

PVS – Q1/2026 results: Margins reached new highs

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- In Q1/2026, PVS reported strong results with consolidated revenue of more than VND 8.7 tn (+45% YoY) and NPAT-MI of VND 416 bn (+25% YoY), completing 26% of its revenue target and 53% of its profit target for the year. The results were supported by a strong project backlog and solid execution progress.
- Key domestic projects such as Block B – O Mon, Lac Da Vang, and Su Tu Trang Phase 2B continued to make good progress. At the same time, PVS expanded its offshore wind presence across Europe, the Middle East, and Asia.
- For FY2026, we forecast revenue of VND 39,454 bn (+21% YoY) and NPAT-MI of VND 2,330 bn (+28% YoY; +20% YoY excluding provision reversals). Using a 50:50 blend of DCF and EV/EBITDA valuation methods, we set a 12-month target price of VND 48,700/share, implying an expected return of 25% based on the closing price on May 7, 2026. We maintain a **BUY** recommendation on PVS.

Q1/2026 results: M&C segment continues to drive growth

In Q1/2026, PVS recorded consolidated revenue of more than **VND 8.7 tn (+45% YoY)** and NPAT-MI of around **VND 416 bn (+25% YoY)**, supported by strong construction activity at major projects.

Quarterly revenue came in 23% above our forecast, reflecting faster-than-expected project execution. However, NPAT-MI reached only 43% of our estimate because the company did not book any reversal of warranty provisions related to the **Sao Vang – Dai Nguyet** project during the quarter.

Gross margin improved significantly, reaching the highest level in the past seven years thanks to better profitability in the M&C segment. Company-wide gross margin increased to 9.9%, compared with 4.3% in Q1/2025 and 8.2% in Q4/2025.

Notably, the M&C segment recorded a gross margin of 9.1%, much higher than 1.2% in Q1/2025 and 5.5% in Q4/2025, marking the strongest level since Q4/2019. As a result, gross profit increased 3.3x YoY, becoming the key driver of earnings growth.

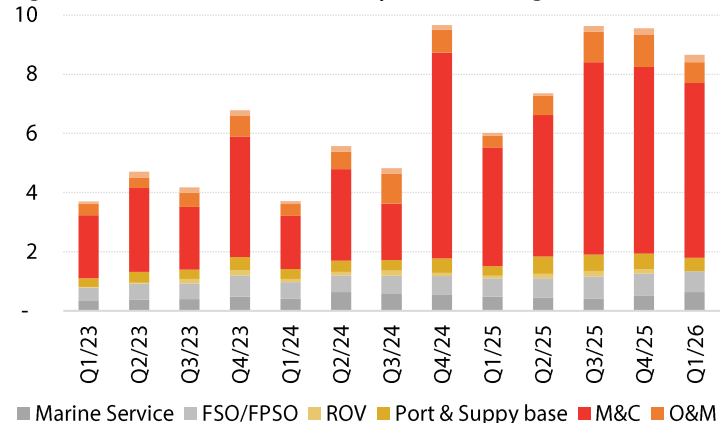
However, profit growth was partly offset by higher expenses. SG&A expenses rose 57% YoY, mainly due to additional provisions of VND 282 bn. Net financial income also declined 53% YoY, while minority interest turned positive at VND 20 bn versus negative VND 32 bn in the same period last year.

PVS continued to apply a conservative provisioning policy for large EPC projects. In Q1/2026, the company booked VND 742 bn in construction warranty provisions, bringing total provisions to VND 3.9 tn by quarter-end. Major provisions included: Block B – O Mon: VND 83.4 bn for EPCI#1 and VND 358 bn for EPCI#2, Baltica 2: VND 46 bn, Lac Da Vang: VND 44 bn, Gallaf 3: VND 28 bn.

Overall, we believe Q1/2026 results remain positive, showing strong earnings growth despite higher provisions. Improving margins and stable project execution provide a good foundation for the coming quarters.

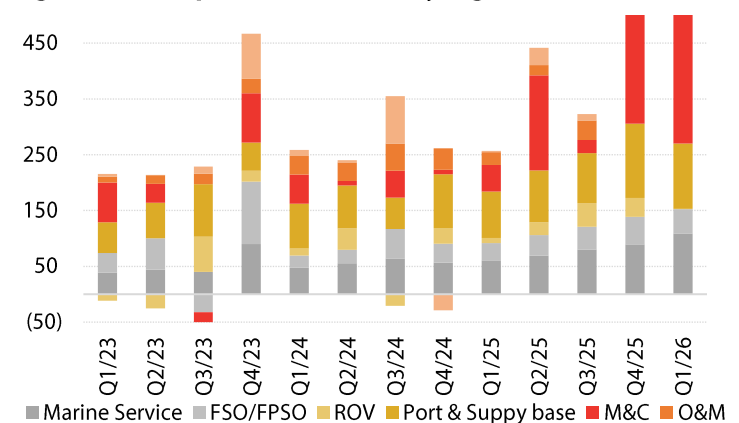
In the first three months of 2026, PVS completed 26% of its revenue target and 35% of its PBT target, equivalent to 22% and 18% of our full-year forecasts, respectively, leaving room for further growth in the remaining quarters of the year.

Figure 1: Revenue breakdown by business segments (VND Tn)



Source: PVS, RongViet Securities

Figure 2: Gross profit breakdown by segments (VND bn)

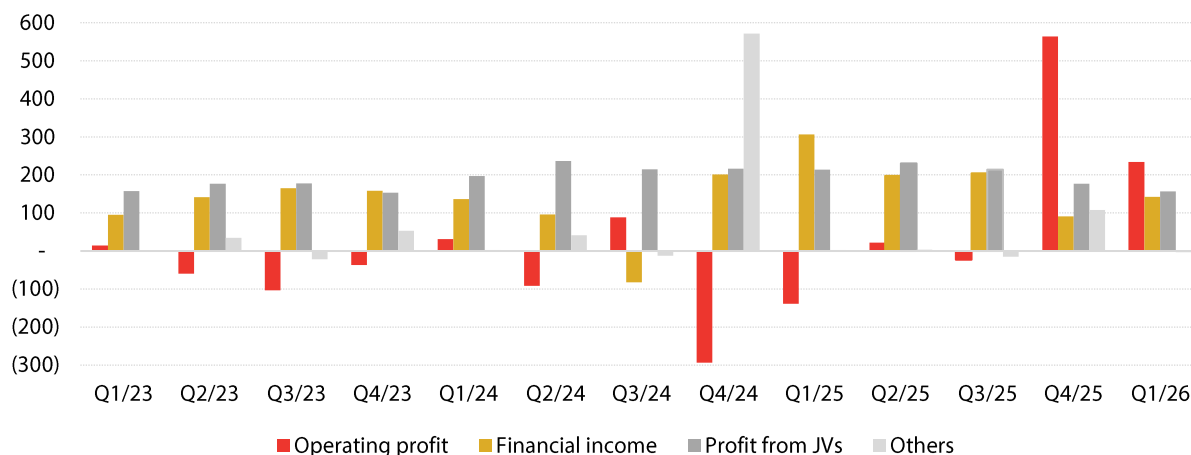


Source: PVS, RongViet Securities

Table 1: PVS – Q1/2026 financial performance (VND bn)

VND Bn	Q1-FY26	Q4-FY25	+/- (qoq)	Q1-FY25	+/- (yoy)	% Plan 2026	% VDSC's forecast
Revenue	8.701	9.554	-9%	6.014	45%	26%	22%
M&C	5.911	6.320	-6%	4.018	47%		
FSO/FPSO	695	762	-9%	622	12%		
O&M	705	1.077	-35%	402	75%		
Offshore service vessels	640	503	27%	478	34%		
Port base services	454	521	-13%	322	41%		
ROV	45	145	-69%	87	-49%		
Gross profit	857	788	9%	257	233%		
M&C	538	351	53%	48	1027%		
FSO/FPSO	44	49	-12%	31	39%		
O&M	23	54	-58%	23	-2%		
Offshore service vessels	109	89	22%	60	80%		
Port base services	117	133	-12%	83	41%		
ROV	1	34	-98%	9	-93%		
SG&A expenses	623	224	178%	396	57%		
Operating income	234	563	-58%	-138,45	-269%		
Financial income	215	132	62%	340	-37%		
Financial expenses	72	41	76%	34	114%		
Gain/(loss) from JVs	157	177	-11%	213	-27%		
Others net income	-3	107	-103%	3	-219%		
PBT	528	939	-44%	384	38%	35%	17%
NPAT	435	950	-54%	300	45%		
NPAT-MI	416	806	-48%	332	25%		

Source: PVS, RongViet Securities

Figure 3: PVS profit before tax by segment (VND bn)


Source: PVS, RongViet Securities

Update on M&C segment performance

Key domestic projects: Strong execution progress and major technical milestones as of Q2/2026:

- **Block B – O Mon gas-to-power chain**

- + **EPCI#1 (Central Processing Platform & Living Quarters):** As of end-April 2026, the project had achieved more than **60% overall completion**, with engineering over 99%, procurement above 83%, and construction above 50%. Key offshore structures, including the CPP jacket, WHP jackets, and flare platform, were fully installed in February 2026, providing the foundation for topside construction. PVS is currently running a “90-day campaign” to accelerate CPP topside works and support the target of first gas in Q3/2027.
- + **EPCI#2 (Wellhead Platforms & Infield Pipelines):** The package is progressing smoothly, with steel structure fabrication and long-lead equipment procurement currently underway.

- + **Onshore Gas Pipeline:** The project entered an accelerated construction phase in 2026, with onshore works being implemented simultaneously. Pipe pulling and lowering activities have started, while offshore pipeline installation is scheduled to begin from April 2026.
- + **Block B FSO:** The PVS–Yinson joint venture is currently carrying out the construction/conversion work, with commercial operation expected from Q3/2027.
- **Golden Camel project**
 - + **M&C progress:** Topside fabrication and yard installation were completed in Q3/2025. The project is now preparing for transportation and offshore installation (T&I), expected by end-2026.
 - + **Golden Camel FSO:** The FSO is currently under final completion and is expected to start operation and contribute earnings from Q4/2026.
- **Renewable energy segment**
 - + **Baltica 2 Project (Poland):** PVS is executing the offshore substation (OSS) fabrication package. The project is progressing well, with the first batch of foundation piles completed and expected to be delivered by July 2026.
 - + **Fengmiao Project (Taiwan):** Added to backlog in mid-2025, the project includes six offshore substations with an estimated contract value of around USD 300 mn. PVS is currently carrying out engineering and material procurement activities.

In addition, we believe PVS still has significant domestic opportunities, as the company is participating in bids for the **Nam Du – U Minh** project and other EPC oil & gas packages. PVS is also currently the only company in Vietnam with capabilities in offshore survey, wind measurement, and hydrological assessment services for offshore platform design.

Offshore wind & International market outlook

PVS continues to expand its international presence across three key regions - **Asia, Europe, and the Middle East** - gradually transforming from a traditional oil & gas contractor into a regional offshore EPCI contractor.

- **Europe:** PVS is currently executing four offshore wind projects, mainly related to the **Baltica 2 project in Poland**, with deliveries expected during 2026–2027. These projects involve high technical requirements and help strengthen the company's offshore fabrication capabilities for the global renewable energy market.
- **Taiwan:** PVS is executing the **Fengmiao 1** project (expected delivery in 2026) and **Formosa 4** (expected delivery in 2027), while also preparing to participate in Round 3.3 bidding with larger contract sizes. We believe Taiwan will remain a key market for PVS in the medium term, supported by strong offshore wind demand and the company's established track record from earlier projects.
- **Middle East (Qatar):** PVS, through a consortium with **Seatrium Limited**, is participating in the bidding process for an offshore EPC package under the **Maydan Mahzam oil field expansion project** of QatarEnergy. According to market estimates, the contract value could reach around **USD 3 bn**, including topside fabrication, brownfield modification, and offshore installation works. We believe that if awarded, this could become one of PVS's largest international contracts, significantly boosting its medium-term M&C backlog.

In addition, PVS is monitoring opportunities in **South Korea, Japan, and Australia**, where offshore wind capacity targets are estimated at **14.3 GW, 10 GW, and 25 GW**, respectively, by 2030. We believe international expansion will not only increase backlog visibility but also improve the long-term margin profile and revenue quality of the M&C segment.

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