29/10/2025	
RECOMMENDATION	**OVERWEIGHT**
Target price	27,400
Current price	23,300
Upside/downside	**18%**

STOCK INFORMATION

Outstanding shares (mil)	288
Free float (mil)	32%
Market cap. (billion VND)	6,261
3m avg. volume (shares)	1.9
Foreign ownership (%)	40%
First listing date	12/06/2015

SHAREHOLDER STRUCTURE

PVPower	59.4%
Others	40.6%

KEY ATTRIBUTES

TTM EPS (VND)	2,192
BVPS (VND)	14,916
D/E (%)	16%
ROA (%)	6.82%
ROE (%)	15.01%
P/E	9.92
P/B	1.46
Dividend yield (%)	3.68%

PRICE PERFORMANCE

COMPANY PROFILE

Established in 2007 by PetroVietnam (PVN)—later transferred to PV Power—together with other institutional investors, the company is the owner, manager, and operator of the Nhon Trach 2 combined-cycle gas turbine (CCGT) power plant. NT2 employs advanced F-class combined-cycle gas turbine technology in a 2-2-1 configuration, comprising two gas turbines, two heat recovery steam generators (HRSGs), and one steam turbine.

ANALYST

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Earnings improved due to reduced depreciation costs.

- **In 3Q2025, NT2 recorded net revenue and NPAT (shareholders of the parent) of VND 1,928 billion (+13% yoy) and VND 214 billion (+384% yoy), respectively.** Cumulatively for 9M2025, net revenue and NPAT were VND 5,436 billion (+31% yoy) and VND 577 billion (+6,831% yoy), fulfilling 66% and 207% of the 2025 business plan and 74% and 75% of our forecasts, respectively.
- We maintain a **POSITIVE** view on the 2026 outlook, primarily driven by NPATMI recovery as key plant equipment becomes depreciated in 2026.
- We estimate 2025F/2026F net revenue and NPAT at VND 7,401/7,888 billion (+25% yoy / +7% yoy) and VND 779/987 billion (+840% yoy /+27% yoy), respectively.
- We recommend an **OVERWEIGHT** rating on NT2 with a target price of VND 27,400, implying 18% upside versus the closing price on October 28, 2025.

Q3/2025 Earnings Update

In 3Q2025, NT2 recorded net revenue and NPAT attributable to shareholders of VND 1,928 billion (+13% yoy) and VND 214 billion (+384% yoy), respectively. Cumulatively for 9M2025, net revenue and NPAT reached VND 5,436 billion (+31% yoy) and VND 577 billion (+6,831% yoy), fulfilling 66% and 207% of the 2025 business plan and 74% and 75% of PHS's forecasts, respectively. The outperformance was mainly driven by a recovery in revenue on the back of rising nationwide power demand and improved margins thanks to an estimated higher compensation component (CfD price) versus the same period last year, which together supported a strong 3Q2025 result.

2025F and 2026F Business results forecast

We estimate 2025F/2026F net revenue and NPAT-MI at VND 7,401/7,888bn (+25% yoy/+7% yoy) and VND 779/987bn (+840% yoy/+27% yoy), respectively, driven by lower depreciation expenses and an expected recovery in electricity output from the low 2024 base.

INVESTMENT THESIS

1. **2026 earnings growth underpinned by margin expansion. We forecast NPAT to grow a solid +27% YoY**, driven by a +230 bps yoy improvement in gross margin as NT2's major equipment becomes fully depreciated in 2026, with depreciation expense estimated to decline 81% YoY, providing a meaningful uplift to profitability
2. **Sound balance sheet and stable cash dividend:** The company maintains a healthy financial position and a consistent cash dividend policy — even through the challenging 2024 period. For 2026, we expect a cash dividend payout ratio of 80% of NPAT (in line with 2022) as earnings recover toward 2022 levels, implying a 11% dividend yield in 2026.