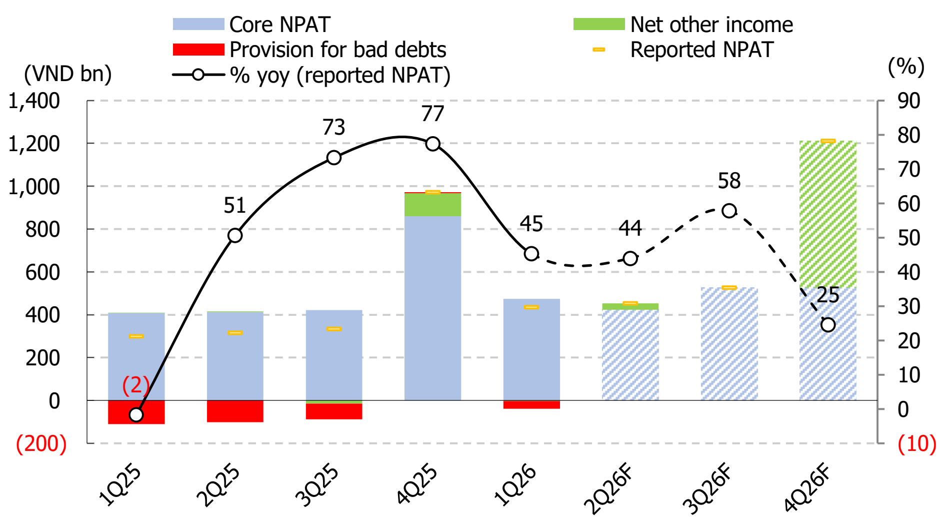


Figure 31. Major one-off income is expected in 2H26F, boosting NPAT



2H26F prospect:

- We forecast PVS 2H26F revenue to grow 24% yoy, mainly driven by M&C segment (+30% yoy). Gross profit (old accounting method) is anticipated to grow 27% yoy when M&C GP surged (70% yoy) as we expect PVS to recognize more profit when Block B packages passed initial phases.
- NPAT is forecasted to grow by a strong 33% yoy thanks to extended margins and one-off gain from warranty provision.

One-off support factor in 2H26F:

- PVS may record one-off gains in upcoming quarters from warranty provision reversals related to the Sao Vang – Dai Nguyet package (remaining balance of ~VND684bn).

Source: PVS, KIS Research

4. PVD – HOLD

Strongly benefited by robust E&P upturn

Investment Theme

- We forecast PVD's revenue at VND4,510bn / VND5,423bn / VND9,933bn respectively for 3Q / 4Q / 2H26F, corresponding to 75% / 25% / 44% yoy growth:
  - **Drilling segment:** We forecast 2H26F revenue and GP respectively at VND5,374bn (+42% yoy) and VND1,308bn (+67% yoy), mainly thanks to increased workload notably with contribution from a new owned rig PVD9 (see following slides for Drilling plan).
  - **Drill-related services segment:** We forecast 2H26F revenue and GP respectively at VND3,710bn (+39% yoy) and VND890bn (+85% yoy). We expect the domestic E&P upcycle (driven by recent policy shifts and higher growth targets for PVN) to create significantly higher workload, as well as improved margins for upstream technical services.
- NPAT is forecasted to reach respectively VND577bn / VND647bn / VND1,225bn, growing by 108% / 71% / 87% yoy

Risks to be considered

- Declining oil prices could cause negative sentiment on Oil & Gas stocks.
- Higher rig supply in Southeast Asia could pressure day rates.

Figure 32: KIS forecast on PVD, 2026-2028F

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Net Revenue	**3,401**	**4,149**	**4,510**	**5,423**	**10,921**	**17,483**	**17,777**
Drilling	2,162	2,290	2,651	2,723	6,052	9,825	9,210
Drill-related services	1,007	1,510	1,510	2,200	4,251	6,226	6,849
Trading	233	349	349	500	618	1,432	1,718
Growth	**126.3**	**70.7**	**75.4**	**25.1**	**17.6**	**60.1**	**1.7**
Drilling	146.6	69.2	77.2	19.5	7.4	62.3	(6.3)
Drill-related services	72.4	57.4	58.2	27.7	73.7	46.5	10.0
Trading	447.4	195.9	190.6	49.8	(48.8)	131.8	20.0
Gross Profit	**638**	**851**	**1,043**	**1,235**	**2,078**	**3,768**	**4,492**
% yoy	136.0	63.6	71.2	83.8	18	81	19
% gross margin	18.8	20.5	23.1	22.8	19.0	21.5	25.3
Operating Profit	**432**	**602**	**795**	**855**	**1,806**	**3,352**	**4,265**
% yoy	179.1	93.2	98.2	142.9	22.0	85.6	27.2
% OP margin	12.7	14.5	17.6	15.8	16.5	19.2	24.0
Net Profit	**300**	**414**	**577**	**647**	**1,049**	**1,939**	**2,478**
% yoy	109.9	65.5	108.4	71.0	50	85	28
% net margin	8.8	10.0	12.8	11.9	9.6	11.1	13.9
% ROE					6.4	11.8	13.8
Multiple ratio							
PE					19.1	9.3	7.4
PB					1.2	1.0	1.0
DY					**5.5**	**6.2**	**6.2**

4. PVD – HOLD

Strongly benefited by robust E&P upturn

Figure 33. PVD's drilling schedule 2026: higher utilization of owned rigs in 2H26F to boost profit from Drilling segment

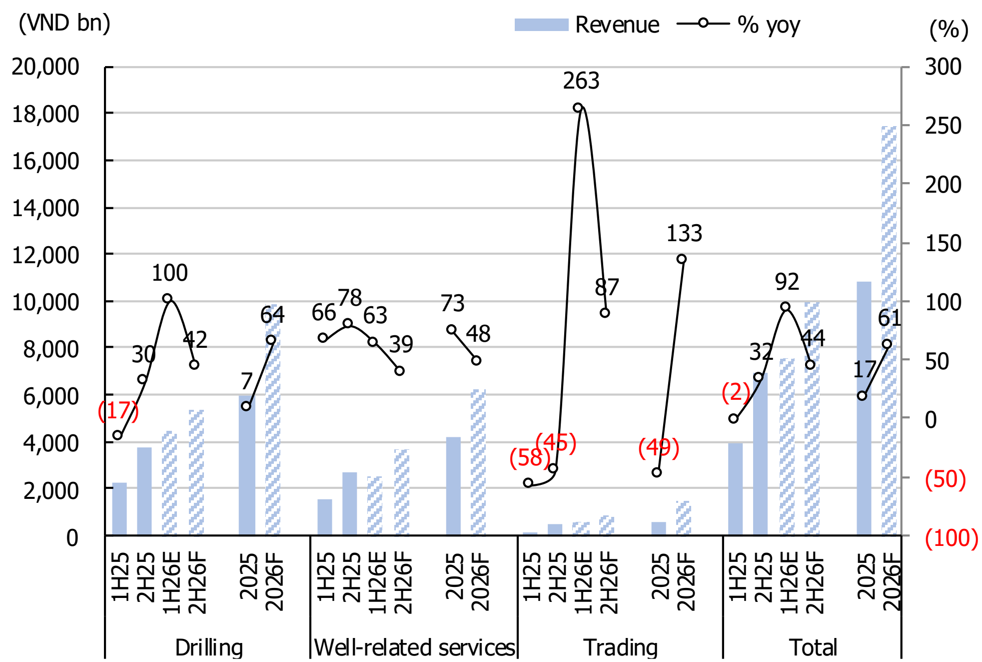
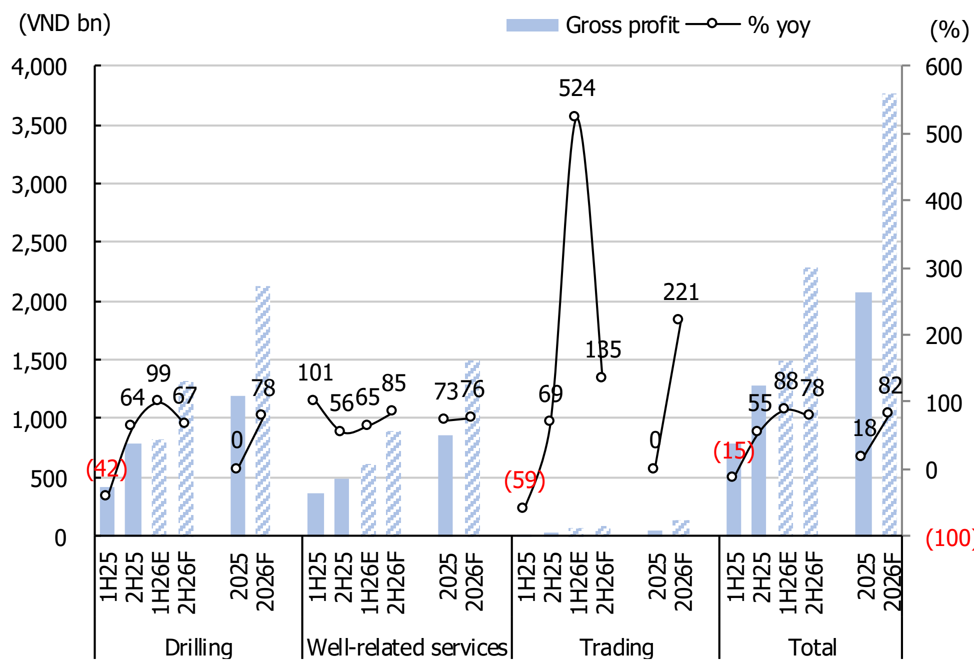


Figure 34. PVD's drilling schedule 2026: higher utilization of owned rigs in 2H26F to boost profit from Drilling segment



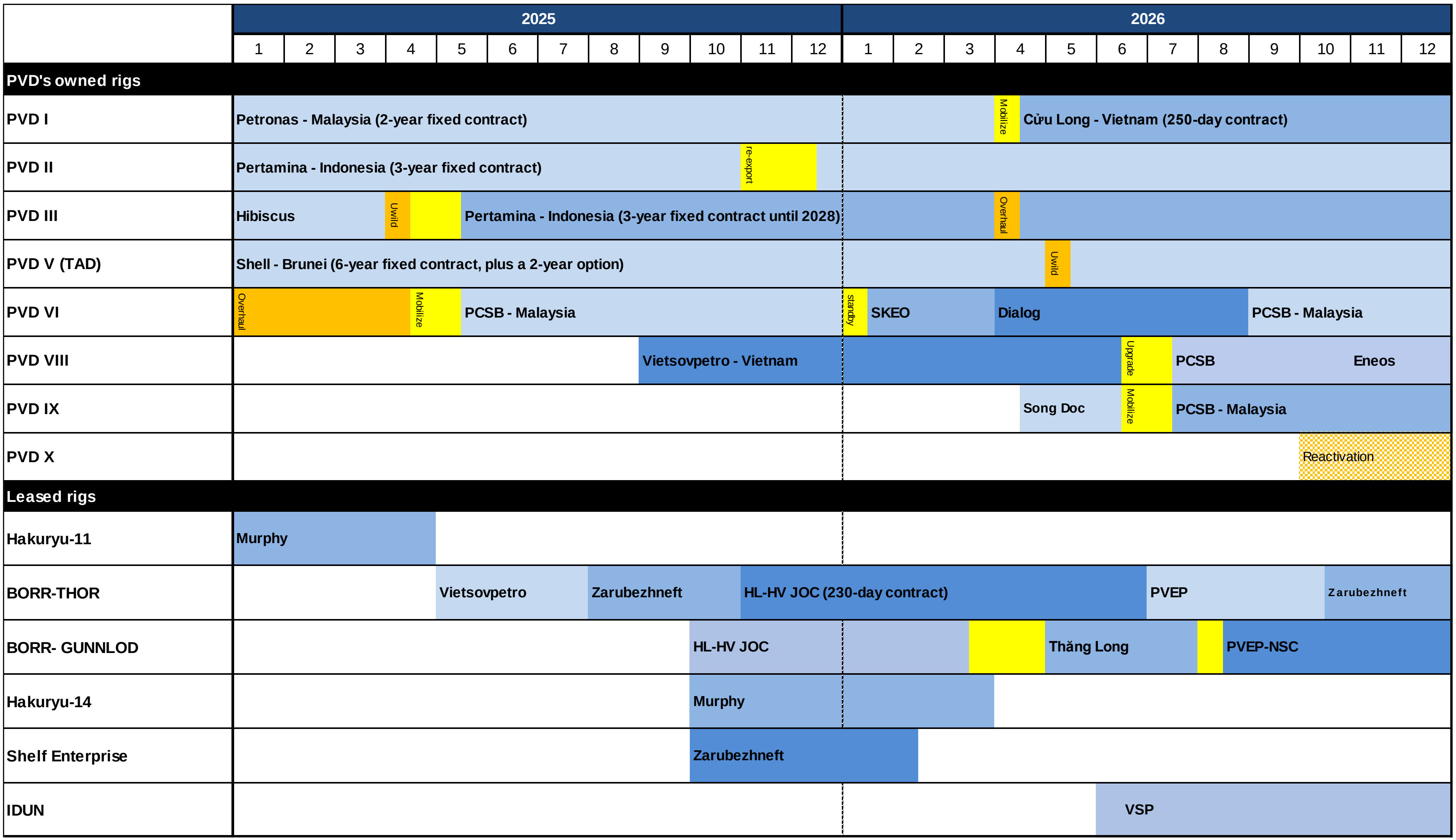
2H26F prospect:

- We forecast PVD's revenue at VND4,510bn/ VND5,423bn / VND9,933bn respectively for 3Q/ 4Q/ 2H26F, corresponding to 75%/ 25%/ 44% yoy growth. NPAT is forecasted to reach respectively VND577bn/ VND647bn/ VND1,225bn, growing by 108%/ 71%/ 87% yoy:
  - **Drilling segment:** We forecast 2H26F revenue and GP respectively at VND5,374bn (+42% yoy) and VND1,308bn (+67% yoy), mainly thanks to increased workload notably with new contribution from a new owned rig PVD9 (see next slide for Drilling plan).
  - **Drill-related services segment:** We forecast 2H26F revenue and GP respectively at VND3,710bn (+39% yoy) and VND890bn (+85% yoy). We expect the domestic E&P upcycle (driven by recent policy shifts and higher growth targets for PVN) to create significantly higher workload, as well as improved margins for upstream technical services.

Source: PVD, KIS Research

4. PVD – HOLD
Strongly benefited by robust E&P upturn

Figure 35. PVD's drilling schedule 2026: higher utilization of owned rigs in 2H26F to boost profit from Drilling segment



Source: PVD, KIS Research

5. PLX – HOLD

Business to be back on track but risks remain

Investment Theme

- We forecast 2H26F revenue and NPAT respectively at VND204tn (+23% yoy) and VND1.3tn (-9% yoy). Normalized profit reflect our expectation of less volatile oil prices in 2H26F.
- The approval of the new petroleum decree could take longer than previously expected as the government could be focusing more on transitioning to 100% E10 fuel in upcoming periods. We expect the decree to be applied in 2027F.

Risks to be considered

- Declining oil prices could cause negative sentiment on Oil & Gas stocks.
- Oil price swings could directly damage PLX's profit as it elevates inventory risks and price mismatch risks.

Figure 36: KIS forecast on PLX, 2025-2027F

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Net Revenue	**98,698**	**105,842**	**105,710**	**98,453**	**309,875**	**408,703**	**385,730**
% yoy	45.4	38.3	26.4	20.3	9	32	(6)
Gross Profit	**3,701**	**4,157**	**5,084**	**5,050**	**17,998**	**18,678**	**21,111**
% yoy	(0.3)	(19.3)	13.0	6.2	4	4	13
% gross margin	3.7	3.9	4.8	5.1	5.8	6.1	6.7
Operating Profit	**(621)**	**(157)**	**481**	**574**	**2,182**	**1,572**	**3,492**
% yoy	578	(55)	(38)	(95)	(21)	(28)	122
% OP margin	0.8	0.8	0.4	0.0	0.7	0.5	1.1
Net Profit	**(662)**	**90**	**597**	**673**	**3,027**	**697**	**4,180**
% yoy	(414.3)	(93.7)	(15.5)	(1.9)	(4)	(77)	499
% net margin	-0.7	0.1	0.6	0.7	1.0	0.2	1.1
% ROE					10.3	7.9	13.8
Multiple ratio							
PE					14.8	19.5	10.9
PB					1.7	1.7	1.6
DY					**3.4**	**3.4**	**2.8**

5. PLX – HOLD

Business to be back on track but risks remain

Figure 37. PLX's domestic volume to rise 13% yoy

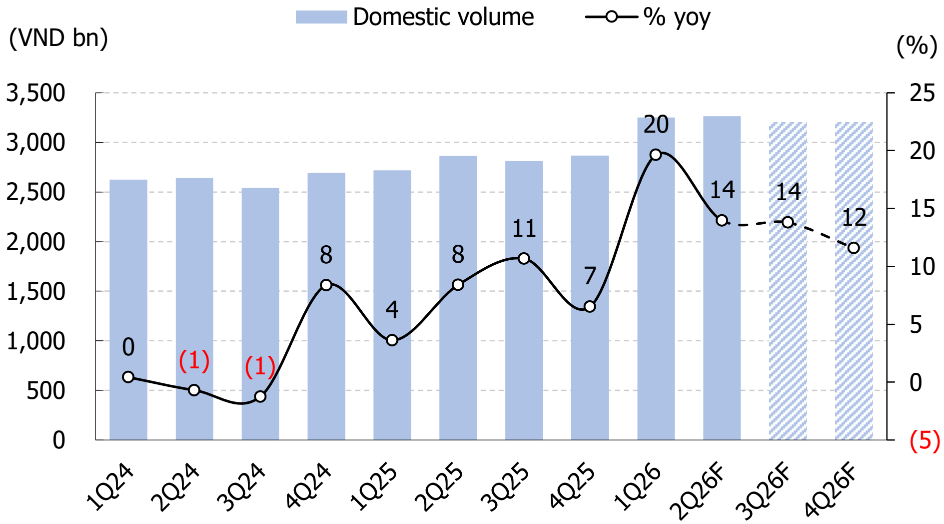


Figure 38. 2H26F OP may rebound to normal level

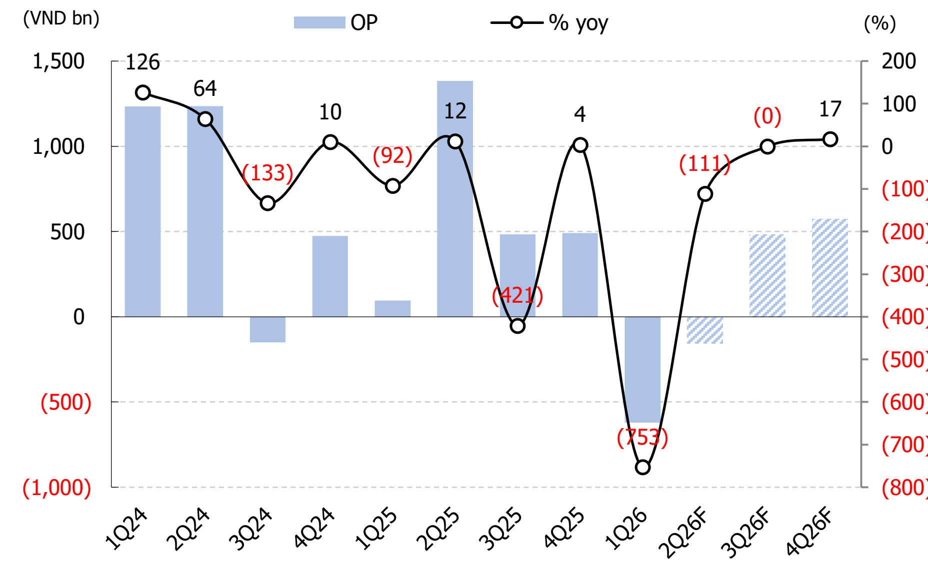
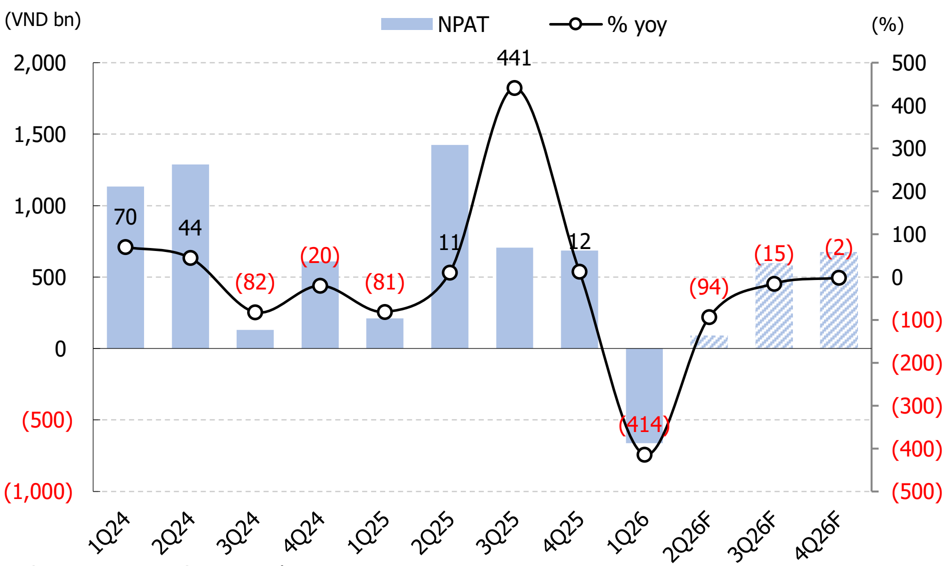


Figure 39. We do note expect robust NPAT growth in 2H26F (-8% yoy)



Source: PLX, KIS Research

Double-digit growth in domestic volume, OP rebound to normal level.

- As discussed in our industry section, we believe PLX's role in safeguarding Vietnam's energy security will become increasingly important going forward. This is reflected in our expectation of double-digit growth in domestic sales volume, allowing PLX to further expand its domestic market share.
- All in all, we forecast PLX OP to rebound to normal level, after a harsh 1H26 period.

War premium in refined products remained a downside risk

- We note that Singapore gasoline and diesel prices are still trading at a 20–30% premium to pre-conflict levels. We interpret this as implying a 20–30% downside risk for these commodities should prospects for the restoration of traffic through the Strait of Hormuz improve.
- In the short-term, higher domestic sales volume could implies greater exposure to inventory risk, which could pressure margins in cases of dropping gasoline and diesel prices.

6. BSR – HOLD

Normalized profit in 2H26

Investment Theme

- We forecast BSR 2H26F revenue and NPAT to respectively reach VND81.7tn (+12% yoy) and VND4.2tn (+6% yoy). Modest growth in profit reflect our expectation of normalized crack spreads compared to the peak in 1H26 due to war outbreak.
- Long-term catalyst: crude slate to be expanded which could lead to higher refinery margins after Dung Quat's upgrade (in 2028), meanwhile refinery capacity could expand 15-16%.

Risks to be considered

- Declining oil prices could cause negative sentiment on Oil & Gas stocks.

Figure 40: KIS forecast on GAS, 2025-2027F

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Net Revenue	**45,920**	**66,203**	**40,583**	**41,123**	**141,578**	**192,796**	**182,856**
Diesel	21,182	32,771	17,220	18,223	60,819	89,397	80,157
Gasoline	16,218	24,103	16,792	16,187	55,879	73,306	74,394
Jet A1	3,733	5,234	3,190	3,265	10,683	15,420	14,299
Others	4,787	4,094	3,381	3,447	14,198	14,673	14,006
Growth	**44.0**	**80.0**	**15.0**	**9.3**	**15**	**36**	**(5)**
Diesel	58.9	103.5	16.3	9.9	22	47	(10)
Gasoline	27.7	67.0	17.7	11.8	10	31	1
Jet A1	51.8	108.3	17.9	8.6	1	44	(7)
Others	40.4	9.9	(3.4)	(3.3)	20	3	(5)
Gross Profit	**9,507**	**15,636**	**2,034**	**3,264**	**6,049**	**27,702**	**10,485**
% yoy	2,386.5	1,438.4	101.7	(11.9)	1,132	358	(62)
% gross margin	20.7	23.6	5.0	7.9	4.3	14.4	5.7
Operating Profit	**8,957**	**15,096**	**1,676**	**2,662**	**4,484**	**25,906**	**8,599**
% yoy	8,899.7	2,268.4	151.0	(15.0)	(721)	478	(67)
% OP margin	19.5	22.8	4.1	6.5	3.2	13.4	4.7
Net Profit	**8,266**	**13,733**	**1,680**	**2,532**	**5,189**	**23,825**	**8,750**
% yoy	1,969.2	1,521.9	86.1	(17.3)	778	359	(63)
% net margin	18.0	20.7	4.1	6.2	3.7	12.4	4.8
% ROE					8.9	35.6	12.1
Multiple ratio							
PE					15.5	5.4	14.6
PB					1.3	1.6	1.4
DY					**1.9**	**1.2**	**1.2**

Normalized profit in 2H26

Figure 41. BSR 2H26F revenue to rise 12% on higher fuel price, while output volume is expected to flat yoy

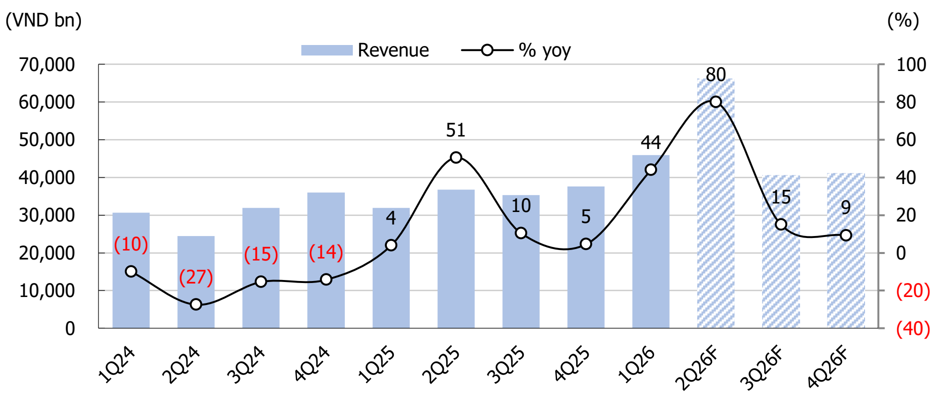


Figure 42. 2H26F NPAT may normalize to VND4.2tn (+6% yoy)

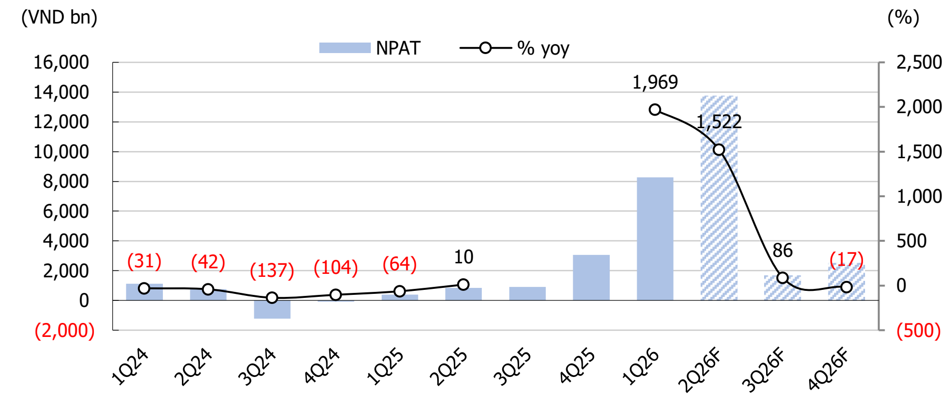


Figure 43. Singapore Diesel - Brent crack spread

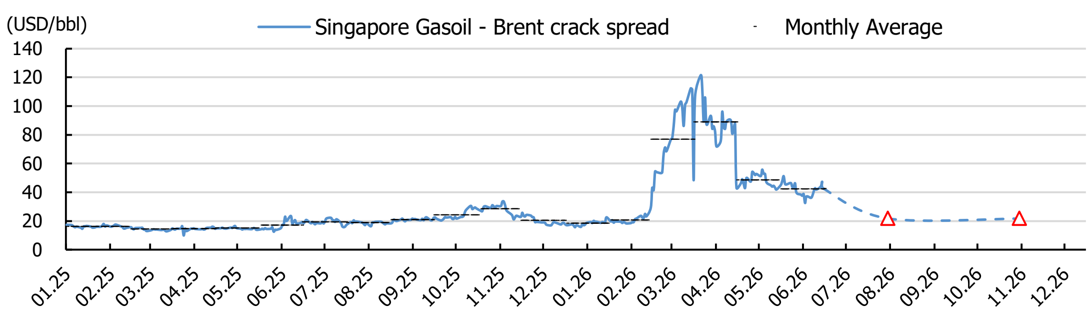
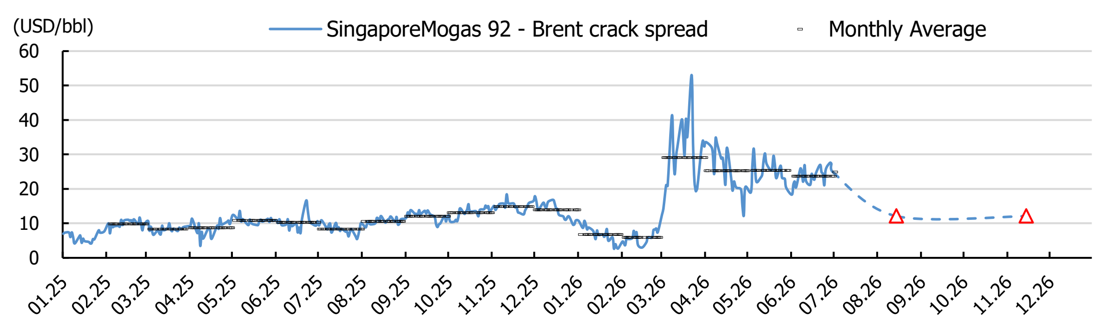


Figure 44. Singapore Gasoline - Brent crack spread



2H26F: BSR business to return to normal levels

- We anticipate 2H26 crack spreads to drop significantly from the exceptionally high levels seen in 2Q26, but still remain above pre-conflict levels.
- Following crack spreads expectation, we forecast that BSR 2H26F NPAT could grow by a slight 6% yoy, while Revenue could rise 12% yoy on higher fuel prices.

Source: BSR, Bloomberg, KIS Research