

TON DONG A JOINT STOCK COMPANY (Upcom: GDA)

The preparatory phase for a growth cycle

(VND bn)	Q4-FY25	Q3-FY25	+/- qoq	Q4-FY24	+/- yoy
Revenue	3,397	3,680	-8%	3,888	-13%
NPAT-MI	37	85	-57%	21	72%
EBIT	72	100	-28%	(50)	-245%
EBIT margin	2%	3%	(1)	-1%	3

Source: GDA, RongViet Securities

FY2025: Domestic output accounts for a high proportion, negatively impacted by exports

- In 2025, GDA faced several difficulties: 1/ Protectionist policies in key export markets (EU, USA); 2/ Steel prices (specifically hot rolled coil – HRC prices as well as galvanized steel prices) did not recover as expected. Consequently, net revenue and NPAT-MI were 15.3 trillion VND (-20% YoY) and 272 billion VND (-20% YoY) respectively, which is lower than our forecast, and achieving 91% of the company's business plan.
- Regarding project development, according to the company's sharing, the Phu My steel plant (1.2 million tons/year) officially commenced construction in December 2025. The company will invest in phase 1 of the plant (capacity of 300 thousand tons/year) with galvanized steel as the main product line, and may combine research into additional steel products for industrial use, expected to be operational from the second half of 2027.

Outlook 2026-27: A preparatory phase for a growth cycle

- In 2026, the company's sales volume is expected to reach 822 thousand tons (+10% YoY); the main driver continues to come from the domestic market. By 2027, GDA plans to bring the new plant into operation, and we expect the plant to record output in the second half of the year. As a result, the company's sales volume in 2027 could reach 895 thousand tons (+9% YoY, maintaining a consumption market share of 15.8%).
- With a scenario of HRC prices recovering slightly by 3-3.5% YoY in the 2026-2027 period, we expect: 1/ Average selling prices will also record an annual recovery of 3.5%; 2/ Gross profit margin is expected to improve to 7.3% (2026) and 7.8% (2027) respectively – benefiting from inventory investment in the previous period.
- NPAT-MI in the 2026-2027 period is projected to reach 313 billion VND (+15% YoY) and 359 billion VND (+15% YoY), respectively.

View and Recommendation

Despite facing risks from the export market, GDA has successfully shifted orders to the domestic market, thanks to its competitive advantages. In the long term, we believe that the new flat steel plant (phase 01) will support the company's growth. Additionally, the plan to list on Hose (expected in 2026) will enhance the company's visibility among investors.

Combining the FCF method and the P/B multiple comparison method with a 50:50 weighting, we set a target price for GDA shares at **21,900 VND/share**, corresponding to an expected rate of return of 61% based on the closing price on April 7, 2026. Accordingly, we recommend **BUY** for GDA, and the company is suitable for a value investment portfolio, as it is currently trading at a significant discount to its existing assets.

BUY +61%

Target price (VND)	21,900
Current market price (VND)	13,600

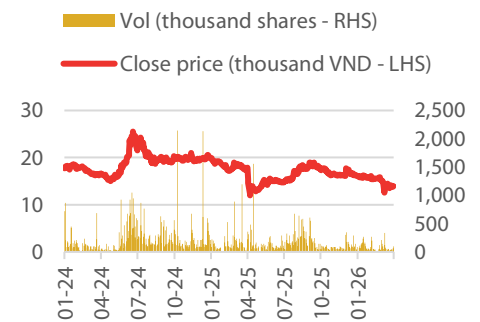
Cash dividend VND 1,000

Stock Information

Sector	Basic Materials
Market Cap (VND mn)	2,060
Current Shares O/S (mn shares)	147
3M Avg. Volume (K)	86
3M Avg. Trading Value (VND Bn)	1
Remaining foreign room (%)	18.50
52-week range (VND)	11,997 – 19,000

	FY2025	Current
EPS	1,823	2,126
EPS Growth (%)	-33.8	2.8
P/E	8.6	8.6
P/B	0.6	0.6
EV/EBITDA	11.8	11.8
ROE (%)	7.0	7.0

Price performance



Major shareholders (%)

Nguyen Thanh Trung (and related parties)	41.9
Le Thi Phuong Loan	12.9
JFE Shoji Vietnam	7.4
Others	37.8
Remaining Foreign Room (%)	28.4

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FY25 Business Results: Domestic output accounts for a high proportion, negatively impacted by exports

In 2025, GDA faced several difficulties: 1/ Protectionist policies in key export markets (EU, USA); 2/ Steel prices (specifically hot rolled coil – HRC prices as well as galvanized steel prices) did not recover as expected. Consequently, net revenue and NPAT-attributable to parent were 15.3 trillion VND (-20% YoY) and 272 billion VND (-20% YoY) respectively – lower than our forecast, and achieving 91% of the company's business plan.

- Galvanized steel sales volume reached 749 thousand tons (-13% YoY), a less positive sales result due to headwinds in key export markets. During the year, countries intensified safeguard measures against imported galvanized steel from Vietnam, notably: 1/ The EU reduced import quotas for 4A coated steel (group of other countries, including Vietnam) to 118 thousand tons/quarter from Q2/25, a 40% decrease compared to the average of previous quarters; 2/ The US imposed anti-dumping duties (ranging from 80-110%) on corrosion-resistant steel (galvanized steel) originating from Vietnam. Facing trade defense risks, the company proactively shifted the proportion of orders to the domestic market, with output reaching 552 thousand tons (+55% YoY, ranking 2nd in market share and accounting for 16% of total domestic galvanized steel output).
- Gross Profit Margin (GPM) decreased to 6.5% (compared to 7.6% in 2024), corresponding to a gross profit of 1,000 billion VND (-31% YoY). The lower profit margin than our estimate was due to: 1/ Commodity and finished product prices (HRC – galvanized steel) remaining at USD 500/ton (-8% YoY), not recovering as expected; 2/ The company focused on domestic orders (with selling prices 5-10% lower than export orders). During the year, the Company reversed inventory provision for devaluation (~181 billion VND). By the end of Q4, the inventory provision balance was 69 billion VND. Accordingly, we believe the Company still has room to continue recognizing provision reversals in 2026, as finished product prices recover in March 2026.
- Selling & General and Administrative Expenses (SG&A) were 598 billion VND (-42% YoY, +11% QoQ, SG&A/revenue ratio: 4.8%), which is a bright spot in the company's cost management, as transportation costs (recorded in selling expenses) for domestic orders are lower than for export orders. In the period, GDA recorded net financial expenses of 25 billion VND as the company did not recognize gains from exchange rate differences.

Regarding project development, according to the company's sharing, the Phu My steel plant (1.2 million tons/year) officially commenced construction in December 2025. The company will invest in phase 1 of the plant (capacity of 300 thousand tons/year) with galvanized steel as the main product line, and may combine research into additional steel products for industrial use; the plant is expected to be operational in the second half of 2027. We expect:

- Given the company's position (ranking 2nd in domestic market share), we believe the plant's products will still be absorbed relatively well (in the current competitive landscape among galvanized steel manufacturers). The domestic market will continue to be the company's main market in the 2026-2027 period, benefiting from Vietnam's urbanization trend.
- The company has a relatively healthy financial position, maintaining ~3.4 trillion VND in deposits (short-term and long-term). The company's short-term liabilities are mainly used to finance working capital, while long-term debt outstanding is relatively low (~186 billion VND). As a result, GDA can proactively manage its financial resources to invest in fixed assets in the coming period.

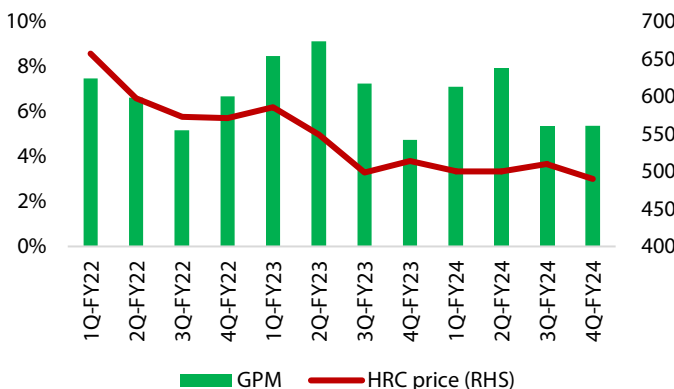
Table 1: GDA's FY25 Business Results

Unit: Billion VND	FY-25	+/-YoY	% 2025 Plan	% 2025 Forecast
Sales Volume (Thousand tons)	749	-13%	96%	101%
Domestic	552	55%		
Export	197	-61%		
HRC Price (USD/ton)	503	-8%		
Net revenue	15,310	-20%	85%	88%
Cost of goods sold	(14,311)	-19%		
Gross profit	1,000	-31%		
SG&A expense	(598)	-47%		
EBIT	401	29%		
Financial income	320	-27%		

Financial expenses	(367)	4%		
Other income (net)	1	-96%		
Profit before tax	356	-17%		
NPAT-MI	272	-20%	91%	82%

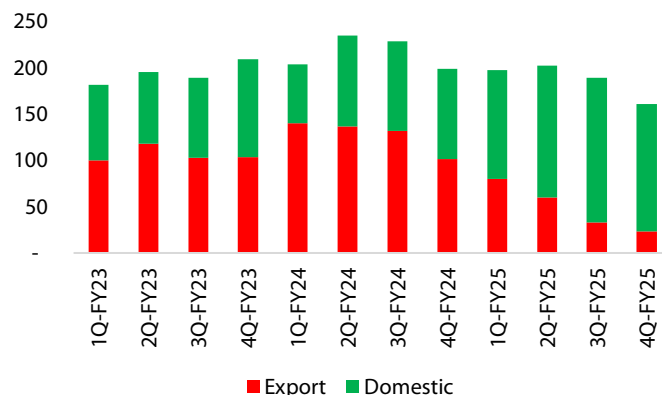
Source: GDA, RongViet Securities.

Figure 1: Company's gross profit margin, correlated with HRC price (USD/ton)



Source: GDA, RongViet Securities

Figure 2: Sales volume (thousand tons), by market



Source: GDA, RongViet Securities

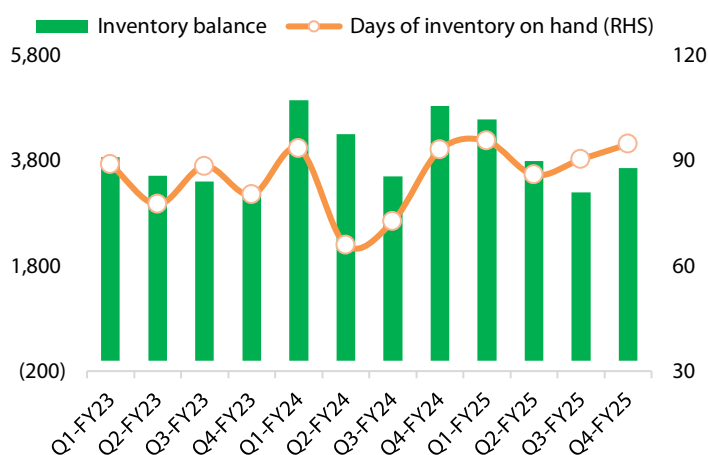
Working capital management: Focus on inventory accumulation

Compared to the inventory accumulation period (Q4/2024 – Q1/2025), the Company reduced its average inventory days to 94 days in Q2-Q3, and the average inventory balance reached 3.8 trillion VND (equivalent to the average of the 2023-2025 period) – the company has returned to a cautious inventory policy due to weakened consumption demand and HRC price fluctuations during the period. However, by Q4, the company showed a trend of re-accumulating inventory (average inventory days increased to 95 days – a high level in the 2023-2025 period) – in the context of low HRC prices in Q4 (trading at USD 490/ton, -5% QoQ) and the expectation of construction activity recovery in H1 2026.

Looking further, in the 2021-2025 period, we observe that cash flow is focused on inventory accumulation. Specifically, the Cash Conversion Cycle (CCC) widened from an average of 60 days (2021-2023 period) to 90 days by the end of 2025. The main reason is the average Days of Inventory Held (DOH), which increased from an average of 60 days to ~100 days in 2025 (inventory accumulation trend, as mentioned above). GDA is currently mainly financed by short-term borrowings (maintaining an outstanding balance of 6,000 billion VND, equivalent to the company's inventory balance and accounts receivable), with relatively competitive interest rates thanks to the advantage of maintaining large deposit balances (average interest rate of 4.6%/year).

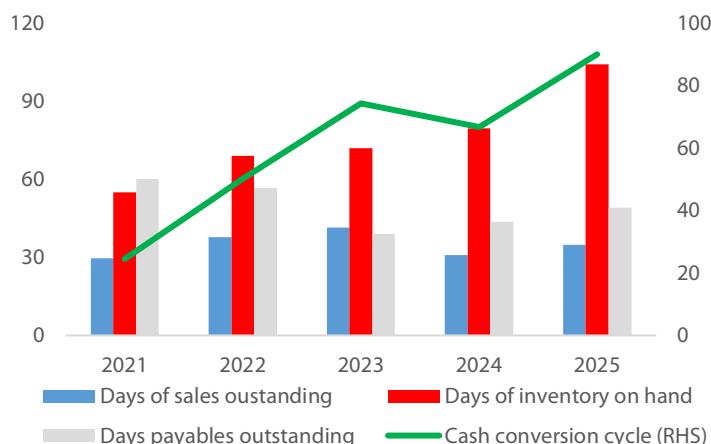
The company's gross profit margin is highly sensitive to raw material price fluctuations (due to inventory revaluation). Therefore, the company's increasing inventory accumulation trend is a point investors need to observe, in correlation with HRC price fluctuations, in the coming quarters. In the short term, we do not see any risks as the company's accumulated inventory is at a low cost and the sales outlook in the domestic market is expected to remain positive.

Figure 3: Inventory balance and average inventory days (billion VND)



Source: GDA, RongViet Securities

Figure 4: Company's Cash Conversion Cycle (days), 2021-2025 period



Source: GDA, RongViet Securities

Company's asset utilization efficiency - slightly decreased compared to the previous year

Return on Equity (ROE) decreased slightly in 2025 (to 7%, compared to 9% in the 2023-2024 period), mainly due to: 1/ Total asset turnover decreasing to 1.3 (-13% YoY) and 2/ Leverage ratio (Total Assets/Owners' Equity) decreasing slightly to 3.0. This signal is consistent with the reality of the company's revenue decline in 2025 (as mentioned above) while GDA proactively reduced leverage to avoid interest rate risks while still ensuring working capital needs (as mentioned). In the 2026-2027 period, with expected improvements in revenue and profit compared to 2025, we believe that the company has a basis to improve its asset utilization efficiency.

Table 2: DUPONT Analysis for GDA's profitability

	2021	2022	2023	2024	2025
ROE	35.0%	-8.0%	7.8%	9.0%	6.9%
Of which:					
Net Profit Margin	4.8%	-1.3%	1.6%	1.8%	1.8%
Asset Turnover	2.0	2.1	1.5	1.5	1.3
Financial Leverage	3.7	3.0	3.2	3.4	3.0

Source: GDA, RongViet Securities

Outlook for 2026-2027: A preparatory phase for a growth cycle

Revenue will recover in 2026 and grow from 2027 onwards, with the new plant coming into operation

Compared to [the initial report in November 2024](#), we are more cautious in our revenue outlook for GDA in the 2026-27 period; as i/ the new plant is expected to be operational in 2027 (compared to the initial forecast of 2026, due to longer-than-expected construction permit issuance) and ii/ the company is more cautious about the medium-term outlook for the steel industry, as galvanized steel products will primarily focus on domestic consumption. Accordingly, the company's business results estimates for this period are as follows:

- **Business Outlook:** In 2026, the company's sales volume is expected to reach 822 thousand tons (+10% YoY); the main driver continues to come from the domestic market, with output potentially reaching 637 thousand tons (+15% YoY, domestic market share reaching 17.7%) supported by positive construction demand in residential real estate and industrial park projects. In 2027, GDA plans to bring the new plant into operation, and we expect the plant to record output in the second half of the year. In the initial quarters, products will need time for buyers (construction contractors, dealers, etc.) to verify quality, so product absorption capacity will be relatively

low, with 45 thousand tons of products expected to be absorbed in 2027 (operating efficiency ~15%). As a result, the company's sales volume in 2027 could reach 895 thousand tons (+9% YoY, maintaining a consumption market share of 16%) (refer to Galvanized Steel Market Outlook).

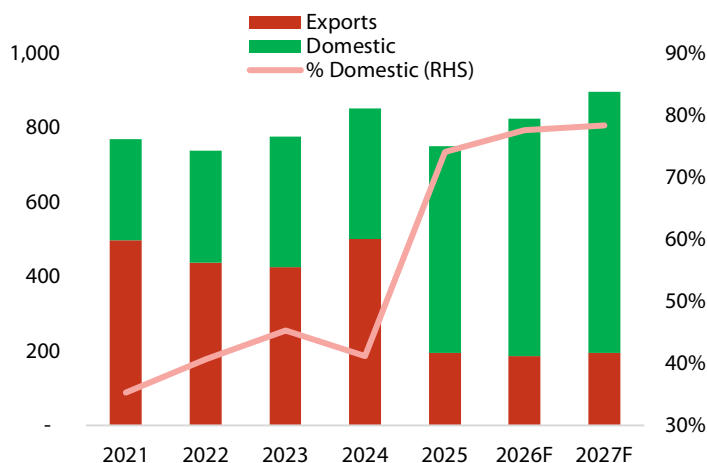
- With a scenario of HRC prices (input material, highly correlated with finished product prices) recovering slightly by 3-3.5% YoY in the 2026-2027 period (refer to Opportunities from the Steel Price Recovery Cycle), we expect: 1/ Average selling prices will also record an annual recovery of 3.5%; 2/ Gross profit margin is expected to improve to 7.3% (2026) and 7.8% (2027) respectively – benefiting from low-cost inventory investment in the context of expected finished product price recovery (as mentioned).
- Accordingly, we project GDA's revenue for the 2026-27 period to reach 17.5 trillion VND (+14% YoY) and 19.7 trillion VND (+13% YoY), respectively. The company's gross profit will reach 1,279 billion VND (+28% YoY) and 1,543 billion VND (+21% YoY), respectively – benefiting from improved profit margins.
- Regarding other operating expenses: SG&A expenses are expected to reach 742 billion VND (+24% YoY, SG&A/revenue ratio of 4.3%) and 856 billion VND (+15% YoY, SG&A/revenue ratio of 4.4%) respectively, higher than in 2025 due to the company increasing selling expenses to maintain domestic market share.
- Net financial expenses will reach 155 billion VND (+297% YoY) and 252 billion VND (+63% YoY) respectively, mainly due to increasing interest expenses, which will reach 439 billion VND (+20% YoY) and 529 billion VND (+21% YoY) as the company increases long-term debt to finance new plant investments.
- In summary, NPATMI in the 2026-2027 period is projected to reach 313 billion VND (+15% YoY) and 359 billion VND (+15% YoY), respectively. The company's business results recorded double-digit growth during this period due to: i/ Sales volume recording an average growth of 12%/year, supported by domestic demand and the new plant coming into operation; ii/ The commodity price recovery cycle helping to improve profit margins.

Table 3: GDA's 2026-2027 Business Results Forecast

Unit: Billion VND	2026F	+/-YoY	2027F	+/-YoY	Assumptions
Sales Volume (Thousand tons)	822	10%	895	9%	
Domestic	637	15%	701	10%	The company benefits from domestic construction demand and the operation of the new plant
Export	185	-5%	195	5%	The export market shows no signs of improvement in the 2026-2027 period
HRC Price (USD/ton)	521	3%	539	3%	
Net revenue	17,467	14%	19,687	13%	
Cost of goods sold	(16,188)	13%	(18,144)	12%	
Gross profit	1,279	28%	1,543	21%	GPM improves due to the recovery cycle of commodity prices
SG&A expenses	(742)	24%	(856)	15%	SG&A/revenue ratio reaches 4.3%; a slight increase with the new plant coming into operation
EBIT	536	34%	686	28%	
Financial income	284	-11%	277	-3%	
Financial expenses	(439)	20%	(529)	20%	Financial expenses increase sharply due to increased debt to finance the new plant project
Other income (net)	10	661%	10	0	
Profit before tax	391	10%	444	13%	
NPAT-attributable to parent	313	15%	359	15%	

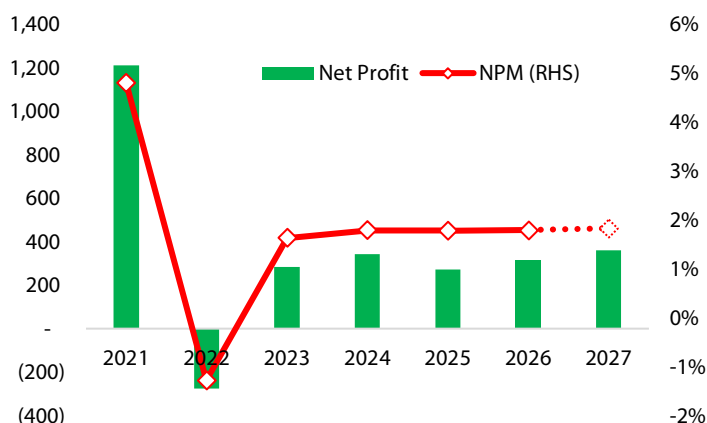
Source: RongViet Securities

Figure 5: GDA's sales volume 2021-2027



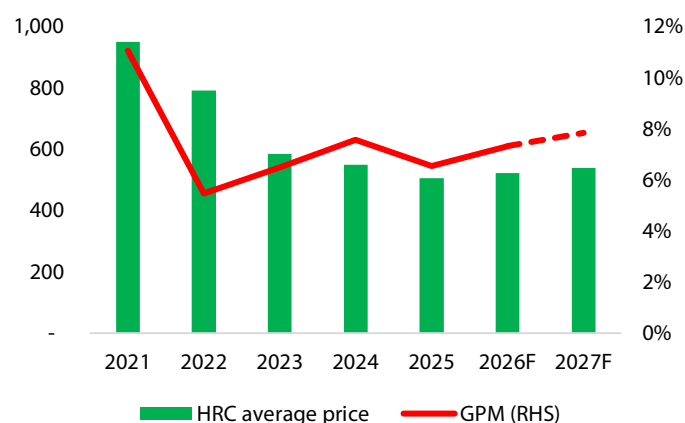
Source: GDA, RongViet Securities

Figure 7: GDA's net profit after tax, 2021-2027 period



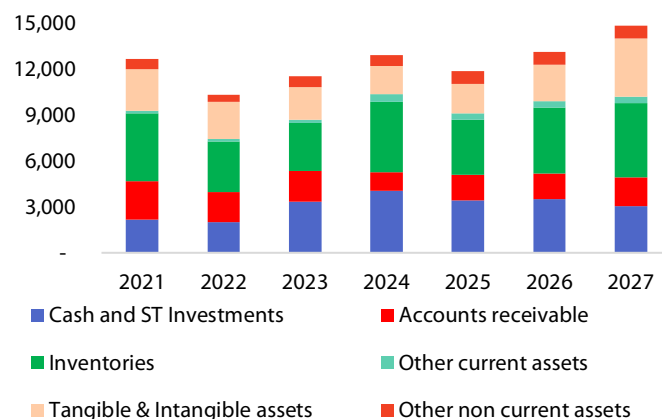
Source: GDA, RongViet Securities

Figure 6: GDA's gross profit margin 2021-2027, correlated with average HRC price (USD/ton)



Source: GDA, RongViet Securities

Figure 8: GDA's asset structure, 2021-2027 period



Source: GDA, RongViet Securities

VALUATION

LONG-TERM VALUATION USING FCFF METHOD

Due to a 20% reduction in profit forecasts for the 2026/27F period & shifting the valuation date to early 2026, we adjust down the one-year target price for GDA shares to 22,000 VND/share, corresponding to a projected P/E of 11.0x and 8.9x for 2026 and 2027 respectively.

Regarding FCFF valuation assumptions, we apply a risk-free rate of 4% (slight increase), beta of 1.8 (unchanged), standard equity risk premium of 10% (unchanged – as GDA belongs to the cyclical business group), debt weighting of 60% (unchanged), pre-tax cost of debt of 9.0% (unchanged), and exit EV/EBITDA of 5.0x (unchanged). Accordingly, the WACC assumption remains stable at 12.2% (slightly up from 12% in the most recent report).

Table 4: GDA Valuation using FCFF method

DCF Assumptions	Value	Valuation Summary	Unit: Billion VND
WACC 2025	12.2%	DCF Forecast Period	5 years
Effective Tax Rate	20%	Discounted Free Cash Flow	5,518
Cost of Equity	21.9%	+ Cash & Owners' Equity at valuation date	6,579
Risk-free rate	4%	- Liabilities	3,495
Equity Risk Premium	10%	Equity Value	2,434

Beta	1.79	Outstanding shares (million shares)	149
Exit EV/EBITDA	5.0	Equity Value per share (VND)	16,328

Table 5: Sensitivity Table for GDA's Equity Value per Share (VND)

WACC	Exit EV/EBITDA					
		3	4	5	6	7
	10.15%	8,303	14,359	20,416	26,472	32,528
11.15%	6,812	12,562	18,311	24,061	29,811	
12.15%	5,405	10,866	16,328	21,789	27,250	
13.15%	4,077	9,267	14,456	19,646	24,835	
14.15%	2,822	7,756	12,690	17,624	22,557	

We continue to use the P/B method for short-term valuation of cyclical companies (including steel manufacturers) because: 1/ Profits and P/E ratios of cyclical companies are highly volatile, 2/ The P/B ratio more accurately reflects the market's valuation – when anticipating the industry's recovery phase. Combined with the average P/B of domestic companies (HSG, NKG) during the 2018-2023 period, we believe a P/B of 1.0 is appropriate for: 1/ A company with a strong position in the domestic galvanized steel industry like GDA, and 2/ Long-term ROE expectations maintained at 15% (after the new plant phase 01 operates stably).

Table 6: Sensitivity Table for GDA's Equity Value per Share (VND)

BVPS (VND)	P/B							
		0.7	0.8	0.9	1	1.1	1.2	1.3
	2026	27,462	19,223	21,969	24,715	27,462	30,208	32,954
2027	28,939	20,258	23,151	26,045	28,939	31,833	34,727	37,621

Source: RongViet Securities

Combining the long-term valuation method (using the Free Cash Flow to Firm FCFF method) and the short-term valuation method (P/B multiple comparison method) with a 50:50 weighting, we set a target price for GDA shares at 21,900 VND/share.

Table 7: GDA Valuation Summary

Method	Weight	Price	Contribution
FCFF	50%	16,328	8,164
P/B (1.0)	50%	27,462	13,731
Target Price			21,900

Source: RongViet Securities

APPENDIX: GALVANIZED STEEL SALES OUTLOOK 2026-2027

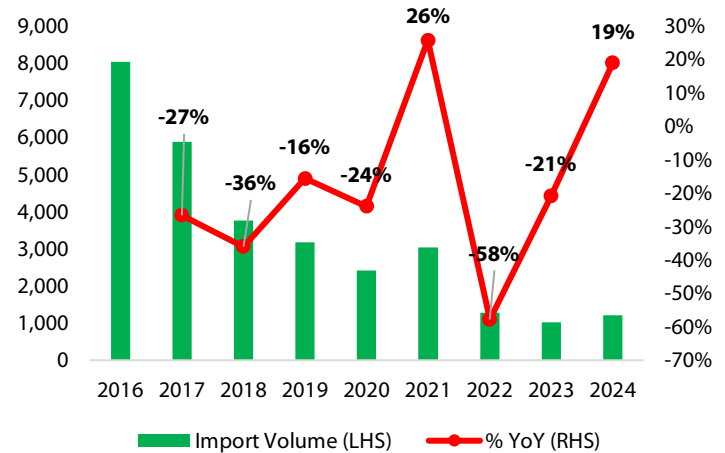
Domestic market: We expect domestic trade protection measures and positive construction demand to continue driving growth for domestic galvanized steel in the coming period, with total domestic consumption estimated to reach 3.7 million tons (+15% YoY) and 4.2 million tons (+14% YoY) respectively. With the new plant coming into operation, GDA will be able to capture the increased demand, thereby maintaining an 18% market share in the coming period.

Growth potential from construction demand and imported steel: Similar to HRC, Vietnamese galvanized steel faces significant competitive pressure from imported galvanized steel products, especially from China. In the 2017-2025 period, the Ministry of Industry and Trade conducted several anti-dumping (AD) investigations on certain galvanized and cold-rolled steel products originating from China and South Korea, with the latest case (AD19) having official conclusions on AD duties applied from August 2025. Compared to previous cases, the scope of products subject to AD19 is quite large (42 HS Codes) and almost similar to the AD02 case – one of the reasons why Vietnam's imported galvanized steel sharply decreased in the 2016-2022 period. Although there is not much room left to gain market share from imported steel (total annual imports are only about 1 million tons), we believe this will still be a growth driver for domestic manufacturers in 2026.

Table 1: Some AD investigation cases for imported galvanized steel in Vietnam

Case	Duty Rate	Number of HS Codes	Period
AD19: Galvanized steel	- China: 37.13% (with exemption) - South Korea: 12% to 15.67% (with exemption)	42	2025-2030
AD08: Cold-rolled steel	- China: 4.43%	20	2020-2030
AD04: Color-coated steel	- China: 2.56% to 34.27% - South Korea: 4.95% to 19.25%	13	2019-2024
AD02: Galvanized steel	- China: 3.17% to 38.24% - South Korea: 7.02% to 19%	39	2017-2022

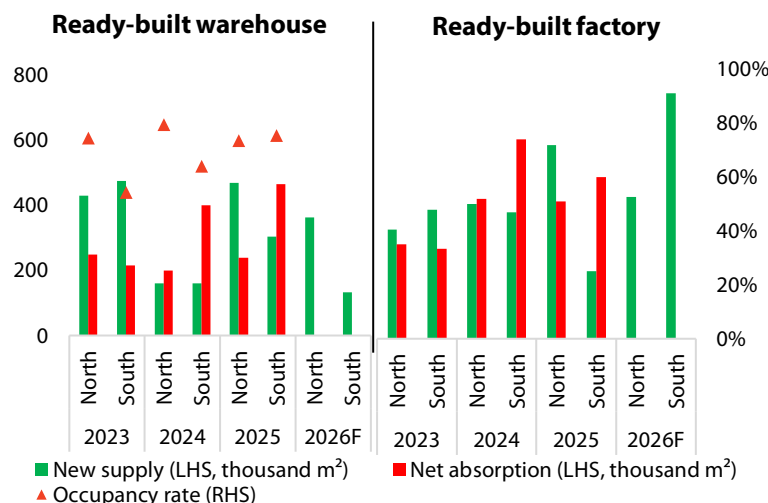
Figure 1: Vietnam's galvanized steel imports (*) tend to decrease after trade protection measures (thousand tons)



Source: ITC, RongViet Securities

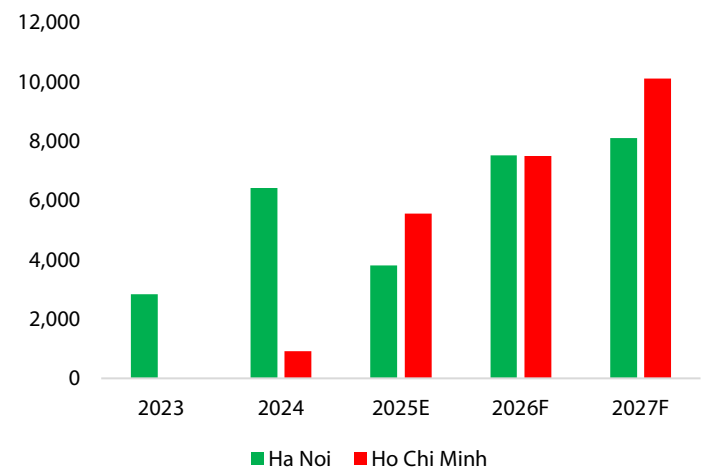
Source: ITC, RongViet Securities
(*) HS Codes: 7210; 7212; 7225; 7226

Figure 2: Ready-built warehouse supply is expected to stay stable, while factory supply remains abundant in 2026



Source: CBRE, RongViet Securities

Figure 3: New supply of low-rise residential real estate in Ho Chi Minh City expected to improve (units)



Source: CBRE, RongViet Securities

Domestic construction demand in the 2026-2027 period, especially for factories/warehouses (serving industrial park projects), is also a supporting factor for galvanized steel consumption. According to CBRE's estimates, the new supply of ready-built factories/warehouses in 2026 will continue to be abundant, supported by recovering tenant sentiment in the context of: 1/ Many key transportation and infrastructure projects being accelerated; and 2/ Clearer trade tariff measures. In addition, the new supply of low-rise residential real estate in Hanoi and Ho Chi Minh City is also expected to improve, creating additional momentum for domestic galvanized steel consumption.

Export market: Due to the rather negative trade picture for Vietnamese galvanized steel, we believe that the total export consumption for the industry in the 2026-2027 period will remain flat at the 2025 low.

With the wave of protectionism in the 2023-2024 period, Vietnam's galvanized steel export volume was generally quite negatively affected. In 2025, total galvanized steel export volume only reached 1.6 million tons (-44% YoY) as key markets such as North America, the EU, and Southeast Asia all implemented tariff/quota policies on Vietnamese galvanized steel.

Table 2: Some trade defense measures (by importing countries) against galvanized steel products originating from the Vietnamese market

Market	Status	Year	Detailed Status
Malaysia	Effective	2025-2030	Imposed AD duties ranging from 4.76% – 57.9% on galvanized steel (Exemptions for HPG, HSG, NKG, and GDA).
EU	Effective	2024-2026	Proposed limiting duty-free import volume to 18.3 million tons per year (47% reduction compared to current). Doubled the tariff on goods exceeding the quota to 50% (compared to 25% under safeguard measures) and enhanced traceability.
USA	Effective	2025-present	Imposed anti-dumping and countervailing duties at over 40% for Vietnamese manufacturers.
Mexico	Effective	2023-present	Imposed AD duties ranging from 0 – 10.84%.

Source: RongViet Securities compilation

We expect galvanized steel exports in the 2026-2027 period to remain flat year-on-year, in the context of: 1/ Europe planning to tighten quotas to 18.3 million tons (-47% compared to current levels); 2/ Galvanized steel companies, including GDA, being more flexible in their export strategies and potentially expanding output to potential markets such as Southeast Asia to offset shortfalls from traditional markets; and 3/ Competitive pressure potentially easing due to China's potential capacity cuts.

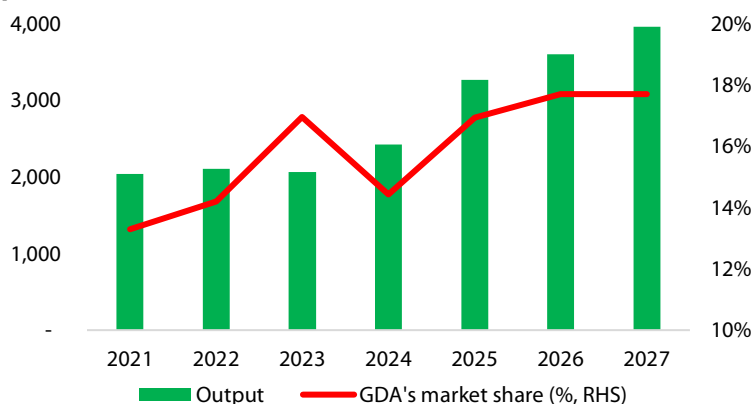
Regarding the EU's Carbon Border Adjustment Mechanism (CBAM), this mechanism officially came into effect from January 2026. For galvanized steel products, we estimate that additional compliance costs will range from 50-150 EUR/ton in the initial phase, thereby increasing the export price of Vietnamese galvanized steel to a level nearly equivalent to the domestic galvanized steel price in the EU (around 750-800 EUR/ton). However, as Europe still applies quotas on steel imports, we believe this mechanism will not significantly impact the export outlook of Vietnam's steel industry in the short term. In the long term, however, as initial allowances gradually decrease, leading to increased compliance costs, attention will need to be given to issues such as reducing factory emissions, building mechanisms for measuring and certifying emissions, the carbon credit market, and related legal policies if Vietnamese steel exports are to compete in the EU market (as well as other markets applying similar carbon adjustment mechanisms).

Table 3: CBAM cost calculation for Vietnamese galvanized steel (HS code: 7210)

Indicator	Unit	Formula	Notes	Actual Value – 2026	Actual Value – 2027	Default Value – 2026	Default Value – 2027
Average EUA Price	EUR / t CO ₂ emitted	A	Referenced from EU ETS benchmarks	73.95	73.95	73.95	73.95
Embedded Emissions in Product	t CO ₂ emitted / t steel	B	EU has specific regulations for calculating actual value	2.51	2.51	2.607	2.844
Benchmark Emissions	t CO ₂ emitted / t steel	C		1.491	1.491	1.491	1.491
Application Rate according to CBAM roadmap	%	D	This rate will gradually decrease to 0%	97.5%	95.0%	97.5%	95.0%
Carbon Price Paid in Country of Origin		E					
Implied CBAM Cost	EUR / t steel	F = A × (B – C × D) – E		78	81	85	106
Spot Price of Vietnamese Galvanized Steel	USD / t steel		Reference Price	650	650	650	650
USD–EUR Exchange Rate				0.85	0.85	0.85	0.85
Spot Price of Vietnamese Galvanized Steel	EUR / t steel	G		553	553	553	553
Price of Vietnamese Galvanized Steel including CBAM fee	EUR / t steel	H = F + G		631	633	638	658

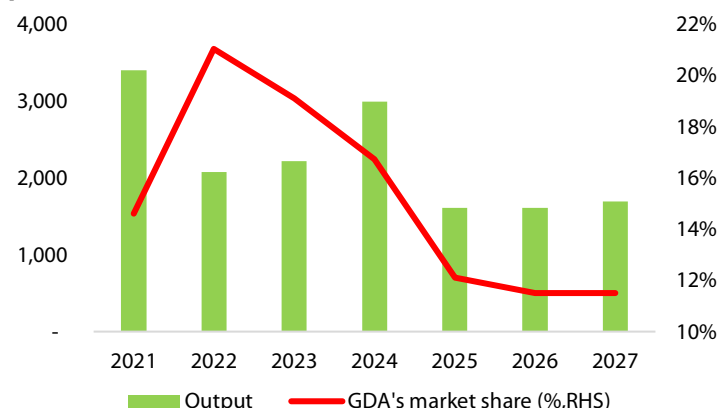
Source: JPMS, Regulation (EU) 2025/621, RongViet Securities

Figure 4: Total domestic galvanized steel output, 2021-2027 period (thousand tons)



Source: VSA, RongViet Securities

Figure 5: Total galvanized steel export volume, 2021-2027 period



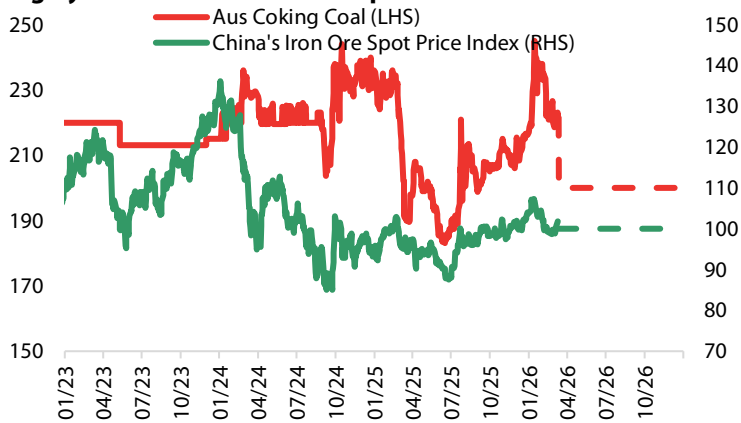
Source: VSA, RongViet Securities

APPENDIX: OPPORTUNITIES FROM THE STEEL PRICE RECOVERY CYCLE 2026-2027

Vietnam's HRC prices in early 2026 are recovering from their lows (up about 2-3% YoY), supported by: 1/ Cost-push from raw materials (especially coking coal mainly due to weather-related supply shortages at some large mines in Australia); and 2/ The trend of inventory accumulation to serve the early-year construction season. However, raw material prices in the 2026-2027 period are projected to remain largely stable as: 1/ Coking coal supply stabilizes after the impact of floods (Australia's Department of Industry, Science and Resources estimates export output will increase by 7.4% and 2.2% annually after a 4.5% decline in 2025); and 2/ New iron ore supply (especially from the Simandou mine) meets global production demand.

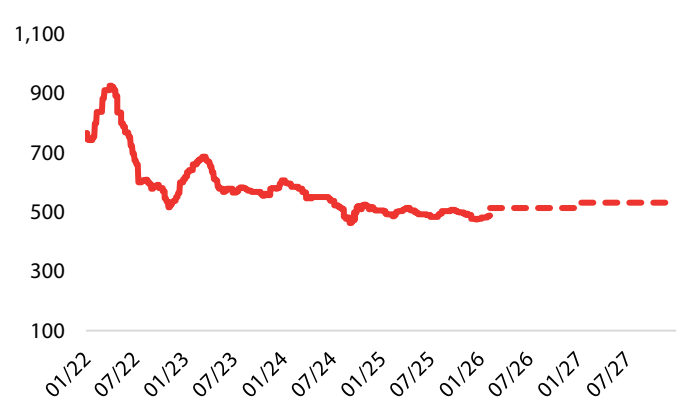
Therefore, we believe that raw material costs will have less impact on domestic HRC prices in the near future and assume a slight recovery of 3.5% annually, mainly supported by: 1/ Vietnam's HRC continuing to be fully protected for one year along with the possibility of additional AD duties on wide HRC from China in 2026; and 2/ Positive demand for downstream products.

Figure 1: Iron ore and coking coal prices are expected to remain largely stable in the 2026-2027 period



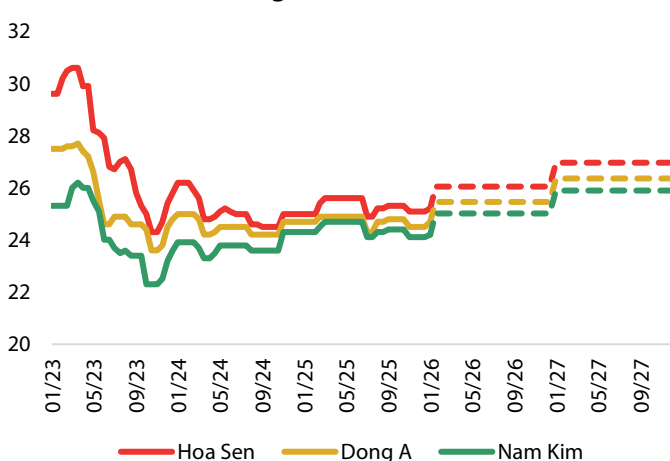
Source: thitruongthep, RongViet Securities

Figure 2: Vietnam's HRC prices (USD/ton) (*) are expected to recover from the low base of 2025...



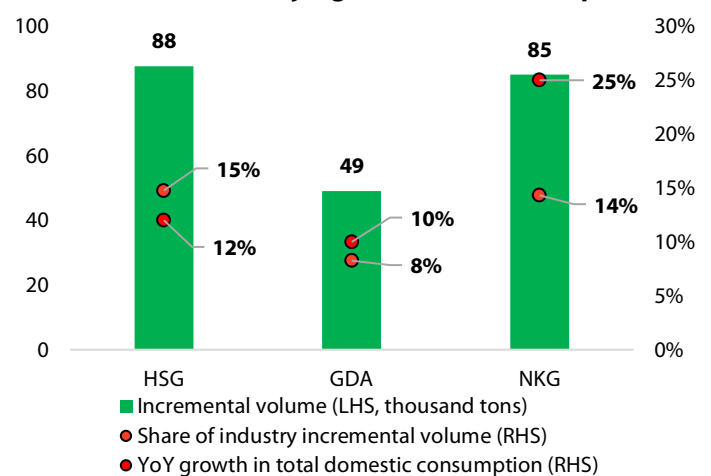
Source: Bloomberg, RongViet Securities
(* HRC price at factory, market price is about 10% higher)

Figure 3: ... thereby supporting domestic galvanized steel prices (thousand VND/kg)



Source: thitruongthep, RongViet Securities

Figure 4: Remaining inventory provision as of end of Q4/2025 (billion VND) of some major galvanized steel companies



Source: HSG, GDA, NKG, RongViet Securities

As they often correlate with HRC prices, we believe that the selling prices of galvanized steel for domestic companies in 2026 will also recover slightly by 3-3.5% YoY. Additionally, the recovery of HRC prices could also help galvanized steel companies with large inventories, such as GDA, reverse devaluation provisions, thereby improving gross profit margins in certain quarters.

Appendix
Table 1: Q4/2025 Business Results

(Billion VND)	Q4-FY25	Q3-FY25	+/- (qoq)	Q4-FY24	+/- (yoy)
Revenue	3,397	3,680	-8%	3,888	-13%
Gross profit	182	197	-8%	184	-1%
Selling and administrative expenses	(110)	(97)	14%	(233)	-53%
Operating income	64	104	-39%	(4)	-1649%
EBITDA	139	167	-17%	37	272%
EBIT	72	100	-28%	(50)	-245%
Financial expenses	(77)	(84)	-8%	(93)	-17%
- Interest expenses	(72)	(65)	11%	(71)	2%
Depreciation	67	66	1%	87	-23%
Non-recurring items (*)					
Extraordinary items (*)	(4)	2	-291%	30	-114%
Profit before tax	60	107	-44%	26	130%
Net profit after tax	37	85	-57%	21	72%
Adjusted NPAT for items (*)	41	83	-51%	(9)	-567%

Source: GDA, RongViet Securities

Table 2: Q4/2025 Business Performance Analysis

Indicator	Q4-FY25	Q3-FY25	+/- (qoq)	Q4-FY24	+/- (yoy)
Profitability Ratios					
Gross Profit Margin	5%	5%	0 pps	5%	1 pps
EBITDA/Revenue	4%	5%	0 pps	1%	3 pps
EBIT/Revenue	2%	3%	-1 pps	-1%	3 pps
Net Profit Margin	1%	2%	-1 pps	1%	1 pps
Adjusted Net Profit Margin	1%	2%	-1 pps	0%	1 pps
Operating Efficiency* (x)					
- Inventory Turnover	3.86	4.04	(0.2)	3.93	(0.1)
- Accounts Receivable Turnover	7.45	8.40	(0.9)	9.00	(1.5)
- Accounts Payable Turnover	8.35	9.37	(1.0)	7.41	0.9
Leverage (%)					
Total Liabilities/Total Owners' Equity	195%	190%	5 pps	236%	-41 pps

Source: RongViet Securities | (*) annualized

INCOME STATEMENT	FY2024	FY2025	FY2026F	FY2027F
Revenue	19,136	15,310	17,467	19,687
COGS	17,687	14,311	16,188	18,144
Gross profit	1,449	1,000	1,279	1,543
Selling expense	1,027	482	611	709
Administrative expense	111	116	131	148
Finance income	436	320	284	277
Finance expenses	354	367	439	529
Other income	35	1	10	10
Gain from j,t ventures	0	0	0	0
PBT	428	356	391	444
Prov, of Tax	86	84	78	84
Minority's Interest	0	0	0	0
PAT to Equity S/H	342	272	313	359
EBIT	311	401	536	686
EBITDA	660	666	782	1,242

FINANCIAL RATIOS	FY2024	FY2025	FY2026F	FY2027F
Growth				
Revenue	-17.6%	-20.0%	14.1%	12.7%
EBITDA	-52.2%	1.0%	17.3%	58.9%
EBIT	-62.4%	29.3%	33.6%	27.9%
PAT	-39.0%	-20.5%	15.1%	14.8%
Total assets	-22.9%	-8.1%	10.2%	13.3%
Total equity	-18.7%	3.3%	3.9%	4.9%

Profitability				
Gross margin	7.6%	6.5%	7.3%	7.8%
EBITDA margin	3.4%	4.4%	4.5%	6.3%
EBIT margin	1.6%	2.6%	3.1%	3.5%
Net margin	1.8%	1.8%	1.8%	1.8%
ROA	2.6%	2.3%	2.4%	2.4%
ROCE	7.9%	9.6%	11.4%	11.8%
ROE	9.0%	6.9%	7.6%	8.4%

Efficiency				
Receivables turnover	15.4	9.1	10.5	10.5
Inventories turnover	3.9	4.0	3.8	3.8
Payables turnover	8.1	8.6	6.9	6.1

Liquidity				
Current	1.2	1.2	1.2	1.1
Quick	0.6	0.7	0.7	0.6

Finance Structure				
Total debt/equity	179.5%	158.1%	160.7%	173.8%
ST debt/equity	177.8%	153.4%	147.6%	140.7%
LT debt/equity	1.7%	4.7%	13.1%	33.1%

BALANCE SHEET	FY2024	FY2025	FY2026E	FY2027F
Cash	811	725	858	1,021
Short term investment	3,222	2,709	2,636	2,038
Account receivables	1,242	1,676	1,665	1,876
Inventories	4,585	3,582	4,295	4,814
Other short-term assets	479	418	418	418
Fixed tangible asset	1,859	1,929	2,385	3,830
Fixed intangible asset	131	131	129	128
Long term financial investment	110	260	260	260
Other long-term assets	475	442	442	442
Total asset	12,913	11,873	13,089	14,828
Account payables				
Customers pay in advance	2,181	1,658	2,333	2,978
Short term debt	6,779	6,042	6,042	6,042
Long term debt	67	186	536	1,420
Other non-current liabilities	56	0	0	0
Bonus and welfare fund	42	47	56	67
Science and technology funds	0	0	0	0
Total liabilities	9,124	7,934	8,968	10,507
Common stock and APIC	1,981	2,325	2,325	2,325
Treasury stock (enter as -)	0	0	0	0
Retained earnings	1,826	1,610	1,749	1,931
Other comprehensive income	2	1	1	1
Inv, and Dev, Fund	3	3	19	37
Total equity	3,813	3,940	4,094	4,294
Minority interests	2	27	27	27

VALUATION RATIO	FY2024	FY2025	FY2026F	FY2027E
EPS (VND/share)	2,980	1,769	2,037	2,339
P/E (x)	8.7	8.3	7.2	6.3
BV (VND/share)	25,574	26,425	27,462	28,800
P/B (x)	0.8	0.5	0.5	0.5
DPS (VND/share)	1,000	2,000	1,000	1,000

VALUATION MODEL	Price	Weight	Average
FCFF	16,328	50%	8,164
P/B (1.0x)	27,462	50%	13,731
Target price (VND/Share)			21,900

VALUATION HISTORY	Target price	Recommend	Period
6/2025	26,000	BUY	LONG TERM
9/2025	26,000	BUY	LONG TERM
3/2026	21,900	BUY	LONG TERM

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Ratings	BUY	ACCUMULATE	HOLD	REDUCE	SELL
Total Return including Dividends in 12-month horizon	>20%	5% to 20%	-5% to 5%	-20% to -5%	<-20%

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