

**Petrovietnam Fertilizer & Chemicals Corporation (DPM)**

**HOLD (Maintained)**

**Chemicals**

Current Price	VND24,300
52Wk High/Low	VND28,800/VND15,411
Target Price	VND22,700
Previous TP	23,300
TP vs Consensus	-9%
Upside	-6.6%
Dividend Yield	4.1%
Total stock return	-2.5%

Growth rating	Neutral
Value rating	Neutral
ST Technical Analysis	<a href="#">Positive</a>

Market Cap	USD628.9mn
3m Avg daily value	USD3.4mn
Avail Foreign Room	USD289.2mn
Outstanding Shares	679.9mn
Fully diluted O/S	679.9mn

	DPM	Peers	VNI
P/E TTM	18.8x	12.9x	17.2x
P/B Current	1.5x	1.4x	2.4x
ROA	4.7%	6.6%	20.8%
ROE	7.8%	13.0%	29.5%

\*as of 1/12/2025

**Share Price performance**



Share price (%)	1M	3M	12M
DPM	10.5%	-0.6%	31.1%
VNINDEX	14.0%	7.4%	52.6%

**Ownership**

PVN	59.6%
Others	40.4%

**Business Description**

DPM is a member of Vietnam Oil and Gas Group (PVN). The company is a leading enterprise in the field of manufacturing and trading of fertilizer and chemical products in Vietnam. The main products of the business are fertilizer products such as urea, NPK, potassium and DAP.

**Analyst(s):**



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**Moderating 2026 outlook with valuation at fair levels**

- We maintain our HOLD rating with 6.6% downside and a 4.1% dividend yield. We revise down our TP by 2.6% while the share price has increased 10.3% since our latest report.
- Our lower TP is due to rolling our valuation model forward to 2026 and a lower WACC assumption.
- TTM P/E of 18.8x is above the five-year historical average of 12.3x and already fairly reflects the stock's valuation.

**Financial highlights**

- We forecast revenue to decline 4.6% YoY, mainly due to lower urea selling prices.
- We forecast the blended GM to narrow by 0.5% pts YoY to 16.9% in FY26, mainly as lower urea ASP more than offsets the decline in input gas costs.

**Investment Thesis**

**Despite lower oil prices, sharp selling price decline pressures urea GM**

We forecast global urea prices to decline 15-18% YoY in 2026, after rising about 22.6% YoY in 2025, on expectations of a global supply recovery as China ramps up exports, which is expected to lower DPM's urea ASP by 11.3% YoY. We also expect FO Singapore prices to fall a further 8.8% YoY in 2026, supporting a 3.3% YoY decline in urea feedstock gas prices despite the shrinking share of low-transport-cost gas. Nevertheless, while gas prices are expected to ease, we believe the sharper decline in selling prices will still exert pressure on urea GM in 2026 (-5.2% pts YoY).

**Sales volume expected to soften amid factory maintenance, slowing exports**

DPM has been conducting a major turnaround of its urea plant since December 22, 2025, with an expected duration of 38 days. Consequently, we forecast 2026 urea production volume to edge down by 1.4% YoY to 873,000 tons (equivalent to a 109% utilization rate). On the consumption side, while exports may face pressure from a projected recovery in global supply, we believe more favorable weather conditions and softer selling prices will stimulate domestic demand. This is expected to limit the decline in 2026 urea sales volume to just 1.1% YoY, reaching 873,000 tons.

**Integrating DAP production helps optimize NPK plant utilization**

DPM has recently launched DAP Phu My, produced on its chemical-technology NPK line. This is currently the only NPK plant in Vietnam capable of producing DAP, allowing the company to leverage operational flexibility to optimize production without investing in a new line. Although output is expected to be limited in the initial years (around 30,000 tons), we view this as a market-testing step, which could pave the way for more meaningful expansion in the coming years if successful.

**Fair valuation amid a more challenging earnings outlook in 2026**

DPM is currently trading at a TTM P/E of 18.8x, significantly above its five-year historical average of 12.3x, suggesting that the stock is fairly valued given a more challenging earnings outlook in 2026.

	12-23A	12-24A	12-25E	12-26F
Revenue growth	-27.2%	-0.5%	21.2%	-4.6%
EPS growth	-90.7%	3.5%	12.3%	-8.3%
Gross margin	12.2%	14.1%	17.4%	16.9%
Net profit margin	3.8%	4.0%	6.4%	6.2%
P/E (x)	18.3	17.7	15.7	17.2
Rolling P/B (x)	1.4			
ROAE	4.1%	4.7%	9.2%	8.1%

Source: VNDIRECT RESEARCH

## FY25/26 outlook: Expected selling price declines to weigh on 2026 net profit

Figure 2: FY25-26 earnings forecast revision

VNDbn	Actual	Old		New		% YoY		% Δ		Comments
	FY24	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26	
Brent oil price (USD/bbl)	80	70	65	68	62	-15.0%	-8.8%	-2.9%	-4.6%	We have revised down our global oil price assumptions due to a global oversupply outlook, in line with the latest EIA forecasts
Average input gas cost price - include VAT (USD/mmbtu)	11.0	10.5	10.2	10.6	10.2	-3.6%	-3.8%	1.0%	0.0%	We have revised up our input gas price forecasts due to an upward revision in the 2025 USD/VND exchange rate projections.
Average urea selling price (VND/kg)	9,598	10,341	9,975	10,584	9,385	10.3%	-11.3%	2.3%	-5.9%	We revised down our 2026 urea ASP forecast, primarily due to expectations of a sharper decline in global urea prices as supply is projected to recover.
<b>Sale volume (thousand tons)</b>										
- Urea	899	793	853	883	873	-1.8%	-1.1%	11.3%	2.3%	We have revised up urea sales volume forecasts on expectations of more stable production, despite a scheduled major turnaround during the year.
- NPK	147	185	195	191	201	29.8%	5.2%	3.2%	3.1%	
<b>Net revenue (VNDbn)</b>	<b>13,496</b>	<b>13,629</b>	<b>13,932</b>	<b>16,364</b>	<b>15,612</b>	<b>21.2%</b>	<b>-4.6%</b>	<b>20.1%</b>	<b>12.1%</b>	
- Urea	8,626	8,197	8,509	9,350	8,195	8.4%	-12.4%	14.1%	-3.7%	We have revised up 2025 urea revenue forecasts due to higher-than-expected sales volumes. However, 2026 revenue projections are lowered as selling prices are expected to decline more sharply than previously anticipated.
- NPK	1,733	2,167	2,168	2,170	2,216	25.2%	2.1%	0.1%	2.2%	
- Others	3,137	3,265	3,255	4,844	5,201	54.4%	7.4%	48.4%	59.7%	We have sharply revised up 2025 other revenue forecasts as the trading segment expanded significantly beyond previous expectations, and we project the company will maintain this scale through 2026.
<b>Gross profit</b>	<b>1,898</b>	<b>2,420</b>	<b>2,660</b>	<b>2,850</b>	<b>2,637</b>	<b>50.2%</b>	<b>-7.5%</b>	<b>17.8%</b>	<b>-0.9%</b>	We have revised up 2025 gross profit forecasts, primarily driven by higher revenue projections.
Gross margin	14.1%	17.8%	19.1%	17.4%	16.9%	3.3% pts	-0.5% pts	-0.4% pts	-2.2% pts	We have lowered our 2026 GM forecasts, primarily due to downward revisions in urea ASP and an increased revenue contribution from the trading segment, which carries significantly lower GM than other business lines
Selling expenses	872	964	985	992	978	13.7%	-1.4%	2.9%	-0.8%	
G&A expenses	594	619	633	744	678	25.2%	-8.8%	20.1%	7.1%	We have revised up 2025 G&A expense forecasts following higher-than-expected 9M25 results, primarily driven by additional provisioning and increased administrative staff costs.
Net financial income (expenses)	304	291	324	184	209	-39.6%	13.7%	-37.0%	-35.6%	We have sharply lowered our 2025/26 net financial income forecasts, primarily due to upward adjustments in interest expenses, as the company maintains a high debt balance.
Net other income	4.4	4.5	4.6	5.4	5.1	22.7%	-5.6%	20.0%	10.9%	
Pre- tax profit	743	1,135	1,373	1,306	1,197	75.8%	-8.3%	15.1%	-12.8%	
<b>Net profit</b>	<b>594</b>	<b>912</b>	<b>1,103</b>	<b>1,050</b>	<b>962</b>	<b>76.7%</b>	<b>-8.3%</b>	<b>15.1%</b>	<b>-12.8%</b>	
EPS (VND)	791	1,341	1,623	1,543	1,415	95.1%	-8.3%	15.1%	-12.8%	

Source: VNDIRECT RESEARCH

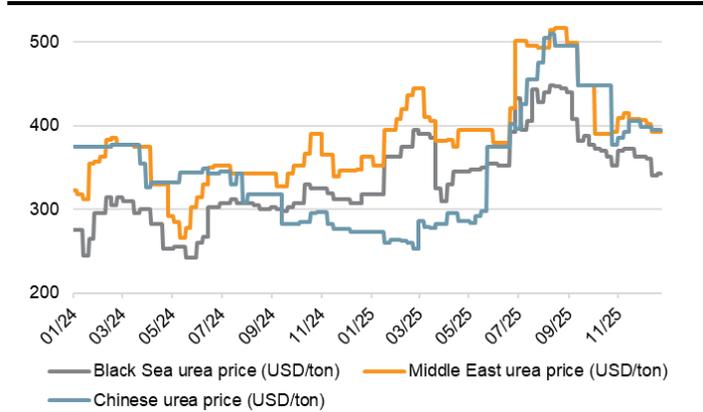
### Lower oil prices fail to offset selling price pressure on urea GM

#### Urea selling prices are expected to revert to the 2023-24 average amid a recovering supply outlook

Following a period of accelerated urea exports since August, we estimate China's urea export volume in 2025 will reach approximately 4.2 million tons (vs 260,000 tons in 2024). The recovery in supply from China has led to a continued decline in global urea prices; however, global urea prices (Middle East) in 2025 still increased markedly by 21.6% YoY. According to Sunsirs, China has added more than 6 million tons of new urea capacity in 2025, lifting total design capacity to 82.3 million tons, paving the way for urea exports to potentially recover to 5 million tons in 2026. That said, China is currently only reopening exports in a regulated manner, and actual urea export volumes in 2026 will largely depend on quota allocations and China's policy priorities at each point in time. Overall, we continue to forecast global urea prices (Middle East) to decline by 15-18% YoY in 2026 due to an improving supply outlook. Given the historical correlation

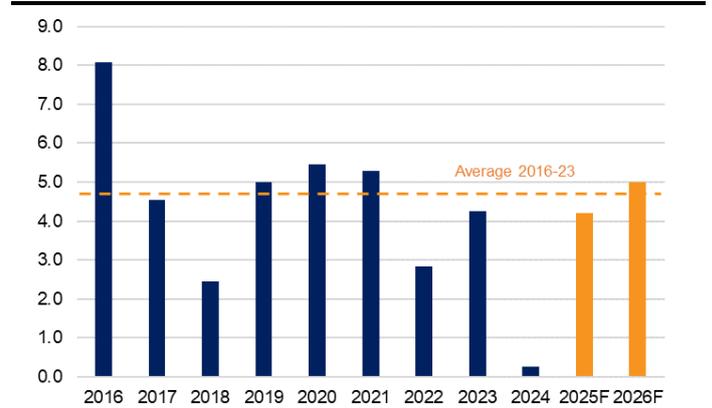
between domestic and global urea prices, we forecast DPM's urea ASP to fall 11.3% YoY in 2026.

**Figure 3: Urea prices peaked and declined since mid-August as China ramped up exports (USD/ton)**



Source: BLOOMBERG, VNDIRECT RESEARCH

**Figure 4: China's urea export volume is expected to gradually recover from 2026 (million tons)**



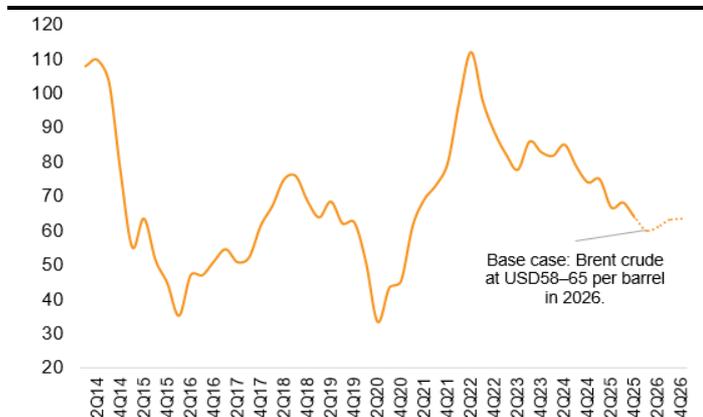
Source: VNDIRECT RESEARCH

**Lower oil prices are unlikely to offset selling price pressure on urea GM in 2026**

Brent crude/FO Singapore prices declined by 14.6%/9.6% YoY in 2025, and we expect them to continue decreasing by 8.8%/8.8% YoY to USD62/bbl and USD421/ton in 2026, respectively. This is because we project supply growth to outpace demand, likely leading to a sharp build-up in inventories and an increasingly oversupplied oil market from 2026. We maintain our forecast that lower oil prices will help ease DPM's urea feedstock gas prices, which we project to decline by 4.3%/3.3% YoY to USD10.6/10.2/mmbtu in 2025/26, despite the continued decline in the share of lower-transport-cost gas sources (Bach Ho).

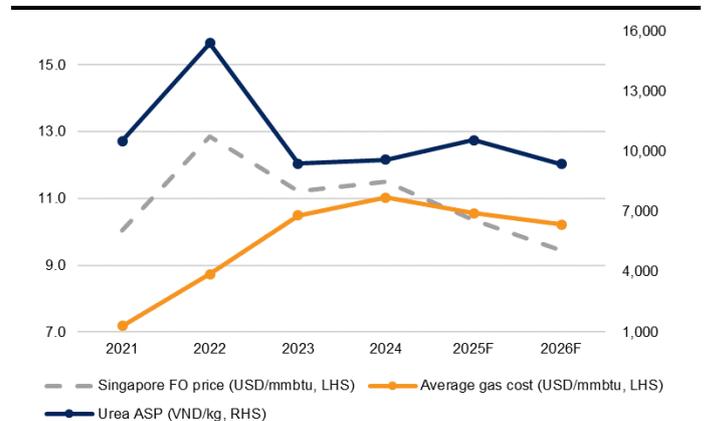
We estimate that urea gross margin expanded sharply by 11.3% pts YoY to 27.6% in 2025, supported by higher selling prices and easing gas input costs. In 2026, while we expect feedstock gas prices to continue softening, we believe a steeper decline in selling prices will exert pressure on urea GM, and we project the urea GM to contract by 5.2% pts YoY to 22.3%.

**Figure 5: We expect oil prices to trade within the USD58–65/bbl range, averaging USD62/bbl in 2026**



Source: BLOOMBERG, VNDIRECT RESEARCH

**Figure 6: Lower oil prices are unlikely to offset selling price pressure on urea GM in 2026**



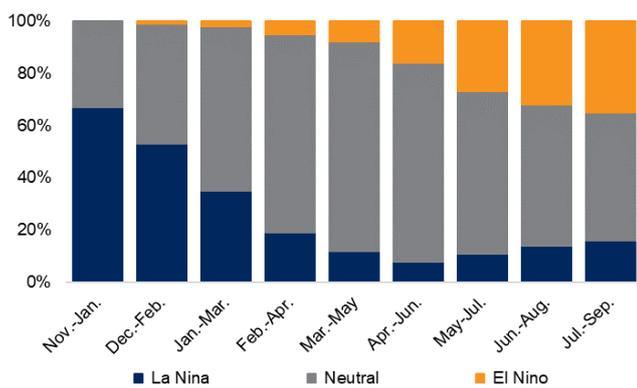
Source: DPM, VNDIRECT RESEARCH

**We expect slight pressure on sales volume due to slowing exports**

Recently, DPM reported the completion of its 2025 business plan, with urea production volume flat YoY at 885,000 tons (utilization of 110.6%). Based on this production performance, we estimate full-year 2025 urea consumption volume to decline only slightly by 1.7% YoY to 883,000 tons, from the peak level in 2024, yet still exceeding our previous expectations thanks to stable production.

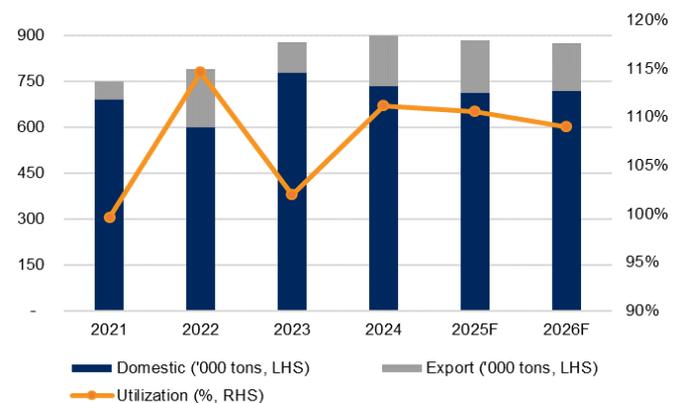
DPM has been conducting a major turnaround of its urea plant since December 22, 2025, with an expected duration of 38 days. We expect that following this maintenance (notably the catalyst basket replacement), plant efficiency will improve, allowing DPM to reach a high utilization rate of 109% in 2026. This is equivalent to a urea production volume of 872,000 tons. As the International Research Institute for Climate and Society (IRI) projects ENSO to remain in a neutral phase for most of 2026, and a cooling price environment will likely support agricultural activities, we believe farmers will be more encouraged to invest in crop care. Consequently, we forecast domestic urea consumption volume to improve by 1% YoY in 2026. However, as we expect the recovery in global urea supply to challenge the strong export momentum of the past two years, we project urea exports to decline by 10% YoY. As a result, we anticipate total urea sales volume to decrease slightly by 1.1% YoY to 873,000 tons.

**Figure 7: ENSO is forecast to remain in a neutral phase throughout 2026...**



Source: IRI, VNDIRECT RESEARCH

**Figure 8: ...which should support domestic urea consumption, although exports are expected to gradually ease from the 2024 peak**



Source: VNDIRECT RESEARCH

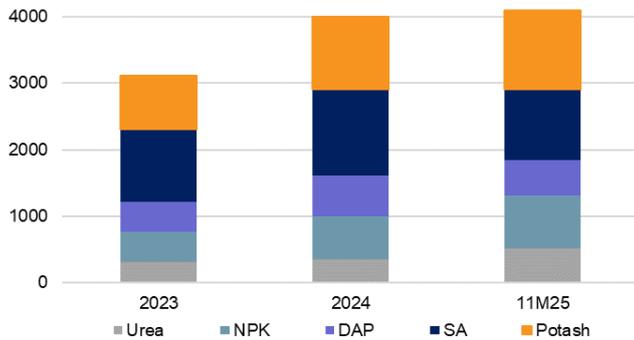
**DAP production integration optimizes NPK plant utilization**

**The NPK segment exhibits significant growth potential, driven by evolving fertilizer demand dynamics**

In 2025, we estimate DPM's NPK production volume to surge 54.4% YoY to 206,000 tons, corresponding to a sharp improvement in plant utilization from 53% to 82%. We estimate NPK consumption volume in 2025 to also increase strongly by 30% YoY to 191,000 tons, driven by solid market demand for high-quality compound fertilizer products. Despite an overall fertilizer oversupply, Vietnam remains a net fertilizer importer of ~USD1bn/year, mainly comprising potash and high-quality compound fertilizers such as NPK, DAP, SA, and MAP, with import volumes continuing to trend upward in recent years. We observe a structural shift in demand from single-nutrient fertilizers toward high-quality compound fertilizers and organic fertilizers, which is becoming increasingly inevitable in agriculture. Accordingly, we maintain our forecast that DPM's NPK

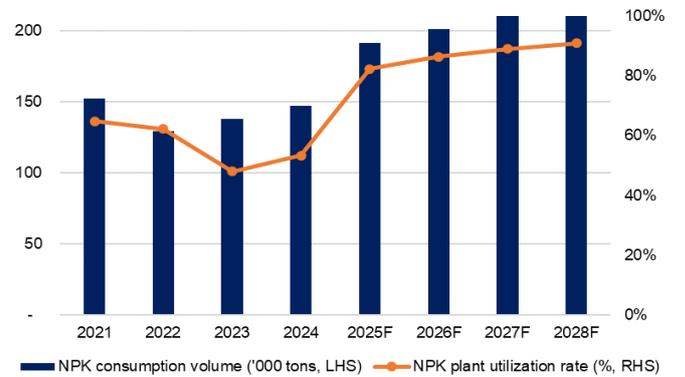
consumption volume will continue to grow, with a 2026-28 CAGR of 5%, primarily driven by demand substitution away from single-nutrient fertilizers and lower-quality NPK products.

**Figure 9: Vietnam's fertilizer import volume trends upward, driven by potash and high-quality compound fertilizers ('000 tons)**



Source: GENERAL DEPARTMENT OF VIETNAM CUSTOMS, VNDIRECT RESEARCH

**Figure 10: We expect DPM's NPK sales volume to achieve a 5% CAGR over 2026-28**



Source: VNDIRECT RESEARCH

### DAP product launch optimizes NPK plant efficiency

In December, DPM officially launched DAP Phu My, produced on its INCRO chemical-technology NPK line, currently the only NPK plant in Vietnam capable of producing DAP. This enables the company to optimize its product mix without additional capex. We view this as positive on two fronts: 1) enhancing the efficiency of the existing NPK plant through flexible product allocation aligned with market demand; and 2) diversifying revenue streams, thereby strengthening DPM's position in the domestic DAP market, which remains highly import-dependent. With the Phu My NPK plant operating at over 80% of its designed capacity and NPK output expected to continue increasing gradually in the future, we forecast DPM could produce and consume 20,000 - 30,000 tons of DAP/year (from its NPK plant) during 2026-2028.

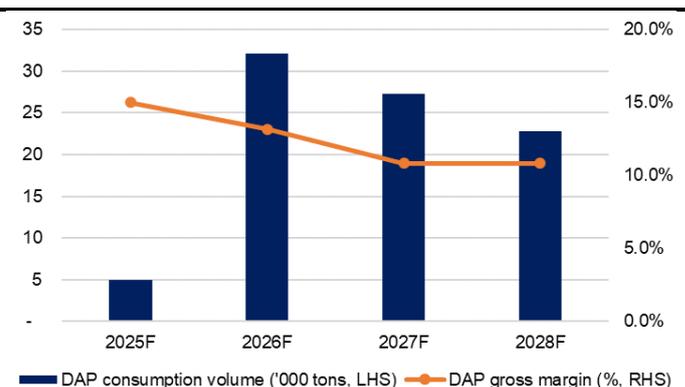
We also believe this represents only DPM's initial market-testing phase. If the product proves successful, DPM could pursue more aggressive expansion by increasing capacity at the existing NPK plant (currently under evaluation) or developing a dedicated DAP facility, thereby securing a more stable supply base and reinforcing its long-term market share.

**Figure 11: DPM has recently launched DAP products manufactured at its NPK plant**



Source: DPM

**Figure 12: We expect DAP production integration to provide incremental revenue and profit for DPM in the coming years**

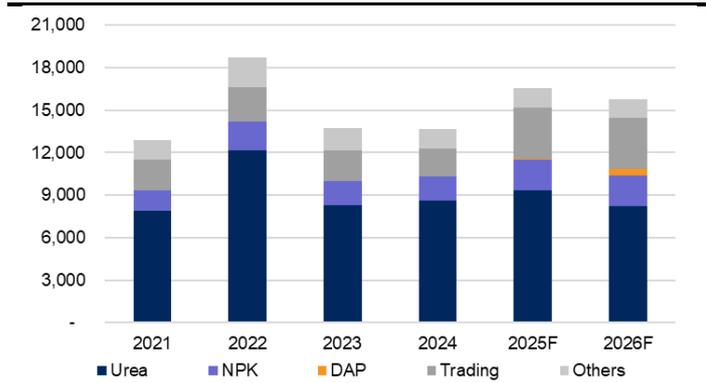


Source: VNDIRECT RESEARCH

**We forecast 2026 net profit to soften mainly due to GM compression**

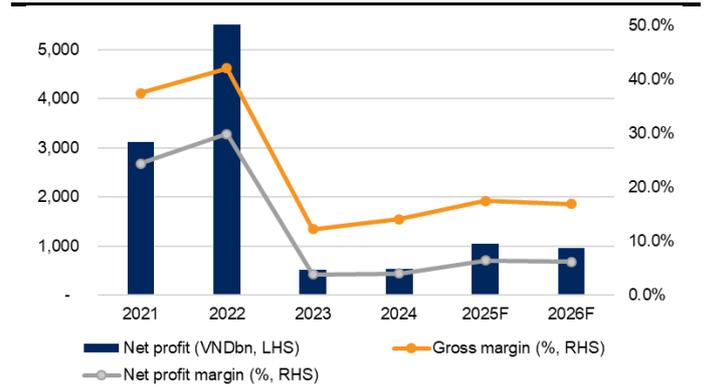
In summary, we forecast DPM’s net revenue to surge 21.2% YoY to VND16.3tn (USD620mn) in 2025, before edging down 4.6% YoY to VND15.6tn (USD591mn) in 2026, mainly due to an expected decline in urea selling prices from the elevated 2025 base. On net profit, we project a sharp recovery of 95.2% YoY to VND1.0tn (USD39.8mn) in 2025, driven primarily by higher selling prices that support gross margin expansion. In 2026, we forecast net profit to decline 8.3% YoY to VND962bn (USD36.4mn), as softer selling prices are expected to pressure urea gross margin.

**Figure 13: DPM revenue forecast by product in 2025-26 (VNDbn)**



Source: VNDIRECT RESEARCH

**Figure 14: DPM net profit forecast in 2025-26**



Source: VNDIRECT RESEARCH

## Valuation: Maintain HOLD with a lower TP of VND22,700

We revise down our TP by 2.6% to VND22,700, still based on an equal weighting of DCF valuation and a target P/B multiple.

Our FY25 target P/B for DPM is 1.2x, equivalent to the company's historical average P/B over August 2023-December 2025. We adopt this period as the reference as it marks the normalization of urea prices following the nearly two-year upcycle, thereby better reflecting the business environment DPM is expected to face in 2026-27.

Our lower TP is mainly due to the mix impact of: 1) rolling our valuation model forward to 2026; and 2) a downward revision to the WACC from 11.2% to 10.9%, mainly reflecting the combined impact of a higher assumed risk-free rate from 3.0% to 3.6%, a decrease in the equity risk premium from 8.35% to 8.13%, and a reduction in beta from 1.2x to 1.1x.

**Figure 15: Blended target price**

Valuation method	Implied value per share (VND)	Weight (%)	Weighted value per share (VND)
DCF	24,095	50%	12,048
P/B (1.2x)	21,166	50%	10,583
Fair value			22,631
Target price (rounded up)			<b>22,700</b>

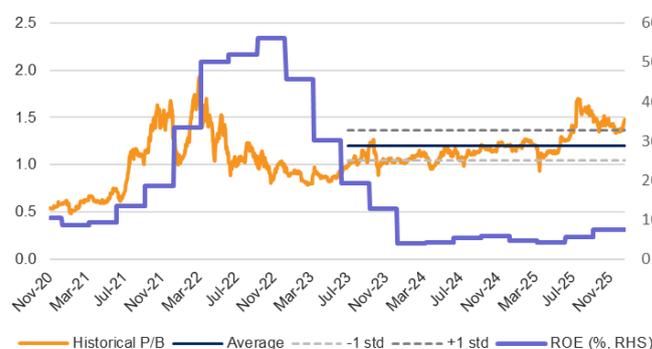
Source: VNDIRECT RESEARCH

**Figure 16: DPM's historical P/E**



Source: BLOOMBERG, VNDIRECT RESEARCH

**Figure 17: DPM's historical P/B**



Source: BLOOMBERG, VNDIRECT RESEARCH

**Figure 18: Cost of equity**

Cost of equity	
Risk free rate (10-year VGB yield)	3.6%
Equity risk premium	8.1%
Beta (Source: BB, adj. beta)	1.1
Cost of equity	12.5%

Source: VNDIRECT RESEARCH

**Figure 19: WACC and Long-term growth rate**

VNDbn	
Equity	11,389
Debt	3,440
Cost of debt	3.2%
Tax Rate	17.2%
WACC	11.2%
Perpetual growth rate	0.5%

Source: VNDIRECT RESEARCH

**Figure 20: DCF Valuation – Summary of free cash flow (FCF)**

DCF Valuation – Key assumption and inputs (VNDbn)	FY26F	FY27F	FY28F	FY29F	FY30F
Net profit	962	870	949	878	909
Tax rate (%)	17.2%	17.2%	17.2%	17.2%	17.2%
Interest expense	106	95	79	71	71
- Changes in working capital	(115)	133	(255)	143	(307)
- Net capex	(100)	(200)	(80)	(180)	(180)
+ Depreciation & Amortization	456	457	463	355	375
FCFF	1,291	1,339	1,141	1,255	855
PV of FCFF	1,164	1,089	837	830	510
PV of DCF (5 years)					<b>4,431</b>
PV of Terminal value					<b>4,940</b>
Enterprise Value					<b>9,371</b>

Source: VNDIRECT RESEARCH

**Figure 21: Sensitivity analysis for DCF valuation**

Long-term growth rate (%)	Our case	Cost of equity (%)				
		Our case				
		11.5%	12.0%	12.5%	13.0%	13.5%
0.0%		24,762	24,244	23,726	23,322	22,908
0.2%		24,936	24,403	23,870	23,453	23,029
0.5%	<b>Our case</b>	25,212	24,653	<b>24,095</b>	23,660	23,218
0.8%		25,506	24,918	24,333	23,879	23,417
1.1%		25,820	25,200	24,586	24,111	23,628

Source: VNDIRECT RESEARCH

### Re-rating catalysts and downside risks

- Re-rating catalysts include higher sales volume, higher selling prices and the positive impact of the new VAT law.
- Downside risks are higher-than-expected input gas costs, and a drop in urea/NPK price due to a decline in global urea prices.

**Figure 22: Sector comparison**

Company	Ticker	Price (LC\$)	Mkt Cap (USDm)	TTM P/E (x)	Curent P/B (x)	TTM ROE (%)	TTM ROA (%)	Debt/Equity (%)
Southern Fertilizer JSC/The	SFG VN	10,150	19	14.4	0.7	5.2%	2.1%	97.5
Lam Thao Fertilizers&Chemicals JSC	LAS VN	16,500	71	12.2	1.3	11.0%	6.2%	49.0
PetroVietNam Ca Mau Fertilizer JSC	DCM VN	35,300	704	10.7	1.8	17.0%	11.9%	13.3
Binh Dien Fertilizer JSC	BFC VN	46,200	99	8.5	1.9	24.1%	8.3%	51.5
<i>Average</i>				12.9	1.4	13.0%	6.6%	48.4
<b>Petrovietnam Fertilizer &amp; Chemicals JSC</b>	<b>DPM VN</b>	<b>24,300</b>	<b>628.8</b>	<b>18.8</b>	<b>1.5</b>	<b>7.8%</b>	<b>4.7%</b>	<b>30.6</b>

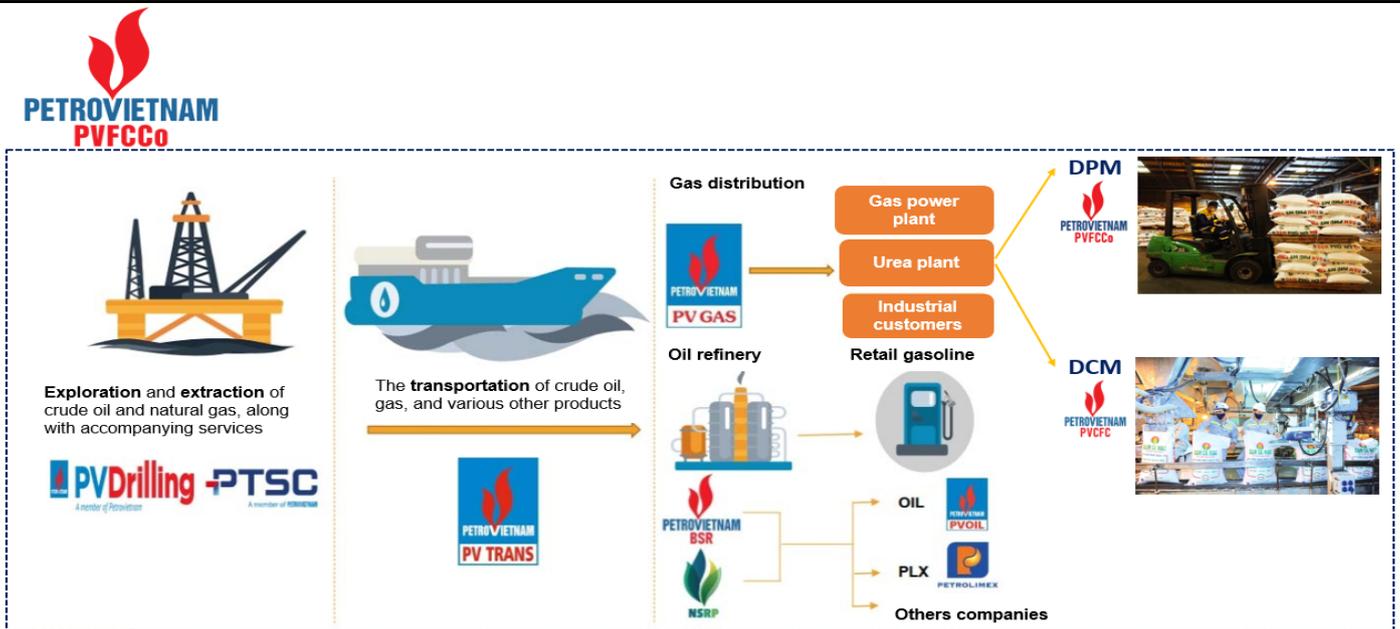
Source: BLOOMBERG, VNDIRECT RESEARCH (DATA AS AT 12 JANUARY)

## Appendix 1: Company profile

### A leader in Vietnam's fertilizer industry, particularly the urea market

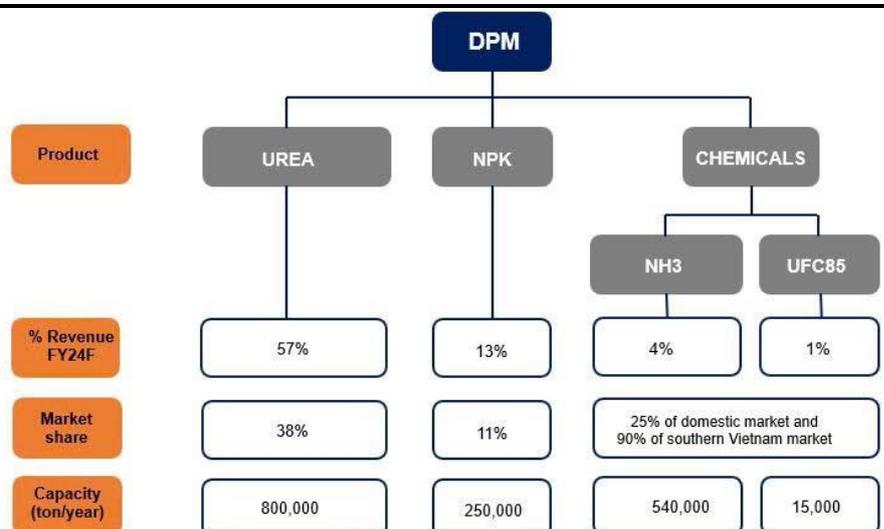
DPM, a member of Vietnam National Petroleum Corporation (PVN), is a leading enterprise in the field of manufacturing and trading of fertilizer and chemical products in Vietnam. The enterprise owns eight member units, including four chemical fertilizer and petroleum joint stock companies responsible for distributing the enterprise's products to regions nationwide. The domestic market currently accounts for more than 90% of DPM's total revenue. Besides domestic consumption, the enterprise also exports products to countries in the region such as India, Korea, Japan, Thailand, Taiwan and the Philippines. After 20 years of operation, DPM currently leads the domestic urea consumption market with a 38% market share. Other products such as NPK and NH<sub>3</sub> represent 11%/25% of the domestic market, respectively.

Figure 23: DPM is a member of PVN



Source: PETROVIETNAM, VNDIRECT RESEARCH

Figure 24: DPM's product system



Source: VNDIRECT RESEARCH

## Appendix 2: Key Financial Projections

### Income statement

(VNDbn)	2020A	2021A	2022A	2023A	2024A	2025E	2026F
Net revenue	7,762	12,786	18,627	13,569	13,496	16,364	15,612
Cost of sales	6,032	8,001	10,789	11,917	11,598	13,514	12,975
<b>Gross Profit</b>	<b>1,730</b>	<b>4,786</b>	<b>7,838</b>	<b>1,652</b>	<b>1,898</b>	<b>2,850</b>	<b>2,637</b>
Gen & admin expenses	409	425	556	502	703	744	678
Selling expenses	655	818	978	848	837	992	978
Operating profit	<b>666</b>	<b>3,543</b>	<b>6,304</b>	<b>301</b>	<b>358</b>	<b>1,115</b>	<b>981</b>
Operating EBITDA	<b>1,216</b>	<b>4,080</b>	<b>6,819</b>	<b>704</b>	<b>752</b>	<b>1,564</b>	<b>1,437</b>
Depreciation and amortisation	550	537	515	403	394	449	456
<b>Operating EBIT</b>	<b>666</b>	<b>3,543</b>	<b>6,304</b>	<b>301</b>	<b>358</b>	<b>1,115</b>	<b>981</b>
Interest income	180	176	365	458	369	333	342
Financial expense	95	75	85	71	65	150	133
Net other income	95	153	19	1	4	5	5
Income from associates & JVs	2	3	3	3	3	3	3
<b>Pre-tax profit</b>	<b>848</b>	<b>3,799</b>	<b>6,606</b>	<b>691</b>	<b>669</b>	<b>1,306</b>	<b>1,197</b>
Tax expense	146	628	1,021	161	115	225	206
<b>Net profit</b>	<b>691</b>	<b>3,117</b>	<b>5,565</b>	<b>519</b>	<b>538</b>	<b>1,050</b>	<b>962</b>
Adj. net profit to ordinary	691	3,117	5,565	519	538	1,050	962

### Balance sheet

(VNDbn)	2020A	2021A	2022A	2023A	2024A	2025E	2026F
Cash and equivalents	2,029	2,524	2,084	1,242	1,005	1,225	1,336
Short term investments	2,185	3,455	6,880	5,385	9,464	9,420	9,660
Accounts receivables	223	263	235	432	276	444	427
Inventories	1,468	2,776	3,871	1,911	1,731	2,407	2,417
Other current assets	291	276	285	385	367	445	424
<b>Total current assets</b>	<b>6,314</b>	<b>9,520</b>	<b>13,579</b>	<b>9,565</b>	<b>13,220</b>	<b>14,451</b>	<b>14,748</b>
Fixed assets	4,283	3,717	3,255	2,988	2,711	2,441	2,079
Total investments	264	255	242	224	215	205	196
Other long-term assets	285	252	403	270	316	316	316
<b>Total assets</b>	<b>11,300</b>	<b>13,918</b>	<b>17,699</b>	<b>13,309</b>	<b>16,552</b>	<b>17,604</b>	<b>17,579</b>
Short-term debt	191	200	202	-	3,422	3,422	3,222
Accounts payable	1,166	1,407	1,963	1,297	1,207	1,659	1,521
Other current liabilities	669	544	831	188	570	668	668
<b>Total current liabilities</b>	<b>2,026</b>	<b>2,152</b>	<b>2,996</b>	<b>1,484</b>	<b>5,199</b>	<b>5,749</b>	<b>5,411</b>
Total long-term debt	859	700	505	-	-	-	-
Other liabilities	167	353	181	280	174	174	174
Share capital	3,935	3,935	3,935	3,935	3,935	6,821	6,821
Retained earnings reserve	655	3,086	6,401	2,838	2,470	2,939	3,223
<b>Shareholders' equity</b>	<b>8,247</b>	<b>10,713</b>	<b>14,017</b>	<b>11,545</b>	<b>11,180</b>	<b>11,681</b>	<b>11,994</b>
Minority interest	163	198	186	175	177	210	239
<b>Total liabilities &amp; equity</b>	<b>11,300</b>	<b>13,918</b>	<b>17,699</b>	<b>13,309</b>	<b>16,552</b>	<b>17,604</b>	<b>17,579</b>

### Cash flow statement

(VNDbn)	2020A	2021A	2022A	2023A	2024A	2025E	2026F
<b>Pretax profit</b>	<b>848</b>	<b>3,799</b>	<b>6,606</b>	<b>691</b>	<b>669</b>	<b>1,306</b>	<b>1,197</b>
Depreciation & amortisation	550	537	515	403	394	449	456
Tax paid	(178)	(302)	(1,209)	(345)	(65)	(225)	(206)
Other adjustments	20	20	0	0	0	0	0
Change in working capital	(536)	(1,450)	(1,018)	961	(21)	(624)	(115)
<b>Cash flow from operations</b>	<b>787</b>	<b>2,516</b>	<b>4,961</b>	<b>945</b>	<b>948</b>	<b>808</b>	<b>1,112</b>
Capex	(82)	(222)	(77)	(241)	(85)	(250)	(100)
Proceeds from assets sales	0	0	0	0	0	0	0
Others	(984)	(1,097)	(3,152)	1,916	(3,723)	(2,422)	100
Other non-current assets changes	0	0	0	0	0	0	0
<b>Cash flow from investing activities</b>	<b>(1,066)</b>	<b>(1,319)</b>	<b>(3,227)</b>	<b>1,676</b>	<b>(3,808)</b>	<b>(2,672)</b>	<b>0</b>
New share issuance	0	0	0	0	0	2,886	0
Shares buyback	0	0	0	0	0	0	0
Net borrowings	(190)	(145)	(200)	(707)	3,422	(0)	(200)
Other financing cash flow	0	0	0	0	0	0	0
Dividends paid	(479)	(558)	(1,977)	(2,755)	(801)	(801)	(801)
<b>Cash flow from financing activities</b>	<b>(669)</b>	<b>(702)</b>	<b>(2,177)</b>	<b>(3,463)</b>	<b>2,621</b>	<b>2,084</b>	<b>(1,001)</b>
Beginning cash and equivalents	2,977	2,029	2,524	2,084	1,242	1,005	1,225
Total cash generated	<b>(948)</b>	<b>495</b>	<b>(440)</b>	<b>(842)</b>	<b>(237)</b>	<b>220</b>	<b>111</b>
<b>Ending cash and equivalents</b>	<b>2,029</b>	<b>2,524</b>	<b>2,084</b>	<b>1,242</b>	<b>1,005</b>	<b>1,225</b>	<b>1,336</b>

## Key ratios

Valuation Ratios	2020A	2021A	2022A	2023A	2024A	2025E	2026F
EPS (VND)	1,766	7,965	14,218	1,327	1,374	1,543	1,415
Price Earnings	13.8	3.1	1.7	18.3	17.7	15.7	17.2
1-yr PEG	(29.9)	3.7	0.5	23.3	(19.5)	447.0	139.3
EV to EBIT	12.8	2.2	1.3	27.5	33.3	16.8	18.8
EV to EBITDA	6.4	1.7	0.5	7.1	1.0	5.1	5.3
Price to Sales	2.1	1.3	0.9	1.2	1.2	1.0	1.1
Price to Book	2.0	1.5	1.2	1.4	1.5	1.4	1.4
Dividend Yield	2.9%	3.4%	12.0%	16.7%	4.9%	3.6%	4.1%
Dividend Payout Ratio	127%	81%	63%	50%	154%	109%	65%
<b>Growth Rates</b>							
Net Revenue YoY	1.0%	64.7%	45.7%	-27.2%	-0.5%	21.2%	-4.6%
Gross Profit YoY	4.0%	15.1%	4.7%	-29.9%	1.9%	3.4%	-0.5%
Net Profit YoY	80.4%	352.0%	76.1%	-90.5%	4.6%	95.2%	-8.3%
EPS YoY	83.0%	350.9%	78.5%	-90.7%	3.5%	12.3%	-8.3%
<b>Profitability Ratios</b>							
Gross Margin	22.3%	37.4%	42.1%	12.2%	14.1%	17.4%	16.9%
EBITDA Margin	19.1%	34.5%	38.6%	8.4%	8.2%	11.5%	11.3%
Operating Margin	8.6%	27.7%	33.8%	2.2%	2.7%	6.8%	6.3%
Net Profit Margin	8.9%	24.4%	29.9%	3.8%	4.0%	6.4%	6.2%
Return on Avg Assets	6.1%	22.4%	31.4%	3.9%	3.2%	6.0%	5.5%
Return on Avg Equity	8.4%	32.9%	45.0%	4.1%	4.7%	9.2%	8.1%
<b>Leverage Ratios</b>							
Interest Coverage Ratio (EBIT/I)	7.5	51.1	97.3	5.9	7.5	9.3	9.2
EBITDA / (I + Cap Ex)	180.8	-26.7	-537.1	-3.7	-20.0	-12.0	227.9
Tot Debt/Capital	11.3%	7.8%	4.8%	0.0%	23.4%	22.7%	21.2%
Tot Debt/Equity	12.7%	8.4%	5.0%	0.0%	30.6%	29.3%	26.9%
Net Debt/Equity	38.4%	47.4%	58.9%	57.4%	63.0%	61.8%	64.8%
<b>Liquidity Ratios</b>							
Asset Turnover	0.7	1.0	1.2	0.9	0.9	1.0	0.9
Accounts Receivable Turnover	34.0	53.0	75.3	41.1	38.6	46.0	36.3
A/R DOH	15	12	9	15	18	18	19
Accounts Payable Turnover	13.0	13.1	13.2	14.6	15.9	18.0	16.3
A/P DOH	27	35	29	24	22	22	22
Inventory Turnover	4.3	3.8	3.2	4.1	6.4	6.5	5.4
Inv DOH	89	127	131	59	54	65	68
Current Ratio	3.1	4.4	4.5	6.4	2.5	2.5	2.7
Quick Ratio	2.4	3.1	3.2	5.2	2.2	2.1	2.3

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#### Stock Ratings

Definition:

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.

*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.*

#### Sector Ratings

Definition:

Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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