PETROVIETNAM DRILLING & WELL SERVICE CORP (HSX: PVD)

More rigs, more room for growth

Unit: VND bn	Q2-FY26	Q1-FY26	+/- (qoq)	Q2-FY25	+/- (yoy)
Net sales	3,028	3,401	-11%	2,430	25%
NPAT-MI	163	306	-47%	240	-32%
EBIT	315	432	-27%	312	1%
EBIT margin	10.4%	12.7%	-228bps	12.8%	-242bps

Source: PVD, RongViet Securities

1H2026: Business expansion, with earnings temporarily affected by one-off costs

- In 1H2026, PVD recorded revenue of VND 6,429 billion (+63% YoY) and NPAT-MI of VND 469 billion (+19% YoY), achieving 57% and 59% of full-year targets, respectively. Growth was mainly driven by drilling revenue (+86% YoY), supported by PVD VIII, PVD IX, and more chartered rigs.
- In Q2/2026, revenue reached VND 3,028 billion (+25% YoY), while NPAT-MI fell 32% YoY to VND 163 billion, mainly due to upgrade costs for PVD VIII/IX and additional costs from delays in the Song Doc project.

2026-2027 Outlook: Growth shifts from higher day rates to capacity expansion

- Cost pressure is expected to continue in Q3 before easing from Q4/2026. We forecast Q3 revenue of VND 3,564 billion (+39% YoY) and NPAT-MI of VND 270 billion (-3% YoY), with a gross margin of 17.6%.
- We expect PVD's growth in 2026–2027 to come mainly from capacity expansion and more operating days rather than higher rig day rates. Drilling demand in Vietnam, Malaysia, and Indonesia remains strong, while most of PVD's rigs have already secured contracts, supporting high utilization rates.
- In 2027, contributions from new rigs are expected to become more significant, with PVD IX operating for the full year and PVD X scheduled to start drilling in Q2/2027. Strong domestic drilling demand also creates further opportunities for chartered rigs and well services.
- We forecast PVD's revenue to reach VND 13,428 billion (+24% YoY) in 2026 and VND 14,937 billion (+11% YoY) in 2027. Gross margin is expected to improve from 18.4% to 18.7%, supported by a higher contribution from owned rigs. Accordingly, NPAT-MI is projected to reach VND 1,067 billion (+3% YoY) in 2026 and VND 1,214 billion (+14% YoY) in 2027.

Valuation & Recommendation

We expect PVD is entering a period of capacity expansion, with growth driven by high rig fleet utilization and increasing contributions from new rigs. Although earnings in Q2–Q3/2026 are affected by some short-term costs, we expect a stronger outlook from Q4/2026 and into 2027 as these costs gradually decline. In addition, PVD IX is expected to contribute for the full year in 2027, while PVD X is scheduled to start drilling in Q2/2027.

*Using a 50:50 combination of discounted cash flow (DCF) and EV/EBITDA valuation methods, we estimate a 12-month fair value for PVD shares of **VND 21,800/share**, implying an expected return of **23%** based on the closing price on October 15, 2026.*

*We recommend **BUY** for **PVD**.*

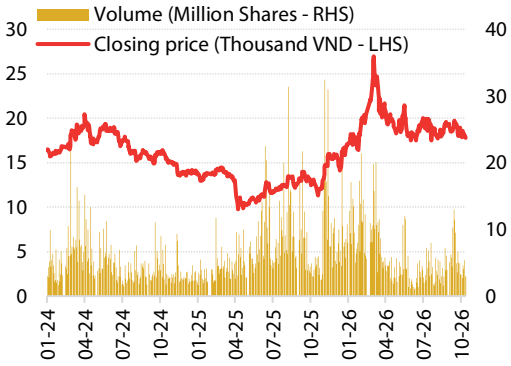
***Investment risks**: Delays in drilling contracts, a sharper-than-expected decline in rig day rates, and slower deployment of new rigs could negatively affect PVD's earnings.*

BUY	+23%
Market price (VND)	17,700
Target price (VND)	21,800

Stock Info	
Sector	Oil & Gas
Market Cap (VND Bn)	16,607
Share O/S (Mn)	928
3M Avg Volume (K)	4,379
Free Float (%)	50.0
52 weeks high	27,000
52 weeks low	11,300

	FY2026	Current
EPS	1,438	1,531
EPS growth (%)	- 22.9	-13.8
P/E	13.5	16.1
P/B	1.0	1.0
EV/EBITDA	6.5	8.7
ROE (%)	6.0	6.2

Stock price movement



Major shareholders (%)	
PVN	50.4
Others	49.6
Remaining Foreign Room (%)	41.9

Oil & Gas Sector Research Department

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Q2/2026 Results: Strong revenue growth, but earnings affected by one-off costs

In Q2/2026, PVD maintained strong revenue growth, supported by business expansion. However, earnings declined due to several one-off costs. Consolidated revenue reached VND 3,028 billion (+25% YoY), while NPAT-MI was VND 163 billion (-32% YoY).

Compared with our forecast, revenue and NPAT-MI were 14% and 53% lower than expected, respectively. This was mainly due to (1) upgrade costs for PVD VIII and PVD IX being recorded directly as expenses under new accounting rules instead of being capitalized, and (2) delays in the Song Doc project, which led to additional costs above the original budget.

Revenue growth continued to be driven by drilling and well services. Drilling revenue (accounting for 65% of total revenue) reached VND 1,980 billion (+46% YoY), supported by the full-quarter contribution from PVD VIII, initial revenue from PVD IX, and an increase in the average number of chartered rigs to 2.7, compared with 1.0 in Q2/2025. Meanwhile, revenue from well services reached VND 911 billion (-5% YoY). We believe this decline was mainly due to the timing of projects, while most service units continued to operate at nearly full capacity.

Consolidated gross margin declined to 18.0%, compared with 21.4% in Q2/2025 and 18.8% in Q1/2026. For the drilling segment, gross margin reached 19.1%, down 180 bps YoY but improving from 16.9% in the previous quarter. We believe this was mainly due to three factors: (1) revenue from chartered rigs, which have low margins of around 2–3%, continued to account for a large share; (2) upgrade costs for PVD VIII and PVD IX related to new contracts were recorded directly as expenses under Circular 99/2025/TT-BTC instead of being capitalized; and (3) the Song Doc project took longer than planned, while most of its revenue had already been recorded in 2025, resulting in additional costs during the quarter.

On the cost side, PVD continued to manage its operating expenses well, with the SG&A-to-revenue ratio declining to 7.6%, compared with 8.5% in Q2/2025.

Overall, although revenue and gross profit from core operations continued to grow thanks to the expansion of the rig fleet, NPAT-MI in Q2/2026 reached only VND 163 billion (-32% YoY), mainly due to the significant impact of the one-off costs mentioned above.

In addition, the company expects earnings to remain under pressure in Q3/2026, as the Song Doc project is scheduled for completion in mid-August 2026, while the remaining upgrade costs for PVD VIII and PVD IX will continue to be recorded during the quarter. We expect these factors will have a limited impact from Q4/2026 onward, allowing earnings to recover and better reflect the performance of PVD's core operations.

In 1H2026, PVD achieved 57% of its full-year revenue target and 59% of its NPAT-MI target. Compared with our full-year forecasts, revenue and NPAT-MI reached 50% and 38%, respectively, suggesting significant room for growth in the second half of the year.

Table 1: PVD Q1/2026 Financial Results (VND bn)

VND bn	Q2-FY26	Q1-FY26	+/- (qoq)	Q2-FY25	+/- (yoy)	6M2026	6M2025	+/- (yoy)	% Target	% VDSC Forecast
Net revenue	**3,401**	**4,313**	**-21%**	**1,503**	**126%**	**3,401**	**1,503**	**126%**	**30%**	**27%**
Drilling Services	2,162	2,280	-5%	877	147%	2,162	877	147%		
Well Technical Services & others	1,007	1,723	-42%	584	72%	1,007	584	72%		
Trading	233	334	-30%	43	447%	233	43	447%		
Gross profit	**638**	**665**	**-4%**	**270**	**136%**	**638**	**270**	**136%**		
Drilling Services	365	424	-14%	131	179%	365	131	179%		
Well Technical Services & Others	243	245	-1%	138	77%	243	138	77%		
Trading	30	20	50%	2	1274%	30	2	1274%		
SG&A expenses	207	221	-7%	174	19%	207	174	19%		
Operating profit	432	444	-3%	96	347%	432	96	347%		
Financial income	98	70	40%	44	122%	98	44	122%		
Financial expense	156	83	88%	84	86%	156	84	86%		
Gain/(loss) from JVs	38	61	-37%	31	23%	38	31	23%		
PBT	396	492	-20%	196	102%	396	196	102%	36%	26%
PAT	300	375	-20%	143	110%	300	143	110%		
NPAT - MI	**306**	**361**	**-15%**	**153**	**100%**	**306**	**153**	**100%**	**38%**	**25%**

Source: PVD, RongViet Securities

Q3/2026 earnings forecast: Drilling drives growth, while margins remain under pressure

Table 2: PVD's Q3/2026 earnings forecast (VND billion)

VND bn	Q3/2026F	+/-QoQ	+/- YoY	Notes
Net revenue	**3,564**	**18%**	**39%**	Revenue growth in Q3/2026 is expected to be driven by the drilling services segment, contributing over 70% of total revenue at VND 2,489 billion. Key drivers include:
Drilling Services	2,489	26%	66%	Drilling services: Revenue is forecast to grow 66% YoY, supported by (1) the contribution from the new owned rig PVD IX and (2) a sharp increase in chartered rigs (averaging around 4 rigs versus 1 rig last year), helping offset a slight decline in average day rates.
Well Technical Services & others	954	5%	0%	
Trading	120	-12%	0%	Well services: Revenue is expected to grow in line with drilling activities, while trading revenue remains stable YoY.
COGS	2,937	18%	50%	
Gross profit	**627**	**15%**	**3%**	Gross margin is forecast at 17.6%, below 18.0% in Q2/2026 and 23.7% in Q3/2025, due to additional costs from the Song Doc project and remaining upgrade costs for PVD VIII and PVD IX. As a result, gross profit is expected to grow only 3% YoY, well below revenue growth of 39% YoY.
Drilling Services	349	44%	-3%	
Well Technical Services & others	264	-8%	12%	
Trading	14	0%	3%	
SG&A expenses	270	18%	29%	
Operating profit	357	13%	-11%	
Financial income	65	614%	61%	
Financial expense	81	-12%	-17%	
Gain/(loss) from JVs	36	-30%	3%	
Other income	-20	N.a	N.a	
PBT	321	23%	-12%	
PAT	236	33%	-15%	
NPAT - MI	**270**	**66%**	**-3%**	
EBITDA	610	-3%	-5%	
EBIT	357	13%	-11%	

Source: RongViet Securities estimates

Working capital: Longer cash conversion cycle amid business expansion

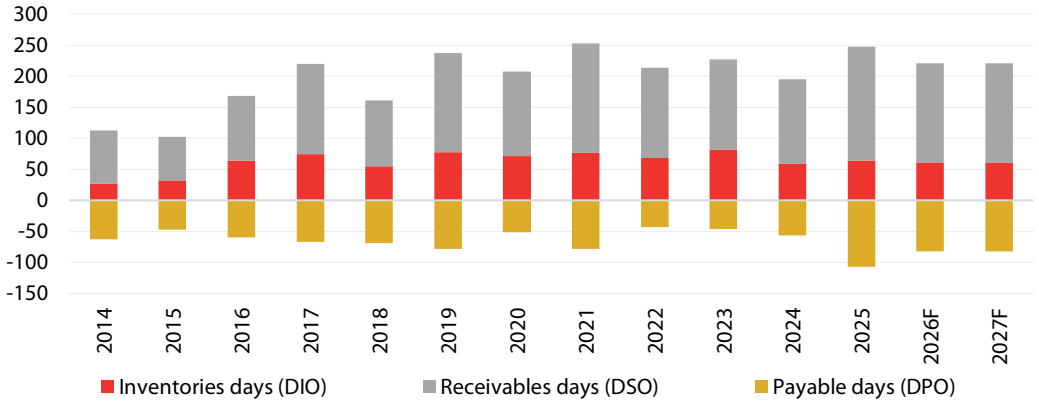
PVD's working capital changed significantly in 2025, mainly due to higher receivables and payables as business operations expanded. While days inventory outstanding (DIO) remained stable, both days sales outstanding (DSO) and days payable outstanding (DPO) increased sharply YoY.

- **Inventory remained well managed**. DIO reached 64 days in 2025, compared with 59 days in 2024 and the 2014–2025 average of 62 days. By Q2/2026, DIO declined to 59 days, showing stable inventory management despite fleet expansion and operations across several markets.
- **DSO improved after a sharp increase in 2025**. DSO rose from 136 days in 2024 to 183 days in 2025, well above the 10-year average of 133 days, mainly due to business expansion. By Q2/2026, DSO declined to 159 days, indicating better collection of receivables, although it remained high compared with historical levels.
- **DPO declined from its peak in 2025**. DPO increased from 57 days in 2024 to 107 days in 2025, the highest level during the review period. Longer payment terms helped finance higher working capital needs. By Q2/2026, DPO fell to 77 days, suggesting a return to more normal payment terms.

As a result, the cash conversion cycle (CCC) reached 141 days in Q2/2026, nearly unchanged from 140 days at the end of 2025, as improvements in DIO and DSO were offset by lower DPO.

For 2026–2027, we expect PVD's working capital cycle to gradually normalize as new rigs reach stable operations. Based on historical averages and 1H2026 results, we assume DIO of around 61 days, DSO of 160 days, and DPO of 82 days. Accordingly, CCC is expected to remain stable at around 139 days, compared with 140 days in 2025 and 141 days in 1H2026.

Figure 1: PVD's operating efficiency (Days)



Source: PVD, RongViet Securities

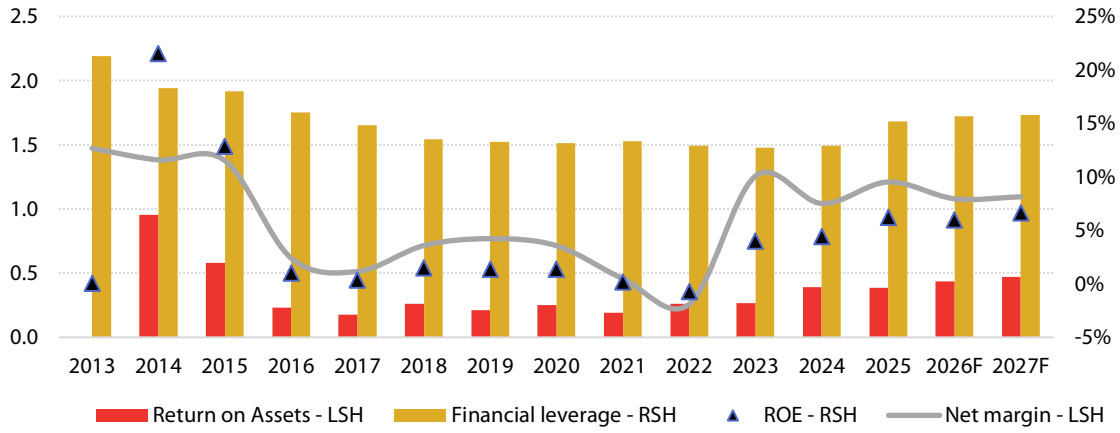
Capital efficiency: Improving profit margins and asset turnover support ROE recovery

PVD's ROE continued to recover, reaching 6.2% in 2025, compared with 4.4% in 2024 and -0.7% in 2022. DuPont analysis shows that the improvement was mainly driven by stronger profitability, while asset turnover gradually increased with better rig utilization.

- **Net profit margin remains the key driver of recovery**, rising from -1.9% in 2022 to 10.1% in 2023 and staying high at 9.5% in 2025. We forecast a slight decline to 8.2% in 2026 before recovering to above 10% from 2028, supporting ROE growth in the medium term.
- **Asset turnover continues to improve**, increasing from 0.26x in 2022 to 0.38x in 2025 and expected to reach 0.53x by 2030. This reflects better asset efficiency as new rigs begin operations and fleet capacity is more fully utilized, providing additional support for ROE.
- **Financial leverage remains relatively conservative**, despite rising from 1.49x in 2024 to 1.68x in 2025 and an expected 1.72x in 2026–2027, reflecting PVD's fleet investment plans. From 2028, leverage is expected to gradually decline to 1.56x by 2030 as operating cash flow improves.

Accordingly, we forecast PVD's ROE at around 6.1% in 2026, before increasing to 6.8% in 2027.

Figure 2: DuPont Analysis



Source: PVD, RongViet Securities

2026–2027 Outlook: Fleet expansion amid strong drilling demand

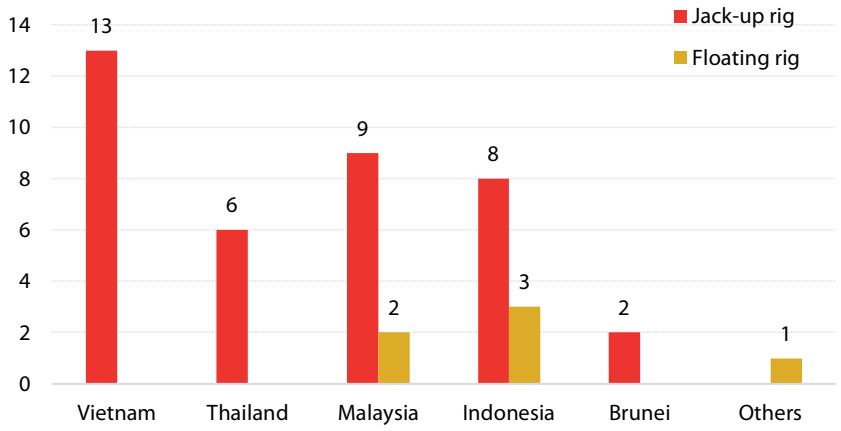
- **Southeast Asia: Strong demand, but supply remains relatively high**

Jack-up rig demand in Southeast Asia is expected to remain strong in 2026–2027, mainly driven by Vietnam, Malaysia, and Indonesia. According to S&P Global, Vietnam has the highest jack-up rig demand in the region at around 13 rigs, followed by Malaysia (9 rigs), Indonesia (8 rigs), and Thailand (6 rigs). PVD already operates in most of these markets, supporting stable employment for its rig fleet.

However, regional rig supply is not yet tight. Total jack-up rig supply is expected to increase slightly from around 50 rigs in early 2026 to 51 rigs during most of the period and 52 rigs from mid-2027. Meanwhile, commercially available supply is estimated at 49–51 rigs. Notably, around 10–12 rigs remain available without contracts, indicating excess capacity and limited room for a sharp increase in day rates in the short term.

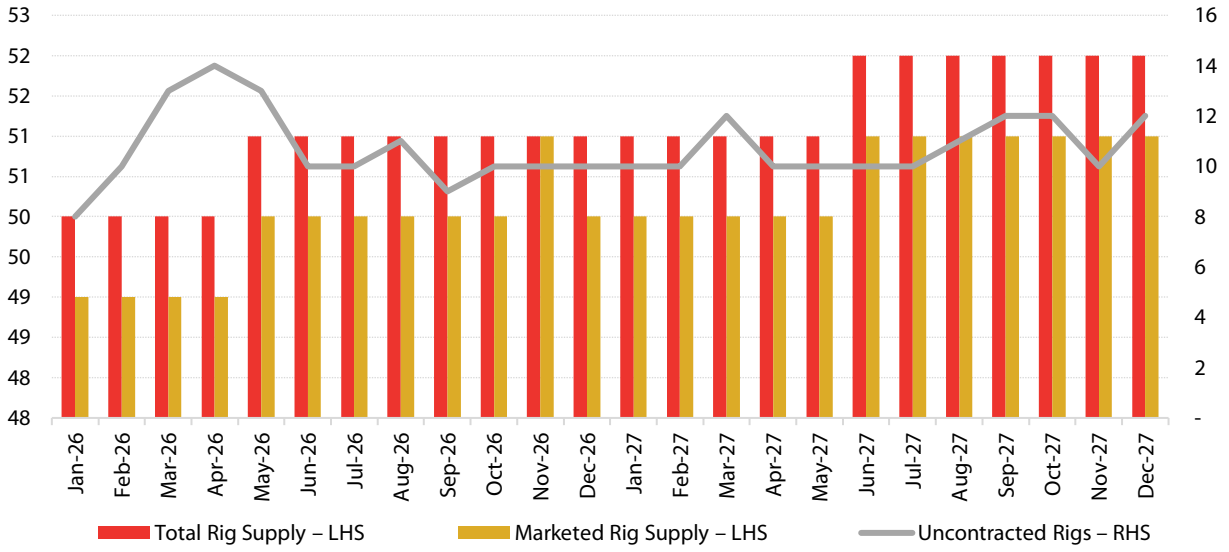
In this market, PVD's key advantage is its ability to secure contracts and maintain high rig utilization rather than benefit from higher day rates. Most existing rigs have secured contracts, including several long-term agreements in Malaysia, Indonesia, and Brunei, helping reduce exposure to short-term market changes. Therefore, we expect PVD's growth in 2026–2027 to come mainly from fleet expansion and more operating days, supported by full contributions from PVD VIII, a full-year contribution from PVD IX in 2027, and PVD X starting operations in Q2/2027.

Figure 3: Jack-up rig demand in Southeast Asia, 2026–2027



Source: S&P Global

Figure 4: Jack-up rig supply in Southeast Asia, 2026–2027



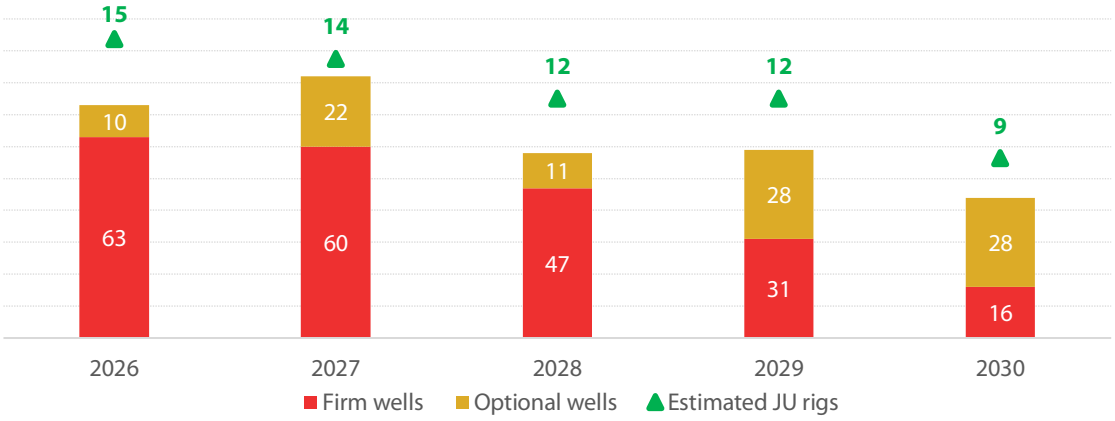
Source: S&P Global

➢ **A busy drilling period in Vietnam supports leased rigs and well services**

Domestic drilling demand is expected to remain high in 2026–2027 as several exploration and production programs move forward. Current plans call for about 63 firm wells and 10 optional wells in 2026, requiring around 15 jack-up rigs. In 2027, there are 60 firm wells and 22 optional wells, requiring around 14 rigs. Major programs include Block B – O Mon, Nam Du – U Minh, Su Tu Trang, and Kinh Ngu Trang.

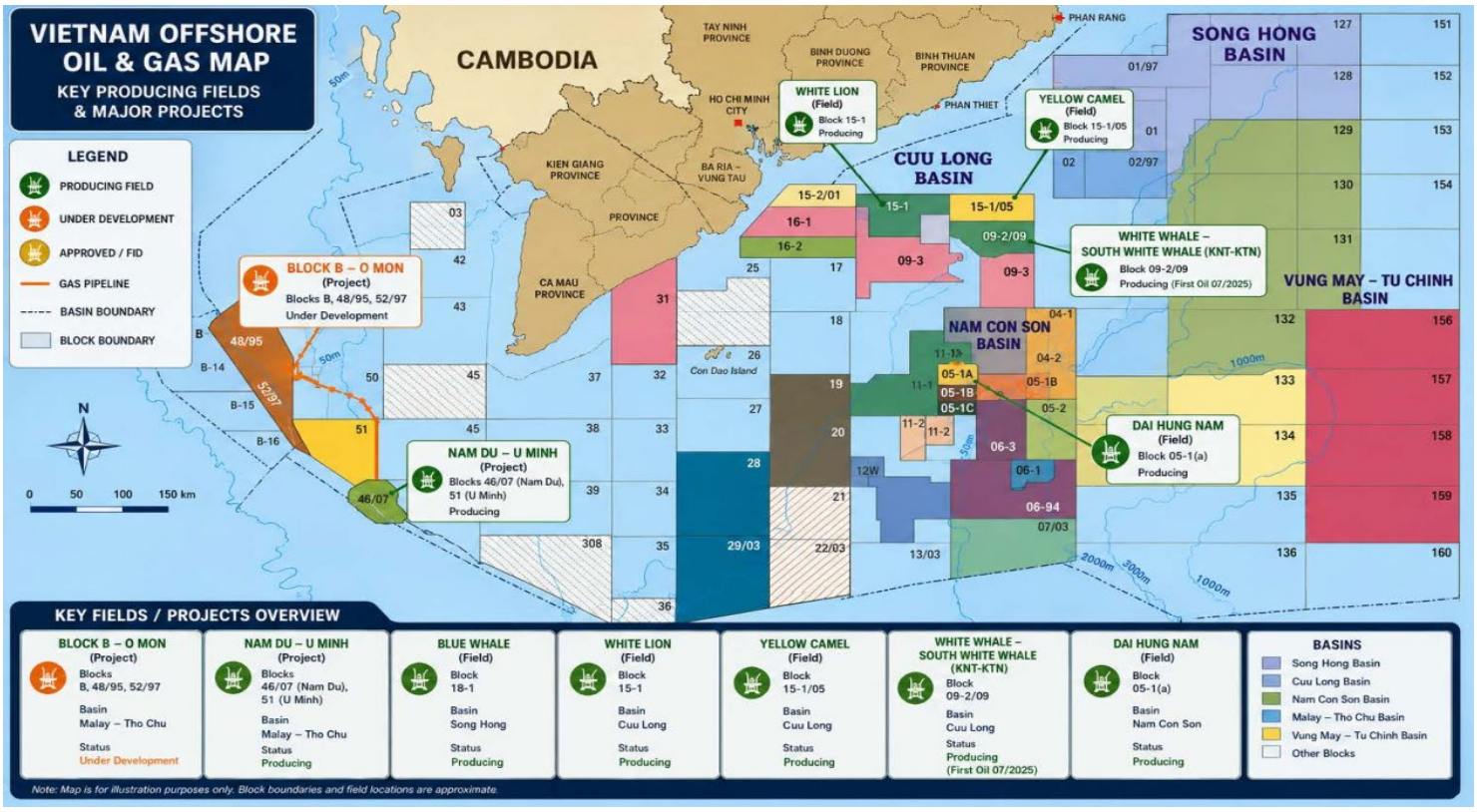
We do not expect strong domestic demand to bring all of PVD's owned rigs back to Vietnam, as the company continues to favor long-term contracts that support utilization. Instead, PVD may continue to lease rigs from other operators for short-term drilling campaigns at home. This helps it retain domestic market share without leaving its owned rigs idle between projects. More wells should also create demand for well technical services, allowing PVD to benefit from the wider exploration and production cycle.

Figure 5: Estimated wells to be drilled in Vietnam, 2026–2030



Source: PVD

Figure 6: Map of drilling programs in Vietnam, 2026–2030



Source: PVD

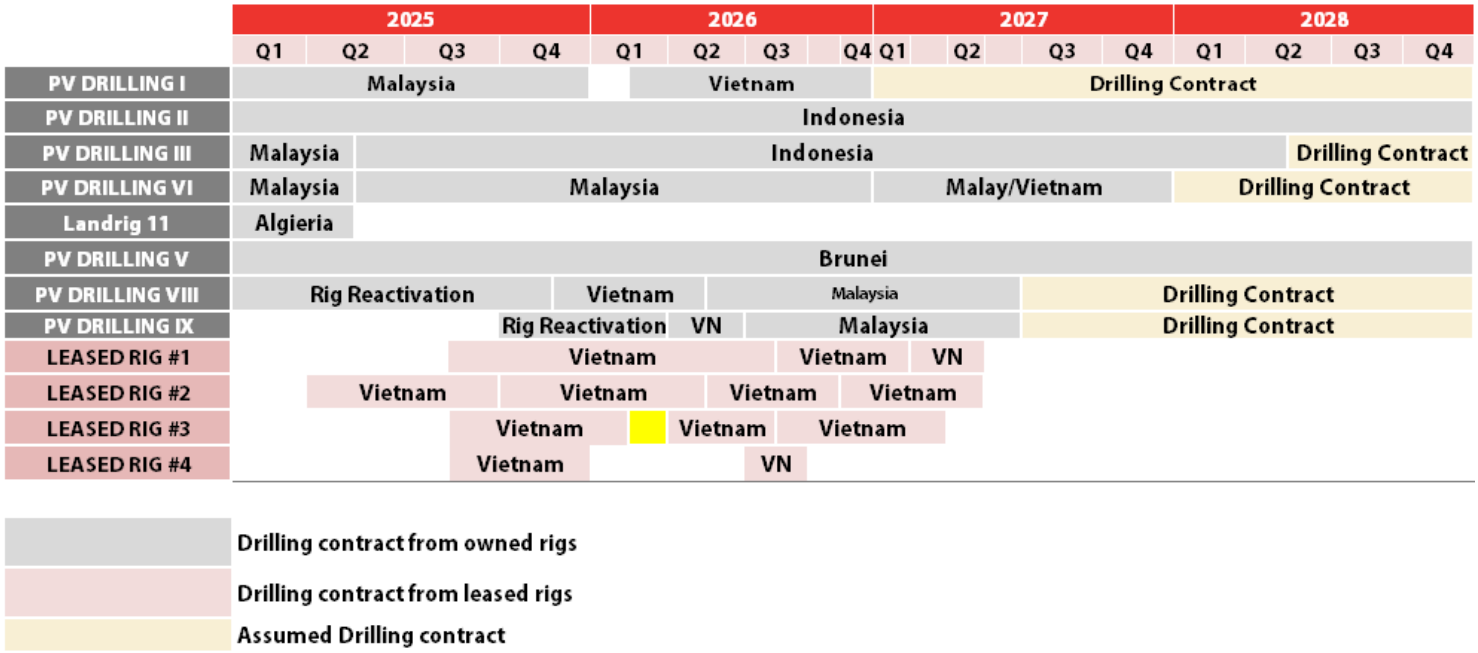
➢ **PVD IX and PVD X to Become Key Growth Drivers in 2027**

Following fleet expansion in 2026, we expect new rigs to make a stronger contribution in 2027. PVD IX started operations in Q2/2026, making 2027 its first full year of operation. Meanwhile, PVD X is expected to arrive in Vietnam in October 2026 for reactivation, inspection, and upgrades before starting drilling in Q2/2027.

Accordingly, growth in 2027 will mainly come from more operating days for owned rigs, supported by the full-year contribution from PVD IX and additional capacity from PVD X starting in Q2/2027. As existing rigs already maintain high utilization rates, there is limited room for further improvement. Therefore, new rigs will play an important role in supporting PVD's revenue and earnings growth.

Overall, we believe PVD's outlook for 2026–2027 is supported by three key factors: (1) strong drilling demand in major regional markets, (2) increasing domestic E&P activities, and (3) continued expansion of its owned rig fleet. With regional day rates easing and rig supply remaining relatively high, we expect growth to come mainly from higher capacity and more operating days rather than rising day rates, with PVD IX and PVD X will be the key drivers in 2027.

Figure 7: Update on PVD's rig fleet operating schedule in 2025 -2027



Source: PVD, RongViet Securities

Table 3: PVD's 2026-2027 results forecast

VND bn	2026F	+/- YoY	2027F	+/- YoY	Notes
Net revenue	**13,410**	**24%**	**14,912**	**11%**	We forecast PVD's revenue to reach VND 13,428 billion (+24% YoY) in 2026 and VND 14,937 billion (+11% YoY) in 2027, with drilling services remaining the main growth driver, accounting for around 65% of total revenue in both years.
Drilling Services	8,673	45%	9,691	12%	Drilling services: • 2026: Revenue is expected to grow 45% YoY, supported by (1) the full-year contribution from PVD VIII, (2) PVD IX starting operations in April 2026, and (3) more chartered rigs as domestic drilling demand improves. • 2027: Revenue is forecast to increase 12% YoY, mainly driven by the full-year contribution from PVD IX and PVD X starting drilling in Q2/2027. The number of chartered rigs is expected to remain relatively stable.
Well Technical Services & others	4,125	-2%	4,609	12%	Well services: • 2026: We forecast a slight revenue decline of 2% YoY, following weaker-than-expected growth in 1H2026, while most service units continue to operate at high capacity. • 2027: Revenue is expected to recover by 12% YoY, supported by higher drilling activity from PVD IX and PVD X, along with strong domestic demand.
Trading	613	0%	613	0%	Trading revenue is expected to remain stable.
COGS	10,939	27%	12,143	11%	
Gross profit	**2,470**	**11%**	**2,769**	**12%**	Gross margin is forecast to decline from 19.1% in 2025 to 18.4% in 2026, mainly due to a higher contribution from low-margin chartered rigs. In 2027, we expect gross margin to improve slightly to 18.7%, supported by a larger share of owned rigs as PVD IX operates for the full year and PVD X starts operations in Q2/2027.
Drilling Services	1,488	24%	1,680	13%	
Well Technical Services & others	956	-2%	1,068	12%	
Trading	26	-39%	21	-22%	
SG&A expenses	939	10%	1,044	11%	The SG&A-to-revenue ratio is expected to remain stable at around 7.0% YoY.
Operating profit	1,532	13%	1,725	13%	
Financial income	217	10%	208	-4%	Financial income mainly includes (1) interest income from bank deposits, assuming an average interest rate of 2% per year, and (2) foreign exchange gains.
Financial expense	412	13%	395	-4%	Financial expenses mainly include (1) interest expenses and (2) foreign exchange losses.
Gain/(loss) from JVs	143	0%	143	0%	
Net other income	-40	N.a	-40	0%	
PBT	1,282	3%	1,482	16%	
PAT	937	3%	1,084	16%	
NPAT - MI	**1,067**	**3%**	**1,214**	**14%**	
EBITDA	2,797	34%	3,000	7%	
EBIT	1,532	25%	1,725	13%	

Source: RongViet Securities

VALUATION

LONG-TERM VALUATION USING FCFF METHOD

DCF assumptions	Value	Valuation summary (5 years)	Unit: VND bn
WACC 2025	11.9%	DCF forecast time	5 years
Effective rate tax	20.0%	Discountable Free Cash Flow	23,361
Cost of equity	14.0%	+ Cash & Equiv at Valuation Date	3,510
Risk-free rate	5.0%	- Debt	-5,078
Equity risk premium	9.0%	Equity value	21,793
Beta	1.0	No. of shares oustanding (million shares)	927.76
Exit EV/EBITDA	7.0x	**Equity Value per Share (VND)**	**23,390**

Source: RongViet Securities

Table 4: Sensitivity table for PVD's Equity Value per share (VND)

		Exit EV/EBITDA				
		6.00	**6.50**	**7.00**	**7.50**	**8.00**
WACC	9.9%	22,825	24,101	25,378	26,654	27,931
	10.9%	22,049	23,278	24,506	25,735	26,963
	11.9%	21,307	22,490	**23,390**	24,856	26,038
	12.9%	20,597	21,736	22,876	24,015	25,154
	13.9%	19,918	21,015	22,113	23,211	24,308

Source: RongViet Securities

SHORT-TERM VALUATION USING EV/EBITDA COMPARISON METHOD

We use the EV/EBITDA valuation method to estimate PVD's fair value, applying a target multiple of 7.0x. This multiple is based on the peer group's median of 7.1x at the end of Q2/2026 and a review of M&A transactions in the oil and gas drilling industry. This valuation reflects PVD's growth potential from rig fleet expansion, while also considering the limited upside for rig day rates in the regional market.

Table 5: Estimated target price of PVD

			EV/EBITDA				
			6.00	**6.50**	**7.00**	**7.50**	**8.00**
EBITDA	**2026**	**2,797**	17,315	18,823	**20,331**	21,838	23,346
	2027	**3,000**	18,151	19,768	21,385	23,002	24,619

Source: RongViet Securities

Combining two methods in a 50:50 ratio, the target stock price over the next 1 year is 45,600 VND/share, equivalent to a projected 2026 EV/EBITDA of 8.9x.

Investors can rely on our sensitivity analysis table to make investment decisions suitable for their risk appetite.

Method	Weight	Target price (VND/share)
DCF (5 years, WACC: 11.9%, EVEBITDA: 7.0x)	50%	23,400
EV/EBITDA (7.0x, EBITDA 2026F = 2,797)	50%	20,200
Total	**100%**	**21,800**

Our analysis assumes that PVD's drilling and related service contracts will be carried out as planned. We note that any delays or changes to these contracts could significantly affect PVD's business performance.

APPENDIX

Table 6: PVD's Q2/2026 results

(VND bn)	Q2-FY26	Q1-FY26	+/- (qoq)	Q2-FY25	+/- (yoy)
Net revenue	3,028	3,401	-11.0%	2,430	24.6%
Gross profit	544	638	-14.7%	519	4.9%
SG&A	229	207	10.9%	207	10.6%
Operating profit	315	432	-27.0%	312	1.1%
EBITDA	627	701	-10.6%	499	25.7%
EBIT	315	432	-27.0%	312	1.1%
Financial expense	93	156	-40.7%	92	0.8%
Interest expense	111	66	66.6%	46	138.6%
D&A	312	269	15.7%	187	66.6%
Non-recurring items (*)					
Extraordinary items (*)					
PBT	261	396	-34.0%	321	-18.5%
PAT	163	306	-46.9%	240	-32.1%
(*) Adjusted PAT	163	306	-46.9%	240	-32.1%

Source: PVD, RongViet Securities

Table 7: PVD's Q2/2026

Business analysis	Q2-FY26	Q1-FY26	+/- (qoq)	Q2-FY25	+/- (yoy)
Profitability (%)					
Gross margin	180%	18.8%	-79bps	21.4%	-338bps
EBITDA margin	207%	206%	9bps	20.5%	17bps
EBIT margin	104%	12.7%	-228bps	12.8%	-242bps
Net margin	5.4%	9.0%	-363bps	99%	-449bps
Adjusted net margin	5.4%	90%	-363bps	9.9%	-449bps
Turnover* (x)					
- Inventories	6.1	7.2	-1.2	5.9	0.2
- Receivables	2.1	2.4	-0.3	2.5	-0.4
- Payables	2.0	2.2	-0.2	2.5	-0.5
Leverage (%)					
Total Debt/Equity	38.8%	37.2%	159bps	28.3%	1,053bps

Source: PVD, RongViet Securities

VND bn

PL	2024A	2025A	2026F	2027F
Revenue	9,288	10,892	13,410	14,912
COGS	7,534	8,815	10,924	12,123
Gross profit	1,754	2,077	2,470	2,769
SG&A expenses	635	856	939	1,044
Financial income	152	197	347	338
Financial expense	400	363	412	395
Other income/loss	18	186	-132	-139
Gain/(loss) from JVs	49	143	76	84
PBT	937	1,384	1,282	1,482
Tax expense	239	333	344	398
Minority interests	0	13	13	13
NPAT - MI	698	1,037	1,067	1,214
EBIT	1,119	1,221	1,532	1,725
EBITDA	2,002	2,071	2,797	3,000

%

FINANCIAL RATIOS	2024A	2025A	2026F	2027F
Growth (%)				
Revenue	60.0%	17.3%	23.1%	11.2%
Operating profit	23.9%	3.4%	35.1%	7.3%
EBITDA	47.5%	9.1%	25.4%	12.6%
PAT	19.3%	48.7%	2.8%	13.8%
Total assets	9.2%	19.9%	8.8%	2.9%
Total equity	5.4%	2.9%	5.1%	4.8%
Profitability (%)				
Gross margin	18.9%	19.1%	18.4%	18.6%
EBITDA margin	21.6%	19.0%	20.9%	20.1%
EBIT margin	12.0%	11.2%	11.4%	11.6%
Net margin	7.5%	9.5%	8.0%	8.1%
ROA	3.0%	3.7%	3.5%	3.8%
ROE	4.4%	6.2%	6.0%	6.6%
Efficiency				
Receivables turnover	2.7	2.0	2.3	2.3
Inventories turnover	6.2	5.7	6.0	6.0
Payables turnover	2.2	1.6	1.8	1.8
Liquidity				
Current	2.0	1.5	1.5	1.5
Quick	1.7	1.3	1.3	1.2
Finance Structure (%)				
Total debt/equity	19%	26%	30%	27%
ST debt/equity	3%	5%	10%	8%
LT debt/equity	16%	21%	20%	19%

VND bn

BALANCE SHEET	2024A	2025A	2026F	2027F
Cash and cash equivalents	2,203	1,823	2,948	2,496
Short-term investments	770	687	687	687
Accounts receivable	3,469	5,476	5,875	6,533
Inventories	1,216	1,537	1,834	2,035
Other current assets (inc. non-trade receivables)	124	308	380	422
Property, plant & equipment	13,922	16,502	17,106	17,546
Acquired intangible assets (inc. Goodwill)	161	155	161	161
Long-term investments	681	770	771	771
Other non current assets	1,068	1,053	1,053	1,053
Total assets	**23,615**	**28,311**	**30,815**	**31,705**
Accounts payable	3,453	5,594	6,072	6,785
Short-term borrowings	507	821	1,761	1,383
Long-term borrowings	2,541	3,588	3,533	3,525
Other non-current liabilities	817	869	1,227	1,365
Bonus and Welfare fund	164	214	214	214
Technology-science development fund	80	128	128	128
Total liabilities	**7,562**	**11,215**	**12,935**	**13,399**
Owner's capital	7,997	7,997	7,997	7,997
Treasury stock (enter as -)	-21	-21	0	0
Retained earnings	1,022	1,289	2,038	2,426
Other equity accounts	6,763	7,533	7,575	7,599
Total equity	15,802	16,839	17,880	18,306
Minority Interest	**250**	**257**	**270**	**283**

VALUATION RATIO	024A	025A	026F	027F
EPS (VND)	873	1,297	1,334	1,518
P/E (x)	23.7	10.4	13.5	14.8
BV (VND)	28,856	30,733	19,272	19,731
P/B (x)	0.8	0.9	1.0	1.0

VALUATION MODEL	Price	Contribution	Average
FCFF	23,400	50%	
EV/EBITDA	20,200	50%	
Target price (VND)		**100%**	**21,800**

VALUATION HISTORY	PRICE	RECOMMENDATION	TIME
09/2025	16,200	BUY	1 year
04/2026	21,800	ACCUMULATE	1 year
06/2026	21,800	ACCUMULATE	1 year
10/2026	21,800	BUY	1 year

VALUATION UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process. The report comprises analyses and projections that are based on the most up-to-date information with the objective that is to determine the reasonable value of the stock at the time such analyses are performed. Through this report. we strive to convey the complete assessment and opinions of the analyst relevant to the discussed company. To send us feedbacks and/or receive more information. investors may contact the assigned analyst or our client support department.

RATING GUIDANCE

Ratings	BUY	ACCUMULATE	HOLD	REDUCE	SELL
Total Return including Dividends in 12-month horizon	>20%	5% to 20%	-5% to 5%	-20% to -5%	<-20%

In some cases, we do not provide specific buy/sell recommendations but instead offer a few reference valuations to give investors additional insights, categorized under the recommendation of **OBSERVE**

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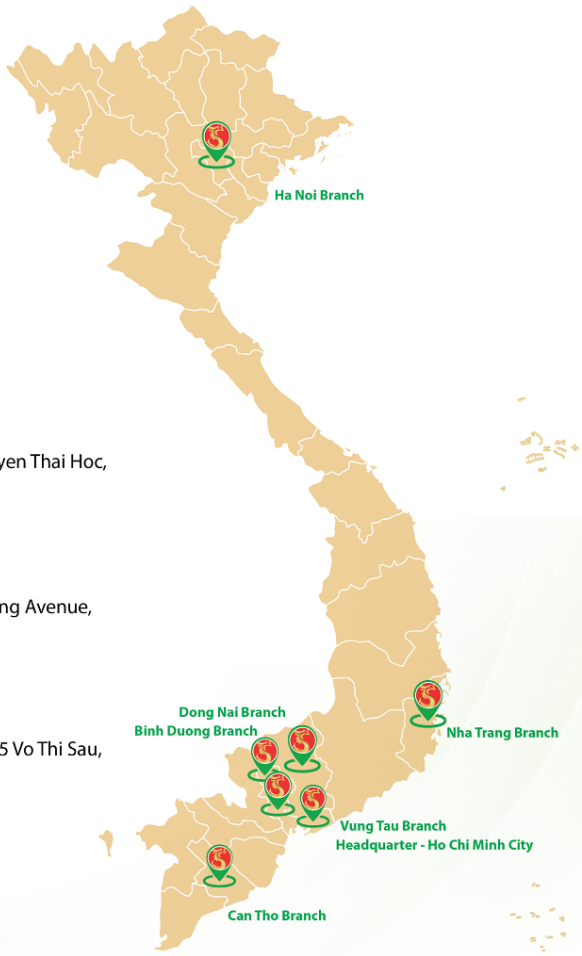
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