

# REE Corporation (REE)

## Advancing capacity expansion ambition

December 5, 2025

Analyst Nguyen Viet Anh  
(+84) 24-7303-5333 anhnv3@kbsec.com.vn

**In 3Q2025, revenue and NPAT-MI expanded by 26% and 40% YoY**

In 3Q2025, REE recorded revenue of VND2,555 billion (+26% YoY / +1.5% QoQ) and NPAT-MI of VND674 billion (+40% YoY / +8.2% QoQ). The energy segment remained the key contributor, generating revenue of VND1,065 billion (+27% YoY / +13.4% QoQ).

**Electricity output increased sharply in 3Q2025, driven by hydropower and wind power**

During the quarter, electricity output from the parent company, subsidiaries, and associates totaled 3.2 billion kWh (+18% YoY), supported by improved reservoir inflows. In renewable energy, stronger performance at the Thuan Binh wind farm, which delivered 80 million kWh (+19% YoY), drove segment output to 149 million kWh (+9% YoY).

**REE marks a major milestone in the Duyen Hai offshore wind project, signaling renewed momentum in capacity expansion**

According to the EPC contractor of the 48MW Duyen Hai offshore wind project, REE has completed the installation of 10 offshore wind turbine towers—marking the company's return to capacity expansion after years of limited new development. We expect the project to secure a tariff near the maximum level of VND1,815/kWh, thereby contributing an estimated VND127 billion in revenue and 70 million kWh of electricity output in 2026.

**We reiterate NEUTRAL on REE with a target price of VND66,500/share**

Based on valuation results, business outlook, and potential risks, we maintain our NEUTRAL rating on REE with a target price of VND66,500 per share, 4.1% higher than the closing price on December 4, 2025.

## Neutral maintain

|                             |                   |
|-----------------------------|-------------------|
| <b>Target price</b>         | <b>VND 66,500</b> |
| Upside                      | 4.1%              |
| Current price (Dec 4, 2025) | VND 63,900        |
| Consensus target price      | VND 77,600        |
| Market cap (VNDtn/USDbn)    | 34.9/1.3          |

### Forecast earnings & valuation

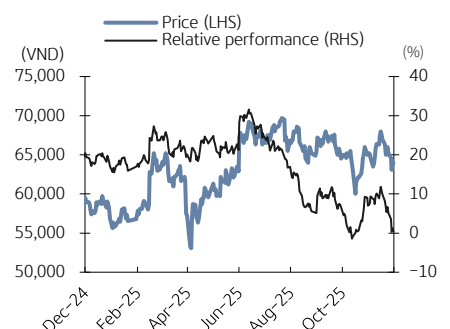
| FY-end                        | 2023  | 2024  | 2025F | 2026F  |
|-------------------------------|-------|-------|-------|--------|
| Net revenue (VNDbn)           | 8,570 | 8,384 | 9,528 | 10,262 |
| Operating income/loss (VNDbn) | 2,954 | 2,429 | 3,121 | 3,100  |
| NPAT-MI (VNDbn)               | 2,188 | 1,994 | 2,565 | 2,529  |
| EPS (VND)                     | 5,354 | 4,234 | 5,064 | 4,667  |
| EPS growth (%)                | -29.3 | -20.9 | 13.0  | -8.0   |
| P/E (x)                       | 12.4  | 15.7  | 13.1  | 14.3   |
| P/B (x)                       | 1.6   | 1.7   | 1.7   | 1.6    |
| ROE (%)                       | 13.4  | 10.7  | 12.6  | 11.3   |
| Dividend yield (%)            | 1.3   | 1.3   | 1.2   | 1.4    |

### Trading data

|                                    |                          |
|------------------------------------|--------------------------|
| Free float                         | 38.2%                    |
| 3M avg trading value (VNDbn/USDmn) | 50.4/2.0                 |
| Foreign ownership                  | 49.0%                    |
| Major shareholder                  | Platinum Victory (41.7%) |

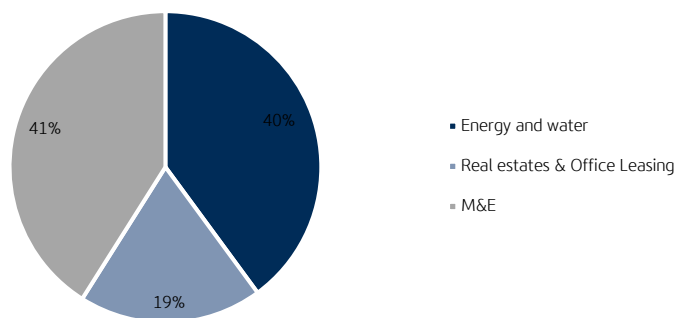
### Share price performance

| (%)             | 1M   | 3M    | 6M    | 12M   |
|-----------------|------|-------|-------|-------|
| <b>Absolute</b> | -1.2 | -3.8  | 5.5   | 14.7  |
| <b>Relative</b> | -4.3 | -24.6 | -21.7 | -14.3 |



Source: Bloomberg, KB Securities Vietnam

## Revenue composition (2024)



## Business operation

REE Corporation (REE) operates across three core business segments: energy (1,050 MW, contributing nearly 50% of total revenue), mechanical and electrical engineering (M&E), and real estate & office leasing. The company also owns subsidiaries in the water utilities and real estate sectors. Currently, REE currently manages a total leasable office area of 182,000 square meters.

Source: REE Corporation, KB Securities Vietnam

## Investment Catalysts

The two wind power projects (128MW) are forecast to contribute 404 million kWh or VND802 billion in revenue annually from 2027 (+150% versus current output and revenue).

Long Thanh Airport workloads are expected to sustain M&E revenue at VND3,035 billion and VND3,795 billion (+20%/+25% YoY) in 2025/2026 amid a sluggish real estate backlog.

E.Town 6 will bolster the office leasing segment, bringing segment revenue to VND1,249 billion and VND1,370 billion (+17%/+10% YoY) in 2025F/2026F.

## Notes

Please find more details [here](#)

Please find more details [here](#)

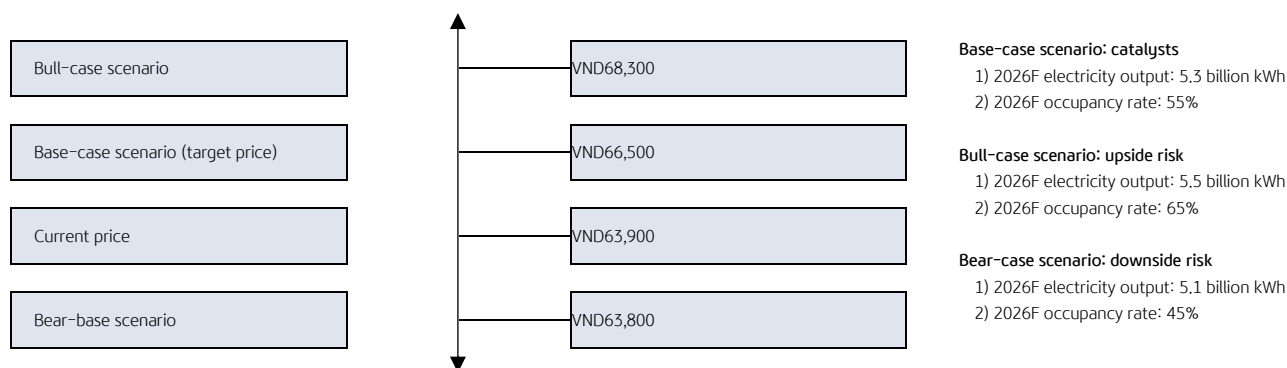
Please find more details [here](#)

## Revised earnings estimates

| (VNDbn)     | KBSV estimates |        | Change vs previous estimates |       | Consensus* |        | Difference |       |
|-------------|----------------|--------|------------------------------|-------|------------|--------|------------|-------|
|             | 2025E          | 2026E  | 2025E                        | 2026E | 2025E      | 2026E  | 2025E      | 2026E |
| Revenue     | 9,528          | 10,262 | -2%                          | -3%   | 9,945      | 10,900 | 4%         | 6%    |
| EBIT        | 3,121          | 3,100  | 7%                           | -4%   | 3,094      | 3,867  | -1%        | 25%   |
| NP after MI | 2,565          | 2,529  | 6%                           | -3%   | 2,512      | 2,738  | -2%        | 8%    |

Source: Bloomberg, KB Securities Vietnam

## Investment opinion &amp; risks



## Business performance

### In 3Q2025, revenue and NPAT-MI expanded by 26% and 40% YoY

In 3Q2025, REE recorded revenue of VND2,555 billion (+26% YoY / +1.5% QoQ) and NPAT-MI of VND674 billion (+40% YoY / +8.2% QoQ), with the energy segment serving as the main growth driver. Energy revenue remained robust at VND1,065 billion (+27% YoY / +13.4% QoQ), supported by strong performance across all three sub-segments: (i) hydropower at VND809 billion (+28% YoY), (ii) wind power at VND184 billion (+25% YoY), and (iii) solar power at VND72 billion (+18% YoY). For the first nine months of 2025, consolidated revenue and NPAT-MI reached VND7,144 billion and VND2,381 billion, fulfilling 70% and 98% of the full-year targets, respectively.

### Electricity output increased sharply in 3Q2025, driven by hydropower and wind power

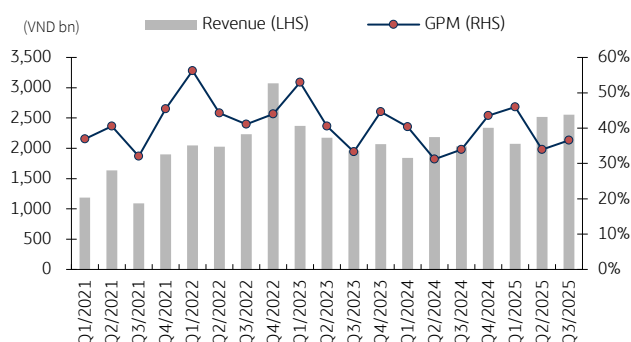
During the quarter, electricity output from the parent company, subsidiaries, and associates totaled 3.2 billion kWh (+18% YoY). Favorable hydrological conditions in the Central and Central Highlands regions improved reservoir inflows, enabling Vinh Son-Song Chinh Hydropower JSC to generate 559 million kWh, up 43% YoY. In renewable energy, stronger performance at the Thuan Binh wind farm—with output of 80 million kWh (+19% YoY)—was the primary driver of renewable generation growth, bringing total renewable electricity output to 149 million kWh (+9% YoY).

Table 1. REE – 9M2025 financial results

| (VNDbn)                                 | 3Q2024 | 3Q2025 | +/-%YoY  | 9M2024 | 9M2025 | +/-%YoY  | Notes   |
|---|--------|--------|----------|--------|--------|----------|---|
| Revenue                                 | 2,031  | 2,555  | 26%      | 6,056  | 7,144  | 18%      |   |
| Power                                   | 839    | 1,065  | 27%      | 2,408  | 3,111  | 29%      |   |
| Hydropower                              | 631    | 809    | 28%      | 1,626  | 2,278  | 40%      |   |
| Wind power                              | 147    | 184    | 25%      | 573    | 620    | 8%       |   |
| Solar power                             | 61     | 72     | 18%      | 209    | 213    | 2%       |   |
| M&E                                     | 706    | 970    | 37%      | 2,187  | 2,284  | 4%       | Primarily driven by the recognition of revenue from completed project components  |
| Office leasing                          | 270    | 298    | 10%      | 796    | 853    | 7%       | Mainly supported by substantial revenue recognition from E.Town 6, which achieved an occupancy rate of nearly 50%, offsetting the slight 1ppt decline in occupancy at the remaining buildings |
| Property sales                          | 12     | 1      | -92%     | 80     | 175    | 119%     |   |
| Water                                   | 33     | 19     | -42%     | 44     | 125    | 184%     |   |
| Gross profit                            | 688    | 932    | 35%      | 2,109  | 2,735  | 30%      |   |
| Gross profit margin (GPM)               | 33.9%  | 36.5%  | 2.6 ppts | 34.8%  | 38.3%  | 3.5 ppts |   |
| Financial income                        | 63     | 102    | 62%      | 222    | 331    | 49%      | Largely due to gains from partially divesting REE's stake in SGR, lowering its ownership from 24.8% to 21.8%  |
| Financial expenses                      | -185   | -184   | -1%      | -609   | -575   | -6%      |   |
| Profit from joint ventures & associates | 207    | 243    | 17%      | 441    | 606    | 37%      | Mainly attributable to improved operating performance at hydropower-related associates  |
| SG&A                                    | -139   | -155   | 12%      | -463   | -434   | -6%      |   |
| Operating income/loss                   | 633    | 937    | 48%      | 1,698  | 2,662  | 57%      |   |
| Other income                            | -1     | -10    | 900%     | 6      | -8     | -233%    |   |
| Profit before tax (PBT)                 | 633    | 927    | 46%      | 1,706  | 2,654  | 56%      |   |
| Net profit after tax (NPAT)             | 562    | 825    | 47%      | 1,514  | 2,381  | 57%      |   |
| NPAT-MI                                 | 480    | 674    | 40%      | 1,314  | 1,908  | 45%      |   |
| NPAT margin                             | 27.7%  | 32.3%  | 4.6 ppts | 25.0%  | 33.3%  | 8.3 ppts |   |
| Sales volume (million kWh)              |        |        |          |        |        |          |   |
| Power                                   | 2,694  | 3,179  | 18%      | 7,730  | 8,229  | 6%       |   |
| Thermal power                           | 858    | 881    | 3%       | 3,578  | 2,853  | -20%     |   |
| Hydropower                              | 1,700  | 2,149  | 26%      | 3,663  | 4,879  | 33%      |   |
| Solar power                             | 69     | 69     | 0%       | 227    | 221    | -3%      |   |
| Wind power                              | 67     | 80     | 19%      | 262    | 276    | 5%       |   |

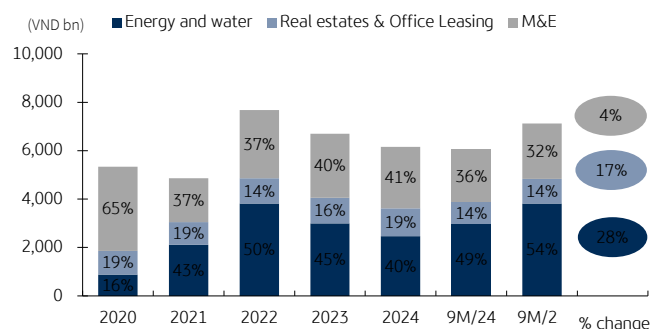
Source: REE Corporation, KB Securities Vietnam

Fig 2. REE – Revenue, gross profit margin in 2021–2025 (VNDbn, %)



Source: REE Corporation, KB Securities Vietnam

Fig 3. REE – Revenue breakdown in 2020–2025 (VNDbn)

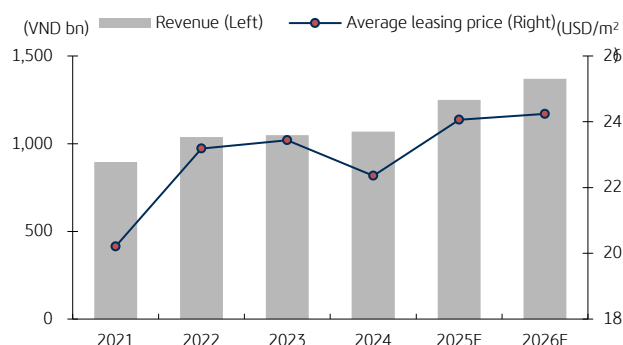


Source: REE Corporation, KB Securities Vietnam

**Office leasing: Grade A office occupancy in Ho Chi Minh City rose 4.2ppts YoY, signaling a rebound in market demand**

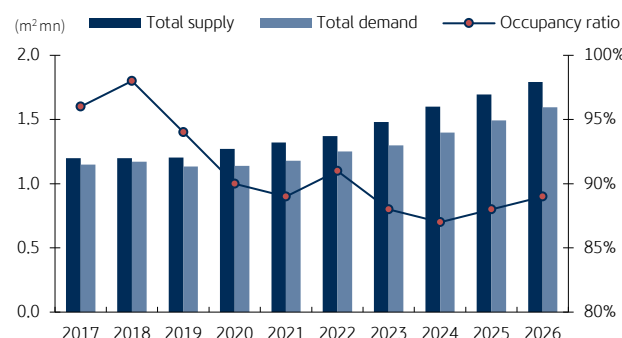
End-3Q2025 occupancy at REE's office buildings (excluding E.Town 6) declined by 1ppt YoY; however, E.Town 6 showed solid leasing momentum, achieving nearly 50% occupancy just over a year after launch. We see further room for occupancy gains at E.Town 6, supported by a more dynamic office market in 3Q2025, where Grade A occupancy in the region increased by 4.2ppts YoY. This should help mitigate revenue pressure from rising vacancy at older buildings. Under a conservative scenario, we maintain our occupancy forecasts for E.Town 6 at 55% in 2025 and 80% in 2026, as clearer evidence of a sustained market recovery is still needed. We also factor in a 1–2ppt reduction in occupancy at legacy office buildings. As a result, we slightly revise down our office leasing revenue forecasts to VND1,249 billion and VND1,370 billion for 2025 and 2026 (a decrease of VND57 billion and VND72 billion from our previous estimates), representing YoY growth of 17% and 10%, respectively.

Fig 4. REE – Office leasing revenue & rental rate (VNDbn, USD/m<sup>2</sup>)



Source: REE Corporation, KB Securities Vietnam

Fig 5. HCMC – Office supply, demand, occupancy rate (million m<sup>2</sup>, %)



Source: Cushman & Wakefield, KB Securities Vietnam

## Heavy rainfall supports 2025 hydropower output, but generation is expected to weaken in 2026

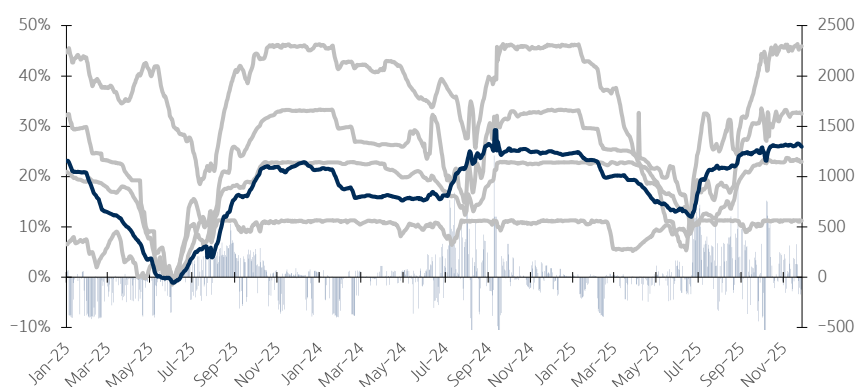
Improved reservoir inflows in 3Q, driven by heavy rainfall, helped water levels recover to last year's levels, allowing sufficient storage for the 2026 dry-season generation period. In 2026, hydropower plants are expected to continue accumulating water and resume generation from 2Q2026, though utilization is likely to remain constrained due to unfavorable weather conditions.

In 4Q2025, severe storms brought record-high rainfall to several areas in the Central region, forcing hydropower reservoirs to discharge water at rates equivalent to inflows to ensure safety for downstream areas. Hydropower plants are expected to operate at maximum capacity in the final months of 2025 but face operational constraints in 2026 due to less favorable weather conditions.

According to the Institute of Hydrology and Meteorology Science and Climate Change, La Nina conditions combined with strong cold-air activity and tropical cyclones over the East Sea during the November 2025–January 2026 period are expected to bring heavy rainfall to the Central region. Severe storms toward year-end will generate substantial inflows in areas where REE operates key hydropower plants. Consequently, KBSV forecasts that REE's total electricity output will increase significantly in 2025, reaching 3,949 million kWh (+26% YoY).

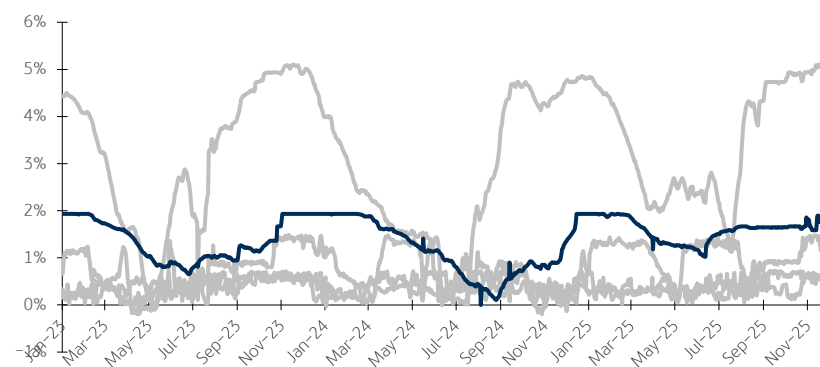
In 2026, neutral weather conditions are expected to prevail through June, with a rising probability of El Nino in the second half of the year. This shift is likely to reduce hydropower generation. We therefore maintain our 2026 forecasts for hydropower revenue and output at VND2,675 billion and 3,504 million kWh, respectively (both -11.3% YoY).

**Fig 6. REE – Water level at Thac Ba and some reservoirs in the North**



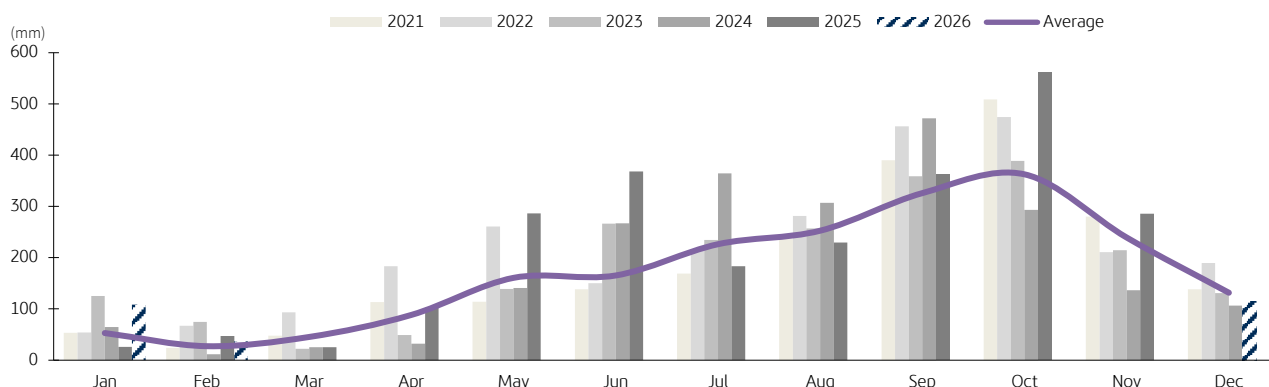
Source: EVN, KB Securities Vietnam

**Fig 7. REE – Water level at Thuong Kon Tum and some reservoirs in Central Highlands**



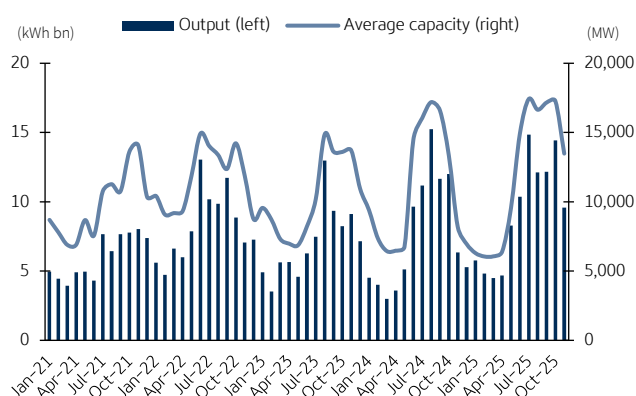
Source: EVN, KB Securities Vietnam

Fig 8. Vietnam – Rainfall forecast in Dec 2025–Feb 2026 (mm)



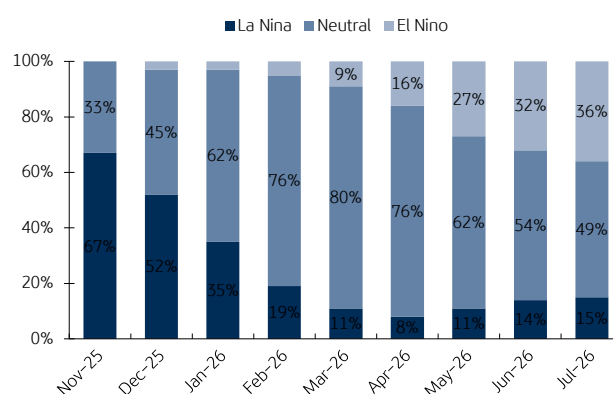
Source: IMHEN, KB Securities Vietnam

Fig 9. Vietnam – Hydropower output &amp; capacity (billion kWh, MW)



Source: NSMO, KB Securities Vietnam

Fig 10. Vietnam – Weather pattern forecast in 2025–2026



Source: IRI, KB Securities Vietnam

**Renewable energy: REE marks a major milestone in the Duyen Hai offshore wind project, marking the first step toward its goal of reaching 3,000 MW of generation capacity by 2030**

According to the EPC contractor of the 48MW Duyen Hai offshore wind project, REE has completed installing 10 offshore wind turbine towers—marking the company's return to capacity expansion after several years of limited new development. As of September 2025, site clearance for the substation and the 110kV transmission line had reached only 70%, representing the final bottleneck before trial operations. Accordingly, we push back the project's expected COD to 2H2026 (a six-month delay versus the original plan), as additional time is needed to complete technical requirements. We expect the project to secure a tariff near the maximum rate of VND1,815/kWh, contributing an estimated VND127 billion in revenue and 70 million kWh of electricity output in 2026. From 2027 onward, annual generation is projected at 143 million kWh—equivalent to 53% of REE's current wind power output. To achieve its 3,000 MW capacity target by 2030, REE is also exploring new opportunities. Notably, the company has recently been approved to survey 7,091 ha of offshore area in the Southern Region Zone 3, strengthening its foundation for future offshore wind tenders. We have not yet incorporated any offshore wind projects into our valuation model due to limited visibility on their financial impact.

## Forecast & Valuation

**Table 11. REE – 2024A–2026F financial results**

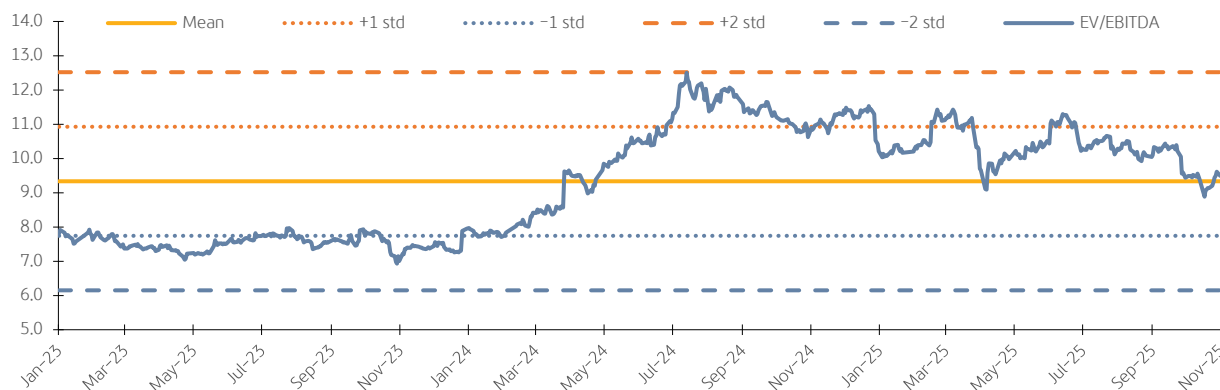
| (VNDbn)                                 | 2024       | 2025F      | +/-%YoY       | 2026F      | +/-%YoY        | Notes   |
|---|------------|------------|---------------|------------|----------------|---|
| Revenue                                 | 8,395      | 9,528      | 13%           | 10,262     | 8%             |   |
| Power                                   | 3,523      | 4,166      | 18%           | 4,021      | -3%            |   |
| Hydropower                              | 2,468      | 3,015      | 22%           | 2,675      | -11%           |   |
| Solar power                             | 254        | 282        | 11%           | 338        | 20%            |   |
| Wind power                              | 801        | 869        | 8%            | 1,008      | 16%            | Primarily driven by the Duyen Hai wind power project coming online in 2H2026  |
| M&E                                     | 2,536      | 3,035      | 20%           | 3,795      | 25%            | M&E revenue is projected to decline by VND480 billion and VND141 billion in 2025/2026 versus our previous estimates due to the deferral of revenue recognition from newly signed backlog to subsequent years. |
| Office leasing                          | 1,068      | 1,249      | 17%           | 1,370      | 10%            |   |
| Property sales                          | 80         | 309        | 286%          | 300        | -3%            |   |
| Water                                   | 131        | 137        | 5%            | 144        | 5%             |   |
| Gross profit                            | 3,124      | 3,834      | 23%           | 3,848      | 0%             |   |
| <i>Gross profit margin</i>              | <i>37%</i> | <i>40%</i> | <i>3 ppts</i> | <i>37%</i> | <i>-3 ppts</i> |   |
| Financial income                        | 331        | 314        | -5%           | 432        | 38%            |   |
| Financial expenses                      | 801        | 828        | 3%            | 966        | 17%            |   |
| Profit from joint ventures & associates | 717        | 821        | 15%           | 813        | -1%            |   |
| SG&A                                    | 695        | 713        | 3%            | 748        | 5%             |   |
| Operating income/loss                   | 2,429      | 3,121      | 28%           | 3,100      | -1%            |   |
| Other income                            | -18        | -18        | 0%            | -18        | 0%             |   |
| Profit before tax (PBT)                 | 2,690      | 3,476      | 29%           | 3,427      | -1%            |   |
| Net profit after tax (NPAT)             | 2,397      | 3,128      | 30%           | 3,084      | -1%            |   |
| NPAT-MI                                 | 1,994      | 2,565      | 29%           | 2,529      | -1%            |   |
| <i>NPAT margin</i>                      | <i>29%</i> | <i>33%</i> | <i>4 ppts</i> | <i>30%</i> | <i>-3 ppts</i> |   |

Source: REE Corporation, KB Securities Vietnam

**We reiterate NEUTRAL on REE with a target price of VND66,500/share**

We apply the sum-of-the-parts (SOTP) valuation method to assess REE and maintain our NEUTRAL recommendation with a target price of VND66,500 per share, implying a 4.1% upside versus the closing price on December 4, 2025. A 10% conglomerate discount is incorporated to reflect REE's diversified business structure and the associated risk profile.

Fig 12. REE – EV/EBITDA in 2023–2025



Source: Bloomberg, KB Securities Vietnam

Table 13. REE – SOTP valuation

| (VNDbn)                                       | Method   | NPV    | REE's ownership | Contribution to REE |
|---|----------|--------|-----------------|---------------------|
| <b>Power</b>                                  |          |        |                 | <b>31,523</b>       |
| Hydropower                                    | DCF      | 37,995 | 23–50%          | 23,361              |
| Thermal power                                 | DCF      | 4,099  | 24–30%          | 991                 |
| Solar power                                   | DCF      | 839    | 100%            | 841                 |
| Wind power                                    | DCF      | 6,249  | 50–100%         | 6,274               |
| Power distribution (DTV)                      | BV       | 56     | 66.3%           | 56                  |
| <b>Office leasing &amp; real estate</b>       |          |        |                 | <b>9,726</b>        |
| Existing projects                             | Cap rate | 7,618  | 100%            | 7,618               |
| E.Town 6                                      | DCF      | 2,104  | 100%            | 2,108               |
| <b>M&amp;E</b>                                | P/E      | 2,397  | 100%            | <b>2,070</b>        |
| <b>Water</b>                                  | P/E      | 3,623  | 20–44%          | <b>3,623</b>        |
| <b>Other investments</b>                      | BV       | 266    |                 | <b>266</b>          |
| <b>Total</b>                                  |          |        |                 | <b>47,208</b>       |
| (-) Net debt                                  |          |        |                 | -3,339              |
| (-) Minority interest                         |          |        |                 | -3,824              |
| <b>Equity value</b>                           |          |        |                 | <b>40,040</b>       |
| Conglomerate discount                         |          |        |                 | 10%                 |
| <b>Fair value</b>                             |          |        |                 | <b>36,036</b>       |
| Number of shares outstanding (million shares) |          |        |                 | 542                 |
| <b>Value per share (VND)</b>                  |          |        |                 | <b>66,500</b>       |
| Current price (Dec 4, 2025)                   |          |        |                 | 63,900              |
| <b>Upside</b>                                 |          |        |                 | <b>4.1%</b>         |

Source: KB Securities Vietnam





**KB SECURITIES VIETNAM (KBSV)**

---

**Head Office:**

Levels 16&17, Tower 2, Capital Place, 29 Lieu Giai Street, Ngoc Ha, Hanoi, Vietnam

Tel: (+84) 24 7303 5333 – Fax: (+84) 24 3776 5928

**Hanoi Branch:**

Level 1&2, Office Building, 5 Dien Bien Phu Street, Ba Dinh, Hanoi, Vietnam

Tel: (+84) 24 7305 3335 – Fax: (+84) 24 3822 3131

**Ho Chi Minh Branch:**

Level 21, Vietinbank Tower, 93-95 Ham Nghi Street, Sai Gon, Ho Chi Minh City, Vietnam

Tel: (+84) 28 7303 5333 – Fax: (+84) 28 3914 1969

**Saigon Branch:**

Level 1, Saigon Trade Center, 37 Ton Duc Thang Street, Sai Gon, Ho Chi Minh City, Vietnam

Tel: (+84) 28 7306 3338 – Fax: (+84) 28 3910 1611

**CONTACT INFORMATION**

Hotline: 1900 1711

Email: [info@kbsec.com.vn](mailto:info@kbsec.com.vn)

Website: [www.kbsec.com.vn](http://www.kbsec.com.vn)

**Investment ratings & definitions**

---

**Investment Ratings for Stocks**

**(Based on the expectation of price gains over the next 6 months)**

|              |              |              |
|--------------|--------------|--------------|
| Buy:         | Neutral:     | Sell:        |
| +15% or more | +15% to -15% | -15% or more |

**Investment Ratings for Sectors**

**(Based on the assessment of sector prospects over the next 6 months)**

|                       |                                 |                         |
|-----------------------|---------------------------------|-------------------------|
| Positive:             | Neutral:                        | Negative:               |
| Outperform the market | Perform in line with the market | Underperform the market |

Opinions in this report reflect the professional judgment of the research analyst(s) as of the date hereof and are based on information and data obtained from sources that KBSV considers reliable. KBSV makes no representation that the information and data are accurate or complete and the views presented in this report are subject to change without prior notification. Clients should independently consider their own circumstances and objectives and are solely responsible for their investment decisions. We shall not have liability for investments or results thereof. These materials are the copyright of KBSV and may not be reproduced, redistributed or modified without the prior written consent of KBSV. Comments and views in this report are of a general nature and intended for reference only, not authorized to use for any other purposes.