

PetroVietnam Ca Mau Fertilizer Joint Stock Company (HSX: DCM)

Benefiting from Expanded Output, Favorable Prices

- Following a strong 1H25 recovery, urea prices are expected to maintain an upward trend, driven by rising import demand from India and Brazil. We forecast the average Asia urea price for 2025-2026 at ~USD 450/ton and USD 430/ton (+26.0% YoY / -4.0% YoY).
- We forecast DCM's Net Profit for 2025-2026 to reach VND 2,194 bn and VND 2,618 bn, respectively (+66.3% YoY / +19.3% YoY), thanks to growth in both selling prices and output volume.
- Recommend **ADD** rating with a target price of VND 46,200 per share.

Favorable Urea Market Creates a Growth Platform for DCM

In 6M25, the average urea price increased by 17.0% YoY, driving DCM's revenue to strong growth (+42.9% YoY). We forecast the export urea price will fluctuate by 40.0% / -4.0% / 10.0% respectively during the 2025-2027 period due to the following reasons: (1) Inventory levels in the two largest consumption markets, India and Brazil: In 2025, they increased their cultivated area, leading to a sudden surge in urea import demand. Additionally, Europe, following the energy crisis, is also increasing imports as regional production capacity remains limited; (2) Natural gas, which typically accounts for 70-80% of fertilizer production costs, is slightly increasing but stable, contributing to the boost in urea prices; (3) The expectation of a recovery in agricultural product prices has motivated farmers to use more fertilizer.

2025–2026 earnings outlook remains positive thanks to favorable business conditions

2025–2026 earnings outlook remains positive thanks to favorable business conditions. We forecast net profit for 2025 and 2026 at VND 2,194 bn and VND 2,618 bn (+66.3% YoY/+19.3% YoY), underpinned by stable domestic fertilizer demand (growth of ~4–8% per year) and DCM's higher export contribution, as international urea prices recover faster than domestic prices. In 6M25, DCM exported 225.4k tons of urea (accounting for 47.8% of total urea sales volume) versus 174.2k tons in the same period last year (38.4%). In addition, DCM completed the acquisition of the Viet-Han NPK plant in May 2024, increasing NPK production capacity by 360k tons per year, thereby supporting higher NPK sales volume for the company.

Recommend ADD rating with a target price of VND 46,200 per share

We are positive on DCM's 2025–26 outlook and issue an **ADD** recommendation with a target price of VND 46,200/share, based on: (1) favorable urea price movements in 2025 extending into early 2026, (2) stable domestic demand, (3) input VAT refund policy helping reduce costs, and (4) significant boost in NPK output following the acquisition of the Viet-Han NPK plant.

Financial indicators	2023	2024	2025F	2026F
Net revenue	12,571	13,456	18,788	19,449
Net profit	1,109	1,320	2,194	2,618
Net revenue growth	-21.1%	7.0%	39.6%	3.5%
Net profit growth	-74.3%	19.0%	66.3%	19.3%
Gross profit margin	16.2%	18.7%	22.2%	23.6%
EBITDA margin	18.7%	12.1%	16.7%	18.4%
ROAE	10.8%	13.1%	20.5%	21.7%
ROAA	7.5%	8.5%	12.9%	13.8%
EPS (VND/share)	2,095	2,493	4,144	4,946
BVPS (VND/share)	18,768	19,162	21,318	24,282

Source: DCM, MBS Research forecast

ADD

Target price

46,200 VNĐ

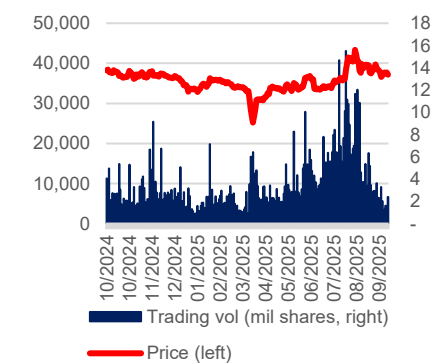
Upside

24.3%

Major changes:

We revised up the net profit forecast for 2025 and 2026 by 4.5% and 32.3%, respectively.

Stock information



Source: FiinPro, MBS Research

Market price (VND)	37,150
High 52w (VND)	43,350
Low 52w (VND)	23,801
Market cap (VND bn)	19,667
P/E (TTM)	11.7
P/B	1.9
Dividend yield (%)	5.3%
Foreign ownership ratio (%)	6.60%

Source: FiinPro

Ownership structure

Vietnam Oil and Gas Group (PVN)	75.56%
PVcomBank Fund Management JSC	4.97%

Source: FiinPro

Analyst

Anh Mai Duy

anh.maiduy@mbs.com.vn

PetroVietnam Ca Mau Fertilizer Joint Stock Company

Investment thesis & Recommendation

Investment thesis

- Urea prices started to rebound strongly from late 2Q25 after moving sideways since the beginning of the year, supporting DCM's urea business performance. This trend is expected to continue until the end of 2025 and remain stable in 2026. In fact, DCM's revenue per ton of urea increased to VND 10.3 mn/ton in 6M25, from VND 9.6 mn/ton in the same period last year, with export urea prices being a major driver of this growth. We forecast the urea market to remain favorable, underpinned by expanding cultivation areas and stable projected supply.
- In May 2024, DCM successfully negotiated the acquisition of the Viet-Han NPK plant (KVF), raising its total NPK production capacity to 660k tons per year. This strategic move reflects DCM's confidence in the long-term outlook of its NPK segment, as NPK prices are projected by MBS Research to increase from VND 15.2 mn/ton to VND 17.5 mn/ton in 2025. The acquisition also enhances opportunities to expand NPK sales markets, particularly in the Southeast and Central Highlands regions. After becoming a subsidiary of DCM, KVF achieved a production volume of 94,142 tons (~26% of maximum capacity) during April–December 2024. Its 9-month revenue reached VND 1,042 bn, fulfilling 106% of the 2024 annual plan.
- With expectations of urea/NPK selling prices staying at elevated levels, rising sales volumes, and improved profit margins thanks to lower cost of goods sold when the 5% VAT law for fertilizers comes into effect, DCM's net profit is projected to grow positively during 2025–2026.

Valuation & Recommendation

We determine DCM's fair value using a blended approach of FCFF and P/E valuation methods, with equal weights of 50%/50% for each. The 1-year target price is VND 46,200/share. We apply a P/E multiple of 12.5x, equivalent to DCM's average P/E during Jan-Jul 2021, a period when urea prices surged to nearly USD 500/ton after staying at low levels, before correcting to around USD 420-440/ton.

Figure 1: Valuation Summary

Methodology	Weight	Price (VND/share)
Forward P/E	50%	47,000
FCFF	50%	45,400
Target price		46,200
Current price (closing price as of 30/09/2025)		37,200
Upside		24.3%

Figure 2: DCM's P/E ratio and Asian urea prices



Source: FiinProX, MBS Research

Figure 3: FCFF Forecast

	2025F	2026F	2027F	2028F	2029F
Net profit	2,200	2,627	2,498	2,480	2,483
Non-cash expenses	575	537	560	520	577
After-tax interest expense	50	48	48	48	49
Working capital	905	(285)	(387)	(1,155)	(249)
Capital expenditure	(353)	(387)	(414)	(443)	(476)
FCFF	3,377	2,541	2,305	1,449	2,383

Investment risks:

- Sharp increases in oil and gas prices: gas prices are usually linked to oil prices with a time lag; therefore, when oil prices stay elevated for a prolonged period, gas prices tend to rise accordingly, creating upward pressure on fertilizer production costs.
- In the future, if the PM3 – CAA gas field supply declines, DCM may have to source alternative gas from new fields (Block B, LNG gas), which would significantly increase costs.
- A strong surge in China's urea exports in the short term could pressure global urea prices, as Beijing eases the export ban previously imposed to stabilize domestic prices and ensure food security.

Figure 4: Comparison of companies across sectors

Company	Tickers Bloomberg	Current price Domestic currency	Target Domestic currency	Recommendation Domestic currency	Market Cap million. USD	P/E (x)		P/B (x)		ROA%		ROE (%)	
						2025F	2026F	2025F	2026F	2025F	2026F	2025F	2026F
PetroVietnam Fertilizer and Chemicals Corporation	DPM VN Equity	25,100 VND	n/a	n/a	683	15.3	17.3	1.4	1.3	3.3	4.7	4.5	6.5
Yonfer Agricultural Technology Co Ltd	000902 CH Equity	13.95 CNY	n/a	n/a	2,401	9.3	10.3	1.3	1.6	8.4	6.3	14.4	14.1
Chambal Fertilisers and Chemicals Ltd	CHMB IN Equity	510.75 INR	n/a	n/a	2,494	9.1	12.4	1.7	n/a	14.9	14.0	19.7	18.6
Mean						11.2	13.3	1.5	1.5	8.9	8.3	12.9	13.1
PetroVietnam Ca Mau Fertilizer Joint Stock Company	DCM VN Equity	37,150 VND	46,200 VND	ADD	787	9.0	7.5	1.7	1.5	12.9	13.8	20.5	21.7

Source: Bloomberg, MBS Research

2Q25 and 6M25 Results: Revenue and profit surged YoY due to broad-based growth across business segments

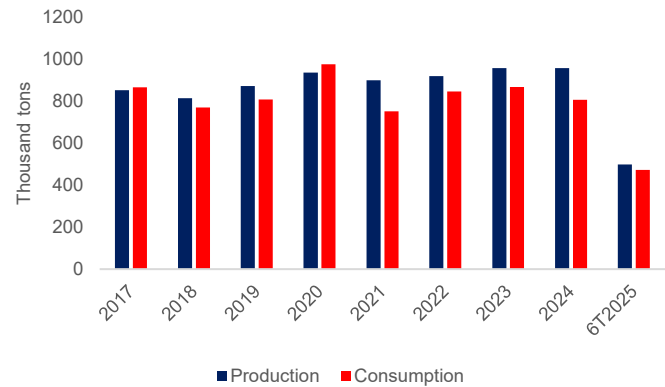
DCM's 1H25 and 2Q25 Business Results

Figure 5: 2Q25 and 6M25 Business Results (Unit: VND billion)

Business performance indicators	2Q25	%YoY	%QoQ	6M25	%YoY	%2025F	Assessment
Urea sales volume (thousand tons)	224.4	17.1%	-9.0%	471.1	3.9%	52.3%	The strong growth in urea sales volume was mainly driven by the export segment
Domestic	148.6	-49.1%	-26.0%	292.8	-36.2%		
Export	75.8	249.0%	3.1%	178.3	68.3%		
NPK sales volume (thousand tons)	107.0	54.1%	361.2%	130.2	73.7%	45.5%	Revenue posted solid growth thanks to contributions from all three core business segments In 1H2025, average urea selling prices in the domestic and export markets reached VND 11.1mn/ton and VND 9.5mn/ton, respectively (+10.8%/6.6% YoY) NPK prices also recorded strong growth in the first half of the year, with the average selling price reaching VND 17.4mn/ton (+9.9% YoY) Fertilizer proprietary trading volume surged by 94.5% YoY in 1H2025 Gross profit improved, supported by stable feedstock gas prices and the solid upward trend in urea/NPK selling prices
Revenue	6,037	56.3%	77.2%	9,444	42.9%	64.4%	
Urea finished goods	2,430	32.7%	-0.4%	4,869	12.0%	55.9%	
NPK finished goods	1,752	52.3%	236.3%	2,273	87.1%	65.3%	
Fertilizer merchandise	1,559	141.7%	275.7%	1,974	152.5%	80.7%	
Gross profit	1,241	99.8%	40.2%	2,162	59.8%	64.6%	
Gross margin	20.5%	4.5 đpt	-5.4 đpt	22.5%	2.4 đpt		
Urea finished goods	35.1%	9.0 đpt	-0.8 đpt	35.5%	7.0 đpt		
NPK finished goods	18.2%	4.5 đpt	3.8 đpt	17.3%	2.9 đpt		
Fertilizer merchandise	4.0%	-0.8 đpt	-4.6 đpt	5.0%	9.0 đpt		
Selling & General Administrative Expenses	444	75.7%	-13.1%	955	35.5%	62.9%	Employee expenses and transportation costs rose significantly compared to MBS's previous forecasts
Net financial income	92	30.3%	18.0%	170	-9.6%	29.9%	Deposit interest income was lower while FX losses were higher than prior estimates
Profit before tax	888	44.5%	95.7%	1,324	34.6%	55.1%	
Profit after tax	788	34.5%	91.1%	1,200	28.3%	57.1%	
Net Profit	786	34.5%	91.1%	1,198	28.7%	57.0%	Earnings growth was mainly driven by DCM's higher urea sales volume and fertilizer proprietary trading, along with positive growth in both urea and NPK prices, particularly export urea prices which recovered strongly from the low base of the same period last year

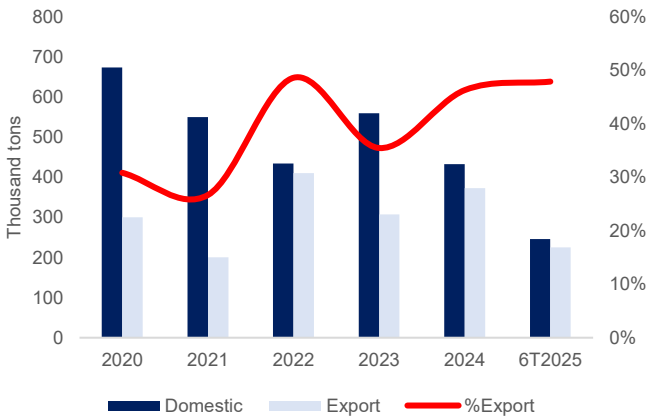
Source: DCM, MBS Research

Figure 6: DCM's urea sales volume



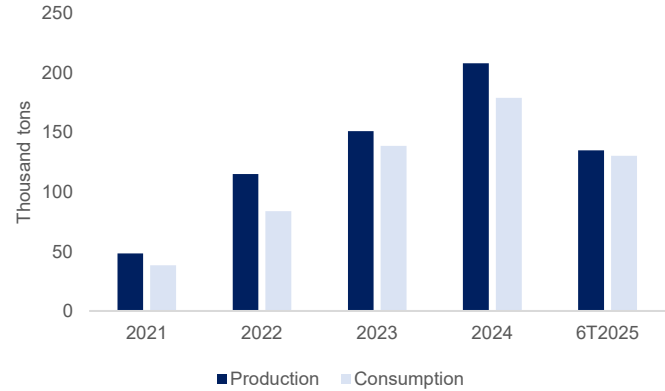
Source: DCM, MBS Research

Figure 7: DCM's urea sales volume breakdown



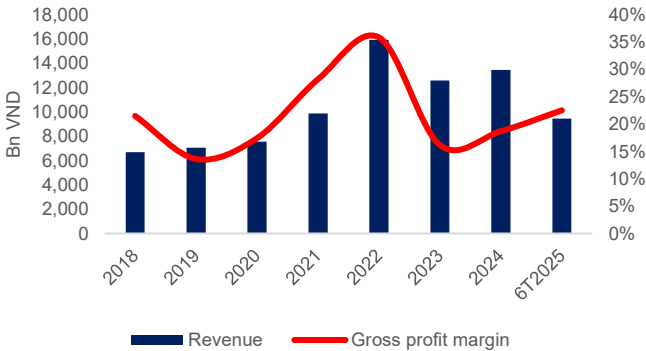
Source: DCM, MBS Research

Figure 8: DCM's NPK production and sales volume



Source: DCM, MBS Research

Figure 9: DCM's revenue and gross margin trend



Source: DCM, MBS Research

DCM's profit outlook remains bright for 2025–2027, supported by a favorable business environment

Figure 10: Adjustment to DCM's 2025–2026 earnings forecasts under a positive outlook

Key Financial Metrics	2024F	2025F	% Forecast revision	%YoY	2026F	% Forecast Revision	%YoY	2027F	% YoY	Assessment
Urea sales volume ('000 tons)	805	871	-3.2%	8.2%	875	-0.9%	0.4%	888	1.5%	Slight downward revision based on actual urea sales volume as of 8M2025
Domestic	432	453	-18.8%	4.9%	525	-4.1%	15.9%	533	1.5%	
Export	372	418	22.2%	12.4%	350	4.3%	16.3%	355	1.5%	DCM increased its export proportion of urea to capture the rebound in international urea prices
Estimated feed gas price from PM3 (USD/mmbtu)	179	5.71	0.0%	-3.8%	5.73	4.8%	0.4%	5.75	0.4%	Gas prices declined in 2025 due to lower oil prices YoY but are expected to edge up slightly in subsequent years on stable demand
NPK sales volume ('000 tons)	13,456	261	-8.8%	45.8%	281	-7.1%	7.7%	345	10.6%	Forecasts were revised downward based on actual sales performance
Revenue	7,699	18,788	28.2%	39.6%	19,449	36.0%	3.5%	22,150	13.9%	Revenue posted strong growth thanks to robust business performance across all three segments: urea, NPK, and fertilizer trading in 1H2025
Urea finished goods	2,715	9,659	10.8%	25.5%	9,789	18.8%	1.3%	10,933	11.7%	Positive urea price movements YoY supported DCM's earnings results
NPK finished goods	2,575	4,594	31.9%	69.2%	4,983	38.0%	8.5%	6,062	21.6%	NPK prices recovered more strongly than our previous projections.
Fertilizer merchandise	2,513	4,057	75.0%	57.6%	4,218	83.3%	4.0%	4,779	13.3%	Favorable weather conditions in 1H2025, compared with previous years, supported agricultural activities and drove higher fertilizer demand
Gross profit	18.7%	4,164	24.4%	65.7%	4,583	43.7%	10.1%	4,647	1.4%	
Gross margin	28.6%	22.2%	-0.6 dpt	3.5 dpt	23.6%	1.3 dpt	1.4 dpt	21.0%	-2.6 dpt	The 2025 gross margin is expected to decline slightly as actual trade discounts were higher than our previous estimates. We believe this was mainly due to the sharp YoY increase in NPK sales volume, prompting DCM to offer higher discounts to expand market share and ease inventory pressure
Urea finished goods	11.8%	37.2%	2.8 dpt	8.6 dpt	38.2%	4.7 dpt	1.0 dpt	31.7%	-6.5 dpt	Lower oil and gas feedstock prices YoY, along with levels below our earlier projections, helped reduce COGS. Meanwhile, depreciation expenses at the Ca Mau Fertilizer Plant have ended since 2024
NPK finished goods	11.1%	16.4%	1.3 dpt	4.6 dpt	20.4%	3.8 dpt	4.0 dpt	23.3%	2.9 dpt	The ramp-up of the KVF plant enhanced DCM's self-sufficiency in urea feedstock, thereby improving cost efficiency
Fertilizer merchandise	1,495	6.5%	0.3 dpt	-4.6 dpt	7.0%	1.0 dpt	0.5 dpt	7.0%	0.0 dpt	
SG&A	305	1,945	28.2%	30.1%	2,013	36.0%	3.5%	2,292	13.9%	Warehouse, communication, and staff expenses came in higher than our previous estimates.
Net financial income	1,322	279	-50.9%	-8.5%	414	-25.3%	48.4%	482	16.4%	Foreign exchange gains declined, while higher interest expenses led to a decrease in net financial income.
Profit before tax	1,328	2,500	4.0%	89.1%	2,986	31.9%	19.4%	2,839	-4.9%	
Net profit	1,320	2,194	4.5%	66.2%	2,618	32.3%	19.3%	2,488	-5.0%	Revenue growth outperformed expectations; however, gross margin narrowed slightly due to higher trade discounts, increased selling and administrative expenses, and lower financial income. As a result, net profit rose only modestly by 4.5% compared to our previous forecast

Source: DCM, MBS Research

Urea prices surged in 2025 and remained stable in 2026; DCM actively managed export and domestic market allocations to maximize profitability

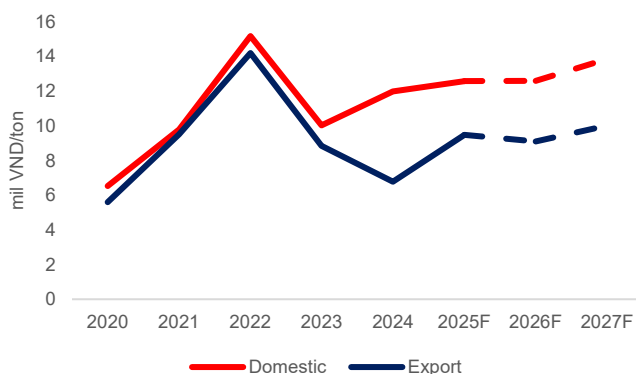
We forecast that during 2025-2027, domestic urea revenue will reach VND 5,697 bn / 6,607 bn / 7,378 bn (+10%/+16%/+12% YoY and +1%/+23%/+38% vs. our previous estimates). Export urea revenue is expected to reach VND 3,962 bn / 3,183 bn / 3,555 bn (+57% / -20% / +12% YoY and +30%/+10%/+23% vs. our prior forecast). Along with solid revenue growth, we estimate that the urea segment's gross margin will also improve, reaching 37.2% /38.2% /31.7% during 2025-2027, driven by a favorable outlook for urea prices, stable gas input costs, and lower cost of goods sold following the implementation of the 5% output VAT rate effective from mid-2025.

- In 1H2025, global urea prices rebounded sharply YoY, at times reaching nearly USD 500/ton in 2Q before easing to around USD 420-430/ton, still significantly higher than the low base in 2024. The average price in 1H2025 was approximately USD 384/ton, up 17% YoY and 10% versus the 2024 average (USD 349/ton). According to the IFA, global urea production during 2024-2027 is expected to grow modestly by around 2% per year, as several European plants remain shut down or operate below capacity, leading to limited supply flexibility. Meanwhile, demand remains stable, supported by population growth and expanding farmland areas in Brazil and India. In the short term (2025), supply is expected to increase more slowly than demand, while elevated energy costs and tighter export policies may keep urea prices at high levels. In the medium term (2026-2027), as new projects come online, downside pressure on prices could emerge if demand fails to rise accordingly. Based on these assumptions, we forecast DCM's domestic urea prices at VND 12.57/12.59/13.85 million per ton (+5.0%/0.1%/10.0% YoY during 2025–2027) and export prices at VND 9.47/9.10/10.01 million per ton (+40.0%/-4.0%/10.0% YoY). In August, China eased its urea export restrictions. As the world's largest producer, this move could exert downward pressure on global urea prices. We believe the impact on Vietnamese producers will be indirect, mainly through international price channels. If China indeed releases around 7 million tons of urea to the global market (equivalent to 13-14% of global trade volume), urea prices could decline notably, depending on the magnitude and pace of exports. However, as Beijing continues to regulate exports through quotas, price guidance, and administrative control, we expect exports to resume gradually, allowing global urea prices to remain relatively stable through 2025 and early 2026.
- In 1H2025, DCM increased its export proportion to capitalize on the global urea price recovery. However, in the long term, the company is expected to maintain a domestic sales share of around 60–65%, as domestic prices are generally higher than export prices. The main reason lies in the nature of export contracts, which are typically large-scale with high discounts and lower prices to retain market share abroad, while domestic urea is sold through multiple distribution channels targeting farmers with stable demand, allowing

for higher retail prices. Additionally, export transactions are mostly conducted under FOB terms, where logistics costs are borne by the buyer, resulting in slightly lower selling prices. We forecast that in 2025, DCM will sharply increase exports, with domestic sales reaching 453 thousand tons and exports 418 thousand tons (accounting for 48% of total volume). By 2026, the company is expected to refocus on the domestic market, achieving 525 thousand tons in domestic sales and 350 thousand tons in exports (40% of total volume).

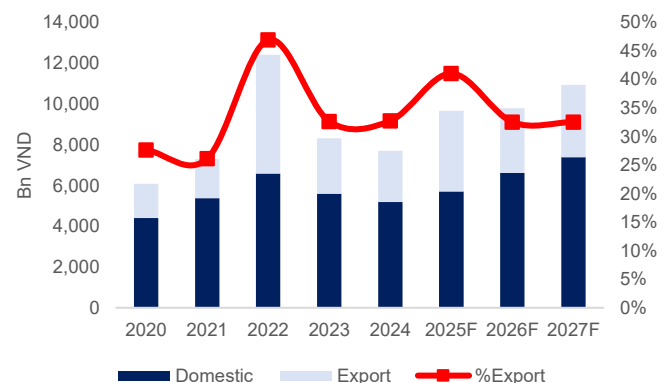
- We estimate DCM's input gas price from the PM3 field to reach 5.71/5.73/5.75 USD/MMBTU in 2025–2027, reflecting a mild increase in line with global gas price trends and transportation costs. However, the actual cost may be higher as gas output from the PM3 field declines, potentially requiring DCM to supplement supply from the Block B field at a higher price. Starting from July 1, 2025, fertilizers will be officially subject to a 5% VAT, allowing DCM to deduct input VAT, thereby reducing cost of goods sold (COGS) and enhancing competitiveness against imported products. Supported by (1) favorable urea prices, (2) stable gas costs, and (3) VAT deduction benefits, DCM's urea gross margin is projected at 37.2%/38.2%/31.7% for 2025–2027, equivalent to changes of +2.8/+4.7/-0.5 percentage points compared with our previous forecast and +8.6/+1.0/-6.5 percentage points YoY.

Figure 11: DCM's Forecasted Domestic and Export Urea Prices



Source: DCM, MBS Research

Figure 12: Estimated Urea Sales Revenue of DCM



Source: DCM, MBS Research

Figure 13: Impact of Output VAT Policy on DCM

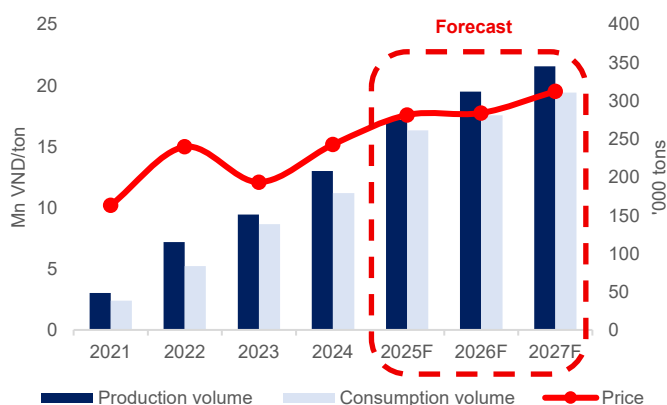
Mechanism/Impact	Before July 01, 2025	After July 01, 2025
Tax calculation formula	VAT Payable = Output VAT – Input VAT	
VAT output rate	0%	5%
Tax payable	As fertilizer products are subject to 0% output VAT, DCM cannot deduct the input VAT it has paid. This amount must be recorded as part of operating costs (COGS), thereby increasing total production costs and reducing profitability.	Finished fertilizer products are now subject to 5% output VAT. According to the formula, DCM can deduct input VAT paid on raw material purchases. This tax refund helps reduce costs compared with the previous regime.
Competitiveness	Imported fertilizers are subject to 5% VAT, meaning international importers into Vietnam can offset their input VAT, while DCM (previously under 0% VAT) could not, making its products less price competitive.	With the 5% output VAT regime, DCM can now claim input VAT deductions similar to importers, enhancing its competitiveness in the domestic market.

NPK output is expected to record strong long-term growth following the acquisition of the Viet–Korea NPK Plant (KVF).

We forecast DCM's NPK finished-product revenue to reach VND 4,594bn, 4,983bn, and 6,062bn during 2025–2027, increasing by 69.2%/8.5%/21.6% YoY and by 55.5%/65.5%/95.5% compared with our previous forecast. The company's NPK gross margin is projected to improve significantly to 16.4%/20.4%/23.3% over 2025–2027 (+4.6/+4.0/+2.9 pts YoY and +1.3/+3.8/+2.8 pts vs. previous forecast), driven by enhanced self-sufficiency in urea input materials.

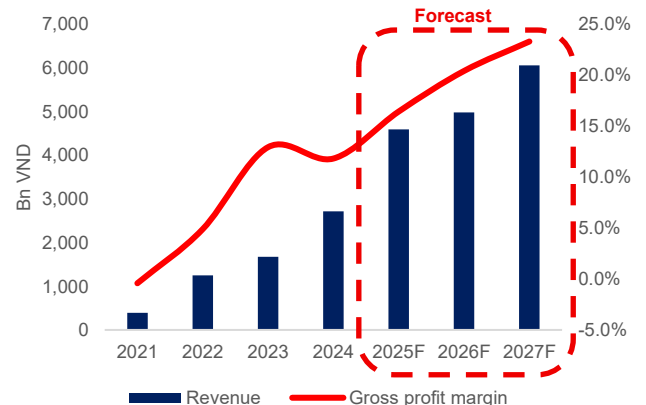
- NPK is a commonly used fertilizer as it provides multiple essential nutrients for crops; therefore, NPK demand generally follows a stable upward trend, especially in major agricultural markets such as India, China, Brazil, and Southeast Asia. According to Grand View Research, the global NPK market is projected to grow at a CAGR of approximately 3.1% during 2024–2030. In market reports, NPK producers have been facing cost pressures mainly from the P (phosphate) component, as phosphate prices have surged due to China's export restrictions and high production costs. We expect NPK prices to increase in 2025 amid supply constraints and elevated input costs, followed by a more moderate rise in 2026–2027 as new production capacity comes online and the supply of phosphate (P) and potash (K) improves. We estimate DCM's average NPK selling prices for 2025–2027 at VND 17.6/17.7/19.5 million per ton (+15.9%/0.9%/10.0% YoY).
- Taking advantage of rising NPK demand, favorable price prospects, and the additional capacity from the KVF plant, we expect DCM to increase its NPK sales volume, reaching 261/281/311 thousand tons in 2025–2027 (+46.0%/7.5%/10.6% YoY).

Figure 13: Estimated selling price and output volume of DCM's NPK products



Source: DCM, MBS Research

Figure 14: Forecast of DCM's NPK segment revenue and gross margin



Source: DCM, MBS Research

FINANCIAL STATEMENTS

Income Statement					Cash Flow Statement				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Net Revenue	12,571	13,456	18,788	19,449	Profit before tax	1,255	1,522	2,500	2,986
Cost of good sold	(10,539)	(10,942)	(14,623)	(14,866)	Depreciation and amortization	1,083	268	575	537
Gross Profit	2,032	2,513	4,164	4,583	Taxes paid	(154)	(118)	(300)	(358)
Administrative expenses	(549)	(481)	(817)	(846)	Other adjustments	(656)	(355)	(631)	(653)
Selling expenses	(801)	(1,014)	(1,127)	(1,167)	Changes in Working Capital	784	(1,239)	905	(285)
Profit from operation	683	1,018	2,220	2,570	Cash flow from operations	2,313	78	3,049	2,227
Net EBITDA	1,766	1,286	2,795	3,108	Investment in PPE	(544)	(791)	(353)	(809)
Pre-tax & interest income	683	1,018	2,220	2,570	Proceeds from sales of PPE	-	4	-	-
Interest income	577	382	376	506	Other items	(925)	928	304	410
Financial expenses	(27)	(77)	(97)	(92)	Cash flow from operations	(1,469)	141	(50)	(399)
Other net income	22	(1)	2	2	Share issuance & contribution from shareholders	-	-	-	-
Income from associates & JVs	-	-	-	-	Net cash from borrowings	836	437	(157)	23
Pre-tax profit	1,255	1,322	2,500	2,986	Other cash flow from financing activities	-	(3)	-	-
Corporate income tax	(145)	6	(300)	(358)	Dividends, profit paid to shareholders	(1,590)	(1,059)	(1,059)	(1,059)
Net profit after tax	1,110	1,328	2,200	2,627	Cash flow from financing	(754)	(625)	(1,215)	(1,036)
Minority interests	(1)	(8)	(6)	(9)	Beginning cash & equivalents	2,126	2,284	1,903	3,687
Net Profit	1,109	1,320	2,194	2,618	Net cash flow over the year	90	(405)	1,784	792
Dividend payment	(1,590)	(1,059)	(1,059)	(1,059)	Ending cash & equivalents	2,284	1,903	3,687	4,479
Retained earnings	(481)	261	1,135	1,560					
Balance Sheet					Financial ratios				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Cash and cash equivalents	2,284	1,903	3,687	4,479	Net revenue growth	-21%	7%	40%	4%
Short-term investments	8,242	7,039	7,515	7,780	EBITDA growth	-69%	-27%	117%	11%
Account receivable	199	299	360	426	Operating profit growth	-84%	49%	118%	16%
Inventory	2,161	2,950	3,081	3,132	Pre-tax profit growth	-73%	5%	89%	19%
Other current assets	619	729	939	996	Net profit growth	-74%	19%	66%	19%
Total current assets	13,504	12,921	15,582	16,814	EPS growth	-74%	19%	66%	19%
Fixed assets	1,250	1,571	1,344	1,171					
Intangible assets	350	364	381	403	Gross profit margin	16.2%	18.7%	22.2%	23.6%
Construction in progress	88	601	601	1,023	EBITDA margin	18.7%	12.1%	16.7%	18.4%
Investment in subsidiaries	-	-	-	-	Net profit margin	8.8%	9.8%	11.7%	13.5%
Investment in joint venture company	-	-	-	-	ROAE	10.8%	13.1%	20.5%	21.7%
Other long-term investments	-	-	-	-	ROAA	7.5%	8.5%	12.9%	13.8%
Other long-term assets	45	261	301	314	ROIC	10.3%	11.4%	17.5%	18.6%
Total long-term assets	1,733	2,808	2,627	2,912					
Total assets	15,238	15,729	18,209	19,725	Asset turnover	85.5%	86.9%	110.7%	102.5%
Short-term debts	846	1,229	1,107	1,128	Dividend payout ratio	143.4%	80.2%	48.3%	40.4%
Account payables	1,989	1,612	2,224	2,044	Debt to equity	8.5%	13.3%	10.5%	9.4%
Other short-term liabilities	1,682	1,840	2,534	2,604	Net debt to equity	-14.4%	-5.4%	-22.0%	-25.3%
Total short-term liabilities	4,517	4,681	5,865	5,776	Net debt to total assets	-9.4%	-3.5%	-13.7%	-16.5%
Long-term debts	3	120	85	87	Interest coverage	67.2	22.9	38.8	47.5
Other long-term liabilities	754	751	939	972					
Total long-term liabilities	757	871	1,024	1,059	Days of sales outstanding	6	8	7	8
Total liabilities	5,275	5,552	6,889	6,835	Days of inventory	75	98	77	77
Shared capital	5,294	5,294	5,294	5,294	Days of payables outstanding	69	54	55	50
Additional paid-in-capital	-	-	-	-	Liquidity ratio	3.0	2.8	2.7	2.9
Treasury stock	-	-	-	-	Quick ratio	2.5	2.1	2.1	2.4
Retained earnings	2,045	1,883	2,579	3,637	Cash ratio	2.3	1.9	1.9	2.1
Reserve funds	2,593	2,964	3,409	3,920	Valuation				
Effects of changes in foreign exchange rates	-	-	-	-	EPS (VND/share)	2,095	2,493	4,144	4,946
Shareholders' equity	9,936	10,144	11,286	12,855	BVPS (VND/share)	18,768	19,162	21,318	24,282
Minority interests	28	33	34	36	P/E (x)	18.0	15.1	9.1	7.6
Total shareholders' equity	9,963	10,177	11,320	12,891	P/B (x)	2.0	2.0	1.8	1.6
Total shareholders' equity	15,238	15,729	18,209	19,725	Net cash per share	18,286	14,569	19,068	21,025
					Dividend yield	8.0%	5.3%	5.3%	5.3%

(*) Note: Data items marked with (*) are calculated based on the number of outstanding shares at the end of 2024 to ensure consistency of comparison.

Source: DCM, MBS Research projection

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MBS RECOMMENDATION FRAMEWORK

Stock Ratings

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

ADD	The stock's total return is expected to reach 15% or higher over the next 12 months
HOLD	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months
REDUCE	The stock's total return is expected to fall below negative 10% over the next 12 months

Sector ratings

POSITIVE	Stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
NEUTRAL	Stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
NEGATIVE	Stocks in the segment have, on a market cap-weighted basis, a negative absolute recommendation

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Founded in May 2000 by the Military Commercial Joint Stock Bank (MB), MB Securities Joint Stock Company (MBS) is one of the first six securities companies in Vietnam. After years of development, MBS has grown into one of the premier brokerage houses in the country. In two consecutive years between 2009 and 2010, MBS leads the brokerage house in terms of market share on both Hanoi Stock Exchange (HNX) and HCMC Stock Exchange (HOSE) and continuously ranked among the Top 5 of market share at both stock exchanges.

Address:

MB Building, 21 Cat Linh, Dong Da, Hanoi

Tel: + 8424 7304 5688 - Fax: +8424 3726 2601

Website: www.mbs.com.vn

MBS RESEARCH DEPARTMENT

Director, Head of Research

Hien Tran Thi Khanh

Deputy Head of Equity Research

Dzung Nguyen Tien

Macro & Market Strategy

Cuong Nghiem Phu

Hung Ngo Quoc

Anh Dinh Ha

Anh Vo Duc

Banking – Financial Services

Luyen Dinh Cong

Huong Pham Thi Thanh

Industry - Energy

Tung Nguyen Ha Duc

Anh Mai Duy

Real Estate

Duc Nguyen Minh

Thanh Le Hai

Huyen Pham Thi Thanh

Consumer - Retail

Ly Nguyen Quynh