

# PetroVietnam Gas JSC (PV GAS)

[ Viet nam / Oil & Gas

Bloomberg Code (GAS VN) | Reuters Code (GAS.HM)

## BUY

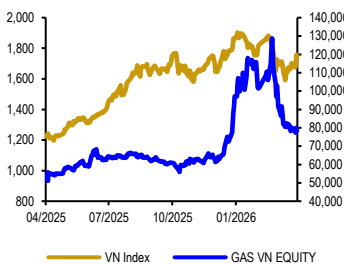
Initiation Coverage

**Target price** (12 months) **VND 94,500**  
 Current price (14/04/26) VND 79,300  
 Return **19.2%**

VNINDEX	1,775
P/E market	12.5
Market Cap (bn VND)	196,897
Outstanding shares (mn)	2,413
Free-Floating (mn)	102
52-Wk High/Low (VND)	131,500/52,718
90-day avg. trading volume (mn)	2.98
90-day avg. turnover (bn VND)	358
Foreign ownership (%)	19.8

Major shareholders (%) PVN 95.7

Performance	3M	6M	12M
Absolute (%)	-21.3	34.7	44.7
Relative to VN-Index (%)	-13	35.8	1.9



Source: Bloomberg

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## A Key Pillar of Vietnam's Energy Security

Initiating coverage with a BUY rating and a target price of VND 94,500

PetroVietnam Gas Joint Stock Corporation (PV GAS) (HOSE: GAS) is Vietnam's leading gas company, holding a dominant position in the dry gas trading and distribution segment. Its product portfolio includes natural gas, LPG, CNG, low-pressure gas, condensate, and LNG, which are primarily supplied to power plants, fertilizer producers, and industrial customers. Against the backdrop of rapidly rising LNG demand for power generation, we expect GAS to deliver steady growth over the next decade. Using a blended valuation approach based on FCFE and P/E, we initiate coverage on GAS with a BUY recommendation and a target price of VND 94,500, implying 19.2% upside from the closing price on April 14, 2026. We expect GAS to sustain earnings growth through 2035, with net profit posting a CAGR of approximately 12% p.a., driven by three key growth pillars: domestic natural gas, LNG trading, and LPG business.

**2025 business results update:** GAS reported 4Q2025 net revenue of VND 43,706bn (+75% YoY) and NPATMI of VND 1,361bn (-33% YoY). For FY2025, net revenue reached VND 135,125bn (+30% YoY), while NPAT-MI came in at VND 11,414bn (+10% YoY). Revenue growth was mainly driven by stronger commercial gas and LPG sales volumes in 4Q2025, which rose 11% YoY and 79% YoY, respectively. However, profit declined due to a VND 1,200bn bad debt provision, double the level recorded in the same period last year. On a full-year basis, although commercial gas volumes and oil prices declined, robust LPG growth enabled revenue to remain on an upward trajectory. Meanwhile, GAS booked a write-back of approximately VND 400bn, versus VND 1,900bn of bad debt provisions related to counterparties, helping support continued earnings growth for the year.

**LNG demand will be the key driver of GAS's growth over 2026–2035.** According to the Institute for Strategy and Policy Research on Industry and Trade, Vietnam's LNG demand is projected to reach 15–20 MTPA (equivalent to ~21–27 bn m3/year) by 2030. LNG demand in Vietnam is expected to be driven primarily by power generation, with LNG-fired power capacity targeted to reach 22,524 MW by 2030 under the revised PDP VIII. This represents a substantial growth opportunity for GAS and is likely to be the company's main earnings driver over the next decade.

**New domestic gas fields are expected to come onstream.** The most significant growth catalyst is Block B, which holds reserves of 107bn m3 and is expected to deliver average annual output of around 5bn cubic meters. The project is expected to commence operations in August 2027, which would mark a major step change for GAS, as wet gas intake volume could rise to nearly 12bn m3, up 75% versus 2024 levels. More recently, the government has repeatedly emphasized and directed the O Mon - Block B integrated gas-to-power chain to stay on schedule in order to secure first gas in 2027, thereby ensuring timely electricity supply amid Vietnam's rising power demand.

**The LPG segment continues to deliver sustainable growth.** LPG is gradually overtaking dry gas to become GAS's largest revenue contributor and has continued to set new records, particularly as the dry gas segment has weakened in recent years. In the domestic market, GAS maintained LPG sales volume growth to 1.7mn tonnes per annum in 2025, supported by its approximately 70% share of the wholesale LPG market. In exports, GAS also commands more than 65% market share in Cambodia, benefiting from low transportation costs. We estimate LPG revenue will grow at a CAGR of around 6% p.a. through 2035.

**Key risks:** (1) fuel price volatility; (2) lower-than-expected LNG demand; (3) competitive pressure from other players in the LNG segment; and (4) supply disruption risk arising from geopolitical conflicts.

Year to Dec.	2023	2024	2025	2026F	2027F
<b>Net revenue (bn VND)</b>	<b>89,954</b>	<b>103,564</b>	<b>135,129</b>	<b>131,757</b>	<b>158,148</b>
OP (bn VND)	14,619	13,156	14,363	17,346	18,262
<b>NP (bn VND)</b>	<b>11,793</b>	<b>10,590</b>	<b>11,572</b>	<b>14,035</b>	<b>14,745</b>
EPS (VND)	4,972	4,439	4,730	4,770	4,176
BPS (VND)	27,887	25,718	27,475	26,416	24,939
OPM (%)	16.3	12.7	10.6	13.2	11.5
NPM (%)	13.1	10.2	8.6	10.7	9.3
<b>ROE (%)</b>	<b>17.8</b>	<b>17.3</b>	<b>17.2</b>	<b>18.1</b>	<b>16.7</b>
PER (x)	15.8	16.0	15.6	19.8	22.6
PBR (x)	2.7	2.6	2.6	3.6	3.8

Source: Company data, Shinhan Securities Vietnam

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## Contents

3	<b>Company overview</b>
7	<b>Investment Theses</b>
15	<b>Update Q4/2025 and Forecast 2026F- 2027F</b>
18	<b>Valuation and Recommendation</b>
23	<b>Risks</b>
24	<b>Appendix: Financial statements</b>

## Company overview

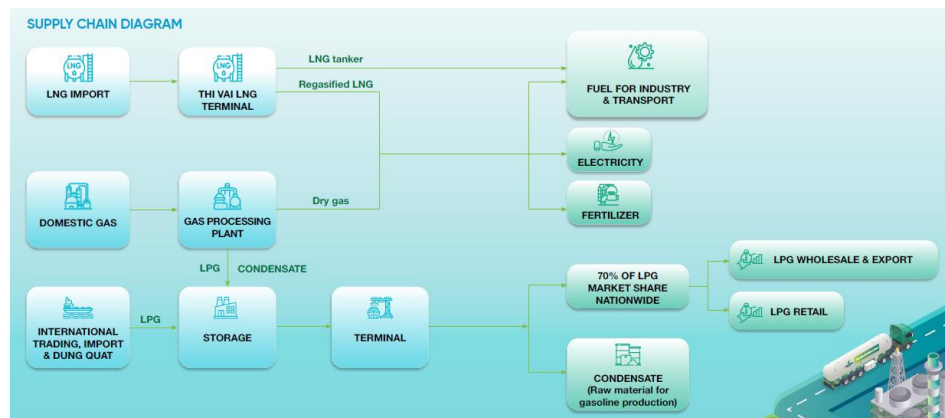
### 1. Formation and Development History of PV GAS

PV GAS was established in September 1990, originally as a Gas Company, with the mandate to collect, transport, process, store, and trade gas and gas-related products.

The company has a concentrated ownership structure, with Vietnam National Industry – Energy Group holding 95.76% as of September 2025. In early 2026, GAS announced that it no longer met the criteria to qualify as a public company, as it did not satisfy the requirement of having “charter capital of at least VND 30 billion and at least 10% of voting shares held by a minimum of 100 non-major shareholders.” PV GAS is currently working with its major shareholder to seek appropriate solutions in line with the legal framework.

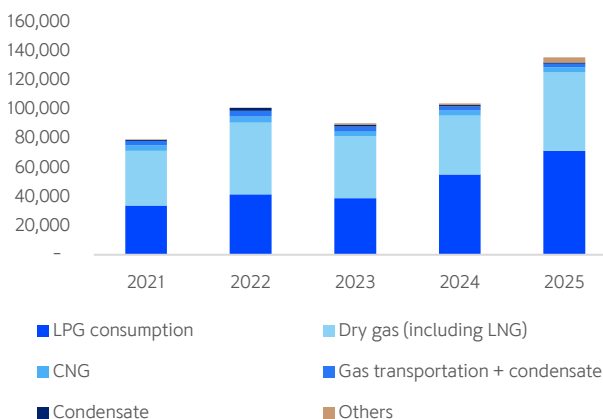
PV GAS’s main business activities include collecting gas from offshore oil and gas fields, transporting gas via pipelines, processing and treating gas, and trading dry gas (including regasified LNG), liquefied petroleum gas (LPG), condensate, compressed natural gas (CNG), and low-pressure gas (KTA). In 2024, the company began supplying regasified LNG for power generation and delivering LNG via trucks/rail to industrial customers. Dry gas and LPG account for the majority of revenue, while the transportation segment, despite its low revenue contribution, makes a significant contribution to gross profit.

Figure: PV GAS Gas Value Chain



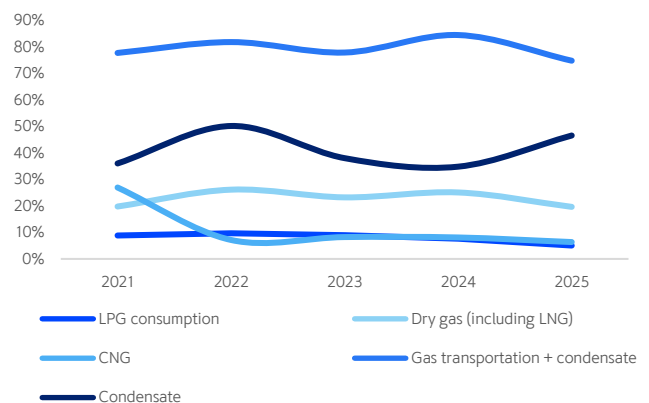
Source: Company data, Shinhan Securities Vietnam

Revenue Breakdown by Business Segments of GAS (VND bn)



Source: Company data, Shinhan Securities Vietnam

Gross Profit Margin by Business Segments



Source: Company data, Shinhan Securities Vietnam

## 2. Business Segment Overview

### A. Dry Gas Business

GAS sources gas from offshore gas fields and imports LNG from overseas. Through processing and treatment, the company distributes finished gas products to customers based on specific demand. Dry gas is supplied to power plants, fertilizer producers, and industrial parks via an integrated gas pipeline system. Power plants are the primary consumers, accounting for approximately 66% of total dry gas output. Fertilizer plants represent around 18%, while industrial customers (low-pressure gas and CNG) account for about 16% of total dry gas consumption.

This segment has historically contributed the largest share of revenue but is gradually declining, mainly due to the depletion of domestic gas reserves on Vietnam’s continental shelf, delays in bringing new gas fields into operation, and still modest LNG import volumes.

Regarding GAS’s gas pricing mechanism, purchase prices are determined based on Gas Sales Agreements (GSA) with upstream producers, typically featuring a fixed escalation rate of 2% per annum.

#### For selling prices,

##### a. Power and fertilizer customers

GAS links selling prices to FO prices (Platts Singapore), with a floor at wellhead prices, calculated as:

$$\text{Selling price} = \text{Max} (46\% \times \text{FO price, Wellhead price}) + \text{Transportation tariff}$$

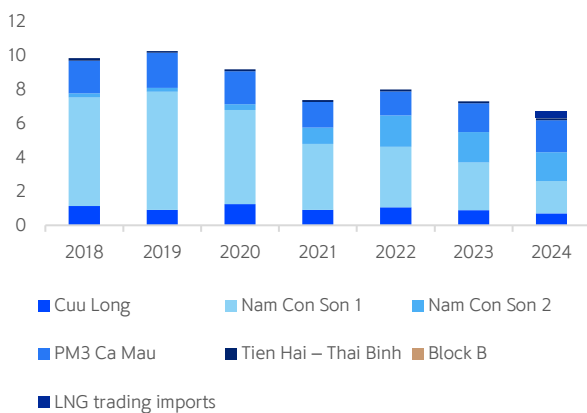
##### b. Industrial customers

$$\text{Selling price} = \alpha (\%) * P_{\text{HSFO}} + \beta (\%) * P_{\text{LPG}}$$

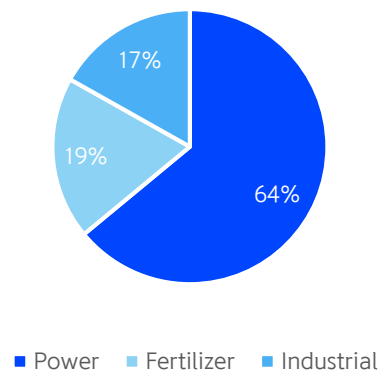
Where  $P_{\text{HSFO}}$  and  $P_{\text{LPG}}$  are derived from FO and LPG prices, respectively;  $\alpha (\%)$  and  $\beta (\%)$  vary depending on customer segments, competing fuels, timing, transportation infrastructure, and conversion equipment, ensuring profitability for all parties. For CNG, additional compression and transportation (by truck) fees are applied.

Under this pricing structure, when FO prices exceed wellhead prices, GAS captures margins from both the price spread and transportation fees. Conversely, when FO prices decline significantly or when input gas prices are linked to oil prices, GAS primarily earns profit from transportation tariffs.

Gas intake volume of GAS by field over the years (billion m<sup>3</sup>)



Gas supply distribution by customer segments in 2025



Source: Company data, Shinhan Securities Vietnam

Source: Company data, Shinhan Securities Vietnam

**Table: Estimated Wellhead Gas Prices in 2025**

Area	Gas block/field	Wellhead Gas Prices (USD/mmBTU)
<b>Cuu Lon Basin</b>	Cuu Long Basin	3.90
<b>Nam Con Son 2</b>	Sao Vang – Dai Nguyet	7.72
	Thien Ung	7.97
	Dai Hung	4.18
<b>Nam Con Son 1</b>	Block 06.1	3.15
	Block 11-2	2.73
	Hai Thach - Moc Tinh	5.32

Source: Company data, Shinhan Securities Vietnam estimates

### LNG Business

Starting from 2024, GAS began importing LNG, with volumes reaching 400 million m<sup>3</sup> in 2024 and 539 million m<sup>3</sup> in 2025 (via 7 dedicated cargoes). LNG is delivered through two main channels:

1. Pipeline: LNG is regasified and supplied to power plants from mid-April 2024 (Phu My 2.2, Phu My 3, and Nhon Trach 3).
2. Non-pipeline transport: LNG is delivered via trucks, rail, or waterways to customers located far from pipeline infrastructure, primarily industrial users.

Imported LNG prices are linked to Brent oil prices. After adding regasification and transportation costs, this determines the final LNG selling price to customers.

### B. Gas Transportation

This segment contributes a relatively small share of revenue (~3–4%) but delivers a very high margin (~80%), resulting in a meaningful contribution to GAS's gross profit (~13% in 2024). Gas transportation tariffs are calculated as:

$$T = T0 \times (1 + I)^n + Dp$$

*T is the escalation rate (2% per annum); Dp is the distribution fee. All transportation and distribution tariffs are subject to approval by relevant authorities. For industrial customers, distribution or compression fees vary depending on customer location, either via (i) low-pressure pipelines or (ii) compressed natural gas (CNG) delivered by trucks.*

Pipeline System	Pipeline Owners	GAS Ownership	Revenue Recognition
Cuu Long	GAS	100%	Dry gas sales revenue
Nam Con Son	GAS, Rosneft and Perenco	51%	Gas and condensate transportation revenue
Nam Con Son 2	GAS	100%	Gas and condensate transportation revenue
PM3 – Ca Mau	GAS	100%	Transportation fees only, recorded under gas and condensate transportation revenue
Ham Rong – Thai Binh	GAS	100%	Dry gas sales revenue

Block B – O Mon (under development)	GAS, PVN, Moeco, PTTEP	51%	Transportation fees only
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### C. LPG Segment

GAS currently holds over 70% share of the domestic LPG wholesale market and approximately 9% of the retail LPG market. Wholesale LPG is distributed via tank trucks and vessels to customers' storage facilities, while retail LPG is widely distributed nationwide through PV GAS's subsidiary, PV GAS LPG Trading Joint Stock Company (PV GAS LPG), and its affiliated company, Southern Gas Trading Joint Stock Company (Gas South).

GAS sources LPG from: (1) in-house production at Dinh Co and Ca Mau gas processing plants (GPPs), (2) domestic supply from Dung Quat refinery, and (3) international imports. Imported LPG has been increasingly dominant, accounting for approximately 85% of total supply in 2025, up from 57% in 2022. In terms of market distribution, domestic and export LPG sales accounted for 39% and 61%, respectively, in 2025.

**Imported LPG prices are benchmarked against the Saudi Aramco Contract Price (CP). LPG selling prices are determined by adding a negotiated premium to the import price, agreed upon between GAS and its distribution partners.**

Since 2024, the LPG segment has overtaken dry gas to become the largest contributor to total revenue. In 2025, LPG revenue reached VND 71,224bn (+30% YoY). Notably, LPG export volumes recorded strong growth, reaching 2.7 million tonnes (+81% YoY). Cambodia remains GAS's key export market, accounting for approximately 65%–70% of the country's total LPG demand.

### D. CNG and Condensate Segment

CNG is primarily supplied to industrial customers such as ceramics, steel, and construction material producers located far from PV GAS's pipeline network. Currently, CNG distribution is mainly handled by two entities: CNG Vietnam Joint Stock Company and Southern Gas Trading Joint Stock Company (Gas South).

Condensate is a by-product derived from wet gas extracted from offshore fields in the Cuu Long, Nam Con Son, Malay–Tho Chu, and Song Hong basins. It is mainly used as feedstock for gasoline production, contributing to domestic fuel supply.

Revenue from the CNG and condensate segments remains relatively small, accounting for less than 6% of total revenue.

## Investment Theses

### 1. Strong LNG Demand as the Key Growth Driver for GAS (2026–2035)

To meet rising electricity demand and support the transition toward greener energy with reduced reliance on fossil fuels, LNG-to-power is an unavoidable solution over the next decade. This comes amid declining domestic gas reserves and delays in bringing new gas fields into operation. Under the revised Power Development Plan VIII, total LNG-fired power capacity is targeted to reach 22,524 MW by 2030, while currently only Nhon Trach 3&4 (NT3&4), with a capacity of 1,624 MW, has commenced operations.

According to the Institute for Strategy and Policy Research on Industry and Trade, Vietnam's LNG demand is projected to reach 15–20 million tonnes per annum (equivalent to approximately 21–27 bcm per annum) by 2030. This represents a substantial growth opportunity for GAS and is expected to be the primary driver of its earnings in the coming decade. **Overall, GAS's outlook is closely tied to the development of LNG-to-power, with supportive policies expected to generate stable and growing demand for its LNG supply business.**

**PV GAS has begun supplying LNG to Phu My power plants and has signed several large-scale agreements to supply LNG to Nhon Trach 3&4 and Quang Trach II & III LNG power plants.**

Vietnam's first LNG-fired power plant, Nhon Trach 3&4, has recently commenced operations using 100% LNG, ensuring gas demand for GAS starting from 2026. Assuming a utilization rate of 65% and a heat rate of approximately 6,330 BTU/kWh, we estimate NT3&4's annual LNG demand at around 1.4 bcm.

Previously, in March 2024, PV GAS supplied nearly 70 thousand tonnes of LNG to Phu My 3 power plant—the first such supply in Vietnam—contributing approximately 500 million kWh to the national grid during April–May 2024. Going forward, in addition to NT3&4, GAS is expected to continue supplying LNG to Phu My 2.2 and Phu My 3 power plants for electricity generation.

On April 4, 2026, in Hanoi, PV GAS, Vietnam Electricity (EVN), and PetroVietnam Power Corporation (POW) signed key agreements on LNG supply. These include: A framework agreement between PV GAS and EVN to supply regasified LNG from the Vung Ang LNG terminal to Quang Trach II & III power plants, with expected gas delivery from April 30, 2029; and an amendment to the LNG Sales and Purchase Agreement between GAS and POW for long-term LNG supply to NT3&4 over a 25-year period.

**Table: Implementation progress of LNG-to-power projects through 2030**

Project	Capacity (MW)	Notes / Implementation Progress	COD
LNG Quang Ninh	1,500	Expected to commence construction on 19/12/2025	2028–2029
LNG Thai Binh	1,500	Construction started on 10/10/2025; expected COD in Q4/2029	2028
LNG Quang Trach II	1,500	Preparation for construction in Q1/2026; full completion by 2030	2028

LNG Hai Lang Phase I	1,500	Site clearance in progress; expected construction start in Q1/2027	2028–2029
Nhon Trach 3&4	1,624	Operational since end-2025	2025
LNG Hiep Phuoc Phase I	1,200	Construction and installation completed ~60% and ~20%; PPA signed on 26/03/2026; expected operation in 2027	2028
LNG Long An I	1,500	Feasibility study completed; planned COD in 2029	2028–2029
BOT Son My I	2,250	Site clearance in progress	2028
BOT Son My II	2,250	Site clearance in progress	2028
LNG Bac Lieu	3,200	Agreement on procedures for 500kV transmission line (Bac Lieu – Thot Not)	2025–2030
LNG Nghi Son	1,500	Reviewing documentation and proposing revised development plan for government approval	2028
LNG Ca Na	1,500	Bid evaluation process completed	2028
LNG Quynh Lap	1,500	Provincial authority approved investment policy proposal	2028
LNG Hai Phong Phase I	1,600	Under construction; expected operation by end-2030	2030
LNG Hiep Phuoc Phase II	1,500	Investor is finalizing project documentation	2025–2030

Source: Adjusted PDP VIII implementation plan, compiled by Shinhan Securities Vietnam

**Key policies supporting LNG-to-power development in 2025** Recently, the Ministry of Industry and Trade issued Decision No. 1313/QĐ-BCT approving the tariff framework for LNG-fired combined cycle gas turbine (CCGT) power plants for 2025. The maximum tariff (excluding VAT) is set at VND 3,327.42/kWh.

The 2025 tariff framework clearly defines the transportation cost component (which represents GAS's margin) and raises the LNG power generation price cap by +28% compared to 2024, thereby providing more favorable conditions for developers to accelerate LNG-to-power project implementation with greater confidence.

**Table: LNG Power Generation Price Cap Framework**

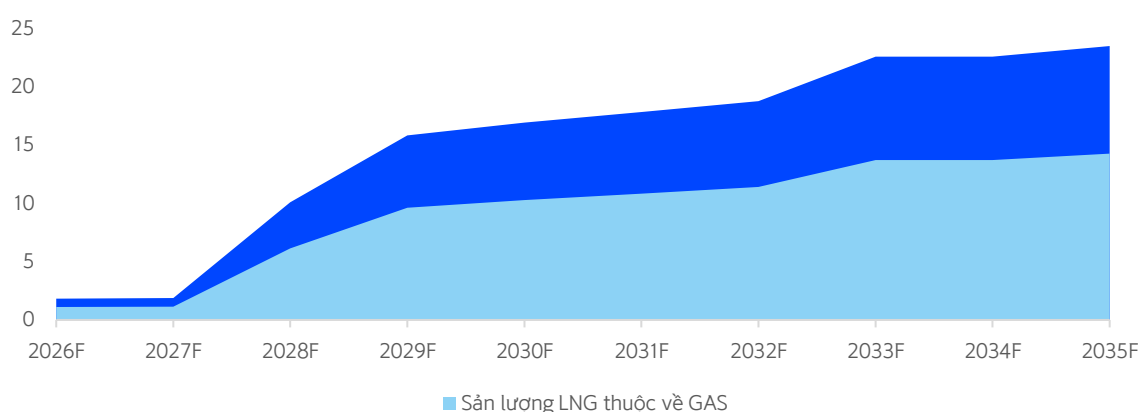
	2024	2025
Net capacity (kW)	1,579,125	1,551,490
Net heat rate at 85% load	6,330	6,330
LNG import price (USD/mmBTU)	12.9792	14.05
Transportation cost (including LNG delivery to regas terminal, storage, regasification, and post-regas distribution) (USD/mmBTU)	—	2.589272
Exchange rate (VND/USD)	24,520	25,670
LNG-fired power generation price cap (VND/kWh)	0 – 2,590.85	0 – 3,327.42

Source: compiled by Shinhan Securities Vietnam

**Table: Key Policies Supporting LNG-to-Power Development**

Policy / Regulation	Key Content
Decision 1313/QĐ-BCT (2025)	Sets maximum LNG power generation price at VND 3,327.42/kWh
Decree 56/2025/NĐ-CP*	Requires contracted output (Qc) ≥ 65% (during debt repayment period, up to 10 years) for LNG power projects — supporting financing and capital mobilization
Decree 100/2025/NĐ-CP	Sets minimum Qc at 65% for LNG power plants during payback period
Decree 73/2025/NĐ-CP (issued 31/03/2025)	Reduces LNG import tariff from 5% to 2%, lowering input fuel costs for LNG power projects

Source: MOIT, compiled by Shinhan Securities Vietnam, The MOIT is currently proposing to increase the minimum long-term contracted power output for gas-fired power to 75%, through amendments to Decree 56 and Decree 100.

**Forecast of Vietnam's LNG Demand and GAS's Addressable Volume (2026F–2035F, bcm)**

Source: Company data, Shinhan Securities Vietnam estimates

**PV GAS's First Long-Term LNG Procurement Contract with an International Partner**

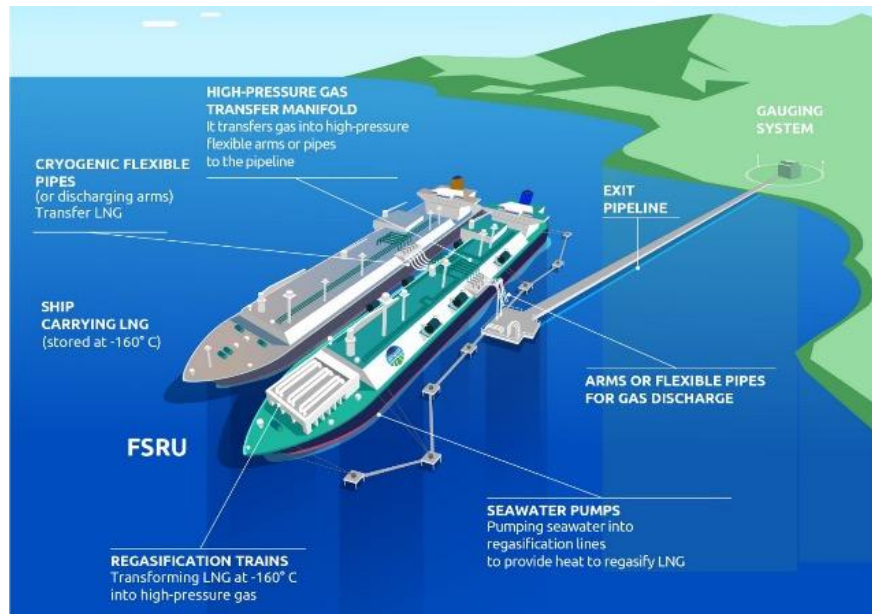
Recently, PetroVietnam Gas Joint Stock Corporation (PV GAS) signed its first long-term liquefied natural gas (LNG) supply contract with Shell, one of the world's leading energy and petrochemical groups. Under the agreement, Shell will supply approximately 400,000 tonnes of LNG per year to the Thi Vai LNG terminal over the period 2027–2031, equivalent to around 40% of current terminal capacity. The shift toward long-term contracts will help PV GAS and downstream customers mitigate exposure to spot price volatility, while also strengthening the financial position of power operators and underscoring the growing need for stable energy supply in Southeast Asia.

**FSRU deployment is becoming an inevitable trend**

As LNG storage terminals may not be commissioned in time to match rapidly rising LNG demand, we believe FSRU deployment will become a necessary solution. On our conservative estimates, even if Thi Vai LNG Phase 2 and Phase 3 expand capacity in 2030 and 2032, respectively, and Son My LNG Phase 1 is completed in 2030, there could still be around 3–7 bcm of LNG demand in 2028–2029 without sufficient storage and regasification infrastructure. As such, leasing an FSRU appears to be an increasingly inevitable solution during this period.

An FSRU (Floating Storage and Regasification Unit), as the name suggests, is used for LNG storage and regasification. Compared with conventional onshore LNG regasification terminals, FSRUs offer greater flexibility, faster deployment timelines (1–3 years), and lower upfront capital requirements, making them well suited for countries such as Vietnam, where LNG import infrastructure is still in the development stage.

**Figure: Basic FSRU operation**



Source: Rivista Italiana Difesa, compiled by Shinhan Securities Vietnam

On March 6, 2025, during a meeting between PV GAS and EVN, PV GAS announced plans for the 2026–2029 period to deploy an additional Floating Storage and Regasification Unit (FSRU) at its Vung Tau terminal. This FSRU is expected to have a storage capacity of 135,000–174,000 Sm<sup>3</sup> of LNG and a regasification capacity of up to 14 million Sm<sup>3</sup>/day, increasing total system regasification capacity to approximately 22 million Sm<sup>3</sup>/day (~8 bcm per year). This represents a strategic move to ensure a stable and flexible LNG supply for the national power system during peak demand periods.

Subsequently, on March 17, 2025, at the Ministry of Industry and Trade, Deputy Minister Nguyen Hoang Long held a working session with representatives from Excelerate Energy. The company highlighted its strong capabilities and experience in FSRU deployment and expressed its willingness to support and accelerate the development and implementation of FSRU projects in Vietnam in a safe and efficient manner.

**Table: Estimated LNG Demand and Regasification Capacity**

Thi Vai Terminal (bcm/year)	FSRU (bcm/year)	LNG Demand 2028–2029 (bcm)
3.47	4–8	6–10

Source: Company data, Shinhan Securities Vietnam estimates

**Table: Update on GAS LNG Terminal Development**

LNG Terminal	Location	Throughput Capacity (MTPA)*	Investors	Status	Progress
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LNG Thi Vai	BR-VT	Phase 1: 1 Phase 2: 2 Phase 3: 3	PV GAS, AES	Phase 1 operational Phase 2: expected 2030 Phase 3: expected 2032	EPC contract expected to be signed by end-2025 for Phase 2
LNG Son My	Binh Thuan	Phase 1: 3.6 Phase 2: 2.4	PV GAS, AES	2030	Most key procedures completed; synchronization of gas-to-power chain ongoing as of Jan 2026

Nguồn: Company data, Shinhan Securities Vietnam, \*MMTPA (million tonnes per annum)

Overall, FSRU investment costs are estimated at only around 60% of onshore LNG terminal CAPEX, with a shorter construction timeline of approximately 27–36 months, compared to 36–40 months for onshore facilities. However, FSRUs typically incur higher operating costs and have limited scalability. Another key distinction is that FSRUs are usually leased rather than owned outright. We believe PV GAS is likely to lease an FSRU from Excelerate Energy, with estimated charter rates ranging from USD 130,000 to 205,000 per day, in line with average rates reported by the Oxford Institute.

In addition, lease fees may also be structured based on actual LNG regasification volumes. Previously, Excelerate signed FSRU contracts in Puerto Rico and Bangladesh at around USD 0.47/mmBTU. **Regardless of the pricing mechanism, we estimate PV GAS's FSRU leasing cost to be approximately VND 2 trillion per year for one unit, assuming a storage capacity of around 180,000 m<sup>3</sup> and regasification capacity of roughly 4 bcm per year.**

**Table: Comparison of investment costs between FSRU and onshore LNG terminal infrastructure (unit: USD million)**

Item	Onshore	FSRU (Newbuild)
Jetty (including pipelines)	80	80
Unloading pipeline system	100	N/A
Storage tank (1 × 180,000 m <sup>3</sup> )	180	Integrated in FSRU
FSRU vessel	N/A	250
Processing plant	100	Integrated in FSRU
Utilities system	60	Integrated in FSRU
Onshore infrastructure / connection	N/A	30
<b>CAPEX</b>	<b>520</b>	<b>360</b>
Contingency (30% onshore, 10% FSRU)	156	36
Owner's cost	74	54
<b>Total CAPEX</b>	<b>750</b>	<b>450</b>

Source: Oxford Institute for energy studies, Shinhan Securities Vietnam

## 2. New Domestic Gas Fields Expected to Come Onstream

**Block B expected to nearly double domestic dry gas output from 2027**

Gas fields currently under development are expected to offset the declining output from existing fields. In addition to LNG imports, new domestic gas fields will play a critical role in supplying gas to upcoming gas-fired power plants (see table). Despite delays in project execution, two gas fields—Kinh Ngu Trang – Kinh Ngu Trang Nam (KNT-KTN) and Dai Hung Phase 3—were successfully brought into operation in 2025.

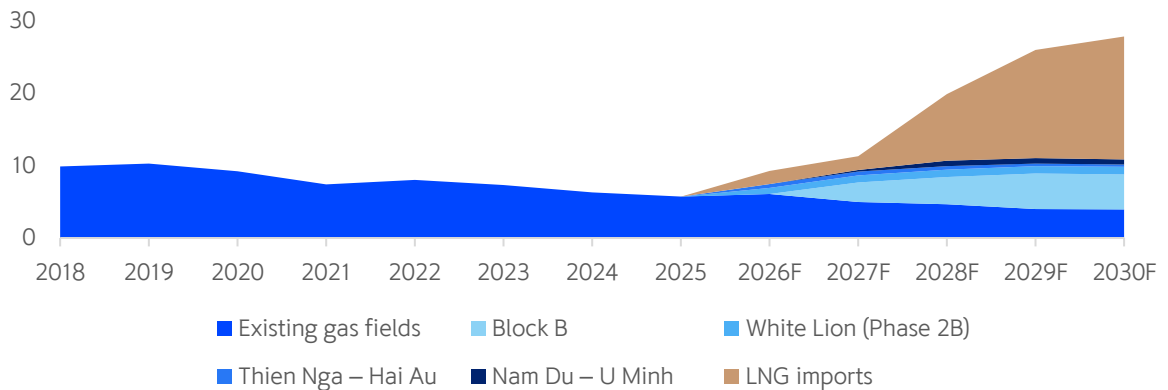
The key growth catalyst lies in Block B, which holds reserves of 107 bcm and is expected to deliver average annual output of around 5 bcm, with first gas targeted for August 2027. This will mark a significant step-up, as GAS's wet gas intake volume could reach nearly 12 bcm, representing a 75% increase compared to 2024.

The Block B – O Mon gas pipeline project has a total investment of approximately USD 1.277 billion, with PV GAS holding a 51% stake. PV GAS and its partners will develop a 431 km offshore and onshore pipeline system, along with landfall stations, gas distribution stations, valve stations, and supporting infrastructure, to transport gas from Blocks B&48/95 and 52/97 (collectively referred to as Block B) to the O Mon Power Center. The pipeline system will pass through Ca Mau, Kien Giang, and Can Tho, supplying gas to the cluster of power plants in O Mon.

**Table: Progress of Selected Domestic Gas Fields**

New Gas Field	Region	Basin	Reserves (bcm)	Expected Start Date	Progress Update
Kinh Ngu Trang – Kinh Ngu Trang Nam (KNT-KTN)	Southeast	Cuu Long	2.16	14/07/2025 – Operational	
Dai Hung Phase 3	Southeast	Nam Con Son	0.6	07/05/2025 – Operational	
Block B	Southwest	Malay – Tho Chu	107	Aug-27	PVN is installing offshore facilities, preparing for drilling in Q2/2026; first gas expected no later than Q3/2027
Su Tu Trang 2B	Southeast	Cuu Long	17.05	Q3/2026	Framework agreement (HOA) signed
Thien Nga – Hai Au	Southeast	Nam Con Son	7.43	Q4/2026	Pipeline coating contract completed
Nam Du – U Minh	Southwest	Malay – Tho Chu	5.6	2027	Awaiting FDP approval and gas sales negotiations
Khanh My – Dam Doi	Southwest	Malay – Tho Chu	4.03	Q2/2027	Connection agreement (in-principle) signed in 08/2025
Ca Voi Xanh	Central	Song Hong	150	Post-2030	Seeking alignment on project development timeline

Source: Shinhan Securities Vietnam forecasts

**Forecast of Dry Gas and LNG Output (2026F–2030F, bcm)**

Source: Company data, Shinhan Securities Vietnam estimates, bcm = billion cubic meters

As of January 8, 2026, the Government Office issued Notice No. 12/TB-VPCP summarizing conclusions by Deputy Prime Minister Bui Thanh Son following a working session and inspection of projects under the O Mon – Block B gas-to-power chain. Specifically, project activities are being accelerated to achieve first gas by August 2027, ensuring synchronization with downstream projects, including four O Mon thermal power plants (I, II, III, IV) with total capacity of 3,810 MW.

**Regarding the Ca Voi Xanh (Blue Whale) gas field**, despite its significant reserves, the project is currently facing delays due to unresolved issues with the operator ExxonMobil (holding 64%, with PVN owning 36%), as it has not yet been prioritized for development. In October 2025 and January 2026, Deputy Prime Minister Bui Thanh Son chaired the 6th and 7th meetings on key national energy projects, urging stakeholders to work with ExxonMobil to align on an implementation plan.

In our view, although Ca Voi Xanh represents a substantial long-term opportunity for PV GAS, it is unlikely to commence operations before 2030.

**Table: List of Domestic Gas-Fired Power Plants through 2030**

No.	Project	Planned Capacity (MW)	COD	Notes
1	O Mon I Thermal Power Plant (*)	660	2025–2030	
2	O Mon II Thermal Power Plant	1,050	2027–2028	Using Block B gas
3	O Mon III Thermal Power Plant	1,050	2028–2030	Using Block B gas
4	O Mon IV Thermal Power Plant	1,050	2028	Using Block B gas
5	Dung Quat I CCGT	750	2030	
6	Dung Quat II CCGT	750	2030	Using Ca Voi Xanh gas, synchronized with upstream gas development under the Ca Voi Xanh gas-to-power chain
7	Dung Quat III CCGT	750	2030	
8	Central Region I CCGT	750	2025–2030	Using Ca Voi Xanh gas, synchronized with upstream gas development under the Ca Voi Xanh gas-to-power chain
9	Central Region II CCGT	750	2025–2030	
10	Quang Tri CCGT	340	2025–2030	Using Bao Vang gas, synchronized with upstream development

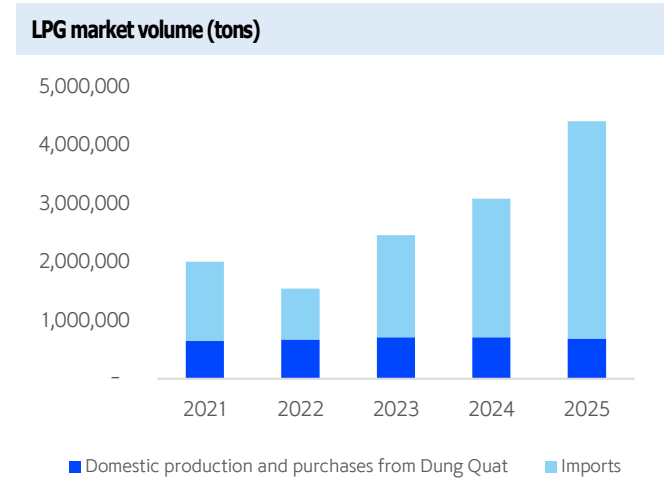
Source: Adjusted PDP VIII implementation plan, Compiled by Shinhan Securities Vietnam

### 3. The LPG segment maintains sustainable growth

Vietnam’s domestic LPG market has recorded steady growth in recent years, reaching demand of approximately 1.7 million tonnes per annum (+8% YoY) in 2025. LPG exports and international trading have grown even more strongly, particularly in 2025, when export volumes reached 2.7 million tonnes (+81% YoY). According to World Integrated Trade Solution data (2023), Cambodia is Vietnam’s largest fuel export market, accounting for around 20%, making rising LPG demand in this market a key driver of GAS’s LPG export and international trading growth.

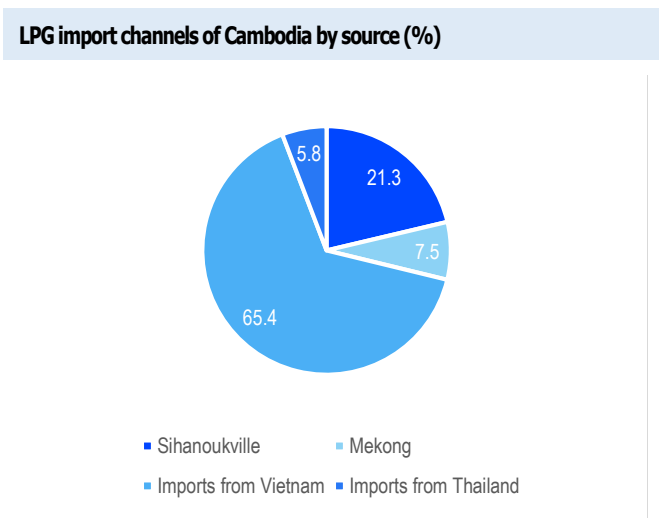


Source: Company data, Shinhan Securities Vietnam

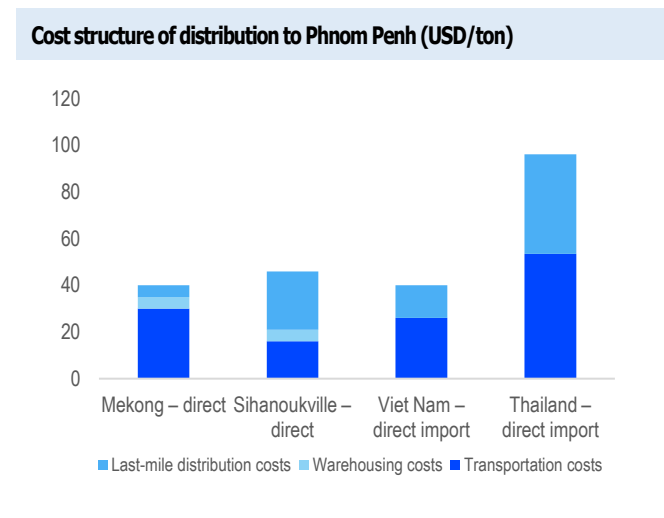


Source: Company data, Shinhan Securities Vietnam

According to ERIA estimates, Cambodia’s LPG consumption is projected to reach nearly 1.2 million tonnes by 2040, implying a CAGR of approximately 7%, supported by: (1) annual GDP growth of ~6%, (2) population growth of 1.5% per year, and (3) CPI growth of 3% per year. LPG imports from Vietnam currently account for the largest share at 65.4%, primarily due to lower distribution costs. Specifically, LPG from Vietnam is transported by tanker trucks and delivered directly to end-users without intermediate storage, resulting in lower logistics costs and stronger competitiveness compared to alternative supply routes.



Source: General Department of Petroleum, ERIA, Shinhan Securities Vietnam



Source ERIA, Shinhan Securities Vietnam

Short-term opportunities also emerged in late 2025, as border tensions between Thailand and Cambodia facilitated GAS’s LPG exports gaining easier access to the Cambodian market, enabling rapid market share expansion and further strengthening GAS’s position in the country. We expect domestic and export LPG volumes to grow at approximately 5% and 7%, respectively, in the coming years.

## 4Q2025 Earnings Update and 2026F–2027F Forecast

Volume	Q4/2025	YoY	2025	YoY	Ghi chú
LPG sales (tons)	1,372,000	79%	4,408,000	43%	
Dry gas (incl. LNG) (bcm)	1.6	11%	6.20	-3%	Domestic natural gas output reached 5.76 bcm (-5.1% YoY) and domestic LNG reached 0.439 bcm (+35% YoY)
Power	1.0	15%	3.95	-6%	
Fertilizer	0.3	2%	1.21	2%	
Low-pressure/CNG	0.3	0%	1.04	3%	
Condensate (thousand tons)	19.0	0%	69.00	-8%	
<b>Price</b>					
Brent oil price (USD/bbl)	63.5	-13%	69.00	-15%	
FO price (USD/ton)	360.3	-18%	417.00	-12%	
<b>Net revenue</b>	<b>43,706</b>	<b>+75%</b>	<b>135,125</b>	<b>+30%</b>	_ Driven mainly by higher dry gas output in 4Q2025 and strong LPG growth in 2025, offsetting declines in oil prices
Gross profit (VND bn)	3,905	-3%	16,939	-4%	_ Impacted by ~15% decline in oil prices in 2025
Operating profit (VND bn)	1,764	-31%	14,363	9%	_ Due to strong provisioning of VND 1.2tn in 4Q (2x YoY); full-year reversal of VND 436bn vs VND 1.9tn provisions
NPAT-MI (VND bn)	<b>1,361</b>	<b>-33%</b>	<b>11,414</b>	<b>10%</b>	_ Impact of provision reversals partially offset by lower oil prices and declining dry gas output

### Middle East Conflict and GAS's 2026 Outlook

The conflict in the Middle East has disrupted oil and gas supply, driving up crude oil and LNG prices. As of March 2026, Brent crude reached approximately USD 95/bbl (+50% YTD), while Asian LNG prices rose to around USD 20/mmBTU (doubling YTD). Our assessment of GAS's business segments in 2026—based on the assumption that the conflict will ease by Q2/2026—is as follows:

\_ **Domestic natural gas segment:** Higher dry gas prices in the short term may support margin expansion. However, excessively high gas prices could lead to substitution risks, as EVN may prioritize cheaper power sources such as coal, hydropower, and renewables. Given expected electricity demand growth of around 8% in 2026, **we assess the risk of declining dry gas volumes at a moderate level.**

\_ **LPG segment:** GAS imports over 50% of its LPG supply, with approximately 70% sourced from the Middle East, increasing supply disruption risks. According to a March 2026 notice from PV GAS Trading, for safety reasons, all VLGC shipments of refrigerated LPG from the Middle East scheduled from late March to end-April 2026 have been

postponed by suppliers. Although GAS has secured alternative imports—38,000 tonnes from Australia and 5,000 tonnes from the US, with an additional 48,000 tonnes planned from the US, **we estimate LPG trading volume at approximately 3 million tonnes (-30% YoY).**

**\_ LNG segment:** LNG imports are primarily sourced from Qatar, Indonesia, and the UAE. Unlike oil, LNG cannot be easily rerouted via pipelines, making it more vulnerable to disruptions at chokepoints such as the Strait of Hormuz, which handles around 20% of global LNG trade, with 80% destined for Asia. As a result, LNG faces higher supply risks than crude oil. In addition, **elevated LNG prices may reduce dispatch from LNG-fired power plants, weakening demand.**

In early April 2026, GAS received two additional LNG cargoes totaling nearly 60,000 tonnes, bringing cumulative imports to over 123,000 tonnes year-to-date. This volume has been regasified and injected into the system, helping ensure stable gas supply for power plants and industrial customers.

**We estimate that LNG supply will be prioritized for the domestic market, reaching approximately 0.85 bcm (+94% YoY) in 2026. As a result, GAS is unlikely to engage in international LNG trading during the year.**

**Projected business results of GAS for 2026F–2027F**

<b>Volume</b>	<b>2025</b>	<b>2026F</b>	<b>2027F</b>
LPG sales (tons)	4,408,000	3,085,600	3,455,872
Dry gas (incl. domestic LNG) (bcm)	6.201	6.717	6.625
Power	3.954	4.458	4.352
Fertilizer	1.205	1.205	1.205
Low-pressure gas / CNG	1.041	1.054	1.07
Condensate (thousand tons)	69	78.63	77.51
<b>Price</b>			
Brent oil price (USD/bbl)	69	90	85
FO price (USD/ton)	417	600	550
LPG price (USD/ton)	556	725	685
<b>Dry gas segment*</b>	53,717	58,214	73,568
Power	30,969	34,159	50,809
Fertilizer	3,199	4,537	4,283
Industrial parks (IZs)	7,927	10,547	10,160
Others	11,622	8,971	8,317
<b>Gas transportation + Condensate</b>	2,389	2,811	2,309
LPG	71,224	63,126	73,123
CNG	3,453	3,742	4,729
Condensate	966	1,047	1,323
Others	3,376	2,816	3,096
<b>Net revenue (VND bn)</b>	<b>135,125</b>	<b>131,757</b>	<b>158,148</b>
Gross profit (VND bn)	16,939	20,506	24,202
Operating profit (VND bn)	14,363	17,346	18,262
NPAT-MI (VND bn)	<b>11,414</b>	<b>13,812</b>	<b>14,512</b>
<b>Margins (%)</b>			
Gross margin	13%	16%	15%
Net margin	8%	10%	9%
<b>Growth (% YoY)</b>			
Net revenue	30%	-2%	20%
NPAT-MI	10%	21%	5%

Source: Company data, Shinhan Securities Vietnam; \*estimates by segments: Power, Fertilizer, Industrial

## Valuation and Recommendation

### BUY recommendation with a target price of VND 94,500

We initiate coverage on PetroVietnam Gas Joint Stock Corporation (PV GAS) with a BUY recommendation and a target price of VND 94,500, implying +19.2% upside from the closing price on April 14, 2026. From a long-term perspective, PV GAS is entering a strong growth phase, supported by a substantial project pipeline, particularly in the **LNG segment**.

#### Key investment highlights include:

1. PV GAS maintains a dominant position in domestic natural gas distribution.
2. The LNG segment is a key growth driver, supported by strong demand from LNG-to-power development, with planned LNG-fired power capacity exceeding 22,400 MW by 2030.
3. The LPG segment continues to hold a leading position both domestically and in export markets.

#### Valuation Methodology

We apply a blended valuation approach, combining a 10-year FCF (Free Cash Flow to Firm) model and P/E multiple, with equal weighting of 50%–50%.

Under the FCF approach, GAS is expected to undertake significant capital investment over the next decade to expand gas supply capacity. We assume that key projects such as the Block B – O Mon gas pipeline, Thi Vai LNG Terminal Phase 2, and Son My LNG Terminal Phase 1 will be operational before 2030, followed by Thi Vai Phase 3 and Son My Phase 2 post-2030. Total capex is estimated at approximately VND 80 trillion, financed by a capital structure of 30% debt and 70% equity.

#### Forecast LNG Distribution Volume

Based on the projected commissioning timeline of LNG-fired power plants under the revised PDP VIII and assuming GAS captures approximately 50% market share in LNG distribution, we estimate LNG sales volume to reach around 9.3 bcm in 2030 (CAGR of 78% p.a.) and 12.0 bcm by 2035.

These projections are lower than GAS's internal targets of 9 million tonnes (~12.4 bcm) in 2030 and 15 million tonnes (~20.6 bcm) in 2035. We believe the timely execution of LNG-to-power projects remains challenging under current conditions, justifying a more conservative outlook. Nevertheless, the LNG segment still represents a highly compelling long-term growth driver, supporting GAS's sustainable growth over the next decade.

Assumptions for average fuel prices in the 2026F–2035F period	
Brent oil price (USD/barrel)	82
FO oil price (USD/ton)	515
Imported LNG price (USD/mmBTU)	12.5
LPG price (USD/ton)	657

#### Weighted average cost of capital (WACC)

<b>WACC (%)</b>	<b>12.3</b>
Risk-free rate (%)	4.3
Equity risk premium (%)	8.1
Beta	1.00
Cost of debt (%)	8.00

Cost of equity (%)	12.4
Debt-to-equity ratio	0.0
Total debt (VND billion)	2,972

Source: Company data, Shinhan Securities Vietnam

FCFF model of GAS										
Unit: bn VND	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Net profit</b>	<b>14,035</b>	<b>14,745</b>	<b>17,033</b>	<b>19,169</b>	<b>27,549</b>	<b>31,321</b>	<b>32,795</b>	<b>37,619</b>	<b>39,582</b>	<b>41,676</b>
Plus: After-tax interest expense	618	912	990	881	578	418	325	267	228	199
Plus: Depreciation & Amortization	2,995	3,643	4,746	5,381	6,697	6,838	8,256	8,397	8,649	8,958
Minus: Change in working capital	3,314	2,190	5,636	5,060	3,130	1,526	1,885	4,043	1,570	2,436
Minus: CapEx	16,334	19,485	17,244	9,391	12,585	9,525	9,431	2,525	4,525	5,525
Free Cash Flow (FCF)	<b>-2,000</b>	<b>-2,375</b>	<b>-112</b>	<b>10,981</b>	<b>19,109</b>	<b>27,527</b>	<b>30,060</b>	<b>39,715</b>	<b>42,364</b>	<b>42,871</b>
Discount rate	0.89	0.79	0.71	0.63	0.56	0.50	0.44	0.40	0.35	0.31
PV of FCF	84,939									
Growth rate	0									
Present value of long-term value	109,121									
Enterprise value	194,060									
Debt	2,972									
Cash and cash equivalents	39,767.0									
Minority interest	4,022									
Number of shares outstanding (billion units)	4.021									
<b>Target price (VND)</b>	<b>93,980</b>									

Source: Company data, Shinhan Securities Vietnam

Using the P/E method, we selected a group of emerging market companies in the Asia-Pacific region operating in the same sector as PV GAS. Based on this, we determine an appropriate P/E multiple of 19.9.

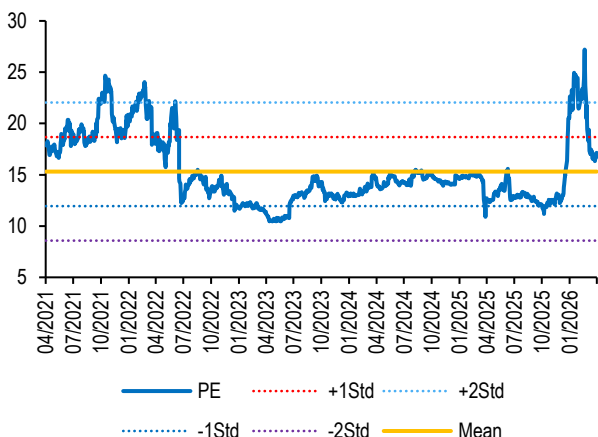
Peer comparison of companies in the gas industry					
Tickers	P/E	Mkt Cap (mn USD)	ROA	ROE	NI Margin
GAS VN Equity	21.94	10,104.86	13.03	19.64	10.06
PLNG IN Equity	10.40	4,501.75	15.04	21.31	7.78
AEGISLOG IN Equity	30.72	2,520.25	6.85	14.95	10.08
GMB MK Equity	14.03	1,410.99	11.39	28.41	5.49
002911 CH Equity	23.43	2,459.40	4.36	16.21	2.40
PTG MK Equity	20.90	9,186.36	9.32	12.68	28.37
<b>Average P/E</b>	<b>19.9</b>				
EPS 2026F	4,770				
<b>Target Price</b>	<b>94,909</b>				

Source: Bloomberg, Company data, Shinhan Securities Vietnam

Summary Valuation		
Method	Weight	Target price (VND)
FCFF	50%	93,980
P/E	50%	94,909
<b>Total (round up)</b>	<b>100%</b>	<b>94,500</b>

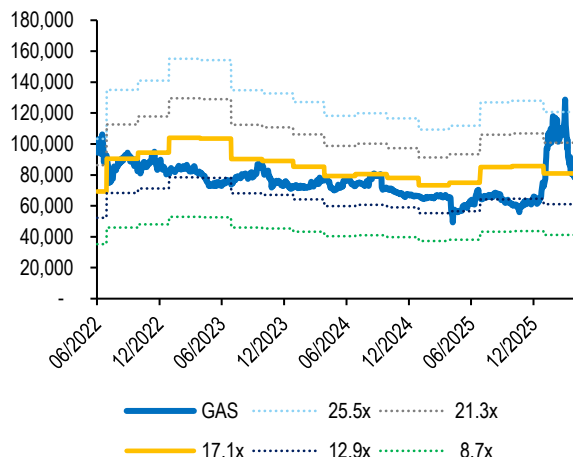
Source: Shinhan Securities Vietnam

**PER of GAS**



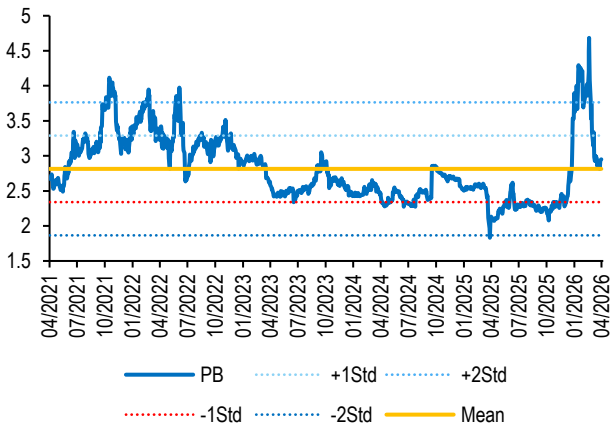
Source: Bloomberg, Company data, Shinhan Securities Vietnam

**PER band of GAS**



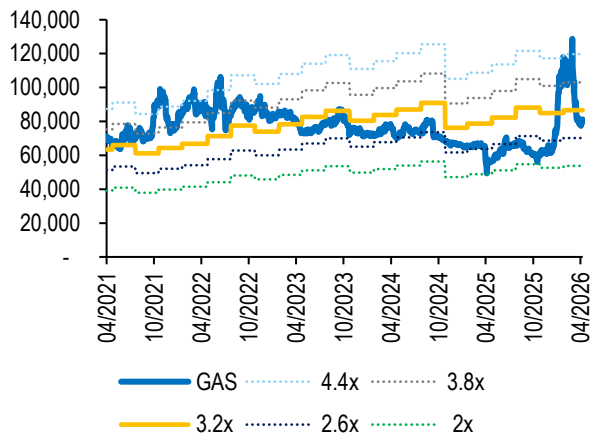
Source: Bloomberg, Company data, Shinhan Securities Vietnam

**PBR of GAS**



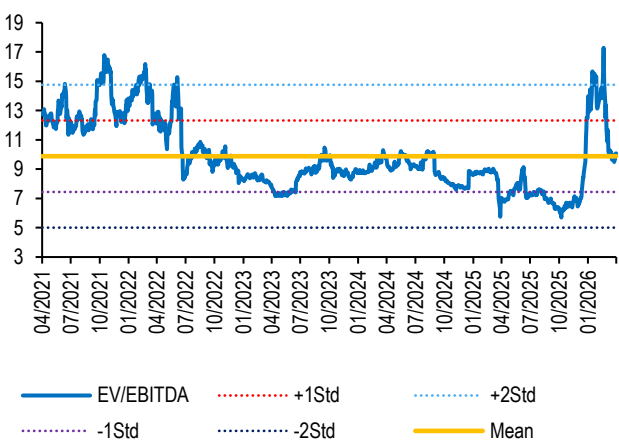
Source: Bloomberg, Company data, Shinhan Securities Vietnam

**PBR band of GAS**



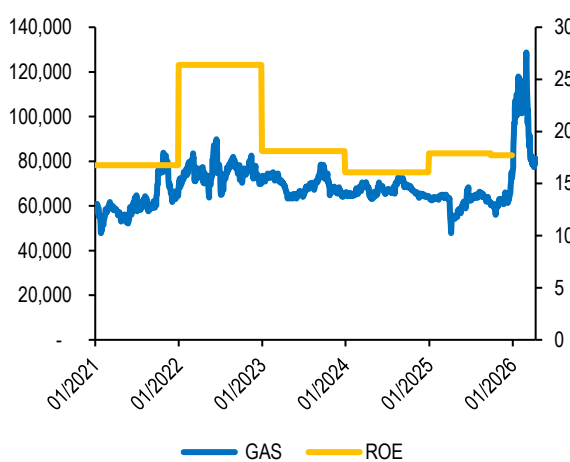
Source: Bloomberg, Company data, Shinhan Securities Vietnam

**EV/EBITDA of GAS**



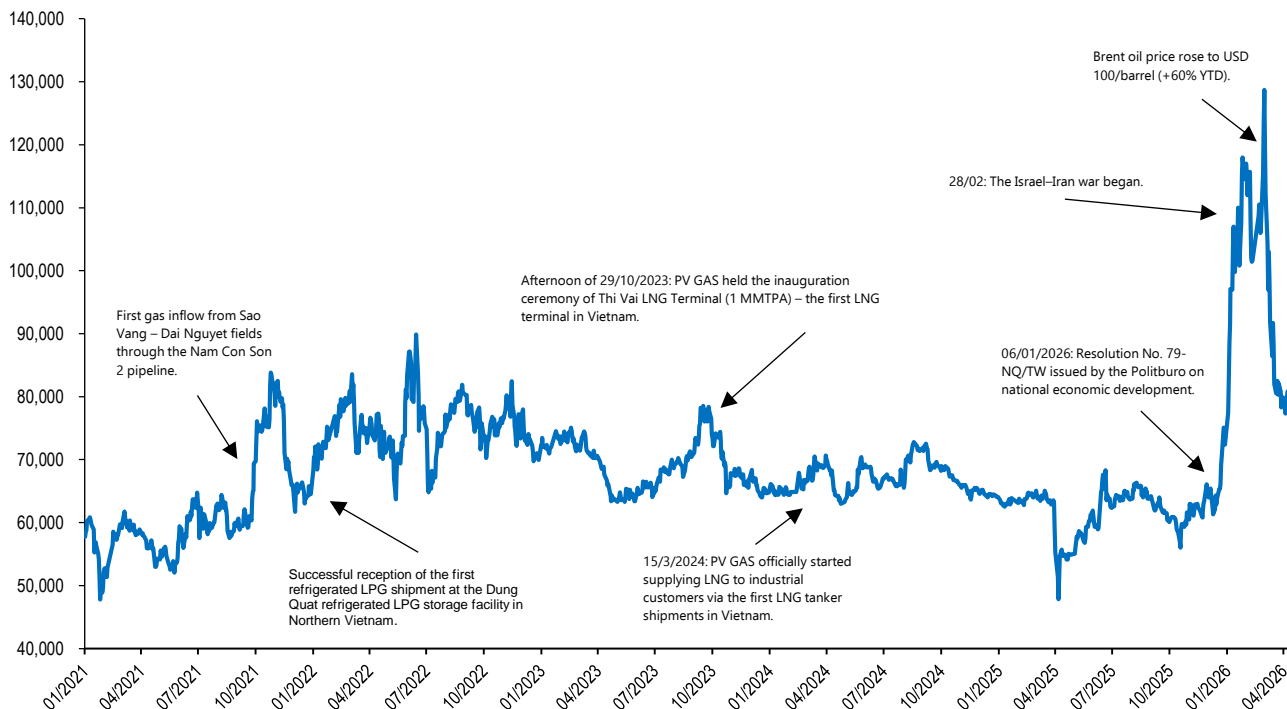
Source: Bloomberg, Company data, Shinhan Securities Vietnam

**Price and ROE of GAS**



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Key Events of GAS



## Risks

### Risks related to LNG demand and LPG supply

LNG is primarily used for power generation; therefore, any policy changes or adverse factors affecting LNG-fired power plants will directly impact LNG demand. Key risks include:

1. Delays in LNG-to-power project execution: While targeted LNG-fired capacity by 2030 is substantial, only Nhon Trach 3&4 has commenced operations to date. Most projects remain at pre-feasibility, PPA negotiation, or financing stages, leading to potential delays in LNG demand realization. In addition, a global shortage of gas turbines, with order backlogs extending to 2030, poses further execution risks.
2. LNG price volatility: LNG prices are closely linked to Brent oil prices. Although fuel costs can be passed through to electricity tariffs, high LNG-based power prices may reduce competitiveness against alternative sources such as coal, hydropower, and renewables, thereby dampening LNG demand.
3. Weather-related factors: Hydrological conditions and seasonal weather patterns can affect the dispatch of LNG-fired power plants, indirectly impacting LNG consumption.
4. Geopolitical risks: Tensions between the US-Israel and Iran may disrupt LNG supply flows through the Strait of Hormuz, leading to sharp price increases. At the same time, LPG imports from the Middle East may also be affected, creating supply risks.

### Competition risk in the LNG segment

In addition to PV GAS, Hai Linh Company Limited was granted a license to operate in the LNG sector in Vietnam in 2024. The company has developed the Cai Mep LNG terminal (Ba Ria – Vung Tau) with a capacity of 3 million tonnes per annum, which commenced operations on August 23, 2025. There have also been reports of Hai Linh proposing LNG supply to Phu My power plants.

Beyond domestic players, several international investors, such as Excelerate Energy (US), have shown strong interest in Vietnam's LNG infrastructure. While competition risk is emerging, PV GAS retains significant advantages, including its extensive gas distribution network, secured LNG demand from Nhon Trach 3&4, and its position as a state-backed enterprise.

### Execution risk for the Block B – O Mon gas-to-power chain

The Block B – O Mon project requires synchronized development across upstream and downstream segments, which presents significant challenges. The Block B field has complex geology and is located offshore, requiring advanced gas processing and condensate handling technologies. This leads to higher capital requirements for offshore platforms, wells, floating storage, and pipeline infrastructure, potentially affecting gas pricing competitiveness. Additionally, regulatory procedures and approvals may contribute to delays in achieving first gas.

### Risk of Losing Public Company Status and Upside from Resolution 79-NQ/TW

Market expectations of potential state divestment have driven a sharp short-term rally in GAS's share price. This momentum is further supported by Resolution No. 79-NQ/TW, issued on January 6, 2026, which focuses on strengthening the state-owned economic sector. Under the Securities Law, to maintain public company status, a company must ensure that at least 10% of its voting shares are held by a minimum of 100 non-major shareholders. PetroVietnam Gas (PV GAS), with a market capitalization exceeding USD 7 billion, currently does not meet this requirement, as its major shareholder PVN holds nearly 96% of voting rights, leaving only 4.24% free float.

However, we view this risk as relatively limited. The Law on Management and Investment of State Capital in Enterprises (Law No. 68/2025/QH15) provides a special mechanism whereby, during the implementation of an approved state capital restructuring plan, state-owned enterprises transitioning to joint-stock companies that do not yet meet public company requirements will not be immediately delisted during the restructuring phase. At the same time, Resolution 79-NQ/TW emphasizes the development of large state-owned corporations as leading forces in key sectors such as energy and strategic mineral extraction and processing, which could serve as a supportive long-term catalyst for PV GAS.

## Appendix: Financial Statements

### Statement of financial position

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
<b>Total assets</b>	<b>87,754</b>	<b>81,855</b>	<b>93,532</b>	<b>116,60</b>	<b>142,19</b>
Current assets	62,218	57,290	69,861	78,810	88,323
Cash & equivalents	5,669	5,568	6,876	9,125	19,298
Short-term financial asset	35,085	27,494	32,891	38,209	31,630
Accounts receivable	16,865	19,098	25,730	25,629	30,379
Inventories	3,945	4,599	4,364	5,847	7,016
Others	654	531	889	746	938
Non-current assets	25,537	24,564	23,670	37,795	53,869
Net fixed assets	19,145	17,853	15,574	15,117	23,112
Long-term incomplete assets	1,781	1,718	2,877	16,686	24,545
Others	4,611	4,994	5,219	5,992	6,211
<b>Total liabilities</b>	<b>22,456</b>	<b>20,284</b>	<b>25,878</b>	<b>38,537</b>	<b>53,722</b>
Current liabilities	14,972	14,575	20,537	23,671	29,320
Accounts payable	12,798	13,010	18,380	17,100	20,855
Short-term borrowings	1,605	934	1,440	5,759	7,487
Others	569	632	718	811	978
Non-current liabilities	7,484	5,708	5,341	14,867	24,402
Long-term borrowings	4,271	2,291	1,532	11,058	20,593
Others	3,213	3,418	3,809	3,809	3,809
<b>Total equity</b>	<b>65,299</b>	<b>61,571</b>	<b>67,653</b>	<b>78,068</b>	<b>88,471</b>
Capital stock	22,967	23,427	24,129	28,955	34,746
Capital surplus	0	0	0	0	0
Other capital	24,201	27,268	29,681	29,681	29,681
Retained earnings	16,880	9,553	12,484	17,851	22,228
Non-controlling interest equity	1,250	1,323	1,358	1,581	1,815
* Total debt	5,875	3,225	2,972	16,817	28,080
* Net debt (cash)	(34,878)	(29,837)	(36,795)	(30,518)	(22,847)

### Statement of cash flow

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
<b>Cash flow from operations</b>	<b>13,827</b>	<b>9,035</b>	<b>13,378</b>	<b>11,627</b>	<b>14,625</b>
Net profit	11,793	10,590	11,572	14,035	14,745
D&A expenses	2,954	2,665	2,578	2,995	3,643
(Gain)/loss from investing activities	(2,073)	(1,504)	(1,432)	(2,089)	(1,573)
Change in working capital	125	(2,542)	(1,432)	(3,314)	(2,190)
Others	1,028	(174)	2,093	-	-
<b>Cash flow from investments</b>	<b>(11,249)</b>	<b>7,468</b>	<b>(6,719)</b>	<b>(19,604)</b>	<b>(11,372)</b>
Change in fixed assets	(4,097)	94	976	(476)	(10,092)
Change in investment assets	(11,358)	7,591	(5,397)	(5,319)	6,580
Others	4,206	(216)	(2,298)	(13,809)	(7,860)
<b>Cash flow from financing</b>	<b>(7,463)</b>	<b>(16,612)</b>	<b>(5,352)</b>	<b>10,226</b>	<b>6,920</b>
Change in equity	-	-	10	-	-
Net borrowings	(344)	(2,740)	(253)	13,845	11,263
Dividends	(7,120)	(13,872)	(5,109)	(3,619)	(4,343)
<b>Change in total cash</b>	<b>(4,885)</b>	<b>(109)</b>	<b>1,308</b>	<b>2,248</b>	<b>10,173</b>
Beginning cash	10,549	5,669	5,568	6,876	9,125
Change in FX rates	-	-	-	-	-
Ending cash	5,669	5,568	6,876	9,125	19,298

Source: Company data, Shinhan Securities Company

### Statement of comprehensive income

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
<b>Net revenue</b>	<b>89,954</b>	<b>103,564</b>	<b>135,129</b>	<b>131,757</b>	<b>158,148</b>
Growth (%)	-10.7	15.1	30.5	-2.5	20.0
<b>COGS</b>	<b>(73,029)</b>	<b>(85,910)</b>	<b>(118,190)</b>	<b>(111,251)</b>	<b>(133,946)</b>
<b>Gross profit</b>	<b>16,925</b>	<b>17,654</b>	<b>16,939</b>	<b>20,506</b>	<b>24,202</b>
GPM (%)	18.8	17.0	12.5	15.6	15.3
<b>SG&amp;A</b>	<b>(4,019)</b>	<b>(5,612)</b>	<b>(3,814)</b>	<b>(4,496)</b>	<b>(6,404)</b>
<b>Operating profit</b>	<b>12,906</b>	<b>12,042</b>	<b>13,125</b>	<b>16,010</b>	<b>17,799</b>
Growth (%)	(21.9)	(10.0)	9.2	20.8	5.3
OPM (%)	14.3	11.6	9.7	12.2	11.3
<b>Non-operating profit</b>	1,707	1,092	1,193	1,327	443
Financial income (FI)	2,273	1,737	1,584	2,067	1,558
Financial expense (FE)	(587)	(660)	(387)	(770)	(1,136)
In which: interest expenses	(340)	(319)	(216)	(770)	(1,136)
Net other non-operating profit	20	16	(4)	31	20
<b>Pre-tax profit</b>	<b>14,640</b>	<b>13,172</b>	<b>14,359</b>	<b>17,408</b>	<b>18,302</b>
Income tax	(2,846)	(2,582)	(2,788)	(3,373)	(3,557)
<b>Net profit</b>	<b>11,793</b>	<b>10,590</b>	<b>11,572</b>	<b>14,035</b>	<b>14,745</b>
Growth (%)	(21.7)	(10.2)	9.3	21.3	5.1
NPM (%)	13.1	10.2	8.6	10.7	9.3
Controlling interest	11,606	10,398	11,414	13,812	14,512
Non-controlling interest	187	192	157	223	234
<b>EBIT</b>	<b>14,980</b>	<b>13,491</b>	<b>14,575</b>	<b>18,178</b>	<b>19,438</b>
Growth (%)	(21.7)	(9.9)	8.0	24.7	6.9
EBIT Margin (%)	16.7	13.0	10.8	13.8	12.3
<b>EBITDA</b>	<b>17,934</b>	<b>16,155</b>	<b>17,153</b>	<b>21,173</b>	<b>23,081</b>
Growth (%)	(18.8)	(9.9)	6.2	23.4	9.0
EBITDA margin (%)	19.9	15.6	12.7	16.1	14.6

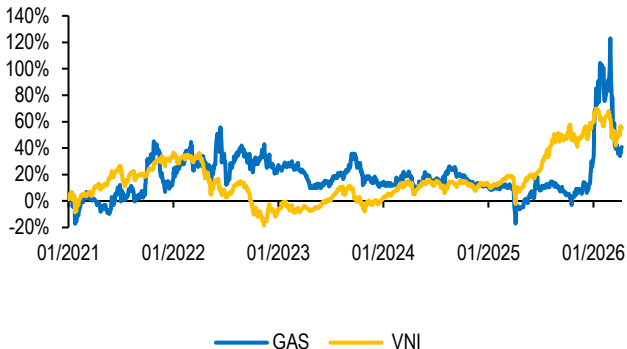
### Key ratios

Year to Dec.	2023	2024	2025	2026F	2027F
EPS (VND)	4,972	4,439	4,730	4,770	4,176
BPS (VND)	27,887	25,718	27,475	26,416	24,939
DPS (VND)	3,100	5,922	2,118	1,500	1,500
PER (x)	15.8	16.0	15.6	19.8	22.6
PBR (x)	2.7	2.6	2.6	3.6	3.8
EV/EBITDA (x)	8.8	8.9	12.3	11.2	10.5
Dividend payout ratio (%)	61.3	133.4	44.8	26.2	29.9
Dividend yield (%)	4.79	9.24	2.30	1.59	1.59
<b>Profitability</b>					
EBITDA margin (%)	19.9	15.6	12.7	16.1	14.6
OPM (%)	14.3	11.6	9.7	12.2	11.3
NPM (%)	13.1	10.2	8.6	10.7	9.3
ROA (%)	13.4	12.9	12.4	12.0	10.4
ROE (%)	17.8	17.3	17.2	18.1	16.7
<b>Stability</b>					
Debt to equity ratio (x)	9.0	5.2	4.4	21.5	31.7
Net debt ratio (x)	(194.5)	(184.7)	(214.5)	(144.1)	(99.0)
Cash ratio	272.2	226.8	193.6	200.0	173.7
Interest coverage ratio (x)	44.1	42.3	67.5	23.6	17.1
<b>Activity (%)</b>					
Payable turnover (days)	13.0	15.7	15.1	13.0	16.8
Inventory turnover (days)	18.2	20.1	26.4	21.8	20.8
Receivable turnover (days)	5.4	5.8	6.2	5.2	5.6

Source: Company data, Shinhan Securities Company

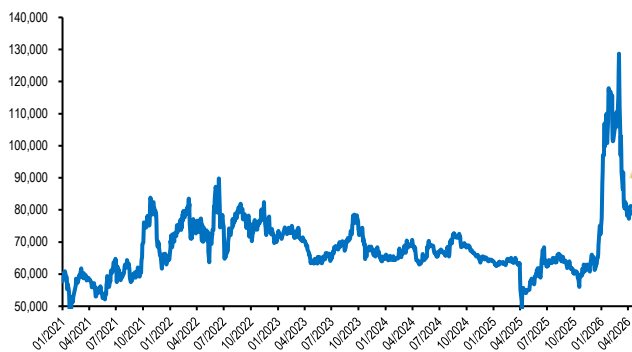
## Petrovietnam Gas JSC (HOSE: GAS)

### Stock Price



Date	Rating	Target price (VND)	Target price gap (%)	
			Average	Max/ Min
04/14/2026 (Initial Report)	BUY	94,500	17.7	-47.6/37.9

### Target Price



Note: Calculation of target price gap based on past 12 months

### Shinhan Securities Vietnam

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- ◆ **BUY:** Expected 12-month gain of 15% or more
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- ◆ **SELL:** Expected 12-month loss of 15% or more

#### Sector

- ◆ **OVERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated BUY
- ◆ **NEUTRAL:** Based on market cap, largest share of sector stocks under coverage is rated HOLD
- ◆ **UNDERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated SELL

### Shinhan Securities Vietnam

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