PetroVietnam Power Corporation

Update report | Industry: Power | HSX: POW

27/08/2026	
RECOMMENDATION	**BUY**
Target price (VND/share)	17,500
Current price (VND/share)	13,300
Upside/downside	**32%**

STOCK INFORMATION

Shares outstanding (mn)	3,067
Free float (%)	20%
Market capitalization (VND bn)	40,802
3M average trading volume (mn shares)	11,504
Foreign ownership (%)	50%
First listing date	08/2018

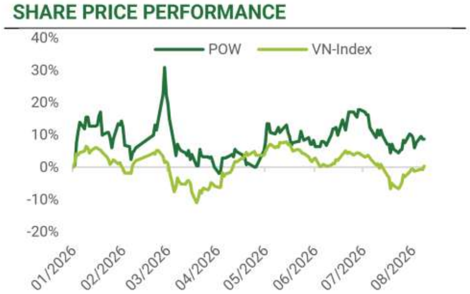
SHAREHOLDER STRUCTURE

Vietnam National Energy Industry Group	80%
Others	20%

KEY METRICS

TTM EPS (VND)	2,025
BVPS (VND)	13,486
Debt/Equity (%)	85.28%
ROA (%)	6.35%
ROE (%)	16.43%
P/E	6.55
P/B	0.98
Dividend yield (%)	0%

SHARE PRICE PERFORMANCE



COMPANY PROFILE

PV Power (POW) is one of Vietnam's largest power generation companies, with a diversified plant portfolio spanning gas-fired, coal-fired and hydropower assets.

ANALYST

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GROSS MARGIN EXPANSION

- In Q2/2026, POW delivered strong earnings, with net revenue and NPAT reaching VND20.3tn (+116% YoY) and VND3.7tn (+387% YoY), respectively. Accordingly, in 1H2026, net revenue and NPAT came in at VND32.6tn (+86% YoY) and VND5.0tn (+306% YoY), fulfilling 65% and 446% of the company's full-year revenue and profit targets, and representing 79% and 231% of PHS's full-year forecasts, respectively.
- We upgrade our 2026 outlook on POW from NEUTRAL to **POSITIVE**, forecasting net revenue and NPATMI of VND59.8tn (+74% YoY) and VND6.3tn (+159% YoY), respectively. Earnings growth should be driven by the contribution from NT3&4, supported by a high Qc/Qm ratio, together with sizable one-off income recorded in Q2/2026.
- We apply a DCF valuation with a WACC of 9.5% and reiterate our **BUY** recommendation on POW with a target price of VND17,500/share, implying 32% upside from the closing price on August 26, 2026.

Q2 2026 Results Update

In Q2/2026, POW posted strong results, with net revenue and NPAT reaching VND20,309bn (+116% YoY) and VND3,708bn (+387% YoY), respectively. Accordingly, in 6M2026, net revenue and NPAT reached VND32,635bn (+86% YoY) and VND5,008bn (+306% YoY), respectively. These results fulfilled 65% of the full-year revenue target and 446% of the full-year profit target, while representing 79% and 231% of PHS's previous full-year forecasts, respectively. Details are as follows:

1. Net revenue reached VND20.3tn (+116% YoY), driven by: (i) commercial electricity output (Qm) and contracted output (Qc) of approximately 7.4bn kWh (+51% YoY) and 6.0bn kWh (+29% YoY), respectively, supported by favorable weather conditions and the contribution from NT3&4 since the beginning of 2026; (ii) VND1.1tn of one-off revenue from FX differences at the Vung Ang 1 power plant for the 2019–2021 period; and (iii) more than VND991bn from the final settlement of electricity and gas price differences at the Ca Mau 1&2 power plants. Excluding these one-off items, we estimate Q2/2026 net revenue at VND18.2tn (+94% YoY).

2. Gross margin expanded by 10.8 percentage points YoY, supported by retroactive revenue recognition and lower O&M costs in Q2/2026. Excluding these one-off revenue items, we estimate that gross margin still improved by 2.4 percentage points YoY.

3. Interest expense increased to VND518bn (+276% YoY), mainly due to higher financing costs associated with NT3&4.

2026F & 2027F Earnings Forecast

2026F: Overall, POW's core operating performance came in ahead of our previous expectations, mainly driven by a higher-than-expected Qc/Qm ratio. We raise our 2026 net revenue and NPATMI forecasts by 33% and 195%, respectively, versus our previous estimates, reflecting one-off income and a higher-than-expected Qc/Qm ratio.