true friend KIS Viet Nam Securities Corporation

2H25 OIL & GAS OUTLOOK

TAILWINDS AT HOME, HEADWINDS ABROAD

NEUTRAL

2H25F Oil & Gas Outlook
Tailwinds at home, headwinds abroad

Sector Rating

Sector Overview

- ***Natural gas*:** 1Q25 marked a non-peak quarter with notable LNG consumption, which consolidated the growing trend of the new LNG segment, amid declining domestic gas sources. Asia LNG spot price also cooled downed from the peak in 2Q25, which we think will benefit LNG consumption in 2H25F.
- ***E&P*:** the Drilling market remained under severe oversupply stage throughout 1H25, which put pressures on the day rates of drillers like PVD, the number of rigs with jobs is on a declining trend and may have enter the trough of the cycle. On the other hand, domestic E&P, and specifically the Block B – O Mon project still recorded robust progress in its construction.
- ***Petroleum*:** throughout 1H25, Brent Coefficient of Variance (CV) has been high, affected by global events such as shadow fleet sanction, growing peace hope in Russia-Ukraine battle field, Israel-Hamas short-lived ceasefire, Trump's fresh tariffs and most recently Israel-Iran's escalations. This strongly affected the business environment of petroleum distributors as they bear losses from inventory risks and price mismatch. Refinery crack spreads are still struggling to recover.

2H25F Outlook

- ***Natural gas:***
  - Natural gas (include LNG) is expected to grow by 11% in 2H25F mainly thanks to the commercial operations of Nhon Trach 3 (from Sept) and Nhon Trach 4 (from Nov).
  - We think that LNG demand (of generators) will be higher thanks to *(1)* a cooled downed LNG spot price *(2)* domestic gas supply capacity to decline at >30% yoy and *(3)* government ambitious GDP target would demand a strong electricity generation growth.
- ***E&P:***
  - Drilling market may still be oversupplied, weighting on drilling day rates.
  - Block B – O Mon's execution is expected to run smoothly, as for high government determination, benefitting firms that are currently work for the project.
- ***Petroleum:***
  - Short-term challenges: the market recently recorded another layer of premium relating to the Iran-Israel conflicts, that overshadowed the market oversupply stage. We think oversupply concerns could quickly pivot market sentiments when the uncertainties of the conflict unveil and the war premium is lifted. As a result, we expect high volatility of oil price in 3Q25 which will continue to strongly affect the profit margins of petroleum distributors.
  - Long-term opportunities: the 6th draft of the new petroleum decree significant step in liberalizing the petroleum market, more pricing power for the distributors as well as stricter business conditions. We think the new decree could be approved in 2H25.
  - Crack spread may still be under pressure due to slow-growing fuel demand.

Recommendation

- As we see mixed prospects in the sub-sectors, we rate **NEUTRAL recommendation for Oil & Gas Sector**. Regarding to stock recommendation, we respectively rate GAS (**BUY**), CNG (**HOLD**), PVS (**BUY**), PVD (**HOLD**), PLX (**BUY**).

"SECTOR" COVERAGE LIST

Sector coverage list

Ticker	Recommendation	TP	Upside	25F Rev	25F NPAT	Rev - yoy	NPAT - yoy	Trailing PE	Trailing PB	Current DY
Natural Gas										
GAS	BUY	79,300	+17%	114,835	12,389	11	17	14.9	2.5	4.1
CNG	HOLD	31,600	+9%	4,302	66	22	(27)	11.3	1.6	3.4
Exploration and Production										
PVS	BUY	45,800	+43%	33,610	1,415	41	0	14.3	1.1	2.3
PVD	HOLD	22,500	+14%	7,545	455	(19)	(34)	16.1	0.7	1.9
Petroleum										
PLX	BUY	43,800	+17%	260,126	1,438	(8)	(55)	24.3	1.8	3.7

2H25 Oil & Gas – Tailwinds at home, headwinds abroad

I. Industry analysis

1. Natural gas: LNG to be the key factor
2. E&P: focusing on Block B – O Mon
3. Petroleum: short-term difficulties but long-term potentials

1. Natural gas

LNG brings a fresh breeze to the gas market

Figure 1. 2H25F domestic dry gas consumption may surge 14% yoy …

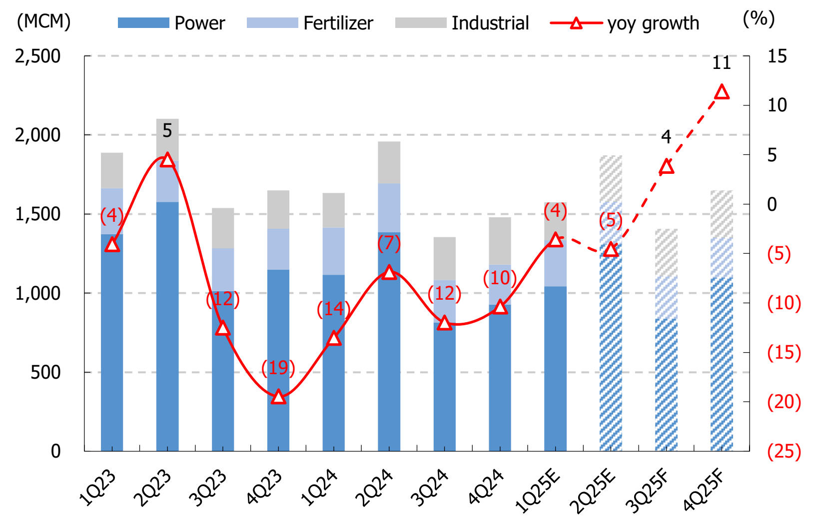


Figure 2. … driven by Power's consumption: +11% yoy

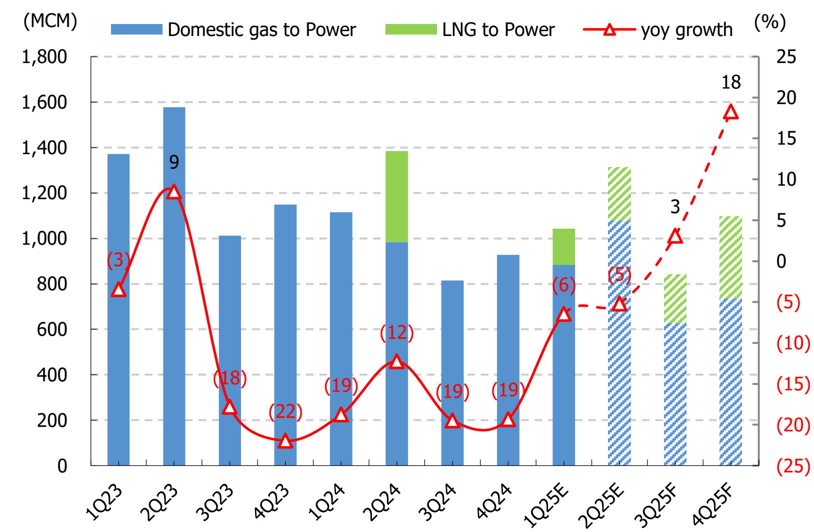


Figure 3: CF of gas-fired electric to improve to 36% in 2H25 thanks to NT3&4

capacity factor	1H23	2H23	1H24	2H24	1H25	2H25
Hydro	30%	50%	28%	62%	34%	57%
Coal	55%	52%	68%	50%	67%	52%
Gas	46%	29%	38%	31%	33%	36%
of which NT 3&4	N/A	N/A	N/A	N/A	N/A	46%
RE	19%	17%	19%	17%	21%	21%

Source: GAS, EVN, KIS Research estimates

2H25F natural gas consumption to grow strong by 14% yoy:

- **Power consumers: +11% yoy** based on *(1)* new capacity from Nhon Trach 3&4 LNG-fired plants and higher LNG mobilization for traditional power plants that offset *(2)* domestic gas impacts that slump 22% yoy.
- **Fertilizer consumers: flat yoy.**
- **Industrial consumers: +5% yoy** hinged on the recovery of real estate and construction activities.

1. Natural gas

Low domestic gas supply capacity & cheaper LNG encourage LNG usage

Figure 4. GENCO3 price pegged high, Asia LNG cooled from the Feb-2025 peak

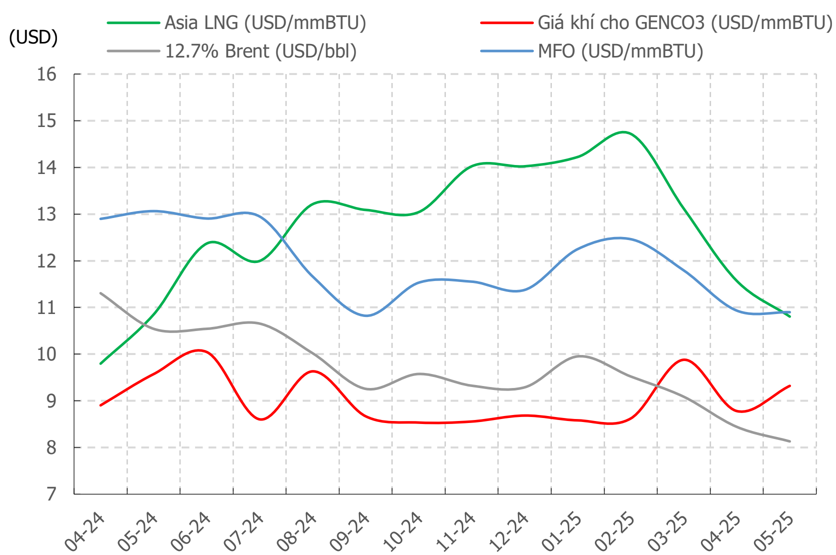
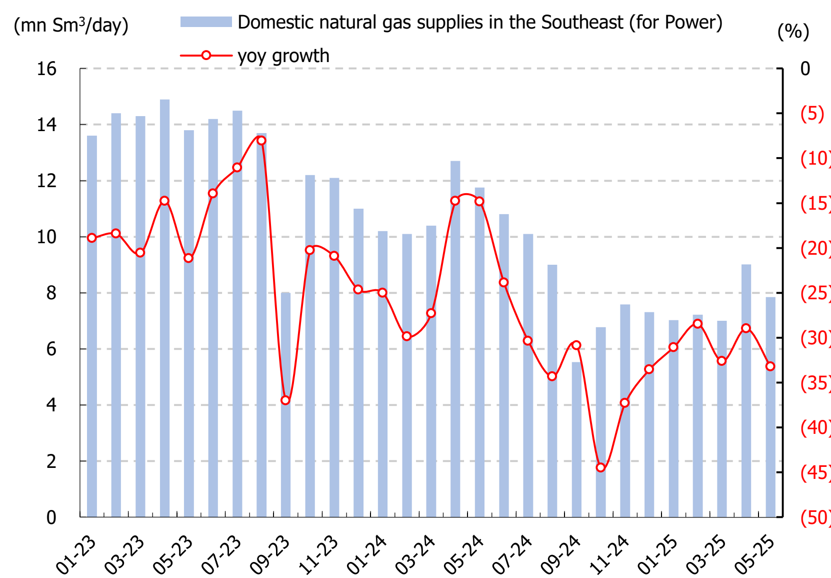


Figure 5. Southeast supply capacity (for Power) continue to drop by >30% yoy



2H25F: lower LNG price & declining domestic gas supply to encourage more LNG usage:

- Supply capacity of domestic sources is expected to decline at over 30% yoy rate.
- Asia LNG spot price cooled from the Feb-25 peak of USD14.7/mmBTU to around USD11/mmBTU.
- Demand for peak loads and grid stability withstand as Vietnam aims for ambitious economic growth.

Source: GENCO3, Bloomberg, KIS Research

1. Natural gas

LNG to rise in 2H25, given the COD of Nhon Trach 3&4 power plants

Figure 6. Hai Linh joined the LNG playground in 2Q25

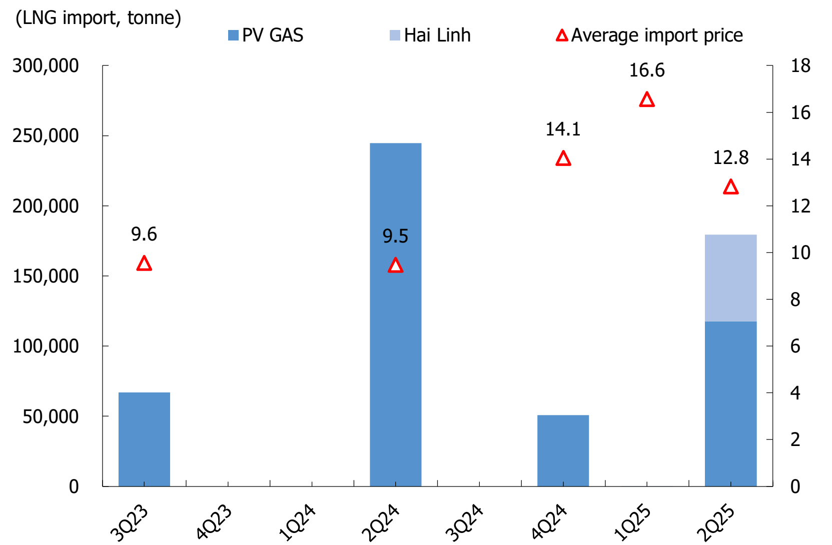
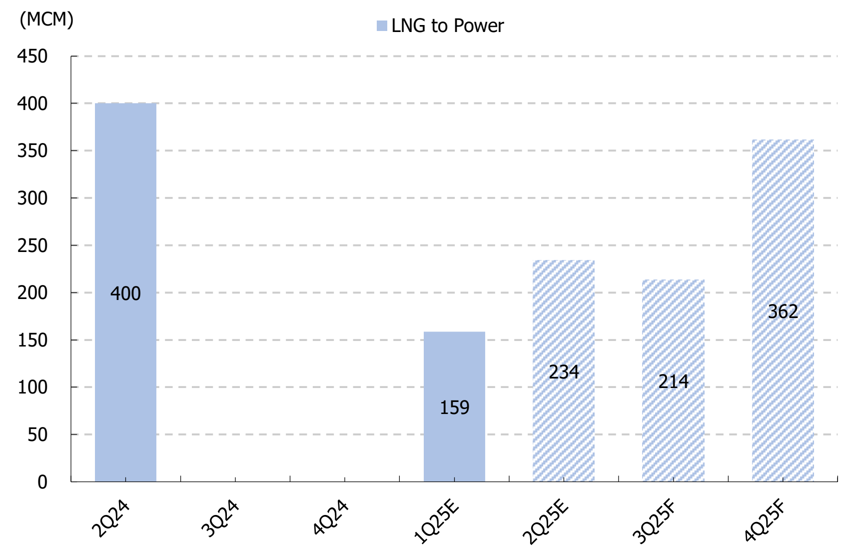


Figure 7. PV GAS LNG consumption could bloom from 2H25F



- **2H25F**: Nhon Trach 3&4's COD is planned to be in Sept and Nov 2025 (delayed vs previous plan of June and Sept).
- Hai Linh's Cai Mep LNG Terminal (located near PV GAS's Thi Vai LNG Terminal), imported the first LNG vessel in May 27, which promises higher competition in upcoming periods. We think that Cai Mep LNG will compete with PV GAS in supplying LNG to traditional gas-fired generators as well as industrial consumers.

Source: TradeInt, KIS Research estimates

2. Exploration & Production:

Block B – O Mon: expecting a bright outlook in 2H25 with high government determination

Figure 8. PVS's EPCI contracts are under strong execution as full LOAs were achieved

EPCI#1: 25.36%
as of the end of Jun-2025

EPCI#2: 55.29%
as of the end of Jun-2025

EPCI#3: 27%
as of May-2025

Figure 9. Block B FSO deal was also completed

PTSC
A member of PETROVIETNAM

X

YINSON Production

Source: PVS, KIS Research compile

Block B – O Mon is accelerating:

- Construction progress on EPCI packages #1, #2, and #3 is gradually being recognized. However, EPCI #3 is experiencing minor delays due to land clearance issues.
- The contractor for EPCI package #4, which covers the offshore pipeline, has been finalized: a consortium of Vietsovpetro, PT Timas Suplindo, and TOS.
- Meanwhile, the joint venture between PTSC (HSX: PVS) and Yinson has officially been awarded the contract to provide the FSO unit for the Block B project.

Drilling: high pressures on drilling day rates with high oversupply pressures

Figure 10. Total number of offshore rigs having jobs entered the negative territory since 2H24 and intensified throughout 1H25 as for oversupply outlook of global oil. We believe this is a process of market adjustment after the market heated up throughout 2022-23 period, and expect number of jobbed rigs to further decline as the market approach the trough territory of the current cycle.

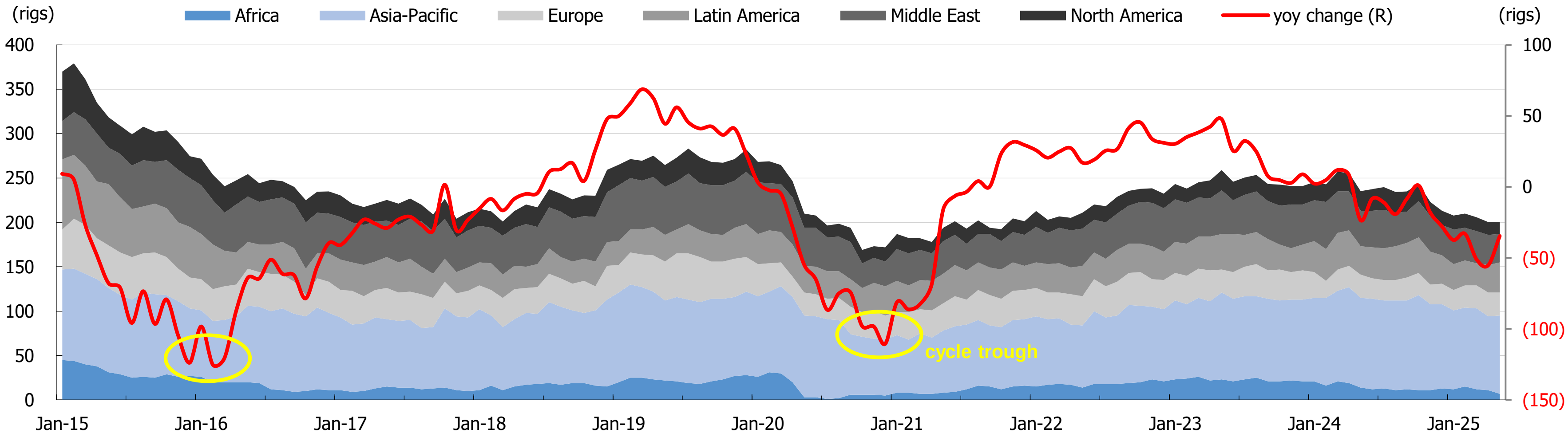


Figure 11. No. of active rigs in SEA rose implying stable demand but we concerns that oversupply pressure is superior.

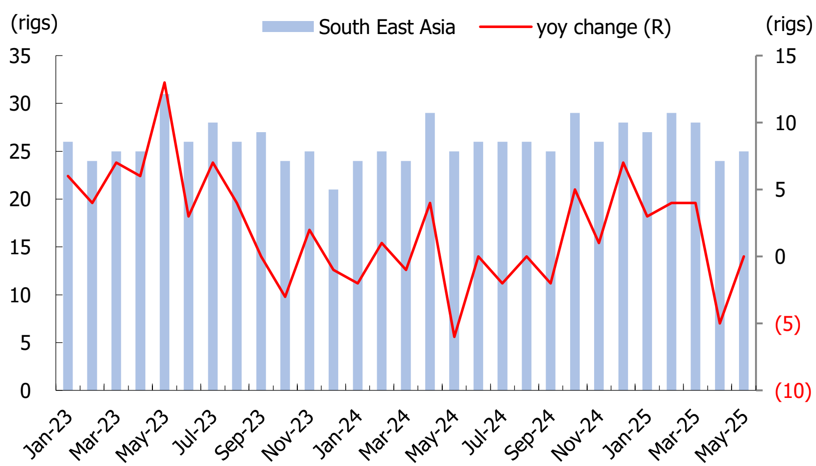
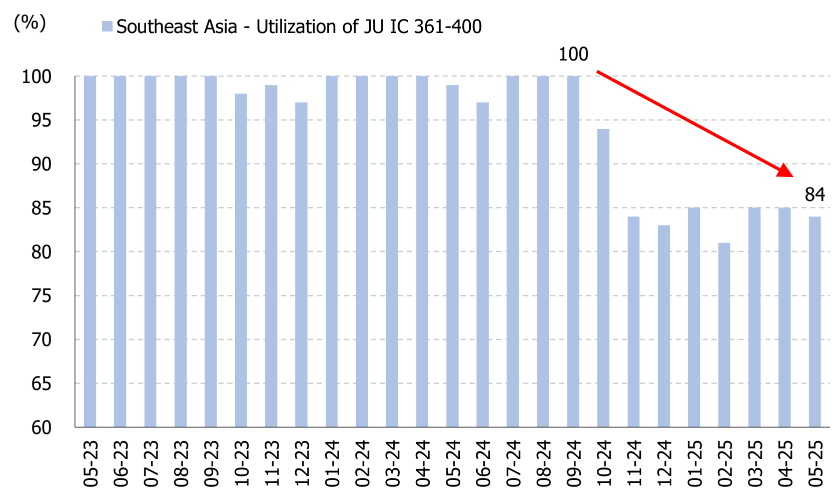


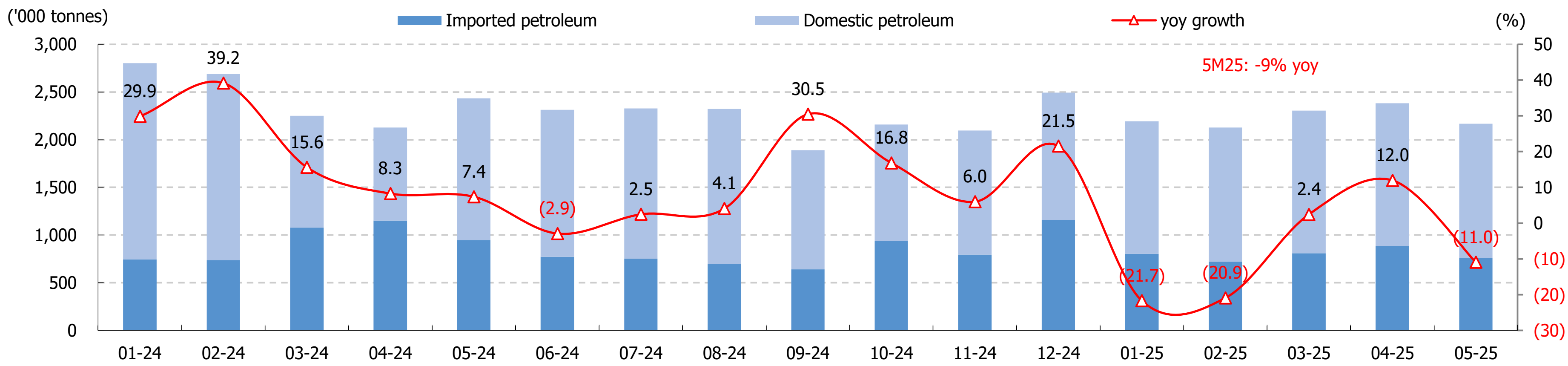
Figure 12. Jack-up rig (IC361-400) utilization in Southeast Asia loosened, which could be a sign of oversupply.



Source: Baker Hughes, Bloomberg, KIS Research

3. Petroleum:
Vietnam's total petroleum source contracted

Figure 13. In 5M25, total domestic source declined 9% yoy



2H25F, growth of total Vietnam oil supply could normalize to a positive single digit:

- In 5M25, total petroleum source contracted by 9% yoy, which we think due to the high base effect when the sector build up its inventories in Jan and Feb-24 in anticipation of permit terminations for certain non compliant petroleum importers.
- In the closest 3 months Mar-May 2025, total petroleum sources rose by 1% compared to the same period last year.

Source: Custom, MOIT, KIS Research

3. Petroleum:

Short-term difficulty: Oil swings to impact profitability of petroleum distributors

Figure 14. Oil turbulence (reflected by Coefficient of Variance) tends to elevate in the beginning of wars

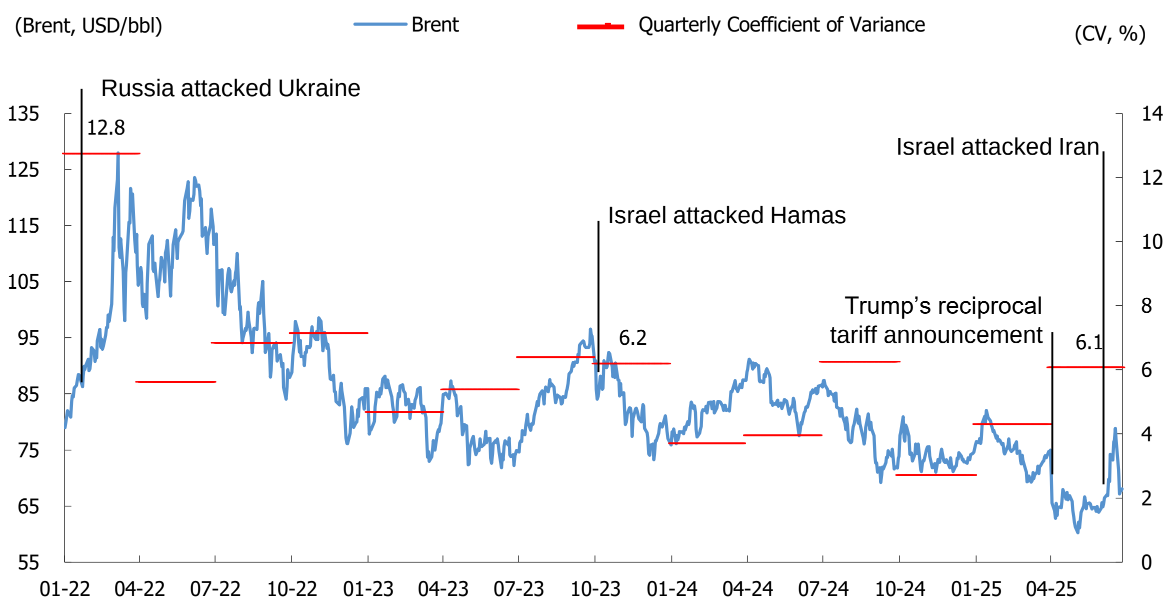
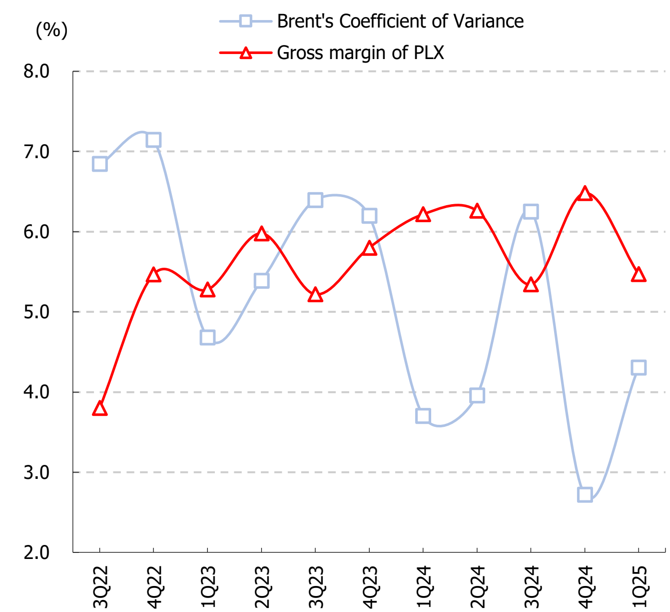


Figure 15. Brent's CV vs PLX's gross profit margin



We expect oil prices to remain volatile in 2H25F, driven by two key factors:

(1) Geopolitical tensions in the Middle East, particularly the Israel–Iran conflict. We believe the US-brokered ceasefire remains fragile and could unravel at any time.

(2) Persistent oversupply pressures, especially if OPEC proceeds with its plan to unwind production cuts. Should the "war premium" dissipate, market sentiment could quickly shift downward.

→ Such volatility is likely to weigh on petroleum distributors such as **PLX** and **OIL**, as inventory risks and pricing mismatches could erode margins.

Source: Bloomberg, PLX, KIS Research

Oil oversupply persists beneath a market overshadowed by war risks

Figure 16. Oil oversupply pressures still persist as for rising OPEC+ output, which could pivot market sentiment when the war premium is lifted

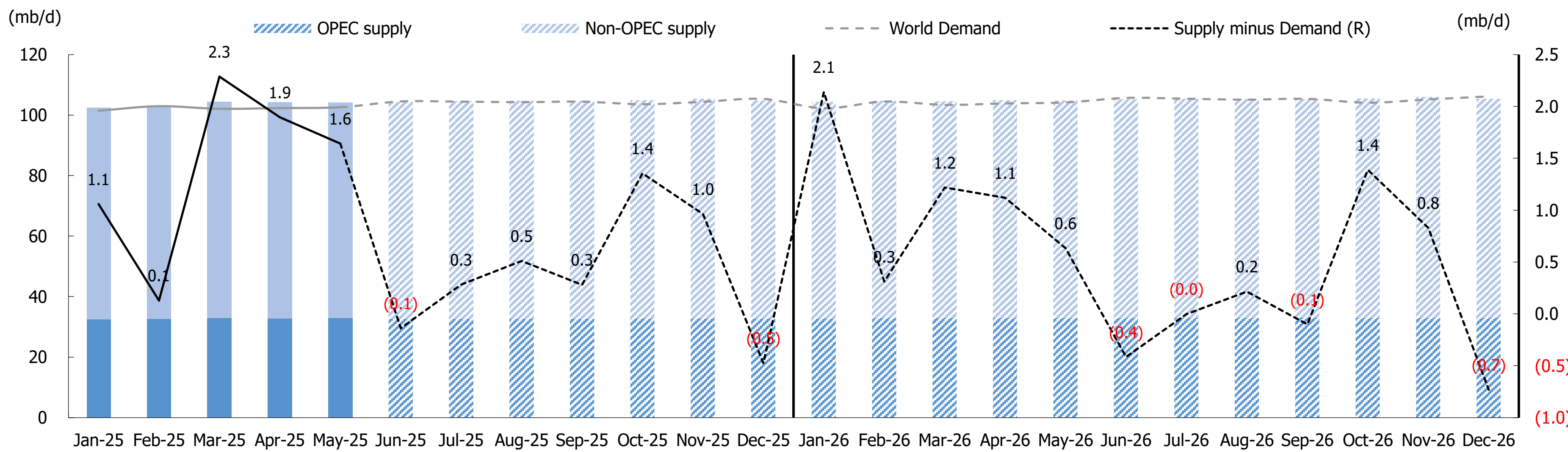
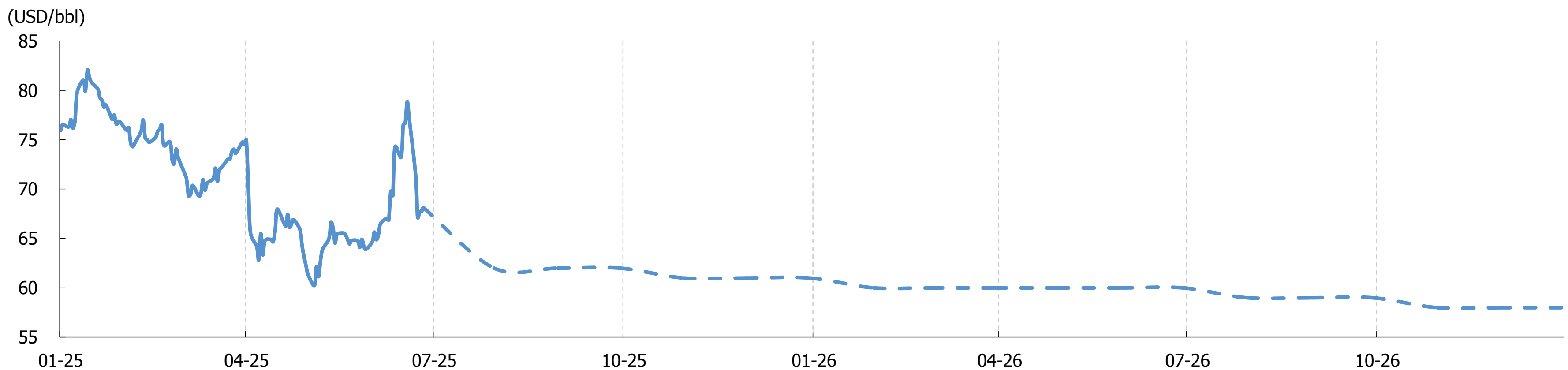


Figure 17. EIA's oil forecast to 2026F remained a negative slope as of June



Source: EIA (June STEO report), KIS Research

3. Petroleum:

Long-term potential: New petroleum decree to liberalize the petroleum market

CHÍNH PHỦ

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập - Tự do - Hạnh phúc

Số: ... /2025/NĐ-CP

Hà Nội, ngày ... tháng ... năm 2025

DỰ THẢO 6 (18/4/2025)

NGHỊ ĐỊNH
Về kinh doanh xăng dầu

Căn cứ Luật Tổ chức Chính phủ ngày 18 tháng 02 năm 2025;

Căn cứ Luật Thương mại ngày 14 tháng 6 năm 2005;

Căn cứ Luật Đầu tư ngày 17 tháng 6 năm 2020; Luật sửa đổi, bổ sung một số điều của Luật Đầu tư công, Luật Đầu tư theo phương thức đối tác công tư, Luật Đầu tư, Luật Nhà ở, Luật Đấu thầu, Luật Điện lực, Luật Doanh nghiệp, Luật Thuế tiêu thụ đặc biệt, Luật Thi hành án dân sự ngày 11 tháng 01 năm 2022;

Căn cứ Luật Giá ngày 19 tháng 6 năm 2023;

Theo đề nghị của Bộ trưởng Bộ Công Thương;

Chính phủ ban hành Nghị định về kinh doanh xăng dầu.

The 6th draft of the new petroleum decree key changes:

- **Pricing will follow the market mechanism:** Petroleum sellers will proactively set their selling price (renew every 7 days) without being limited by a government-set price.
- **Stricter market regulations:** Minimum source creation for upstream importer of 100,000 m3 per annum vs the current level of 30-40,000. Requiring storage lessees and lessors to report usage status and cross-check.

→ We expect the new petroleum decree to be approved in **2H25**, which will benefit the overall petroleum industry as it significantly reduce business risks for the distributors.

→ Strong players with solid management and compliance may also benefit from stricter regulations as they could capture the market shares of noncompliant firms.

Source: PLX, KIS Research

3. Petroleum:

Refinery margins slightly got better, but yet to have a reliable recovery signal

Figure 18. Diesel crack spread barely touched USD30 after the Israel-Iran conflict peaked, but soon adjusted back to USD16-17 level, 2Q25 average still declined by -21% yoy.

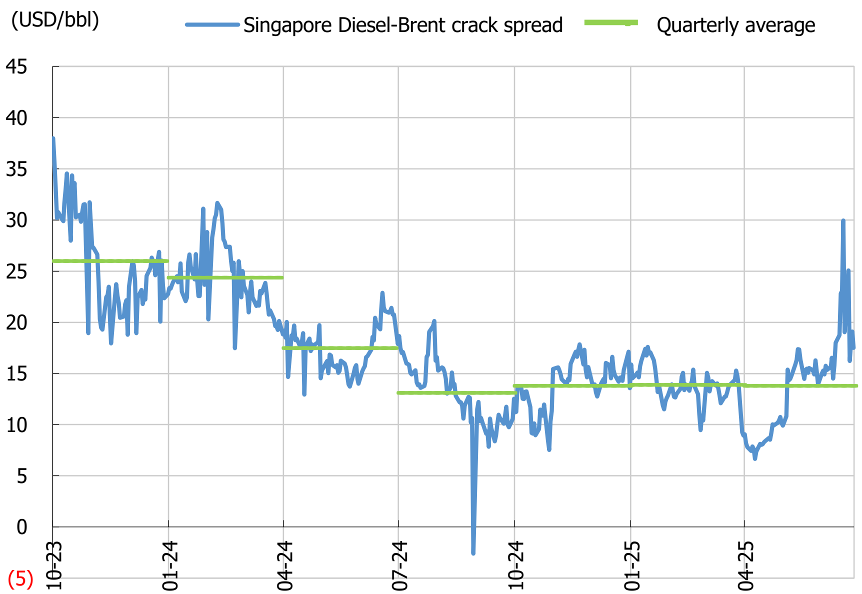
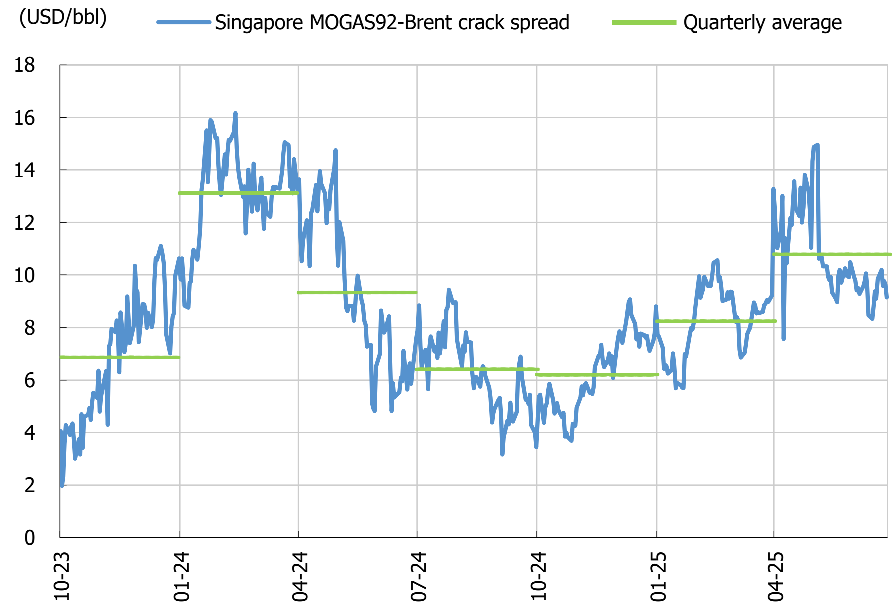


Figure 19. Gasoline crack spread averaged at USD10.8 rose 16% yoy.



- Diesel crack spread downed 21% yoy in 2Q25, remained the same average level of 1Q25, without a clear growth signal.
- Gasoline improved 16% yoy in 2Q25, but the trend seems to have weakened.

→ **In 2H25**, amid lower growth prospects of the world economy and global trade activities owing to tariffs and wars, we are not bullish about the upcoming movement of crack spreads, especially Diesel.

Source: Bloomberg, KIS Research

2H25 Oil & Gas – Tailwinds at home, headwinds abroad

II. Company Analysis

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

1. GAS – BUY | TP: VND79,300 | +17% @ 6/27/2025

Robust LNG segment

Investment Theme

- Improved bad debts status will strongly support 2H25F net profit as GAS is having a surplus in provision buffer.
- LPG prospects is expected to be stable.
- LNG will bloom in 2H25 following the COD of Nhon Trach 3&4.
- Block B – O Mon is a long-term catalyst, that could bring huge benefits from 2028F and beyond.

Risks to be considered

- Oil & gas stocks have become more sensitive to oil price fluctuations amid rising price volatility and geopolitical instability in the Middle East.
- Delays in NT3&4 COD could affect GAS earning in 2H25F.

Figure 18: KIS forecast on GAS, 2025-2027F

	1Q25	2Q25F	3Q25F	4Q25F	2025F	2026F	2027F
Net Revenue	**25,675**	**31,196**	**27,508**	**30,455**	**114,835**	**120,586**	**121,772**
Natural gas	11,023	14,310	11,170	14,082	50,585	49,266	48,245
LPG	13,325	13,955	14,229	14,229	55,737	63,531	66,661
Gas transportation	562	610	444	479	2,095	2,178	1,587
Others	766	2,321	1,665	1,665	6,418	5,611	5,279
Growth	**10**	**4**	**9**	**22**	**11**	**5**	**1**
Natural gas	18	4	33	56	25	(3)	(2)
LPG	2	2	(5)	4	2	14	5
Gas transportation	74	(30)	(15)	(17)	(24)	4	(27)
Others	18	30	10	6	18	(13)	(6)
Gross Profit	**4,090**	**4,991**	**4,341**	**4,755**	**18,177**	**18,011**	**17,394**
% yoy	11	(13)	4	18	3	(1)	(3)
% gross margin	15.9	16.0	15.8	15.6	15.8	14.9	14.3
Operating Profit	**3,172**	**4,081**	**3,335**	**3,662**	**14,249**	**13,993**	**13,336**
% yoy	10	1	16	61	18	(2)	(5)
% OP margin	12.4	13.1	12.1	12.0	12.4	11.6	11.0
Net Profit	**2,763**	**3,522**	**2,921**	**3,184**	**12,389**	**12,036**	**11,276**
% yoy	9	3	13	55	17	(3)	(6)
% net margin	**10.8**	**11.3**	**10.6**	**10.5**	**10.8**	**10.0**	**9.3**
% ROE					20.0	18.5	16.3
Multiple ratio							
PE					13.4	13.8	14.7
PB					2.7	2.5	2.4
DY					**4.1**	**2.9**	**4.1**

1. GAS – BUY | TP: VND79,300 | +17% @ 6/27/2025

Robust LNG segment

Figure 20. LNG consumption could bloom from 2H25F

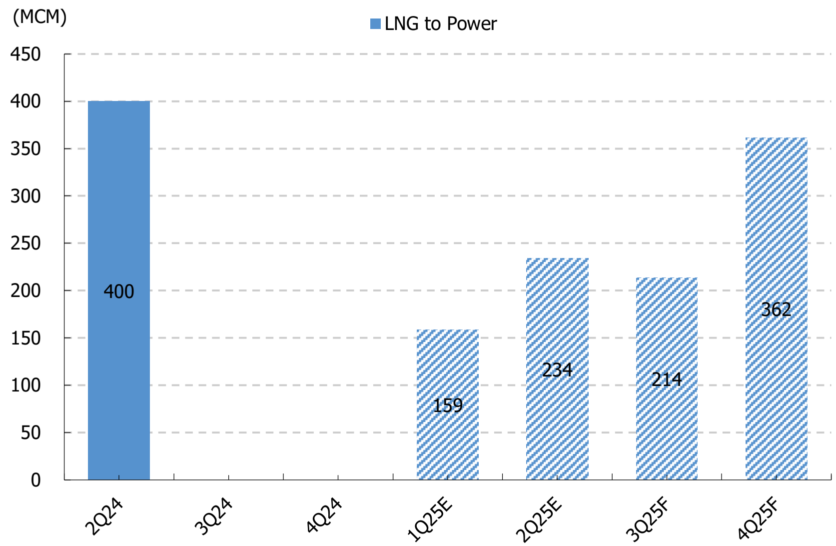


Figure 21. Block B first gas to be in 2028F, while LNG to contribute consistently with the GSA with NT3&4

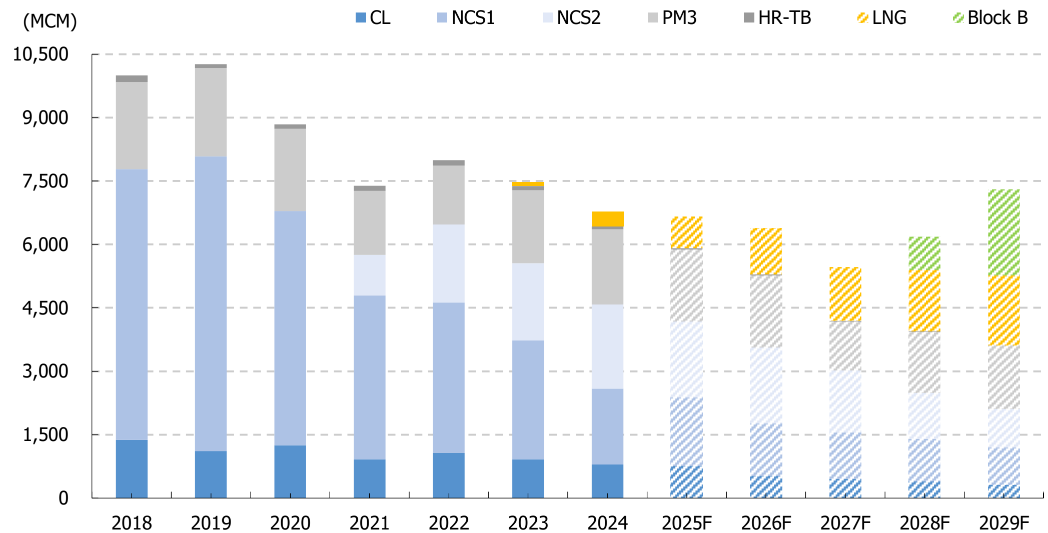
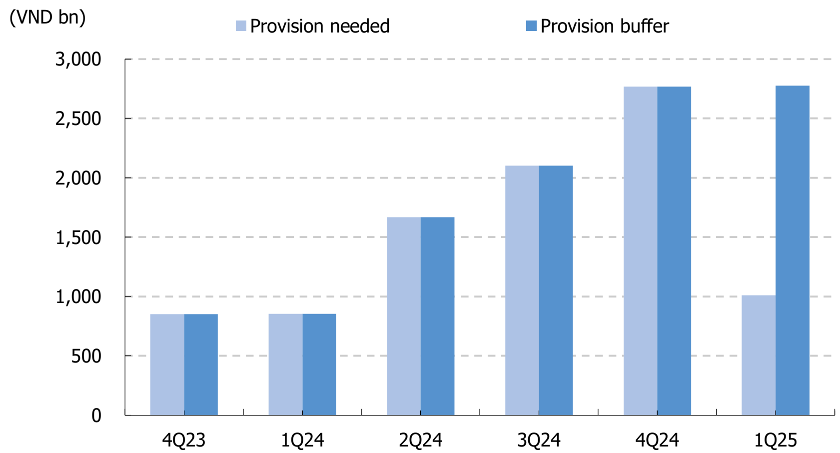


Figure 22. GAS provision buffer is in surplus and could be reversed



Source: GAS, KIS Research estimate

- **2H25F catalysts:**
  - LNG consumption from power customers to bloom in 2H25F thanks to *(1)* the COD of Nhon Trach 3&4 and *(2)* rising LNG demand amid growing electricity demand and lower domestic gas supply.
  - Bad debts improved with excessive provision buffer as GAS recovered most of bad debt balance in 1Q25.
- **In longer terms:** Block B to witness the first gas in 2028F, while LNG to be steady with the take-or-pay volume to Nhon Trach 3&4.

2. CNG – HOLD

Short-term pressures as the company develop industrial LNG customer base

Investment Theme

- Industrial gas consumer went over the hump since 3Q24 and we expect a stable demand of burning gas in 2H25.
- CNG could record higher selling expenses when it acquires new customers using LNG as it recognize the investment for LNG stations at the consumer sites into the selling expenses item.

Risks to be considered

- Downside risks of oil price could affect the selling price of CNG and undermine its GPM.
- Poorer-than-expected performance of industrial customers could obstruct volume recovery.

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

	1Q25	2Q25E	3Q25F	4Q25F	2025F	2026F	2027F
Net Revenue	**850**	**1,118**	**1,167**	**1,167**	**4,302**	**4,521**	**4,819**
% yoy	35	33	18	11	22	5	7
Gross Profit	**51**	**81**	**83**	**83**	**298**	**323**	**333**
% yoy	69	(11)	8	(4)	5	9	3
% gross margin	6.0	7.3	7.1	7.1	6.9	7.2	6.9
Operating Profit	**3**	**33**	**34**	**16**	**86**	**102**	**103**
% yoy	50	(40)	(0)	(28)	(24)	19	1
% OP margin	0.3	2.9	2.9	1.4	2.0	2.3	2.1
Net Profit	**1**	**26**	**27**	**12**	**66**	**85**	**86**
% yoy	0	(42)	(2)	(31)	(27)	29	1
% net margin	0.2	2.3	2.3	1.0	1.5	1.9	1.8
% ROE					10.7	13.7	13.2
Multiple ratio							
PE					18.9	14.7	14.6
PB					2.1	2.0	1.9
DY					3.4	3.4	3.4

2. CNG – HOLD

Short-term pressures as the company develop industrial LNG customer base

Figure 23. Total volume of CNG Vietnam

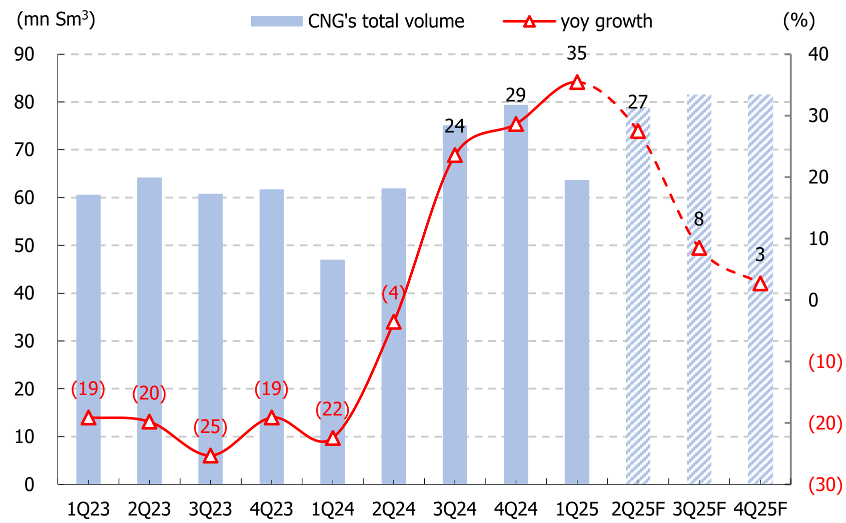
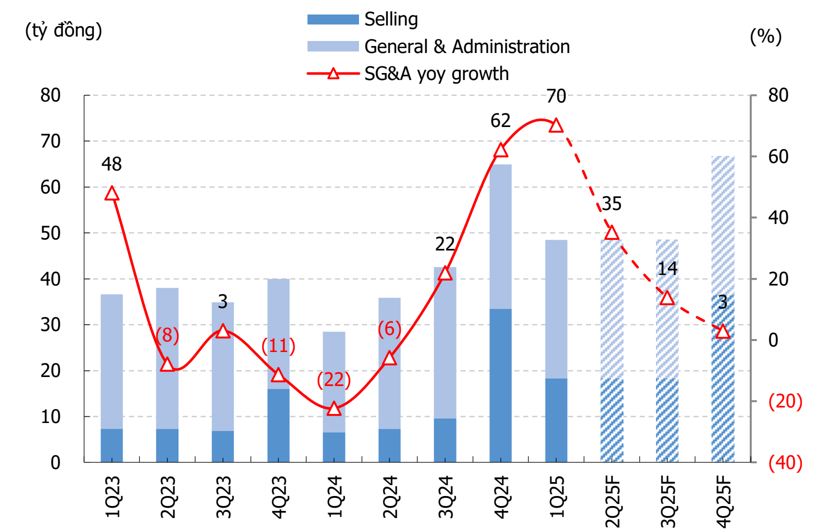


Figure 24. Selling price vs Input price of CNG



- **Volume growth is expected in 2H25** as the growth momentum remained strong after it surpassed the trough from 3Q24, thanks to *(1)* higher gas demand from construction material producers and *(2)* Northern natural gas supply recovered after the well perforation in Tien Hai – Thai Binh gas system, which will partly resolve the gas shortage issue in this region.
- **Higher selling expenses:** CNG is currently pursuing an aggressive market expansion strategy to stay ahead of the curve, amid a future where more abundant LNG supply could attract increased competition. As a result, we expect rising selling expenses, which could be a short-term pressure for CNG.

Source: CNG, KIS Research estimate

3. PVS – BUY | TP: VND45,800 | +43% @ 6/27/2025

Block B – O Mon M&C boost short-term growth

Investment Theme

- PVS is expected in record robust revenue and profit growth in 2H25 thanks to high workloads at Block B – O Mon EPCI packages.
- Yellow Camel FSO (from 2027) and Block B FSO (from 2028) will contribute stable streams of income to PVS under the form of Earning from affiliates.

Risks to be considered

- Oil & gas stocks have become more sensitive to oil price fluctuations amid rising price volatility and geopolitical instability in the Middle East.

Figure 18: KIS forecast on PVS, 2025-2027F

	1Q25	2Q25E	3Q25F	4Q25F	2025F	2026F	2027F
Net Revenue	**6,014**	**8,074**	**7,184**	**12,338**	**33,610**	**33,309**	**27,147**
% yoy	62	45	49	26	41	(1)	(18)
Gross Profit	**257**	**270**	**337**	**487**	**1,351**	**1,433**	**1,232**
% yoy	(1)	17	(2)	62	19	6	(14)
% gross margin	4.3	3.3	4.7	4.0	4.0	4.3	4.5
Operating Profit	**(138)**	**(1)**	**112**	**150**	**122**	**409**	**232**
% yoy	(540)	(99)	14	(203)		234	(43)
% OP margin	(2.3)	(0.0)	1.6	1.2	0.4	1.2	0.9
Earning from affiliates	**213**	**213**	**213**	**213**	**851**	**852**	**1,002**
% yoy	8	(10)	(1)	(1)	(1)	0	18
Net Profit	**300**	**291**	**384**	**440**	**1,415**	**1,489**	**1,454**
% yoy	(2)	39	99	(38)	0	5	(2)
% net margin	5.0	3.6	5.3	3.6	**4.2**	**4.5**	**5.4**
% ROE					10.0	10.0	9.2
Multiple ratio							
PE					10.4	9.9	10.2
PB					1.0	1.0	0.9
DY					**2.3**	**2.3**	**2.3**

3. PVS – BUY | TP: VND45,800 | +43% @ 6/27/2025

Block B – O Mon M&C boost short-term growth

Figure 25. PVS's revenue is boosted by M&C revenue thanks to high Workloads from EPCI#1, 2, 3 of Block B – O Mon project.

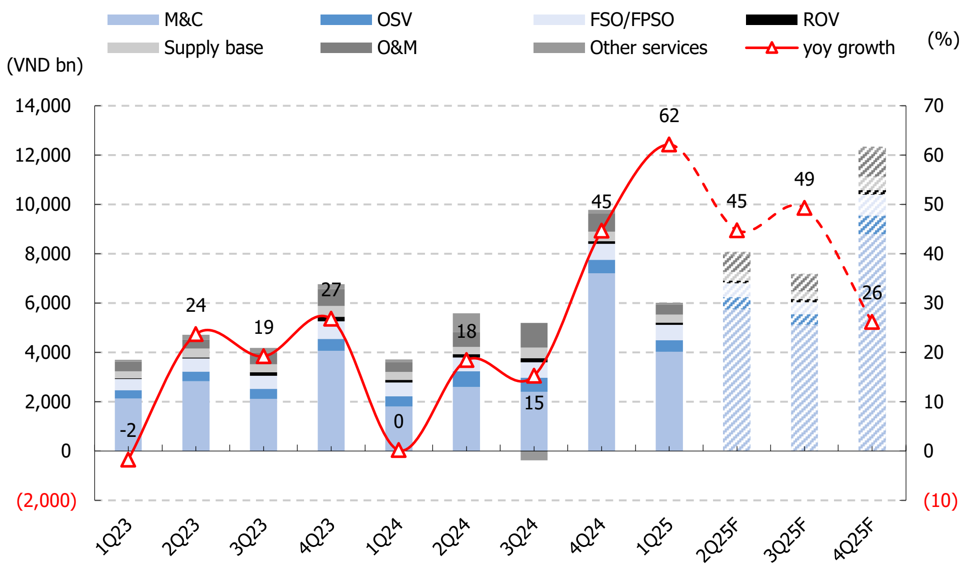


Figure 26. M&C GP is expected to drive PVS's GP growth in 2H25F.

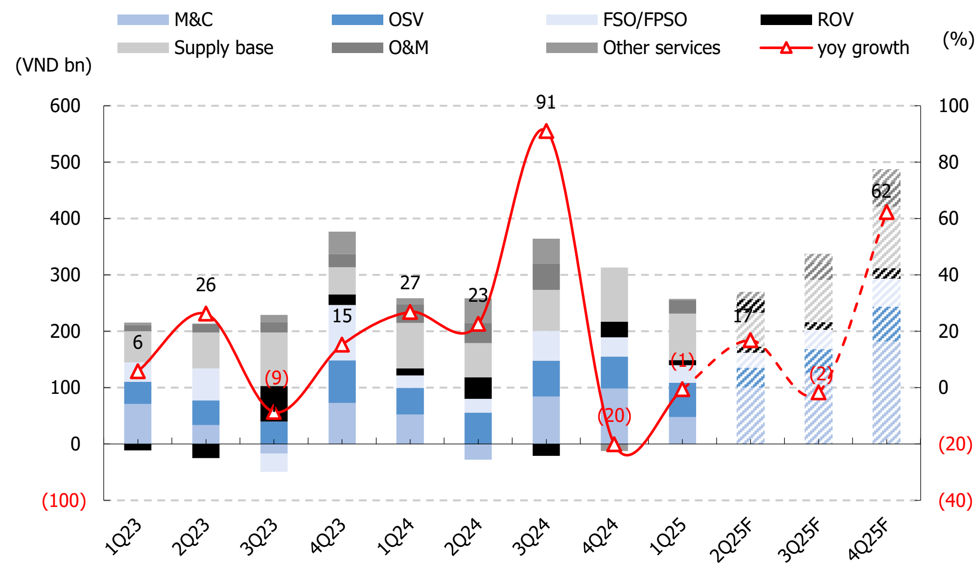
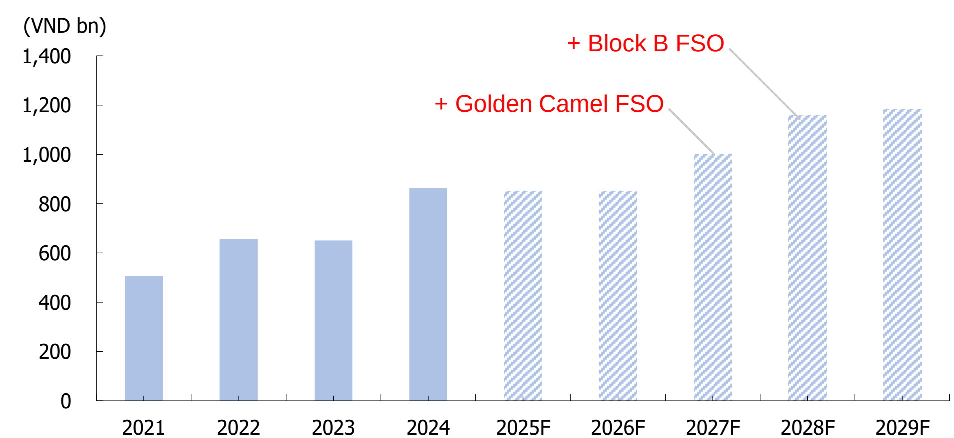


Figure 27. Earning from Affiliates forecast 2025-29F



- **Short-term catalyst:** Block B is expected to accelerate as the Full LOA has been granted, thus, boosting PVS's revenue and gross profit in 2H25 and 2026-27F.
- **Longer terms catalyst:** PVS together with its partners have officially secured the FSO provision deals for Yellow Camel (first oil in 2027F) and Block B (first gas in 2028F).

Source: PVS, KIS Research estimate

4. PVD – HOLD

Day rates still face high pressures from rig oversupply

Investment Theme

- Although PVD's rig utilization is high, we anticipate PVD's day rate to be undermined by an oversupply stage of the global rig market.
- PVD could drill for Block B from 2026F.

Risks to be considered

- Oil & gas stocks have become more sensitive to oil price fluctuations amid rising price volatility and geopolitical instability in the Middle East.
- Worsen oversupply of offshore rigs could lead to poorer prospects for PVD.

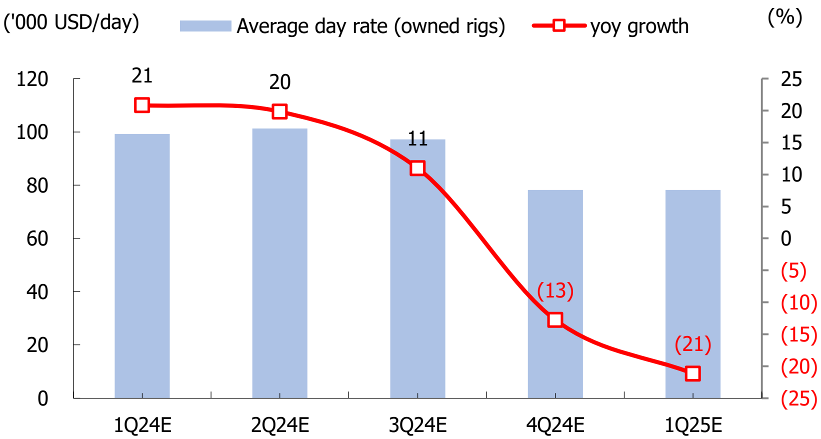
Figure 22: KIS forecast on PVD, 2025-2027F

	1Q25	2Q25E	3Q25F	4Q25F	2025F	2026F	2027F
Net Revenue	**1,503**	**1,895**	**2,008**	**2,140**	**7,545**	**8,689**	**9,569**
Drilling	877	1,161	1,289	1,175	4,502	5,258	5,881
Drill-related services	584	692	675	921	2,872	2,980	3,223
Trading	43	43	43	43	172	451	465
Growth	**(14)**	**(16)**	**(18)**	**(3)**	**(19)**	**16**	**10**
Drilling	(25)	(25)	(20)	(9)	(20)	19	12
Drill-related services	56	24	18	33	17	4	8
Trading	(81)	(73)	(83)	(80)	(86)	163	3
Gross Profit	**270**	**312**	**324**	**356**	**1,262**	**1,446**	**1,986**
% yoy	(40)	(34)	(28)	(1)	(28)	15	37
% gross margin	18.0	16.4	16.1	16.6	16.7	16.6	20.8
Operating Profit	**155**	**158**	**152**	**171**	**636**	**820**	**1,360**
% yoy	(54)	(50)	(45)	11	(43)	30	66
% OP margin	10.3	8.3	7.6	8.0	8.4	9.4	14.2
Net Profit	**143**	**99**	**94**	**119**	**455**	**442**	**901**
% yoy	(4)	(25)	(48)	(49)	(34)	(2)	104
% net margin	9.5	5.2	4.7	5.5	6.0	5.1	9.4
% ROE					3.1	2.8	5.6
Multiple ratio							
PE					32.6	33.4	16.4
PB					1.0	0.9	0.9
DY					1.9	0.0	0.0

4. PVD – HOLD

Day rates still face high pressures from rig oversupply

Figure 28. Estimated average day rate of PVD's owned rigs (PVD I, II ,III, V and VI) declined on oversupply pressures



- **Pressured day rates:** As global institutions revised their oil outlook in 3Q24 and more drilling rigs began shifting toward Southeast Asia, oversupply pressures started to weigh on PVD's day rates in 4Q24. This pressure persisted through 1Q25 and, in our view, could continue in the upcoming quarters.
- **High workload through 2025F:** despite a more competitive environment, PVD has secured a high workload which allow the company to quickly capture growth when day rates recover.

Figure 29. PVD's drilling schedule 2025F

<table>
<tr><th rowspan="2"></th><th colspan="12">2024</th><th colspan="12">2025</th></tr>
<tr><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th><th>6</th><th>7</th><th>8</th><th>9</th><th>10</th><th>11</th><th>12</th><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th><th>6</th><th>7</th><th>8</th><th>9</th><th>10</th><th>11</th><th>12</th></tr>
<tr><td>PVD I</td><td colspan="24">Petronas - Malaysia</td></tr>
<tr><td>PVD II</td><td colspan="24">Pertamina - Indonesia</td></tr>
<tr><td>PVD III</td><td colspan="6">Hibiscus - Malaysia</td><td colspan="6">Hibiscus - Indonesia</td><td colspan="12">Pertamina - Indonesia</td></tr>
<tr><td>PVD V (TAD)</td><td colspan="24">Shell - Brunei</td></tr>
<tr><td>PVD VI</td><td colspan="24">Petronas - Malaysia</td></tr>
<tr><td>PVD 11 (land rig)</td><td colspan="6">GBRS - Algeria</td><td colspan="18">No more ownership</td></tr>
<tr><td>New jack-up rig</td><td colspan="20"></td><td colspan="4">Vietnam</td></tr>
<tr><td>Hakuryu (rent)</td><td colspan="3"></td><td colspan="6">Idemitsu</td><td colspan="3">Murphy</td><td colspan="3">Murphy</td><td colspan="9"></td></tr>
<tr><td>BORR-THOR (rent)</td><td colspan="7"></td><td colspan="3">HLJOC</td><td colspan="5"></td><td colspan="6">Vietnam</td><td colspan="3"></td></tr>
</table>

Source: PVD, KIS Research

5. PLX – BUY | TP: VND43,800 | +17% @ 6/27/2025

Waiting for the new petroleum decree

Investment Theme

- We think PLX may suffer in the short-term when global oil price volatility held high amid rising tensions in the Middle East.
- We anticipate that volatility could be at high level in 3Q25, before normalizing in 4Q25 when uncertainties unveiled and more sustained ceasefires can be achieved.
- The new petroleum decree is a long-term profit growth driver as it allows PLX to mitigate business risks and optimize profit more effectively. PLX could also capture market shares from misconduct firms amid tightened regulations.
- PLX domestic sales volume increased robustly recently (6M25: +6% yoy).

Risks to be considered

- Oil & gas stocks have become more sensitive to oil price fluctuations amid rising price volatility and geopolitical instability in the Middle East.
- Oil price swings could directly damage PLX's profit as it elevates inventory risks and price mismatch risks.

Figure 18: KIS forecast on PLX, 2025-2027F

	1Q25	2Q25E	3Q25F	4Q25F	2025F	2026F	2027F
Net Revenue	**67,861**	**64,733**	**61,057**	**58,021**	**260,126**	**268,784**	**290,690**
% yoy	(10)	(12)	(5)	(18)	(8)	3	8
Gross Profit	**3,712**	**3,293**	**3,700**	**4,900**	**15,605**	**19,758**	**20,746**
% yoy	(21)	(29)	8	6	(10)	27	5
% gross margin	5.5	5.1	5.9	7.6	6.0	7.4	7.1
Operating Profit	**95**	**(76)**	**114**	**724**	**856**	**5,782**	**5,631**
% yoy	(92)	(106)	(175)	69	(69)	575	(3)
% OP margin	0.1	(0.1)	0.2	1.1	0.3	2.2	1.9
Net Profit	**211**	**126**	**278**	**823**	**1,438**	**5,455**	**5,334**
% yoy	(81)	(90)	113	35	(55)	279	(2)
% net margin	0.3	0.2	0.4	1.3	**0.6**	**2.0**	**1.8**
% ROE					5.4	19.5	17.2
Multiple ratio							
PE					29.4	7.7	7.9
PB					1.6	1.5	1.3
DY					**3.7**	**3.1**	**3.1**

5. PLX – BUY | TP: VND43,800 | +17% @ 6/27/2025

Waiting for the new petroleum decree

Figure 30. PLX's gross profit negatively correlates with Brent's volatility

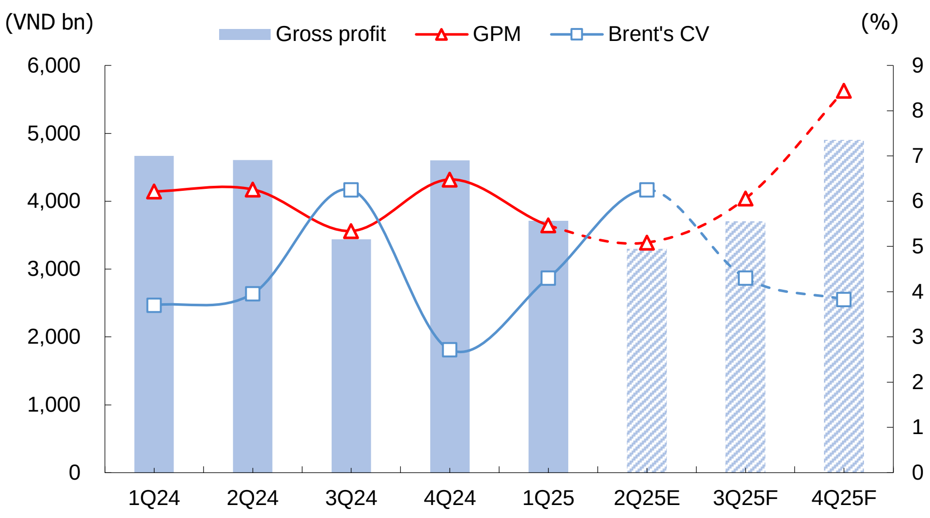
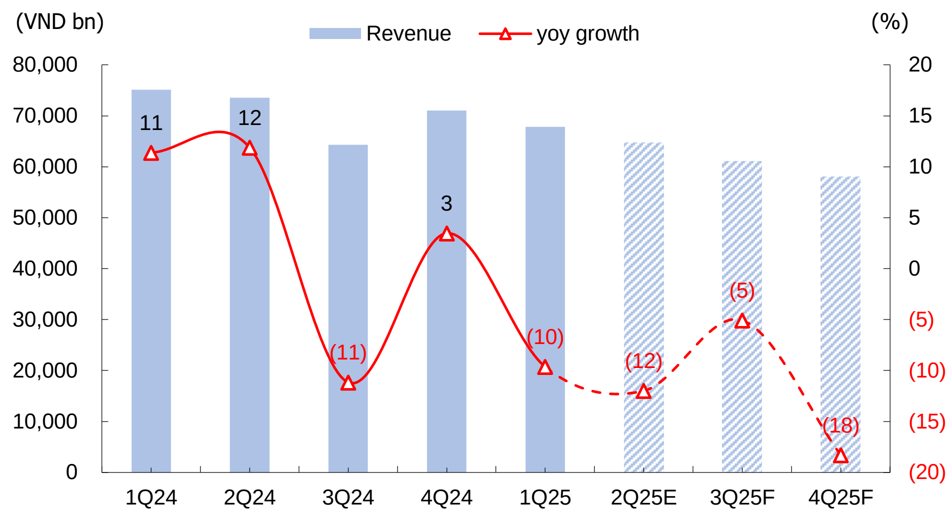


Figure 31. Revenue is projected to shrink 12% yoy on Brent's oversupply outlook.



- **In 3Q25F**, we expect Brent to remain quite volatile (similarly to 1Q25 level) driven by opposite impacts of *(1)* Middle East war uncertainties and *(2)* higher OPEC+ supply. **From 4Q25F,** we expect calmer fluctuation, as uncertainties unravel.

→ As a result, we expect PLX's gross profit to face pressures in 3Q25F, and bounce to a normal level in 4Q25F.

Source: PLX, Bloomberg, KIS Research estimate