

OIL & GAS

UPSTREAM DRIVES GROWTH



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In 2026, oil price movements are expected to remain heavily influenced by geopolitical factors, particularly the risk of supply and transportation disruptions in the Middle East. Although global supply is still trending upward, driven by OPEC+ and non-OPEC producers, the geopolitical risk premium continues to play a key role in supporting higher price levels and increasing short-term volatility. Given the structure of the value chain, the impact of oil prices is not evenly distributed across segments.

As a result, we maintain a differentiated outlook: Upstream (Positive), Midstream (Neutral), and Downstream (Neutral).

Upstream – E&P wave triggers a new growth cycle.

The expansion of E&P activities continues to provide strong workloads, supporting stable growth prospects for PVS in its EPC and technical services segments, as well as PVD in its jack-up rig and drilling equipment rental segments. The upstream investment cycle is entering a favorable phase, reinforcing medium- to long-term earnings outlooks for leading companies in the sector.

PVS (BUY, Target: 48,700) – M&C margin strongly improved, reinforcing growth momentum.

PVD (ACCUMULATE, Target: 36,400) – Contribution from new rigs drives profit growth.

Midstream – Short-term support from transportation, LNG as a long-term driver

Petroleum transportation continues to play a foundational role and is expected to benefit in the short term from geopolitical disruptions, which increase tonne-mile demand. However, medium-term prospects remain subject to the freight rate cycle and vessel oversupply. Meanwhile, the gas segment—particularly LNG—remains a key medium-term growth driver, supported by rising gas-to-power demand and declining domestic gas supply.

PVT (BUY, Target: 28,500) – Expanding fleet, benefiting from market volatility.

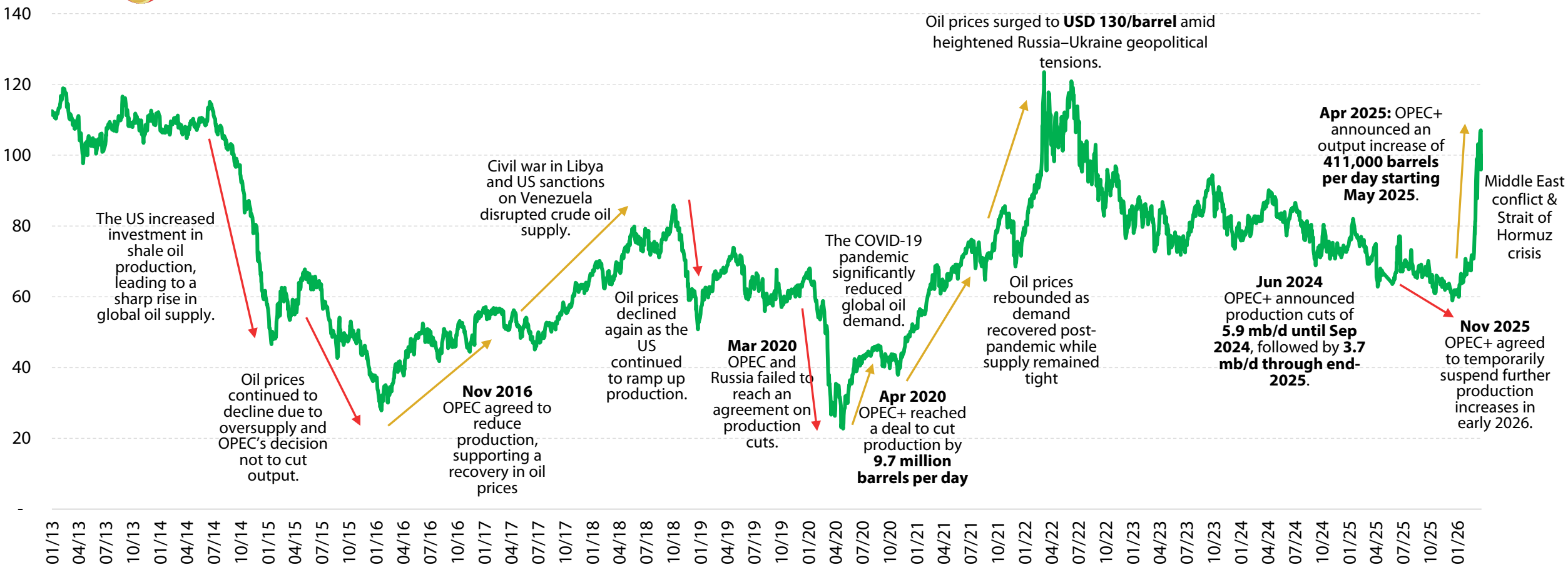
Downstream – Supported by demand recovery, awaiting policy reforms

Improving gasoline and diesel consumption, in line with the recovery in production and consumer activity, supports output growth for petroleum distributors. At the same time, expected policy adjustments are likely to ease margin constraints. With the largest distribution network in the market, PLX is well-positioned to benefit from the domestic consumption recovery cycle.

Risk

Key investment risks include: (1) oil and gas price volatility, (2) delays in key projects disrupting oilfield service demand, and (3) geopolitical developments that may affect oil flows and transportation demand.

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Source: RongViet Securities

Brent crude prices over the 2013–2026 period clearly reflect the energy market’s extreme cyclicality and high sensitivity to geopolitical shocks. Following the post-pandemic volatility and the Russia–Ukraine conflict, the market entered a tightening cycle, pushing oil prices close to historical highs due to disruptions at key global transportation chokepoints. **Moving into 2025–2026**, after efforts to increase output in May 2025, OPEC+ quickly reversed its strategy and agreed to pause supply increases from November 2025 in response to weakening demand. However, **the current market focus has shifted to a supply shock driven by escalating Middle East tensions and the severe crisis in the Strait of Hormuz in early 2026.** This event triggered a sharp surge in oil prices to above USD 110 per barrel, establishing a new, higher price floor compared to previous expectations. These developments have raised significant concerns over energy supply security, while also creating upward pressure on transportation costs and energy-driven inflation across the global economy in the coming period.

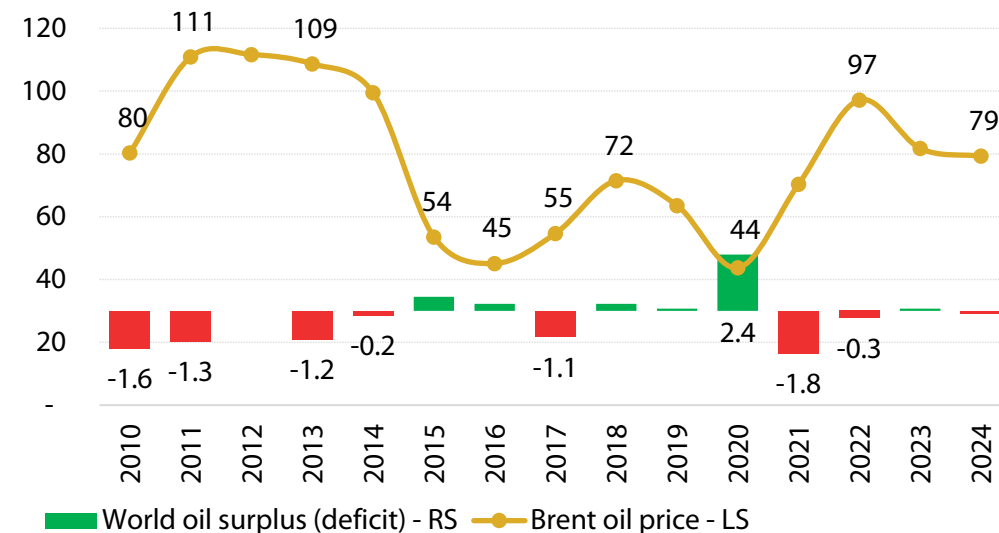
The global oil market is currently facing a short-term supply shortage due to geopolitical disruptions. We believe issues in the Middle East – especially around the Strait of Hormuz – have temporarily reduced supply, with peak impact estimated at around ~9 million barrels per day. This has led to inventory drawdowns and pushed Brent oil prices higher in recent months.

On the demand side, growth is slowing. According to U.S. Energy Information Administration and International Energy Agency, global oil demand in 2026 is expected to increase by only ~0.6 million barrels per day. Most of this growth comes from non-OECD countries, while demand in developed markets remains flat due to the energy transition.

At the same time, supply is expected to grow faster than demand in the medium term. The International Energy Agency estimates global supply could increase by ~1.1–1.5 million barrels per day, mainly from the U.S., Brazil, and Guyana. If geopolitical disruptions ease, the market could shift to a surplus of ~1–2 million barrels per day in 2026.

Overall, we believe the current supply shortage is temporary. In the medium term, the market is likely to return to balance or even slight oversupply. This means current oil prices are mainly driven by geopolitical risks, rather than a long-term supply shortage.

Figure 1: Global Crude Oil Supply-Demand Imbalance



Source: IAE, RongViet Securities

Figure 2: OPEC Forecasts Global Oil Demand

	2024	2025F	YoY	2026F	YoY
OECD	45.7	46.0	0.6%	45.8	-0.3%
Americas	24.94	25.3	1.6%	25.2	-0.7%
Europe	13.04	13.5	3.6%	13.6	0.3%
Asia-Pacific	7.71	7.1	-7.7%	7.1	-0.3%
Non-OECD	58.06	59.2	1.9%	60.4	2.1%
China	16.65	16.9	1.3%	17.1	1.2%
India	5.66	5.7	0.0%	5.9	4.1%
Middle East	8.78	9.0	2.1%	9.1	1.8%
Russia	3.26	4.0	23.9%	4.1	1.0%
Others	23.71	23.7	-0.3%	24.3	2.5%
Global	103.75	105.1	1.3%	106.2	1.0%

Figure 3: OPEC Forecasts Global Oil Production for 2025–2026 (mn barrels/day)

	2024	2025F	YoY	2026F	YoY
OECD	31.7	32.3	1.7%	32.4	0.5%
Americas	27.7	28.2	1.9%	28.5	0.8%
Europe	3.2	3.6	12.2%	3.6	-1.1%
Asia-Pacific	0.4	0.4	5.0%	0.4	-2.4%
Non-OECD	19	19.3	1.7%	19.8	2.3%
China	4.6	4.6	0.4%	4.6	0.0%
India	0.7	0.8	17.1%	0.8	0.0%
Middle East	2.2	2.0	-9.5%	2.0	2.0%
Others	11.5	11.9	3.4%	12.3	3.4%
Total Non-DoC	50.7	51.6	1.7%	52.2	1.2%

	2024	Q4/24	T1/25	T2/25	T3/25
OPEC	26.6	26.8	27.1	27.9	28.5
Iran	3.3	3.3	3.3	3.2	3.2
Iraq	4.2	4.0	4.0	4.0	4.1
Kuwait	2.4	2.4	2.4	2.5	2.6
Saudi Arabia	9.0	8.9	9.2	9.7	10.0
UAE	3.0	2.9	3.0	3.3	3.4
Others	4.8	5.2	5.2	5.3	5.2
Non-OPEC DoC	14.3	14.1	14.2	14.5	14.6
Russia	9.2	9.0	9.0	9.2	9.4
Others	5.1	5.2	5.3	5.3	5.2
Total DoC	40.9	40.9	41.3	42.5	43.0

* Note: OECD refers to the group of developed countries that are members of the Organisation for Economic Co-operation and Development. Source: OPEC, RongViet Securities compiles

Brent crude oil price outlook for 2026–2027: High short-term volatility, followed by gradual stabilization

According to consensus forecasts from international organizations, the oil price outlook is as follows:

In the near term, probability distributions indicate that oil prices will remain highly volatile, with a wide dispersion across scenarios.

During Q2–Q3 2026, the probability of Brent prices staying above USD 80 per barrel remains significant (around 19% – 67%), reflecting the impact of geopolitical risks and supply disruptions, particularly in the Middle East. At the same time, the likelihood of very high price scenarios (>USD 90 per barrel) remains notable in Q2 2026 (48%), suggesting that the geopolitical risk premium will continue to drive market movements in the short term.

Looking further ahead, from late 2026 into 2027, probability distributions shift more clearly toward the mid-range.

The likelihood of prices in the USD 60–70 per barrel range gradually increases and becomes the dominant scenario, reaching around 44–64% in 2027. In contrast, the probability of higher price scenarios above USD 80 per barrel declines sharply and is largely absent in medium-term forecasts.

This trend suggests that current risks are expected to be temporary, while the market gradually moves toward supply–demand rebalancing.

The recovery of global supply - particularly from non-OPEC producers - alongside slower demand growth, is expected to bring oil prices back to a more stable level over the medium term.

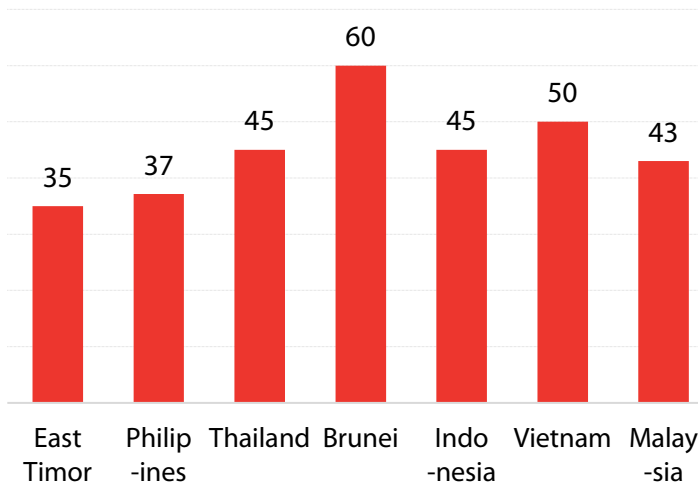
Overall, current Brent price levels remain well above the average breakeven of Vietnamese oil fields (USD 40–50 per barrel), ensuring that most exploration and production projects continue to be economically viable.

Figure 4: RongViet oil price forecast probabilities – Compiled from Bloomberg Data

USD/barrel	Q2/26	Q3/26	Q4/26	Q1/27	Q2/27	Q3/27
< 60	5%	5%	10%	19%	17%	9%
60-70	5%	19%	29%	44%	50%	64%
70 - 80	24%	48%	43%	31%	25%	18%
80 - 90	19%	19%	19%	6%	8%	9%
> 90	48%	10%	0%	0%	0%	0%
Average	90	77	73	70	70	69
Median	90	78	74	70	68	65

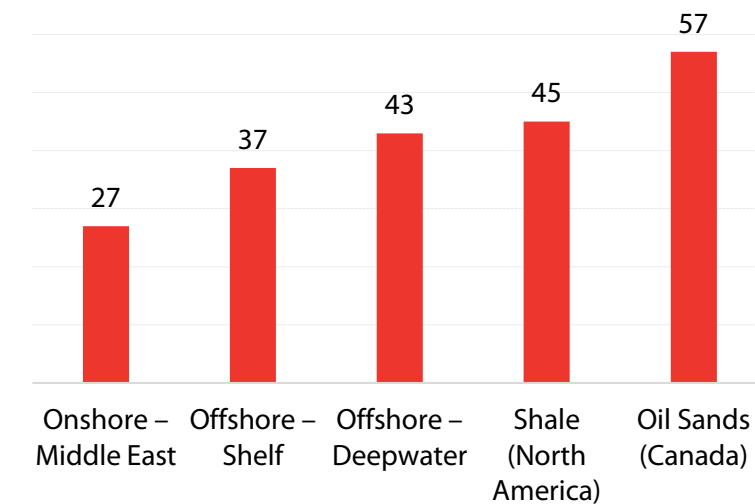
Source: RongViet Securities aggregate of forecasts from 14 institutions (Bloomberg data), as of December 24, 2025

Figure 5: Average Oil breakeven prices by country



Source: PVN, IHS Markit, RongViet Securities compiles

Figure 6: Average Oil breakeven prices by production terrain



Source: Rystad Energy, RongViet Securities compiles

Vietnam's upstream sector is entering a new investment cycle, with exploration and production (E&P) capital expenditure (capex) set to rise sharply from 2025 to 2027, reversing a multi-year decline to address falling reserves and output.

Meanwhile, the legal framework for E&P activities is being refined to provide greater support, with a series of new regulations covering the entire chain, from survey and exploration to development and field expansion, helping to remove bottlenecks related to cost mechanisms, project approvals, and production sharing.

This combination of increased capex and better policies is poised to drive renewed growth in the upstream sector, unlocking opportunities in gas-condensate and marginal field developments that have previously stalled.

Figure 7: Vietnam E&P capex (Trillion VND)

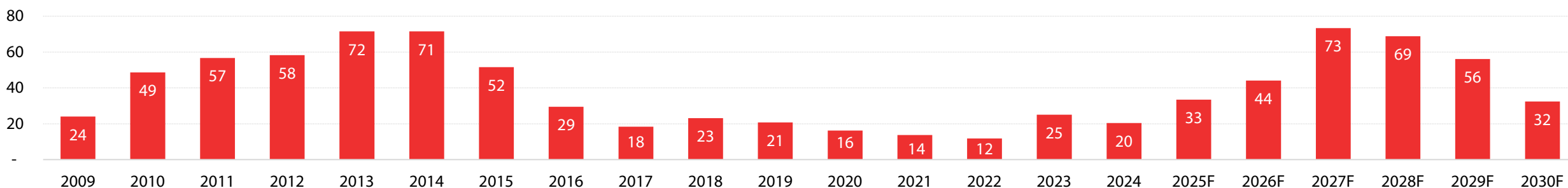


Figure 8: Legal documents supporting Oil & Gas E&P activities in recent years

Phase	Activities	Common problems	Legal documents	Key details	Upstream Impact
Survey Exploration	2D/3D seismic survey, exploration drilling	Rigid contract framework, high legal risk, long review time	Petroleum Law 2022	Diversify contracts, extend project timelines, boost deep-water incentives.	Boost exploration well deployment; increase PVD rig lease demand
Appraisal FDP	Appraisal drilling, Field Development Plan	Slow FDP approval, lack of process standardization	Decree 45/2023/ND-CP	FDP process Standardization, cost recovery mechanism, contractor selection	Shorten discovery-to-development cycle; boost PVD development drilling demand
Investment Decision (FID)	Close total investment, approve design, sign EPC/EPCI	Financial incentives are not attractive; Difficult to farm-out/raise capital	Petroleum Law 2022; Decree 132/2024/ND-CP	Declining mine incentives; transparency in transfers and capital contributions.	Boost FID likelihood for large projects; expand PVS EPCI backlog
Construction Field Development	Installation of rigs, FPSOs, intra-mine pipelines	Problems with land clearance, lack of compensation framework	Mechanism for Lot B – O Mon (2024)	Approving the compensation and resettlement framework for the pipeline	Accelerate the progress of field development, reduce the risk of delay
Mining – Collection – Transportation	Mine operation, oil/gas transportation to shore	Lack of synchronization between upstream and midstream	Petroleum Law 2022; shortened approval mechanism 2024–2025	Stabilize gas output/consumption mechanism; increase long-term contract certainty	Stabilize mining output, improve E&P cash flow visibility
Maintenance Mine Expansion	Additional drilling, workover, recovery optimization	Mines declined, low economic efficiency	Petroleum Law 2022	Additional incentives for marginal mines, end-of-life mines	Extending mine life cycles, increasing drilling workover (PVD) demand

Source: RongViet Securities

Block B – O Mon and Ca Voi Xanh are essential for Vietnam’s energy security in the medium term, representing about 30% of the country’s remaining oil and gas reserves. In the short term, Block B – O Mon is set to lead oil and gas production over the next two years, while the Ca Voi Xanh project is expected to start operations after 2030.

Figure 9: Some Oil & Gas projects in Vietnam

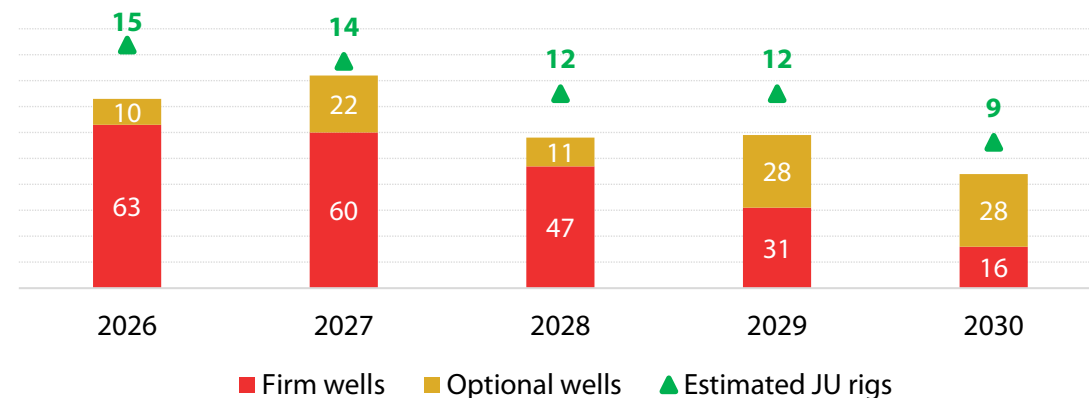
Project	Location	Capital	Reserves	Investor	Progress Update	Operation
Kinh Ngu Trang	Cuu Long	N/A	12.000 -15.000 barrel/day	Vietsovpetro, PVEP, AO Zarubezhneft	<ul style="list-style-type: none"> Receive the first oil cargo 	2025
Block B – O Mon	Malay - Tho Chu	12 bn USD	107 bn m³ gas	PVEP, MOECO, PTTEP	<ul style="list-style-type: none"> EPCI#1 & EPCI#2 progress is 29% & 55% respectively (June 2025) 	August 2027
Ca Voi Xanh	Nam Con Son	10 bn USD	150 bn m³ gas	ExxonMobil, PVN	<ul style="list-style-type: none"> In May 2023, PVN, PVEP and ExxonMobil signed a framework agreement on gas sales contracts Solving the problem of land lease and use of Ky Ha port 	2030
Su Tu Trang – 2B	Cuu Long	1,3 bn USD	20 bn m ³ gas	PVEP, ConocoPhillips, KNOC, SKI, Geopetrol	<ul style="list-style-type: none"> Negotiating the extension of the Block 15-1 Petroleum Contract from September 2025 	2026
Nam Du – U Minh	Malay - Tho Chu	750 mn USD	5,6 bn m ³ gas	Jadestone Energy (JSE)	<ul style="list-style-type: none"> Awaiting PVN and MOIT approval for the Field Development Plan In January 2024, PVGAS & JSE signed a gas purchase framework agreement Prepare bidding for the EPCIC package and FPSO 	2024-2025
Ken Bau	Song Hong	N/A	200-250 bn m ³ gas	ENI Vietnam BV, ESSAR E&P Limited	<ul style="list-style-type: none"> Exploration 	2028
Lac Da Vang	Cuu Long	693 mn USD	100 - 113 mn barrels	Murphy Oil, PVEP, SKI	<ul style="list-style-type: none"> Q2/2024: Murphy Cuu Long Bac & PVS signed the EPCI contract In October 2024, PVS initiated construction of the central processing platform 	2026 -2027
Thien Nga – Hai Au	Nam Con Son	349 mn USD	10 bn m ³ gas	Zarubezhneft, PVEP, PVGAS	<ul style="list-style-type: none"> In March 2024, PV GAS and Zarubezhneft signed a gas purchase and sale framework agreement. 	2026-2027
Bao Vang – Bao Den	Nam Con Son	1.3 bn USD	58 bn m ³	Gazprom, PVN	<ul style="list-style-type: none"> Exploration 	2025

Source: RongViet Securities compiles

Drilling activity is set to increase significantly as several upstream exploration and production projects are restarted. We project a need for about 70 wells in 2026, with about 60 firm commitments and 10 optional. This number will rise to approximately 74 wells in 2027, then remain above 60 wells annually through 2028 and 2029 before gradually decreasing in 2030. The drilling market, especially for jack-up rigs, is expected to remain strong with consistently high utilization.

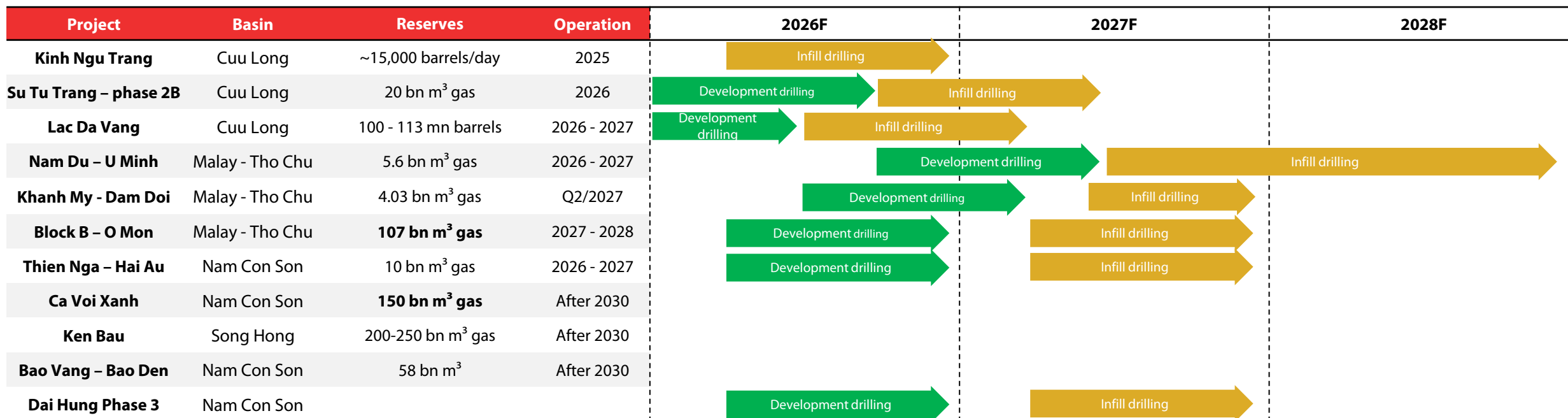
Drilling contractors are poised to benefit significantly from major projects like Lac Da Vang, Block B–O Mon, Nam Du–U Minh, and Su Tu Trang. PVD, which has the largest rig fleet in Vietnam, is well-placed to meet the rising demand. As these projects enter the development phase, PVD, as the top domestic player with the largest jack-up fleet, is expected to see higher margins and improved rig utilization in the coming years.

Figure 10: Estimated number of domestic well number for 2026-2030



Source: PVD

Figure 11: Estimated demand for drilling rigs in domestic E&P projects



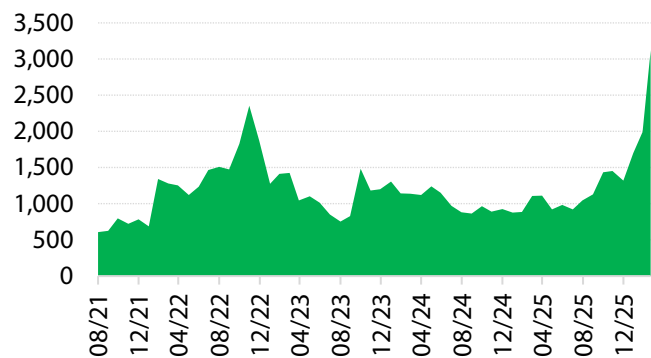
Source: RongViet Securities compiles

Figure 12: Block B – O Mon project chain progress

Category	2022	2023	2024	2025	2026	2027	2028
Procedure Legal		<ul style="list-style-type: none"> - 30/10: PVN and international partners signed the MoU - Transitional gas-to-power pricing mechanism approved by MOIT. 	<ul style="list-style-type: none"> - 18/3: PVN signed a credit financing framework contract - 28/3: MOECO and JBIC signed a loan agreement - 1/7: JF Bank and MOECO signed a loan agreement - 18/9: Block B gas field groundbreaking; awarded EPC#1 & commenced EPC#1 & EPC#2 – signaling full FID commitment 	<ul style="list-style-type: none"> - Signed a GSA contract to supply gas to O Mon I, II, III, IV. - 19/08: Commenced construction of O Mon IV Power Plant 			Q3/2027 First Gas
Upstream & Midstream							
EPC#1	<ul style="list-style-type: none"> - 30/10: PVS and McDermott were awarded LLOA. 	<ul style="list-style-type: none"> - 3/9: Awarded the overall EPC package to PVS and McDermott. - 18/9: PVS commenced construction 					
EPC#2	<ul style="list-style-type: none"> - 29/11: PVS was awarded LLOA. 		<ul style="list-style-type: none"> - 18/9: PVS commenced construction. 				
EPC#3	<ul style="list-style-type: none"> - 22/12: PVS and Lilama 18 were awarded LLOA. 		<ul style="list-style-type: none"> - 3/7: Implementing the contractor selection 				
EPC#4					PVS won the bid for FSO leasing		
Downstream							
O Mon I			<ul style="list-style-type: none"> - 18/3: Signed the GSA for gas from Block B - 21/4: EVN converts gas sources to Block B. - 24/9: Issuance of EPC bidding documents. 	<ul style="list-style-type: none"> - Sign a Power Purchase Agreement (PPA) with EVN in 1H2025 	Conversion to Block B gas		Operation Q4/2028
O Mon II	<ul style="list-style-type: none"> - 9/10: EVN transfers project ownership to PVN. 		<ul style="list-style-type: none"> - 29/7: Contractor TV2-TK3 conducts the basic construction of the pre-feasibility survey phase. 	<ul style="list-style-type: none"> - EPC bidding is expected to be closed in 2H2025 			Operation Q4/2028
O Mon III	<ul style="list-style-type: none"> - 9/10: EVN transfers project ownership to PVN. 			<ul style="list-style-type: none"> - In the feasibility study phase 			Operation Q4/2028
O Mon IV				<ul style="list-style-type: none"> - 19/08 Commenced construction of O Mon IV Power Plant 			Operation Q4/2028

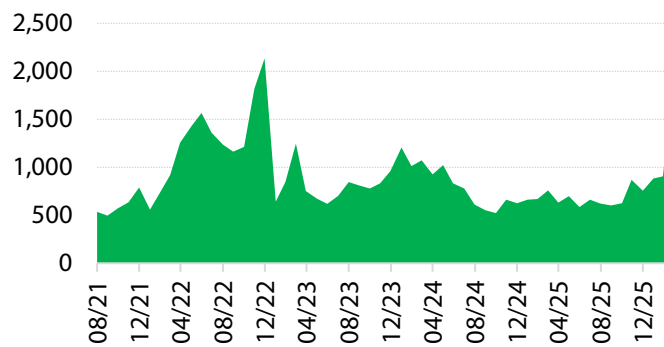
Source: RongViet Securities compiles

Figure 13: BDTI index up 137% YTD



Source: Bloomberg, RongViet Securities

Figure 14: BCTI index up 131% YTD



Source: Bloomberg, RongViet Securities

Figure 15: OPEC+ production strategy scenarios impacting oil shipping demand

	Scenario	Impact on ton-mile demand	Impact on freight rates
OPEC+ Strategy	Output unchanged	Increase in demand for floating storage	Positive (Special as VLCC)
	Output Increased	Increased storage both onshore and offshore	Positive
	Output decreased	Supply-demand balance, Weaken storage demand	Neutral (Cooling down but still high)
Russian oil flows	Peace Agreement	Short transport routes returned; Ton-mile demand declines	Negative (Aframax/Suezmax)
	Conflict continues	Longer journeys to East Asia (India, China); absorbing the old fleet	Positive (Increase in ton-mile demand)
Red Sea & Strait of Hormuz chokepoints	Prolonged tension	Longer shipping routes, impacting the oil and gas supply chain	Positive (Ship supply reduction)
	The situation is cooling down	Traffic through the Suez Canal and the Strait of Hormuz recovers; voyage times shorten	Neutral to Negative

Source: RongViet Securities

Freight Rates surge following the Middle East geopolitical shock at the Strait of Hormuz

At the beginning of the year, the tanker market showed clear divergence, with the BDTI (crude tanker) index rising by over 63% YTD, compared to a more modest 32% increase in the BCTI (product/chemical tanker) index due to oversupply in the product tanker segment. However, escalating Middle East tensions and the Strait of Hormuz crisis in early 2026 acted as a major catalyst, eliminating this divergence and driving both indices sharply higher to +137% (BDTI) and +131% (BCTI) from the start of the year. This extreme movement has effectively marked the beginning of a new supercycle in global oil tanker freight rates.

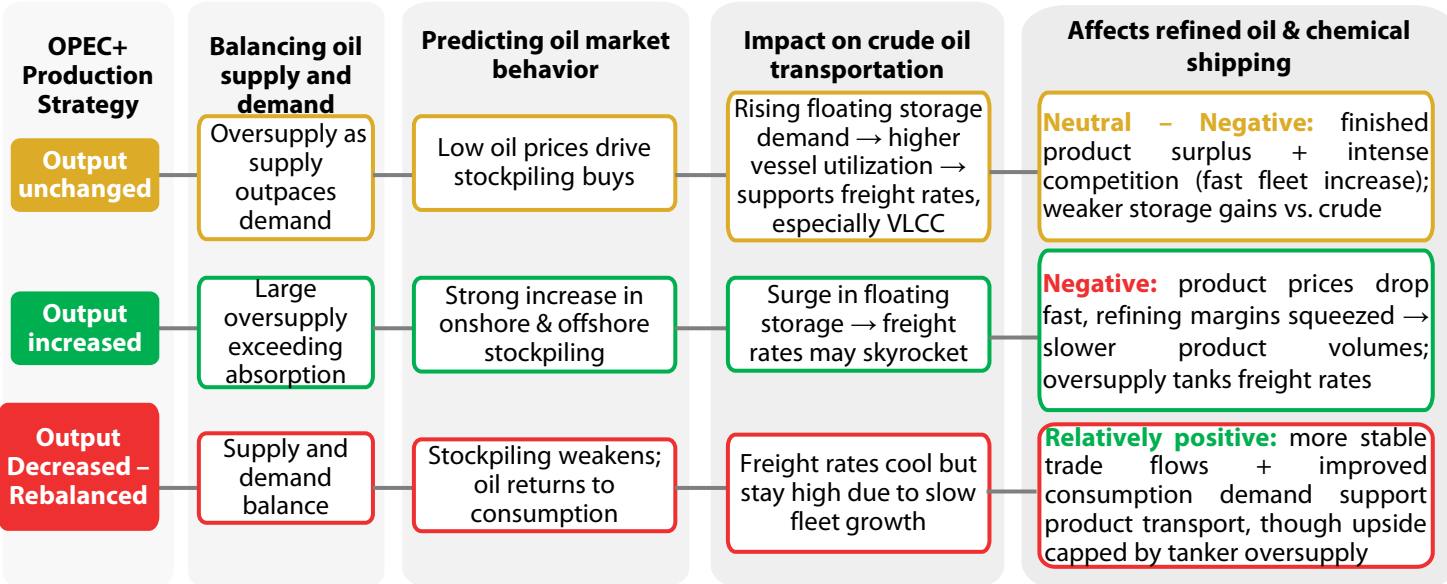
Three main factors influencing future freight rate trends

We believe that petroleum tanker freight rates in the near to medium term will be driven by three main factors:

- **OPEC+ production strategy:** Output decisions will determine market balance and floating storage demand, which directly impacts crude tanker tonne-mile demand.
- **Russia-Ukraine conflict:** Ongoing tensions continue to reshape global oil flows and voyage distances, significantly affecting tonne-mile demand, particularly for medium-sized vessels.
- **Red Sea & Strait of Hormuz disruptions:** Supply chain bottlenecks. Disruptions at Hormuz - one of the world's most critical maritime chokepoints - have forced vessels to reroute via the Cape of Good Hope. Longer sailing distances, combined with heightened security risks, effectively reduce available fleet supply & push freight rates to record levels.

Overall, we expect the combined effect of tighter OPEC+ supply and persistent geopolitical tensions to sustain elevated freight rates, creating strong earnings growth opportunities for companies with international tanker fleets.

Figure 16: OPEC+ Production Strategy Scenarios and Their Impact on Oil Transportation Demand



(1) OPEC+ production strategy is the main factor driving crude tanker demand.

OPEC+'s production policy is the key factor affecting global oil supply and tanker demand. If OPEC+ maintains or increases output, the current low oil prices may encourage inventory builds and increase the need for floating storage, which in turn supports crude tanker rates, especially for VLCCs. However, if OPEC+ cuts production to rebalance the market, it would fall floating storage demand and would soften freight rates, although slow fleet growth would provide some support.

Impact on Refined Products/Chemical Transportation Is Less Favorable

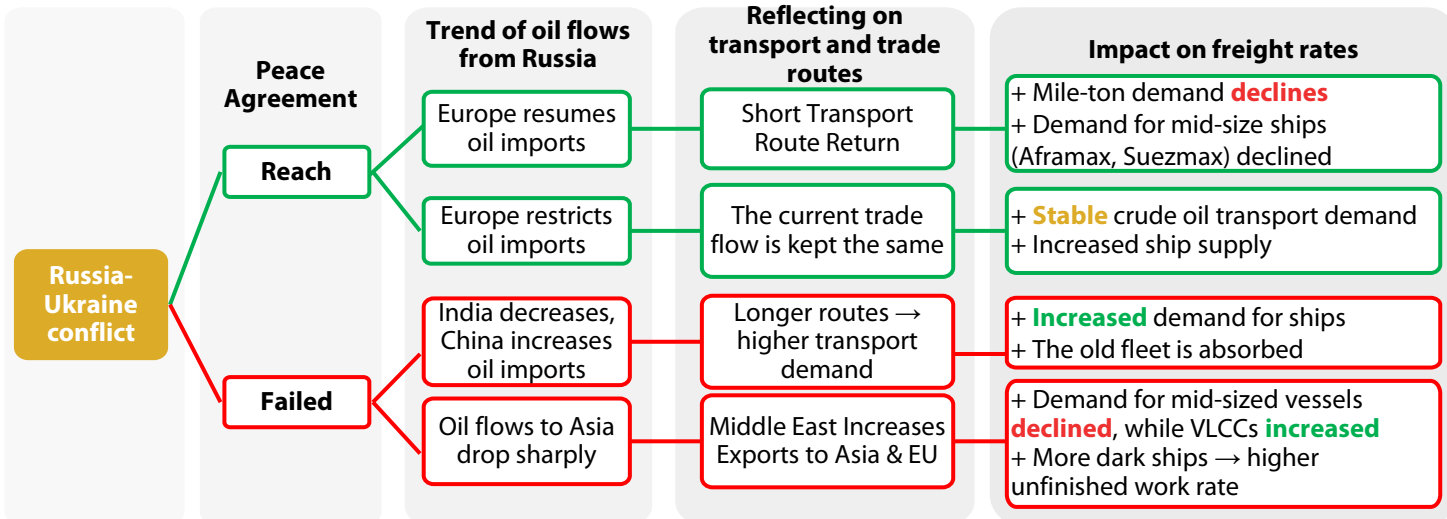
Product and chemical tanker transportation gains less from inventory-related demand than crude does, it is hindered by fleet oversupply and declining refining margins. Consequently, the outlook for the product and chemical tanker segment is generally neutral to mildly negative across most OPEC+ production scenarios.

(2) Russian Oil Flows: Two diverging scenarios with contrasting Effects.

Russian crude oil flows are unpredictable for the tanker market. If a peace agreement is reached, Russian oil could re-enter European markets via shorter routes, lowering tonne-mile demand and negatively affecting mid-sized vessels such as Aframaxes and Suezmaxes.

If the conflict continues and Russian crude is diverted to Asia, longer shipping distances will maintain tanker demand, support freight rates, and help absorb older vessels.

Figure 17: Scenarios for Russian oil flows amid the Russia-Ukraine conflict



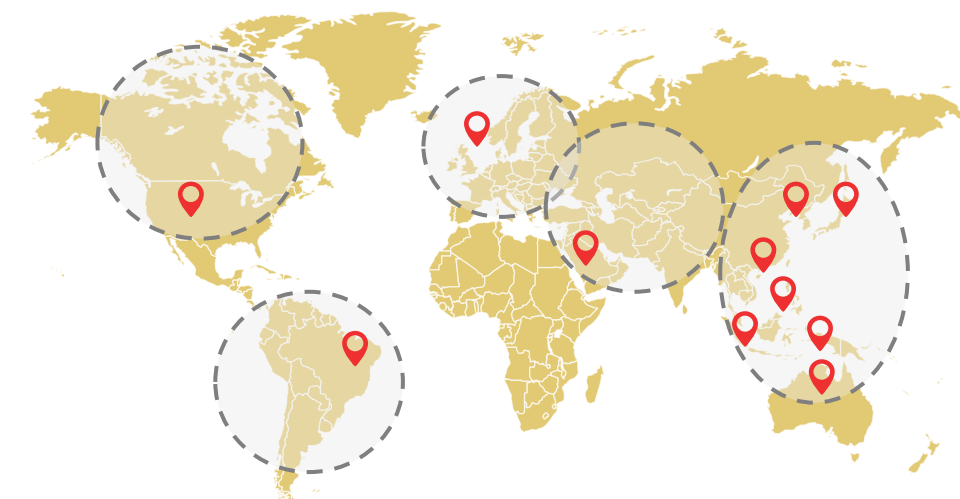
Source: RongViet Securities estimate

Figure 18: Key bottlenecks in global oil transportation



Source: RongViet Securities compiles

Figure 19: Operating areas of Vietnam's shipping enterprises



Source: RongViet Securities compiles

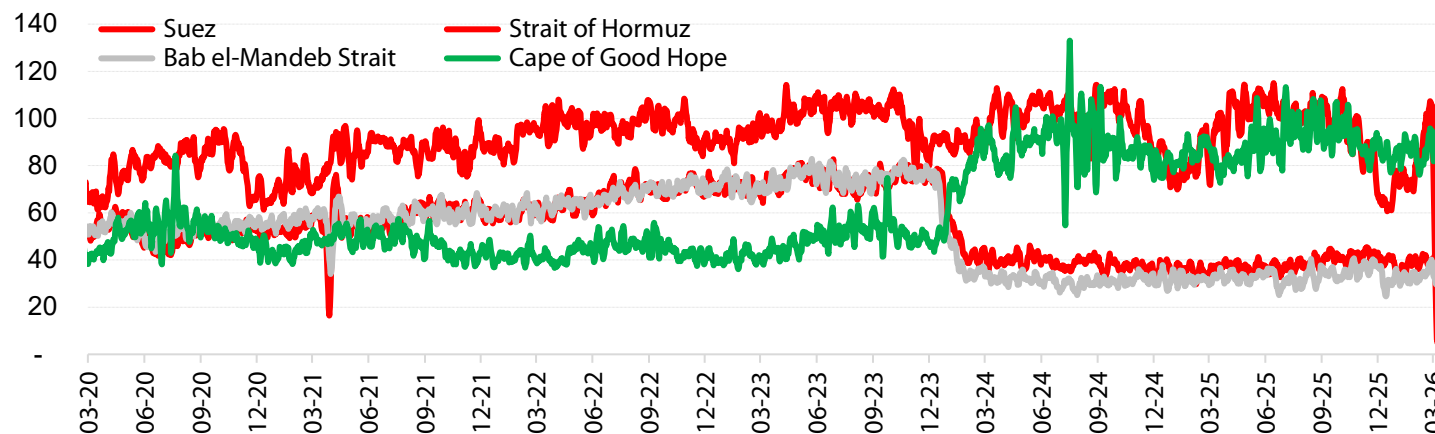
(3) Dual impact from Red Sea disruptions and Strait of Hormuz blockade

The Strait of Hormuz has emerged as a critical supply bottleneck, with a sharp decline in vessel traffic in early 2026 marking one of the most severe supply shocks in the past decade. Unlike the Red Sea, Hormuz is a strategic chokepoint with no viable alternative maritime route. As a result, any disruption effectively removes around 20% of global crude supply from the market. This not only drives oil prices to extreme levels, but also leads to localized “freezing” of large crude tanker (VLCC) fleets in the Gulf, causing significant disruptions across global logistics systems.

Meanwhile, the Red Sea continues to exert pressure on transportation costs. Traffic through the Suez Canal and Bab el-Mandeb Strait remains below normal levels due to ongoing security risks, forcing vessels to reroute via the Cape of Good Hope. This adds approximately 10–15 days to voyage times. The combination of supply disruptions at Hormuz and extended sailing distances in the Red Sea has effectively tightened fleet availability to extreme levels, triggering a new supercycle in tanker freight rates.

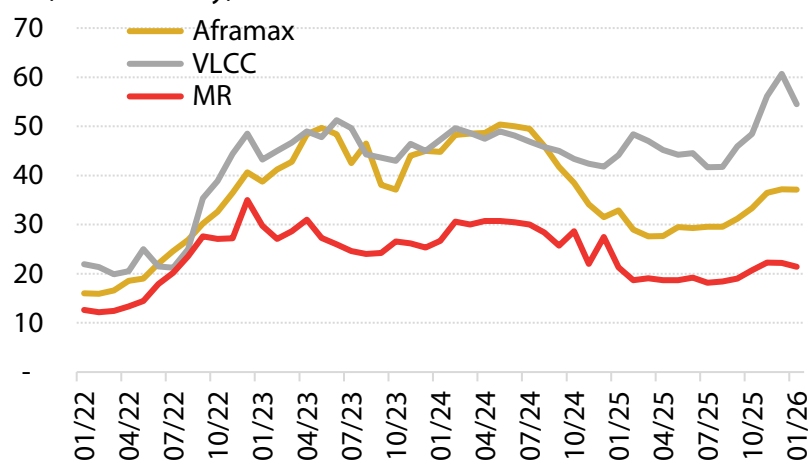
Vietnamese tanker companies benefit from broad route exposure. Vietnamese petroleum transportation companies maintain diversified operations across Southeast Asia and other regions less directly affected by Hormuz disruptions, such as West Africa and the Americas. This broad route coverage allows operators to flexibly deploy fleets and capitalize on elevated freight rates in the current market environment.

Figure 20: Commercial transit cargo volumes remain below pre-Red Sea crisis levels (million tonne-miles)



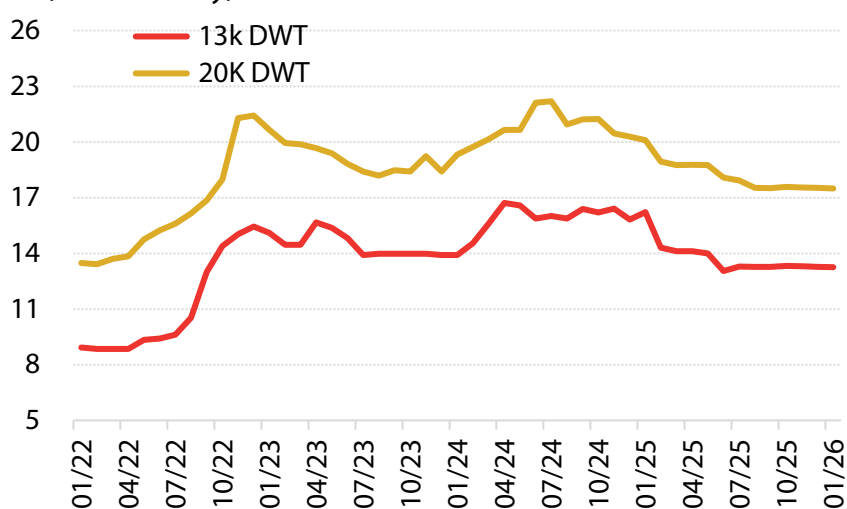
Source: MacroMicro, RongViet Securities

Figure 20: Crude/Product oil’s 1-year TC rates
(USD'000/day)



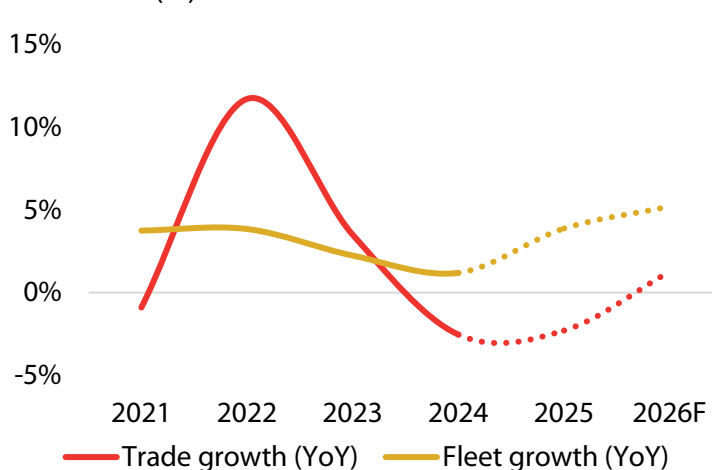
Source: Clarkson Research, RongViet Securities

Figure 22: Chemical tankers’ 1-year TC rates
(USD'000/day)



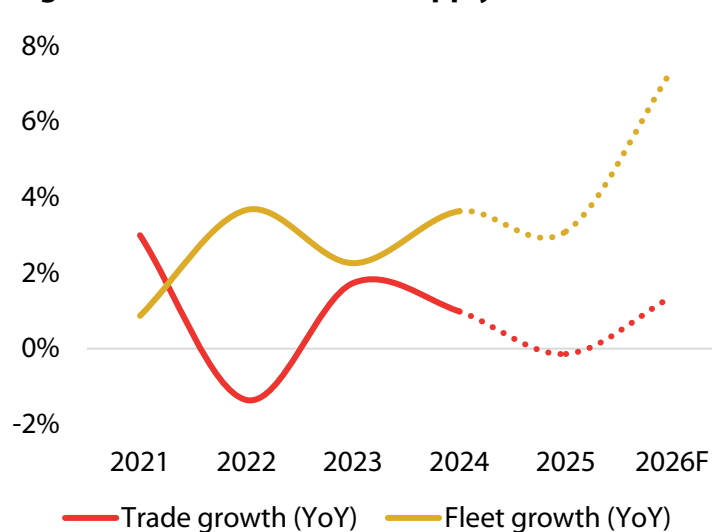
Source: Clarkson Research, RongViet Securities

Figure 22: Crude/Product oil tanker supply-demand (%)



Source: Clarkson Research, RongViet Securities

Figure 23: Chemical tanker supply-demand (%)



Source: Clarkson Research, RongViet Securities

Crude oil tankers remains stable due to slow fleet growth and geopolitical factors.

The crude oil tankers segment is expected to perform better than the broader tanker market in 2025–2026. Although one-year time-charter rates may decrease from the peaks of 2023–2024, slower fleet growth will help maintain a favorable supply-demand balance. Geopolitical factors, such as Russian oil flows, OPEC+ production decisions, and risks in the Red Sea, are sustaining high tonne-mile demand, especially for larger and mid-sized vessels (VLCC and Aframax).

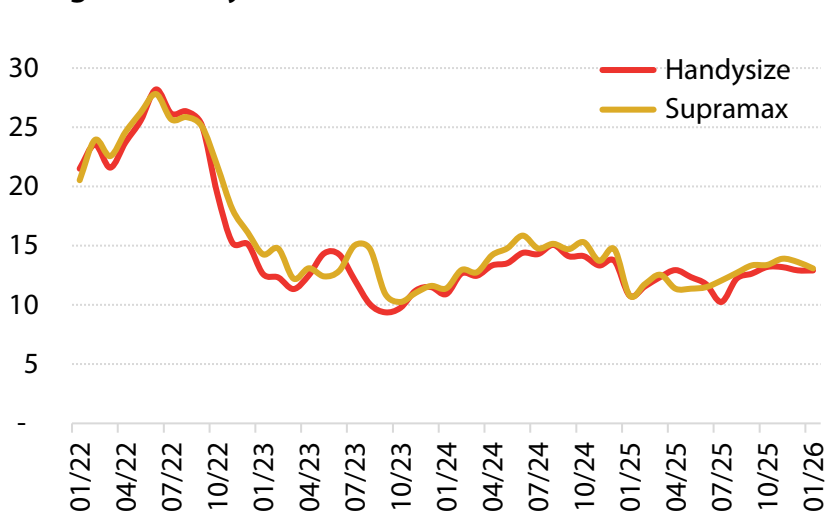
In Vietnam, crude oil tankers is robust, primarily driven by long-term contracts and time-charter agreements with local oil and gas companies.

Product/Chemical tankers – Major revenue pillar but exposed to cyclical pressures

The product and chemical tankers is in a correction phase, with one-year TC rates for MR and LR vessels declining from their peaks. This is driven by rapid fleet growth expected through 2024–2026. Supportive factors like Cape of Good Hope rerouting and Russian product flows could be reversed, and supply is outpacing trade growth, which limits prospects for profit-margin recovery.

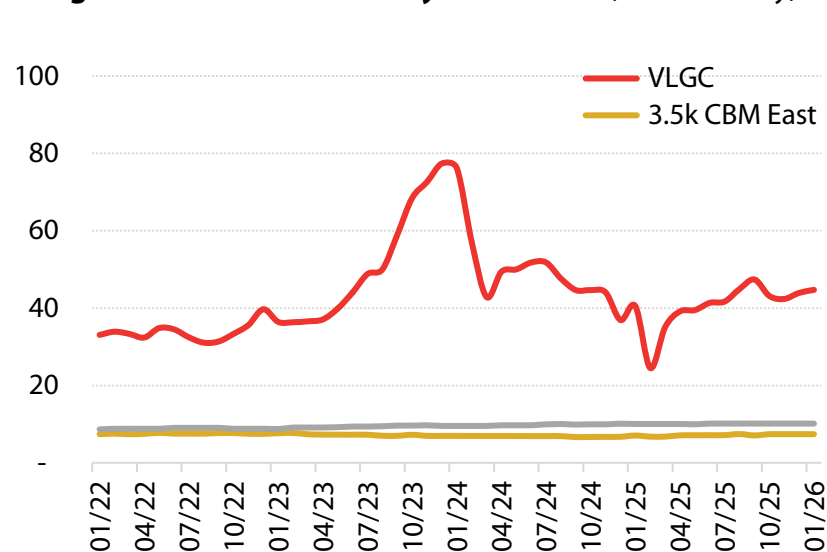
In Vietnam, this segment is a key contributor to volumes and enjoys stability due to a focus on the domestic market, long-term contracts with major petroleum distributors, and partnerships with local chemical companies. Consequently, it experiences much lower volatility than international benchmarks.

Figure 24: Dry bulk carriers's 1Y TC rates for (USD'000/day)



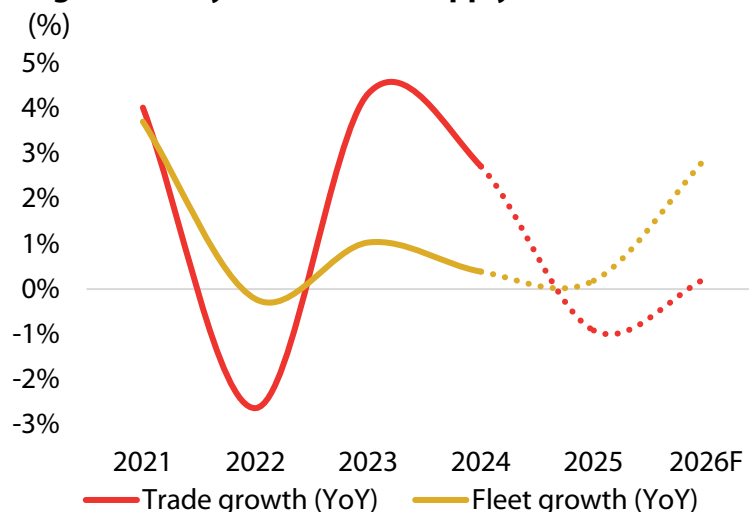
Source: Clarkson Research, RongViet Securities

Figure 26: LPG carriers's 1-year TC rates (USD'000/day)



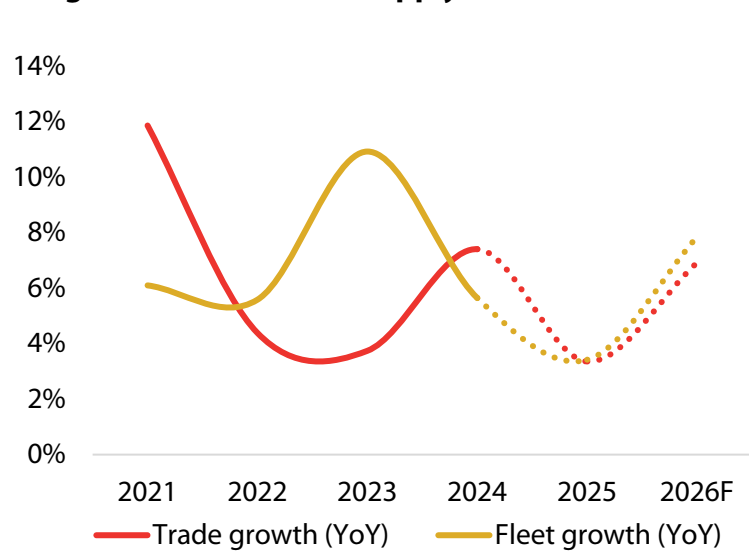
Source: Clarkson Research, RongViet Securities

Figure 25: Dry bulk carriers supply - demand (%)



Source: Clarkson Research, RongViet Securities

Figure 27: LPG carriers supply - demand (%)



Source: Clarkson Research, RongViet Securities

LPG carriers – Defensive segment with stable cash flows

The LPG carriers segment is relatively stable compared to other tanker sub-sectors. One-year time-charter rates are less volatile due to balanced supply and demand, driven by consistent LPG trade growth and high entry barriers for specialized vessels. This segment is less affected by geopolitical shocks and crude oil inventory cycles.

In Vietnam, the LPG carrier market is stable, mainly due to long-term contracts with domestic gas distributors. The small vessel size, a niche market focus, and steady demand help generate reliable cash flows, providing consistent stability within the overall petroleum transportation portfolio.

Dry bulk carriers – Ongoing issues due to excess fleet capacity

Dry bulk carriers is struggling globally, with one-year TC rates remain low, and fleet supply increasing faster than demand for commodity transport. Supply-demand indicators show ongoing oversupply through 2025–2026, which limits a significant freight rate recovery and makes operational performance reliant on timing and fleet management.

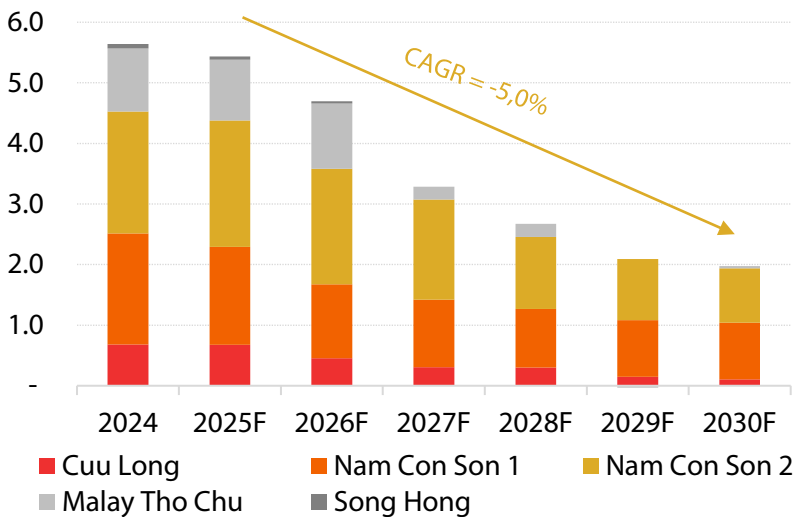
In Vietnam, dry bulk carriers operation focus on local and regional routes driven by demand for raw materials in manufacturing and construction. Although the sector is less affected by international fluctuations, it faces intense competition and modest profit margins.

Domestic gas supply has been declining at about 5% per year since 2013. In contrast, demand is expected to surge from 13 billion m³ in 2020 to 22 billion m³ by 2025, and over 34 billion m³ by 2030. To ensure national energy security, it is crucial to develop new gas fields and increase LNG imports.

Power generation is projected to be the main driver of gas consumption, making up approximately 82% of total demand. In the 2024 dry season, LNG from the Thi Vai terminal was used for the first time to supply the Phu My power plants. For 2025, gas-to-power output (including LNG) is expected to reach nearly 35 billion kWh, reflecting a 60% YoY increase and highlighting the growing importance of LNG.

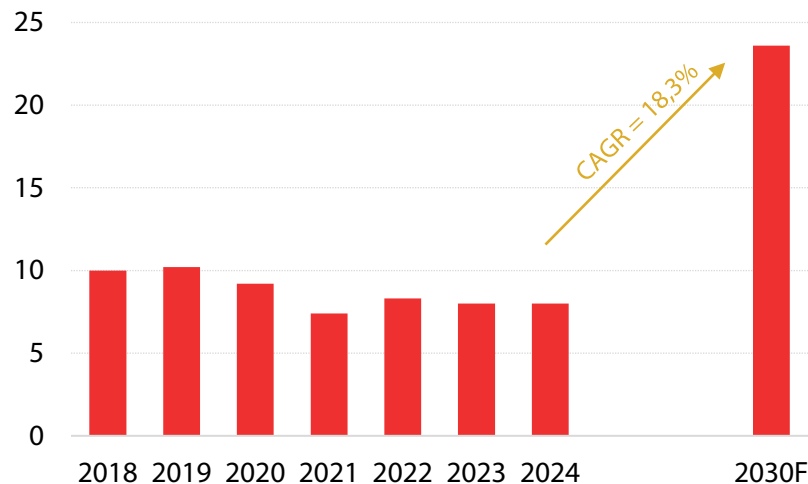
LNG is set to play a key role in the energy system, with LNG-fired power capacity expected to reach 22,500 MW by 2030, accounting for 9.5–12.3% of total installed capacity. Key projects, such as Nhon Trach 3 & 4 and the expansion of LNG infrastructure at Thi Vai, Son My, and the FSRU facilities, will increase regasification capacity to 22 million Sm³/day.

Figure 29: Gas supply of fields in Vietnam



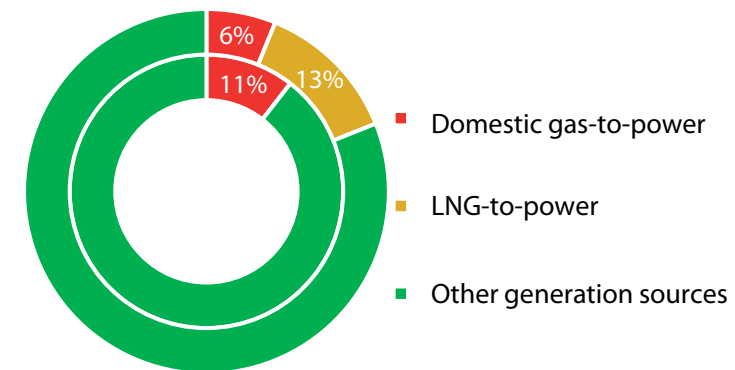
Source: PVN, PVGAS, RongViet compiles

Figure 30: Gas consumption in Vietnam (Including LNG)
(bn m3)



Source: ADES, RongViet Securities compiles

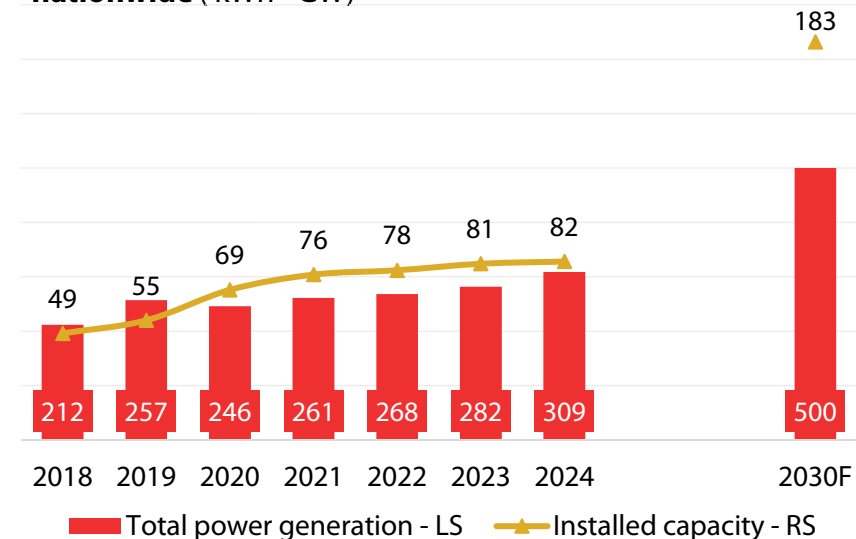
Figure 28: Structure of gas power capacity installed in the national power system



Source: BTC, EVN, RongViet Securities

Note: The 2030F installed capacity is based on the base case scenario of the adjusted PDP VIII in 2025

Figure 31: Electricity consumption & installed capacity nationwide (kWh - GW)



Source: BTC, EVN, RongViet Securities

Note: The 2030F installed capacity is based on the base case scenario of the adjusted PDP VIII in 2025

In the context of rapidly declining domestic gas supply with limited prospects for reversal, LNG is shifting from a “supplementary” role to becoming a strategic supply source for the national energy system. We believe LNG imports have become essential to ensure energy security and sustain gas-to-power growth over the 2025–2035 period.

LNG infrastructure development is accelerating, providing a foundation for scaling up import capacity. The Thi Vai LNG terminal has commenced commercial operations, while projects such as Son My and the adoption of FSRU solutions help shorten deployment timelines and enhance supply flexibility—well aligned with rising demand and declining domestic supply.

Gas-to-power remains the key demand driver supporting LNG imports. We see LNG increasingly acting as a baseload fuel alongside hydropower and coal, playing a critical role in balancing the power system, particularly as the share of renewable energy continues to grow.

From an investment perspective, the LNG value chain (import – storage – regasification – distribution) offers strong long-term growth potential. This creates advantages for companies with LNG infrastructure, gas distribution networks, and large-scale gas-fired power assets such as GAS and CNG.

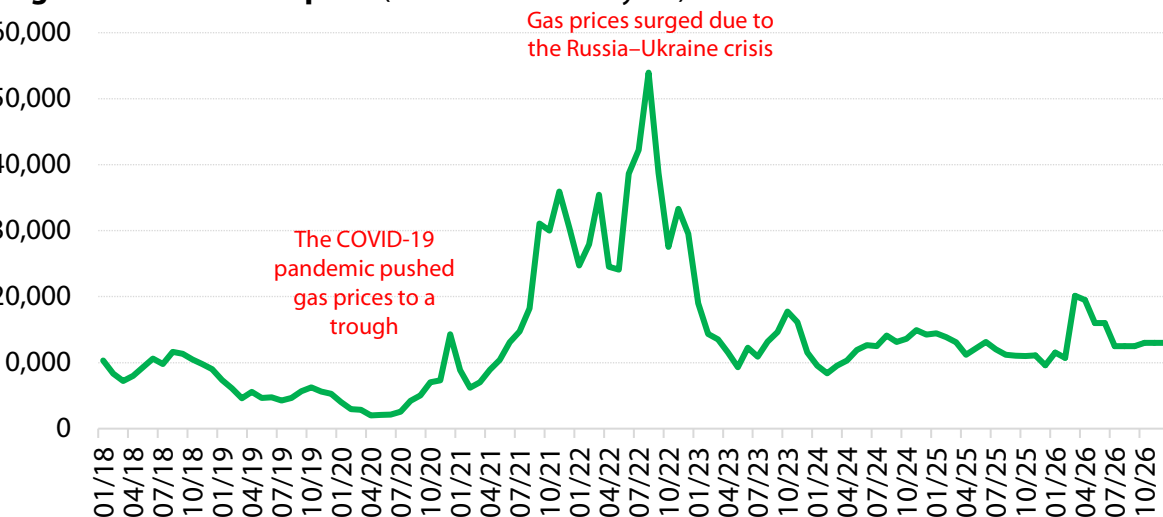
Figure 32: LNG terminal projects

Project	Location	Investor	Capacity	Details
LNG Thi Vai	Ba Ria – Vung Tau	PV GAS	Phase 1: 1 million tons/year Phase 2: 3 million tons/year	Inaugurated in October 2023, it is Vietnam’s first and largest LNG terminal. Started offering from 3/2024
LNG Cai Mep	Ba Ria – Vung Tau	Hai Linh Co & AG&P LNG	4 million tons/year	Operational in 2025.
LNG Son My	Binh Thuan	PV GAS	6 million tons/year	Part of Son My power center, expected to operate in 2026-2027
LNG Nghi Son	Thanh Hoa	N/A	N/A	The agreement was signed in June 2024; Approval of the policy in March 2024
LNG Vung Ang	Ha Tinh	PV GAS	Phase 1: 1-3 million tons/year	Approved for investment policy in September 2025.
Hai Phong LNG Terminal & Power Plant	Hai Phong	VinGroup	Phase 1: 1,600 MW Phase 2: 3,200 MW	Construction has started and is being accelerated

Figure 34: LNG-to-Power Projects for 2025–2030 under the Revised PDP VIII (2025)

Project	Project	Project	Project
LNG Quang Ninh	1,500	2028-2029	Feasibility Study (FS)
LNG Thai Binh	1,500	2028-2029	Construction (Q4 2025)
LNG Quang Trach II	1,500	2028	FS & Site clearance
LNG Hai Lang phase 1	1,500	2028-2029	FS / Study
Nhon Trach 3 & 4	1,624	2028	Testing & COD prep
LNG Hiep Phuoc phase 1	1,200	2029-2030	Planned
LNG Hiep Phuoc phase 2	1,500	2028-2029	Planned
LNG Long An I	1,500	2028-2029	Approved & Site clearance
BOT Son My I	2,250	Before 2030	Planned
BOT Son My II	2,250	Before 2030	Planned
LNG Bac Lieu	3,200	Before 2030	Investor selection
LNG Nghi Son	1,500	Before 2030	Investor selection
LNG Ca Na	1,500	Before 2030	Planned
LNG Quynh Lap	1,500	Before 2030	Planned
LNG Hai Phong phase 1	1,600	Before 2030	Infra & permitting

Figure 33: Asian LNG price (USD/Million BTU/year)



Source: Bloomberg, RongViet Securities

Source: RongViet Securities compiles

Petroleum Supply – Stable, but highly dependent on refineries

Domestic petroleum supply is mainly provided by the Dung Quat (BSR) and Nghi Son (NSRP) refineries, which meet about 60–70% of the domestic demand, totaling around 16–17 million tons annually.

Vietnam relies on imports for 30–40% of its petroleum products, which are vital for supply stability. Major import sources include South Korea, Malaysia, and Singapore, aided by preferential tariffs from FTAs. A significant rise in imports during refinery maintenance periods underscores their importance in maintaining market balance.

E10 biofuel gasoline – Opportunity for industry leaders to gain market share

The government is promoting E10 biofuel gasoline, creating an opportunity for PLX and OIL to expand their market share, due to their superior storage, terminal, and blending infrastructure. Domestic ethanol supply currently meets only around 50% of demand, requiring imports to fill the gap. This could lead to higher costs and reduced profit margins in the short term. However, E10 is a positive step toward reducing emissions and enhancing long-term energy security.

Petroleum Demand – Steady growth in the short & medium term, gradually Slowing in the long term

Vietnam's petroleum consumption is expected to continue growing from 2025 to 2030, driven by economic recovery and increased transportation needs. Demand rebounded from approximately 22 million tons in 2019 to around 25 million tons in 2023-2024, demonstrating low price sensitivity. The Ministry of Industry and Trade predicts over 8% YoY growth in 2025, and we estimate an average annual growth rate of about 4%, reaching around 33 million m³ by 2030.

Diesel accounts for approximately 58% of demand, mainly due to freight and industrial use. Gasoline follows at about 36.5%, boosted by increasing car ownership and a high motorcycle ratio of 77 per 100 people. Aviation fuel and other fuels make up roughly 5.5% and are recovering fast with the resurgence in international aviation and logistics.

After 2030, growth is expected to slow due to the rise of electric vehicles, stricter fuel-efficiency standards, and increased use of E10 biofuel, which will change the demand for petroleum.

Figure 35: Petroleum supply output (tons)

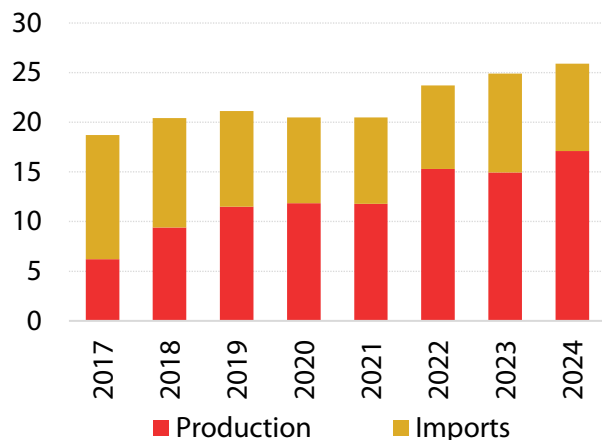


Figure 36: Structure of petroleum consumption in 2024 (%)

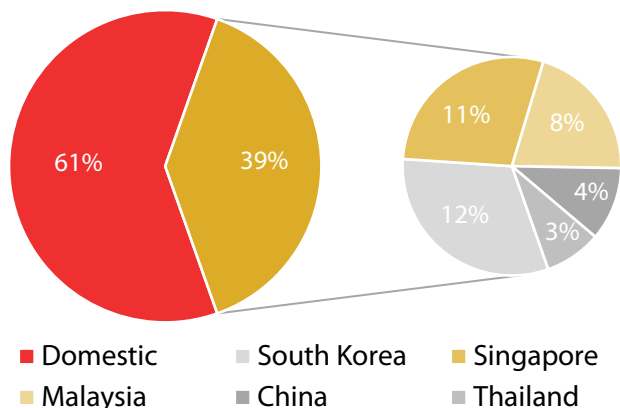
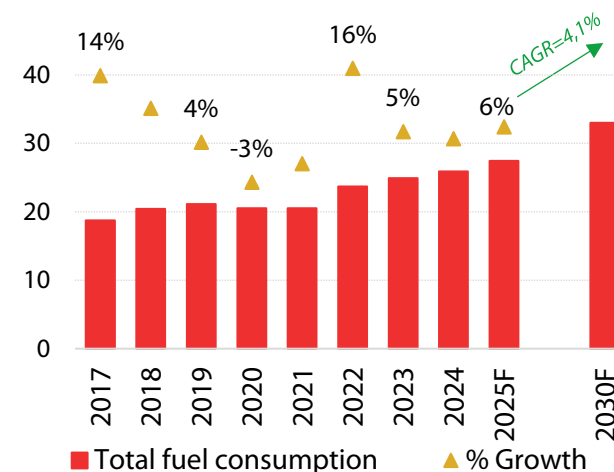
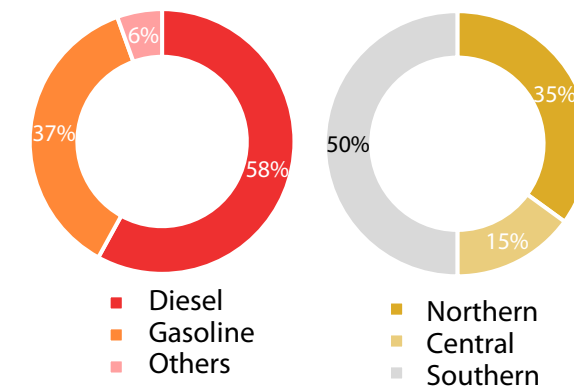


Figure 37: Petroleum consumption (tons)



Hinh 38: Petroleum consumption structure by product & region 2024 (%)



Source: RongViet Securities compiles

Source: Fiinpro, RongViet Securities

Source: RongViet Securities compiles

Source: RongViet Securities compiles

EV & retail petroleum pricing mechanism – Impact perspective on the distribution sector

Although EV growth is increasing, its effect on Vietnam’s petroleum demand will be minimal in the short term.

Although the number of electric cars and electric motorcycles has risen to approximately 350,000 and 2.5 million units respectively (equivalent to ~2% of total vehicles), gasoline-powered vehicles still overwhelmingly dominate—with motorcycles accounting for ~89% and gasoline/diesel cars ~8%. EV adoption is currently driven mainly by tax and fee incentives and domestic supply, but incomplete charging infrastructure and high ownership costs are slowing the pace of fuel substitution. We believe the material impact of EVs on petroleum consumption will become more evident after 2030, depending on the rollout of charging infrastructure and post-incentive policies.

Reforming the retail pricing mechanism could help petroleum distributors improve their profit margins.

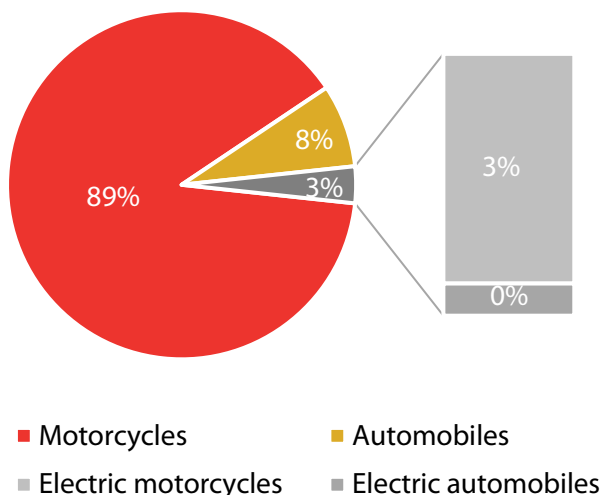
PLX and OIL currently have operating margins of 2.1% and 0.6%, respectively, which are much lower than the typical 3.4–3.8% margins seen in markets with flexible pricing mechanisms. This is primarily because the base price formula does not reflect costs quickly enough and is fixed for long periods. The new draft decree could give distributors more control over pricing, potentially closing the margin gap with regional competitors and improving efficiency for large distributors like PLX and OIL.

Figure 39: Comparison of petroleum retail pricing mechanisms in some countries

Country	Pricing mechanism	Price adjustment cycle
South Korea	Market price	7 Days
India	Market price	Every day
Japan	Market price	7 Days
Philippines	Market price	7 Days
Thailand	Market price	4 Days
Malaysia	Base price	7 Days
Pakistan	Base price	15 Days
China	Ceiling price	10 Days
Vietnam	Current: Base price Drafts 3 & 4: Ceiling price Drafts 6 & 7: Market price	7 Days

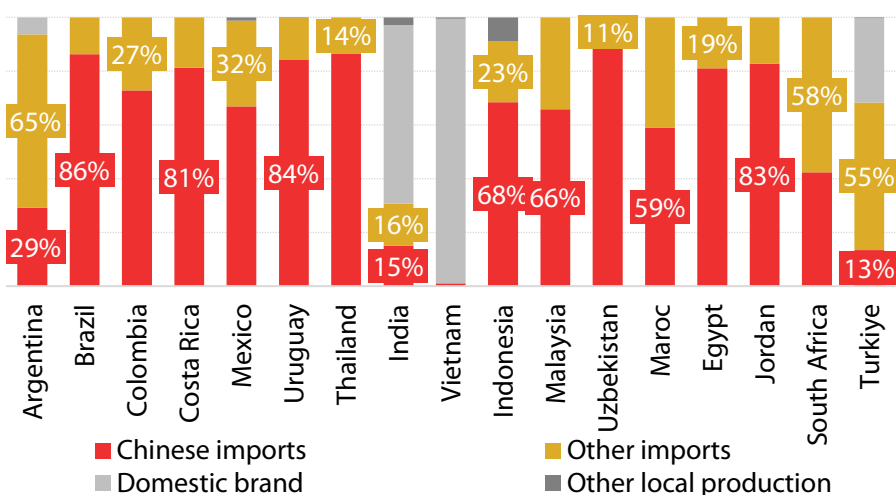
Source: RongViet Securities compiles

Figure 40: Transportation in Vietnam



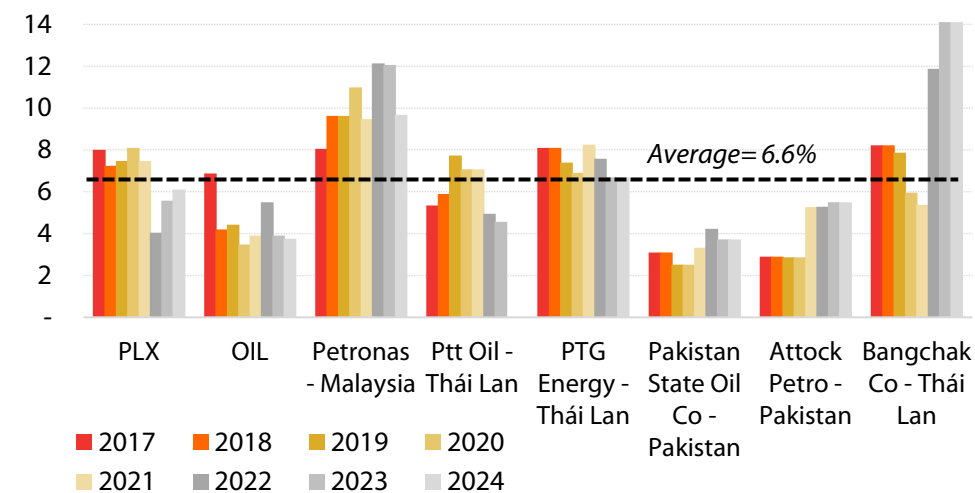
Source: RongViet Securities compiles

Figure 41: The origin of EV sold in several markets 2024



Source: IEA, RongViet Securities

Figure 42: Gross profit margin of PLX and peers (%)



Source: Bloomberg, RongViet Securities

The amendment process for the Petroleum Business Decree is shifting towards a more market-oriented approach.

The transition from version 3 to version 7 shows that the State is reducing its direct involvement in price control and is instead focusing on creating a supervisory framework, improving cost transparency, and standardizing market entry conditions.

- **Draft 3** gives the Ministry of Industry and Trade the power to unilaterally set the base price, streamlining the process compared to the previous coordination with the Ministry of Finance. It starts to consider normative business costs for adjustment based on CPI, allowing for more flexible pricing. However, transferring the Price Stabilization Fund (BOG fund) to the state budget raises concerns about short-term responses to price fluctuations.
- **Draft 6**, Market orientation is improved as head traders and distributors can now set and announce their own selling prices. Cross-purchasing regulations among distributors increase supply chain flexibility.
- **Draft 7** refines the legal framework by introducing a pricing mechanism based on publicly disclosed business costs, which will be reviewed annually according to CPI. Stricter conditions for head traders will help filter out qualified enterprises, but will also increase entry barriers for new participants.

Figure 43: Comparison of petroleum trading decrees and new draft amendments

Criteria	Decree 83/2014	Decree 95/2021	Decree 80/2023	New Decree (Draft 6)	New Decree (Draft 7)
Participants in the major distributor value chain	1. Major distributor 2. Wholesale distributor 3. General Distributor 4. Agent	1. Major distributor 2. Wholesale distributor 3. General Distributor 4. Agent	1. Major distributor 2. Wholesale distributor 3. General Distributor	1. Major distributor 2. Wholesale distributor 3. General Distributor	1. Major distributor 2. Wholesale distributor 3. General Distributor
Retail price formula	Base Price	Base Price	Base Price	Market Price	Market Price
Standard transport cost	N/A	MOF review every 6 months	MOF review every 3 months	N/A	N/A
Standard business cost	Gas: 1,050 VND/liter Oil: 950 VND/liter	MOF review annually.	MOF review annually. Normative business costs currently in effect per Official Letter No. 6808/BTC-QLG dated 01/07/2024 + A95 gas: 1,140 VND/liter; + Diesel: 1,170 VND/liter.	N/A	Annual adjustment of normative business costs based on the prior year's average CPI. 03 years/review
Standard profit	300 VND/liter	MOF review annually	300 VND/liter	N/A	N/A
Fuel price adjustment cycle	15 days	10 days	7 days	7 days (every Thursday); Allows unlimited discounts between adjustment periods.	No price adjustment cycle. Announcement implemented right after price adjustment
Minimum inventory days for wholesale distributors	30 Days Supply	30 Days Supply	20 days supply	20 days supply	20 days supply

Source: RongViet Securities compiles

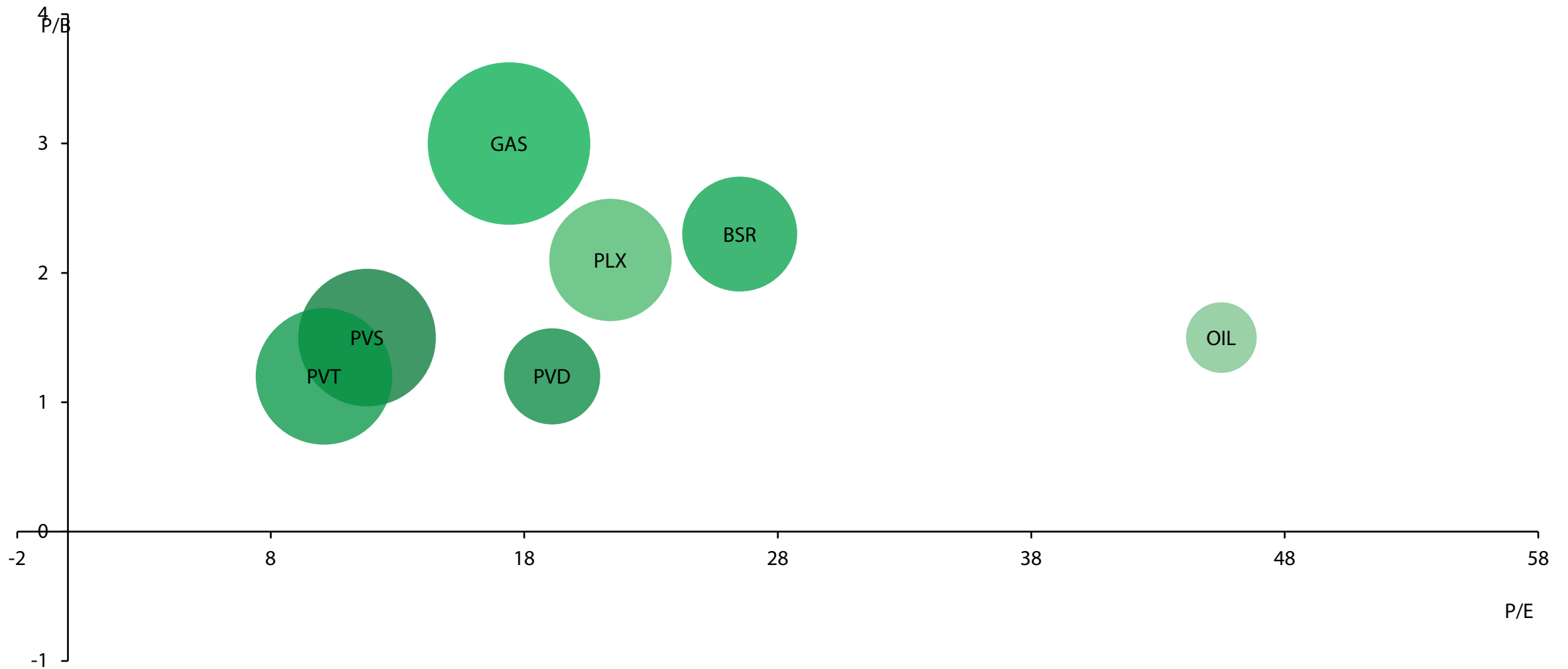
Ticker	Mkt Cap. (\$mn)	AVR.3M Daily Trading Value (tr.dng)	Target price (VND)	Closing price	Cash div Nxt 12M	Total return %	Foreign room leftover %	P/E		P/B		ROE Forward	EPS			BV/Share			2026 Growth	
								2026F	5 Yr. AVR	2026F	5 Yr. AVR		2024A	2025F	2026F	2024A	2025F	2026F	Sales % (*)	NPAT-MI % (*)
PVS	19,536	462,811	49,700	38,200	700	30.1	33.2	4.8	22.5	0.7	1.1	18.7	3,560	4,556	3,823	29,375	31,861	33,826	21.2	28.0
PVD	18,316	314,974	36,400	32,950	500	10.5	37.4	16.6	n.a	1.2	0.9	9.4	1,865	2,298	2,702	30,293	32,381	33,794	17.8	23.1
PVT	10,338	238,254	28,500	22,000	0	29.5	35.9	17.1	9.8	2.3	1.2	11.4	2,210	2,778	3,162	18,459	20,892	23,430	9.8	25.8
BSR(*)	128,688	649,968	29,650	25,700	n.a	15.4	47.3	17.5	43.0	2.1	1.3	9.0	1,040	2,179	1,466	12,079	14,258	15,724	-4.2	-32.7
GAS(*)	192,795	369,790	100,533	79,900	n.a	25.8	46.8	12.9	16.5	2.9	3.0	18.0	4,647	5,353	6,129	27,475	32,828	38,956	10.7	1.5
PLX(*)	51,459	452,243	47,767	40,500	n.a	17.9	5.7	14.5	26.7	2.0	1.9	10.2	1,472	2,244	2,762	20,625	22,869	25,632	5.8	23.1
OIL(*)	14,893	153,187	11,300	14,400	n.a	-21.5	6.4	23.6	29.5	1.4	1.2	3.4	343	423	602	10,173	10,596	11,197	15.4	42.4

Source: Bloomberg, RongViet Securities. Data as of April 08, 2026.

(*) Market consensus data from Bloomberg

n.a: Not forecasted or no data available

NPAT-MI: Net Profit After Tax – Minority Interest.



Source: Fiipro, RongViet Securities. The bubble size is equal to the corresponding ROE. Stock price as of April 08, 2026.

BUY: +29%

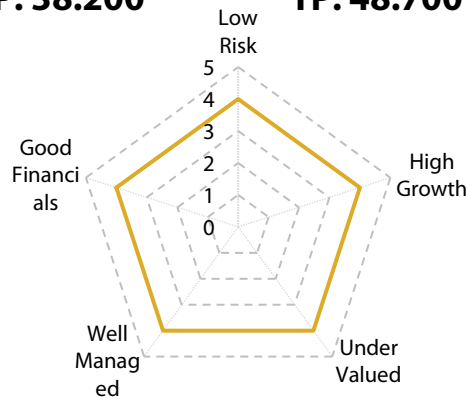
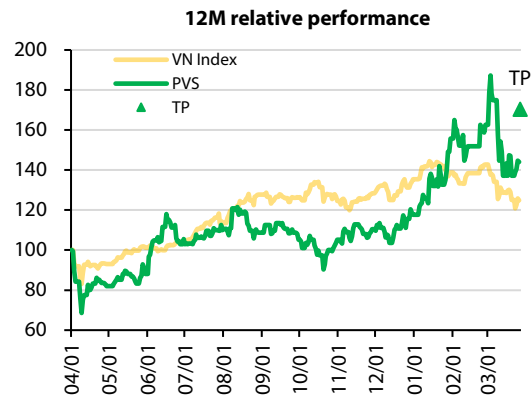
MP: 38.200

TP: 48.700

STOCK INFO

FINANCIALS

2024A 2025F 2026F



Sector	Oil & Gas	Revenue (VND bn)	32,556	39,454	41,889
Market Cap (USD Mn)	19,536	NPATMI (VND bn)	1,821	2,330	1,955
Current Shares O/S (Mn shares)	511	ROA (%)	4.7	5.6	4.4
3M Avg. Volume (K)	10,581	ROE (%)	12.1	14.3	11.3
3M Avg. Trading Value (VND bn)	463	EPS (VND)	3,560	4,556	3,823
Remaining foreign room (%)	33.4	Book Value (VND)	29,375	31,861	33,826
52-week range ('000 VND)	20 - 56.4	Cash dividend (VND)	800	700	700
		P/E (x)	9.6	8.4	10.0
		P/B (x)	1.2	1.2	1.1

INVESTMENT THESIS

M&C Segment Continues to Lead Growth

PVS has a strong M&C backlog that supports its revenue growth as offshore energy investments increase. We estimate 2026 revenue will reach VND 39,454 billion (+21% YoY) and NPAT-MI will reach VND 2,330 billion (+28% YoY, or +20% YoY excluding one-off reversals). This growth will be driven by key projects like Block B – O Mon (36% of M&C revenue), Lac Da Vang, Su Tu Trang Phase 2B, and offshore wind projects in Poland (Baltica) and Taiwan (Formosa).

Profit growth is anticipated in 2026 due to a major provision reversal.

The warranty period for the Sao Vang – Dai Nguyet (SVDN) project ends in February 2026. After final acceptance, PVS could reverse about VND 700 billion in provisions, significantly increasing profitability for the year.

Positive Long-Term Outlook Driven by Oil & Gas and Renewable Energy Investment Cycle

PVS is anticipated to achieve sustainable growth from 2026 to 2030, with a projected CAGR of about 7.6% for revenue and 5.6% for NPAT-MI. The primary driver of this growth will be the M&C segment, supported by complementary businesses such as FSO/FPSO, O&M, oil & gas service vessels, and port operations, which provide stable cash flow.

RISK

Key projects are being implemented more slowly than anticipated.

Figure 44: Forecast of PVS's M&C revenue for the period 2025-2029

Project (million USD)		Backlog 2026-2030	2025E	2026F	2027F	2028F	2029F	2030F
A+B	Total	6,613	857	1,229	1,148	1,160	1,210	1,040
A = I + II	Offshores	5,593	837	1,029	823	910	1,010	940
I	Oil & Gas Projects	2,735	559	653	473	410	380	240
	Su Tu Trang Phase 2	380	50	155	155			
	Block B - O Mon	918	359	390	168	-	-	
	EPCI#1	440	185	200	54	-	-	
	EPCI#2	228	93	90	45	-	-	
	EPC #3	250	81	100	69			
	Lac Da Vang	258	150	108				
	Ca Voi Xanh	830			150	220	220	240
	Nam Du - U Minh	180				80	100	
	Khanh My - Dam Doi	170				110	60	
II	Offshore wind power projects	2,858	279	376	350	500	630	700
	Hai Long Substation Phase 2,3	-	50					
	Greater Changhua 2b & 4	102	104					
	Baltica Phase 2	151	50	101				
	Fengmiao	75	50	25				
	Formosa	400	25	100	100	150		
	Wind power export project	1,200				150	450	600
	Domestic wind power project	400		50	50	100	100	100
	Others	380		50	150	100	80	
B	Onshores	1,020	200	250	325	300	100	
	Long Phu 1 Thermal Plant	175	100	50			25	
	Thi Vai LPG tanker	0						
	Thi Vai LNG Terminal Phase 2	80	20	50	50	50		
	Thi Vai LNG Terminal Phase 3	300		50	100	150		
	Son My LNG Terminal	300			100	100	100	
	Bồn chứa Ethane Long Sơn	75		50	25			

Source: RongViet Securities estimates

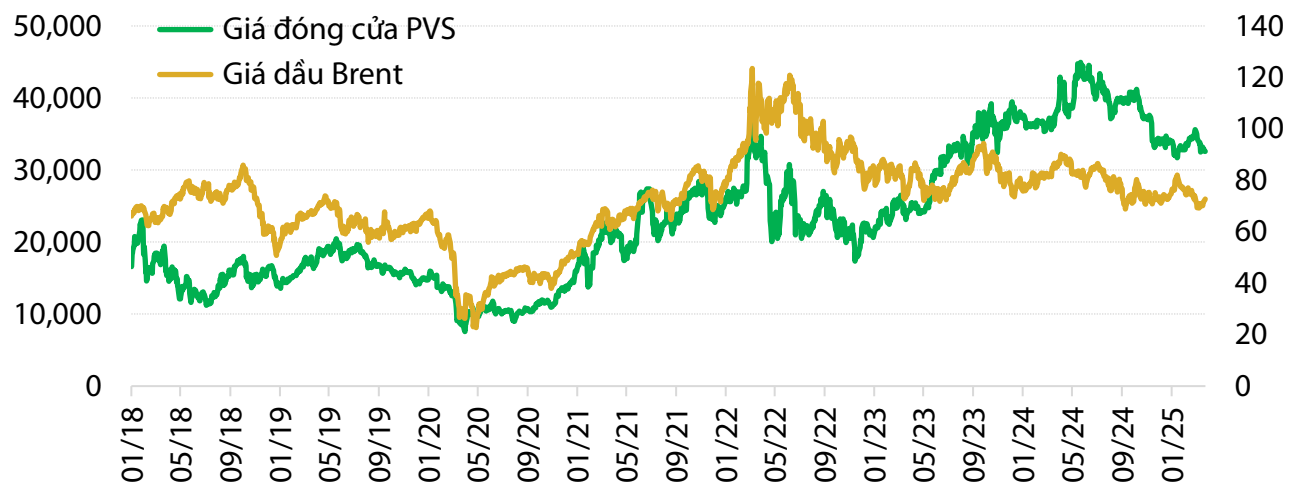
INVESTMENT VIEW & VALUATION

- In 2026, we estimate that PVS will record approximately USD 1.18 billion in revenue from M&C projects, with offshore projects contributing more than 83% of total revenue. Key contributors include major projects such as Block B – O Mon, Lac Da Vang, Su Tu Trang Phase 2B, and offshore wind projects (Baltica Phase 2, Formosa, and Fengmiao).
- We determine PVS's fair value at **VND 48,700 per share** using a 50/50 blend of discounted cash flow (DCF) and EV/EBITDA methods, indicating a **29%** upside from the April 8, 2026, closing price.
- We recommend **BUY** for PVS stock at this time.

RISK

Failure to meet expected project progress or work volume is a downside risk to the stock price.

Figure 45: Correlation of crude oil prices and PVS stock prices



Source: Bloomberg, RongViet Securities

LONG-TERM VALUATION BY FCFF METHOD

DCF assumptions	Value	Valuation summary (5 years)	Unit: VND bn
WACC 2025	15.1%	Discountable Free Cash Flow	11,726
Effective rate tax	20.0%	+ Cash & Equiv at Valuation Date	16,963
Cost of equity	14.0%	- Debt	-1,358
Risk-free rate	5.0%	- Minority interest	-1,296
Equity risk premium	9.0%	Equity value	25,936
Beta	1.2	No. of share outstanding (million shares)	547.22
Exit EV/EBITDA	6.0x	Equity Value per Share (VND)	47,470

Sensitivity analysis for PVS equity value per share (VND)

		Exit EV/EBITDA				
		5.00	5.50	6.00	6.50	7.00
WACC	13.1%	46,113	47,090	48,067	49,044	50,021
	14.1%	45,477	46,413	47,349	48,286	49,222
	15.1%	44,870	45,767	47,470	47,562	48,459
	16.1%	44,290	45,150	46,011	46,871	47,731
	17.1%	43,736	44,561	45,386	46,211	47,037

SHORT-TERM VALUATION BY EV/EBITDA METHOD

			EV/EBITDA				
			5.00	5.50	6.00	6.50	7.00
EBITDA	2026	2,171	45,989	47,973	49,957	51,941	53,925
	2027	1,647	42,105	43,610	45,114	46,619	48,124

SUMMARY OF VALUATION METHODS

Methods	%weight	Target price (VND/share)
DCF (5 years, WACC: 14.0%, EVEBITDA: 5.0x)	50%	47,500
EV/EBITDA (6.0x, EBITDA 2026F = 2,128)	50%	49,900
Total	100%	48,700

Source: RongViet Securities compiles

ACCUMULATE: + 12%

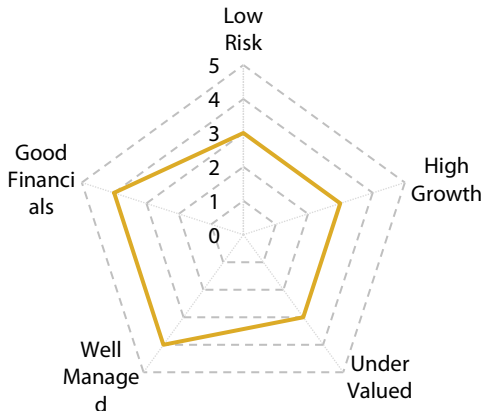
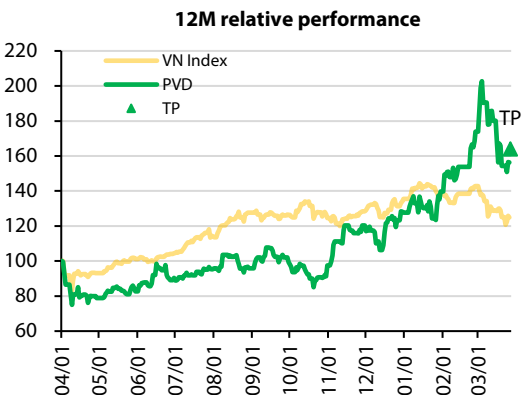
MP: 32,950

TP: 36,400

STOCK INFO

FINANCIALS

2025A 2026F 2027F



Sector	Oil & Gas
Market Cap (USD Mn)	18,316
Current Shares O/S (Mn shares)	556
3M Avg. Volume (K)	9,146
3M Avg. Trading Value (VND bn)	315
Remaining foreign room (%)	37.7
52-week range ('000 VND)	16.6 - 45.5

Revenue (VND bn)	10,892	12,829	14,477
NPATMI (VND bn)	1,037	1,277	1,502
ROA (%)	3.7	4.2	4.8
ROE (%)	6.2	7.2	8.1
EPS (VND)	1,865	2,298	2,702
Book Value (VND)	30,293	32,381	33,794
Cash dividend (VND)	-	500	500
P/E (x)	15.2	14.3	12.2
P/B (x)	0.9	1.0	1.0

INVESTMENT THESIS

Stable rig operations form the core growth driver for PVD from 2026 onward. Most of PVD's owned rigs already have firm contracts secured through the end of the year, with PVD VIII contributing full-year revenue and PVD IX expected to commence operations Q2 2026. High contract coverage ensures sustained high utilization rates and stable operating performance, providing a solid foundation for revenue and profit growth. We forecast a positive 2026 performance, with revenue projected at VND 12,829 billion (+18% YoY) and NPAT-MI at VND 1,277 billion (+23% YoY). Results could be even stronger if additional contracts are secured for chartered rigs.

International market expansion strategy, particularly via the Malaysia JVs, unlocks medium- to long-term growth potential. We expect PVD to soon formally establish the joint venture with its Malaysian partner, initially focusing on expanding well services into international markets and reducing reliance on the domestic market. Over the longer term, the JV could serve as a platform for investing in and operating new jack-up rigs in Malaysia—a market projected to account for approximately 25% of Southeast Asia's jack-up rig demand.

During 2026–2030, the drilling services segment outlook remains stable and sustainable. We anticipate the segment's revenue & NAT-MI to grow at a CAGR of approximately 8.9% and 14.0% per year, respectively, supported by contributions from the new rig fleet and the internationalization strategy. Market diversification will help PVD maintain high utilization rates and strengthen its long-term competitive positioning.

RISK

The risk of declining oil prices will exert downward pressure on rig day rates for contract renewals and new contracts, thereby negatively impacting the stock price performance.

Figure 46: Updated Drilling Schedule of PVD Drilling Rigs in 2025 - 2028

	2025				2026				2027				2028				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
PV DRILLING I	Malaysia					Vietnam			Drilling contract								
PV DRILLING II	Indonesia																
PV DRILLING III	Malaysia	Indonesia											Drilling contract				
PV DRILLING VI	Malaysia	Malaysia								Vietnam							
Landrig 11	Algeria																
PV DRILLING V	Brunei																
PV DRILLING VIII	Restart the rig				Vietnam		Drilling contract										
PV DRILLING IX	New Purchase				Restart		Drilling contract										
PARTNER RIGS	Vietnam																
PARTNER RIGS#1			Vietnam														
PARTNER RIGS#2		Vietnam			Vietnam												
PARTNER RIGS#3			Vietnam														
PARTNER RIGS#4			Vietnam														

Firm drilling contract from owned rig
 Firm drilling contract from leased rig
 Contingent drilling contract

Source: PVD, RongViet Securities

INVESTMENT VIEW & VALUATION

- In 2026, we expect PVD’s business performance to deliver solid growth, with revenue and NPAT-MI projected to increase by 18% and 23%, respectively. This outlook is based on the full-year contribution from PVD VIII and the addition of the new rig PVD IX, which is expected to commence operations from Q2 2026.
- In addition, any new contracts for drilling services from leased rigs would provide further upside to overall business performance.
- We value PVD using 50% discounted cash flow (DCF) and 50% EV/EBITDA methods, arriving at a fair value of **VND 36,400 per share**. With a planned cash dividend of VND 500 per share this year, there's an 12% upside potential from the April 08, 2026, closing price.
- We recommend **ACCUMULATE** on PVD stock.

RISK

The risk of declining oil prices could (1) exert downward pressure on rig day rates for contract renewals and new contracts, and (2) negatively impact the stock price, due to the moderate-to-strong correlation between oil prices and PVD’s share price.

LONG-TERM VALUATION BY FCFF METHOD

DCF assumptions	Value	Valuation summary	Unit: VND bn
WACC 2025	12.5%	DCF forecast duration	5 years
Effective rate tax	26.9%	Discountable Free Cash Flow	22,406
Cost of equity	14.0%	+ Cash & Equiv at Valuation Date	3,634
Risk-free rate	5.0%	- Debt	- 5,036
Equity risk premium	9.0%	Equity value	21,005
Beta	1.0	No. of share outstanding (million shares)	555.9
Exit EV/EBITDA	6.5x	Equity Value per Share (VND)	37,786

Sensitivity analysis for PVD equity value per share (VND)

		Exit EV/EBITDA				
		5.50	6.00	6.50	7.00	7.50
WACC	10.5%	36,613	38,741	40,870	42,998	45,126
	11.5%	35,213	37,251	39,290	41,329	43,367
	12.5%	33,879	35,833	37,786	39,740	41,693
	13.5%	32,609	34,481	36,354	38,226	40,099
	14.5%	31,397	33,193	34,988	36,784	38,579

SHORT-TERM VALUATION BY EV/EBITDA METHOD

			EV/EBITDA				
			5.50	6.00	6.50	7.00	7.50
EBITDA	2026	3,083	29,409	32,182	34,955	37,729	40,502
	2027	3,399	31,651	34,703	37,755	40,807	43,859

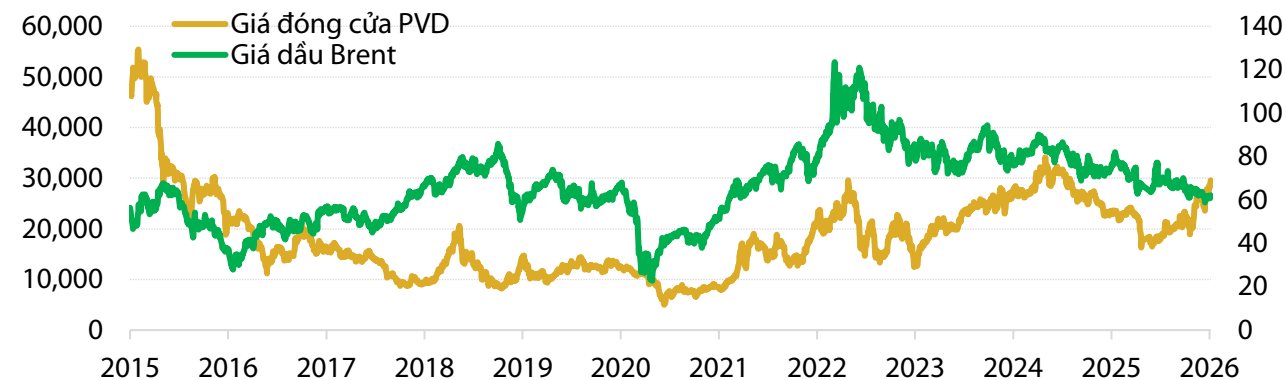
SUMMARY OF VALUATION METHODS

Methods	%weight	Target price (VND/share)
DCF (5 years, WACC: 12.5%, EVEBITDA: 6,5x)	50%	37,800
EV/EBITDA (6.5x, EBITDA 2026F: 3,083)	50%	35,000
Total	100%	36,400

Source: RongViet Securities compiles

Kiến tạo tương lai thịnh vượng

Figure 47: Correlation of crude oil prices and PVD stock prices



Source: Bloomberg, RongViet Securities

BUY: +29%

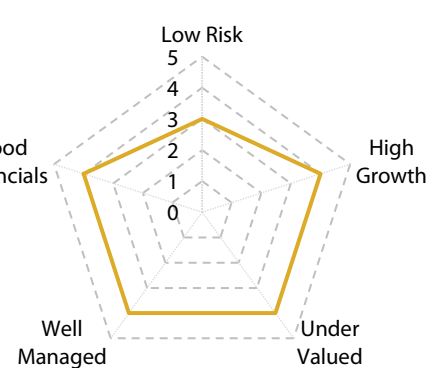
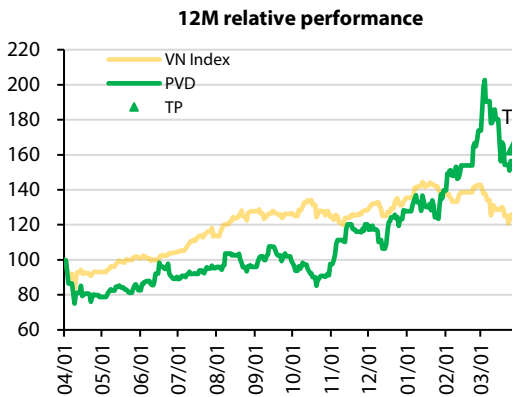
MP: 22,000

TP: 28,500

STOCK INFO

FINANCIALS

2025A 2026F 2027F



Sector	Oil & Gas
Market Cap (USD Mn)	10,338
Current Shares O/S (Mn shares)	470
3M Avg. Volume (K)	9,939
3M Avg. Trading Value (VND bn)	238
Remaining foreign room (%)	36.5
52-week range ('000 VND)	14.09 - 32.7

Revenue (VND bn)	16,049	17,620	18,511
NPATMI (VND bn)	1,038	1,306	1,486
ROA (%)	4.7	5.4	6.1
ROE (%)	12.0	13.3	13.5
EPS (VND)	2,210	2,778	3,162
Book Value (VND)	18,459	20,892	23,430
Cash dividend (VND)	-	500	500
P/E (x)	8.3	7.9	7.0
P/B (x)	1.0	1.1	0.9

INVESTMENT THESIS

Valuation remains attractive as freight rates have yet to fully reflect Middle East tensions, while fleet expansion continues to support growth.

In our base case for 2026, the oil and gas shipping industry is expected to continue cooling, as rising fleet supply may limit a strong recovery in freight rates. However, we believe PVT's current valuation remains attractive compared to its medium-term growth outlook. The company also maintains stable operations thanks to its long-term contracts and balanced business structure.

- The crude oil tanker segment remains the key driver, supported by a high share of domestic contracts and long-term charters, which help reduce cyclical risks. Together with contributions from new vessels, revenue in this segment is expected to grow 20% YoY.
- Meanwhile, the dry bulk and product/chemical tanker segments continue to face oversupply pressure. However, the addition of new vessels is expected to partly offset weaker freight rates, helping revenue grow by 17.6% YoY and 8.5% YoY, respectively.
- The LPG segment remains relatively stable due to its smaller fleet size and niche market, with revenue expected to increase slightly by 4.2% YoY.

In the medium to long term, PVT's strategy of fleet expansion and rejuvenation remains a key growth driver. At the same time, freight rates still have upside potential if geopolitical tensions in the Middle East continue, which could disrupt shipping routes and create additional risk premiums in the tanker market. Overall, earnings are expected to maintain stable growth.

We forecast **2026 consolidated revenue of VND 17,620 billion (+10% YoY)** and **NPAT-MI of VND 1,306 billion (+26% YoY)**. PVT's strong position in crude oil transportation, effective fleet investment strategy, and stable cash flows from long-term contracts will continue to support its leading position and long-term growth outlook.

RISK

Downside risks for PVT stem from the cyclical nature of the shipping industry, where freight rates are highly sensitive to vessel oversupply.

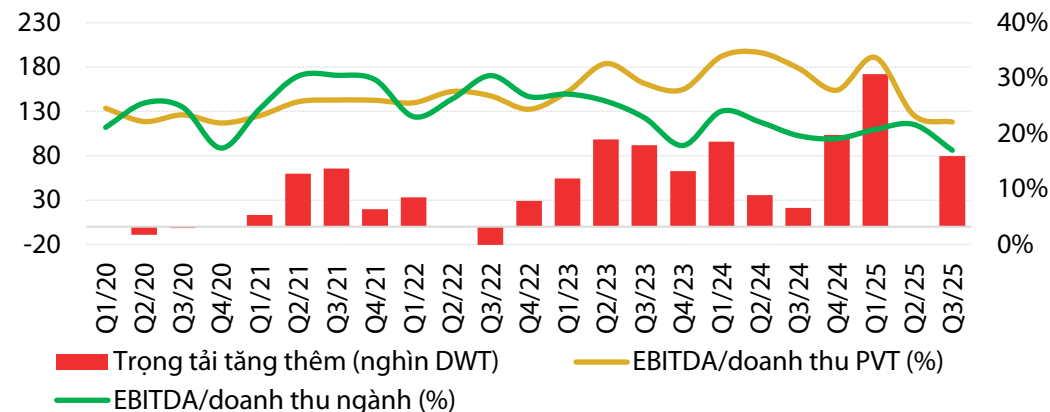
In addition, geopolitical factors such as tensions in the Red Sea and armed conflicts may disrupt international shipping routes, making freight rate movements more unpredictable and potentially affecting the company's operating efficiency.

PVT achieves high operational efficiency through a flexible fleet investment strategy. In 2025, the company added 7 new vessels, bringing its total fleet to 65 vessels with over 2 million DWT, a 32% increase year-over-year. For 2026, we anticipate increases in average deadweight tonnage across various segments: crude oil (25%), clean petroleum products/chemicals (14%), LPG (2%), and dry bulk (6%). This growth is expected from the new vessels and continued investments in 2-4 additional vessels for fleet rejuvenation.

PVT's 2026 outlook shows clear divergence across segments:

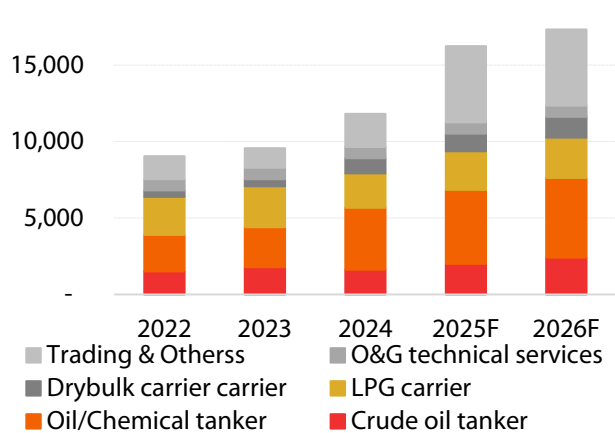
- Crude oil transportation remains a key segment, making up a significant share of domestic contracts and long-term charters, which helps reduce risks during market fluctuations. With new vessels coming online, revenue in this segment is expected to grow by 20% YoY.
- Despite oversupply in the international market, the clean petroleum products and chemicals transportation segment is experiencing fleet expansion and a focus on regional routes, helping to counteract declining freight rates. Consequently, revenue in this segment is projected to grow by 8.5% YoY.
- Dry bulk transportation is experiencing low freight rates, but revenue is projected to grow by 17.6% YoY in 2026 due to increased volume from new vessels. The current strategy emphasizes fleet expansion over improving freight rates.
- The LPG transportation segment remains stable due to its niche market and small fleet size, with revenue projected to grow by 4.2% YoY.

Figure 52: PVT's effective fleet development plan



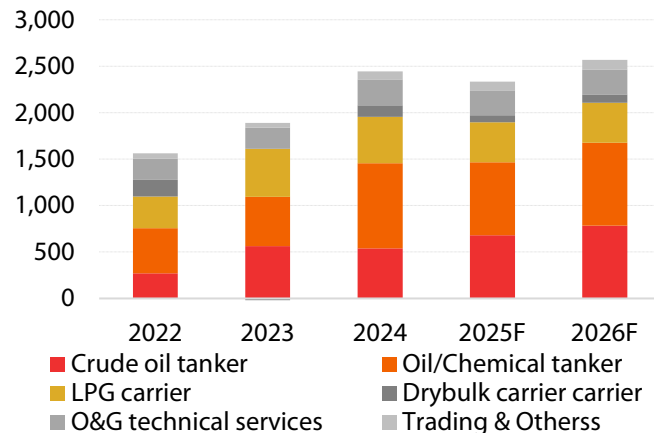
PVT Maintains an Effective Fleet Investment and Expansion Strategy: EBITDA Margin Outperforms Industry Average. PVT's EBITDA margin (EBITDA/Revenue) has consistently exceeded the industry average throughout 2023-2025, demonstrating that its fleet expansion has been carried out selectively—ensuring high operational efficiency and strong cash flow generation even amid weakening freight rates.

Figure 48: PVT's Revenue (bn VND)



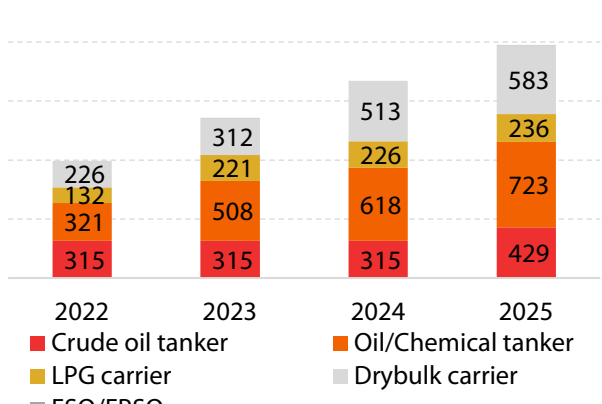
Source: PVT, RongViet Securities

Figure 49: Gross profit (bn VND)



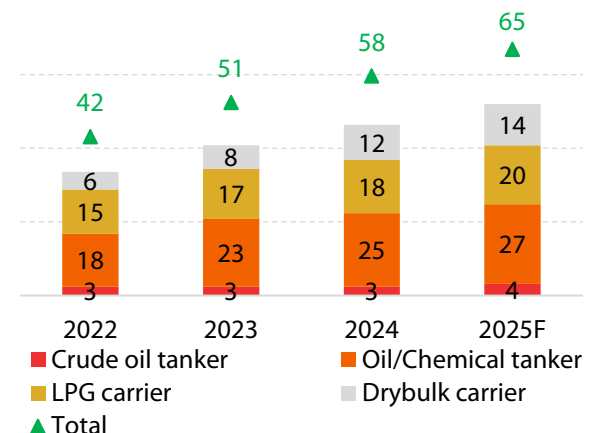
Source: PVT, RongViet Securities

Figure 50: Deadweight Tonnage of PVT's Fleet (Thousand DWT)



Source: PVT, RongViet Securities

Figure 51: PVT Fleet Size



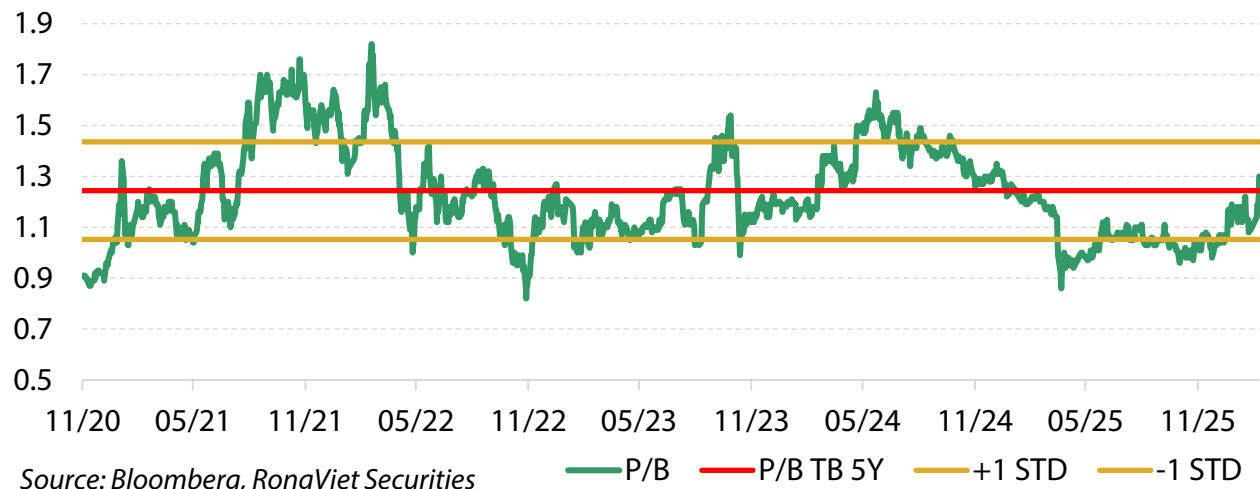
Source: PVT, RongViet Securities

INVESTMENT VIEW & VALUATION

- In 2026, we expect a gradual improvement in outlook, although a strong breakout is unlikely given the continued oversupply in the refined product and dry bulk segments.
- We forecast consolidated revenue to reach approximately VND 17.6 trillion (+10% YoY) and NPAT-MI to reach VND 1,306 billion (+26% YoY), with growth mainly driven by the full-year contribution from newly invested vessels in 2025 (average DWT up 12% YoY) and a recovery in freight rates from the 2025 trough.
- We value PVT at **VND 28,500 per share** using a blend of P/E and EV/EBITDA methods, each weighted 50%. This indicates a **29%** upside from the April 8, 2026, closing price.
- We recommend **BUY** on PVT.

RISK

Freight rates may drop due to excess vessels and reduced geopolitical tensions.

Figure 53: PVT's P/B over the last 5 years

LONG-TERM VALUATION BY FCFF METHOD

DCF assumptions	Value	Valuation summary (5 years)	Unit: VND bn
WACC 2025	14.0%	Discountable Free Cash Flow	20,600
Effective rate tax	26.9%	+ Cash & Equiv at Valuation Date	5,084
Cost of equity	14.0%	- Debt	- 7,476
Risk-free rate	5.0%	- Minorities interest	- 3,198
Equity risk premium	9.0%	Equity value	15,010
Beta	1.2	No. of share outstanding (million shares)	369.93
Exit EV/EBITDA	4.5x	Equity Value per Share (VND)	31,940

Sensitivity analysis for PVD equity value per share (VND)

		Exit EV/EBITDA				
		3.50	4.00	4.50	5.00	5.50
WACC	12.0%	29,271	32,541	35,811	39,081	42,351
	13.0%	27,818	30,953	34,088	37,222	40,357
	14.0%	26,432	29,439	31,875	35,451	38,457
	15.0%	25,110	27,994	30,878	33,762	36,646
	16.0%	23,848	26,616	29,383	32,151	34,919

SHORT-TERM VALUATION BY EV/EBITDA METHOD

			P/B				
			0.80	1.00	1.20	1.40	1.60
EBITDA	2026	20,892	16,714	20,892	25,070	29,249	33,427
	2027	23,430	18,744	23,430	28,116	32,802	37,488

SUMMARY OF VALUATION METHODS

Methods	%weight	Target price (VND/share)
DCF (5 years, WACC: 14.0%, EVEBITDA: 4.5x)	50%	31,900
EP/B (4,5x, BVPS 2026F: 20,892)	50%	25,100
Total	100%	28,500

Source: RongViet Securities compiles

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