true friend KIS Viet Nam Securities Corporation

Earnings Review

10 Nov 2025

PetroVietnam Gas (GAS)

Net profit is on par with forecast

· Revenue grew 41% yoy on LPG and LNG expansion
· NPAT flatted, completing 109% of KIS forecast
· LNG and provision absense to drive 2H25F growth

Facts: revenue widened but profit flatted

GAS posted 3Q25 revenue of VND35.7tn (+41% yoy, +19% qoq), exceeding our forecast by 29%, mainly thanks to stronger LPG international trading activities and larger LNG revenue. LPG revenue reached VND21.5tn (+25% yoy, ~149% of our forecast).

Gross profit came in at VND4.1tn (-2% yoy, -17% qoq, ~111% of our forecast). The consolidated GPM fell to 11.5% due to dilution effects from the LPG segment, which recorded a thin margin of only 3.2% in 3Q25. Meanwhile, the GPM of the dry gas and LNG remained stable at 21.2%.

SG&A expenses recorded VND1.2tn, down 8% yoy. Adjusting for the VND430bn provision for bad debts in 3Q24, SG&A would have actually risen by about 91% yoy. NPAT reached VND2.6tn (+1% yoy, -46% qoq, ~109% of our forecast).

Pros & cons: prospect driven by LNG and provision absence

Regarding the Nhon Trach 3&4 LNG power projects, the latest update from POW (mid-October 2025) indicated 99.3% EPC completion, with commercial operations expected in November and December 2025, respectively. We therefore expect GAS to see strong LNG segment growth beginning in 2026.

In 4Q25F, we expect GAS's business results to remain stable, with single-digit NPAT growth mainly driven by the absence of provisions (vs. a VND667bn provision in 4Q24).

Action: BUY with the TP of VND79,300

We maintain a BUY rating (TP: VND79,300; +26% upside) for GAS stock for mid and long-term investment strategies. In the short term, we note the risk that falling global oil prices amid oversupply could negatively impact GAS's profit margin as well as stock performance, as the stock remains sensitive to commodities fluctuations.

Table 1. Quarterly earning snapshot (VND bn, %, %p)

	3Q24	4Q24	1Q25	2Q25	3Q25	QoQ	YoY
Sales	25,252	24,945	25,675	30,080	35,690	18.6	41.3
OP	2,866	2,278	3,172	5,667	2,886	(49.1)	0.7
OP margin	11.4	9.1	12.4	18.8	8.1	(10.8)	(3.3)
PBT	3,204	2,558	3,429	5,982	3,206	(46.4)	0.1
NPAT	2,578	2,052	2,763	4,809	2,613	(45.7)	1.3

Source: Company data, KIS Research

12M rating	**BUY (Maintain)**
12M TP	**VND79,300**
Up/Downside	*+26%*

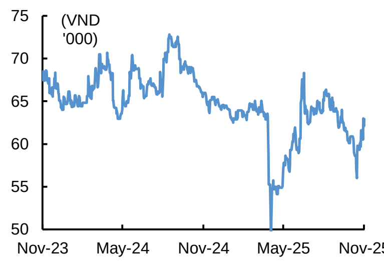
Stock Data

VNIndex (07 Nov, pt)	1,599
Stock price (07 Nov, VND)	62,900
Market cap (USD mn)	5,768
Shares outstanding (mn)	2,413
52-Week high/low (VND)	68,338/47,818
6M avg. daily turnover (USD mn)	2.53
Free float / Foreign ownership (%)	4.2/1.7
Major shareholders (%)	
PVN	95.76

Performance

	1M	6M	12M
Absolute	3.3	9.4	(4.5)
Relative	8.2	(18.4)	(34.4)

Stock price trend



Source: Bloomberg

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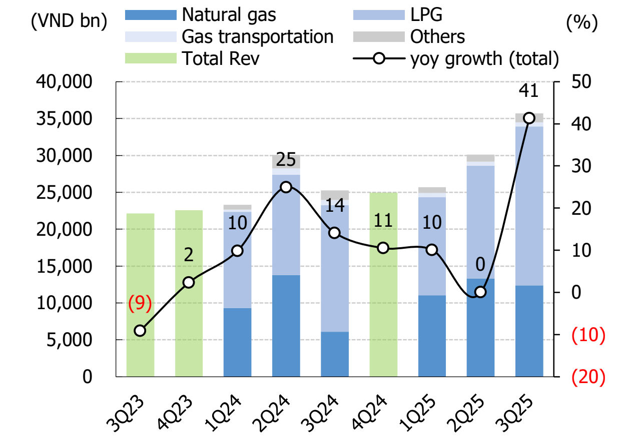
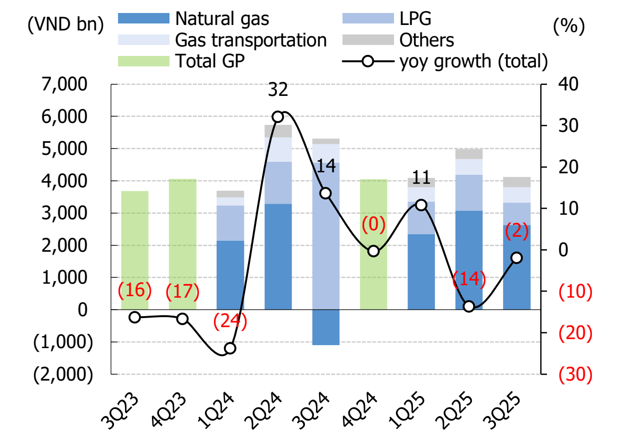
Figure 1. 3Q25 revenue surged 41% yoy, beating our expectation



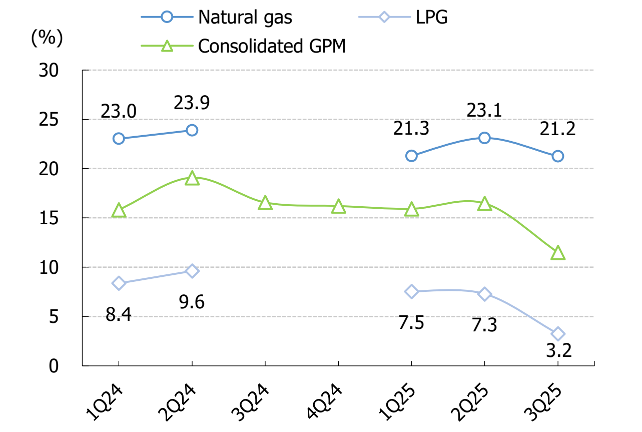
Source: Company data, KIS Research

Figure 2. 3Q25 gross profit inched down by 2% yoy



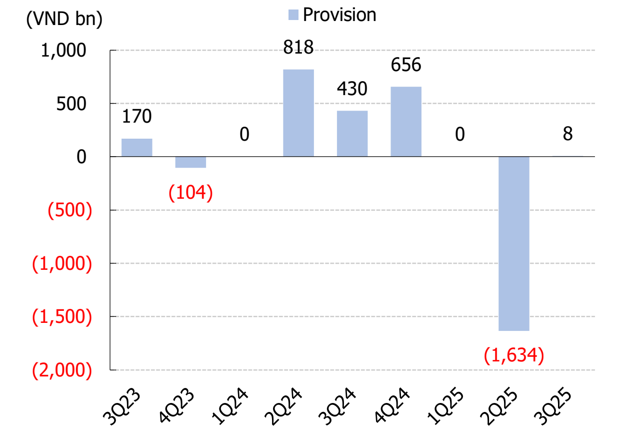
Source: Company data, KIS Research

Figure 3. 3Q25 GPM was diluted as LPG GPM recorded low



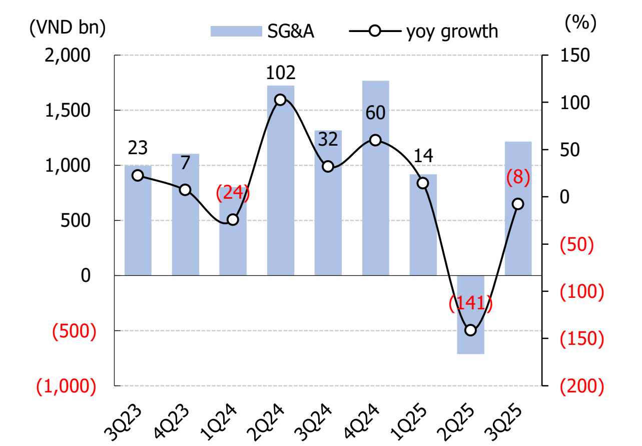
Source: Company data, KIS Research

Figure 4. GAS did not record significant additional provisions in 3Q25



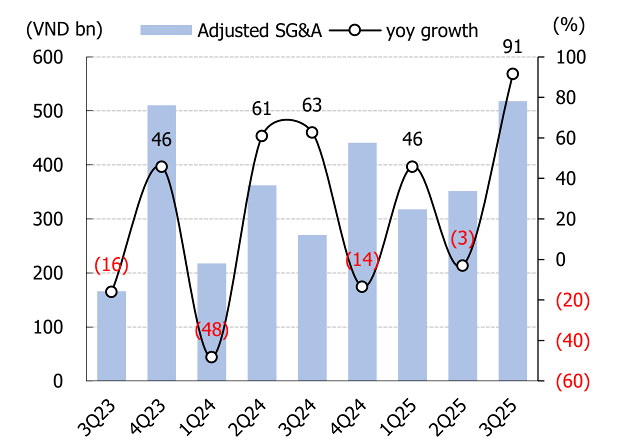
Source: Company data, KIS Research

Figure 5. 3Q25 SG&A downed 8% yoy ...



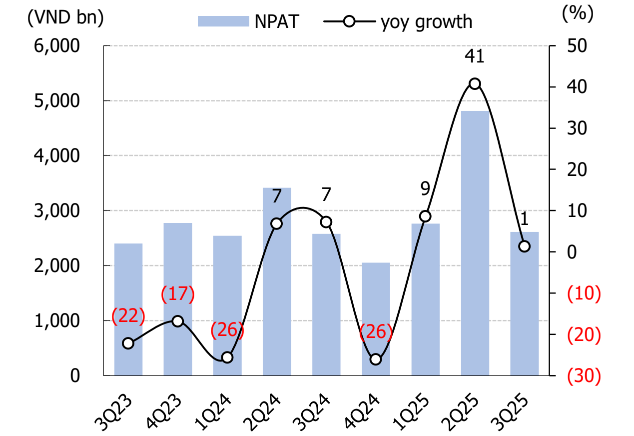
Source: Company data, KIS Research

Figure 6. ... but adjusted for provisions, SG&A upped by 91% yoy



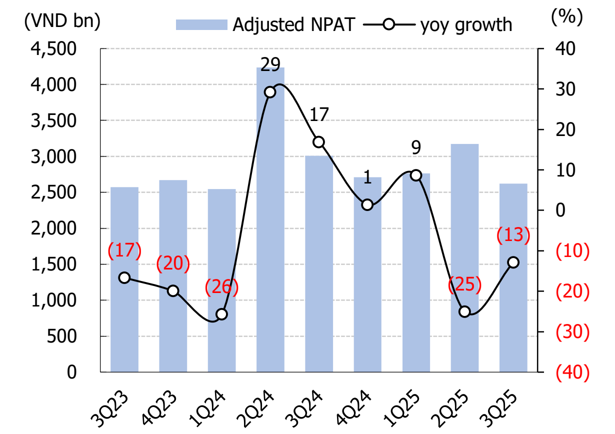
Source: Company data, KIS Research

Figure 7. 3Q25 NPAT flatted ...



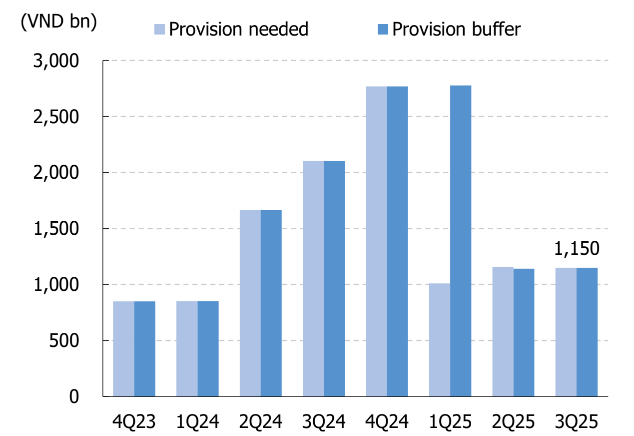
Source: Company data, KIS Research

Figure 8. ... but adjusted NPAT dropped 13% yoy



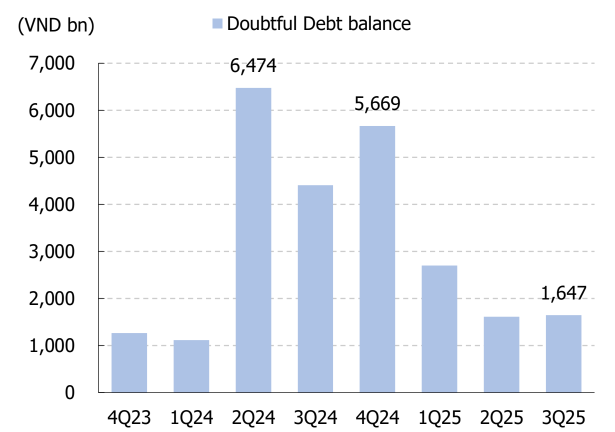
Source: Company data, KIS Research

Figure 9. Provision buffer remained balance



Source: Company data, KIS Research

Figure 10. Bad debt balance flatted at VND1.65tn



Source: Company data, KIS Research

■ Company overview

PV GAS (GAS), a subsidiary of PetroVietnam (PVN), is the monopoly in domestic dry gas. PV GAS is a leading firm in developing LNG supply chain in Vietnam as the first certified LNG importer. PV GAS is also a key beneficiary in the Block B – O Mon project, responsible for mid-stream gas transportation.

Balance sheet

(VND bn)

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
Current assets	62,218	57,296	65,529	67,773	68,490
Cash & cash equivalents	5,669	5,649	7,445	7,834	7,915
Accounts & other receivables	16,865	19,104	21,574	22,705	22,923
Inventory	3,945	4,599	6,072	6,743	7,149
Non-current assets	56,549	51,646	58,083	59,939	60,575
Fixed assets	19,532	18,222	16,967	15,439	13,731
Investment assets	398	400	398	398	398
Others	5,607	5,976	6,390	12,562	18,549
Total assets	87,754	81,894	89,283	96,173	101,168
Advances from customers	119	271	152	160	161
Unearned revenue	1,036	2,241	-	-	-
Trade payables	7,138	6,096	9,089	9,564	9,663
Others	5,074	5,039	6,461	6,799	6,869
ST debt & due bonds	1,605	935	1,806	1,918	1,954
LT debt & bonds	4,271	2,290	2,562	5,820	8,050
Total liabilities	22,456	20,323	24,137	28,539	31,021
Controlling interest	64,049	60,248	64,241	69,019	73,126
Capital stock	22,967	23,427	22,967	22,967	22,967
Capital surplus	0	0	0	0	0
Other reserves	24,201	27,268	24,201	24,201	24,201
Retained earnings	16,880	9,553	17,072	21,850	25,957
Minority interest	1,250	1,323	1,597	1,790	1,973
Shareholders' equity	65,299	61,571	65,838	70,810	75,099

Income statement

(VND bn)

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
Sales	89,954	103,564	114,541	120,522	121,770
COGS	73,029	85,910	96,362	102,556	104,379
Gross profit	16,925	17,654	18,179	17,966	17,392
SG&A expenses	4,019	5,612	5,528	4,008	4,050
Operating profit	12,906	12,042	12,651	13,958	13,342
Financial income	2,273	1,737	1,600	1,744	1,762
Interest income	2,027	1,466	1,638	1,723	1,741
Financial expenses	587	660	435	555	830
Interest expenses	340	319	299	419	694
Other non-operating profit	20	16	-	-	-
Gains (Losses) in associates, subsidiaries and JV	27	38	27	27	27
Earnings before tax	14,640	13,172	13,843	15,173	14,301
Income taxes	2,846	2,582	2,692	2,950	2,781
Net profit	11,793	10,590	11,151	12,223	11,520
Net profit of controlling interest	11,606	10,398	10,974	12,029	11,337
EBITDA	18,006	16,354	16,946	18,524	18,048

Cash flow

(VND bn)

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
C/F from operations	13,827	8,705	10,560	12,047	12,061
Net profit	14,640	13,172	13,843	15,173	14,301
Dep'n & Amort'n	3,027	2,863	2,804	2,932	3,054
Net incr. in W/C	16,396	16,875	15,482	16,917	16,423
C/F from investing	(11,249)	7,979	199	(5,661)	(5,582)
Capex	(1,841)	(1,822)	(1,265)	(7,269)	(7,207)
Incr. in investment	(9,407)	9,800	1,464	1,608	1,625
C/F from financing	(7,463)	(16,711)	(7,564)	(3,520)	(4,625)
Incr. in equity	-	-	-	-	-
Incr. in debt	(344)	(2,740)	181	112	36
Dividends	(7,120)	(13,971)	(6,890)	(6,890)	(6,890)
C/F from others	5	8	-	-	-
Increase in cash	(4,880)	(19)	3,195	2,866	1,855

Key financial data

FY-ending Dec.	2023A	2024	2025F	2026F	2027F
Per-share data (VND, adj.)					
EPS	5,053	4,527	4,778	5,237	4,936
BPS	27,887	26,232	27,971	30,051	31,839
DPS	5,843	6,000	3,000	3,000	3,000
Growth (%)					
Sales growth	(10.7)	15.1	10.1	5.2	1.0
OP growth	(27.5)	(6.7)	4.2	10.3	(4.4)
NP growth	(21.7)	(10.2)	4.2	9.6	(5.8)
EPS growth	(21.6)	(10.4)	4.2	9.6	(5.8)
EBITDA growth	(27.5)	(6.7)	4.2	10.3	(4.4)
Profitability (%)					
OP margin	14.3	11.6	11.0	11.6	11.0
NP margin	13.1	10.2	9.7	10.1	9.5
EBITDA margin	14.3	11.6	11.0	11.6	11.0
ROA	13.8	12.5	12.7	13.2	11.7
ROE	18.7	16.7	17.6	18.1	16.0
Dividend yield	4.0	8.4	4.1	4.1	4.1
Dividend payout ratio	58	132	62	56	60
Stability					
Net debt (VND bn)	206	(2,425)	(3,077)	(95)	2,089
Net debt/equity (%)	0	(4)	(5)	(0)	3
Valuation (x)					
PE	14.7	15.7	14.9	13.6	14.4
PB	2.7	2.8	2.6	2.4	2.3
EV/EBITDA	10.9	10.5	10.0	9.0	9.5

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- BUY: Expected total return will be 15% or more
- Hold: Expected total return will be between -5% and 15%
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Prepared by: Research Dept

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