

PETROVIETNAM GAS JSC (GAS)

Key takeaways from GAS's AGM

- GAS set a relatively conservative 2026 business plan, targeting PAT to decline 22.2% YoY, reflecting management's cautious view amid continued volatility in the global market.
- 1Q26 PAT grew 9% YoY, mainly driven by higher estimated dry gas selling prices and stronger international revenue contribution from LNG trading activities.
- The AGM approved a 2025 cash dividend payout ratio of 25%.

2026 business plan and 6M26 earnings guidance

Management expects 6M26 earnings to remain positive, with revenue projected at VND75tn (USD2.8bn) and PBT exceeding VND8tn (USD304mn). For 2026, GAS targets revenue growth of 5.1% YoY to VND142tn (USD5.4bn), supported by the transfer of PM3 Ca Mau gas purchasing rights from PVN, which will help GAS expand revenue scale and enhance flexibility in gas supply allocation. Nevertheless, the company set a more conservative PAT target of VND9tn (USD342mn), down 22.2% YoY, amid continued volatility in the global energy market.

Gas supply recovery outlook and energy security assurance

Management noted that although domestic gas output is naturally declining, GAS expects additional supply from new upstream projects such as Hai Thach - Moc Tinh, Thien Nga - Hai Au, Su Tu Trang, and Block B. By 2030, total gas supply is projected to reach 11 billion m³ (vs 7 billion m³ currently), with imported LNG contributing around 3 billion m³. Amid escalating Middle East tensions that disrupted global LNG/LPG supply, GAS has proactively diversified sourcing from the US, Australia, and Southeast Asia, while securing sufficient LNG/LPG supply through 6M26 and preparing adequately for 2H26 demand.

Progress of gas projects and infrastructure investment

GAS continues to accelerate investment in gas and LNG infrastructure, with total capex demand estimated at VND60tn-VND120tn (USD2.2bn-USD4.5bn) during 2026-30. Key projects include: 1) the Thi Vai LNG terminal expansion project, which will raise capacity to 3 million tons and is expected to commence operations in 1Q29; 2) the Block B project, which is being expedited to align with downstream gas-to-power projects from 2027 onward; 3) the Hai Phong refrigerated LPG project, targeted for completion before 2030; and 4) the Su Tu Trang 2B project, which remains on schedule, with phase one expected to supply around 540 million m³ of gas annually during 3Q26-3Q28, before increasing to ~1.4 billion m³/year during 2028-35.

Risks and provision expenses

Management highlighted that the company's biggest challenge currently lies in ensuring LNG/LPG supply stability amid heightened geopolitical tensions in the Middle East and increasing volatility in global energy markets. However, GAS noted that it has successfully stabilized supply sources and even gained market share in the short term. Regarding provisions related to power customers, management emphasized that these mainly stem from payment timing differences and contractual mechanisms, rather than reflecting bad debt risks or concerns over customers' repayment capability.

Maintaining shareholder structure in compliance with public company regulations

GAS stated that it is currently working with PVN and relevant authorities to develop an appropriate plan for state-owned enterprises to ensure compliance with stock market regulations regarding public company shareholder structure requirements.

VNDbn	2025	% YoY	Plan 2026	% YoY
Net revenue	135,129	30.5%	142,000	5.1%
PAT	11,572	11.3%	9,000	-22.2%

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Stock Ratings

Definition:

Add	The stock's total return is expected to reach 15% or higher over the next 12 months.
Hold	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock's total return is expected to fall below negative 10% over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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