

PETRO VIETNAM GAS JOINT STOCK CORPORATION (HSX: GAS)

OPPORTUNITY FROM NEW GAS SOURCES AND LNG

- Net profit in Q2/2025 rose 42% YoY thanks to a VND 1,634 billion reversal of provision. For the first six months of 2025, net profit increased 28.7% YoY, exceeding our expectations.
- We forecast GAS's net profit to reach VND 13,324 billion in 2025 (+28.1% YoY) and VND 14,080 billion in 2026 (+5.7% YoY), supported by the provision reversal in 2025 and the growing contribution from the LNG business segment.
- We maintain our ADD recommendation with a target price of VND 84,900/share, based on the strong outlook from upcoming expansion into gas-fired power.

Q2/2025 Results: Profit improvement driven by provision reversal

In Q2/2025, GAS's net revenue was nearly flat YoY, while cost of goods sold increased, narrowing the company's gross margin from 19.1% in Q2/2024 to 16.5% in Q2/2025 (-2.6 pts). However, thanks to the VND 1,634 billion provision reversal in Q2, GAS's net profit surged to VND 4,748 billion (+43% YoY). For first 6 months of 2025, total gas intake (including imported LNG) reached 3,240 million m³ (45.5% of our previous full-year forecast), at an estimated selling price of ~VND 7.51 billion per million m³, slightly higher than our previous estimate of VND 7.23 billion. As a result, 1H2025 revenue and net profit came in at VND 55,756 billion (+4.5% YoY) and VND 7,504 billion (+28.7% YoY), exceeding expectations and completing 61.1%/66.0% of our full-year forecasts, respectively.

LNG Business Segment as main stimulator for GAS's 2025–2030 Performance

For 2025–2026, we expect LNG sales revenue of GAS to grow strongly, by +98%/+247% YoY, when the Nhon Trach 3 and 4 power plants are expected to reach COD in September and November this year. During 2025–2026, GAS's traditional dry gas business is forecast to deliver modest single-digit growth, mainly supported by: (1) The USD strengthening against VND, and (2) An increase of ~2% per year in the transportation cost component included in the gas pricing formula. Accordingly, net profit is projected to grow +28.1%/+5.7% YoY. These projections represent an upward revision of +17.2%/+15.7% compared to our previous forecast, thanks to: (1) A 10.6% higher USD/VND exchange rate versus our earlier assumption, (2) The extraordinary provision reversal, and (3) Downward adjustment of LNG sales revenue forecasts (-18.1%/-96.1%) to align with the revised COD timeline and capacity of the Nhon Trach 3 & 4 power plants.

Recommendation: ADD, with target price of VND 84,900/share

We raise our target price by +9.5% vs. the previous report, following forecasted net profit increase for 2025–2026 (+17.2%/+15.7%). With GAS having recently signed a 25-year long-term GSA contract to supply LNG for the Nhon Trach 3 & 4 plants, and the prospect of receiving gas from the Block B – O Mon project by early 2027 (a project currently progressing well), we believe these will provide the foundation for GAS to be revalued by the market, with its P/E multiple approaching the 5-year average (16x) versus the current 13x.

ADD

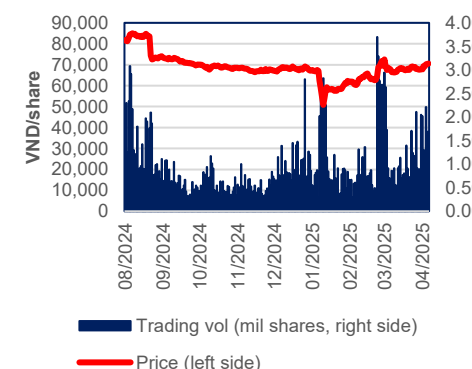
Target Price 84,900 VND

Upside 20.4%

Material changes in reporting:

Increases 2025-26's net profit of 17.2%/15.7%

Stock information



Source: FiinPro, MBS Research

Market price (VND)	70,500
52-week high (VND)	77,350
52-week low (VND)	50,800
Market capitalization (billion VND)	165,158
P/E (TTM)	13.6
P/B	2.4
Dividend Yield (%)	47.31%
Foreign Ownership Ratio (%)	1.86%

Source: FiinPro

Ownership Structure

Vietnam Oil and Gas Group (PVN)	95.76%
Others	4.24%

Source: FiinPro

Analyst

Anh Mai Duy

anh.maiduy@mbs.com.vn

Financial Indicators	2023	2024	2025F	2026F
Net revenue	89,954	103,564	104,313	116,778
Net profit	11,606	10,398	13,324	14,080
Net revenue growth	-10.7%	15.1%	0.7%	11.9%
Net profit growth	-21.6%	-10.4%	28.1%	5.7%
Gross margin	18.8%	17.0%	17.9%	18.5%
EBITDA margin	17.7%	14.3%	18.0%	16.6%
ROAE	18.7%	16.7%	20.6%	19.6%
ROAA	13.6%	12.3%	15.4%	14.8%
EPS (VND/share)	5,053	4,527	5,801	6,130
BVPS (VND/share)	27,887	25,718	29,410	32,032

Source: GAS, MBS Research

PetroVietnam Gas Joint Stock Corporation (PV GAS)

Investment Rationale and Recommendation

Investment Rationale

- In the current situation, gas supply sources for GAS are declining, particularly at the Cuu Long Basin (with output falling 20–30% annually) and Nam Con Son Basin (~10–15% annually). This highlights the urgent need to secure supplementary gas sources. We expect that, in the short term, the Su Tu Trang Phase 2B project will partially offset the shortfall until GAS starts receiving its first gas flow from the Block B – O Mon project.
- GAS began recording LNG trading revenue at the end of 2023, and we project this segment will become one of the company's key long-term growth drivers. With demand for gas-fired power promoted under the amended PDP8, GAS is positioned as a pioneer and market leader in LNG supply for sustainable gas-fired power plants.
- As the leading gas supplier in Vietnam, GAS enjoys a solid financial foundation. Its revenue achieved a 5-year CAGR of 6.7%. Financial leverage is low (debt-to-equity ratio at 0.3x in Q2/2025), enabling the company to maintain stable operations going forward. Furthermore, GAS is currently trading at a significant discount compared to its 5-year historical average P/E, providing a reasonable margin of safety for investors

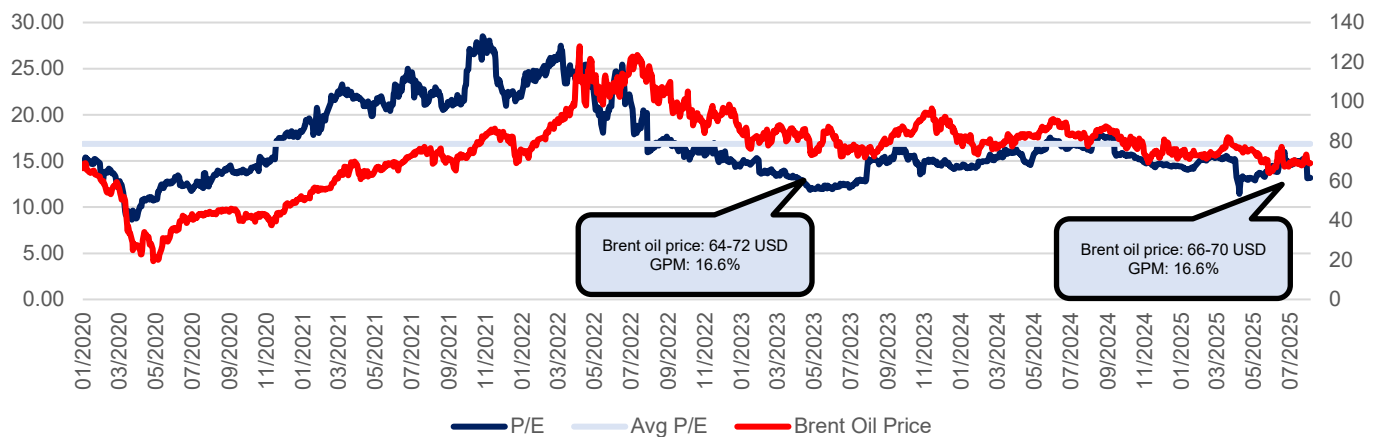
Valuation & Recommendation

Using a blended valuation approach of FCFF and P/E (50%/50% weight), we estimate the 1-year fair value of GAS shares at VND 84,900/share. Between April–July 2023, Brent crude prices fluctuated within the USD 64–72/bbl range, similar to current oil prices, and GAS was then trading at ~13x P/E. Since gas input prices are typically pegged to oil prices in the pricing formula, stable low-average oil prices should support GAS in maintaining a stable gross margin (16.6% in Apr–Jul 2023 vs. 16.6% in Q2/2025). We apply a target P/E of 14x (1 multiple higher than the current ~13x) to reflect growth prospects from the LNG business.

Figure 1: Valuation Summary

Method	Weight	Price (VND/share)
FCFF	50%	85,600
Forward P/E	50%	84,100
Target Price		84,900
Current Price (closed 12/08/2025)		70,500
Upside		20.4%

Figure 2: P/E for GAS for recent 5 years



Source: FiinProX, MBS Research

Figure 3: FCFF Forecast

	2025F	2026F	2027F	2028F	2029F
Net profit after tax	13,571	14,340	15,193	16,459	17,172
Non-cash expense	2,962	2,909	3,031	3,266	3,349
Interest Expense (after tax)	302	234	188	186	216
Working Capital Investment	(674)	(4,358)	1,029	(4,851)	824
Capital Expenditure	(1,537)	(1,367)	(6,059)	(1,509)	(1,536)
FCFF	14,624	11,759	13,382	13,551	20,025

Downside Risks:

- Gas field development projects face delays—especially the progress of the Block B – O Mon project, leading to lower gas intake volumes.
- COD timelines for the Nhon Trach 3 & 4 power plants are pushed back, affecting forecast LNG offtake volumes.
- Currently, all of GAS's LNG volume is imported. If LNG import costs rise and GAS cannot pass through equivalent price increases domestically, the segment's profit margin would be squeezed.

Figure 4: Peer Comparison

Corporation	Code	Price VND/share	Target Price VND/share	Market cap billion VND	P/E (x)		P/B (x)		ROA%		ROE (%)	
					2024	2025F	2024	2025F	2024	2025F	2024	2025F
PetroVietnam Technical Services Corp.	PVS	34,600	43,000	16,538	14.4	13.3	1.1	1.1	3.5	3.3	8.1	8.4
PetroVietnam Drilling & Well Services Corp.	PVD	21,500	29,500	11,951	12.5	16.8	0.7	0.7	3.9	3.1	5.8	4.6
PetroVietnam Gas Joint Stock Corp.	GAS	70,500	84,900	165,158	15.3	12.0	2.4	2.2	12.3	15.4	16.7	20.6
PetroVietnam Transportation Corp.	PVT	18,350	20,500	8,623	5.0	5.4	0.8	0.7	6.6	5.3	16.9	14.3
Binh Son Refining & Petrochemical JSC	BSR	21,800	20,500	67,591	75.2	18.7	1.0	1.0	0.7	3.3	1.1	5.3
Petrolimex	PLX	37,450	42,400	47,584	12.1	27.3	1.9	2.0	4.9	2.2	15.3	7.0
Average				52,439	22.4	15.7	1.4	1.3	5.3	5.1	10.7	9.6

Source: FiinPro, MBS Research

Q2/2025 and 1H2025 Business Results: Profit surged due to provision reversals

GAS's business results for the first half of 2025 and Q2/2025

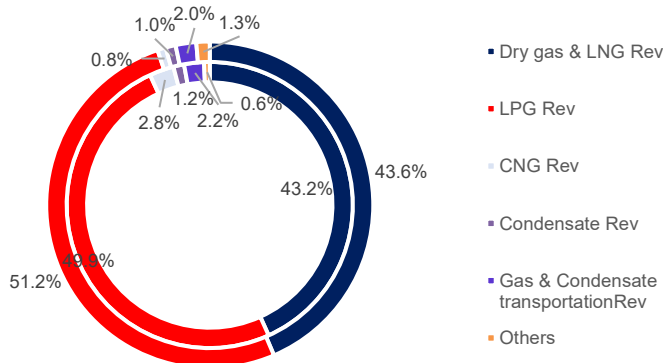
Figure 5: Business results in 2Q25 and 6M25 (Unit: VND bn)

Performance metrics	Q2/2025	%yoy	%qoq	6T25	%yoy	%Dự phóng 2025	Valuation
Average Brent oil price (USD/barrel)	66.9	-21.2%	-10.8%	71.0	-15.3%		Global oil supply is currently outpacing demand, as OPEC+ and Saudi Arabia have both increased production. On the other hand, global demand is weakening, partly due to trade conflicts and subdued consumption in China, India, and Brazil, pushing oil prices into a declining trend
Dry gas output: (million m ³)	n/a	n/a	n/a	2,995	-7.2%	47.0%	2,995 million m ³ in 1H2025 (-7.2% YoY), achieving 47% of the full-year forecast. The decline was due to faster-than-expected depletion at the Cuu Long and Nam Con Son basins.
LPG output:	n/a	n/a	n/a	197	-3.9%	48.9%	197,000 tons in 1H2025 (-3.9% YoY), equivalent to 48.9% of the full-year forecast. Reduction mainly because of lower wet gas intake.
LNG volume:	n/a	n/a	n/a	245	-32.1%	30.0%	245 million m ³ in 1H2025 (-32.1% YoY), equivalent to 30% of the full-year forecast. Imports were lower due to COD delays of Nhon Trach 3 & 4 power plants. The YoY drop also reflects a high base in 1H2024 (~361 million m ³ , vs. ~400 million m ³ for full-year 2024).
Revenue	30,104	0.1%	17.2%	55,779	4.5%	61.2%	VND 30,104 bn in Q2/2025 (+0.1% YoY, +17.2% QoQ); VND 55,779 bn in 1H2025 (+4.5% YoY), reaching 61.2% of the full-year forecast. Growth was driven by stronger sales of dry gas, LNG, and LPG.
Dry gas & LNG revenue	13,299	-3.3%	20.6%	24,322	5.3%	63.3%	VND 24,322 bn in 1H2025 (+5.3% YoY). Though volumes declined, the average gas selling price increased from ~6.5x (1H2024) to ~7.1x (1H2025).
LNG revenue	15,279	12.1%	14.7%	28,604	7.4%	79.6%	Achieved positive results as GAS expanded its export activities, with export accounting for 46.1% of the company's total LPG volume.
CNG Revenue	276	-78.5%	48.4%	462	-68.6%	15.0%	
Gas transportation & condensate revenue	577	-34.1%	2.7%	1,139	-5.1%	32.7%	
Gross profit	5,014	-13.6%	21.1%	9,103	-4.1%	55.4%	
Gross margin	16.6%	-2.5 ppts	0.7 ppts	16.3%	-1.4 ppts		
Dry gas & LNG gross margin	23.1%	-0.8 ppts	1.8 ppts	22.3%	-1.3 ppts		
LPG gross margin	7.3%	-2.3 ppts	-0.3 ppts	7.4%	-1.6 ppts		
CNG gross margin	42.0%	34.9 ppts	20.0 ppts	34.0%	25.8 ppts		Significant improvement in the CNG margin helped support overall gross margin in 1H2025.

Gas transportation & condensate gross margin	84.4%	-1.7 pts	4.2 pts	82.4%	-1.0 pts		
Financial Income	402	-9.7%	12.4%	759	-16.4%	34.7%	Weaker than expected as deposit & lending interest income fell 27.9% YoY, partly offset by FX gains (+VND 86 bn).
Financial Expenses	100	-56.1%	-14.6%	218	-46.8%	146.1%	
SG&A expenses	-713	n/a	n/a	204	-91.9%	5.1%	SG&A expenses dropped significantly compared to our forecast, thanks to a VND 1,634 bn provision reversal in Q2. This likely stemmed from the reversal of bad debt provisions, as the recoverable value of bad debts declined from VND 2,901bn at the beginning of the year to VND 458 bn in Q2/2025. The customers with the largest reductions in bad debts included PV Power, Mekong Energy, and Phu My 3 BOT.
PBT	5,982	41.1%	74.4%	9,410	27.0%	65.4%	
PAT	4,809	40.8%	74.0%	7,571	27.0%	65.4%	
NPATMI	4,748	43.0%	72.2%	7,504	28.7%	66.0%	Overall, net profit exceeded expectations thanks to improved margins and the extraordinary provision reversal.

Nguồn: GAS, MBS Research

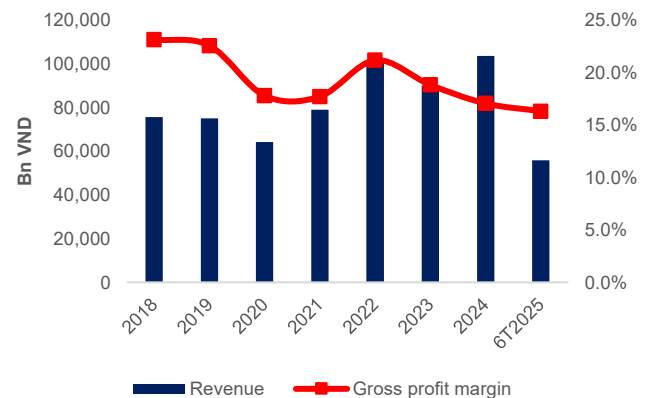
Figure 6: Revenue Breakdown by Segment of GAS



Inner ring: 6T2024; Outer ring: 6T2025

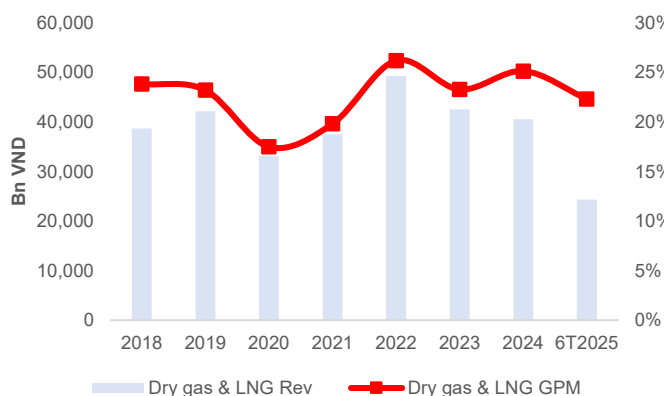
Source: GAS, MBS Research

Figure 7: GAS's Revenue and Gross Profit Margin



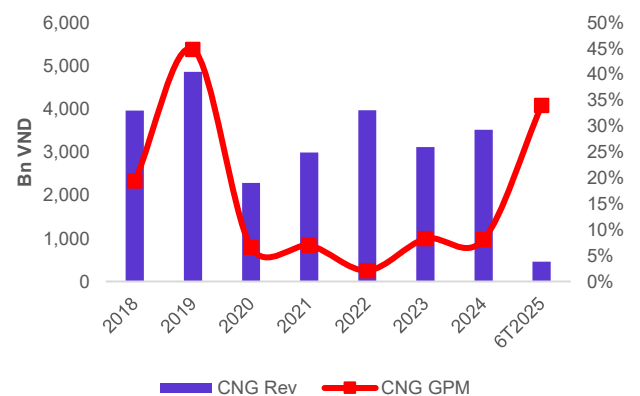
Source: GAS, MBS Research

Figure 8: Revenue and Gross Profit Margin from Dry Gas



Source: GAS, MBS Research

Figure 9: Revenue and Gross Profit Margin from CNG



Source: GAS, MBS Research

Outlook: LNG Business and New Gas Fields to Support GAS's Results in the Next Period

Maintaining traditional business segments amid caution over potential gas supply shortages.

GAS is facing challenges as domestic gas supply becomes increasingly constrained due to declining output from fields that have been exploited for a long time. Almost all of GAS's supplying fields are shrinking in output, except for the Tien Hai – Thai Binh field (2024: +19% YoY), though this field accounts for only a very small share of GAS's total gas volume (~1.8%).

Meanwhile, the two key fields, Cuu Long and Nam Con Son 1 (together contributing ~39% of total supply), are experiencing rapid depletion, with average production falling 15–20% over the past three years. In particular, Nam Con Son 1 output dropped more than 30% YoY in 2024 as Blocks 06.1 (Lan Tay, Lan Do) and Hai Thach – Moc Tinh delivered only 611 million m³ and 973 million m³ of gas respectively, down 32% YoY.

Therefore, we expect recent actions and policies from the Government to support the trend of accelerating domestic oil and gas projects in order to safeguard national energy security, as upstream developments are gradually being unlocked. Specifically, we forecast that Su Tu Trang Phase 2B could begin supplying ~300 million m³ of gas starting in 2026, ahead of the significant replacement source from Block B – O Mon, which is expected to deliver its first gas in 2027. In the semi-annual report of 2026, GAS recorded VND 1,656 billion in construction-in-progress costs for the Block B – O Mon pipeline project (accounting for 76.8% of total CIP), increase by more than VND 600 billion compared to the beginning of the year. We assess this as an investment acceleration to prepare for the receipt of the first gas flow from Block B in the near future.

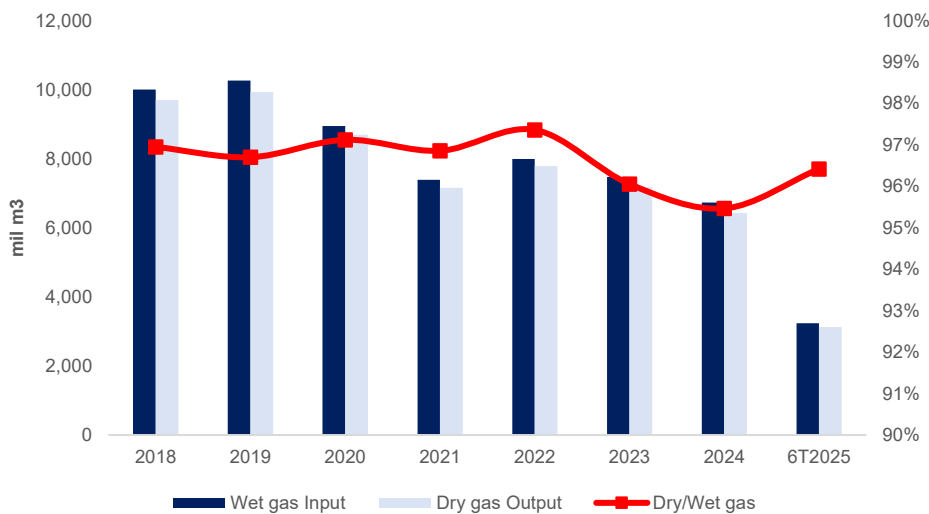
We forecast GAS's gas intake volume in 2025/2026 at 6,329 million m³ and 6,119 million m³, respectively (-5.9%/-3.3% YoY), before beginning to recover slightly from 2027 thanks to the incoming flow from Block B – O Mon. The company's dry gas/wet gas rate is expected to remain stable at 95–97%, reflecting efficient operations and the stable quality of GAS's input gas sources.

Figure 10: Information on some National Domestic Oil and Gas Exploration Projects

TT	Project	Basin	Investment (billion USD)	Reserves	Progress Update	Forecast Progress	First gas harvest forecast
1	Block B – O Mon	Malay – Tho Chu	12	107 m3 of gas	Completed 25.4% of EPCI#1 (engineering, procurement, construction, installation of central processing platform, living quarters platform, flare tower) and 55.3% of EPCI#2 (engineering, procurement, construction, transportation, installation, hook-up, commissioning of gathering platforms, wellhead platforms, and in-field pipeline system). Completed PSTM seismic data processing.	EPCI#1 overall progress 60–70%. Completed PSDM seismic data processing. Fabrication of most wellhead platforms (WHPs) and central processing platform (CPP) completed.	2026 - 2027
2	Ca Voi Xanh	Song Hong	10	150 m3 of gas	No FID yet as ExxonMobil has not advanced any project-related activities. June 2025: The Minister of Industry and Trade requested ExxonMobil to continue implementing the Blue Whale development project in accordance with the law and the signed petroleum contract.	If legal issues are resolved and FID is signed by the end of the year, the project will move into the preparation phase and start detailed design, platform fabrication, and infrastructure construction.	2030

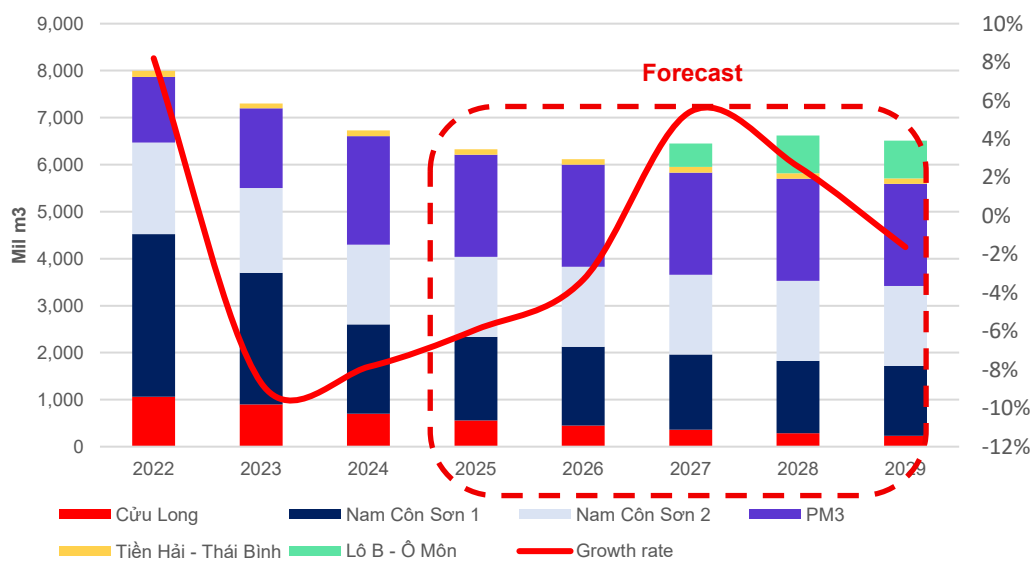
3	Su Tu Trang - GD 2B	Cuu Long	1.38	24 billion m ³ of gas	April 2025: Petrovietnam/PVEP signed the Heads of Agreement (HOA) for the project. PSC & GSPA being finalized. (batch 15-1)	Expected to sign official contracts to secure exploitation rights and ensure new gas/oil flow. Drilling of 3 new wells: procedures nearly complete and ready for implementation in 2H2025.	2026
4	Nam Du - U Minh	Malay – Tho Chu	n/a	171 billion m ³ of gas	Mar 2025: Jadestone submitted FDP to Petrovietnam.	n/a	n/a
5	Thien Nga – Hai Au	Nam Con Son	0.3	7.5 billion m ³ of gas	Jun 2025: PV Gas chaired meeting to accelerate progress, requested completion of GSA and pricing mechanism to enable project development.	Completion of GSA/GSPA signing with PV Gas. FDP approval expected.	Q4/2026
6	Bao Vang – Bao Den	Song Hong	1.32	58 billion m ³ of gas	Exploration stage.	Exploration stage.	n/a
7	Ken Bau	Song Hong	n/a	200–250 billion m ³ of gas	Exploration stage.	Submission of FDP and GSA/GSPA framework.	2028

Figure 11: GAS's Total Gas Output



Source: GAS, MBS Research

Figure 12: GAS's Projected Gas Output by Fields



Source: GAS, MBS Research

The acceleration of gas-fired power development creates significant opportunities for GAS's LNG business

According to the revised PDP8, the Government's target by 2030 is to have 13 LNG-to-power plants nationwide with a total capacity of 22.4GW, requiring an estimated 22–25 million tons of LNG annually. Given that the country currently has only one LNG processing facility – the Thi Vai LNG terminal with a processing capacity of ~1 million tons/year, the commissioning of new LNG import terminals is urgent. In May 2025, GAS officially approved the investment project to expand the Thi Vai LNG terminal to a capacity of 3 million tons/year, expected to be completed by 2029. The Ministry of Industry and Trade announced the appraisal results of the feasibility study (FS) for the Son My LNG terminal, which is expected to align with the progress of the Son My power plants.

In addition to the two major projects Thi Vai and Son My, Vietnam has also included several other LNG projects in the national planning to meet the required processing capacity, underscoring the country's long-term commitment to LNG development.

Figure 13: Planned LNG Processing Projects

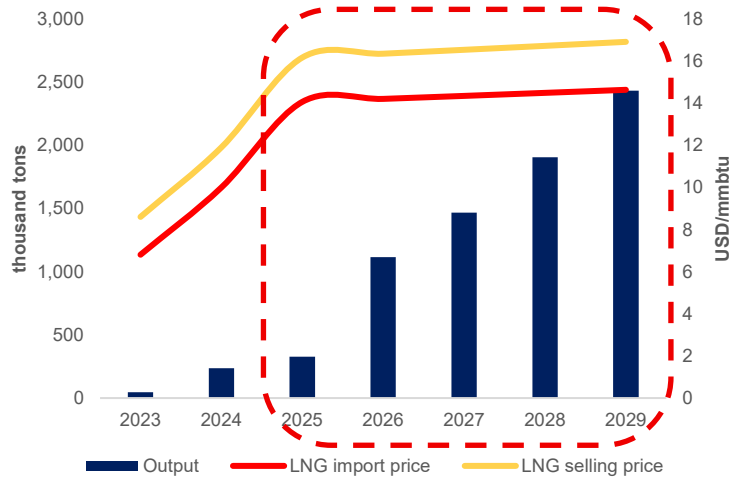
TT	Project	Investor	Investment Scale	Location	Capacity (per year)	Planning period
1	Thị Vải LNG - Phase 2	PV GAS	9,000 USD billion	BR-VT	3 million tonnes	2025-2029
2	Sơn Mỹ LNG	Son My LNG Terminal Company Limited	1.34 USD billion	Bình Thuận	6 million tonnes	n/a
3	Cát Hải LNG	n/a	n/a	Hải Phòng	1-3 million tonnes	2031-2035
4	FSRU LNG	PVN	n/a	Thái Bình	0.2-0.5 million tonnes	2026-2030
5	Khánh Hòa LNG	n/a	n/a	Khánh Hòa	3 million tonnes	2030-2035
6	Cà Ná FRSU LNG	International Joint Venture	57,000 USD billion	Ninh Thuận	n/a	2026-2030

In 2024, Asian LNG prices remained at low levels as GAS imported 236 thousand tons of LNG into the Thi Vai terminal. Moving into 2025, the Ministry of Industry and Trade reported LNG import prices into Vietnam at around USD 14.05/mmbtu (excluding transportation costs). According to Bloomberg, from 2027 onwards, the global LNG market may experience oversupply, making a sharp price surge unlikely. However, with the rising trend of gas-to-power development in Asia, we project LNG prices could still increase slightly by 1–1.2% per year on average.

We expect GAS's LNG volume by 2029 will mainly serve the Nhon Trach 3 & 4 power plants. LNG volumes distributed by GAS in 2025/2026 are projected at 328 and 1,115 thousand tons, respectively (+39%/+240% YoY). Alongside its traditional businesses, LNG will become one of the company's growth pillars. In 2024, LNG sales revenue was estimated at VND 3,700 billion (~3.6% of total revenue). By 2029, we project LNG revenue will account for around 39% of GAS's total revenue. However, GAS's LNG outlook still faces notable risks, including: (1) Nhon Trach 3 & 4 power plants entering operation later than scheduled and/or operating below expected capacity; (2) GAS's LNG terminal expansion projects

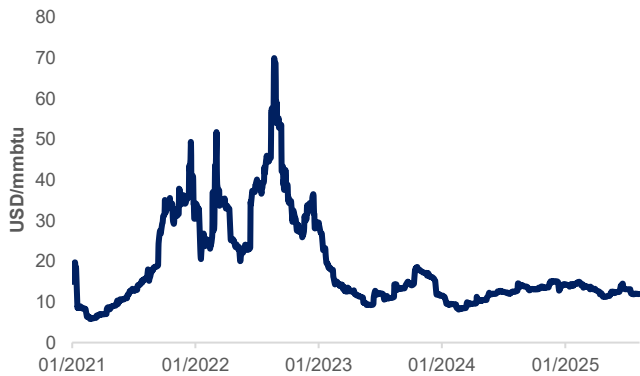
falling behind schedule, leading to insufficient processing capacity to supply LNG as demanded by power customers.

Figure 14: GAS's Projected LNG Volume and Import/Sales Prices



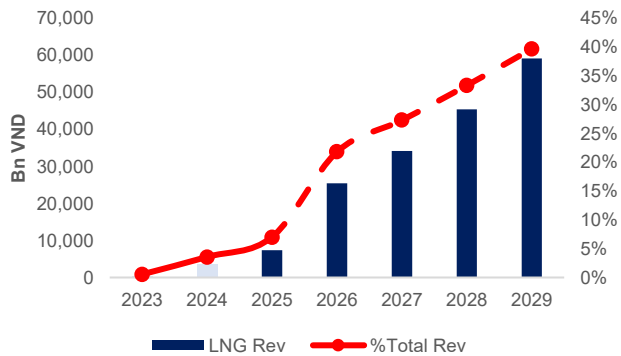
Source: GAS, MBS Research

Figure 15: LNG Price Movements in Asia



Source: Investing, MBS Research

Figure 16: Estimated LNG Sales Revenue of GAS



Source: GAS, MBS Research

Policy/Regulation Changes Related to Gas-to-Power to Support GAS's Business Activities

In 2025, changes in several new policies and regulations are expected to create favorable conditions for GAS in signing gas sales contracts. For instance, the LNG-to-power pricing framework will provide market participants with a basis for price determination, thereby enabling longer-term contracts. Similarly, Circular 12/2025/TT-BCT allows the inclusion of services such as LNG terminals, gas transportation, etc. into the pricing structure, thereby increasing transparency in price-setting and reducing risks from sudden surges in cost components that could otherwise cause losses for gas suppliers like GAS.

Additionally, Decree 100/2025 – establishing a regulation to ensure consumption of domestically produced natural gas – will prioritize maximum mobilization of domestic gas if GAS is able to supply it for gas-fired power projects. This means that such projects will prioritize using domestic gas from GAS, ensuring the plants can run at full designed capacity. This will facilitate GAS in consuming its domestic gas sources more easily, thereby optimizing the company's current core business. Imported LNG will play the role of a flexible alternative source when domestic gas supply is insufficient.

Figure 17: New Policies/Regulations Impacting GAS

TT	Policy/Regulation	Previous content	New Content	Impact on GAS
1	LNG-to-Power Pricing Framework (Decision 983/QĐ-BCT)	No clear price ceiling → Difficult to implement PPAs	Price framework established: 3,069 VND/kWh	Helps gas sellers set transparent prices → Stabilizes commercial gas flows
2	Circular 12/2025/TT-BCT	No clear regulation on cost component calculation when determining electricity prices	Recognition of FSRU, LNG terminals, and gas transportation services in the pricing structure	Legalizes the role of gas intermediaries, encourages investment in FSRU and LNG terminals, and strengthens service price negotiations
3	Long-term GSA with Nhon Trach 3&4	Some projects lack GSAs → Delays EVN's signing of PPAs	25-year GSA signed, stabilizing downstream gas flows	Ensures stable midstream gas distribution volumes
4	Decree 100/2025	No mechanism prioritizing mobilization of domestic gas or LNG	Gas-fired power projects using domestic gas are prioritized to run at maximum capacity to fully utilize locally produced gas, instead of sharing "generation slots" with other plants (coal, imported LNG, hydropower). LNG serves as a flexible backup source if domestic supply is insufficient	Strengthens traditional gas business. If supply is short, imported LNG will be mobilized.

Adjustment of business forecast 2025-2026

Figure 18: Forecast of GAS's business results for the period of 2024-2026

Metrics	2024	2025F	% Projected Change	% yoy	2026F	% Projected Change	% yoy	Comments
Avg Brent oil price (USD/barrel)	80	64	-13.6%	-20.0%	70	0.0%	9.4%	Oil price forecasts have been adjusted downward in line with the global downtrend, driven by oversupply and weak demand.
Dry gas price (bn VND/mil m ³)	6.3	7.1	17.8%	12.7%	7.2	20.0%	1.4%	Upward adjustment based on 1H2025 gas sales revenue.
LNG price (VND/MMBTU)	9.8	16.1	25.9%	64.3%	16.3	25.4%	1.2%	Upward adjustment based on MOIT-announced LNG import prices in 1H2025.
Estimated dry gas output (million m ³)	6,422	6,123	-10.7%	-4.7%	6,073	-7.5%	-0.8%	Downward adjustment due to faster-than-expected output decline from the Cuu Long Basin.
Estimated LNG output (million m ³)	330	459	-43.9%	39.0%	1,561	34.7%	239.8%	Volume adjustment due to delayed COD of Nhon Trach 3 & 4 power plants.
Revenue	103,564	104,313	14.4%	0.7%	116,778	24.4%	11.9%	
Revenue from dry gas	40,480	43,600	13.5%	7.7%	43,783	12.1%	0.4%	Upward adjustment based on 1H2025 results and USD appreciation (USD/VND before adjustment: 24,200; after adjustment: 26,775). As most gas sales contracts are denominated in USD, the stronger USD supports higher gas sales revenue.
Revenue from LPG	54,875	48,655	35.5%	-11.3%	42,017	23.3%	-13.6%	Adjustment reflecting higher LPG selling prices.
Revenue from LNG	3,700	7,334	-18.1%	98.2%	25,458	96.1%	247.1%	Adjustment based on COD timeline and capacity of Nhon Trach 3 & 4 power plants.
Revenue from gas and condensate transportation	2,750	2,631	-24.5%	-4.3%	2,585	-23.8%	-1.7%	Adjustment due to lower-than-expected 1H2025 revenue in this segment.
Gross profit	17,654	18,719	14.0%	6.0%	21,580	28.4%	15.3%	
Gross profit margin	17.0%	17.9%	-0.1 pts	0.9 pts	18.5%	0.6 pts	0.6 pts	
Dry gas GPM	25.1%	22.5%	-0.6 pts	-2.6 pts	22.2%	-0.6 pts	-0.3 pts	
LPG GPM	7.7%	7.7%	-1.5 pts	0 pts	9.0%	0.0 pts	1.3 pts	Adjustment due to lower 1H2025 gross profit margin.
LNG GPM	16.0%	6.7%	-6.0 pts	-9.3 pts	11.3%	-3.6 pts	4.6 pts	Adjustment due to higher-than-expected LNG import prices announced by MOIT.
Gas and condensate transportation GPM	84.5%	75.0%	-8.0 pts	-9.5 pts	78.0%	-5.0 pts	3.0 pts	Adjustment due to lower 1H2025 gross margin.
SG&A Expense	5,612	2,926	-27.1%	-47.9%	5,097	42.9%	74.2%	Significant reduction due to provision reversals of over VND 1,600bn in Q2/2025 and an estimated VND 808bn in 2H2025 (forwarding by MBS).
Financial Income	1,737	1,721	-21.4%	-0.9%	1,868	-19.7%	8.6%	Adjustment in line with 1H2025 results.
Financial Expense	319	375	151.5%	17.8%	291	138.9%	-22.4%	Higher-than-expected interest expenses.
Other Income	-26	-26	14.0%	0.0%	-29	23.5%	11.9%	
Profit from associates and joint ventures	38	38	14.1%	0.0%	43	25.5%	11.9%	
PBT	13,131	16,858	17.2%	28.4%	17,814	15.7%	5.7%	
PAT	10,569	13,571	17.2%	28.4%	14,340	15.7%	5.7%	
NPATMI	10,398	13,324	17.2%	28.1%	14,080	15.7%	5.7%	Adjusted profit increased mainly due to stronger-than-expected revenue growth and an unusual provision reversal.

FINANCIAL STATEMENTS

Income Statement					Cash Flow Statement				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Net revenue	89,954	103,564	104,313	116,778	Pre-tax profit	14,640	13,131	16,858	17,814
Cost of good sold	(73,029)	(85,910)	(85,594)	(95,198)	Depreciation & amortization	3,027	2,728	2,962	2,909
Gross profit	16,925	17,654	18,719	21,580	Non-cash profit/loss	(3,134)	(2,632)	(3,287)	(3,474)
G&A Expense	(1,475)	(3,197)	(235)	(2,229)	Other adjustments	(1,271)	925	(6,929)	(2,946)
Selling Expense	(2,544)	(2,415)	(2,691)	(2,868)	Change in working capital	566	(5,157)	(674)	(4,358)
Operating profit	12,906	12,042	15,792	16,483	Cash flow from operating activities	13,827	9,035	8,929	9,945
EBITDA	15,933	14,770	18,754	19,392	Capital expenditures	(1,841)	(1,925)	(1,537)	(1,367)
EBIT	12,906	12,042	15,792	16,483	Proceeds from sale of assets	-	1	-	-
Financial Income	2,273	1,737	1,721	1,868	Others	(9,407)	9,393	(1,514)	(1,981)
Financial Expense	(587)	(660)	(668)	(551)	Cash flow from investing activities	(11,249)	7,468	(3,050)	(3,348)
Thu nhập ròng khác	20	(26)	(26)	(29)	New share issuance	-	-	-	-
Profit from joint ventures	27	38	38	43	Net borrowings	(344)	(2,740)	(192)	(240)
PBT	14,640	13,131	16,858	17,814	Others	-	-	-	-
Tax expense	(2,846)	(2,562)	(3,287)	(3,474)	Dividends paid	(7,120)	(13,872)	(4,920)	(8,199)
PAT	11,793	10,569	13,571	14,340	Cash flow from financing activities	(7,463)	(16,612)	(5,112)	(8,439)
Minority Interest	(187)	(192)	(246)	(260)	Cash and equivalents at the beginning of the period	10,549	5,669	5,568	6,335
Net profit	11,606	10,398	13,324	14,080	Total cash generated	(4,885)	(109)	767	(1,841)
Dividend	(7,120)	-	(4,920)	(8,199)	Cash and equivalents at the end of the period	5,669	5,568	6,335	4,493
Retained Earnings	4,486	10,398	8,405	5,881					

Balance Sheet					Key ratios				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Cash and cash equivalents	5,669	5,568	6,335	4,493	Net revenue Growth	-11%	15%	1%	12%
Short-term investments	35,085	27,494	34,423	37,369	EBITDA Growth	-23%	-7%	27%	3%
Accounts receivable	12,541	16,745	14,692	17,302	Operating profit growth	-27%	-7%	31%	4%
Inventories	3,945	4,599	4,973	5,673	Pre-tax profit growth	-22%	-10.3%	28.4%	5.7%
Other Short-Term Assets	4,978	2,885	6,449	7,682	Net profit growth	-22%	-10.4%	28.1%	5.7%
Total Short-Term Assets	62,218	57,290	66,872	72,519	EPS growth	-22%	-10.4%	28.1%	5.7%
Fixed assets	19,145	17,853	16,451	14,931	Gross profit margin	18.8%	17.0%	17.9%	18.5%
Intangible assets	387	369	346	323	EBITDA Margin	17.7%	14.3%	18.0%	16.6%
Construction in progress	1,781	1,718	2,890	4,970	Net Profit Margin	12.9%	10.0%	12.8%	12.1%
Investment in subsidiaries	-	-	-	-	ROAE	18.7%	16.7%	20.6%	19.6%
Investment in joint ventures	388	390	409	430	ROAA	13.6%	12.3%	15.4%	14.8%
Other long-term investments	10	10	10	10	ROIC	16.3%	16.0%	18.2%	17.8%
Other long-term assets	3,794	4,195	4,562	5,029	Asset turnover	105.6%	122.1%	120.3%	123.0%
Total long-term assets	25,537	24,564	24,697	25,723	Total debt/equity	61.3%	0.0%	36.9%	58.2%
Total assets	87,754	81,855	91,569	98,242	Net debt/equity	9.0%	5.2%	4.3%	3.7%
Short-term debt	1,605	934	689	553	Net debt/total assets	0.3%	-3.8%	-4.7%	-2.2%
Accounts payable	7,138	6,037	8,097	7,671	Interest coverage ratio	0.2%	-2.9%	-3.6%	-1.7%
Other short-term payables	6,229	7,605	6,757	7,367	Asset turnover	38.0	37.8	42.1	56.6
Total current liabilities	14,972	14,575	15,542	15,590	Days receivable	51	59	51	54
Long-term debt	4,271	2,291	2,344	2,240	Days inventory	20	20	21	22
Other long-term payables	3,213	3,418	3,412	3,949	Days payable	36	26	35	29
Total non-current liabilities	7,484	5,708	5,756	6,188	Current ratio	4.2	3.9	4.3	4.7
Total liabilities	22,456	20,284	21,298	21,778	Quick ratio	3.9	3.6	4.0	4.3
Charter capital	22,967	23,427	23,427	23,427	Cash ratio	2.7	2.3	2.6	2.7
Share premium	0	0	0	0	Pricing				
Treasury shares	-	-	-	-	EPS (*)	5,053	4,527	5,801	6,130
Retained earnings	16,880	9,553	14,133	17,779	BVPS (*)	27,887	25,718	29,410	32,032
Other reserves	23,919	26,968	31,039	33,533	P/E (*)	13.7	15.3	12.2	11.5
FX gain/loss	-	-	-	-	P/B (*)	2.5	2.7	2.4	2.2
Shareholders' equity	64,049	60,248	68,899	75,040	Net cash/share	16,711	13,714	17,104	17,634
Minority interest	1,250	1,323	1,372	1,424	Dividend yield	0.0%	3.0%	5.0%	6.4%
Total equity	65,299	61,571	70,271	76,464					
Total liabilities and equity	87,754	81,855	91,569	98,242					

(*) Note: The data sections marked with (*) are calculated based on the number of outstanding shares at the end of 2024 to standardize the basis for comparison

Source: GAS, MBS Research forecast

DISCLAIMER

This report has been written and distributed by MBS Research Center, MBS Securities JSC (MBS). It is based on information obtained from sources believed to be reliable, but MBS does not make any representation or warranty, express or implied, as to its accuracy, completeness, timeliness or correctness for any particular purpose. Opinions expressed are subject to change without notice. This research is prepared for general circulation. Any recommendation contained herein does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This report and all of its content belongs to MBS. No part of this report may be copied or reproduced in any form or redistributed in whole or in part, for any purpose without the prior written consent of MBS.

MBS RECOMMENDATION FRAMEWORK

Stock Ratings

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

ADD	The stock's total return is expected to reach 15% or higher over the next 12 months
HOLD	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months
REDUCE	The stock's total return is expected to fall below negative 10% over the next 12 months

Sector Ratings

POSITIVE	Stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
NEUTRAL	Stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
NEGATIVE	Stocks in the segment have, on a market cap-weighted basis, a negative absolute recommendation

ABOUT MBS

Founded in May 2000 by the Military Commercial Joint Stock Bank (MB), MB Securities Joint Stock Company (MBS) is one of the first six securities companies in Vietnam. After years of development, MBS has grown into one of the premier brokerage houses in the country. In two consecutive years between 2009 and 2010, MBS leads the brokerage house in terms of market share on both Hanoi Stock Exchange (HNX) and HCMC Stock Exchange (HOSE) and continuously ranked among the Top 5 of market share at both stock exchanges.

Address:

MB Building, 21 Cat Linh, Dong Da, Hanoi

Tel: +8424 7304 5688 - Fax: +8424 3726 2601

Website: www.mbs.com.vn

MBS RESEARCH DEPARTMENT

Director, Head of Research

Hien Tran Thi Khanh

Deputy Head of Equity Research

Dzung Nguyen Tien

Macro & Market Strategy

Cuong Nghiem Phu

Hung Ngo Quoc

Anh Dinh Ha

Anh Vo Duc

Banking – Financial Services

Luyen Dinh Cong

Huong Pham Thi Thanh

Industry – Energy

Tung Nguyen Ha Duc

Anh Mai Duy

Real Estate

Duc Nguyen Minh

Thanh Le Hai

Huyen Pham Thi Thanh

Consumer – Retail

Ly Nguyen Quynh