true friend KIS Viet Nam Securities Corporation

2H26F POWER OUTLOOK

POSITIONING FOR THE NEXT CYCLE

NEUTRAL

2H26F Power Outlook
Positioning for the next cycle

Sector Rating

Sector Overview

- **Electricity demand grew 10% yoy in 1H26 and is expected to remain robust in 2H26F.** We forecast the average FMP to increase by 40–50% yoy, supported by higher temperatures and a sharp rebound in the CAN price (up 2.8x yoy to 131VND/kWh). Against this backdrop, we expect gas-fired power producers to be the sector's bright spot in 2H26F, driven by higher production and improving margins.

2H26F Outlook

- **In 2H26F, Vietnam's total installed power capacity is expected to reach approximately 88GW, while newly added capacity is projected at only 703MW compared with 1H26**, reflecting the continued slow pace of capacity expansion. Overall, power capacity additions remain limited as many projects continue to face delays due to regulatory, policy, and legal bottlenecks, reducing the attractiveness of the sector to private investors.

- ***Hydropower:*** In 2H26F, we forecast hydropower production at 54.3bn kWh (-5% yoy), with the capacity factor (CF) declining to 51% (-3%p yoy). Based on historical data during the transition from neutral conditions to El Niño: (1) hydropower CF typically declines by approximately 3–4%p; (2) despite an additional 506MW of installed capacity, hydropower production is expected to decrease yoy due to less favorable hydrological conditions under El Niño; (3) while 2H25 benefited from neutral weather conditions and stronger reservoir inflows. Meanwhile, (4) the average FMP is forecast to increase by 40–50% yoy, supported by a sharp rebound in the CAN price (+2.8x yoy). Based on these assumptions, we expect the hydropower segment's GM to decline slightly in 2H26F.

- ***Coal-fired power:*** In 2H26F, we forecast coal-fired power production at 85.7bn kWh (+15% yoy), with CF increasing to 62.7% (+3.9%p yoy). Growth is expected to be driven by (1) resilient electricity demand under EVN's Scenario 5, and (2) an additional 2,603MW of capacity from the Vung Ang II BOT project and Quang Trach I. In addition, (3) coal prices are expected to remain elevated as TKV increases the use of blended coal. As a result, we estimate that the coal-fired power segment's GM will narrow slightly in 2H26F due to higher fuel costs.

- ***Gas-fired power:*** In 2H26F, we forecast gas-fired power production at 12.3bn kWh (+24% yoy), with CF improving to 31% (+2%p yoy). Growth is expected to be supported by (1) resilient electricity demand to achieve the 8.5% commercial electricity growth target in 2026, and (2) the commercial operation (COD) of Nhon Trach 3 and Nhon Trach 4 LNG power plants. Meanwhile, (3) we forecast gas prices to remain stable at around USD9.5/MMBtu (+3.4% yoy) in 2H26F. Based on these assumptions, we expect the gas-fired power segment's GM to improve in 2H26F, supported by higher production and relatively stable gas prices.

- ***Renewable energy:*** In 2H26F, we forecast renewable energy production at 19.4bn kWh (-8% yoy), with CF declining to 19% (-0.9%p yoy). Solar and wind power production are expected to reach 13.5bn kWh (+2% yoy) and 5.9bn kWh (-25% yoy), respectively.

Recommendation

- Based on our analysis, we rate **NEUTRAL recommendation for Power Sector**.

“POWER” COVERAGE LIST

Table 01. Power coverage list

Ticker	Rating	Target price	Upside	3Q26F NPAT		4Q26F NPAT		2026F NPAT		2026F ROE	Fw 26F PE	Fw 26F PB	DY
		VND/share	%	VND bn	yoy, %	VND bn	yoy, %	VND bn	yoy, %	%	x	x	%
NT2	HOLD	26,000	20	163	(23)	180	(68)	912	(20)	20.6	5.8	1.1	8.5
REE	HOLD	64,000	38	798	(3)	663	(14)	3,076	(2)	16.1	9.0	1.4	4.4
POW	HOLD	15,100	8	777	(18)	689	(1)	4,998	74	8.6	12.9	0.9	1.0
QTP	HOLD	14,100	24	120	249	54	(92)	629	(41)	12.5	6.8	0.8	10.5
GEG	HOLD	19,400	51	148	84	66	(32)	538	(43)	10.5	9.1	0.9	-
HDG	NON - RATED	28,500	51	239	(29)	326	(13)	718	(24)	10.2	10.6	1.0	1.7
PC1	NON - RATED	28,000	32	455	15	524	(21)	1,455	6.6	21.8	5.7	1.1	-

Source: Bloomberg, KIS estimated

2H26F Power – Positioning for the next cycle

I. Industry analysis

1. Hydropower groups
2. Coal-fired power groups
3. Gas-fired power groups
4. Renewable energy groups

2H26F – Power demand is expected to maintain steady growth

Figure 01. Production is expected to continue growing in 2H26F, in line with EVN's Scenario 5 growth target

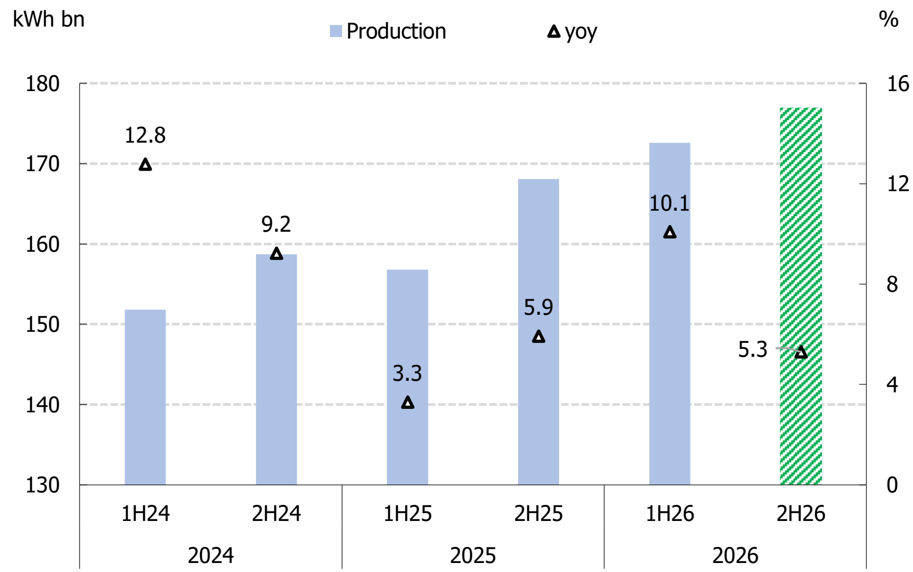
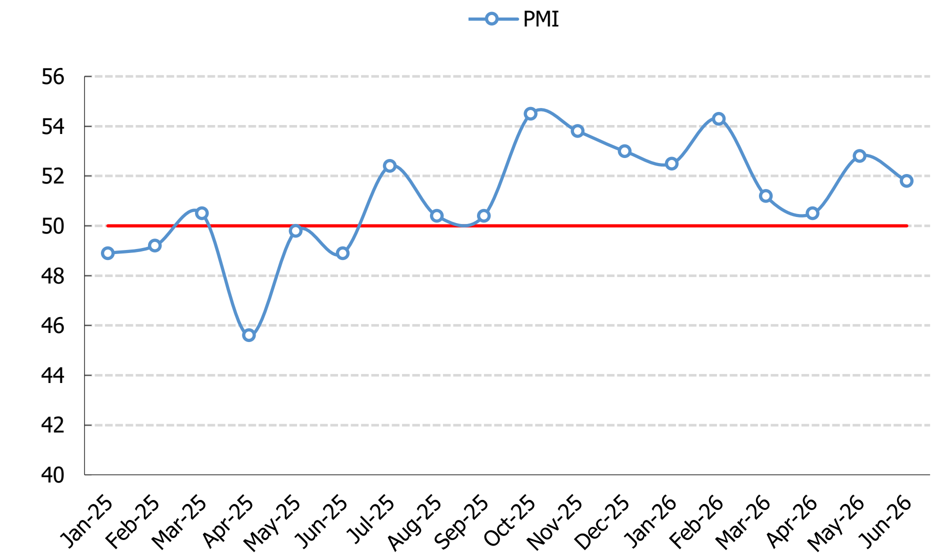


Figure 02. PMI has remained above the 50-point threshold since late 2025, indicating sustained expansion in manufacturing activity



We expect electricity demand to remain resilient in 2H26F

- Electricity production increased by 10.1% yoy in 1H26, **reflecting robust power demand.**
- This was supported by the Manufacturing PMI, which remained above the 50-point threshold throughout 2026 YTD.
- Accordingly, **we expect electricity demand to maintain stable growth in 2H26F.**

➔ Our forecast is also based on EVN's Scenario 5, **which assumes commercial electricity consumption growth of 8.5% yoy in 2026.**

➔ As a result, we estimate 2H26F electricity demand at 177bn kWh, **representing a 5.3% yoy increase.**

Source: Bloomberg, EVN, KIS Research

2H26 Power – Positioning for the next cycle

2H26F – Tight power supply, with power shortage risks persisting

Table 02. List the projects added to the system in 2026F

Sources	Location	(MW)	Investor	COD	2025A	1H26	2H26F	2026F
Hydropower					**23,776**	**24,256**	**24,282**	**24,282**
Capacity increase over 2025						**480**	**506**	**506**
1. Tra Khuc 1	Quang Ngai	36	Privated company	2Q25			36	36
2. Hoa Binh MR	Hoa Binh	480	EVN	14/11/2025	40	480	480	480
3. Thac Ba 2	Yen Bai	18.9	TBC, REE	03/04/2025	19	19	19	19
Coal – fired					**29,021**	**29,421**	**31,224**	**31,224**
Capacity increase over 2025						**400**	**2,603**	**2,603**
1. BOT Vung Ang II	Ha Tinh	1,200	BOT	18/04/2026		400	800	1200
2. Quang Trach I	Quang Trach	1,403	EVN	2026			1,403	1,403
Gas – fired					**7,382**	**8,982**	**8,982**	**8,982**
Capacity increase over 2025						**1,600**		
1. Nhon Trach 3	Dong Nai	800	POW	01/08/2025		800		
2. Nhon Trach 4	Dong Nai	800	POW	01/11/2025		800		
Renewable energy					**24,039**	**24,039**	**24,139**	**24,139**
Capacity increase over 2025							**100**	**1,331**
+ Biomass		557						
+ Wind power		6,961					100	1,331
+ Solar power		16,721						
Total additional capacity over 2025						**2,000**	**2,703**	**3,934**
Total capacity					**84,218**	**86,698**	**88,627**	**88,627**

Total installed capacity reached 88GW, with only 703MW of new capacity added in 2H26F

- Hydropower: 506MW of new capacity added since the beginning of 2026, mainly from the Hoa Binh Hydropower Expansion Project.
- Coal-fired power: 2,603MW of new capacity commissioned since the beginning of 2026.
- Gas-fired power: No new capacity additions, except for the Nhon Trach 3 & 4 LNG projects, which were commissioned in early 2026.

Limited capacity additions suggest that many projects remain delayed, reflecting policy and regulatory bottlenecks that continue to discourage private investment.

Source: EVN, KIS Research

2H26 Power – Positioning for the next cycle

2H26F – Average FMP expected to remain elevated

Figure 03. Coal prices are expected to continue rising

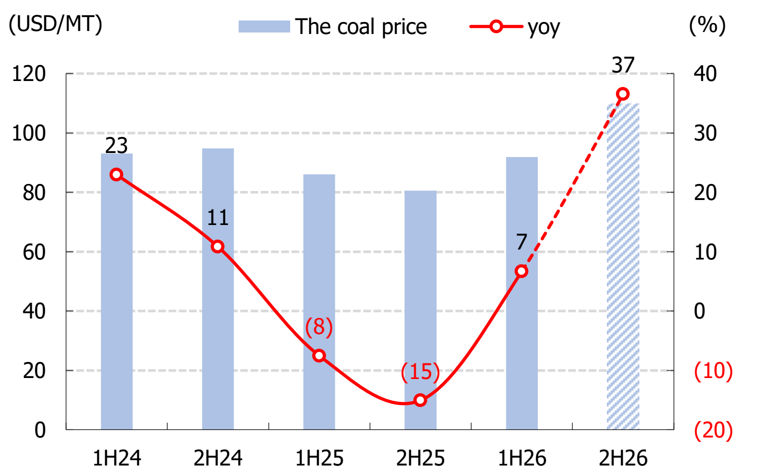
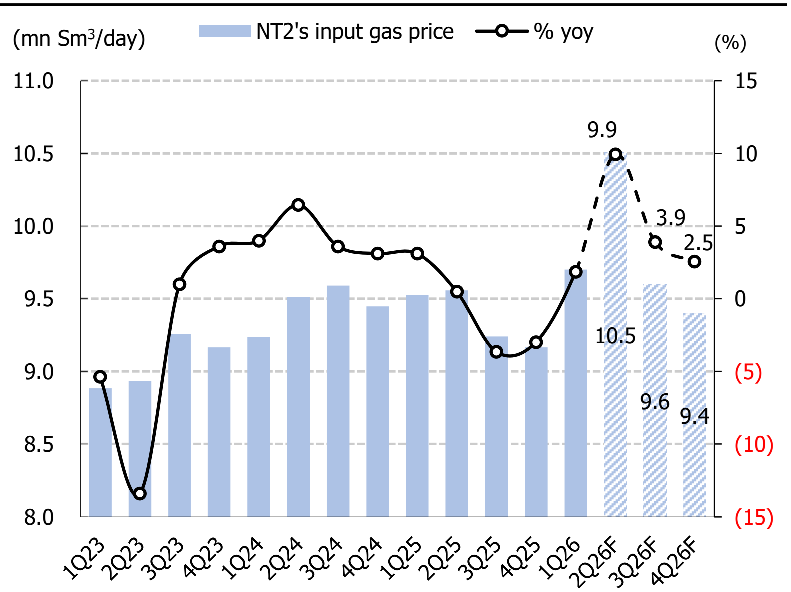


Figure 04. According to PGV, gas supply is expected to improve, supported by increased production from new gas



Source: EVN, KIS Research

Table 03. FMP could record growth of 22–53% yoy, supported by a higher temperature base

Year	SMP cap (VND/kWh)	CAN (VND/kWh)	FMP cap (VND/kWh)	FMP average (VND/kWh)	SMP average (VND/kWh)	%SMP avg/cap	% Growth electricity	ENSO
2020	1,342	80	1,422	886	806	43.9%	(4.1)	La Niña beginning
2021	1,503	150	1,653	1,001	851	49.5%	4.3	Strong La Niña
2022	1,602	293	1,895	1,534	1,241	75.9%	4.6	Weakening La Niña – El Niño transition
2023	1,779	293	2,072	1,396	1,103	69.0%	4.1	Strong El Niño
2024	1,510	300	1,810	1,420	1,120	70.2%	10.8	Neutral phase beginning
2025	1,683	50	1,733	818	894	46.6%	4.7	Strong Neutral
1H26	1,725	130	1,855	1,497	1,367	79%	10.1	Weakening Neutral – El Niño transition
2H26	**1,725**	**130**	**1,855**	**1,338**	**1,208**	**70%**	**5.3**	**Strong El-Nino**

We forecast the average FMP to remain elevated in 2H26F, supported by the following factors:

- **Coal prices** are expected to **remain elevated**, supported by (1) a higher blended coal ratio, (2) the low base in 2H25, and (3) Indonesia's tighter coal export policy (Fig 3).
- **Gas prices** are expected to **increase modestly by 3-4% yoy**, supported by higher gas supply in the Southeast region and upstream investments (Fig 4).
- Higher temperatures are expected to persist amid prolonged El Niño conditions.
- Accordingly, based on EVN's data, the **2026 SMP cap is expected to increase to 1,725VND/kWh (+2% yoy),** while the **CAN price is projected to rise to approximately 130VND/kWh (+160% yoy) (Table 3).**

➔ Based on these assumptions, we estimate the 2H26F FMP cap at 1,338VND/kWh (+30% yoy, -11% qoq).

2H26 Power – Positioning for the next cycle

2H26F – Thermal power remains the key growth driver

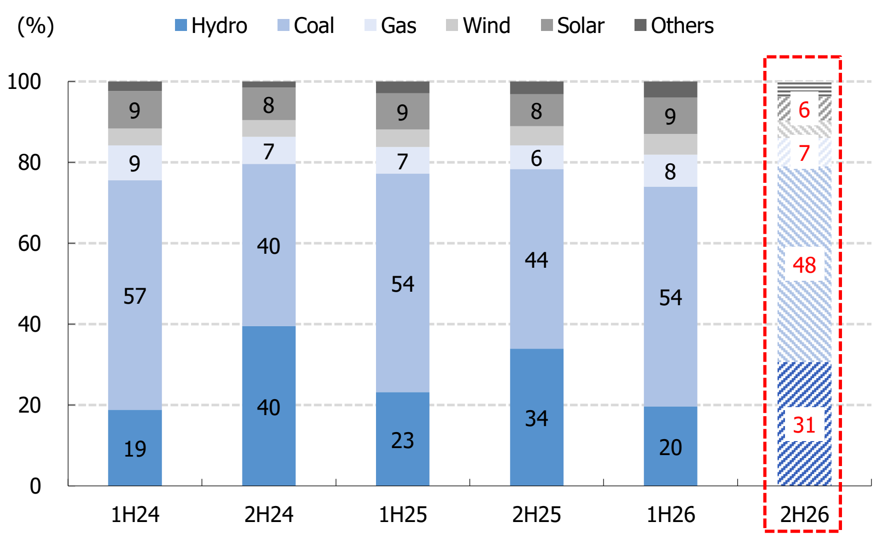
Table 04. Capacity factors of coal-fired and gas-fired power plants improved compared with the same period last year

% Capacity factor	1H25	2H25	1H26	2H26
Hydropower	35	54	32	51
Coal fired	67	59	73	63
Gas firded	32	29	35	31
Renewable energy	20	20	23	18
+ Wind	23	23	29	25
+ Solar	19	19	21	14

Table 05. Gas-fired and coal-fired power remain the sector's key highlights in 2H26F

% Growth output	1H25	2H25	1H26	2H26
Hydropower	27	(10)	(7)	(5)
Coal fired	(2)	16	11	15
Gas firded	(22)	(7)	34	24
Renewable energy	6	8	13	(8)
+ Wind	8	18	28	(4)
+ Solar	1	2	11	(21)

Figure 05. Projected power production mix by source in 2H26F



Source: EVN, KIS Research

Based on the analysis presented in the previous slides, we expect thermal power production to improve in 2H26F.

- **Hydropower:** CF is expected to reach 51% (-3%p yoy), with production declining 5% yoy. Hydropower is expected to account for 31% of total production (-3%p yoy).
- **Coal-fired power:** CF is expected to increase to 63% (+4%p yoy), supporting 15% yoy production growth. The production mix is expected to rise to 48% (+4%p yoy).
- **Gas-fired power:** CF is expected to improve to 31% (+2%p yoy), driving 24% yoy production growth. The production mix is expected to increase to 7% (+1%p yoy).
- **Renewable energy:** CF is expected to decline to 18% (-1.6%p yoy), with production decreasing 8% yoy. The production mix is expected to fall to 11% (-1.5%p yoy).

2H26 Power – Positioning for the next cycle

2H26F – El Niño weighs on hydropower production

Figure 06. According to NOAA, strong El Niño conditions are expected to persist through early 2027

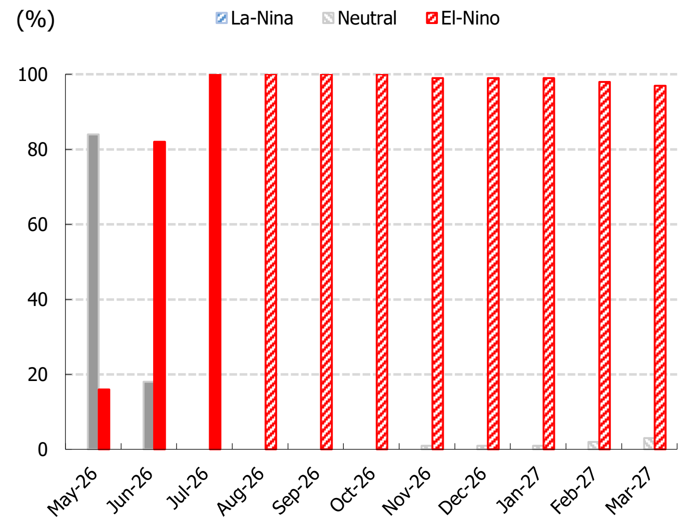


Figure 07. Hydropower CF is expected to decline to 51% in 2H26F, primarily due to El Niño

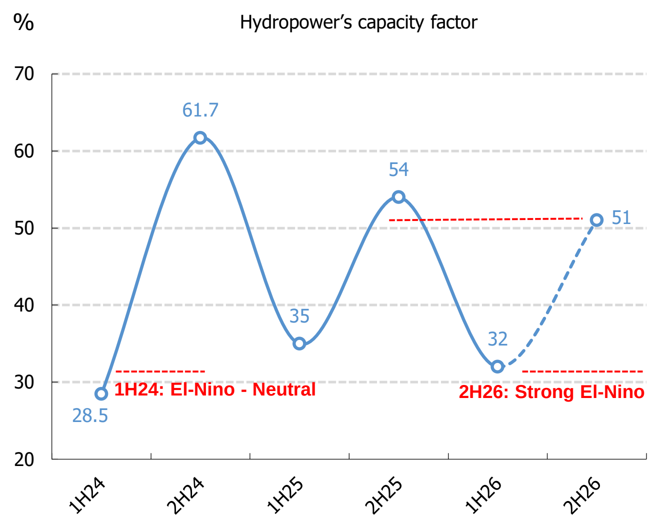


Figure 08. Based on historical patterns, water inflows fell 13% yoy in 2Q26 and are expected to continue declining

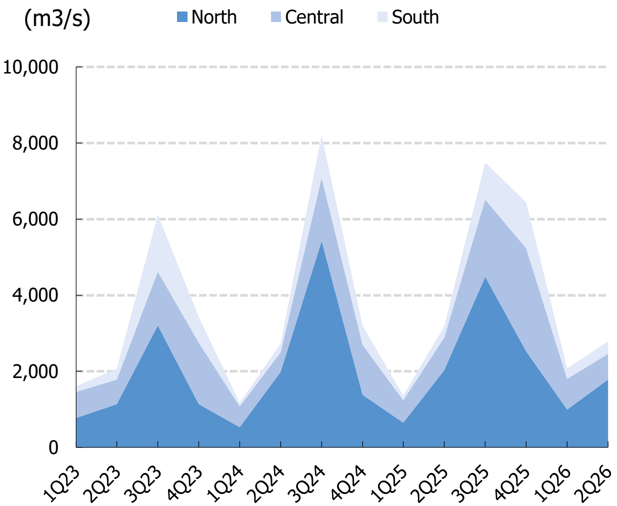
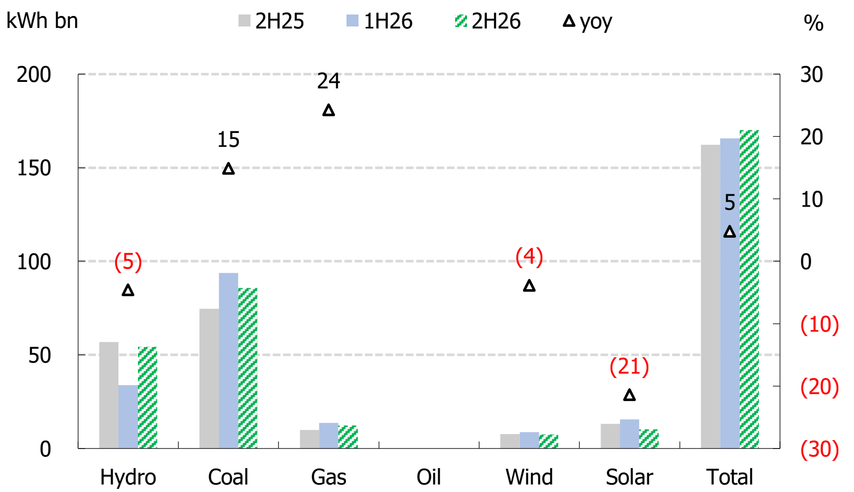


Figure 9. Estimated production declines, while thermal power remains the bright spot



Hydropower: 2H26F production is projected at 54.3bn kWh (-5% yoy), with the capacity factor (CF) declining to 51% (-3ppt yoy).

- Historical data suggest that hydropower **CF typically declines by 3-4ppt** during the transition from neutral conditions to El Niño.
- **An additional 506MW of hydropower capacity** is expected to come online, mainly from the Hoa Binh Hydropower Expansion Project.
- Hydropower production is expected to decline yoy, as 2H25 benefited from neutral weather conditions and stronger water inflows.
- Average **FMP is forecast to increase by 30% yoy in 2H26F**, driven by a sharp rebound in CAN prices (up 2.8x yoy).

→ Based on these assumptions, **we expect hydropower gross margin to decline slightly in 2H26F.**

Source: NOAA, EVN, KIS Research

2H26 Power – Positioning for the next cycle

2H26F – Coal-fired power outlook remains subdued amid higher coal prices

Figure 10. CF is projected to stay at 63% (+3.9p yoy) in 2H26F

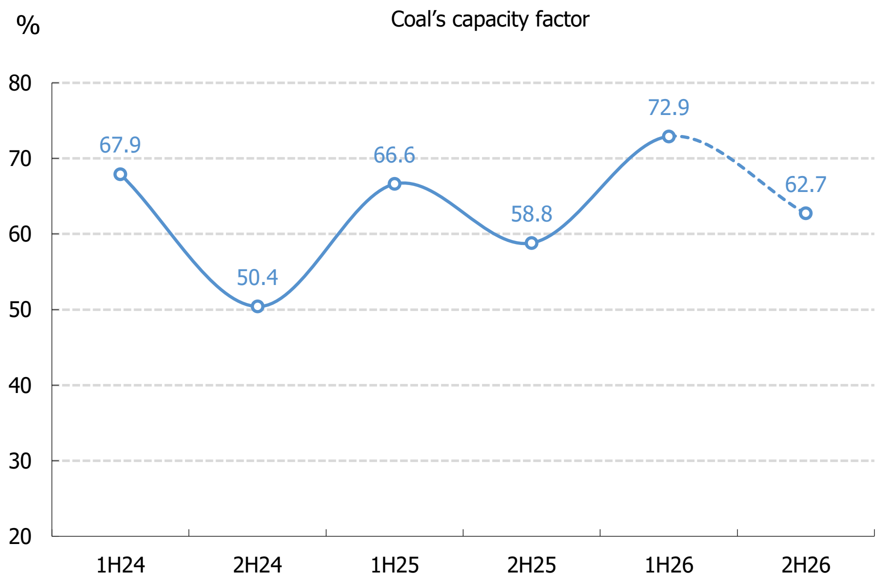
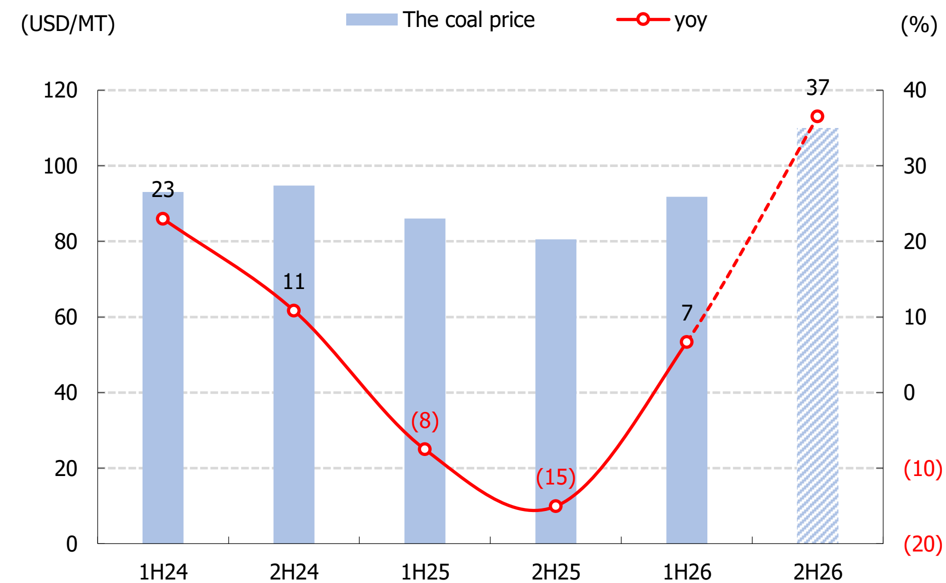


Figure 11. Coal prices are expected to continue rising in 2H26F, driven by a higher blended coal ratio and a low base in 2H25



Coal-fired power production is projected at 85.7bn kWh (+15% yoy), with the capacity factor (CF) improving to 62.7% (+3.9ppt yoy) in 2H26F.

- Nationwide electricity demand is expected to maintain solid growth in 2H26F, in line with EVN's Scenario 5 for 2026.
- **An additional 2,603MW of capacity** is expected from the Vung Ang II BOT project (1,200MW) and Quang Trach I (1,403MW).
- Coal prices are expected to remain elevated in 2H26F, driven by TKV's higher blended coal ratio.

→ Based on these assumptions, **we expect coal-fired power gross margin to decline slightly in 2H26F.**

Source: EVN, PVN, PGV, Company data

2H26F – Gas-fired power outlook remains stable

Figure 12. CF in 2H26F improve due to record NT3 & 4 put into operation in 2026

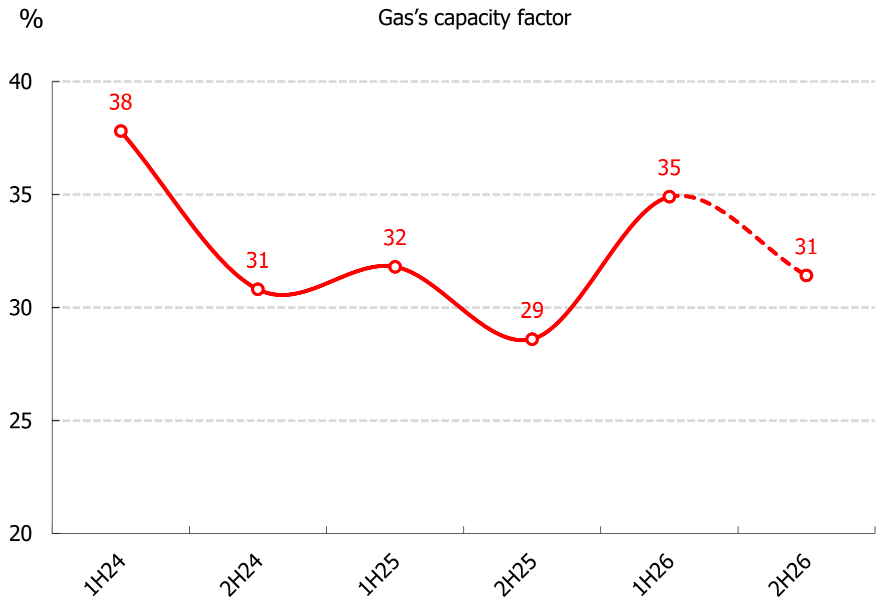
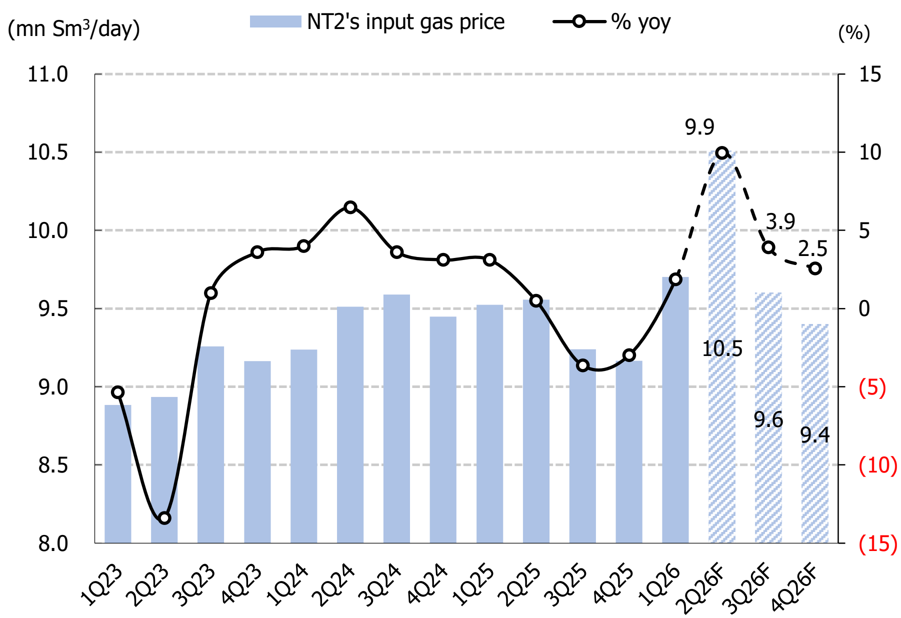


Figure 13. According to PGV, gas supply is expected to improve, supported by increased production from new gas fields



2H26F gas-fired power production is projected at 12.3bn kWh (+24% yoy), with the capacity factor (CF) improving to 31% (+2ppt yoy).

- Gas-fired power will continue to support system reliability and meet Vietnam's projected electricity demand growth of 8.5% yoy in 2026.
- The commercial operation of Nhon Trach 3 & 4 LNG power plants will provide additional gas-fired production capacity.
- We forecast gas prices to remain at around USD9.5/mmbtu in 2H26F (+3.4% yoy).

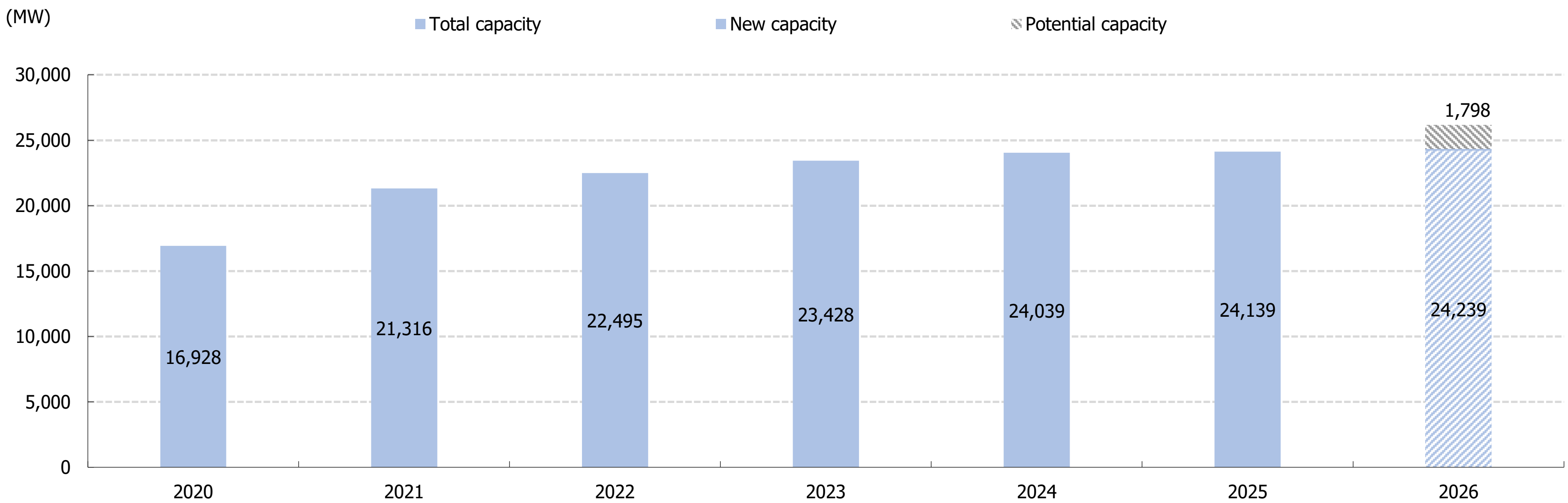
→ Based on these assumptions, we expect the gross margin of gas-fired power plants to improve in 2H26F.

Source: EVN, PVN, PGV, Company data

2H26 Power – Positioning for the next cycle

Renewables stable, with solar power as the bright spot

Figure 14: Based on EVN data, an additional 100 MW is expected to be added in 2026F



2H26F – Renewable power production is projected at 19.4bn kWh (-4% yoy), with the capacity factor (CF) declining to 19%, mainly due to weaker wind power production under persistent strong El Niño conditions.

- Wind power: The production forecast to 5.9bn kWh (-25% yoy)
- Solar power: The production is estimatd to 13.5bn kWh (+2 yoy)
- An additional 100 MW expected from 85 transitional renewable projects has signed PPA
- (July 2025) 1,798 MW – Prospective capacity with signed PPA contracts, currently in the process of completing documentation and testing in preparation for COD.

Source: EVN, KIS Research

2H26 Power – Positioning for the next cycle

II. Company analysis

1. QTP - Solid 2H26F revenue growth
2. HDG - Growth catalysts remain elusive
3. PC1 - Waiting for new growth drivers
4. REE - Power segment weighs on gross margin
5. POW - Awaiting bright prospects from NT3 and NT4
6. NT2 - Challenging outlook in 2H26
7. GEG - Awaiting new growth drivers

1. QTP – HOLD
Solid 2H26F revenue growth

Investment Theme

- 2H26F revenue is expected to post double-digit growth, **driven by higher power production and average selling prices.**
- Power production is expected to improve yoy, **supported by robust electricity demand in 2H26.**
- However, 2H26F net profit is expected to decline **due to the absence of the one-off income recognized in 2H25.**

Risks to be considered

- Risk of coal price fluctuation.
- Higher-than-expected heat loss due to increased use of blended coal.
- Gas processing plant upgrades may require temporary unit outages.

Table 06. KIS forecast on QTP, 2025 - 2026F

	1Q26	2Q26	3Q26	4Q26	2024A	2025F	2026F
Net Revenue	**2,734**	**3,681**	**2,890**	**3,272**	**11,908**	**10,786**	**12,806**
Growth	**(6)**	**29**	**41**	**11**	(1)	(9)	19
Gross Profit	**252**	**337**	**171**	**67**	**824**	**1,526**	**858**
% yoy	5	26	167	(93)	(93)	85	(44)
% gross margin	9.2	9.2	5.9	2.0	6.9	14.1	6.7
Operating Profit	**248**	**320**	**150**	**41**	**691**	**1,353**	**785**
% yoy	15	34	256	(95)	7	96	(42)
% OP margin	9.1	8.7	5.2	1.2	5.8	12.5	6.1
Net Profit	**199**	**256**	**120**	**32**	**625**	**1,058**	**629**
% yoy	14	33	249	(95)	2	69	(41)
% net margin	7.3	7.0	4.1	1.0	5.3	9.8	4.9
% ROE					12.5	18.8	12.5
Multiple ratio							
PE					8.7	5.4	6.8
PB					1.2	0.9	0.8
DY					10.5	9.6	10.5

Source: FiinPro-X, Company data, KIS Research

1. QTP – HOLD

Solid 2H26F revenue growth

Figure 15. Based on EVN's dispatch plan, QTP's production is expected to remain stable in 2H26F

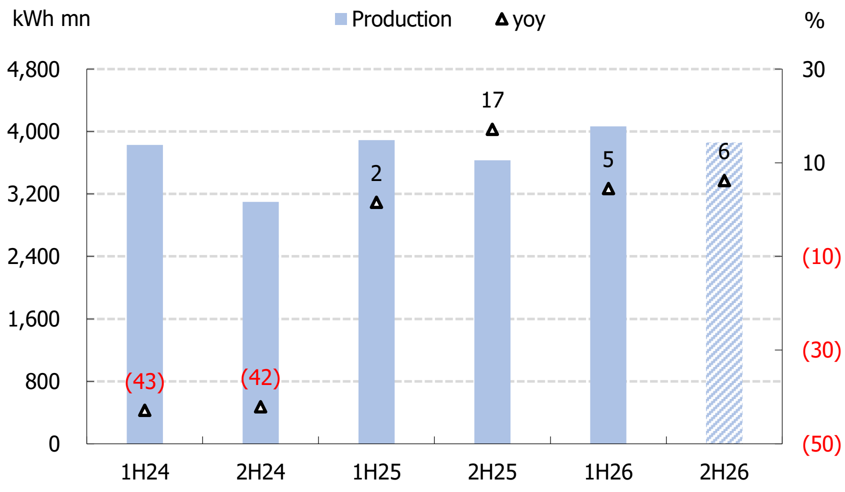


Figure 16. Coal prices are expected to continue rising in 2H26F, driven by a higher blended coal ratio and a low base in 2H25

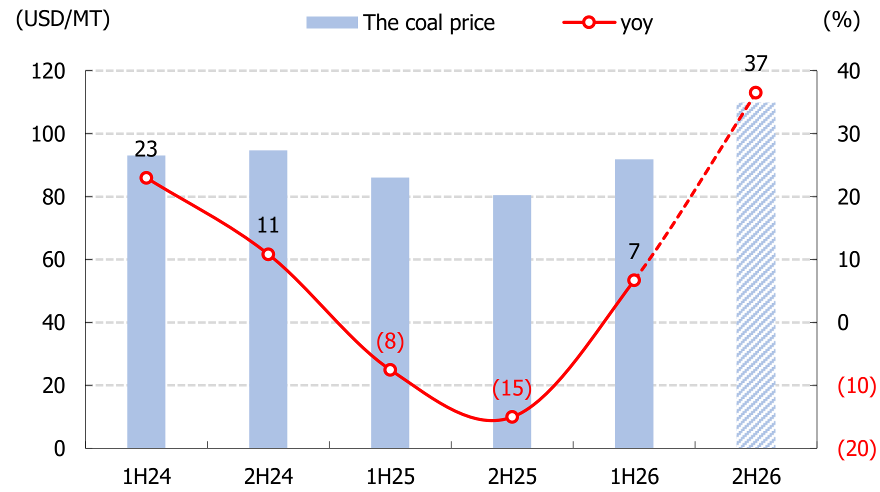


Figure 17. FMP is expected to recover in 2026, supported by a significant improvement in CAN prices

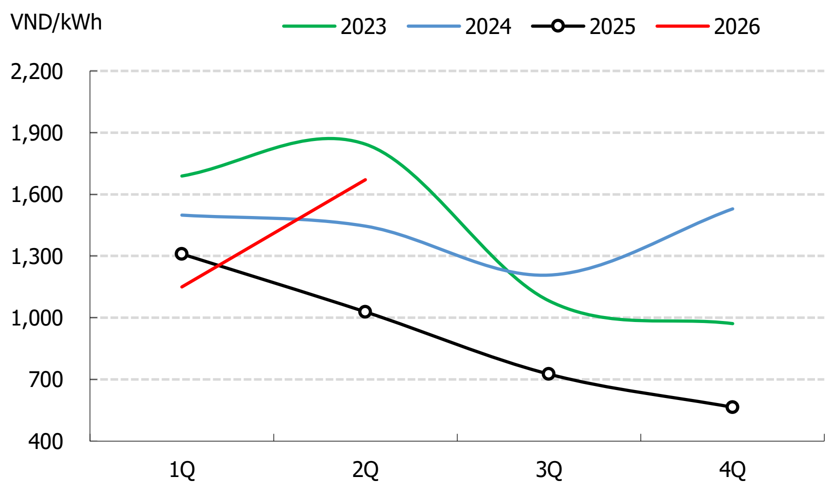
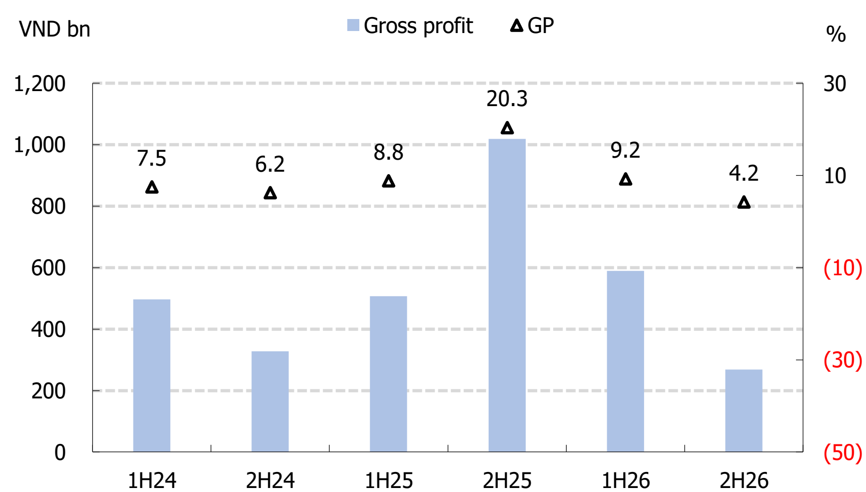


Figure 18. 2H26F gross profit is expected to decline sharply due to the high base in 2H25



Source: FiinPro-X, Company data, KIS Research

2. REE - HOLD

Earnings expected to weaken due to the power segment

- **Power:** Hydropower production is expected to be significantly affected by strong El Niño conditions, resulting in a 29% yoy decline in power segment revenue in 2H26F.
- **Real estate:** Office occupancy is projected to increase to 86% (+2ppt yoy) in 2H26F, supported by Etown 6 occupancy improving to 62% (2H25: 56%).
- **M&E:** New order intake reached VND4,865bn as of 1Q26, with execution and revenue recognition expected to accelerate in 2027.

➔ **Long-term outlook:** Duyen Hai 2 (48MW) and Duyen Hai 3 (50MW) rooftop solar projects are expected to achieve COD in 2027.

Risks to be considered

- Changes in hydrological conditions.
- Weakness in the real estate market may delay p roject launches
- Delays in power project construction and commissioning.

Table 07. KIS forecast on REE, 2025 - 2027F

	1Q26	2Q26	3Q26	4Q26	2025	2026F	2027F	2028F
Net Revenue	**2,471**	**2,146**	**2,498**	**2,590**	**10,012**	**9,705**	**10,677**	**10,836**
Power	1,394	863	919	888	4,979	4,064	4,415	4,866
Water	48	48	48	48	174	192	206	217
Leasing	313	317	324	331	1,155	1,285	1,296	1,296
M&E	716	919	1,206	1,324	3,519	4,164	4,759	4,457
Housing	0	0	0	0	183	0	0	0
Growth	**19**	**(15)**	**(2)**	**(10)**	**19**	**(3)**	**10**	**1**
% Power	8	(25)	(27)	(31)	12	(18)	9	10
% Water	7	(21)	153	(2)	53	10	8	5
% Leasing	15	12	9	10	8	11	1	0
% M&E	59	6	24	7	24	18	14	(6)
% Housing	(99)	(100)	(90)	(99)	66	(100)	0	0
Gross Profit	**1,046**	**712**	**836**	**836**	**3,775**	**3,429**	**4,253**	**4,695**
% yoy	10	(17)	(10)	(20)	21	(9)	24	10
% gross margin	42.3	33.2	33.5	32.3	37.7	35.3	39.8	43.3
Operating Profit	**1,059**	**753**	**888**	**738**	**3,543**	**3,439**	**3,468**	**3,899**
% yoy	17	(10)	(6)	(15)	31	(3)	1	12
% OP margin	42.9	35.1	35.6	28.5	35.4	35.4	32.5	36.0
Net Profit	**939**	**677**	**798**	**663**	**3,149**	**3,076**	**4,136**	**4,529**
% yoy	15	(8)	(3)	(14)	31	(2)	34	9
% net margin	38.0	31.5	31.9	25.6	31.5	31.7	38.7	41.8
% ROE					12.7	16.1	17.0	16.8
Multiple ratio								
PE					10.5	9.0	7.7	7.0
PB					1.6	1.4	1.2	1.1
DY					3.0	4.4	5.1	5.6

Source: FiinPro-X, Company data, KIS Research

2. REE - HOLD

Expect growth from the power and real estate segments

Figure 19. According to NOAA, strong El Niño conditions are expected to persist through early 2027

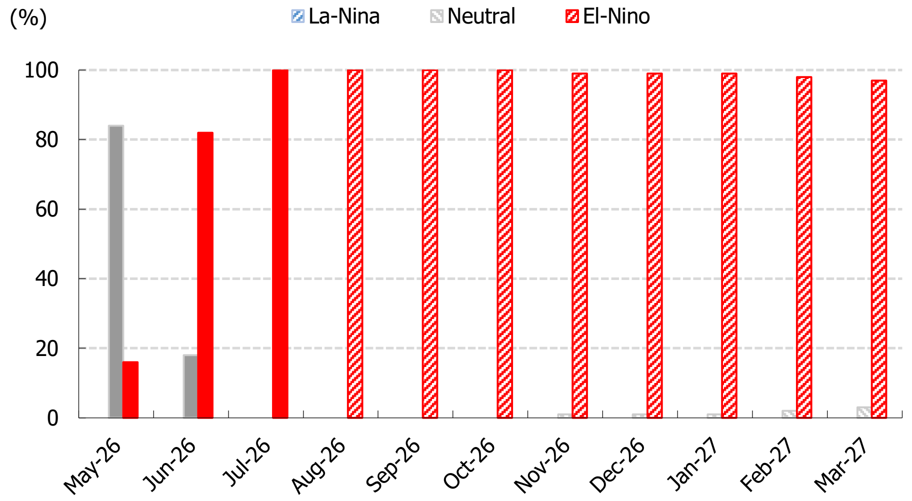


Figure 20. The decline in hydropower production is expected to drive a 11% yoy decline in total production in 2H26F

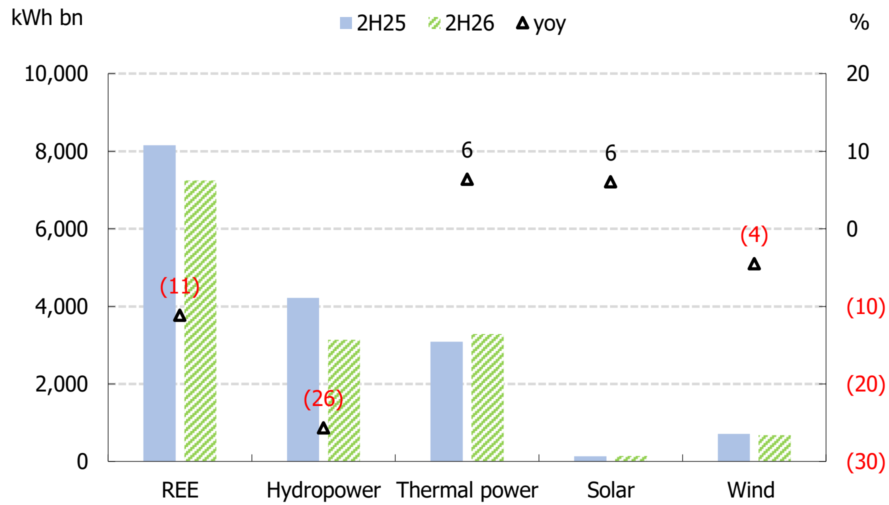
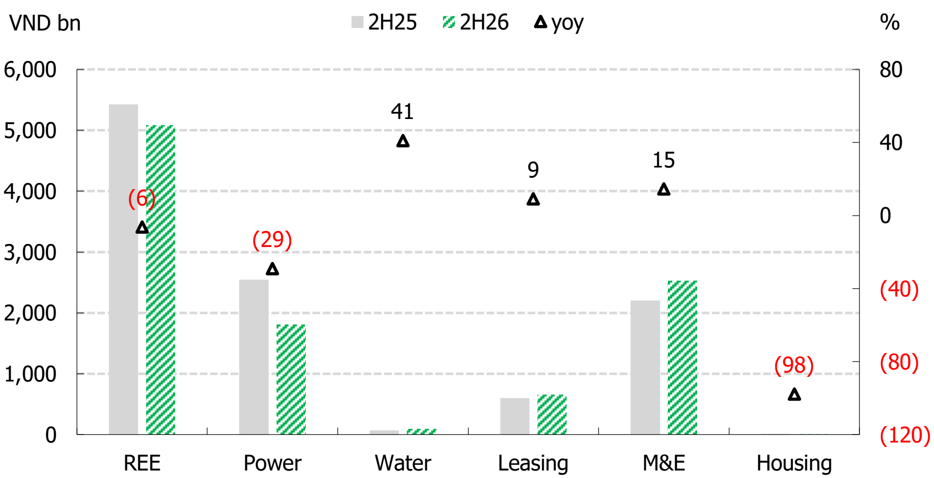


Figure 21. Growth is expected to be driven by the hydropower and leasing segments in 2H26F



- According to **NOAA, strong El Niño conditions are expected to persist through 1H27F**, **weighing on hydropower production.**
- With the power segment under pressure, **we expect the M&E segment to become the key growth driver.**
- ETown 6 has yet to show a meaningful improvement in leasing momentum.
- We expect **the occupancy rate to increase from 56% in 2H25 to 62% in 2H26F**.

Source: Fiinpro-X, Company data

3. POW – HOLD

Awaiting bright prospects from NT3 and NT4

Investment Theme

- 2H26F revenue is expected to grow strongly, **driven by a 49% yoy increase in power production and a 30% yoy improvement in the average FMP**.
- The commissioning of Nhon Trach 3 & 4 in 2026 is expected to provide a meaningful boost to power production.
- Gross margin from the coal-fired and gas-fired power segments is expected to narrow due to higher heat rates and rising fuel input costs.
- **Long term:** The contracted power output ratio (Qc) for NT3&4 is expected to reach around 75% during 2027–2028, driven by increasing electricity demand in the coming years. The project may start generating profits from this period onward.

Risks to be considered

- High input material costs.
- Changes in hydrological conditions.
- The natural gas supply in the Southeast declining.
- Risk from NT3 & 4 as they are only guaranteed a minimum of 65% contracted (Qc).

Table 08. KIS forecast on POW, 2025 - 2027F

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F
Net Revenue	**12,046**	**19,283**	**11,269**	**15,876**	**34,151**	**58,474**
Hydropower	340	312	445	481	1,888	1,578
Gas-fired power	8,646	15,242	8,437	12,188	20,759	44,512
Coal-fired power	3,060	3,729	2,387	3,207	11,368	12,383
Growth	**48**	**105**	**43**	**82**	**13**	**71**
% Hydropower	(10)	(18)	(31)	(1)	42	(16)
% Gas-fired power	91	182	71	107	15	114
% Coal-fired power	(3)	6	6	31	5	9
Gross Profit	**1,804**	**3,524**	**156**	**859**	**4,327**	3,544
% yoy	121	202	(88)	(18)	117	(18)
% gross margin	15.0	18.3	1.4	5.4	74	5
Operating Profit	**1,409**	**2,424**	**844**	**749**	**3,079**	**5,427**
% yoy	176	199	(16)	(0)	91	76
% OP margin	11.7	12.6	7.5	4.7	9.0	9.3
Net Profit	**1,302**	**2,230**	**777**	**689**	**2,866**	**4,998**
% yoy	176	194	(18)	(1)	136	74
% net margin	10.8	11.6	6.9	4.3	8.4	8.5
% ROE					7.3	8.6
Multiple ratio						
PE					10.6	12.9
PB					0.8	0.9
DY					1	1

Source: FiinPro-X, Company data, KIS Research

3. POW – HOLD

Awaiting bright prospects from NT3 and NT4

Figure 22. 2H26F revenue is expected to grow strongly, driven by the commissioning of Nhon Trach 3 & 4 in 2026

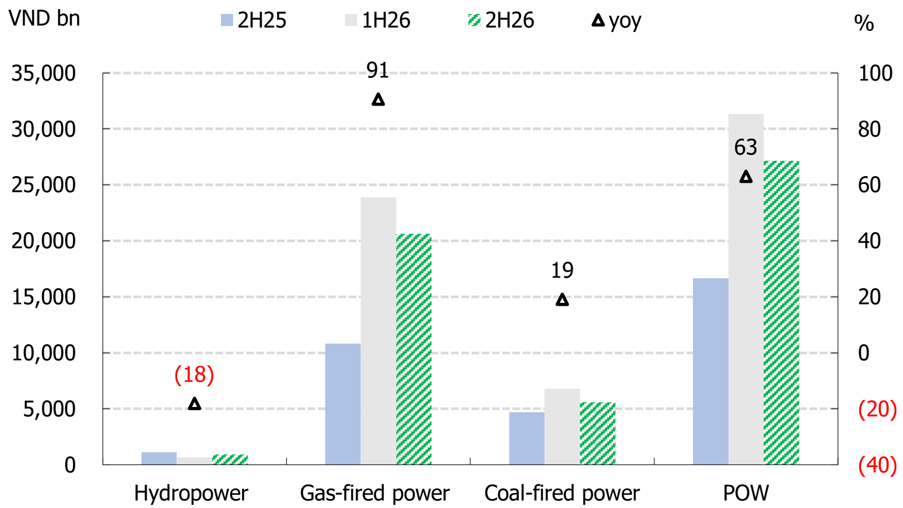


Figure 23. Due to the POW's total power production is expected to increase significantly in 2H26F

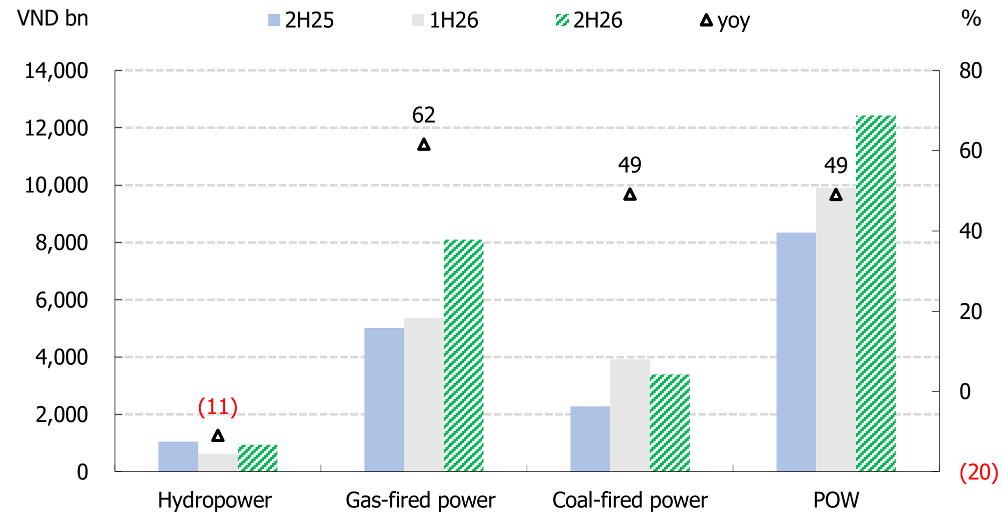


Figure 24. According to PGV, gas supply is expected to improve, supported by increased production from new gas fields

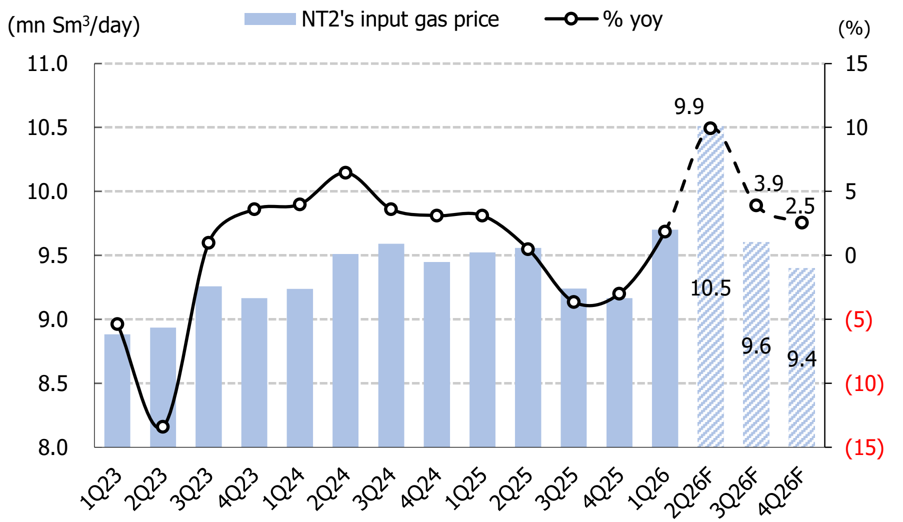
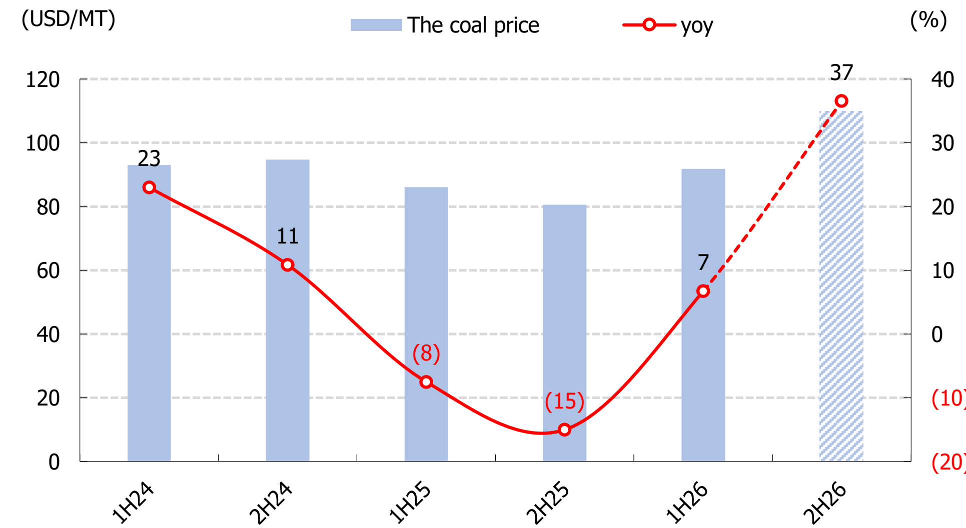


Figure 25. Coal prices are expected to continue rising in 2H26F, driven by a higher blended coal ratio and a low base in 2H25



Source: FiinPro-X, Company data, KIS Research

4. GEG – HOLD

Awaiting new growth drivers

Investment Theme

- Revenue is expected to improve, supported by higher production from the wind and solar power segments, driven by the commissioning of Duc Hue 2 in 2Q26.
- Hydropower earnings are expected to decline sharply due to the impact of strong El Niño conditions, which are forecast to persist through early 2027.
- **Long-term outlook:** New projects - VPL Wind Power.

Risks to be considered

- Changes in hydrological conditions.
- Risk associated with GEG's renewable energy projec ts due to violations of the CCA, raising concerns over potential retrospective revenue adjustments.

Table 09. KIS forecast on GEG, 2025-2027F

	1Q26	2Q26	3Q26	4Q26	2025	2026F
Net Revenue	**767**	**647**	**701**	**629**	**2,999**	**2,745**
Hydropower	89	74	102	114	440	379
Wind power	236	276	268	219	821	999
Solar power	440	276	326	309	1,672	1,351
Growth	**(31.0)**	**3.7**	**4.4**	**6.6**	**29.0**	**(8.5)**
% Hydropower	45.9	(1.2)	5.9	(45.1)	32.8	(13.8)
% Wind power	12.4	11.3	22.0	53.2	(4.3)	21.7
% Solar power	(46.5)	(1.7)	2.8	22.8	54.5	(19.2)
Gross Profit	**487.0**	**265.1**	**357.4**	**308.5**	**1,714**	**1,418**
% yoy	(41.1)	(2.9)	10.8	5.4	59.7	(17.3)
% gross margin	63.5	41.0	51.0	49.0	57.2	51.7
Operating Profit	**285**	**70**	**164**	**73**	**977.8**	**1,221.7**
% yoy	(53.0)	(61.7)	66.7	(19.8)	443.3	24.9
% OP margin	37.1	10.9	23.4	11.6	32.6	44.5
Net Profit	**264**	**63**	**148**	**66**	**946.8**	**538.2**
% yoy	(57.0)	(59.9)	84.3	(31.7)	928.3	(43.2)
% net margin	34.4	9.8	21.0	10.4	31.6	19.6
% ROE					15.0	10.5
Multiple ratio						
PE					5.7	10.1
PB					1.1	1.0
DY					0.0	0.0

Source: FiinPro-X, Company data, KIS Research

4. GEG – HOLD

Awaiting new growth drivers

Figure 26. According to NOAA, strong El Niño conditions are expected to persist through early 2027

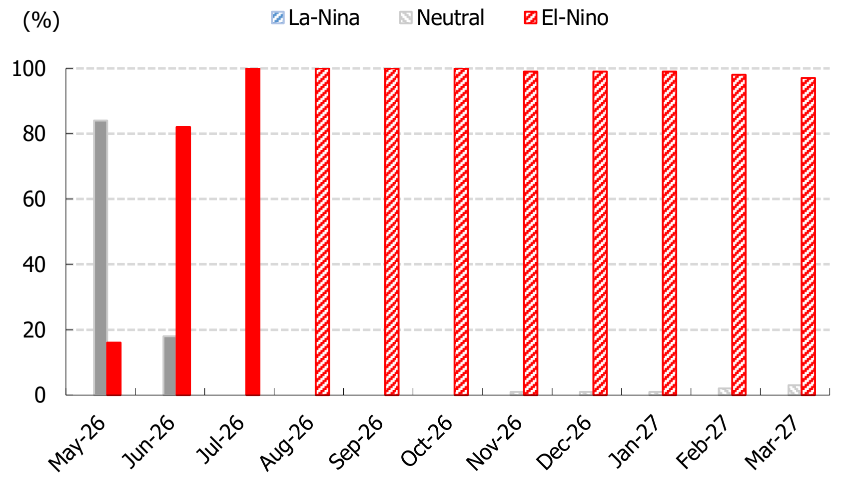


Figure 27. Revenue is expected to maintain steady growth in 2H26F, supported by higher production output

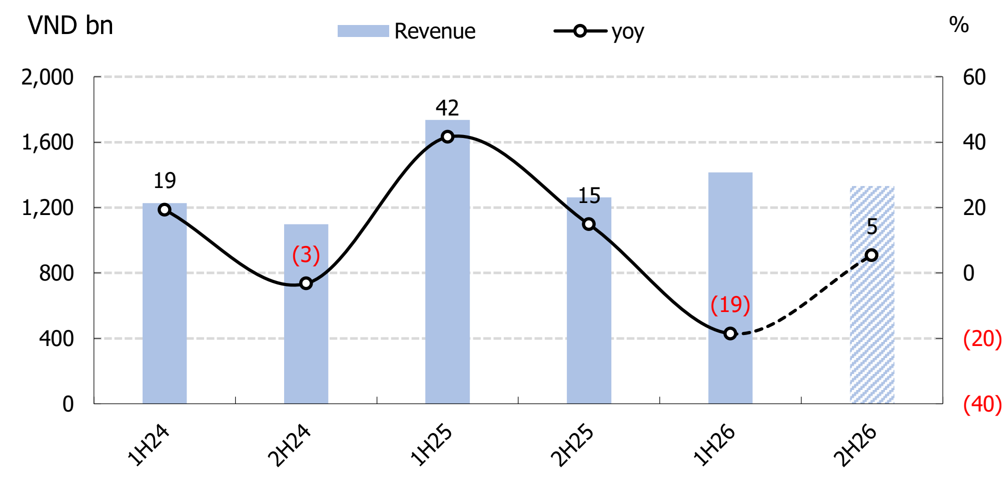


Figure 28. Production is expected to maintain steady growth in 2H26F, supported by the COD of Duc Hue 2 in 2Q26

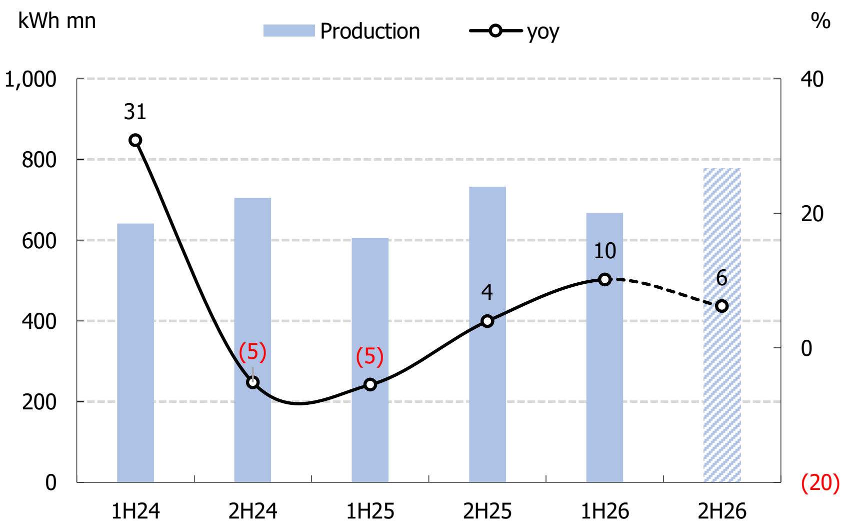
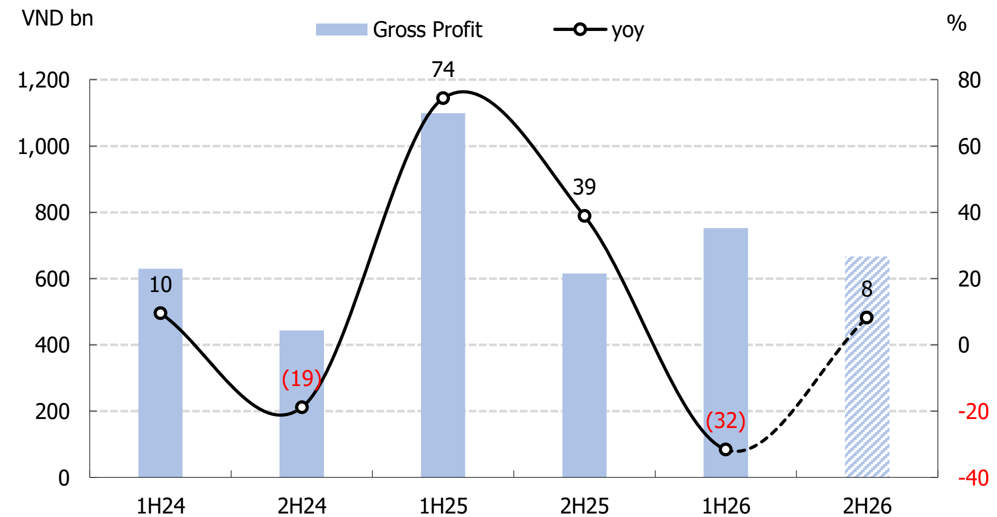


Figure 29. Gross profit is expected to increase slightly yoy



Source: FiinPro-X, Company data, KIS Research

5. NT2 – HOLD

Challenging outlook in 2H26

Investment Theme

- Revenue is expected to grow, supported by higher power production amid robust electricity demand in 2H26 and an improvement in the average FMP.
- 2H26F NPAT is expected to decline yoy, as NT2 recognized one-off income from environmental fee compensation in 2H25.

Risks to be considered

- Changes in hydrological conditions.
- Persistently high gas prices.
- Risk from declining gas supply in the Southeast region.

Table 10. KIS forecast on NT2, 2025-2027F

	1Q26	2Q26	3Q26	4Q26	2025	2026F
Net Revenue	2,172	3,141	2,475	2,326	**7,958**	**10,114**
Growth	52	51	28	(8)	34	27
Gross Profit	**218**	**476**	**195**	**213**	**1,248**	**1,102**
% yoy	387	30	(5)	(66)	2,323	(12)
% gross margin	10.0	15.1	7.9	9.2	15.7	10.9
Operating Profit	**182**	**424**	**155**	**175**	**1,267**	**936**
% yoy	317	16	(35)	(72)	3,905	(26)
% OP margin	8.4	13.5	6.2	7.5	15.9	9.3
Net Profit	**178**	**390**	**163**	**180**	**1,136**	**912**
% yoy	376	20	(23)	(68)	1,256	(20)
% net margin	8.2	12.4	6.6	7.8	14.3	9.0
% ROE					25.0	20.6
Multiple ratio						
PE					6.2	5.8
PB					1.4	1.1
DY					6.2	8.5

Source: FiinPro-X, Company data, KIS Research

5. NT2 – HOLD

Challenging outlook in 2H26

Figure 30. Revenue is expected to maintain steady growth. However, earnings are expected to decline due to the absence of one-off gains

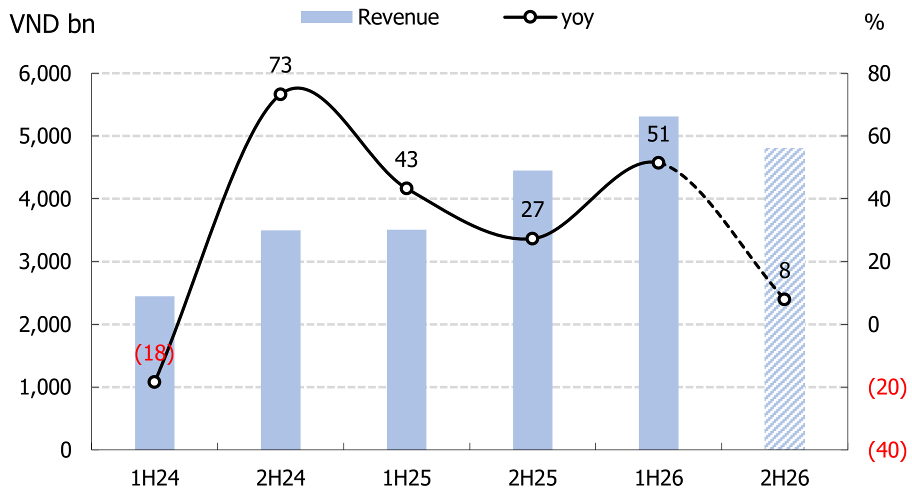


Figure 31. NT2's production is expected to remain stable in 2H26F, supported by robust nationwide electricity demand

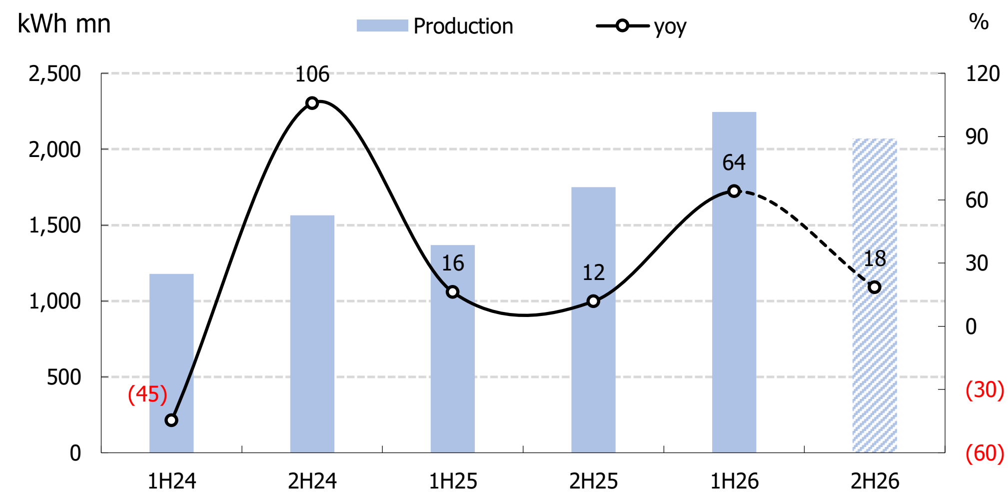


Figure 32. According to PGV, gas supply is expected to improve, supported by increased production from new gas fields

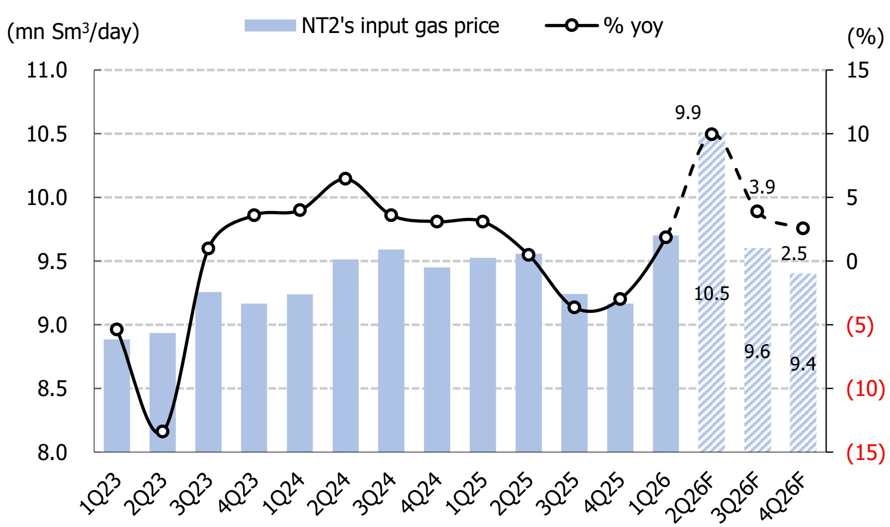
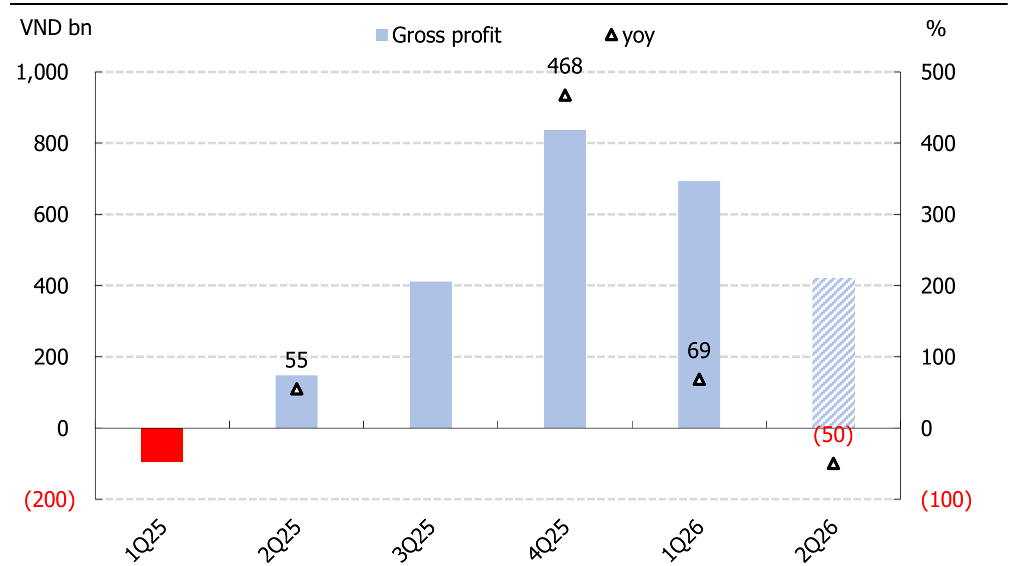


Figure 33. Gross profit is expected to decline in 2H26F due to a high base in 2H25



Source: FiinPro-X, Company data, KIS Research

6. HDG – NON-RATED
2H26 - Growth catalysts remain elusive

Investment Theme

- **Power:** Bleak outlook as the hydropower segment is expected to remain under pressure from the El Niño conditions, which are projected to persist until early 2027.
- **Real estate & Construction:** Weak take-up at Charm Villas phase 3 is unlikely to provide a meaningful growth catalyst in 2H26.
- 2H26F NPAT is expected to decline 21% yoy.

Risks to be considered

- Changes in hydrological conditions.
- Slower-than-expected sales launch of Charm Villas phase 3 due to a weaker property market outlook

Table 11. KIS forecast on HDG, 2025-2026F

	1Q26	2Q26	3Q26	4Q26	2025	2026F
Net Revenue	**689**	**626**	**802**	**899**	**2,790**	**3,016**
Power	508	456	641	744	2,274	2,349
Real estate	49	39	30	20	47	137
Construction	0	4	4	4	8	13
Leassing real estate	87	86	86	86	334	346
Hotel service	45	40	40	45	152	171
Growth	**15**	**7**	**10**	**2**	**0.6**	**8**
% Power	(1)	0	10	3	20	3
% Real estate	-	-	22	(14)	(89)	192
% Construction	(90)	-	-		(39)	67
% Leassing real estate	10	5	1	(1)	2	4
% Hotel service	22	14	10	4	19	12
Gross Profit	**447**	**211**	**400**	**499**	**1,783**	**1,557**
% yoy	12	(17)	(20)	(17)	8	(13)
% gross margin	64.9	33.7	49.9	55.5	63.9	51.6
Net Profit	**104**	**50**	**239**	**326**	**951**	**718**
% yoy	(50)	46	(29)	(13)	113	(24)
% net margin	15	8	30	36	34	24
% ROE					10.9	10.2
Multiple ratio						
PE					10.4	10.6
PB					1.5	1.0
DY					1.3	1.7

Source: FiinPro-X, Company data, KIS Research

6. HDG – NON-RATED

2H26 - Growth catalysts remain elusive

Figure 34. According to NOAA, strong El Niño conditions are expected to persist through early 2027

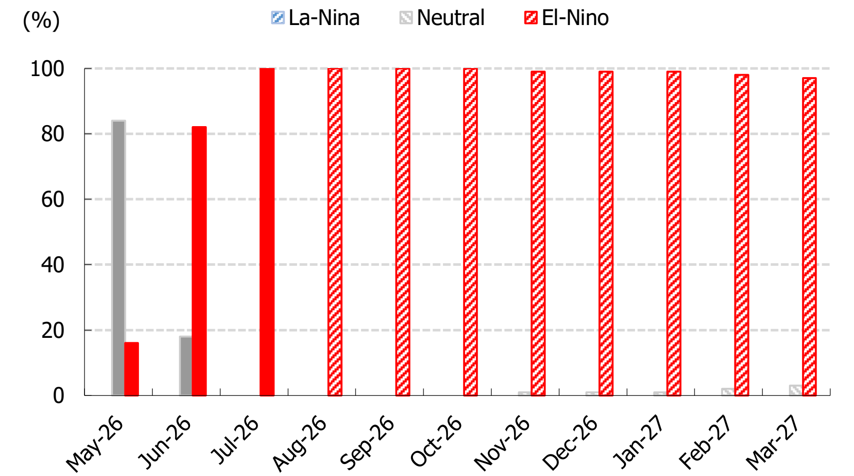


Figure 35. 2H26F revenue is expected to increase modestly, driven by the real estate and construction segments

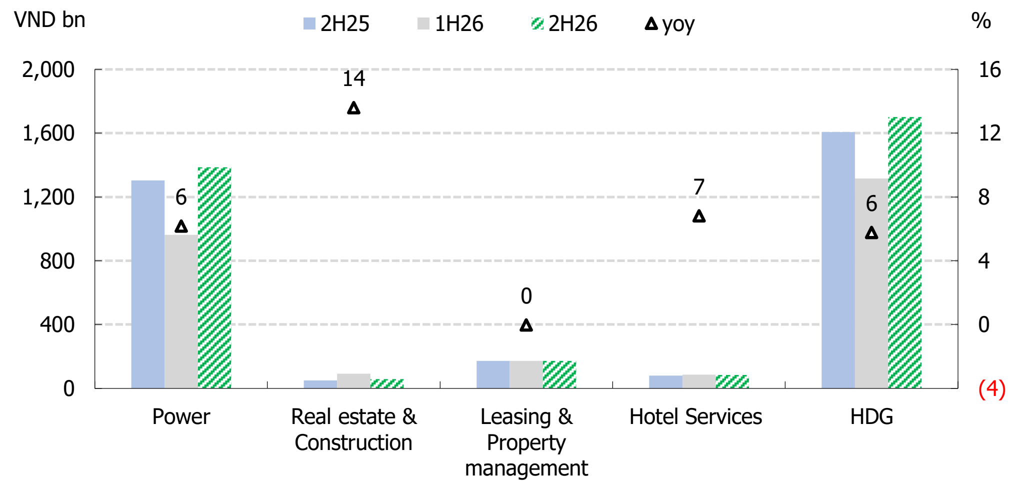


Figure 36. Based on EVN dispatch data, HDG's hydropower production is expected to increase slightly

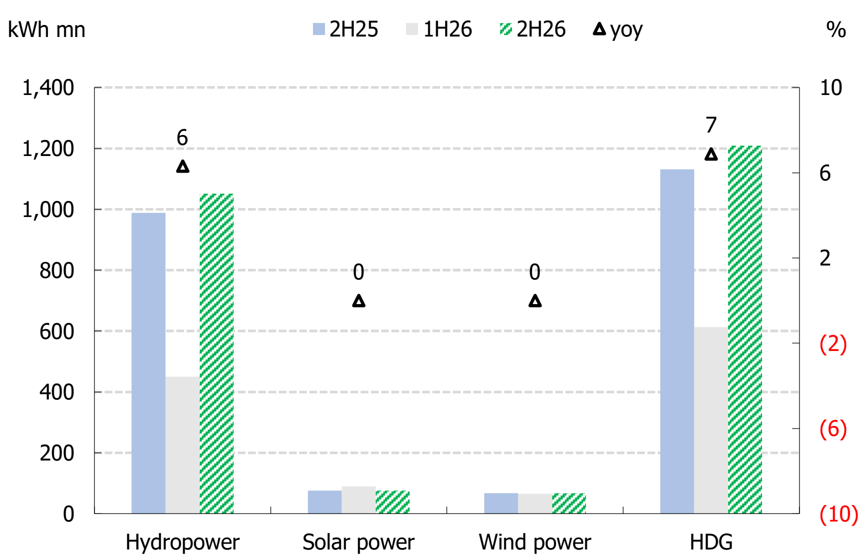
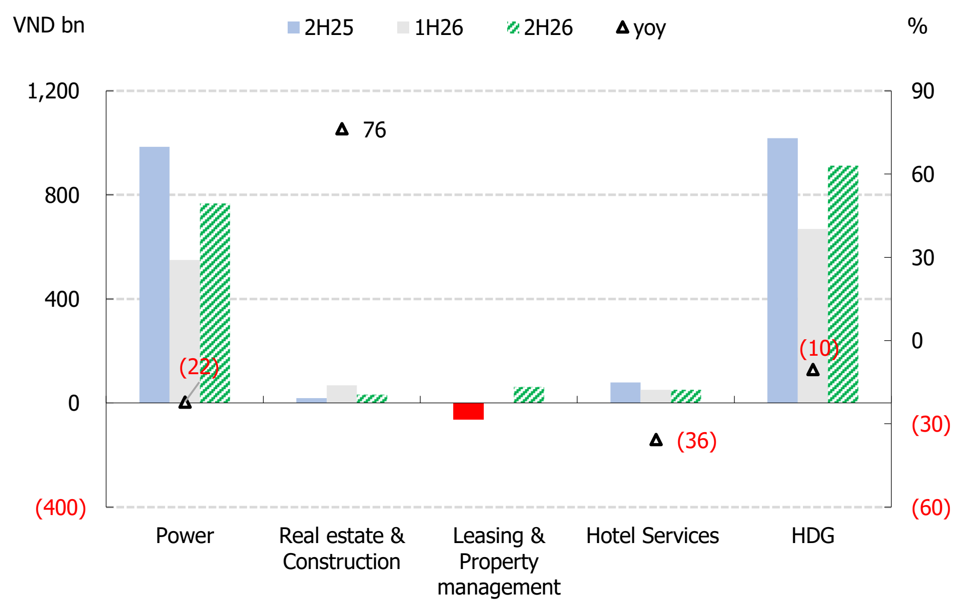


Figure 37. 2H26F gross profit is expected to decline slightly



Source: FiinPro-X, Company data, KIS Research

7. PC1 – NON-RATED

Waiting for new growth drivers

Investment Theme

- **Power:** The hydropower segment is expected to remain under pressure due to prolonged El Niño
- **Nickel:** Earnings are expected to remain resilient in 2H26F, supported by nickel prices staying elevated yoy.
- **Real Estate:** Awaiting a recovery in the property market, with no new projects expected to commence operations in 2H26F.
- **Long-term outlook:** Bao Lac A Hydropower (30MW) and Thuong Ha Hydropower (13MW) are expected to achieve COD in 2027, providing long-term growth support.

Risks to be considered

- Risk from Nickel prices declined.
- Challenges stemming from changing hydrological conditions.
- Project sales and leasing launch schedules have been delayed.

Table 12. KIS forecast on PC1, 2025-2027F

	1Q26	2Q26	3Q26	4Q26	2025	2026F
Net Revenue	**2,167**	**3,498**	**3,884**	**5,040**	**13,077**	**14,590**
Power	405	339	552	544	1,802	1,840
Comstruction	957	2,036	2,172	3,331	6,698	8,496
Niken	242	255	490	289	1,140	1,276
Real estate	320	248	240	232	1,434	1,041
Industrial Production	83	76	87	216	534	462
Production of goods and materials	160	544	343	428	1,469	1,476
Growth	**17**	**19**	**19**	**1**	**30**	**12**
% Power	(6)	(5)	15	1	6	2
% Comstruction	31	30	25	25	82	27
% Niken	6	10	10	22	(31)	12
% Real estate	134	45	29	(75)	125	(27)
% Industrial Production	(47)	0	0	0	(40)	(14)
% Production of goods and materials	(11)	2	2	2	1	0
Gross Profit	**400**	**537**	**815**	**1,001**	**2,592**	**2,754**
% yoy	12	15	21	(9)	39	6
% gross margin	18.5	15.3	21.0	19.9	19.8	18.9
Net Profit	**270**	**207**	**455**	**524**	**1,365**	**1,455**
% yoy	86	26	15	(21)	92	7
% net margin	12.4	5.9	11.7	10.4	10.4	10.0
% ROE					17.5	21.8
Multiple ratio						
PE					6.8	5.7
PB					1.4	1.1
DY					2.2	3.4

Source: FiinPro-X, Company data, KIS Research

7. PC1 – NON-RATED

Waiting for new growth drivers

Figure 38. Revenue is projected to grow by 48% yoy, driven by strong output growth in 2H25F

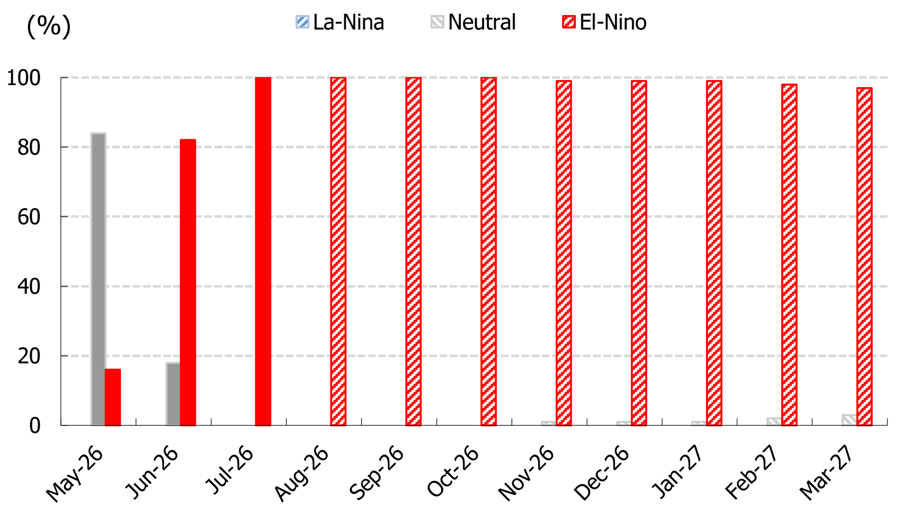


Figure 39. 2H26F revenue is expected to grow 8% yoy, driven by the nickel and construction segments

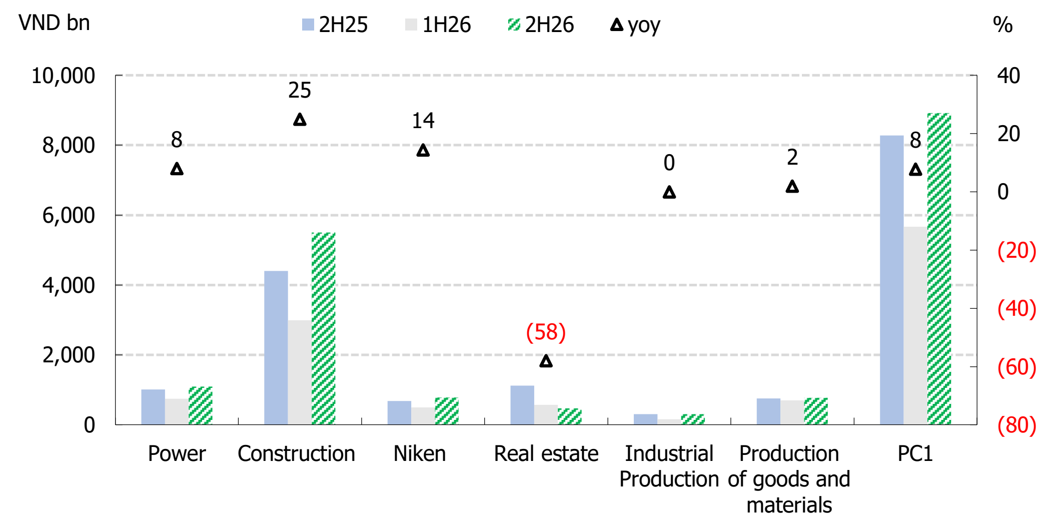


Figure 40. 2H26F gross profit is expected to remain stable

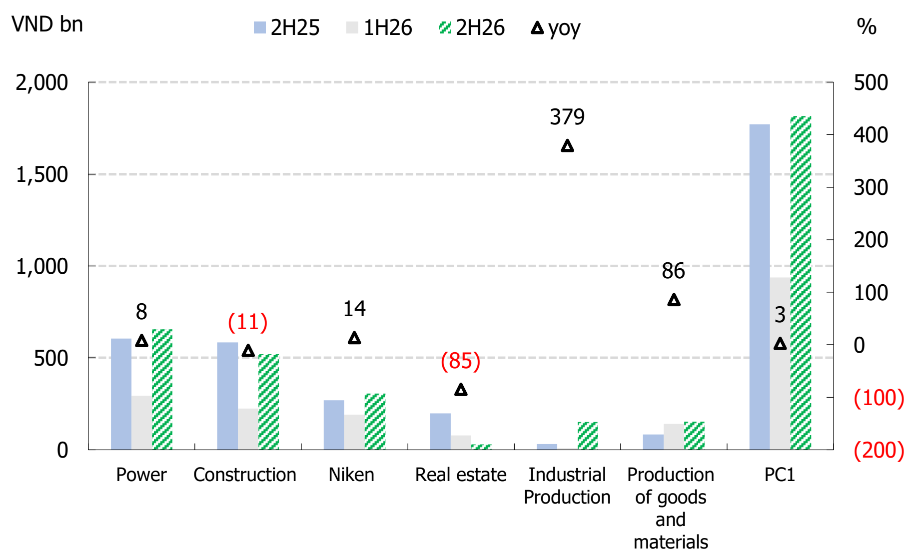
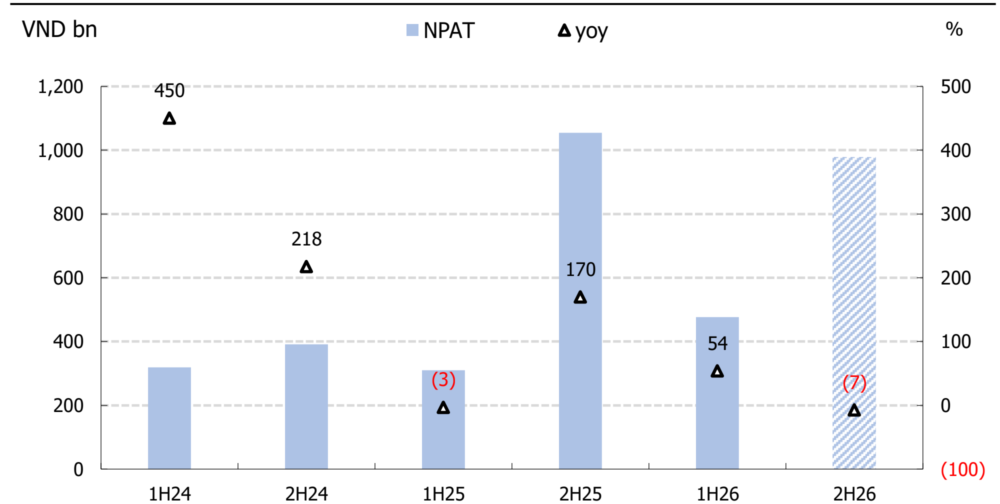


Figure 41. 2H26F NPAT is expected to decline yoy due to the high base from the Tháp Vàng project handover and a subsidiary divestment



Source: FiinPro-X, Company data, KIS Research