

# Earnings Review

## 1Q26

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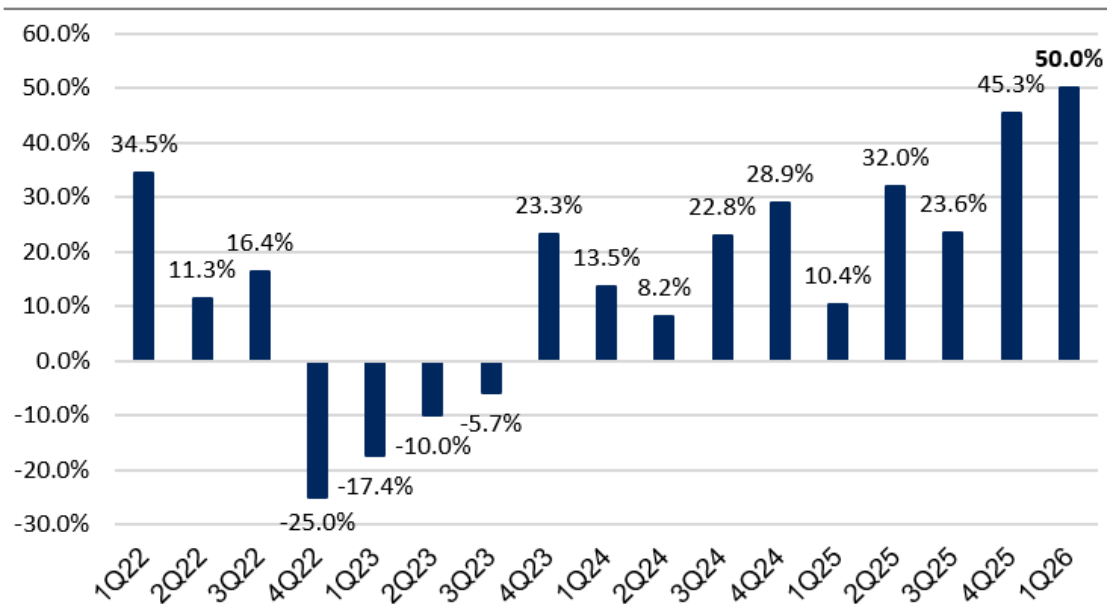
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**VNDIRECT**

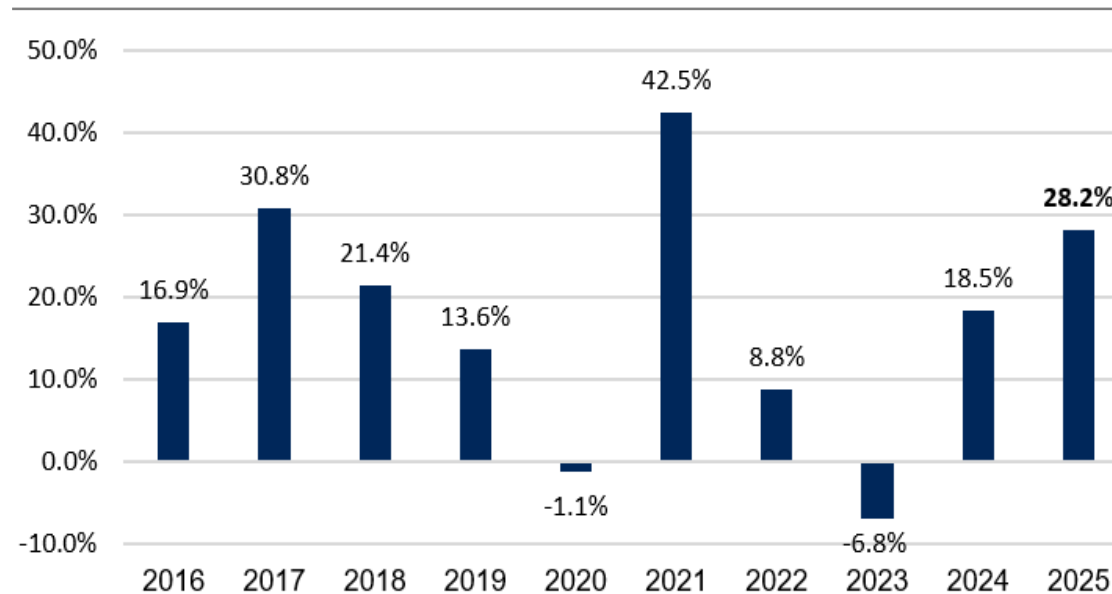
**Earnings of HoSE-listed companies maintained strong growth momentum**



## Quarterly net profit growth of HoSE-listed companies (% YoY)



## Yearly net profit growth of HoSE-listed companies (% YoY)

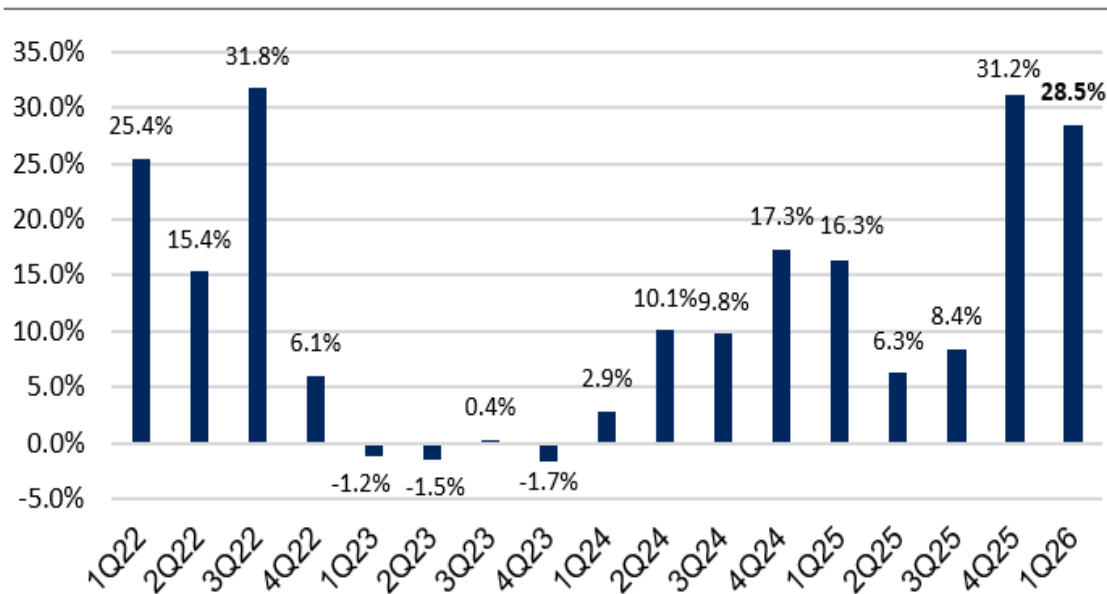


- As of May 11, 2026, a total of 398 companies listed on the HoSE had reported their 1Q26 financial statements, accounting for 99.8% of the exchange's total market capitalization. Net earnings of HoSE-listed companies continued to maintain strong growth momentum in 1Q26, rising 3.8% QoQ and surging 50% YoY. The Real Estate sector was the primary driver of earnings growth in 1Q26, contributing 20.5 percentage points to overall earnings growth. The Banking and Oil & Gas sectors followed, contributing 6.4 percentage points and 6 percentage points, respectively.
- The positive earnings trend in 1Q26 continued to provide a solid foundation for the earnings growth outlook of listed companies throughout 2026.

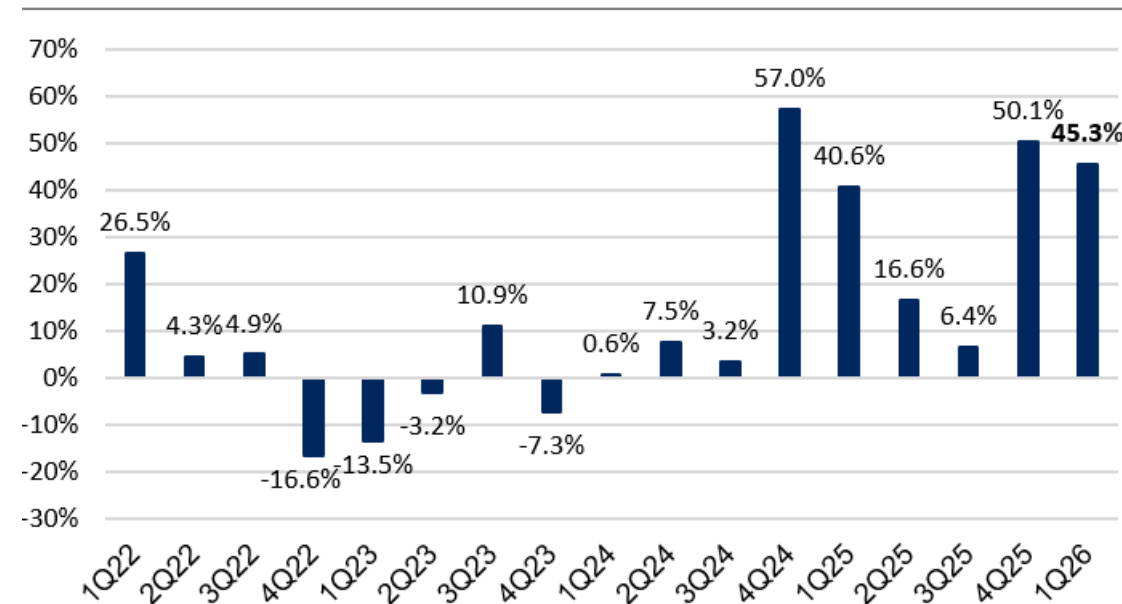
	% released 1Q26 results to sector market	1Q26 revenue growth	1Q26 net profit growth	Contribution to market's 1Q26 NP growth	2025 revenue growth	2025 NP growth
<b>All HoSE-listed companies</b>	<b>99.8%</b>	<b>28.5%</b>	<b>50.0%</b>		<b>15.8%</b>	<b>28.3%</b>
Oil & Gas	● 100.0%	46.2%	1039.8%	6.0%	11.1%	111.3%
Real Estate	● 99.9%	57.8%	180.3%	20.5%	52.9%	55.8%
Mining	● 99.9%	18.2%	142.5%	4.7%	1.1%	24.9%
Automobiles & Parts	● 100.0%	21.6%	81.6%	0.1%	15.1%	444.3%
Retail	● 100.0%	33.1%	80.3%	1.3%	18.3%	85.5%
Travel & Leisure	● 100.0%	19.0%	64.6%	2.3%	13.6%	-8.1%
Personal & Household Goods	● 98.8%	46.1%	61.9%	0.6%	-3.5%	24.5%
Food Producers	● 99.7%	19.3%	57.8%	3.3%	0.1%	18.8%
Chemicals	● 100.0%	22.4%	54.5%	1.5%	11.7%	18.7%
Electricity	● 99.7%	34.8%	35.0%	1.6%	20.0%	56.8%
Industrial	● 99.9%	15.4%	27.8%	0.6%	9.8%	25.4%
Financial Services	● 99.6%	59.7%	22.1%	0.9%	53.8%	71.9%
Construction & Materials	○ 93.4%	19.4%	19.0%	0.3%	21.2%	79.1%
Banks	● 100.0%	14.2%	11.8%	6.4%	12.1%	15.6%
Health Care	◐ 95.9%	1.3%	6.5%	0.0%	8.7%	-3.1%
Insurance	● 100.0%	0.7%	5.7%	0.1%	3.6%	30.6%
Technology	● 100.0%	-16.3%	-2.5%	-0.1%	14.8%	22.9%
Media	○ 92.2%	-4.0%	-55.5%	0.0%	30.5%	-30.6%

- **Earnings growth of HoSE-listed companies in 1Q26 was broad-based, with most sectors reporting positive results.** The Oil & Gas sector led the market with exceptional earnings growth of +1,039.8% YoY, driven by a low earnings base and a strong recovery in oil prices and business activities. Several other sectors also posted impressive growth, including Real Estate (+180.3% YoY), Mining (+142.5% YoY), Automobiles & Parts (+81.6% YoY), and Retail (+80.3% YoY), highlighting a broader recovery in corporate earnings across the economy.
- On the other hand, only two sectors recorded negative earnings growth: Information Technology (-16.3% YoY) and Media (-4% YoY), reflecting continued divergence across certain industries.

## Quarterly net revenue growth of HoSE-listed companies (% YoY)



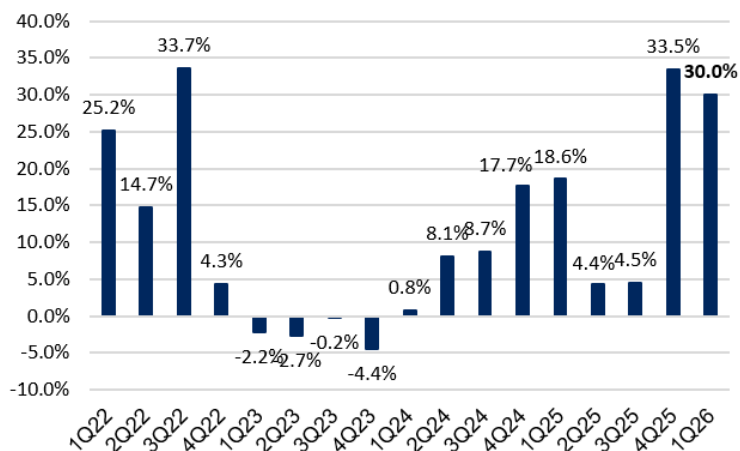
## Quarterly core earnings (EBIT) growth of HoSE-listed companies (% YoY)



- Net revenue of HoSE-listed companies continued to post strong growth in 1Q26, rising 28.5% YoY. The growth was primarily driven by large-cap sectors such as Real Estate (+58.2% YoY), Financial Services (+59.7% YoY), and Oil & Gas (+46.2% YoY).
- Core earnings (EBIT) of HoSE-listed companies also maintained strong growth momentum in 1Q26, rising 0.7% QoQ and 45.3% YoY. Earnings growth continued to be driven by the Real Estate sector, supported by the strong recovery of several major developers. Excluding the Real Estate sector, EBIT of HoSE-listed companies still increased by 17.6% QoQ and 27.1% YoY, accelerating from the 16.0% YoY growth recorded in 4Q25. This suggests that earnings growth was not only concentrated in a few large-cap sectors, but also became more broad-based across various industries in the economy.
- *Note: Core earnings (EBIT) for non-financial companies are defined as gross profit minus selling expenses and G&A expenses. For financial sectors (Banking, Securities, and Insurance), core earnings are measured by net profit after tax and Minority Interests.*

Source: BLOOMBERG, FIINPRO, VNDIRECT RESEARCH, data as of May 11, 2026

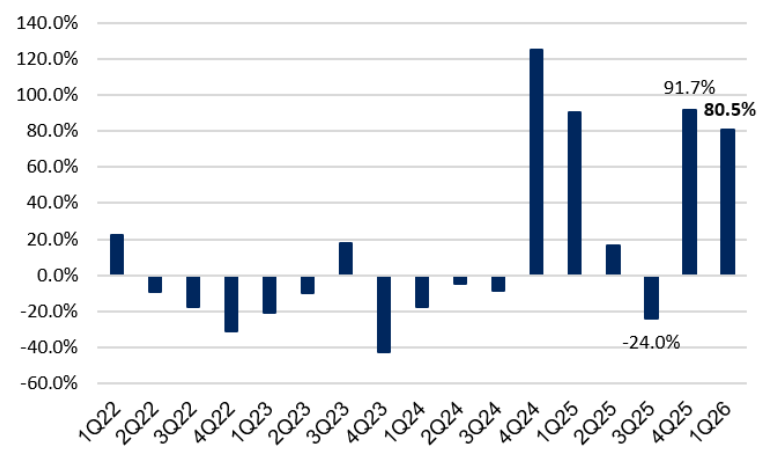
### Quarterly net revenue growth of HoSE-listed non-financial companies (% YoY)



### Gross profit margin of HoSE-listed non-financial companies (%)



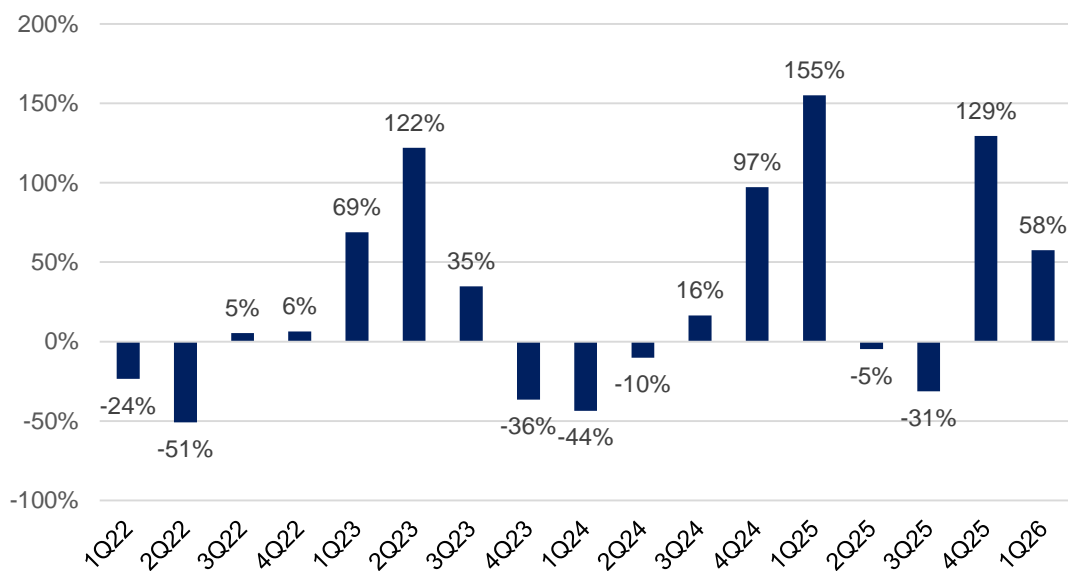
### Core earnings (EBIT) growth of HoSE-listed non-financial companies (% YoY)



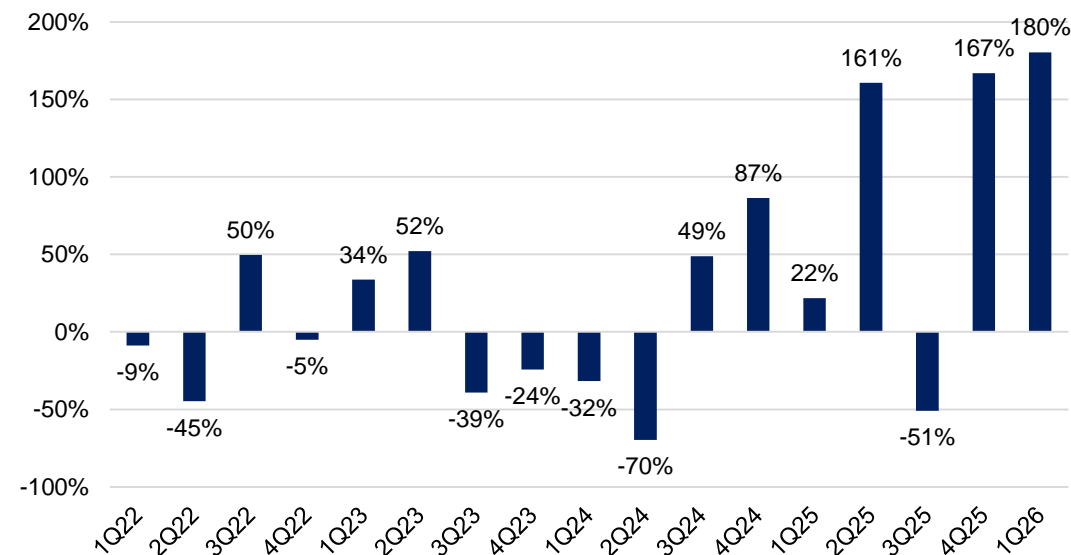
- Net revenue of non-financial companies on the HoSE (excluding Banking, Securities, and Insurance) continued to post strong growth in 1Q26, rising 30% YoY. The main drivers came from the strong expansion of large sectors such as Real Estate (+57.8% YoY), Oil & Gas (+46.2% YoY), and Personal & Household Goods (+46.1% YoY), reflecting a clear improvement in business and production activities.
- Gross profit margin of the non-financial sector continued to improve in 1Q26, increasing to 21% from 20.2% in the previous quarter. This improvement was mainly driven by the higher contribution of the Real Estate sector, which typically has a higher profit margin than the market average. Notably, even excluding the Real Estate sector, gross margin still reached 17.4%, higher than 16.6% in 4Q25, indicating that operational efficiency improvements were broad-based across multiple industries.
- Core earnings (EBIT) of non-financial companies on the HoSE continued to record impressive growth in 1Q26, rising 4.3% QoQ and 80.5% YoY. Excluding the Real Estate sector, EBIT still surged 49.8% YoY, significantly higher than the 39.5% YoY growth recorded in the previous quarter. This suggests that earnings growth from core business operations is no longer concentrated in a few sectors, but is increasingly broadening across industries, reflecting a more sustainable earnings growth foundation for listed companies.

The real estate sector posted divergent earnings in 1Q26, with growth largely underpinned by bulk sales and non-core income

## 1Q26 revenue growth of the real estate sector was primarily driven by VHM (% YoY)



## 1Q26 NPAT-MI growth was largely supported by non-core income (% YoY)

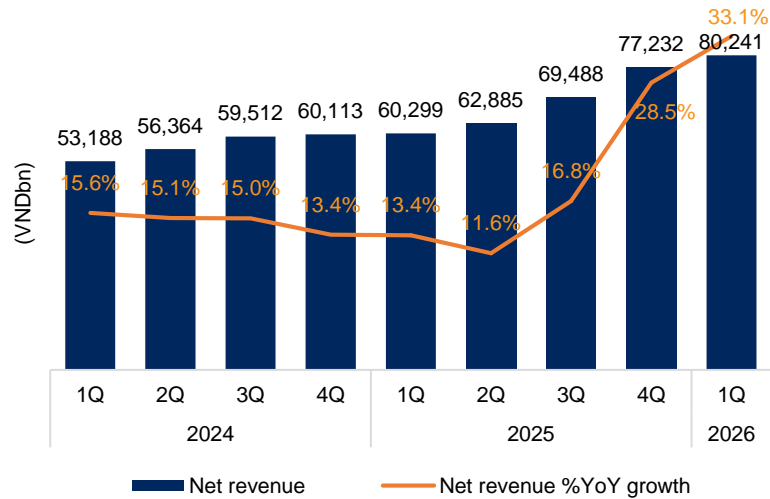


- Sector NPAT-MI surged 180% YoY in 1Q26, primarily driven by contributions from VHM (+850% YoY) and NVL (turning profitable from a loss base). Excluding VHM and NVL, sector earnings growth remained broadly flat at +0.5% YoY.
- Bulk sales and non-core income (including financial gains from project divestment, provision reversals, and asset revaluation) were the primary earning drivers for developers with strong 1Q26 performances, notably VHM (+850% YoY), NVL (turning profitable), PDR (+162% YoY), and KDH (+131% YoY). This came amid still-muted handover activity, as new supply and sales momentum have started to pick up from 2H25. In contrast, developers with greater reliance on handovers saw weaker earnings, including NLG (-37% YoY), DXG (-22% YoY), and TCH (-66% YoY).
- We expect the sector's delivery cycle to become more pronounced from 2027 onward, as projects relaunched during 2025–2026 begin entering the revenue recognition phase. As a result, earnings growth of the real estate sector is likely to improve more significantly over the medium term.

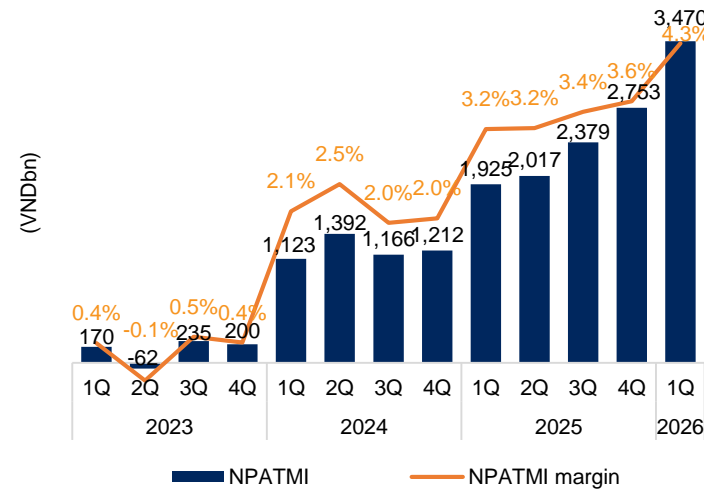
# Earnings of the Retail sector recovered strongly

Earnings of the Retail sector surged in 1Q26, driven by strong ICT & CE demand, higher product prices, margin expansion from inventory preparation and BNPL programs.

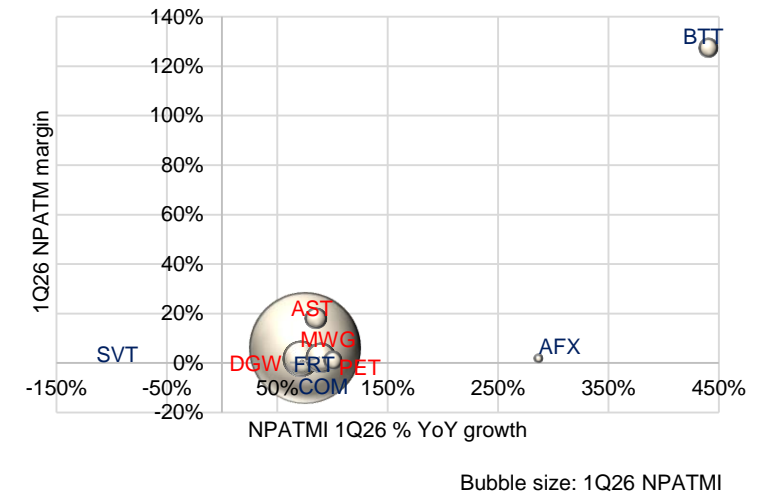
## Revenue growth accelerated



## NPATMI surged strongly with enlarged margin



## MWG is still the largest contributor

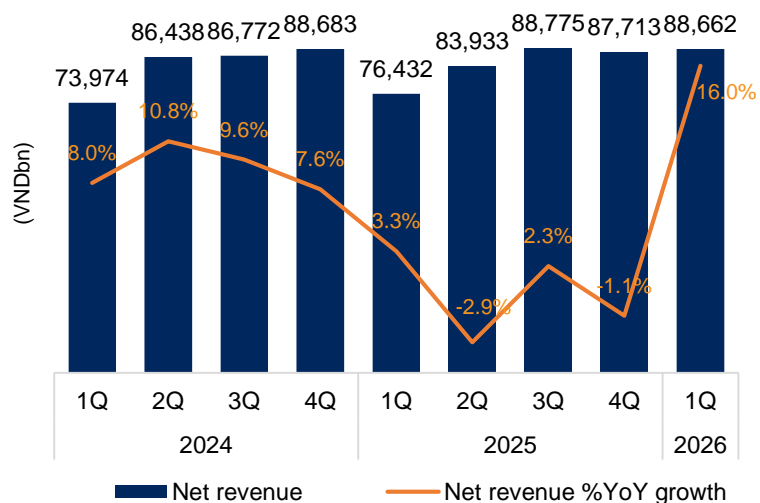


- Revenue of the retail sector increased by 33% YoY in 1Q26, mainly driven by MWG (29% YoY, 58% total revenue), FRT (30% YoY), DGW (54%YoY), and PET (53% YoY).
- The retail sector's strong earnings performance in 1Q26 was supported by: 1) a 15% increase in ICT and CE product prices; 2) strong demand amid concerns over rising ICT and CE prices due to the global memory chip shortage; 3) intensive BNPL programs offered at full product prices instead of promotional discounts; and 4) opportunities to gain market share from small retailers during the transition period following changes in tax policies.

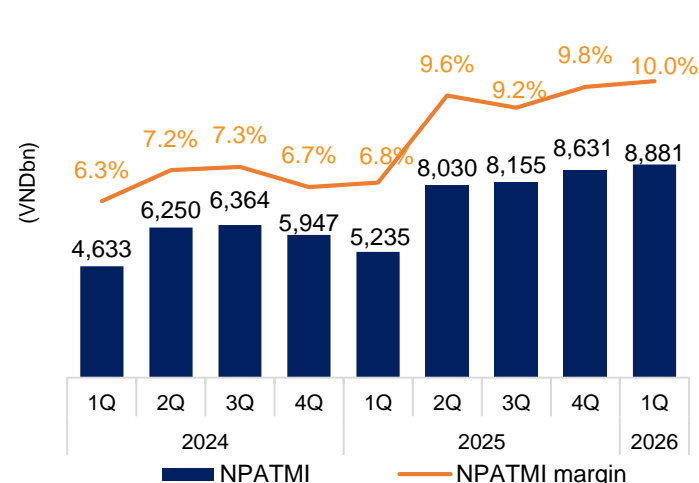
# Earnings of F&B sector recovered

Earnings of the F&B sector increased strongly in 1Q26, supported by premium consumption trends during the Lunar New Year holiday, easing input costs, and distribution network expansion efforts by leading companies.

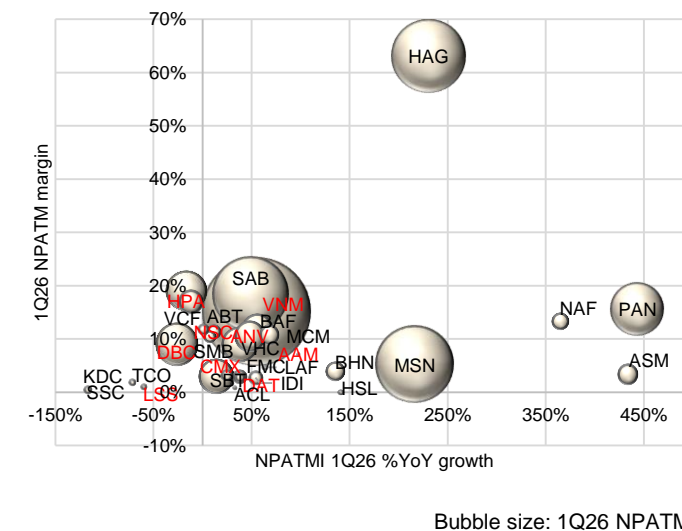
## Revenue significantly rebounded



## Amplified earnings growth

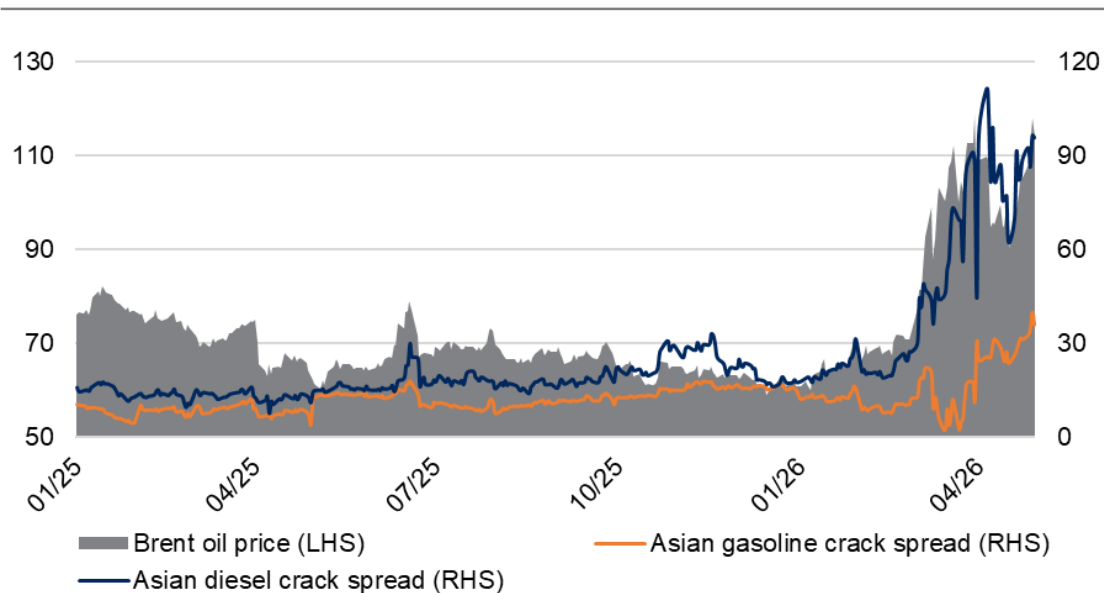


## VNM led the pack

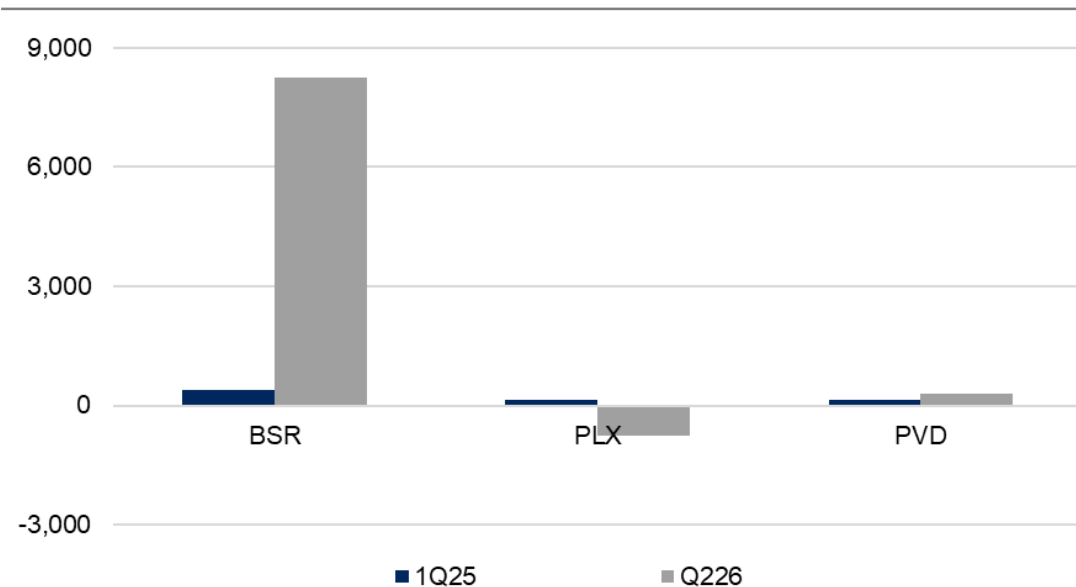


- Revenue of the F&B sector increased by 19.3% YoY in 1Q26, mainly driven by Masan Group (+27% YoY), Vinamilk (+25% YoY), and Sabeco (+11% YoY). The strong growth performance was supported by: 1) a favorable shift in the Lunar New Year timing, which boosted pre-holiday stocking demand; 2) easing raw material prices such as malt, barley, and milk, thereby improving gross margins; 3) effective control of advertising and promotional expenses; and 4) the expansion of distribution networks at VNM and MCH.

## Oil prices and refining margins have surged since the US–Iran conflict began (USD/bbl)

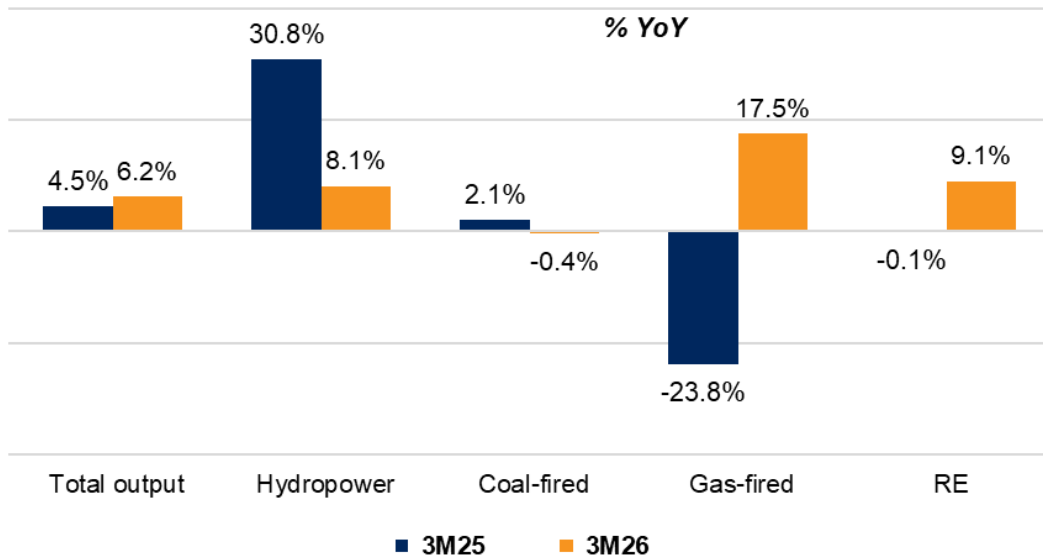


## BSR's explosive profit growth is the main driver of strong earnings growth of O&G sector (VNDbn)

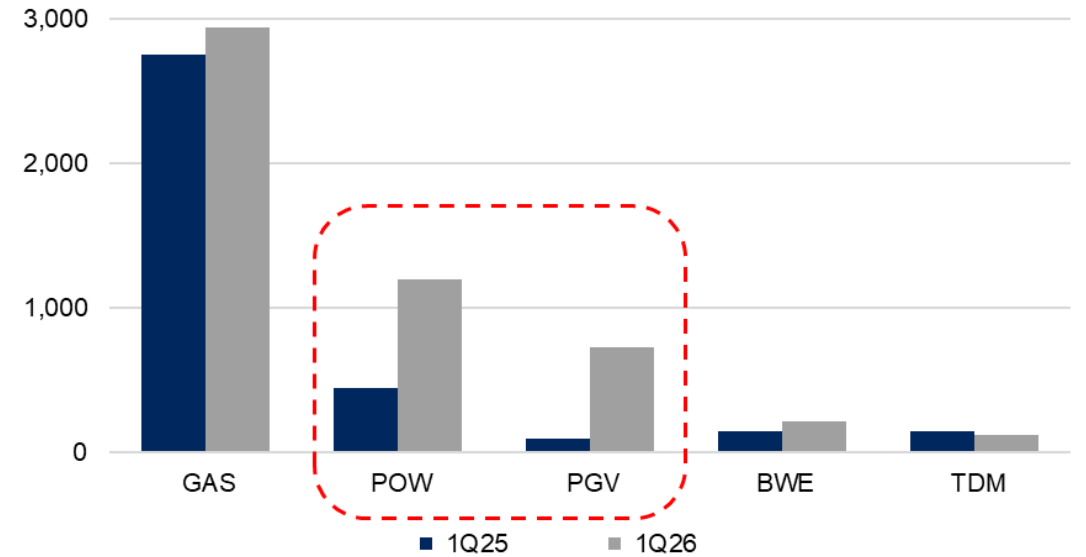


- O&G sector recorded exceptionally strong earnings growth in 1Q26 (+1,040% YoY), primarily driven by the earnings boom of BSR with NP surging 20.7x YoY to VND8.3tn (USD314mn). The company greatly benefited from the sharp increase in oil prices and refining margins following the Iran conflict from late February.
- In contrast, Petrolimex (PLX) reported a net loss of VND763bn (USD29mn) in 1Q26 (-672% YoY) as gasoline prices cooled down in early 2Q26 from previously elevated levels in March, forcing the company to recognize ~VND6.3tn (USD239mn) in inventory write-down provisions.

**1Q26 electricity growth showed signs of re-accelerating with gas-fired power recording the most positive recovery**



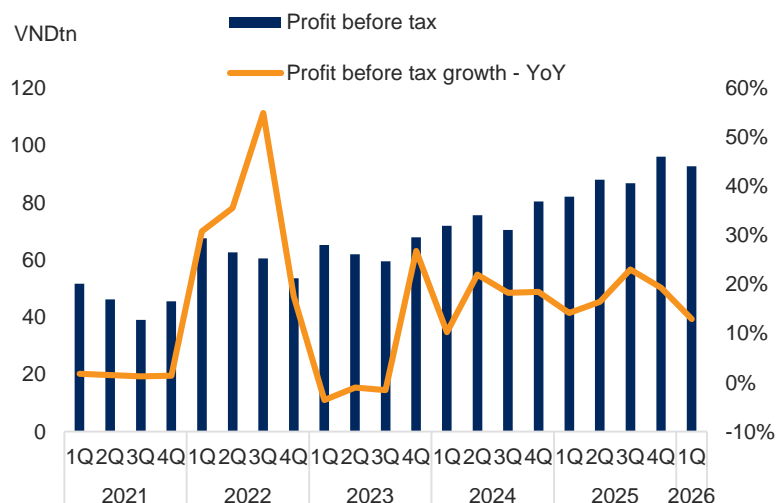
**Power generation companies led the 1Q26 earnings growth of the Utilities sector (VNDbn)**



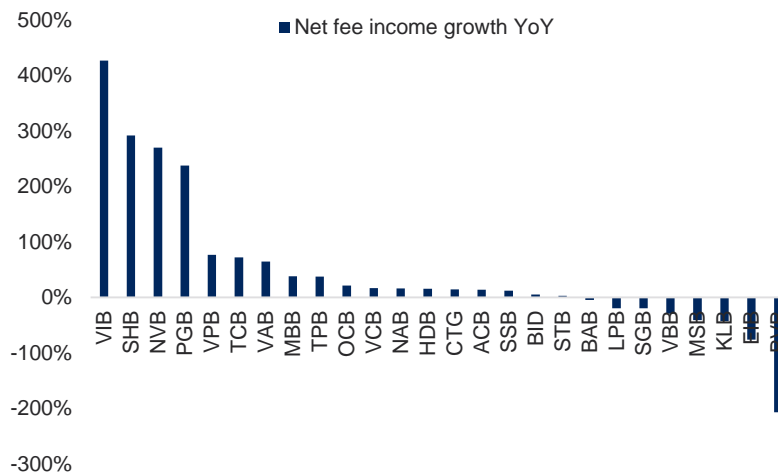
- Thermal power companies such as POW and PGV recorded strong earnings growth in 1Q26, driven by: 1) improving gross margins as contracted output allocation (Qc) increased amid reaccelerating nationwide electricity demand; and 2) financial income supported by net FX gains.
- Meanwhile, gas distributors (GAS) and water utilities (BWE) also reported solid earnings growth in 1Q26, supported by continued improvements in consumption volumes and selling prices (particularly for gas) compared with the same period last year.

The banking sector maintains positive profit growth momentum

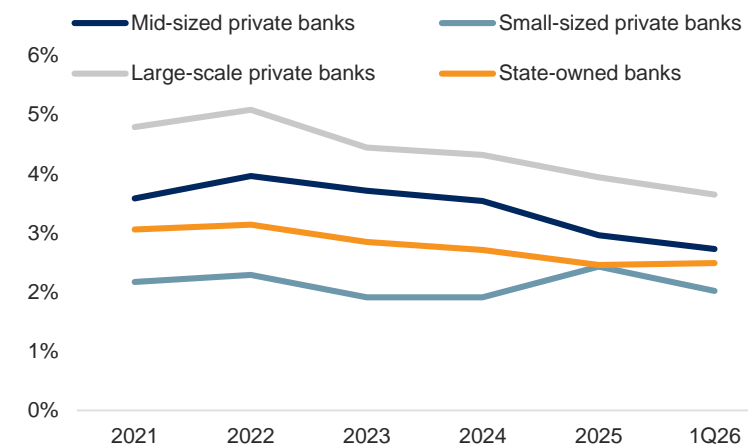
## Sector-wide pre-tax profit Q1/26 maintains stable growth momentum YoY



## Positive service fee income growth YoY, led by large-scale banks



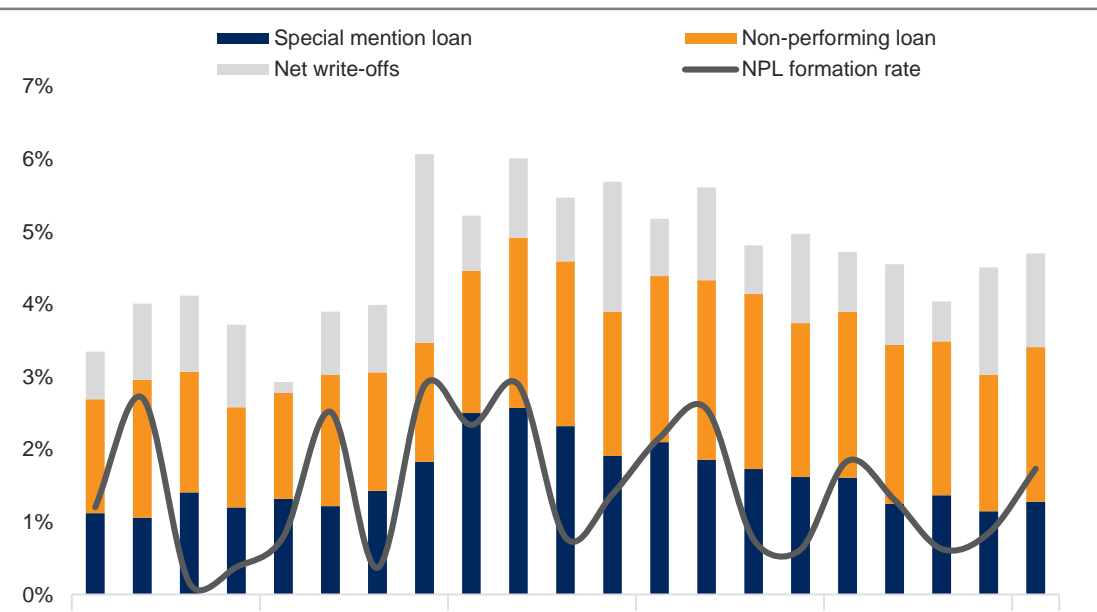
## Sector-wide NIM declines vs. prior quarter, especially among small banks



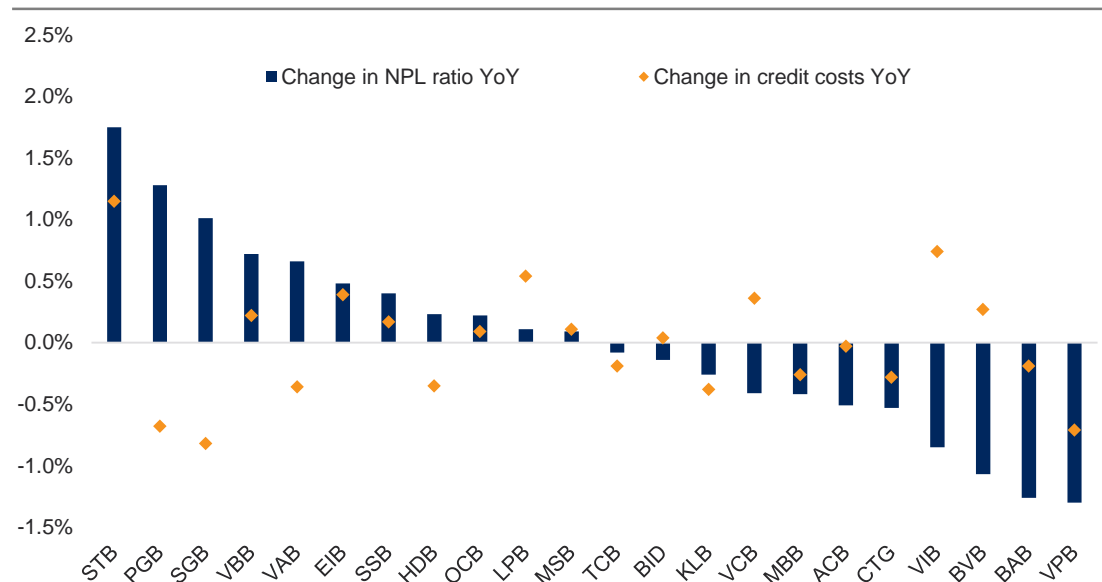
- Pre-tax profit of the banking sector increased by approximately 13% YoY in 1Q26, supported by solid credit growth and a notable improvement in non-interest income, particularly from fee-based services. Customer loan growth reached around 3.6% YTD, mainly driven by banks with high credit growth quotas and strong loan disbursement demand such as HDB, VPB, and MBB. Net fee income rose sharply by ~42% YoY, primarily supported by banks with comprehensive financial ecosystems such as TCB, VPB, MBB, and SHB, driven by growth in card services, securities, investment banking, and personal financial services.
- However, sector-wide NIM continued to narrow by around 24bps QoQ, reflecting rising funding costs while asset yields improved at a slower pace. Smaller private banks were the most affected, with NIM declining by ~44bps QoQ due to intense deposit competition and relatively weak CASA bases. In addition, several large private banks also recorded a sharp increase in funding costs as they proactively raised deposit rates above the market average to prepare funding sources for stronger credit growth cycles in the coming quarters, notably HDB and VPB.

Asset quality risks remain present, particularly among mid- and small-sized banks

## NPL formation rate showing signs of rising again



## Small-scale banks

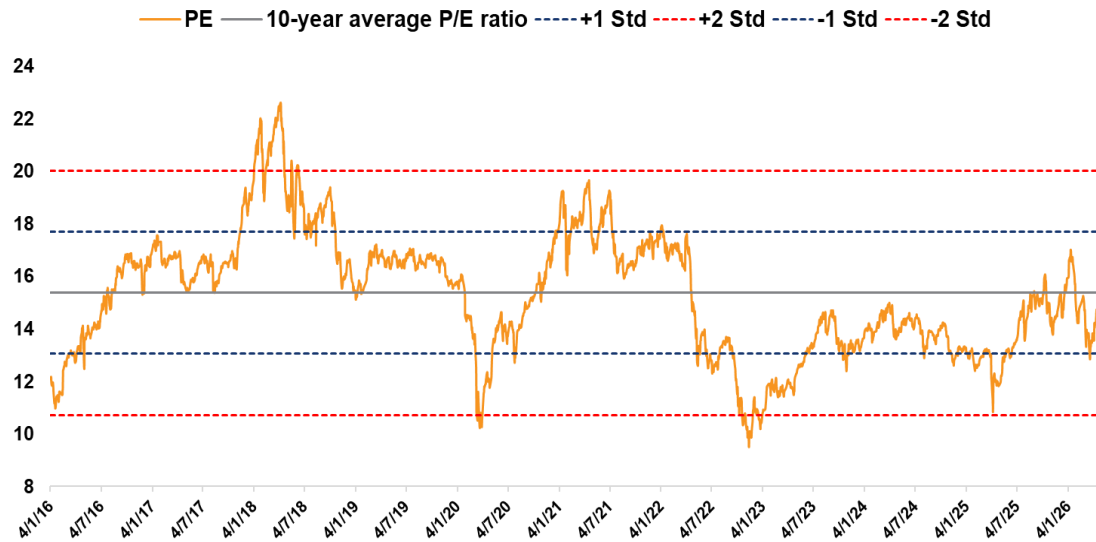


- The bad debt formation ratio showed signs of re-accelerating, rising from 0.8% in 4Q25 to 1.7% in 1Q26, indicating that asset quality pressure remained present, particularly among small- and mid-sized banks. Several banks, including PGB, BAB, SGB, and VBB, recorded a sharp increase in non-performing loans during the quarter.
- In contrast, large banks, including state-owned banks and leading private banks, continued to maintain superior asset quality with NPL ratios below the sector average, allowing them to manage credit costs more effectively than smaller peers. Meanwhile, restructuring banks such as EIB and STB recorded a sharp increase in provisioning expenses as they accelerated the resolution of legacy assets and balance sheet clean-up efforts, laying the groundwork for a new growth cycle.
- Nevertheless, we expect bad debt risks to gradually ease going forward, supported by tighter credit standards for high-risk real estate projects and ongoing legal resolution efforts. In addition, the new legal framework for NPL resolution — including the codification of Resolution 42 — is expected to strengthen collateral recovery rights, shorten debt resolution timelines, and help contain bad debt pressure in the coming years.

# Market valuation has reverted to its 10-year average

The VN-Index's 12-month trailing P/E is 13.8x, which is lower than its 10-year average P/E

## The VN-Index's trailing P/E has declined back to its 10-year average level

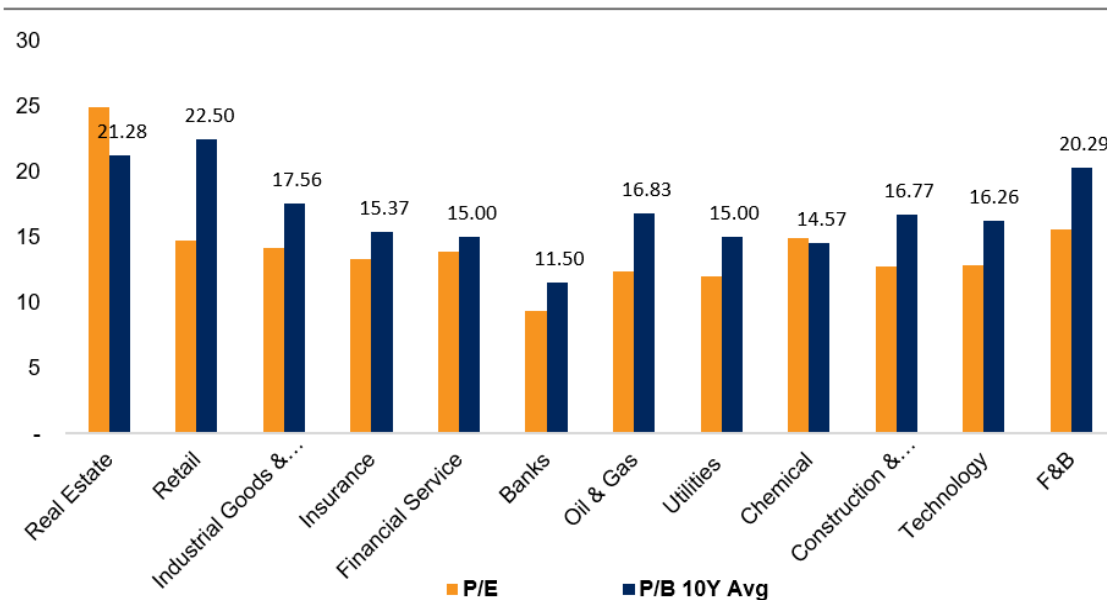


## VN-Index valuation is attractive compared with other markets (data as of May 5, 2026)

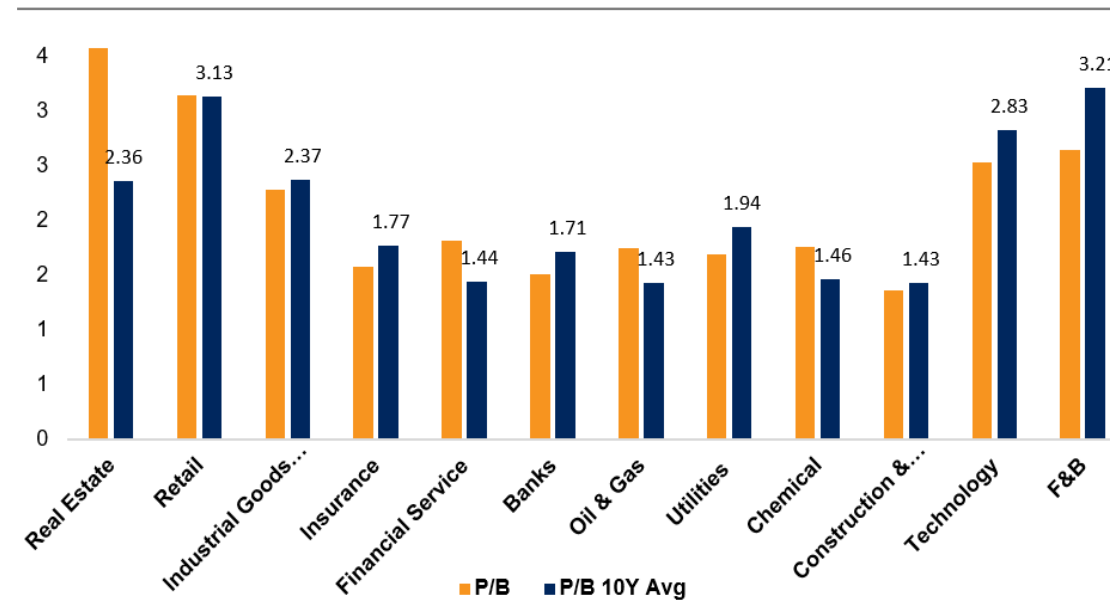
	TTM P/E	Current P/B	TTM P/E vs 10-year average	P/B vs 10-year average
Turkey	32.2	1.38	3.5x	1.2x
Taiwan	31.4	4.03	1.8x	2.1x
S&P500	28.2	5.61	1.2x	1.5x
Korea	26.2	2.13	1.3x	1.7x
India	25.2	3.48	0.8x	1.0x
Japan	23.2	2.82	0.8x	1.0x
Morocco	19.6	3.84	0.6x	1.4x
MSCI EM	19.5	2.48	1.3x	1.5x
China	17.5	1.58	1.2x	1.0x
Singapore	17.0	1.57	1.1x	1.3x
Malaysia	16.3	1.60	1.0x	1.0x
<b>Vietnam</b>	<b>13.8</b>	<b>2.12</b>	<b>0.9x</b>	<b>1.0x</b>
MSCI FM	13.7	2.00	1.1x	1.1x
Egypt	10.0	2.59	0.9x	1.4x
Philippines	9.2	1.21	0.5x	0.6x
Indonesia	8.5	1.84	0.4x	0.8x
Pakistan	8.1	1.37	0.8x	0.8x

➤ The VN-Index's trailing 12-month P/E ratio declined to 13.8x, below the 10-year average of 15.4x, supported by strong earnings growth of listed companies in 1Q26. While not yet in a clearly "attractive" zone, the current level is underpinned by expectations of a market upgrade and a positive earnings growth outlook for 2026.

## Current P/E by sector vs 10-year average



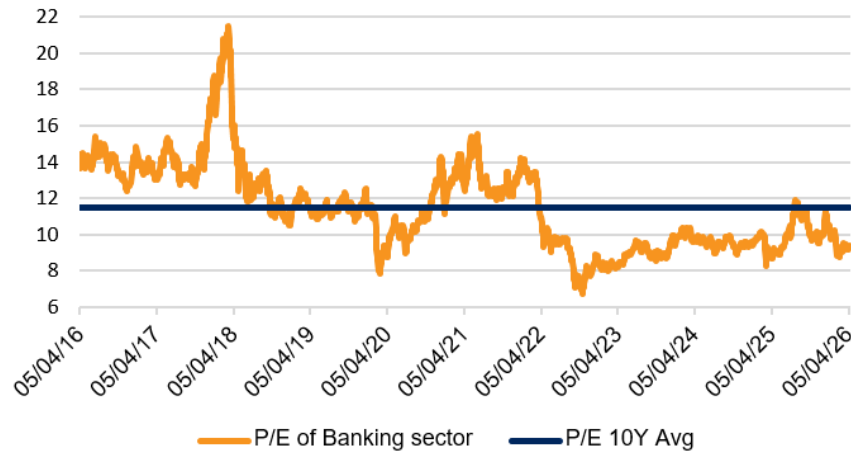
## Current P/B by sector vs 10-year average



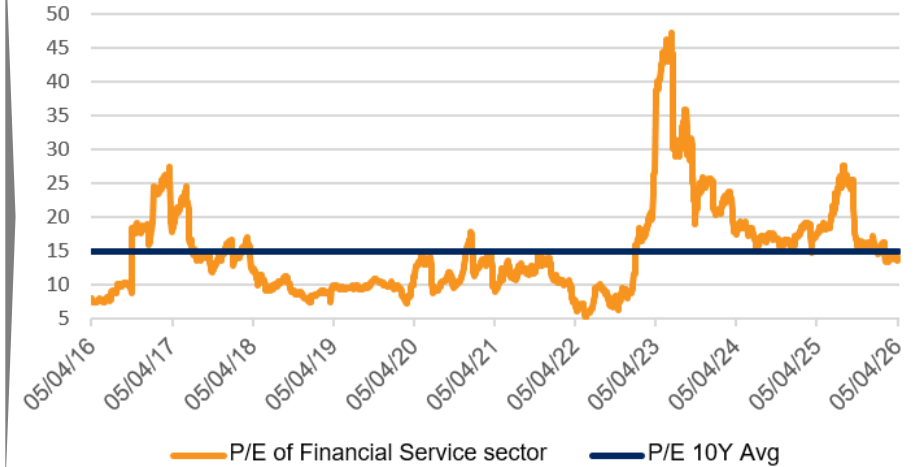
➤ Sectors valuations on the HoSE are currently showing divergence compared with their respective 10-year averages. Overall, most sectors are still trading at or below their long-term average P/E multiples, suggesting that re-rating potential remains if earnings growth is sustained in the coming quarters.

# Volatility in P/E ratios of major sectors

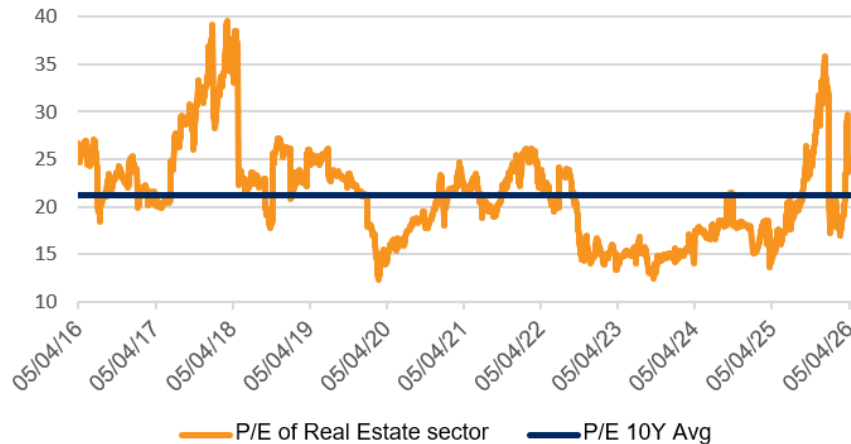
The banking sector's P/E currently remains below its 10-year average of 11.5x



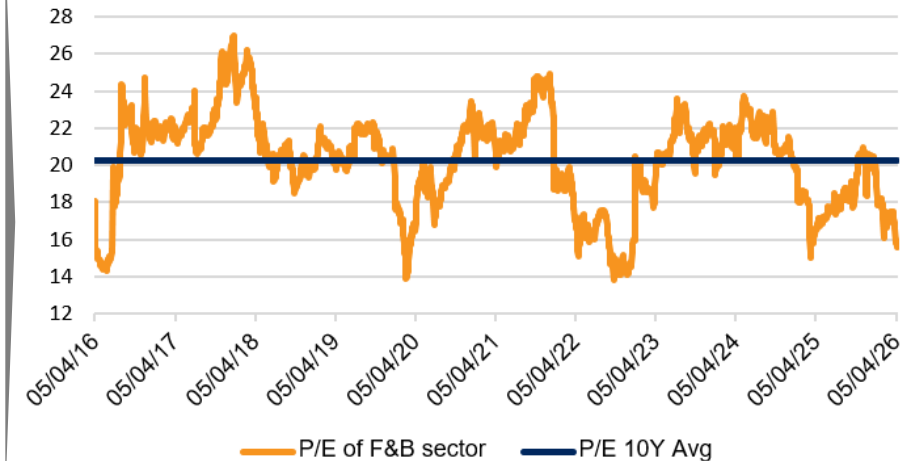
The securities sector's P/E has declined below its 10-year average of 15x



The real estate sector's P/E remains above its 10-year average of 21.3x

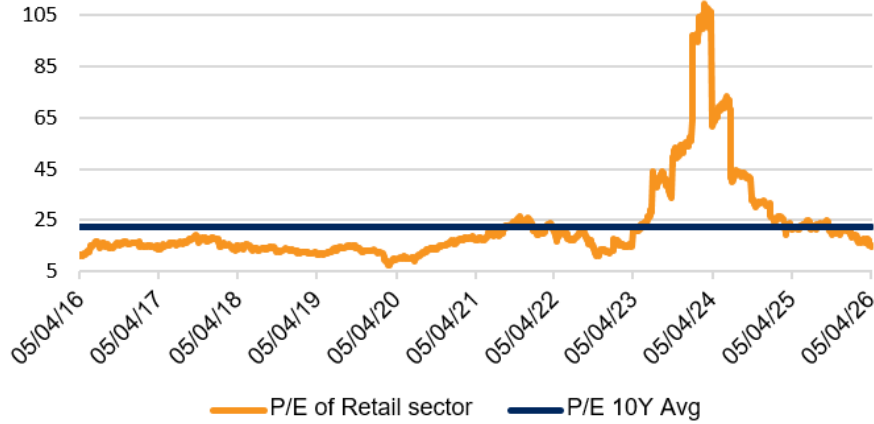


The food & beverage sector's P/E currently remains below its 10-year average of 20.3x

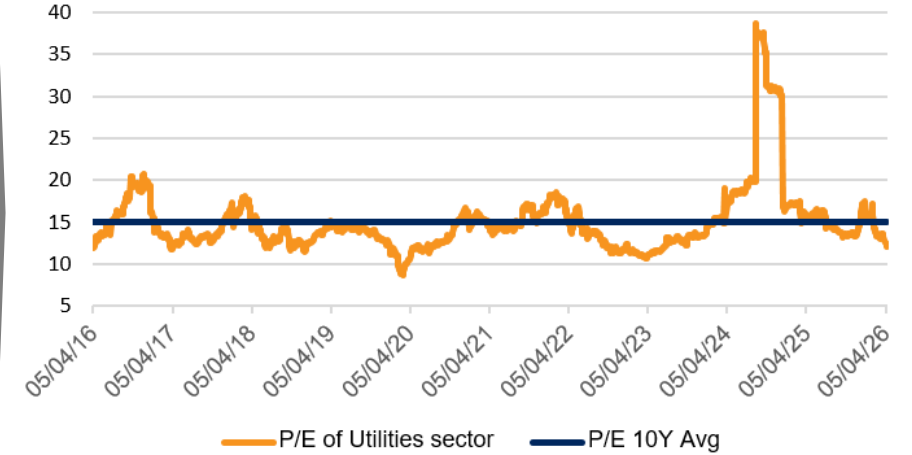


# Volatility in P/E ratios of major sectors

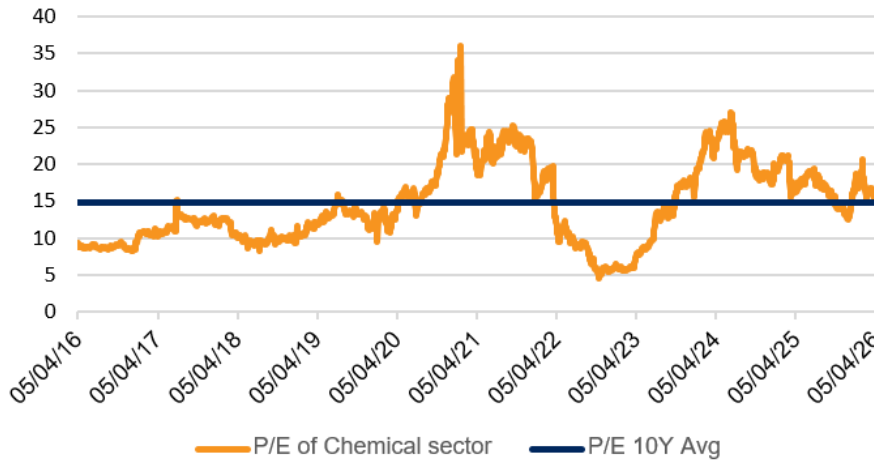
The retail sector's P/E remains below its 10-year average of 22.5x



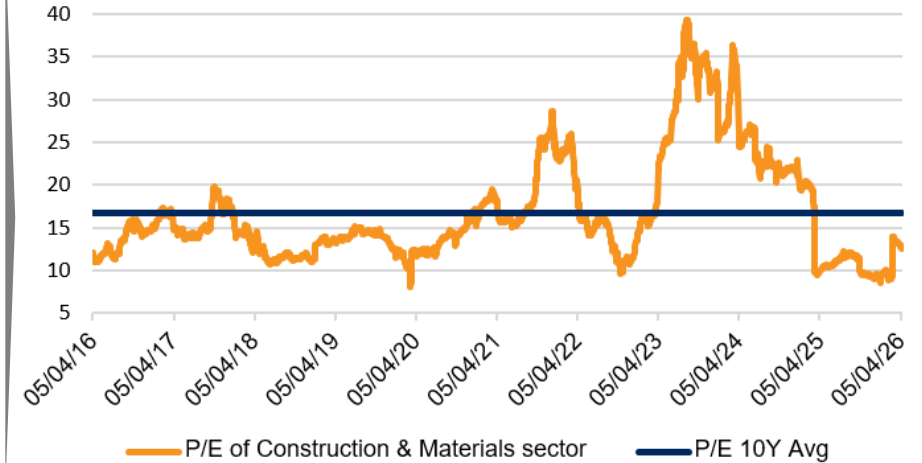
The utilities sector's P/E remains below its 10-year average of 15x



The chemicals sector's P/E has declined to near its 10-year average of 14.7x

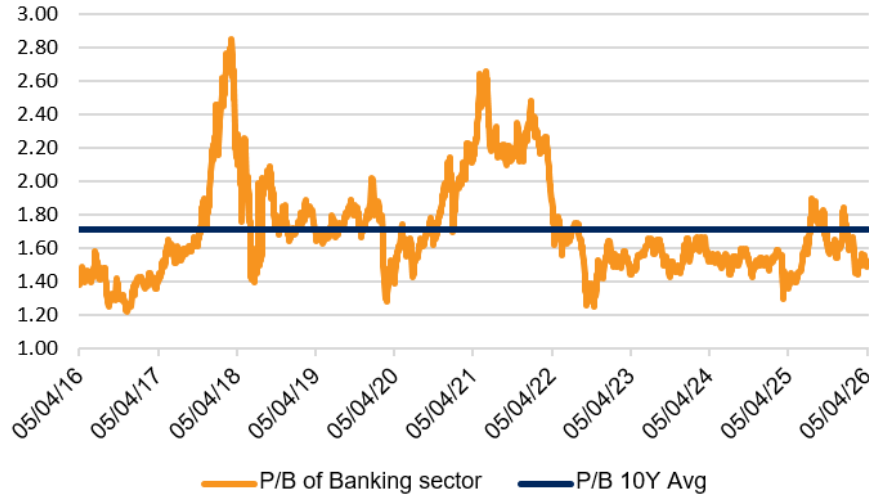


The construction & materials sector's P/E remains below its 10-year average of 16.7x

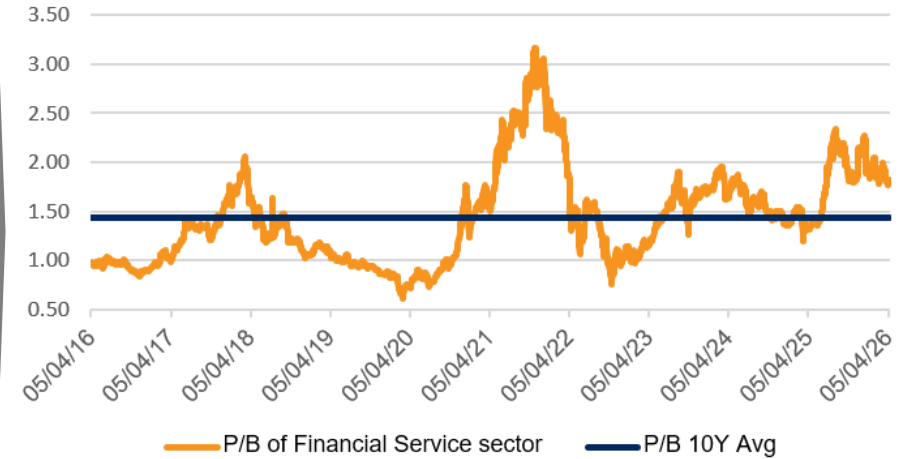


# Volatility in P/B ratios of major sectors

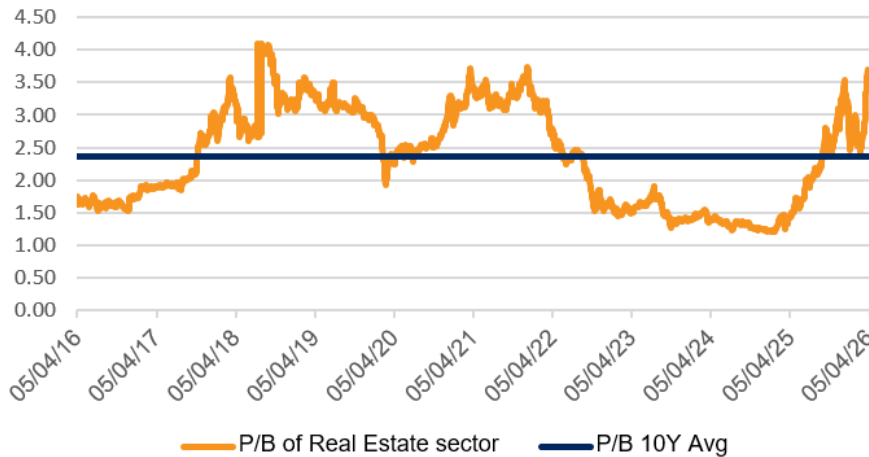
The banking sector's P/B currently remains below its 10-year average of 1.71x



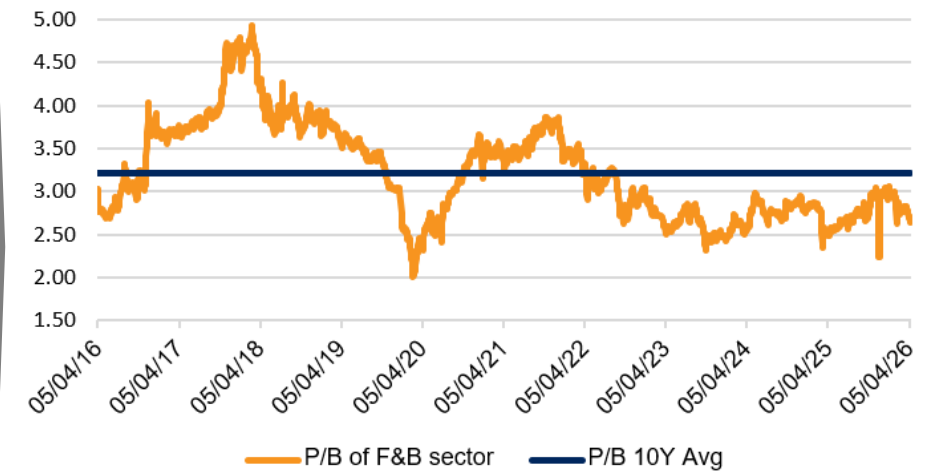
The securities sector's P/B currently remains above its 10-year average of 1.44x



The real estate sector's P/B remains above its 10-year average of 2.36x

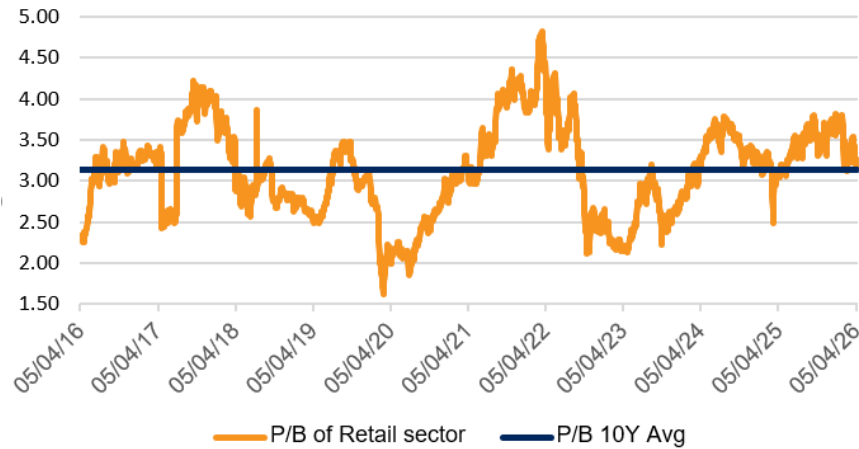


The food & beverage sector's P/B remains below its 10-year average of 3.21x

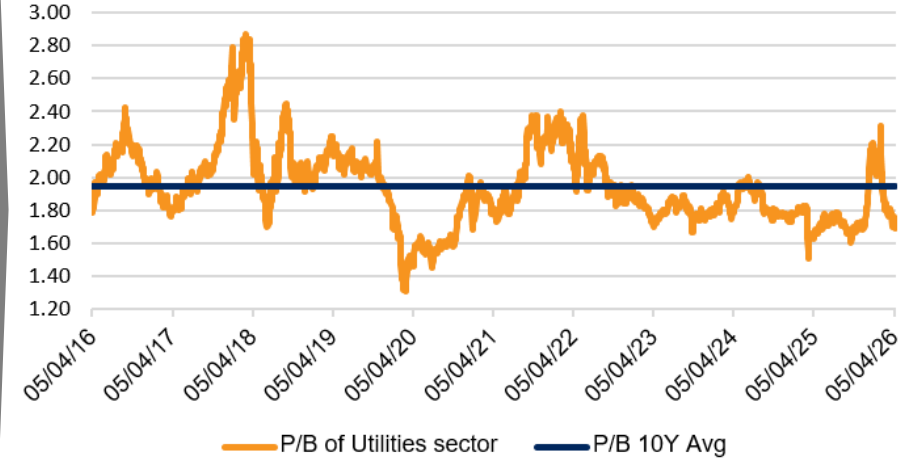


# Volatility in P/B ratios of major sectors

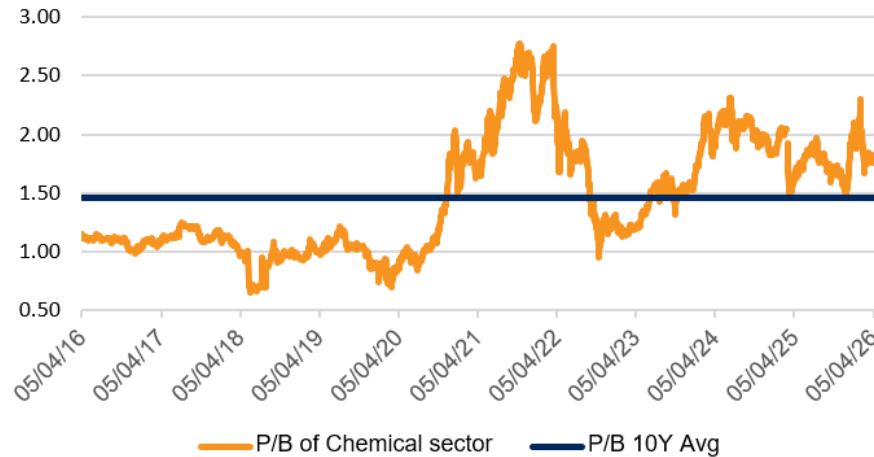
The retail sector's P/B is currently trading around its 10-year average of 3.13x



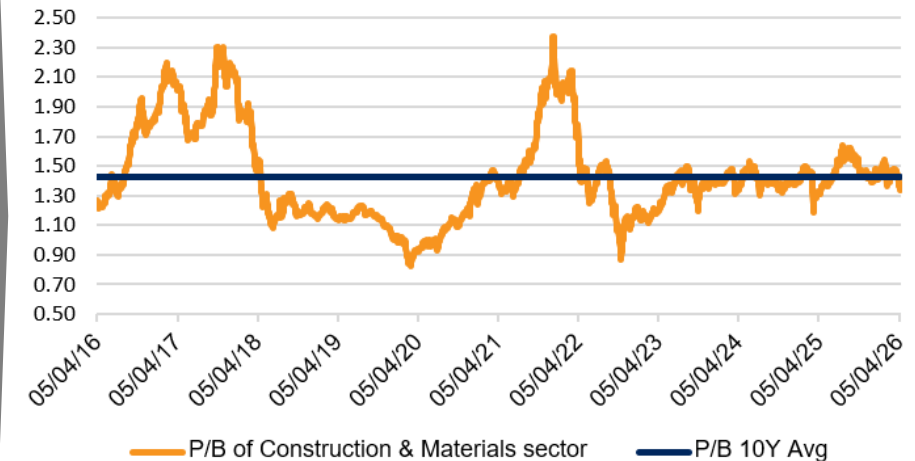
The utilities sector's P/B has declined below its 10-year average of 1.94x



The chemicals sector's P/B remains above its 10-year average of 1.46x



The construction & materials sector's P/B has declined below its 10-year average of 1.43x



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THANK YOU!

