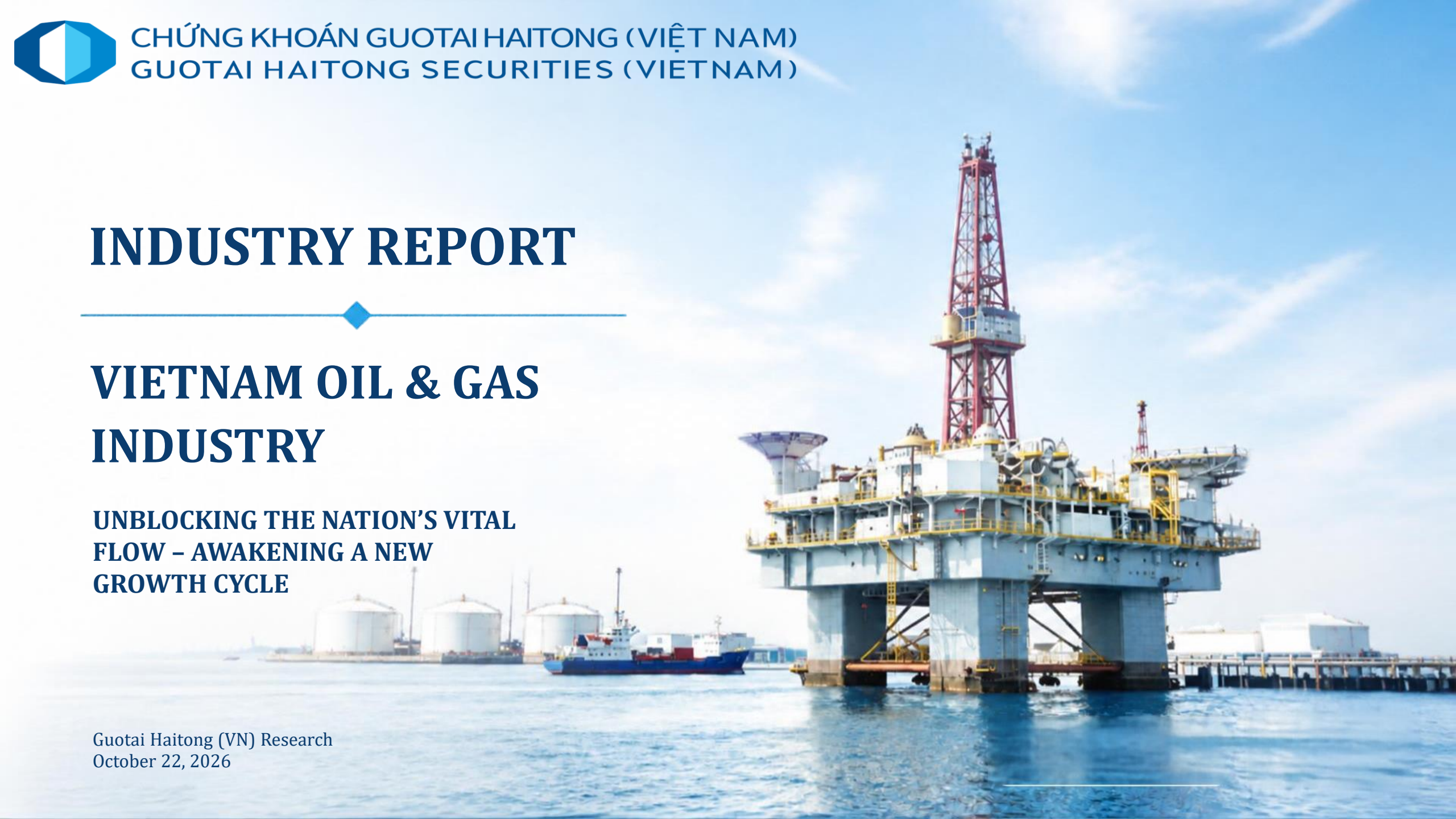




CHỨNG KHOÁN GUOTAI HAITONG (VIỆT NAM)
GUOTAI HAITONG SECURITIES (VIETNAM)

INDUSTRY REPORT

VIETNAM OIL & GAS INDUSTRY

**UNBLOCKING THE NATION'S VITAL
FLOW – AWAKENING A NEW
GROWTH CYCLE**

Guotai Haitong (VN) Research
October 22, 2026



UNBLOCKING THE NATION'S VITAL FLOW – AWAKENING A NEW GROWTH CYCLE

- The year 2026 marks a critical turning point for Vietnam's oil and gas sector, characterized by shifts in the policy framework, breakthroughs in the progress of domestic exploration and production projects, and—notably—the impact of the conflict in the Middle East on global oil and gas extraction operations and supply chains.
- In the short term, downstream businesses are the entities most significantly affected by developments in the Middle East and shifts in policy.
- Observing the domestic oil and gas industry and the progress of various projects, we believe that most companies in the sector are benefiting from favorable conditions during this cycle of accelerated investment in domestic oil and gas exploration and production projects.

WATCHLISTS: BSR, PVS, PVD, PVT, GAS, PLX, PVB, OIL.

Following the assessment of the oil and gas industry value chain – including the specific segments in which companies operate and the variables that influence their business activities – we evaluate the business prospects for the industry's key players as follows:

OIL AND GAS SERVICES

PVS, PVD

- 💡 **PVS:** benefiting from a construction backlog for offshore projects that spans the short, medium, and long term.
- PVD:** benefiting from rising rig rental rates and an expansion in the number of rigs and well services.

GAS AND TRANSPORTATION

GAS, PVT

- 💡 **GAS:** Growth momentum spans the entire value chain through an ecosystem of subsidiary companies. Furthermore, the development of LNG infrastructure by GAS aligns with the Government's long-term strategy.
- PVT:** Expanding its fleet and set to benefit from a high-price environment in 2026.

OIL FILTER

BSR

- 💡 The resumption of operations following maintenance, combined with improved refining margins, bolsters the profit outlook for 2026. However, revenue and earnings for 2027 face downward pressure as crack spreads peak and the maintenance plan(TA6) is scheduled.

DISTRIBUTION

PLX, OIL

- 💡 Increasing sales volume and expanding direct retail operations create room for profit margin improvement. In the short term, downstream businesses remain significantly affected by global oil price trends and domestic adjustments to petroleum prices. Effectively managing inventory and negotiating selling prices are, therefore, of critical importance.



KEY CONTENTS

01 GLOBAL OIL AND GAS: THE 2026 ENERGY SHOCK

Geopolitical tensions and the risk of supply disruptions, particularly along critical energy shipping routes such as the Strait of Hormuz, are increasing oil price volatility, transportation costs and inflationary pressure.

Against this backdrop, oil prices could fluctuate sharply under different supply-demand scenarios in 2026–2027, while refining operations are affected by feedstock costs, refining margins and cost pass-through. These external factors directly shape the outlook for Vietnam’s entire oil and gas value chain.

02 VIETNAM OIL AND GAS: ENERGY SECURITY AND THE DOMESTIC INVESTMENT CYCLE

With increased domestic oil and gas production, Vietnam’s crude oil output rose 10.4% YoY to 6.66 million tonnes in 9M2026. Nevertheless, the long-term decline in output leaves Vietnam significantly dependent on imports.

Meanwhile, declining domestic gas output is making LNG and LNG infrastructure increasingly important, while introducing risks related to global LNG prices, exchange rates and terminal capacity. A new investment cycle could create opportunities in upstream operations, drilling services, pipelines, transportation, LNG, refining and petrochemicals, and power generation. However, realization depends on approvals, construction progress, operations and capital recovery at each project.

03 OIL AND GAS EQUITY INVESTMENT STRATEGY ALONG THE VALUE CHAIN

In this chapter, we assess equity investment opportunities across the value chain. Upstream and service companies may benefit from drilling demand and project investment; midstream performance depends on transportation, pipelines and LNG infrastructure; downstream operations are more sensitive to refining margin fluctuations and cost pass-through.

Growth opportunities stem from the investment cycle and demand for energy infrastructure, but prospects will diverge sharply across segments depending on project progress, import dependence and the ability to translate investment into cash flow.



PART 1

DEVELOPMENTS IN THE GLOBAL OIL AND GAS INDUSTRY

| The global energy shock

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1. MARKET BALANCE

A fragile balance



- **Demand:** easing in 2026 due to high prices and the economic outlook, with a recovery expected in 2027

105-108

million b/d

- Global oil demand is forecast to fall 2.5 million b/d YoY in Q4/2026 and by an average of 2.6 million b/d in full-year 2026.



TIGHTER
2026



SLIGHT SURPLUS
2027

END-2026

2. MIDDLE EAST SUPPLY BOTTLENECKS

Supply pressure is expected to ease from Q1/2027



100.7

million b/d



108.4

million b/d

- **Peak pressure in late 2026:** oil supply is forecast to decline by an average of 5.8 million b/d this year.
- **Gradual easing from Q1/2027:** global supply is forecast to recover by 7.7 million b/d in 2027.
- **Drivers of easing:** a political agreement and reopening of the Strait of Hormuz; the return of Gulf countries' production capacity; and national efforts to rebuild depleted strategic reserves.



Q1/2027

3. BRENT FORECAST

Price forecasting remains challenging



Q4/2026

>105

USD/bbl



2027

84

USD/bbl

- **Crisis peak in Q4/2026:** peak-season demand drives oil prices higher.
- **Stabilization in 2027:** easing to an average of USD84/bbl.



- **Note:** the oil price forecast of USD84/bbl, USD10/bbl above the previous forecast, reflects higher logistics costs and purchasing pressure to replenish strategic reserves (restocking).

+USD10/bbl
vs. previous
forecast

2027



SUPPLY-DEMAND IMBALANCE EXPECTED TO PEAK IN LATE 2026 AND EASE FROM H2/2027





IEA GLOBAL OIL AND GAS OUTLOOK UPDATE: OCTOBER 2026 REPORT

The IEA's October update highlights the following key developments in global oil and gas markets:

- Global oil demand is forecast to fall 2.5 million b/d YoY in Q4/2026 and by an average of 2.6 million b/d in full-year 2026. The war in Iran is constraining oil product supply, driving fuel prices sharply higher and weakening the economic outlook, with diesel accounting for 25% of the demand decline. The IEA expects a partial recovery in global oil demand of 2 million b/d in 2027, although demand will remain 620,000 b/d, or 0.6%, below the 2025 level.
- Global oil supply increased 2.5 million b/d MoM to 102.3 million b/d in September, driven by Gulf producers. OPEC+ output rose 2.1 million b/d, mainly led by Saudi Arabia, while the UAE led supply growth outside OPEC+. Oil supply is forecast to decline by an average of 5.8 million b/d this year to 100.7 million b/d, before reversing course and rising 7.7 million b/d in 2027. Renewed attacks in the Gulf leave the recovery fragile.
- Global refinery crude throughput is expected to reach a seasonal low of 81.3 million b/d in October before recovering to 84.6 million b/d by year-end. Record shipping and crude oil costs have sharply compressed refining margins in Europe and Asia, while discounted feedstock has lifted US margins to new highs. Global refinery crude runs are set to decline 2.3 million b/d this year to 81.7 million b/d, followed by an increase of 2.8 million b/d in 2027.
- **Diesel markets remain under substantial pressure** as prolonged supply disruptions force counter-seasonal inventory draws ahead of autumn refinery maintenance and peak winter demand. In September, global diesel exports fell 700,000 b/d YoY, as a 1.3 million b/d decline from Russia and the Middle East was only partly offset by increased supply from other regions.
- Observed global oil inventories edged down 10 million barrels in September, as a further 113 million-barrel draw in onshore stocks was largely offset by a sharp rise in oil on water. Non-OECD crude inventories fell 76 million barrels, with China accounting for 78% of the decline, while OECD stocks decreased 37 million barrels. Global oil inventories have fallen 509 million barrels since end-February, equivalent to a draw rate of 2.4 million b/d.
- North Sea Dated crude prices surged USD26.17/bbl MoM to USD116.89/bbl in September as renewed conflict in the Middle East disrupted supply and Asian refiners stepped up purchases. The bombing of Saudi Arabia's East-West pipeline on September 11, combined with exponentially rising shipping rates, drove prices higher still. At the time of writing, North Sea Dated was trading at around USD134/bbl.

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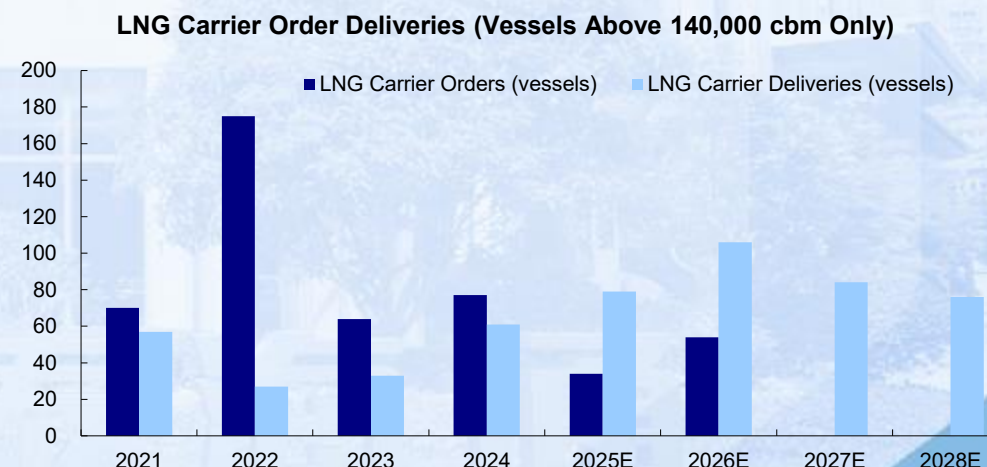
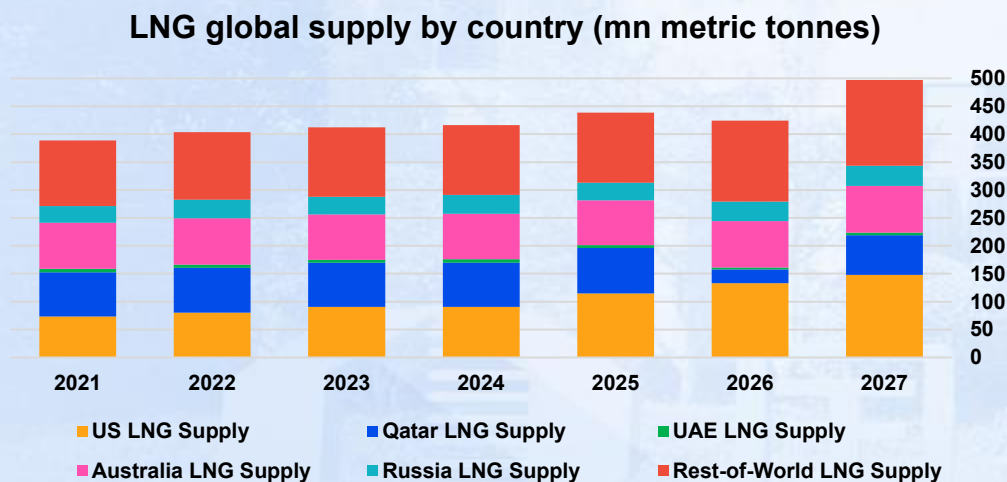
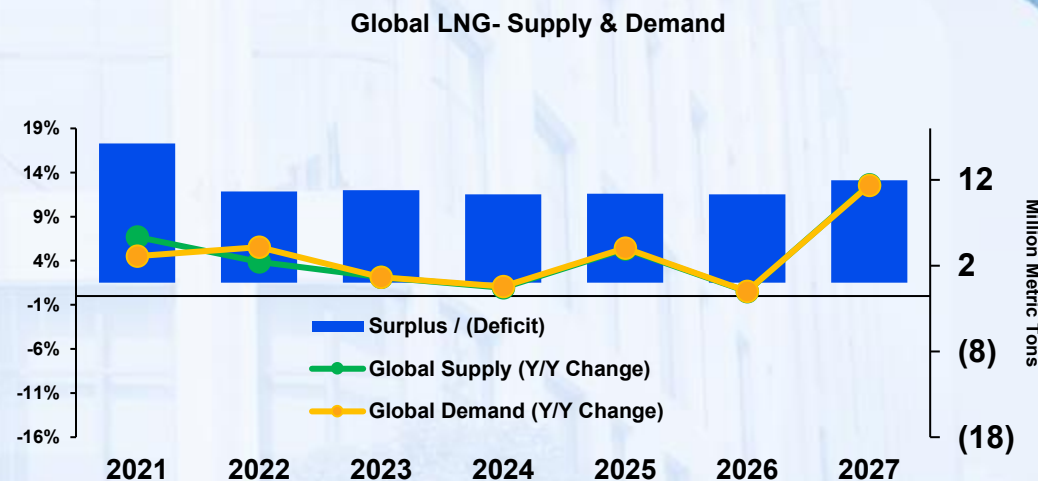
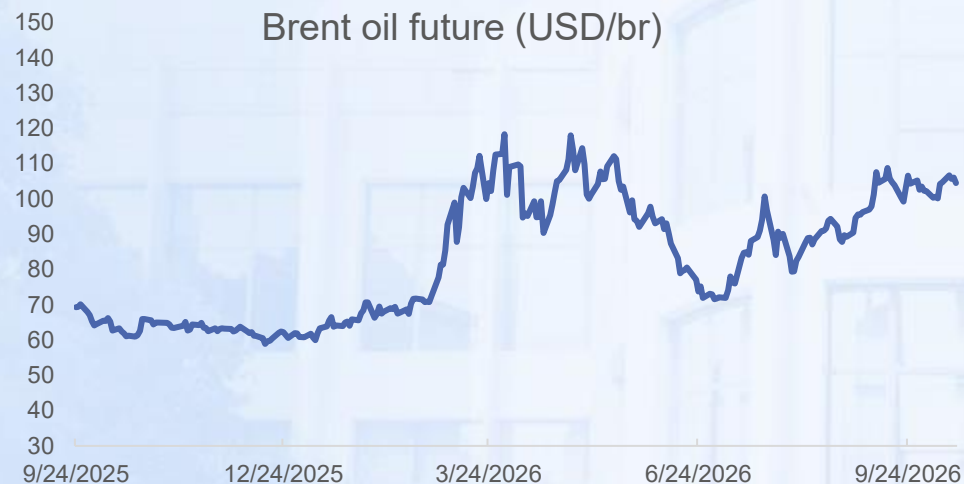
IEA GLOBAL OIL AND GAS OUTLOOK UPDATE: OCTOBER 2026 REPORT

The diesel and gasoil bottleneck:

- Although global diesel prices have eased from the record high of over USD200/bbl reached in September, benchmark diesel prices remain almost twice crude oil prices and pre-crisis levels. Record diesel prices are having widespread economic consequences, raising goods costs and affecting real incomes, economic activity and inflation. After global oil demand fell 5 million b/d YoY in Q2/2026 and 3.7 million b/d in Q3/2026, Q4/2026 demand is forecast to decline 2.5 million b/d. This is expected to bring full-year global oil demand down 2.6 million b/d to 102.4 million b/d, as high prices and weaker economic prospects in several countries weigh on consumption.
- Despite weaker demand, the oil market is forecast to remain in deficit through year-end, while constrained middle distillate supply, particularly diesel, is likely to persist into 2027.
- Global gasoil markets tightened counter-seasonally in Q3/2026 as prolonged export disruptions in the Middle East and Russia forced inventory draws. Combined with the much larger-than-usual stock draw in Q2/2026, this has depleted a crucial inventory buffer ahead of peak winter demand.
- High prices have weakened demand as consumers defer price-sensitive heating oil purchases. By contrast, relatively price-inelastic diesel demand remains strong, supported by government measures to cushion consumers from high fuel prices. Falling inventories, surging gasoil crack spreads and deepening backwardation all signal a need for additional supply. However, even with refinery throughput expected to recover rapidly by year-end, gasoil supply will remain insufficient to meet Q4/2026 demand. This suggests that replenishing lost inventories, beyond normal seasonal fluctuations, is unlikely before H2/2027.

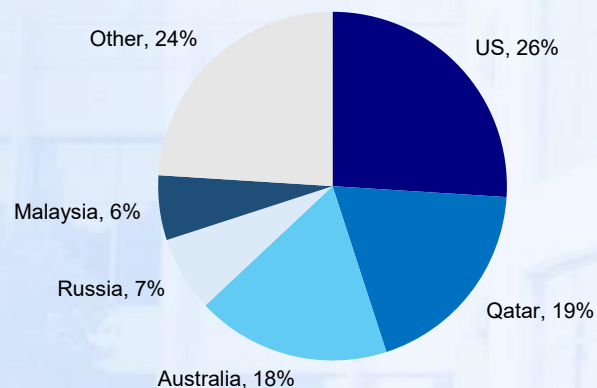


GLOBAL OIL AND GAS SUPPLY AND DEMAND: OIL PRICES, MARKET BALANCE AND SHIPPING COSTS

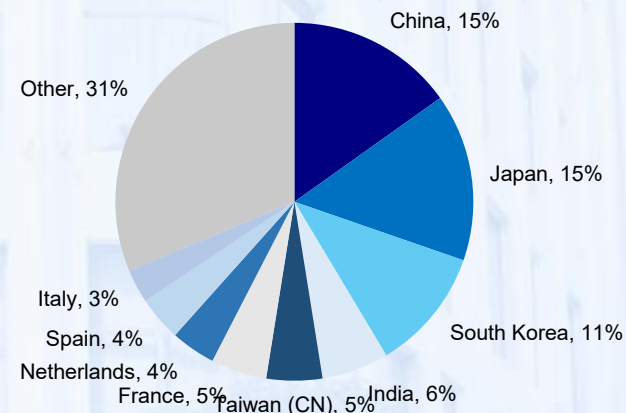


GLOBAL OIL AND GAS SUPPLY AND DEMAND: LNG BALANCE AND SHIPPING COSTS

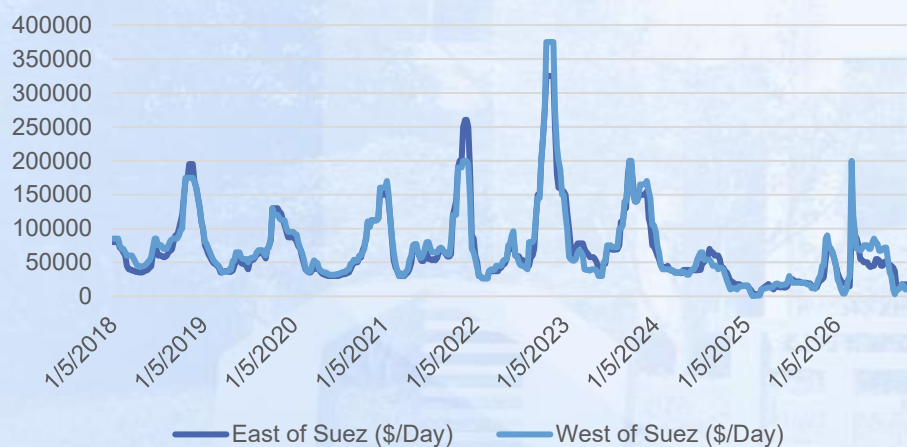
LNG Export Market Share (2025)



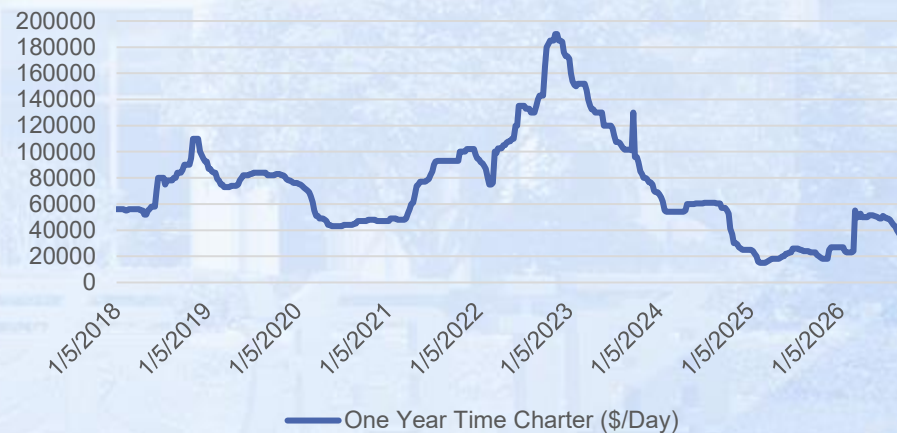
LNG Import Market Share (2025)



LNG carrier spot rate (USD/day)



LNG carrier 1-year time charter, spot rate (USD/day)



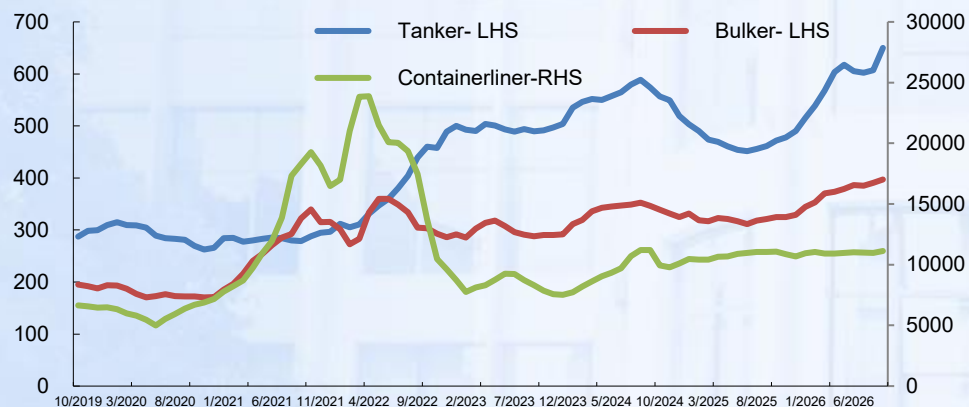
Sources: IHS, Wood Mackenzie, Bloomberg, Fearnleys, GTHTSVN RS

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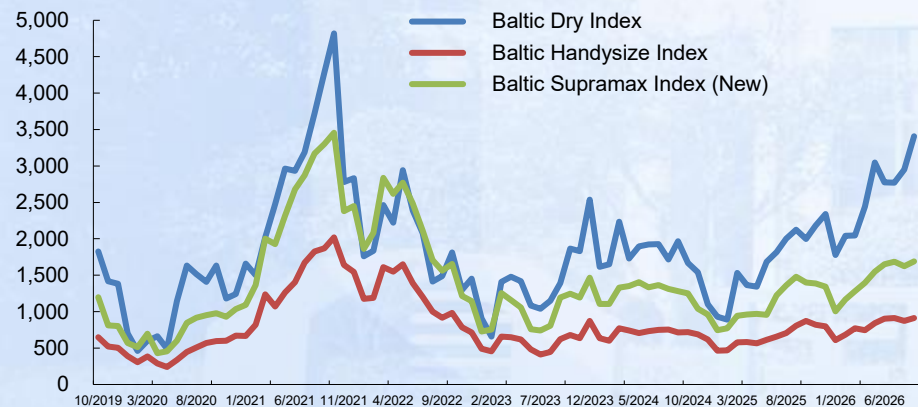


REFINING MARGINS ARE FORECAST TO PEAK THIS YEAR BEFORE DECLINING UNDER SHIPPING COST PRESSURE AND PRICE VOLATILITY

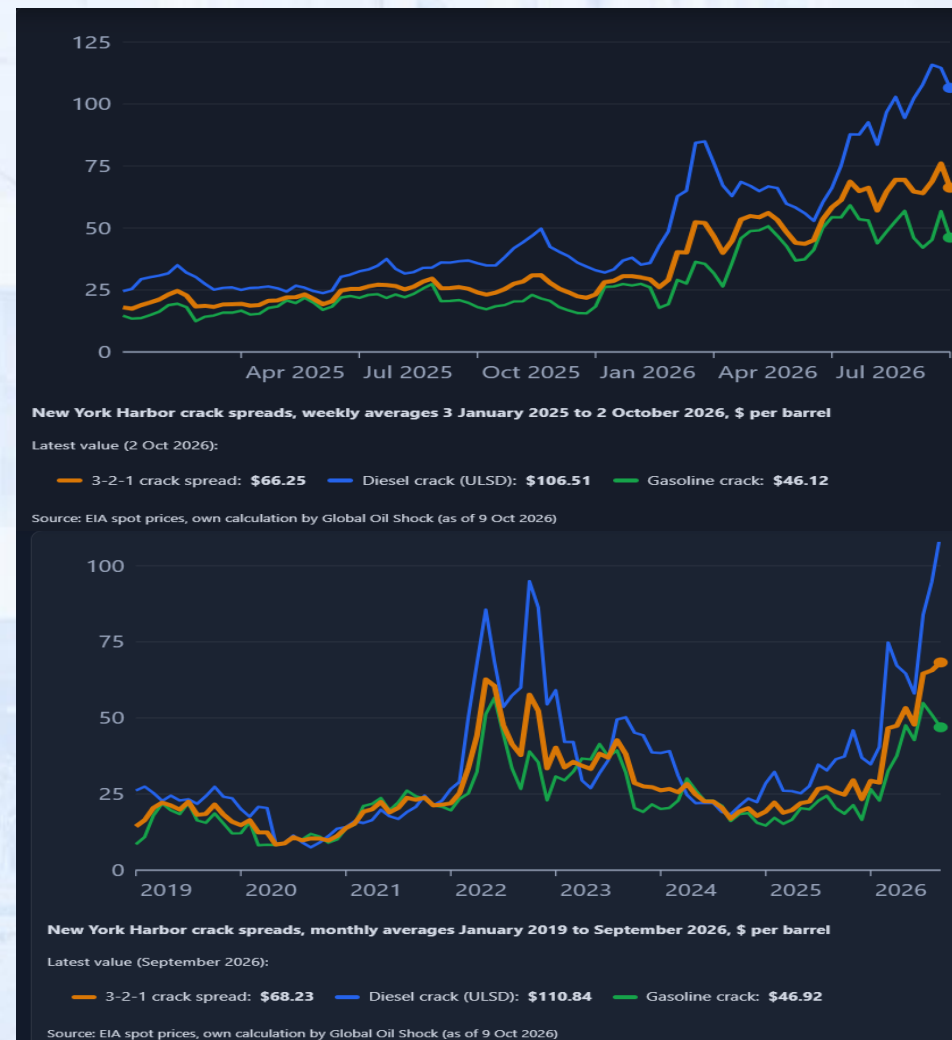
Vessel Price Indexes



Baltic Exchange Indexes



Sources: EIA, Bloomberg, GTHTSVN RS



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PART 2

VIETNAM OIL & GAS INDUSTRY UPDATE

Energy security remains the top priority,
alongside faster upstream development

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VIETNAM'S HEAVY RELIANCE ON IMPORTED FUELS AND THE ENERGY SECURITY CHALLENGE

1. STRATEGIC RISKS AND EXPOSURE TO THE MIDDLE EAST

Vietnam's energy structure reveals substantial import dependence, with approximately 87% of crude oil imports originating from the Middle East. This dependence makes the impact of Middle East tensions on Vietnam particularly evident. Nevertheless, the Vietnamese Government's policy response and coordination deserve recognition, as petroleum supply, production and economic operations have continued uninterrupted throughout 2026.

This supply disruption has also dealt a major blow and served as a wake-up call for many countries in assessing and planning long-term energy security. Specifically, the Government is urgently advancing energy security by diversifying strategic partners (including Japan and South Korea), while strengthening the legal framework and resources to activate domestic oil and gas exploration and field development, gradually reinforcing self-sufficiency.

2. A STRUCTURAL PARADOX: WHY DOES VIETNAM PRODUCE, EXPORT AND IMPORT OIL?

Vietnam's refining and petrochemical operations reflect a structural paradox: the country produces and exports crude oil while still importing crude feedstock and millions of tonnes of refined products. This stems from the following core factors:

TECHNICAL CHARACTERISTICS AND THE CRUDE OIL EXPORT-IMPORT EQUATION:

Domestically produced crude is predominantly light sweet oil (high quality and low sulfur), which is highly sought after internationally and often exported at attractive prices and margins, commanding a substantial premium to Brent. Conversely, domestic refineries must supplement their feedstock with imported sour, medium or heavy crude from Kuwait and other sources for blending.

TECHNOLOGICAL DIFFERENCES BETWEEN MAJOR REFINERIES:

Nghi Son Refinery, which accounts for around 40% of the domestic petroleum market, is specifically designed to process sour/heavy Kuwaiti crude, requiring imports of nearly 100% of its crude feedstock. Meanwhile, Dung Quat Refinery (BSR), originally designed to process domestic sweet crude, has also had to raise its imported crude share to 40–50% to sustain utilization as output from mature fields declines.

CAPACITY SHORTFALL AND REFINED PRODUCT IMPORT PRESSURE:

The combined capacity of Dung Quat and Nghi Son currently meets only around 70% of domestic refined petroleum demand. Vietnam therefore faces substantial annual foreign currency requirements, spending billions of US dollars to directly import approximately 9–10 million tonnes of refined products from regional hubs (Singapore, South Korea and Malaysia, among others) to balance supply and demand and stabilize the market.



VIETNAM'S UPSTREAM SECTOR: THE FOUNDATION OF ENERGY SECURITY AND THE CHALLENGE OF CLOSING THE 'SUPPLY GAP'

1 UPSTREAM: THE STATE'S STRATEGIC REGULATION AND CONTROL

Centralized and comprehensive management: upstream operations are directly regulated and guided by the State through Vietnam Oil and Gas Group (Petrovietnam, PVN) and the sector-specific legal framework.

Production Sharing Contracts (PSCs): all producing fields operate under production sharing contracts between the State/PVN and domestic or international contractors. PVN plays a central role, both exercising ownership representation rights and directly undertaking major projects with high capital requirements and risks.

Integrated value chain planning: upstream operations are vital to the domestic integrated energy chain (supplying gas to power, fertilizer, and refining and petrochemical facilities), requiring close coordination of pricing policies, offtake arrangements and technical infrastructure throughout.

2 NATURAL FIELD DECLINE AND THE EMERGENCE OF A 'SUPPLY GAP'

Decline pressure from mature fields: major domestic fields brought onstream between 1986 and 2015 have entered the declining phase of their lifecycle, facing rapid natural depletion of reservoir reserves and escalating production costs.

Lead times and risks at new projects: exploration is shifting to deepwater, remote offshore areas with complex geology, requiring huge investment and long paybacks. Key projects (Block B-O Mon, Ca Voi Xanh, Lac Da Vang and others) face major delays from legal hurdles, financing mechanisms and commercial talks. Encouragingly, Block B-O Mon is accelerating, while Ca Voi Xanh is planned for a medium-term restart.

The consequence: an energy supply gap. Declining production from existing fields is not being replaced promptly by new output, creating a 'supply gap' that directly threatens the economy's long-term self-sufficiency in feedstock.

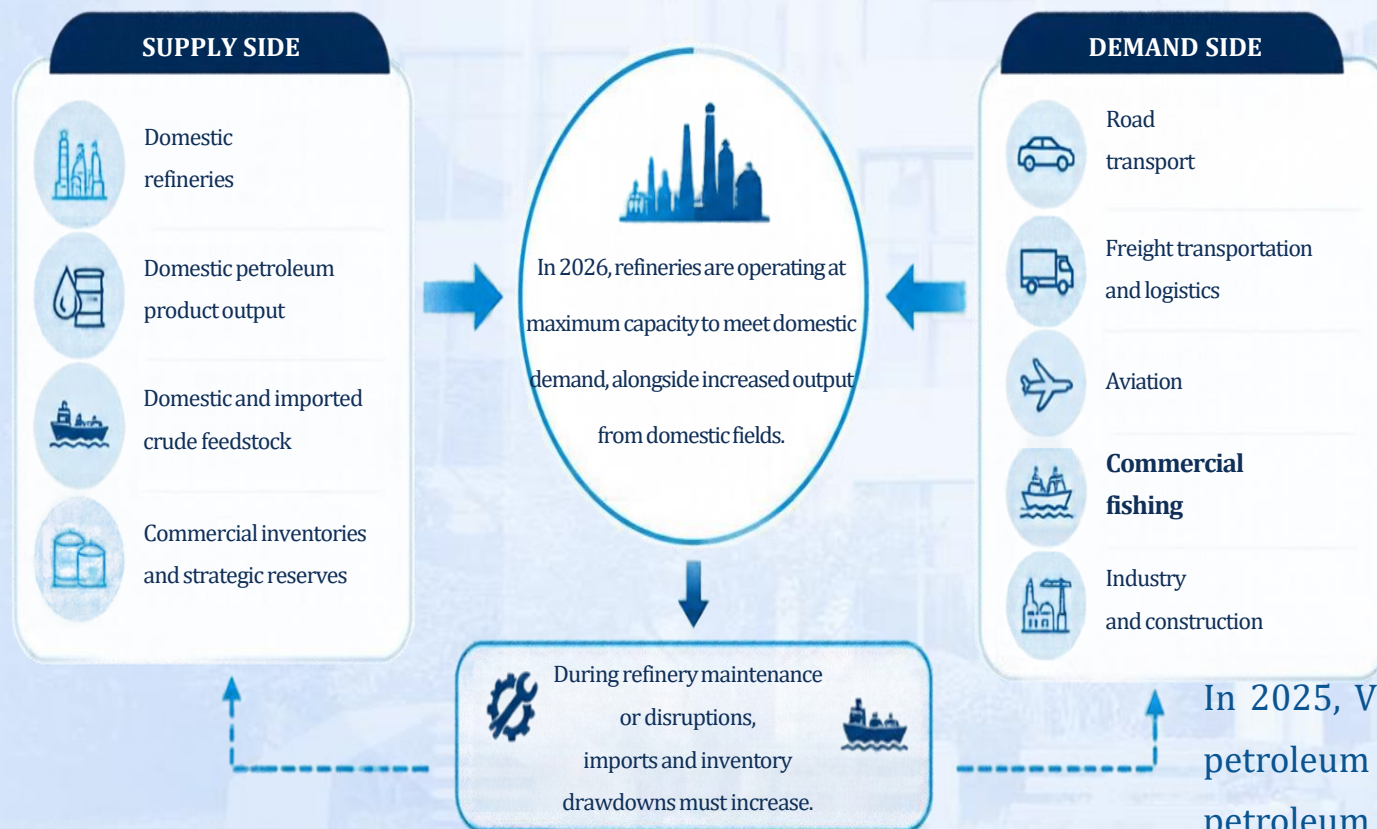
3 INCREASING DEPENDENCE ON INTERNATIONAL MARKETS

Crude oil: declining domestic production forces major refineries (Dung Quat and Nghi Son) to increase imported crude to between 40% and nearly 100% of feedstock, depending on their technical design. This makes margins highly sensitive to global oil prices, insurance costs, VLCC freight rates and global logistics disruptions.

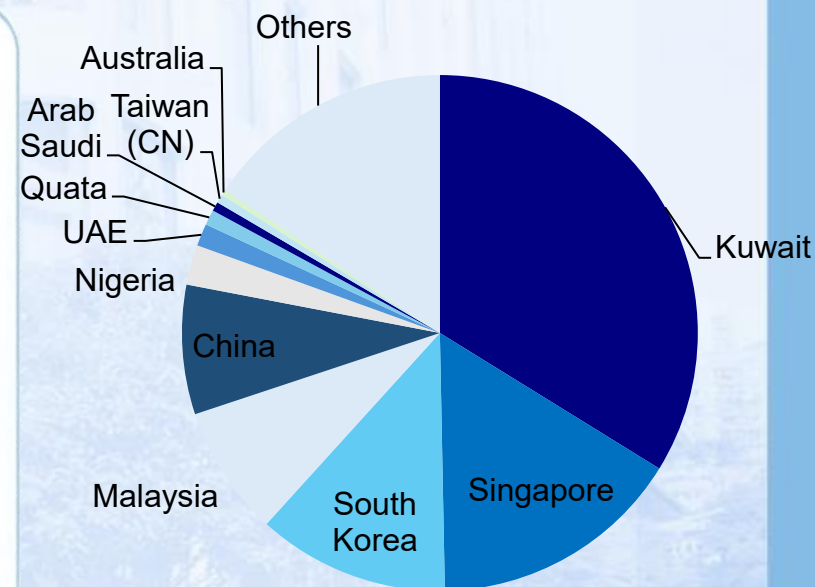
Natural gas: domestic dry gas resources are becoming depleted while demand for power generation and industrial use remains high. Greater reliance on imported LNG is inevitable, but entails substantial risks from global price volatility, logistics costs and exchange rate pressure, directly affecting gas-fired power plants' operating efficiency.



VIETNAM'S DOWNSTREAM SECTOR: HEAVY RELIANCE ON MIDDLE EASTERN CRUDE IMPORTS AND THE CHALLENGE OF CLOSING THE 'SUPPLY GAP'



Petroleum Import Value by Country, 2025

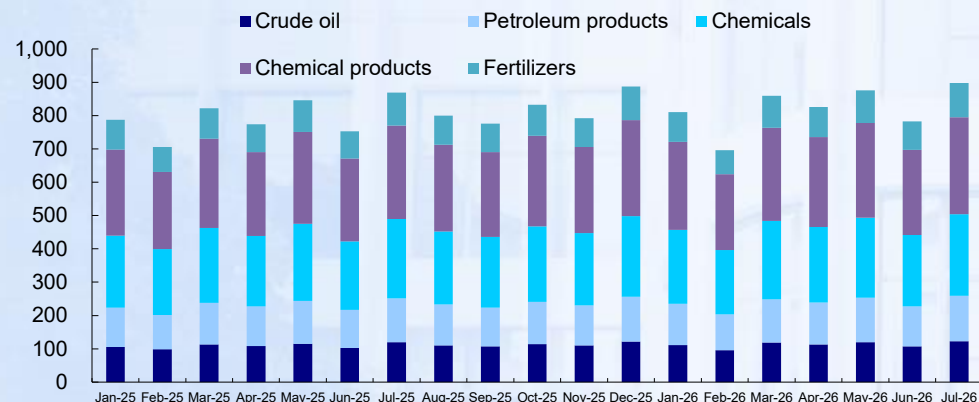


In 2025, Vietnam imported over USD18 billion of crude oil and petroleum products. Most crude imports came from Kuwait, while petroleum products and gas were sourced mainly from Singapore, South Korea, Malaysia and China.

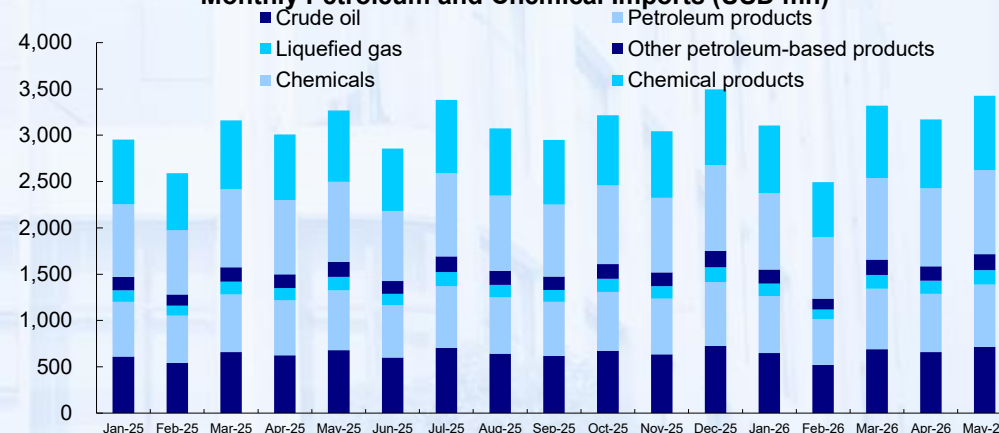


VIETNAM'S DOWNSTREAM SECTOR: HEAVY RELIANCE ON MIDDLE EASTERN CRUDE IMPORTS AND THE CHALLENGE OF CLOSING THE 'SUPPLY GAP'

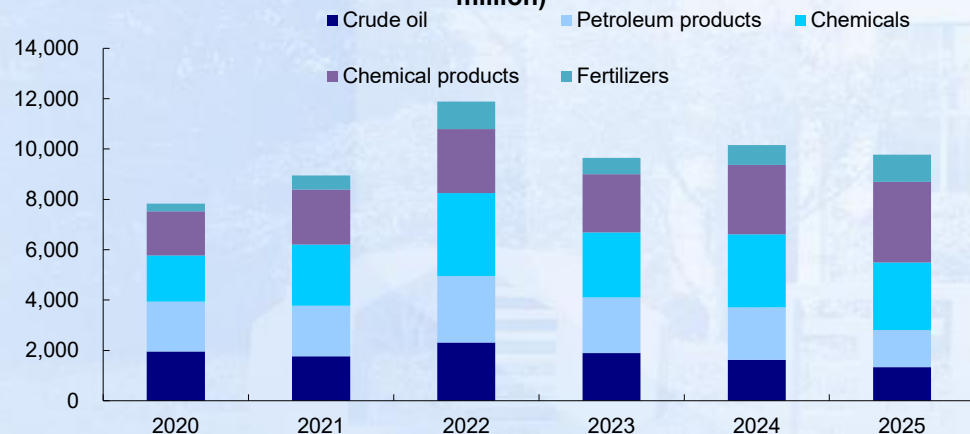
Monthly Petroleum and Chemical Exports (USD mn)



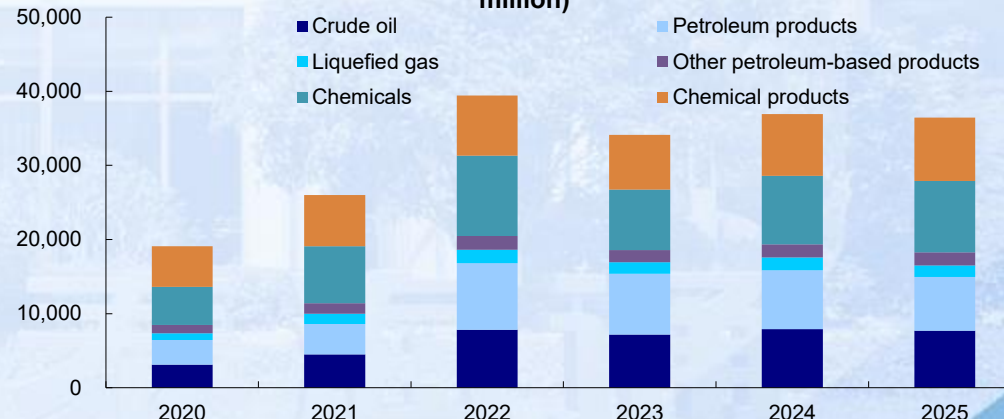
Monthly Petroleum and Chemical Imports (USD mn)



Annual export value of petroleum products and chemicals (USD million)



Annual import value of petroleum products and chemicals (USD million)



Sources: Vietnam Customs, GTHTSVN RS

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KEY POLICIES FOR VIETNAM'S OIL AND GAS INDUSTRY SINCE EARLY 2026

06/03 Resolution 36/NQ-CP

Middle East conflict response

Prioritize suitable crude/condensate for domestic refining; allow flexible trading and imports.

IMPACT: Support feedstock supply for BSR and PVOIL.

09/03 Decree 72/2026/ND-CP

**Middle East conflict response
– Import tariff adjustments**

Adjust preferential import tariffs on selected petroleum products and feedstocks.

IMPACT: Diversify imports and ease cost pressure.

26/03 Decision 482/QD-TTg

**Middle East conflict response
Emergency tax mechanism**

Allow special tax rates for petroleum products and jet fuel when necessary.

IMPACT: Ease fuel price and input cost pressure.

12/04 Resolution 19/2026/QH16

**Middle East conflict response
– Sharp petroleum tax cuts**

April 16–June 30: environmental protection tax at zero; VAT and excise tax incentives for specified products.

IMPACT: Support retail prices and purchasing power.

16/06 Resolution 29/2026/NQ-CP

Pilot rollout of E10 gasoline

2026–2028 pilot: standards, base pricing for E10 RON95-III and inventory treatment.

IMPACT: Promote ethanol, blending and distribution.

23/08 Law 10/2026/QH16

New Petroleum Law

Adopt a new upstream legal framework, effective March 1, 2027.

IMPACT: Affect project approvals and petroleum contracts.

25/09 Decision 1852/QD-TTg

Law implementation plan

Review regulations in Q4/2026; implementing decree expected to be submitted in December 2026.

IMPACT: Define the legal framework completion roadmap.

30/09 Resolution 43/2026/NQ-CP

Extension of tax incentives

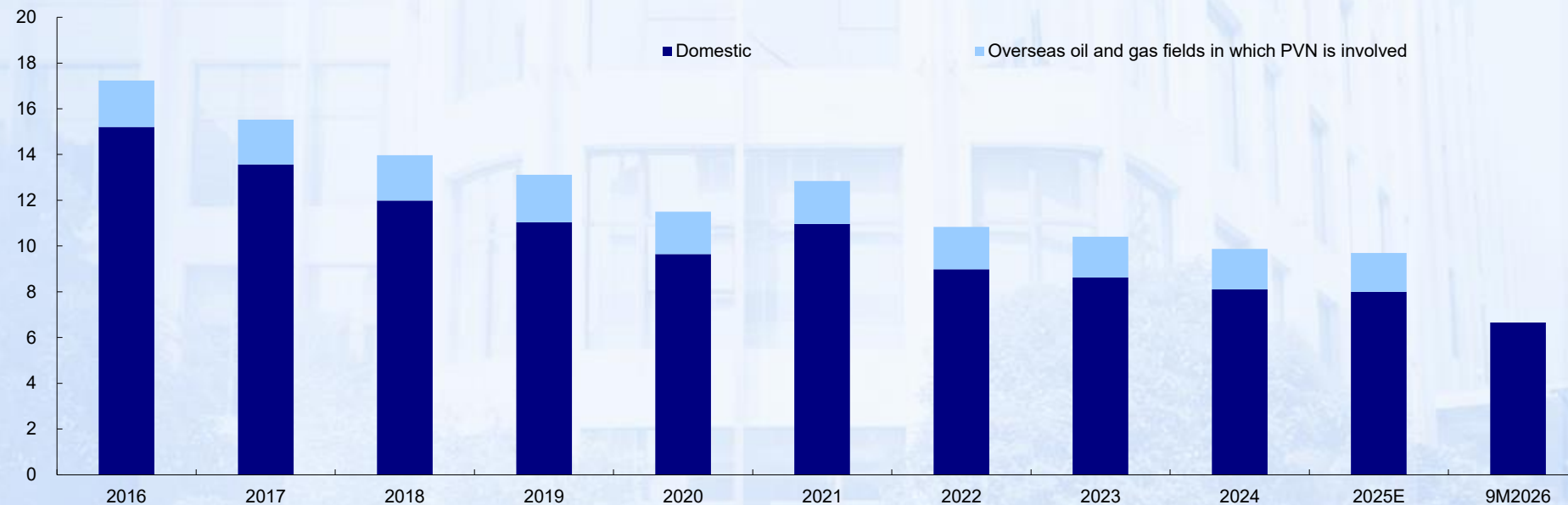
From October 1: further extend tax incentives for petroleum products and feedstocks.

IMPACT: Support imports and market stabilization.



DOMESTIC ENERGY SECURITY HAS BEEN MAINTAINED SINCE THE OUTBREAK OF THE MIDDLE EAST CONFLICT

Vietnam Crude Oil Production, 2016–2026 (mn tonnes)



According to Petrovietnam, domestic crude oil production reached 6.66 million tonnes in 9M2026, up 10.4% YoY, while gas delivered onshore totaled 4.82 billion m³. Reserve additions reached 13 million tonnes of oil equivalent, exceeding production and helping sustain output and safeguard energy security.

Thanks to efforts to regulate domestic output, Vietnam's domestic crude supply share is expected to reach around 88% in 2026, up from the initial plan of 70% domestic crude and 30% imports. The company has also accessed new crude sources in West Africa, the Mediterranean, the US and South America to secure imported supply.



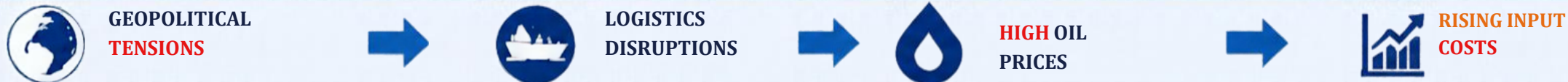
PART 3

INVESTMENT STRATEGY: A VALUE CHAIN VIEW

Identifying beneficiaries
& growth drivers

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Oil fields



UPSTREAM

Drilling and technical services



TOP BENEFICIARIES

- High oil prices encourage the restart of exploration and production at fields.
- Backlog: Block B-O Mon, Lac Da Vang and Su Tu Trang 2B are accelerating.

MIDSTREAM

Transportation and storage



STABLE CASH FLOW

- Oil and gas are transported, stored and distributed to markets.
- Freight rates remain high due to logistics disruptions.

DOWNSTREAM

Refining and petrochemicals
Distribution and retail



MARGIN PRESSURE & INFLATION

- Crack spreads determine refinery profitability; substantial working capital is required.
- Distributors are affected by supply chains and policy.

End demand & CPI



Energy prices affect consumers and CPI.



High oil prices shift benefits **upstream** → **midstream businesses** remain stable → cost and margin pressure passed to **downstream**



VIETNAM'S OIL AND GAS INDUSTRY REMAINS IN A NEW FIELD DEVELOPMENT PHASE, WITH MULTIPLE PROJECTS UNDERWAY



TIMING OF BENEFITS		REVENUE DRIVERS	VARIABLES TO MONITOR
1	Earliest	Service contracts, survey and advisory fees	Exploration results, geological data, survey plans
2	Early	EPC/FEED contracts, backlog and advance payments	Final investment decision (FID), budget, EPC progress
3	Mid-cycle	Drilling, construction, logistics and service contracts	Drilling progress, offshore services, investment disbursement
4	Later	Revenue from gas production, processing and transportation	Commissioning progress, commercial output, transportation contracts
5	Latest	Long-term cash flow from volumes and long-term contracts	Stable output, gas prices, long-term contracts, legal framework



OIL AND GAS PRODUCTION SERVICE COMPANIES BENEFIT FIRST IN THE PROJECT DEVELOPMENT CYCLE



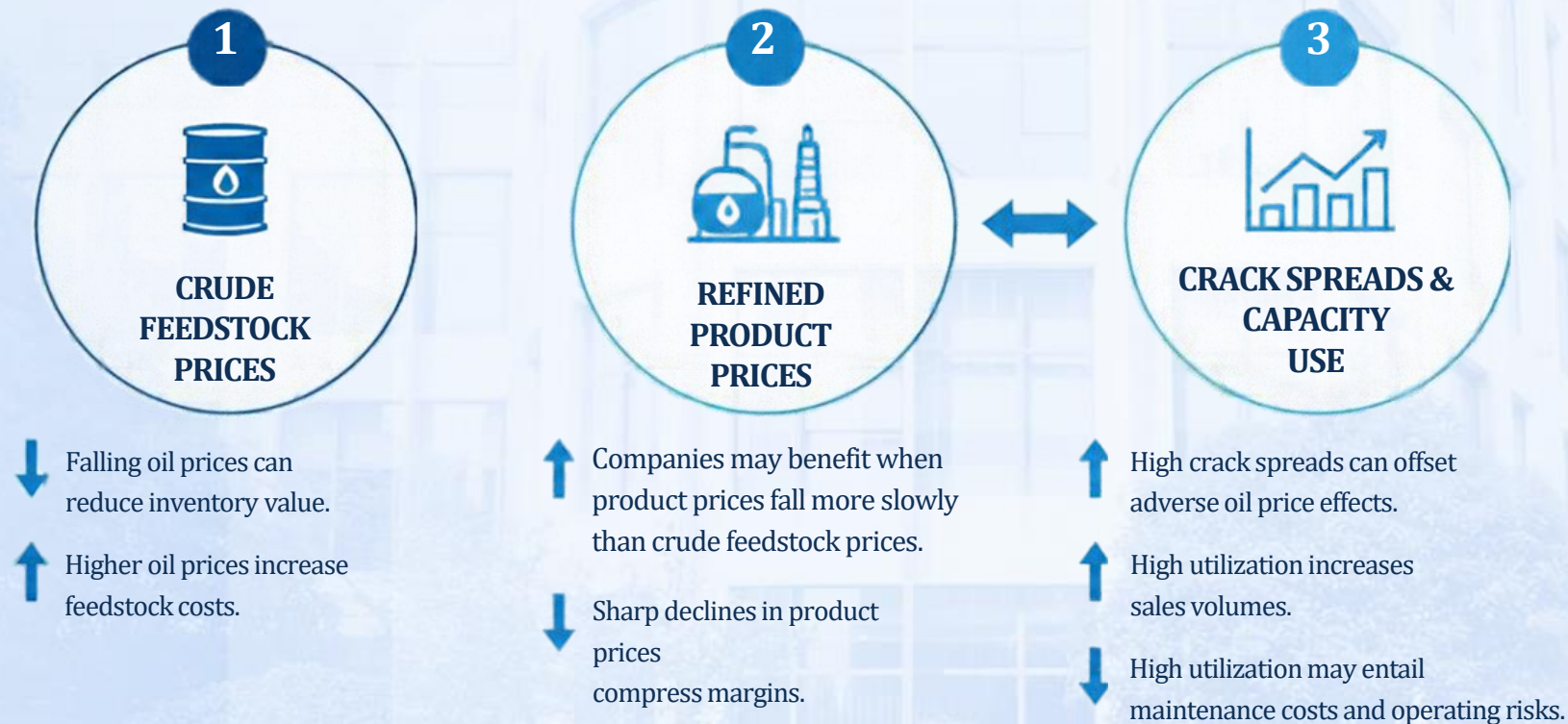
MIDSTREAM BENEFITS FROM RISING DOMESTIC PRODUCTION AND INTERNATIONAL TRANSPORT DEMAND



Midstream is the lifeblood of the oil and gas value chain. Companies are securing substantial workloads in domestic and international oil, gas and chemical transportation.



DOWNSTREAM COMPANIES FACE INTERLOCKING PRESSURES: CRUDE SUPPLY, PRICES, CRACK SPREADS AND CAPACITY



In 2026, downstream companies face significant pressure to secure fuel supply amid Middle East disruptions and price volatility. At the same time, supportive policies and elevated crack spreads are strengthening refiners' gross margins. Distributors are also facing policy and pricing mechanism changes, alongside pressures to balance operations amid volatile oil prices.

KEY METRICS



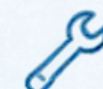
Crack spread



Capacity utilization



Stocks



Maintenance cycles



Input costs



KEY PROJECTS UNDER DEVELOPMENT

Project	Project scale	Progress	Project pipeline	Beneficiaries
Block B–O Mon	95–110 bcm gas reserves; condensate: 12.65m bbl. ~USD12.8bn investment	Initial drilling underway; CPP topside/coastal pipework accelerated; LNG power plant alignment planned.	First gas expected August 2027	PVS • PVD • PVB • GAS
Lac Da Vang	~60–100 million boe ~USD693m	First oil on 27/09/2026; output expected to ramp up through 2028.	Onstream; ramping up through 2028	PVS • PVD
Su Tu Trang 2B	~20 bcm of gas ~USD1.1–1.3bn	Early first gas achieved from well ST-9P.	Early gas achieved; project expansion ahead	PVS • PVD • GAS
Khanh My–Dam Doi	~US\$350–395m	EPCIC phase underway; Block 46/13 moved to fabrication after contract signing.	First gas expected Q4/2027	PVS • PVD
Kinh Ngu Vang	Capacity: ~6,470 b/d oil; 3.1m cubic feet/day gas	Started 18/09/2026: wellhead platform, subsea pipelines, power/fiber-optic cables.	First oil expected Q4/2027	PVS/PVD
Dai Hung Nam	Output of 10,000 b/d of oil	PVEP priority; positioning piles and piling template successfully launched 13/05/2026.	First gas in early 2027	PVS • PVD



PROJECT PIPELINE FOR 2026–2030

2026

2027

2028- 2030+

Near term: 2026–2027

Lac Da Vang: first oil achieved on September 27, 2026.

Su Tu Trang 2B: early gas achieved.

Block B-O Mon: first gas targeted for August 2027.

Kinh Ngu Vang: first oil targeted for Q4/2027.

Thien Nga-Hai Au: drilling contract signed; first gas expected in Q4/2026.

Medium term: 2027–2028

Khanh My-Dam Doi: first gas targeted for Q4/2027.

Nam Du-U Minh: the project is expected to reach final investment decision (FID) and proceed with subsequent development steps toward production in late 2028, with Nam Du expected to come onstream first.

Long term: 2028–2030+

Hai Su Vang: expected to hold very large reserves and play a critical role; exploration drilling is ongoing, with final investment decision (FID) targeted for Q4/2027.

Ca Voi Xanh: restart targeted for Q4/2026, with FID in 2027.

Ken Bau; Bao Vang-Bao Den: these projects are under consideration for long-term development.



IDENTIFYING BENEFICIARIES ALONG THE VALUE CHAIN

After assessing the oil and gas value chain, the segments in which companies operate and the variables affecting their businesses, we evaluate the business prospects of the industry's key players as follows:

OIL & GAS SERVICES PVS, PVD, PVB

- 💡 **PVS:** benefiting from the construction backlog of offshore projects underway.
- PVD:** benefiting from higher rig day rates and expansion of its rig fleet and well services.

GAS & TRANSPORT GAS, PVT

- 💡 **GAS:** growth drivers span the value chain through its subsidiary ecosystem. Its current LNG infrastructure development also aligns with the Government's long-term strategy.
- PVT:** fleet expansion and elevated 2026 rates support growth.

REFINING BSR

- 💡 Refineries returning from maintenance and improving refining margins support the 2026 earnings outlook. However, revenue and profit could reverse after crack spreads peak and 2027 maintenance plan (TA6) is scheduled.

DISTRIBUTION PLX, OIL

- 💡 Higher volumes and expansion of direct retail create room for margin improvement. In the short term, downstream companies remain significantly affected by global oil price movements and domestic petroleum price adjustments. Effective inventory coordination and selling price negotiations are therefore critical.

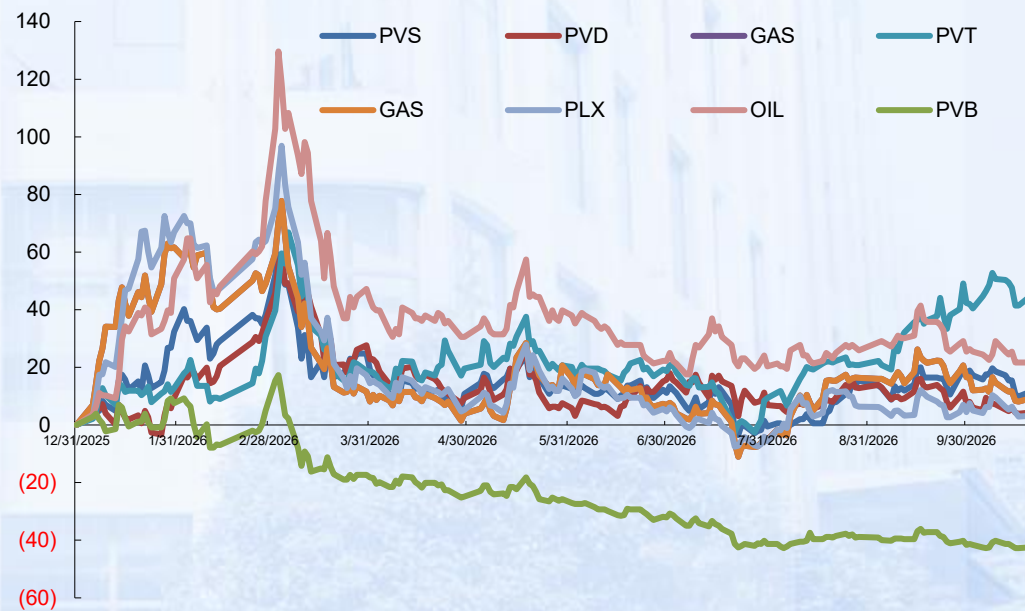


OIL AND GAS SHARE PRICE PERFORMANCE

Oil and Gas Share Prices over the Past Year



Stock return ytd



The oil and gas stock rally over the past year began in late 2025, as news of measures to resolve bottlenecks and accelerate domestic oil and gas projects attracted strong capital inflows. The rally subsequently cooled amid investor profit-taking and uncertainty stemming from the Middle East conflict from late Q1 through Q2. Capital has returned to the sector alongside positive signals from companies' operating results.



OIL AND GAS EQUITY OVERVIEW

Ticker	Market cap (VND bn)	P/E	P/B	BVPS	ROE TTM Q2/2026	D/E Q2/2026	D/E 2025	Revenue 1H2026(VN D bn)	Revenue 2025(VND bn)	Net profit 1H2026(V ND bn)	Net profit 2025(VND bn)
BSR	140,705	7.07	1.89	14,885	30.48%	0.42	0.41	104,636	141,582	15,933	5,217
GAS	185,797	14.61	2.70	28,499	18.89%	0.46	0.38	81,269	135,129	9,026	11,572
OIL	13,426	21.95	1.26	10,295	5.72%	3.47	2.95	136,569	150,557	499	503
PLX	45,480	13.93	1.76	19,958	12.46%	2.03	1.90	234,744	309,875	2,390	3,027
PVB	441	4.99	0.96	21,178	19.86%	2.30	1.67	737	832	52	61
PVD	16,699	15.01	0.96	18,665	6.52%	0.69	0.66	6,437	10,897	479	1,052
PVS	19,516	9.27	1.26	25,210	13.99%	1.58	1.41	17,273	32,718	1,003	1,921
PVT	11,889	8.33	1.25	18,342	16.09%	0.86	0.94	9,754	16,013	1,094	1,329

Beyond fundamentals, requirements for maintaining public company status are another notable issue for the oil and gas sector in 2026. Under Securities Law No. 54/2019/QH14, as amended by Law No. 56/2024/QH15, at least 10% of voting shares must be held by at least 100 investors who are not major shareholders. However, GAS, BSR and PLX currently fail to meet this requirement due to concentrated ownership, with non-major shareholders holding approximately 4.24%, 7.87% and 9.42% of shares, respectively.

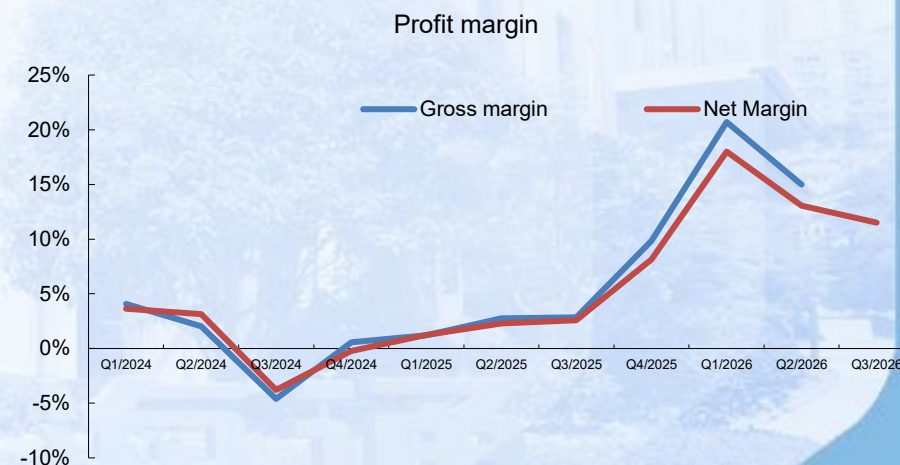
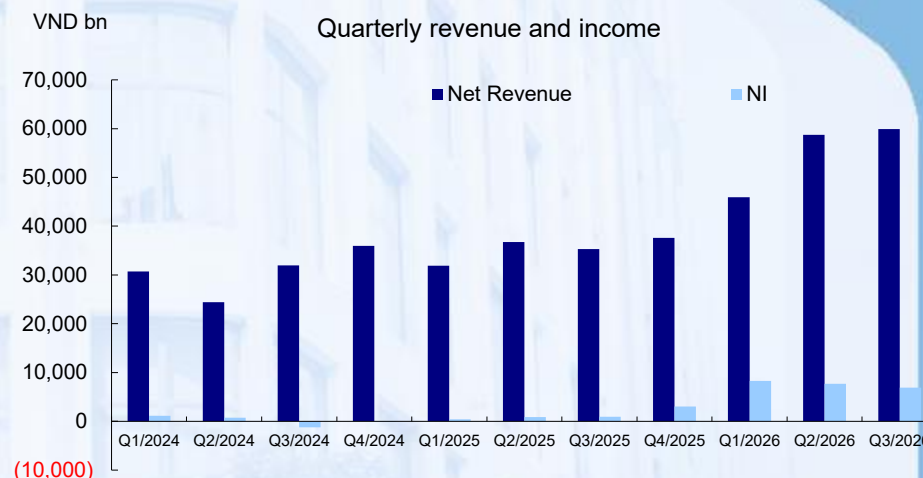
Under the State Securities Commission's 2026 review guidance, companies have one year from the date they cease to meet the requirements to remedy the shortfall before undertaking procedures to cancel public company status. The law also provides transitional arrangements for certain equitized state-owned enterprises implementing restructuring plans approved by competent authorities. The immediate risk is therefore not necessarily prompt delisting, but regulatory compliance and plans to adjust shareholder structure remain key factors to monitor for GAS, PLX and BSR. The impact on share liquidity and continued listing will depend on each company's specific remedy.



HEADLINE AND MARGIN SURGED THANKS TO HIGHER UTILIZATION AND CRACK SPREADS

View & valuation:

- 2026 results are surging on continued growth in domestic petroleum demand, stable operations at high utilization at Dung Quat Refinery and an expected favorable crack spread environment. In 1H2026, as operations were adjusted to meet domestic production needs, Dung Quat ran at a high utilization rate of 124%. Meanwhile, sales volumes rose 5% YoY, Brent prices increased 26%, and elevated crack spreads expanded BSR's gross margin.
- However, we expect BSR's margins to peak in Q3/2026 due to input cost pressure and a potential correction in crack spreads. Data to date show RON95 gasoline crack spreads have fallen below USD20/bbl, while jet fuel and diesel crack spreads remain high.
- In 2027, BSR also plans its sixth overall maintenance plan, which will affect capacity utilization and output. We therefore forecast revenue and net profit to fall 28% YoY and 52% YoY, respectively, in 2027F, after peaking in 2026F with respective revenue and net income growth of 45% YoY and 490% YoY.
- Valuation:** We set BSR's end-2027 target price at **VND28,000/share**, based on a target 2027F P/B of **1.4x**. This valuation reflects the company's substantial asset base, Dung Quat Refinery's strategic position and expectations of stable operations following major turnarounds. We also believe a target P/B of 1.4x is consistent with market expectations for BSR's ability to sustain operating efficiency and profitability over the medium term. Recommendation: "NEUTRAL".

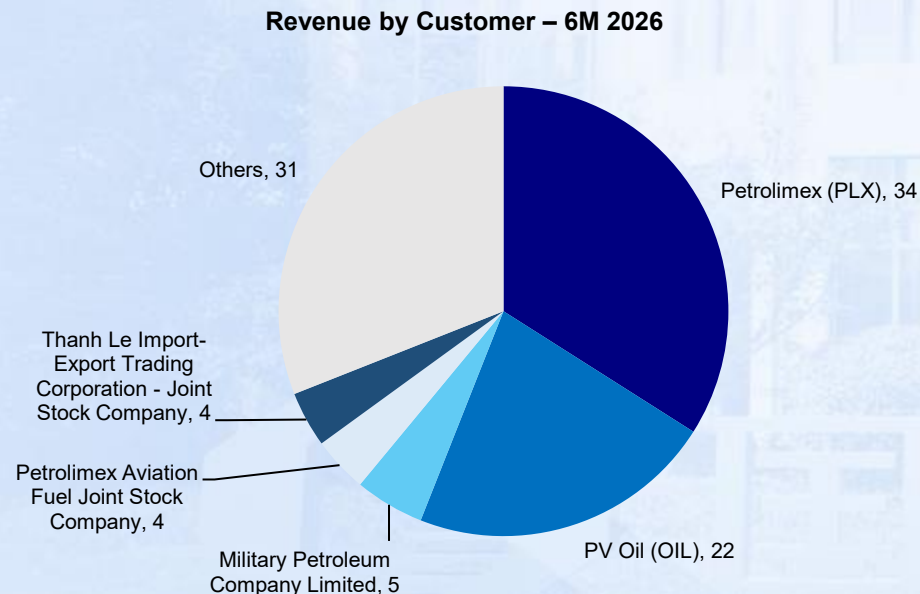
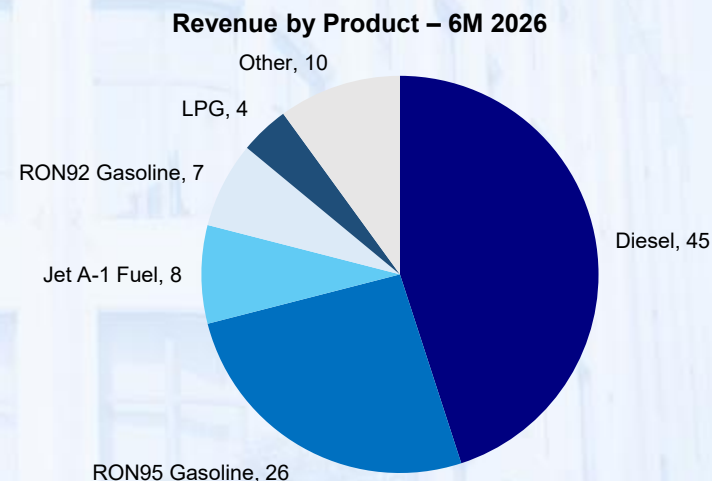
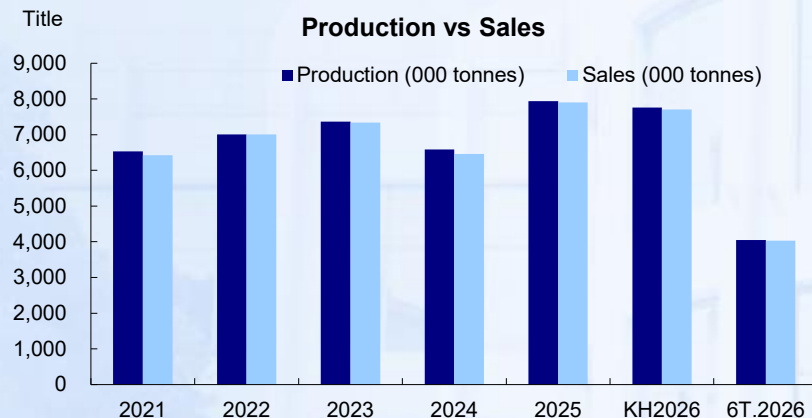


Sources: BSR, FiinproX, GTHTSVN RS

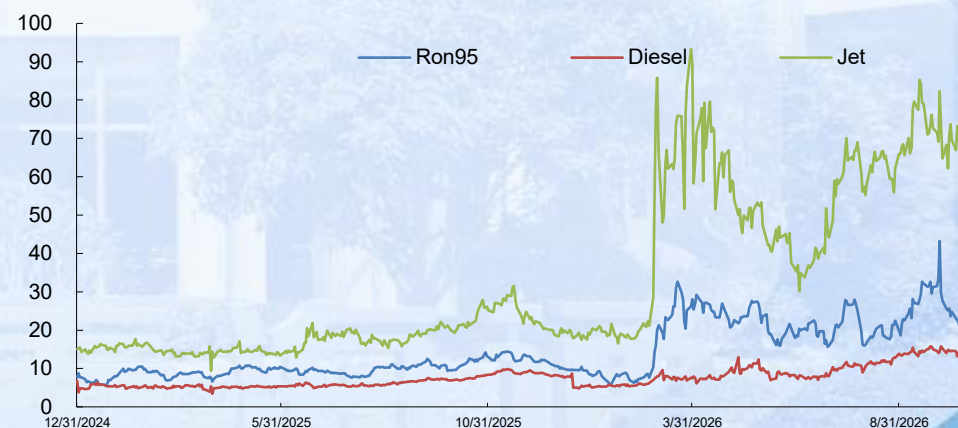
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HEADLINE AND MARGIN SURGED THANKS TO HIGHER UTILIZATION AND CRACK SPREADS



BSR Product Crack Spreads (USD/bbl)



Sources: BSR, Bloomberg, GTHTSVN RS

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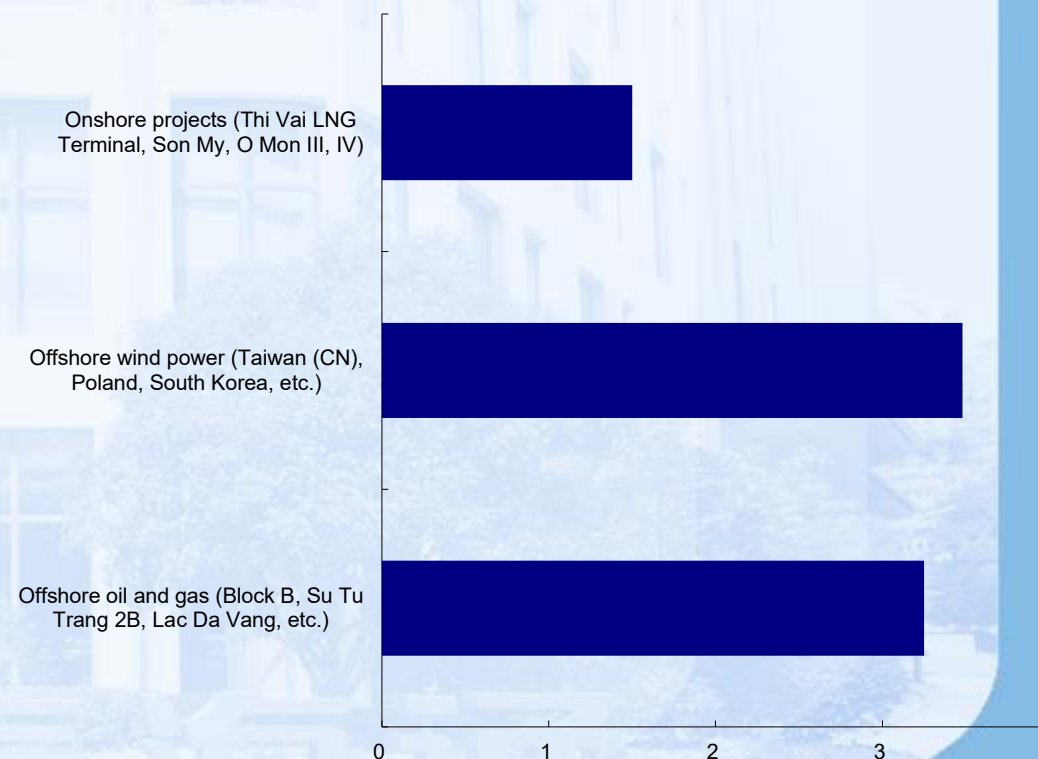


FASTER DOMESTIC PRODUCTION DEVELOPMENT SUPPORTS EPC BACKLOG, WHILE INTERNATIONAL BUSINESS CONTINUES TO GROW

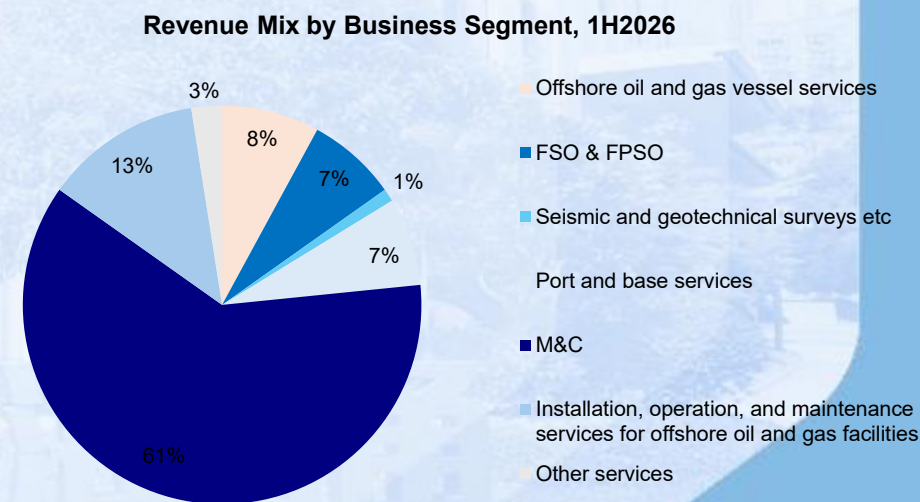
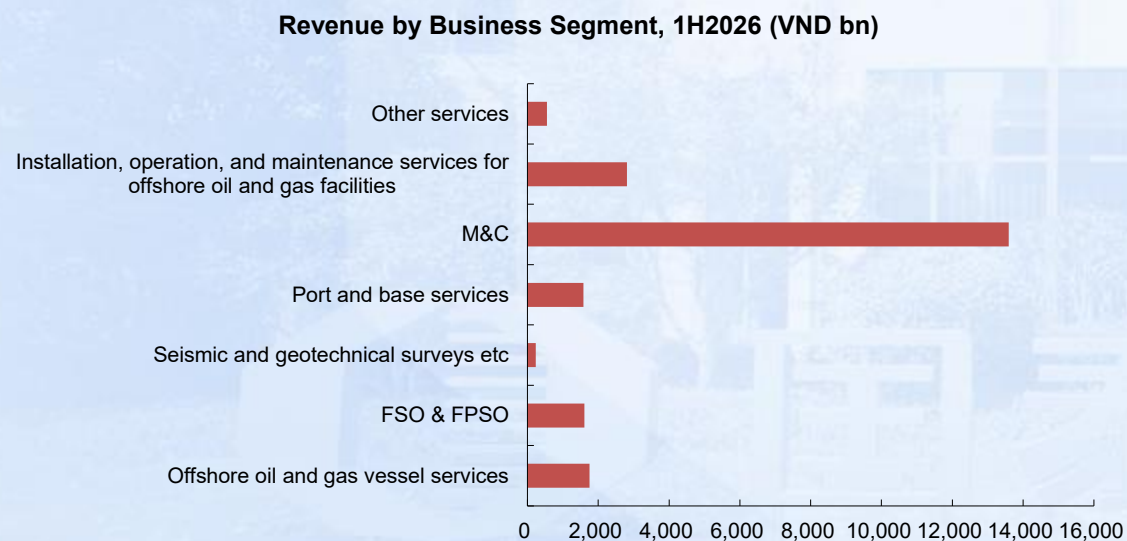
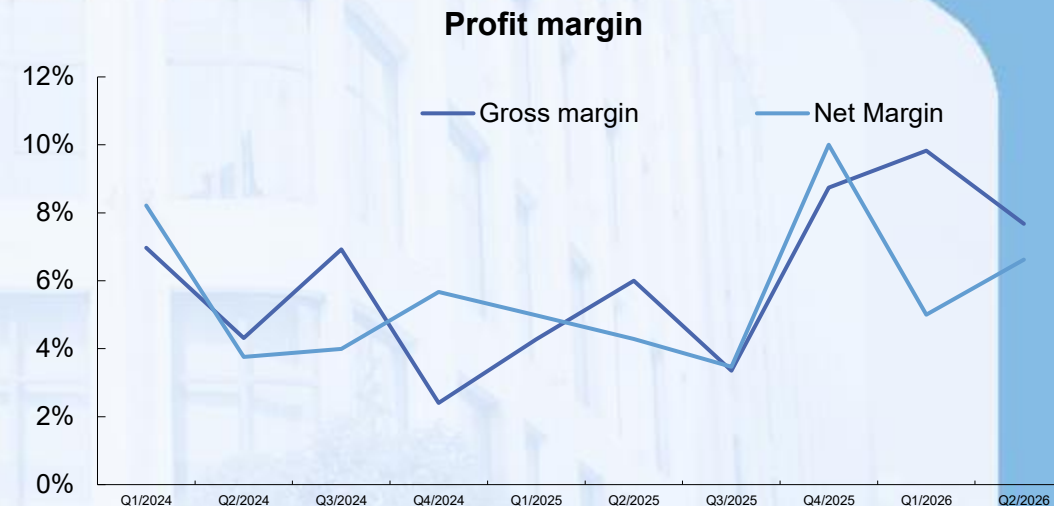
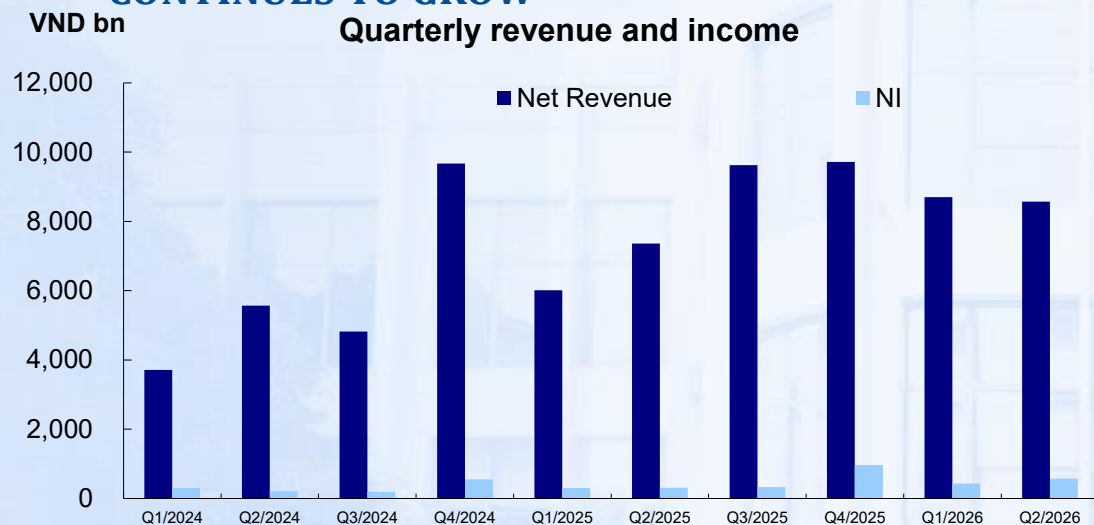
Investment thesis

- PVS's portfolio of oil and gas and offshore wind projects supports medium-term workloads, with estimated backlog of USD8.23 billion for 2026–2030. PVS is simultaneously executing Block B, Lac Da Vang, Su Tu Trang 2B and international wind projects, securing short- and medium-term backlog.
- In September, PVS secured new contracts, notably an offshore EPC package for the Maydan Mahzam project in Qatar through the PTSC M&C–Seatrium consortium, with a total contract value of up to USD3 billion. Although its participation share has not been disclosed, involvement in this project reinforces PVS's execution credentials and prospects of winning further international projects over the long term.
- For 2026–2030, PVS targets total consolidated revenue of VND210–220 trillion and average annual growth of 15%. Based on our assumed backlog, we believe this plan is achievable.
- We consider PVS suitable for medium-term accumulation. We set a 2027F target price of VND38,000/share, implying 18.7% upside to the closing price on October 20, 2026. Recommendation: “BUY”.

PVS M&C Project Backlog, 2026–2030 (USD bn)



FASTER DOMESTIC PRODUCTION DEVELOPMENT SUPPORTS EPC BACKLOG, WHILE INTERNATIONAL BUSINESS CONTINUES TO GROW



Sources: PVS, GTHTSVN RS

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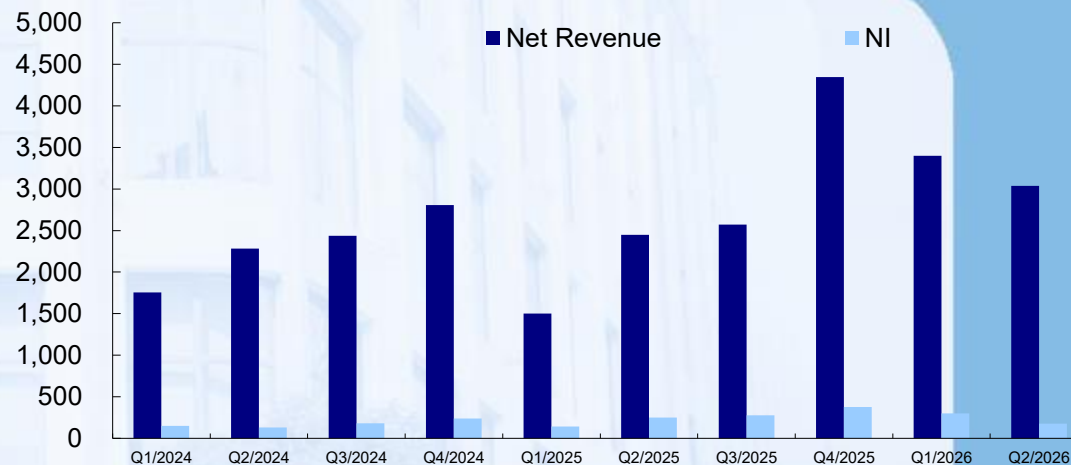
BENEFITING FROM STRONG GROWTH IN DRILLING DEMAND

Investment thesis

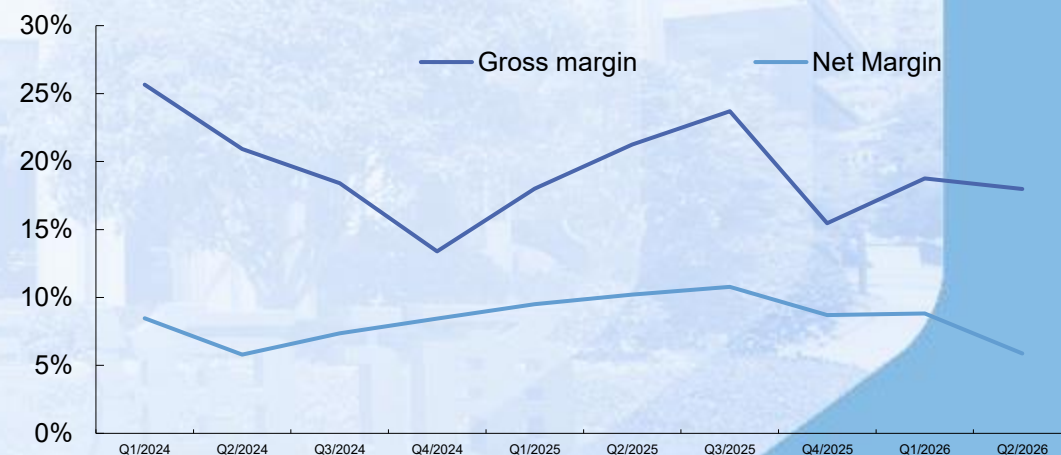
- PVD benefits from increased drilling demand at Southeast Asian fields and higher day rates, supporting revenue and earnings.
- **New rigs expand revenue-generating capacity.** PV DRILLING IX commenced operations in April 2026, adding fleet revenue in 2026. In June 2026, PVD also signed an agreement to acquire PV DRILLING X, expected to begin commercial operations in Q2/2027, bringing its owned fleet to eight rigs. Four of PVD's and its partners' ten rigs have secured work through end-2027. Other rigs have contracts through mid-2027, while four rigs are negotiating work through end-2027.
- We expect PVD's rigs to operate at full utilization in 2027 as drilling activity in Vietnam and Southeast Asia remains stable. We forecast 2027F revenue and earnings growth of 4.8% YoY and 13.3% YoY, respectively.
- For valuation, we set PVD's 2027F target price at VND20,200/share, equivalent to 1.0x 2027F P/B. At this target price, we recommend "BUY", implying 12.2% upside to the closing price on October 21, 2026.

VND bn

Quarterly revenue and income



Profit margin



Sources: PVD, GHTSVN RS

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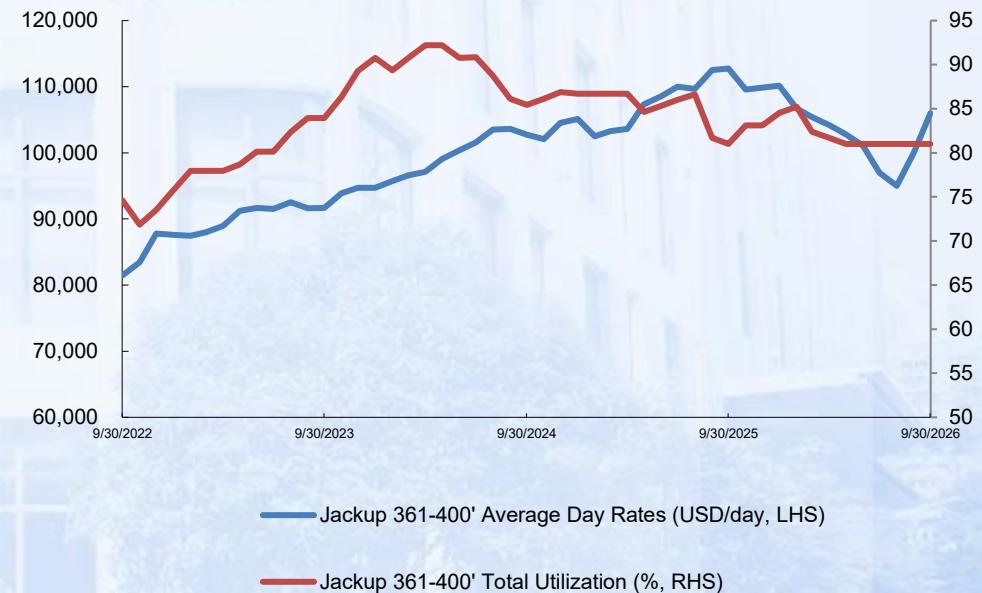


BENEFITING FROM STRONG GROWTH IN DRILLING DEMAND

Q3/2026 update: PVD has ten rigs on hire, including three partner rigs, with the following specifications:

Rig	Water Depth (ft)	Year Built	Status	Country	Current Contract Start	Current Contract End	Next Contract Start	Next Contract End	Remaining Contract (days)	Fleet Type
PV DRILLING I	300	2007	Drilling	Vietnam	04/2026	11/2026	—	—	—	37 Owned
PV DRILLING II	400	2009	Drilling	Indonesia	12/2022	12/2028	—	—	—	798 Owned
PV DRILLING III	400	2009	Drilling	Indonesia	05/2025	05/2028	—	—	—	586 Owned
PV DRILLING V	6000	2011	Drilling	Brunei	01/2022	01/2028	—	—	—	484 Owned
PV DRILLING VI	400	2015	Drilling	Malaysia	09/2026	12/2026	12/2026	03/2027	—	473 Owned
PV DRILLING VIII	400	2007	Drilling	Vietnam	07/2026	07/2027	07/2027	07/2030	—	1380 Owned
PV DRILLING IX	425	2016	Drilling	Vietnam	04/2026	09/2026	10/2026	07/2027	—	241 Owned
PARTNER RIG #1	400	2018	Drilling	Vietnam	10/2025	06/2026	07/2026	10/2026	—	204 Partner
PARTNER RIG #2	400	2018	Drilling	Vietnam	05/2026	08/2026	08/2026	04/2027	—	205 Partner
PARTNER RIG #3	350	2013	Drilling	Vietnam	10/2026	11/2026	11/2026	04/2027	—	166 Partner

Monthly jackup average day rates



Drilling activity in Asia has remained relatively stable in recent years. Average rig utilization has exceeded 90% since early 2026 reflecting surplus rig supply. Meanwhile, Asian rig day rates have remained relatively stable at an average below USD120,000/day. PVD's growth is driven mainly by fleet expansion and increased workloads for domestic rigs.



PVD RIG OPERATIONS UPDATE

Drilling Plan				2026												2027											
	Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4					
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
PV Drilling I	Malaysia 2-year firm contract			Vietnam 9-month firm contract						Vietnam 2 firm wells (Awaiting confirmation)				Vietnam Potential work / 4 wells (Awaiting confirmation)													
PV Drilling II	Indonesia 3-year firm contract through 2028																										
PV Drilling III	Indonesia 3-year firm contract																										
PV Drilling VI	Malaysia	Malaysia 2 firm wells		Malaysia 1-month firm contract + 4 development wells				Malaysia 3 firm wells			Malaysia 1 firm well		Malaysia Potential work (Awaiting confirmation)														
PV Drilling VIII	Vietnam 5 firm wells						Vung Tau	Malaysia 2 firm wells					Malaysia 7 firm wells				Malaysia Contract extension through 2030										
PV Drilling IX	Process in Vietnam			Vietnam 55-day firm contract					Malaysia 6-month contract			Malaysia Potential work through 2028 (Awaiting confirmation)															
PV Drilling V	Brunei 6-year firm contract + (2+2)-year options																										
Partner Rig #1	Vietnam 2 firm wells						Vietnam 1 firm well				Vietnam 4 firm wells																
Partner Rig #2	Vietnam 4 firm wells			Vung Tau	Vietnam 1 firm well				Vietnam 1 firm well				Vietnam 110-day service period (Awaiting confirmation)		Vietnam Potential work / 4 wells (Awaiting confirmation)												
Partner Rig #3							Vietnam 1 firm well			Vietnam Short-term contract		Vietnam 2 firm wells															



Firm wells



Optional wells / Standby / Extension



UWILD / SPS / Port

Potential work





2026 GROWTH ACCELERATES ON FLEET EXPANSION AND THE FREIGHT RATE UPCYCLE

ASSESSMENT & RECOMMENDATION

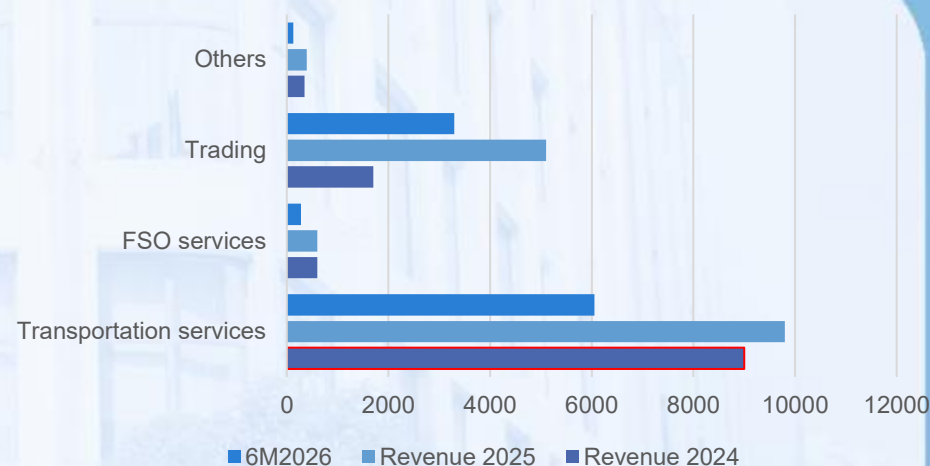
The transportation market for oil, gas, liquefied gases and refined petroleum products is benefiting from tanker rerouting demand and localized vessel shortages. Meanwhile, chemical and dry bulk shipping remain relatively stable. Against this backdrop, PVT's revenue and profit have risen sharply following fleet expansion in 2024–2026. PVT continues to expand its fleet, taking delivery of two new vessels in Q2/2026 and one in Q3, bringing its managed fleet to 68 vessels with total capacity of 2.1 million DWT.

Since 2024–2025, PVT has diversified its transportation revenue mix into chemical shipping and expanded internationally. This revenue mix helps stabilize the outlook for its transportation business. Around 90% of the group's fleet now operates on overseas routes, from Asia-Pacific to more distant markets such as Europe and the US, lifting international revenue to approximately 70% of total transportation revenue. Domestically, uninterrupted production and refining operations secure PVT's workload in crude and petroleum product transportation for partners such as BSR, Nghi Son, PVOIL and GAS.

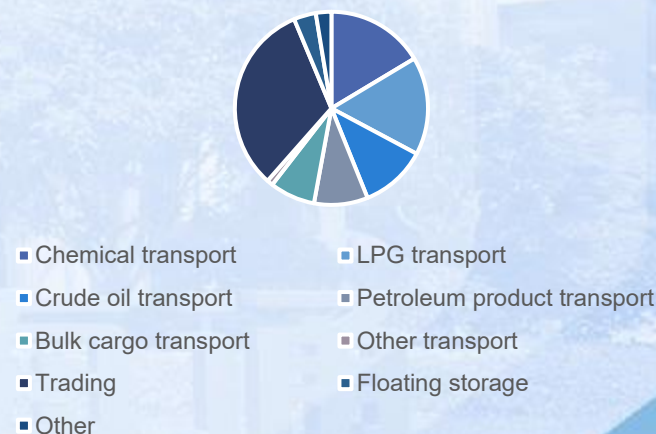
In the short term, PVS is benefiting from sharply higher charter rates just as fleet expansion has been completed, delivering a double boost to revenue and earnings. We expect ample vessel supply and a rate correction to affect PVT's 2027F revenue and earnings outlook. We therefore forecast PVT's 2027F revenue and net income to decline 12% and 34%, respectively, after peaking in 2026F at VND21,754 billion in revenue and VND2,600 billion in net profit.

We set PVT's 2027F target price at VND25,200/share and recommend "NEUTRAL".

Revenue Trends, 2024–1H2026

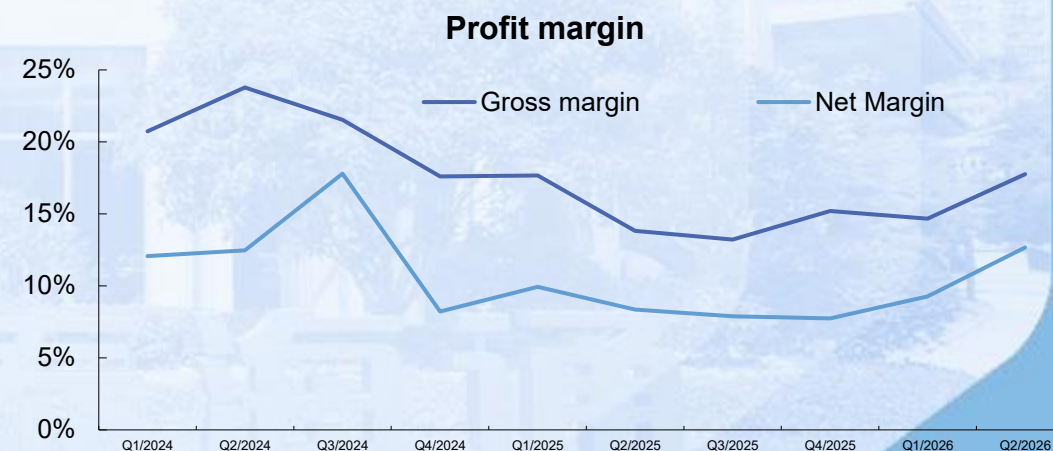
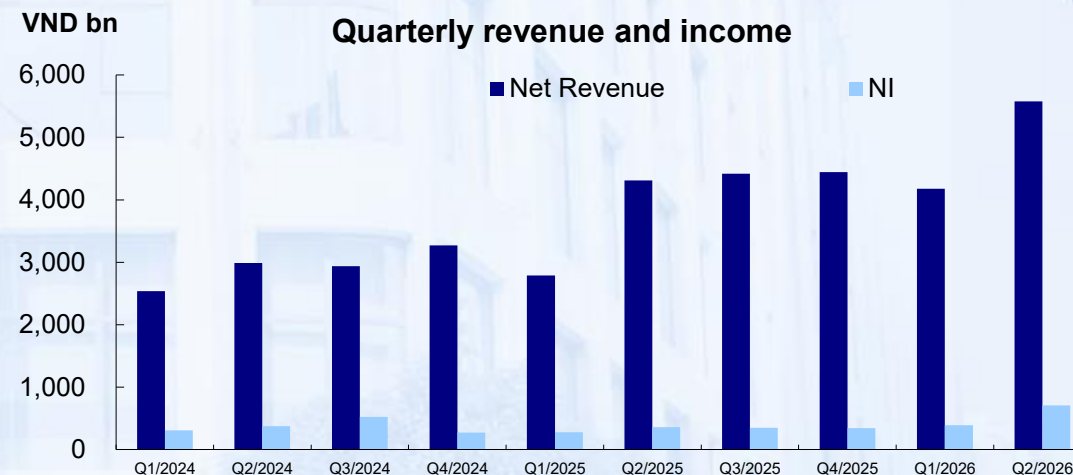


Revenue Share by Segment (%)

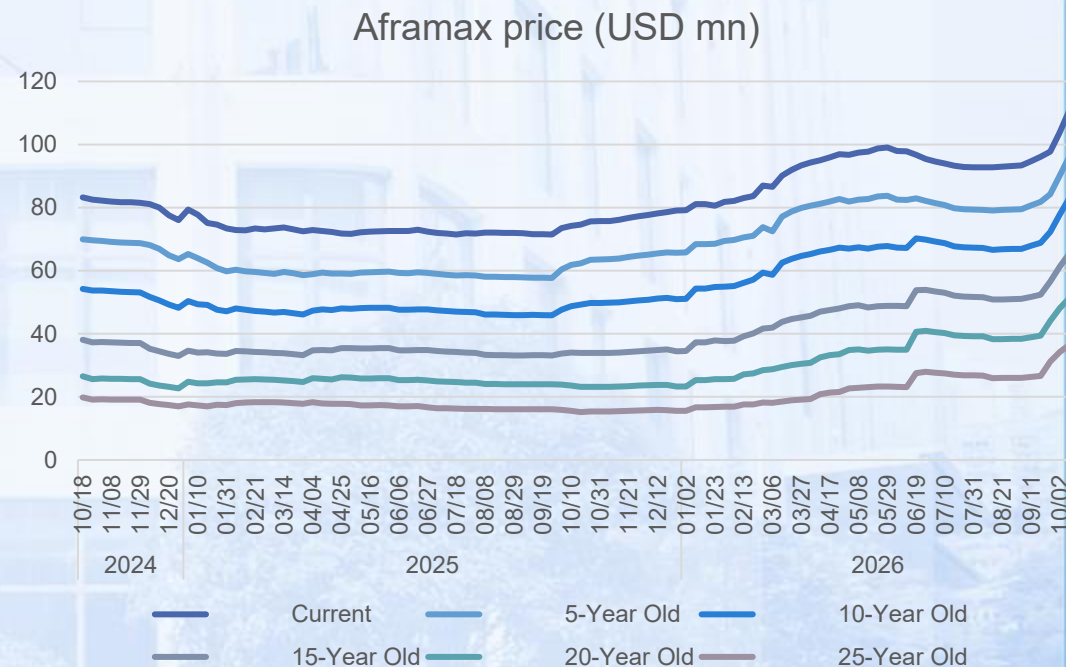
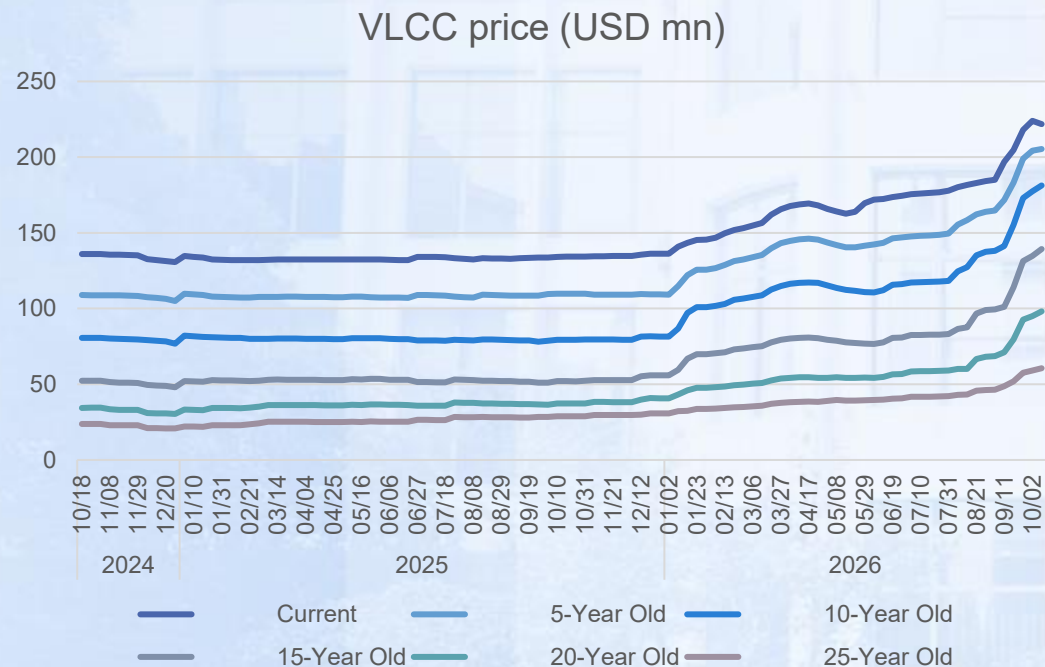


PVT'S FLEET EXPANSION CYCLE MAY HAVE BEEN COMPLETED

Vessel type	Number of vessels	Total capacity (DWT)
Crude oil tankers	4	Over 427,000
Product tankers	8	Over 388,000
Chemical tankers	19	Over 335,000
LPG carriers	21	Over 184,000
Dry bulk carriers	15	Over 656,000
FSO/FPSO vessels	1	Around 104,000
Total across vessel types	68	Nearly 2,100,000



CURRENT VESSEL PRICES HAVE RISEN SHARPLY FROM TWO YEARS AGO, IMPLYING HIGHER CAPITAL COSTS FOR FURTHER EXPANSION



GAS – WATCHLIST

Assessment

- GAS is shifting from a domestic gas production and distribution model toward a more integrated model encompassing imported LNG, LPG, receiving infrastructure and distribution. This expands its addressable market but also makes earnings more sensitive to LNG procurement prices, cost pass-through mechanisms and gas demand from power plants.
- We believe GAS operates not only as a profit-generating business but also plays a critical role in strengthening Vietnam's energy supply and security.

Volume indicator	Unit	2026 plan	Q2/2026 actual	Q2/2026 actual / 2026 plan
Onshore gas + LNG imports	Million m ³	7,435	3,738	50%
Production				
Dry gas (including LNG)	Million m ³	7,117	3,617	51%
Condensate	'000 tonnes	75.5	35.2	47%
LPG	'000 tonnes	410	175	43%
Sales				
Dry gas (including LNG)	Million m ³	7,117	3,617	51%
Power customers	Million m ³	4,851	2540	52%
Fertilizer customers	Million m ³	1,181	575	49%
LP gas/CNG customers	Million m ³	1,085	502	46%
Condensate	'000 tonnes	75.5	35.2	47%
LPG/LNG (incl. imports/exports & global trading)	'000 tonnes	3,875	1,818	47%

Sources: GAS, PLX, GTHTSVN RS

PLX – WATCHLIST

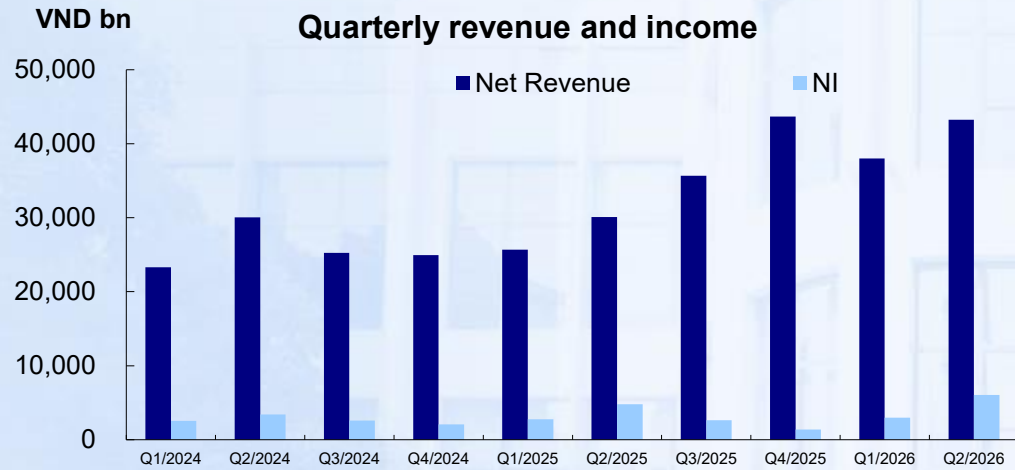
Assessment

- PLX's business is highly sensitive to supply and oil price fluctuations. In Q1/2026, PLX posted a loss of over VND1,000 billion due to the Middle East conflict, before returning to profit in Q2 and Q3 as markets stabilized. Over the long term, we believe PLX's operating performance could improve following changes to the petroleum trading framework. On September 30, 2026, the Ministry of Industry and Trade launched a public consultation on a draft decree replacing existing petroleum trading regulations. The draft focuses on reducing intermediaries, increasing pricing autonomy and managing the market through data. For PLX, with its extensive storage, transportation and retail network, the new framework is expected to allow better reflection of input costs and improve margins.
- The initial rollout of E10 gasoline is also significant for PLX, requiring major near-term investment in storage and logistics. Long-term returns remain difficult to assess due to changes in blending ratios and selling prices, as well as policy risks.

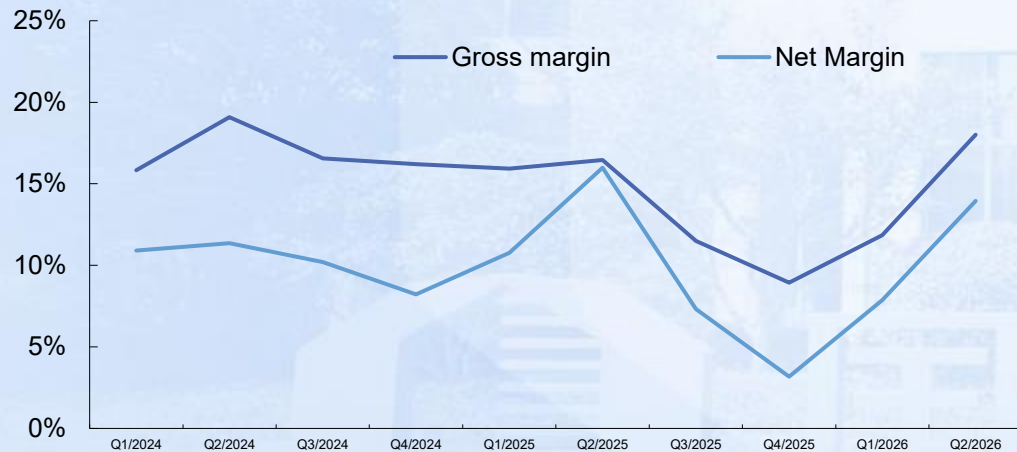
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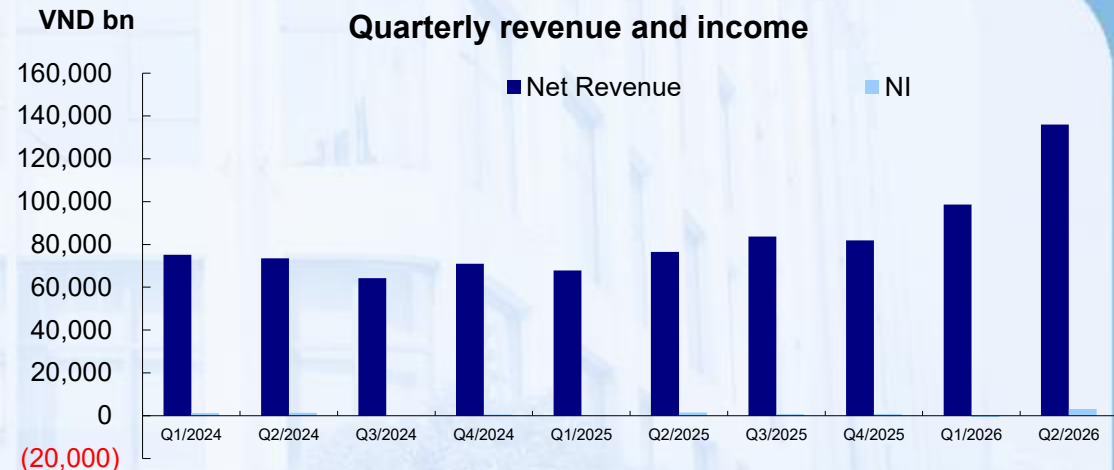
GAS



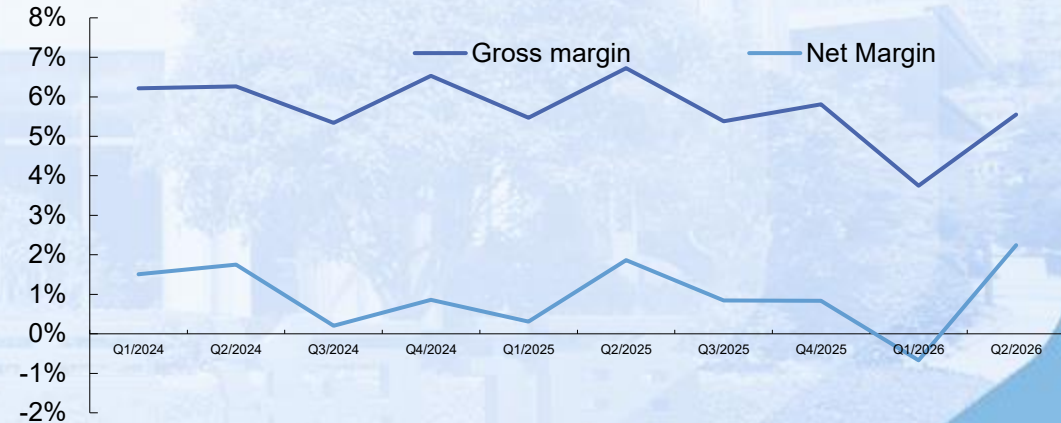
Profit margin



PLX

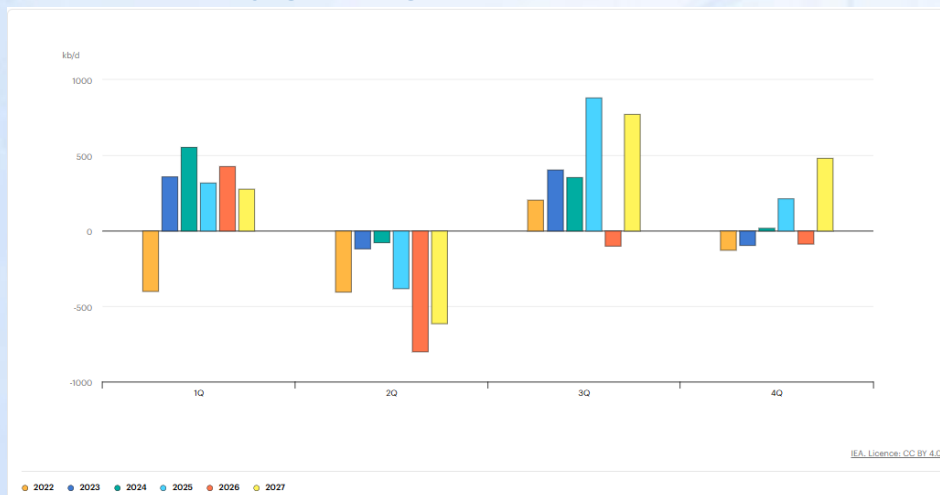


Profit margin



IEA GLOBAL OIL AND GAS OUTLOOK UPDATE: OCTOBER 2026 REPORT

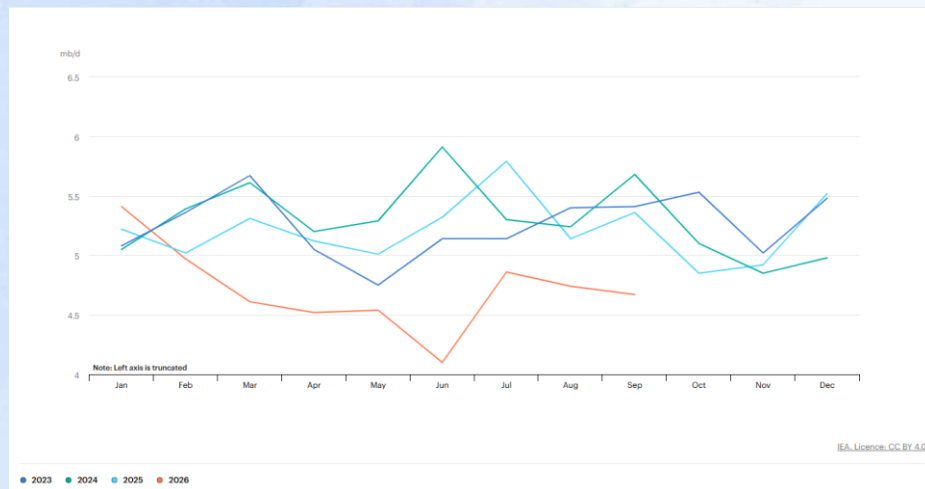
Quarterly global gasoil balance, 2022-2027



Global gasoil and diesel demand, 2024-2027



Global seaborne gasoil and diesel net exports, 2023-2026



Sharp declines in refinery output reduced global gasoil exports to an average of 4.7 million b/d in 9M2026, down 10% YoY. Preliminary trade data indicate exports fell to 4.7 million b/d in September, nearly 700,000 b/d below the year-earlier level.

Combined net exports from the Middle East and Russia fell 1.3 million b/d to 820,000 b/d in September, a decline of more than 60% YoY.

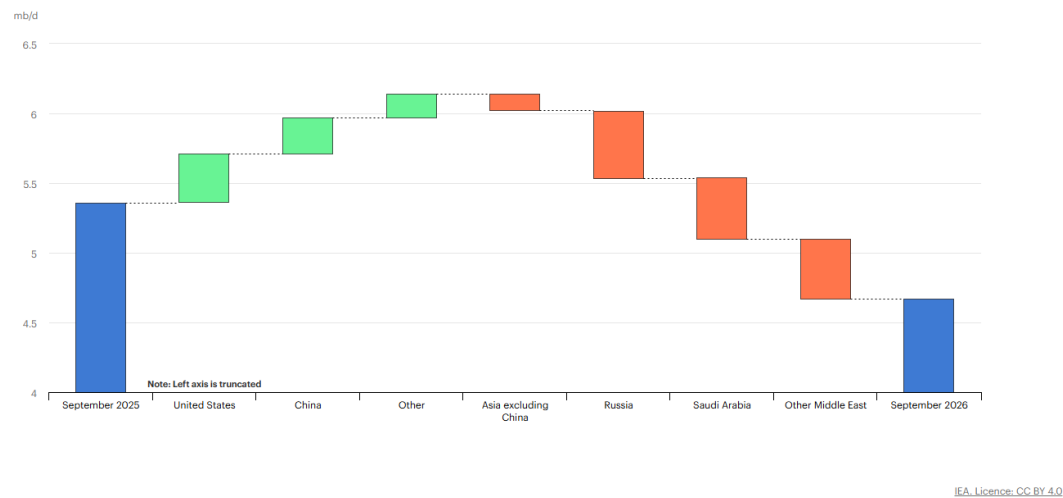
Although the US and China increased exports by 610,000 b/d YoY, their exports remained 150,000 b/d below the August peak, insufficient to offset lost supply from the Middle East and Russia.

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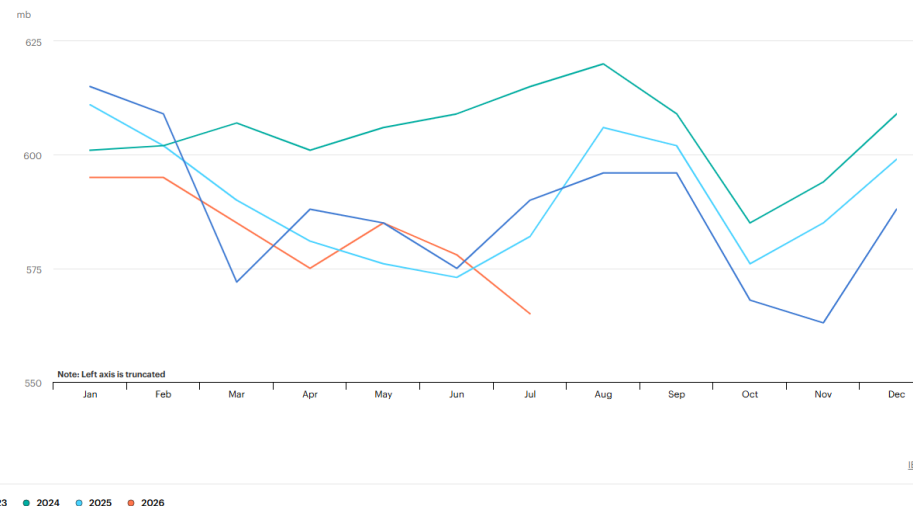


IEA GLOBAL OIL AND GAS OUTLOOK UPDATE: OCTOBER 2026 REPORT

Annual change of global gasoil and diesel exports by country or region, September 2025-September 2026



OECD total gasoil and diesel stocks, 2023-2026



According to the IEA, higher global refinery output will return the gasoil/diesel market to surplus in Q1/2027, allowing inventories to build in line with normal seasonal patterns. However, this increase will not be sufficient to offset the deficit accumulated in 2026. The gasoil balance will therefore remain tight in 2027 and depend on a recovery in Middle Eastern oil product supply. If this fails to materialize, demand may need to adjust, with substantial economic losses, to restore supply-demand equilibrium.

Against this challenging backdrop, on October 2, G7 leaders pledged to accelerate the release of oil agreed under the International Energy Agency's (IEA) March 11 collective action, prioritizing the rapid release of diesel supplies to the market in the coming weeks.



LNG ECONOMICS: THE RELATIONSHIP BETWEEN GAS PRICES AND ELECTRICITY PRICES





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