true friend KIS Viet Nam Securities Corporation

Earnings Review

20 Aug 2026

REE CORPORATION. (REE)

12M rating	**NON-RATED**
12M TP	
Up/Downside	

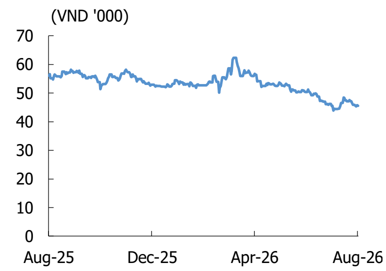
Stock data

VNIndex (20 Aug, pt)	1,734
Stock price (20 Aug, VND)	45,600
Market cap (USD mn)	1,087
Shares outstanding (mn)	623
52-Week high/low (VND)	62,348/43,850
6M avg. daily turnover (USD mn)	1.86
Free float / Foreign ownership (%)	38.0/49.0
VNIndex (20 Aug, pt)	1,734
Stock price (20 Aug, VND)	45,600
Market cap (USD mn)	1,087

Performance

	1M	6M	12M
Absolute (%)	0.3	(13.5)	(18.7)
Relative to VNIndex (%p)	0.5	(9.9)	(25.1)

Stock price



Source: Bloomberg

M&E boosted profit growth

Facts: 2Q26 – NPAT supported by the M&E segment

In 2Q26, revenue reached VND2,431bn (-3% yoy, ~113% of KIS's forecast, figure 1), mainly supported by the office leasing and M&E segments, offsetting weaker revenue from property development.

Gross profit reached VND924bn (+8% yoy, ~130% of KIS's forecast, figure 6), with the gross margin improving to 38.0% (+4.1%p yoy, figure 6). Segment performance was as follows:

- **Power:** Revenue and NPAT reached VND1,270bn (+11% yoy, figure 1) and VND270bn (+13% yoy), respectively, mainly driven by the hydropower segment.
  - **Hydropower:** Production declined to 1,147mn kWh (-23% yoy, figure 4) due to a 15% yoy decline in nationwide reservoir inflows. However, the average FMP is estimated to have increased 60% yoy, supporting revenue and NPAT at VND779bn (+7% yoy, figure 3) and VND238bn (+12% yoy, figure 5), respectively.
  - **Solar power:** Revenue reached VND79bn (+7% yoy, figure 3), supported by higher average selling prices as the exchange rate remained elevated despite flat production of 77mn kWh (figure 4). NPAT remained unchanged at VND29bn (figure 5), as 2Q25 included a corporate income tax provision reversal.
  - **Wind power:** Revenue increased to VND178bn (+27% yoy, figure 3), supported by higher selling prices and production rising to 82mn kWh (+32% yoy, figure 4), driven by the commercial operation of Duyen Hai V1-4 (48MW) in March 2026 and favorable wind conditions in Tra Vinh. However, the segment recorded a VND2bn loss (2Q25: VND7bn profit, figure 5) due to higher depreciation and interest expenses.

	2021A	2022A	2023A	2024A	2025A
Sales (VND bn)	5,815	9,378	8,579	8,395	10,026
chg. (% yoy)	2,387	3,986	3,042	2,672	3,547
Operating profit (VND bn)	2,135	3,515	2,787	2,396	3,150
Net profit (VND bn)	5,983	7,555	5,341	4,232	4,669
EPS (VND)	13.9	26.3	(29.3)	(20.8)	10.3
EBITDA (VND bn)	12.0	7.5	12.2	14.7	9.8
PE (x)	1.67	1.30	1.54	1.55	1.18
EV/EBITDA (x)	7.1	8.2	6.4	5.6	6.62
PB (x)	15.0	18.7	13.3	11.0	12.7
ROE (%)	1.39	1.77	1.54	1.61	2.19
Dividend yield (%)	5,815	9,378	8,579	8,395	10,026

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

Research Dept
researchdept@kisvn.vn

Analysts who prepared this report are registered as research analysts in Vietnam but not in any other jurisdiction, including the U.S.
PLEASE SEE ANALYST CERTIFICATIONS AND IMPORTANT DISCLOSURES & DISCLAIMERS AT THE END OF THIS REPORT.

  - **Pha Lai Thermal Power** – PPC (19.77% stake): Production increased to 1,505mn kWh (+35% yoy, figure 4) to meet higher electricity demand amid unfavorable hydrological conditions. Accordingly, NPAT reached VND9bn (2Q25: VND12bn loss, figure 5), mainly supported by higher financial income from investments.
  - **M&E:** Revenue and gross profit reached VND837bn (-3% yoy, figure 1) and VND193bn (+6% yoy), respectively. Growth was mainly driven by REE Pro (revenue: +250% yoy; NPAT: +93% yoy) following the commencement of operations at its 7,000m² Phu Quoc factory in 1Q26. Accordingly, segment NPAT doubled to VND48bn (+102% yoy, figure 2)

- **Real estate:** Revenue and NPAT reached VND316bn (-29% yoy, figure 1) and VND122bn (-44% yoy, figure 2), respectively.
  - **Office leasing:** Revenue reached VND315bn (+11% yoy), supported by higher rental rates and an improvement in the average occupancy rate to 86% (+6%p yoy). Accordingly, NPAT increased to VND128bn (+47% yoy).
  - **Property development:** Revenue declined to VND1bn (-99% yoy), due to the absence of approximately VND156bn of one-off income from a commercial land transfer recognized in 2Q25. As a result, the segment recorded a VND6bn loss (2Q25: VND101bn profit).

As a result, NPAT reached VND782bn (+6% yoy, ~116% of KIS's forecast, figure 2), mainly supported by (i) an improvement in gross margin; (ii) financial income increasing to VND185bn (+55% yoy, up VND66bn yoy); despite (iii) selling expenses rising to VND49bn (+59% yoy, up VND18bn yoy)

Table 1. Quarterly earnings snapshot in 2Q26 (VND bn, %, %p)

	2Q25	3Q25	4Q25	1Q26	2Q26	QoQ	YoY
Sales	2,514	2,552	2,878	2,471	2,426	(1.8)	(3.5)
OP	828	937	897	1,047	885	(15)	6.9
OP margin (%)	33.0	36.7	31.2	42.4	36.5	(5.9)	3.5
EBT	829	927	864	1,054	885	(16)	6.7
NPAT	739	825	769	939	782	(16)	5.9

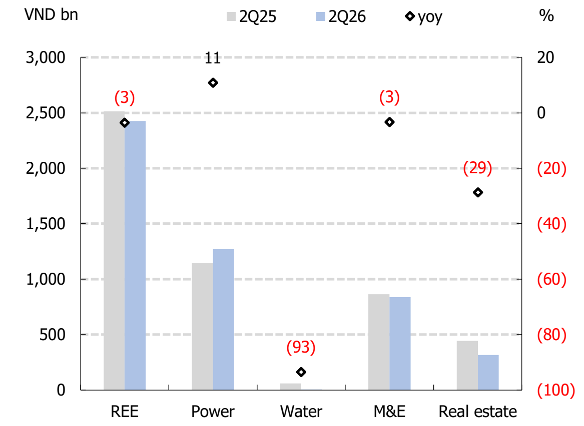
Source: FiinPro-X, Company data, KISVN

Pros & cons: 3Q26F – Earnings remain stable

In 3Q26F, we forecast REE's earnings to grow slightly, mainly driven by the M&E segment.

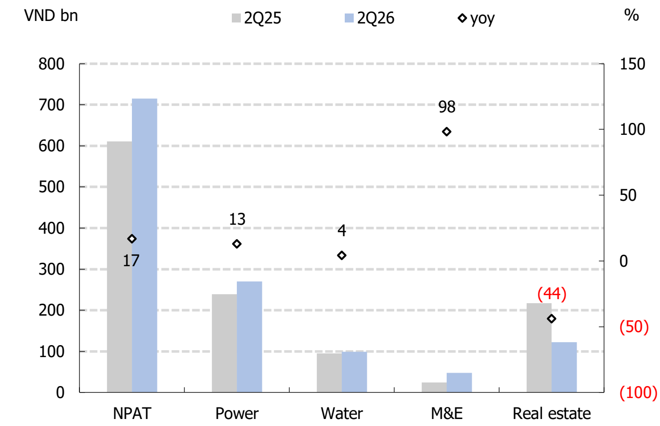
- **Power segment:** We estimate that REE's power segment could deliver slight growth in 3Q26F, mainly supported by higher selling prices following a 2.8x yoy increase in CAN prices, which could offset the decline in production due to the impact of El Niño conditions.
- **M&E segment:** We expect the M&E segment to deliver positive performance in 3Q26F, driven by newly signed contracts in 1H26, which reached approximately VND5,865bn, supporting revenue and profit growth.
- **Real estate segment:** We expect the segment's outlook to improve slightly in 3Q26F, supported by a higher occupancy rate in the office leasing segment (3Q25: 84%). However, the Light Square project is likely to remain weak during the quarter.

Figure 1. The Power segments drove revenue growth at 11% yoy in 2Q26



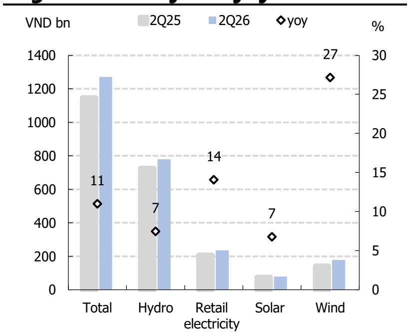
Source: Company data, FiinPro-X, KIS Research

Figure 2. NPAT increased strongly by 17% yoy in 2Q26



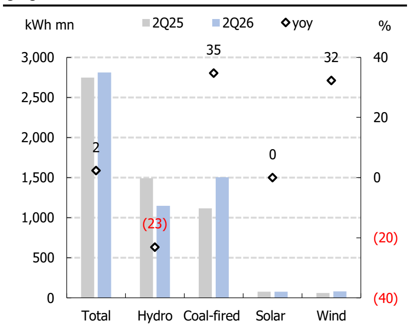
Source: Company data, FiinPro-X, KIS Research

Figure 3. Revenue from the power segment rose by 11% yoy



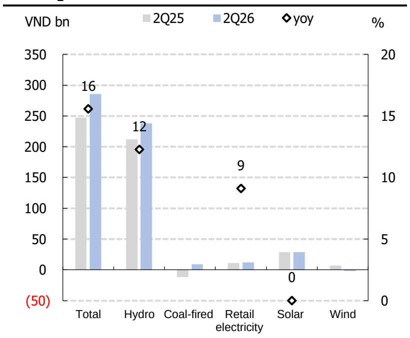
Source: EVN, KIS Research

Figure 4. Total production increased by 2% yoy



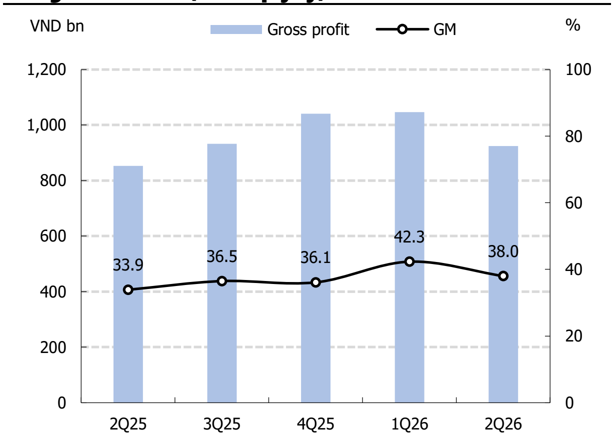
Source: EVN, KIS Research

Figure 5. ... profit surged by 16% yoy in 2Q26



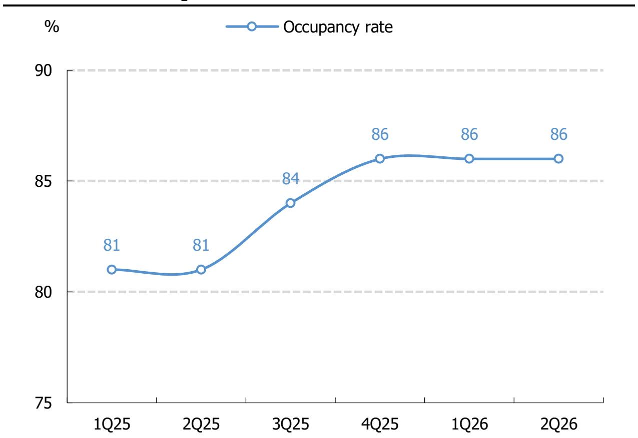
Source: EVN, KIS Research

Figure 6. ... gross profit recorded VND924bn, with gross margin to 38.0% (+4.1%p yoy)



Source: EVN, KIS Research

Figure 7. The office leasing occupancy rate is estimated to rise to 86% in 2Q26



Source: NOAA, KIS Research

■ Company overview

Refrigeration Electrical Engineering Corporation (REE) is a multi-sector business group established in 1977. After transitioning from a state-owned enterprise to a public company through equitization in 1993, REE became the first company to be listed on the Vietnamese stock exchange in 2000. Currently, REE operates in the fields of energy, water and environment, real estate, and M&E services

- **Guide to KIS Vietnam Securities Corp. stock ratings based on 12-month forward performance**
  - BUY: Expected total return will be 15% or more
  - Hold: Expected total return will be between -5% and 15%
  - Sell: Expected total return will be -5% or less
  - KIS Vietnam Securities Corp. does not offer target prices for stocks with Hold or Sell ratings.

- **Guide to KIS Vietnam Securities Corp. sector ratings for the next 12 months**
  - Overweight: Recommend increasing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.
  - Neutral: Recommend maintaining the sector's weighting in the portfolio in line with its respective weighting in the VNIndex based on market capitalization.
  - Underweight: Recommend reducing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.

- **Analyst Certification**

  I/We, as the research analyst/analysts who prepared this report, do hereby certify that the views expressed in this research report accurately reflect my/our personal views about the subject securities and issuers discussed in this report. I/We do hereby also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

- **Important compliance notice**

  As of the end of the month immediately preceding the date of publication of the research report or the public appearance (or the end of the second most recent month if the publication date is less than 10 calendar days after the end of the most recent month), KIS Vietnam Securities Corp. or its affiliates does not own 1% or more of any class of common equity securities of the companies mentioned in this report.

  There is no actual, material conflict of interest of the research analyst or KIS Vietnam Securities Corp. or its affiliates known at the time of publication of the research report or at the time of the public appearance.

  KIS Vietnam Securities Corp. or its affiliates has not managed or co-managed a public offering of securities for the companies mentioned in this report in the past 12 months;

  KIS Vietnam Securities Corp. or its affiliates has not received compensation for investment banking services from the companies mentioned in this report in the past 12 months; KIS Vietnam Securities Corp. or its affiliates does not expect to receive or intend to seek compensation for investment banking services from the companies mentioned in this report in the next 3 months.

  KIS Vietnam Securities Corp. or its affiliates was not making a market in securities of the companies mentioned in this report at the time that the research report was published.

  KIS Vietnam Securities Corp. does not own over 1% of shares of the companies mentioned in this report as of 20 Aug 2026.
  KIS Vietnam Securities Corp. has not provided this report to various third parties.
  Neither the analyst/analysts who prepared this report nor their associates own any shares of the company/companies mentioned in this report as of 20 Aug 2026.
  KIS Vietnam Securities Corp. has not issued CW with underlying stocks of REE CORPORATION. (REE) and is the liquidity provider.

  Prepared by: Research Dept

Global Disclaimer

■ **General**

This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of KIS Vietnam Securities Corp., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of KIS Vietnam Securities Corp..

This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. KIS Vietnam Securities Corp. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. KIS Vietnam Securities Corp., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or KIS Vietnam Securities Corp. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.

■ **Country-specific disclaimer**

United States: This report is distributed in the U.S. by Korea Investment & Securities America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Korea Investment & Securities, Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Korea Investment & Securities America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.

United Kingdom: This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

Hong Kong: This research report and marketing materials may be distributed in Hong Kong to institutional clients by Korea Investment & Securities Asia Limited (KISA), a Hong Kong representative subsidiary of Korea Investment & Securities Co., Ltd., and may not otherwise be distributed to any other party. KISA provides equity sales service to institutional clients in Hong Kong for Korean securities under its sole discretion, and is thus solely responsible for provision of the aforementioned equity selling activities in Hong Kong. All requests by and correspondence with Hong Kong investors involving securities discussed in this report and marketing materials must be effected through KISA, which is registered with The Securities & Futures Commission (SFC) of Hong Kong. Korea Investment & Securities Co., Ltd. is not a registered financial institution under Hong Kong's SFC.

Singapore: This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Korea Investment & Securities Co., Ltd. has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person. Please contact Korea Investment & Securities Singapore Pte Ltd in respect of any matters arising from, or in connection with, the analysis or report (Contact Number: 65 6501 5600).

Copyright ⓒ 2026 KIS Vietnam Securities Corp.. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of KIS Vietnam Securities Corp..