PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY (HSX: DCM)

Taking advantage of opportunities in the Middle East

Unit (VND billion)	Q1-FY26	Q4-FY25	*+/- qoq*	Q1-FY25	*+/- yoy*
Net revenue	5,286	4,528	17%	3,407	55%
Profit after tax	753	390	93%	411	83%
EBIT	806	395	104%	454	78%
EBIT margin	15%	9%	+651 bps	13%	+192 bps

Source: DCM, RongViet Securities

Q1/2026: Business results show a positive start to the new year

- In Q1/2026, net revenue reached VND 5,286 billion (+55.2% YoY), due to consistent growth in most business segments, combined with geopolitical instability in the Middle East, which boosted global fertiliser prices.
- The gross profit margin fell to 25.5%, down from 26% last period, due to a significant increase in the low-margin trading segment. However, gross margins in core segments improved due to higher selling prices. The SG&A expense/revenue ratio dropped to 10% from 15% in the same period because the company did not need to increase advertising costs in a favourable market. As a result, NPAT-MI for Q1 2026 was VND 753 billion, up 83% YoY, but slightly below our estimate due to selling prices rising more slowly than anticipated.

FY26-27 Outlook: High volatility due to fertiliser prices

- Q2/2026: Seizing valuable opportunities. Net revenue is projected at VND 8,298 billion (+33% YoY), with NPAT-MI at VND 1,310 billion (+67% YoY), driven by a 35% increase in selling prices and a 14% increase in output YoY. The gross profit margin is projected to rise from 20% to 25% as Urea selling prices increase by 35% YoY, while gas prices are expected to rise more slowly at 31% YoY.
- Urea fertiliser prices are expected to fluctuate significantly due to the Middle East conflict (It is expected to cool down from late 2026 into 2027), with an average increase of 25% YoY in 2026 (averaging 14,327 VND/kg, or ~550 USD/ton) and a projected decrease of 5% YoY in 2027.
- Accordingly, revenue and NPAT-MI in 2026/2027F are projected to reach VND 22,428 / 22,224 billion (+32% / -1% YoY) and VND 3,059 / 2,680 billion (+60% / -12% YoY), respectively, corresponding to an EPS of 5,779 / 5,079 VND.

Recommendation

Compared to the fertiliser industry report updated on March 10, 2026, we have increased our 2026 NPAT-MI forecast for DCM to VND 3,059 billion, up from VND 2,093 billion. This is due to a 25% YoY increase in Urea prices and a 20% YoY increase in NPK prices, assuming Brent oil prices at 80 USD/barrel.

*The fair value of DCM stock is determined to be 48,500 VND per share using discounted cash flow (FCFF) and P/B valuation methods. The total expected return, including a cash dividend of 2,000 VND over the next 12 months, is 33%, based on the closing price as of June 08, 2026. Therefore, we recommend **BUY** for DCM stock.*

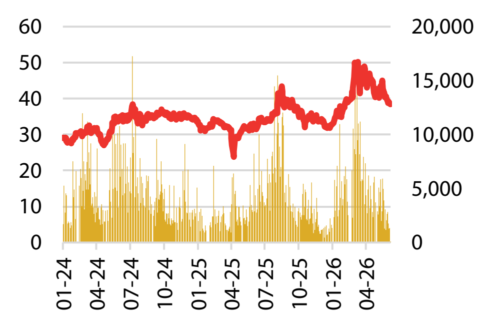
BUY	**+28%**
Market price (VND)	37,850
Target price (VND)	48,500
Expected cash dividend	*VND 2,000*

Stock Info

Sector	Chemicals
Market Cap (VND billion)	19,672
Current Shares O/S (mn shares)	529
3-month average trading volume	4,972
Free float (%)	5,239
52 weeks High	50,200
52 weeks Low	31,800
Beta	1

	FY2024	TTM
EPS	3,702	4,413
EPS Growth (%)	38.0	0.1
P/E	12.1	9.7
P/B	2.2	2.0
EV/EBITDA	10.0	7.9
ROE (%)	18.4	21.7

Price performance



Major shareholders (%)

Vietnam Oil and Gas Group	76
Others	24
Remaining foreign ownership limit (%)	39.9

Fertiliser Sector Research Department

phantich@vdsc.com.vn

Q1-FY26 Business results improved significantly due to exports, despite a decline in domestic demand.

In Q1/2026, net revenue reached VND 5,286 billion (+55.2% YoY), driven by uniform growth across most business segments and by geopolitical instability in the Middle East, which boosted global fertiliser prices. In particular, revenue from Urea, NPK, Trading, and other segments increased by 20%, 56%, 259%, and 2% YoY, respectively. Specifically:

- Urea export grew by 34% YoY, while domestic revenue rose by 2% YoY. Urea output rose by 10% YoY. Export output increased to 177 thousand tons (+19% YoY), while domestic production was 94 thousand tons (-3% YoY). Domestic and export selling prices rose by 9% YoY, to 10.7 thousand VND/kg and 11.3 thousand VND/kg, respectively.
- NPK segment showed strong growth, with consumption reaching 66 thousand tons (+35% YoY) and selling prices at 11.9 thousand VND/kg (+12% YoY).
- Trading segment surged with output hitting 114 thousand tons (+231% YoY) and an average selling price of 13 thousand VND/kg (+8% YoY).

The gross profit margin fell to 25.5%, down from 26% last period, due to a significant increase in the low-margin Trading segment. The gross margins of the Urea/NPK/Trading/other segments reached 38.8%/12.9%/1.7%/40.3% (up significantly from 31.3%/9.8%/4.1%/27.4% in the same period). The Urea segment's gross margin increased due to higher selling prices, while gas prices were estimated at 8.8 USD/mmbtu (- 6% YoY).

The SG&A expense/revenue ratio dropped to 10%, down from 15% in the same period, as SG&A expenses rose only 4% YoY. DCM did not need to increase its advertising spending due to the favourable conditions in the fertiliser market.

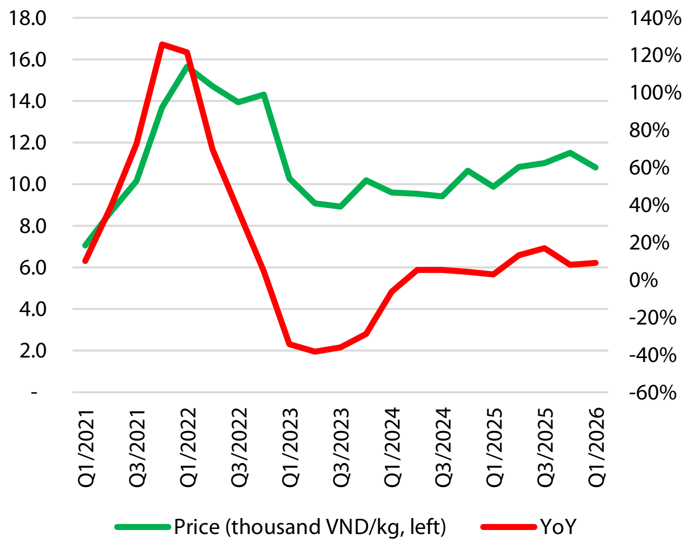
In Q1/2026, NPAT-MI was VND 753 billion (+83% YoY), but this was slightly below our estimate due to a lower-than-expected average selling price and limited exports during the quarter.

Table 1: Q1/2026 business results

Unit: VND billion	Q1/2026	Q1/2025	YoY	Q4/2025	QoQ
Revenue	**5,431**	**3,572**	**52%**	**4,627**	**17%**
Urea	***2,924***	***2,438***	***20%***	***2,403***	***22%***
- Domestic	1,059	1,043	2%	1,284	-18%
- Export	1,866	1,396	34%	1,119	67%
+Total output (thousand tons)	*271*	*247*	*10%*	*209*	*30%*
+ Selling price (thousand VND/kg)	*10.8*	*9.9*	*9%*	*11*	*-6%*
NPK	***815***	***521***	***56%***	***1,125***	***-28%***
+Output (thousand tons)	*66*	*49*	*35%*	*99*	*-33%*
+ Selling price (thousand VND/kg)	*12*	*11*	*16%*	*11*	*9%*
Trading	***1,489***	***415***	***259%***	***910***	***64%***
Others	***202***	***198***	***2%***	***190***	***7%***
Net revenue	**5,286**	**3,407**	**55%**	**4,528**	**17%**
Gross profit	**1,346**	**885**	**52%**	**1,252**	**8%**
+ Urea	1,135	763	49%	1,104	3%
+ NPK	105	51	105%	71	47%
+ Trading	26	17	52%	11	134%
Gross margin	**25%**	**26%**	**-51 bps**	**28%**	**-218 bps**
+ Urea	39%	31%	+754 bps	46%	-711 bps
+ NPK	13%	10%	+303 bps	6%	+652 bps
+ Trading	2%	4%	-235 bps	1%	+52 bps
Selling and administrative expenses	531	511	4%	855	-38%
EBITDA	903	455	98%	498	81%
EBIT	**806**	**370**	**118%**	**395**	**104%**
Financial revenue	94	97	-3%	54	72%
Financial expenses	28	15	78%	18	54%
Profit before tax	**878**	**454**	**93%**	**436**	**101%**
Profit after tax of the parent company	**753**	**411**	**83%**	**390**	**93%**
+ PAT-MI margin	14%	12%	+234 bps	8%	+543 bps

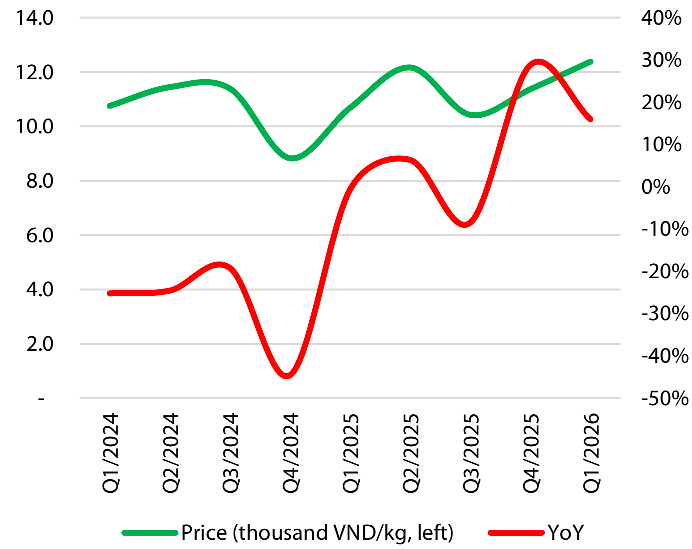
Source: DCM, RongViet Securities

Figure 1: DCM's average quarterly Urea selling price (thousand VND/kg, left) and growth



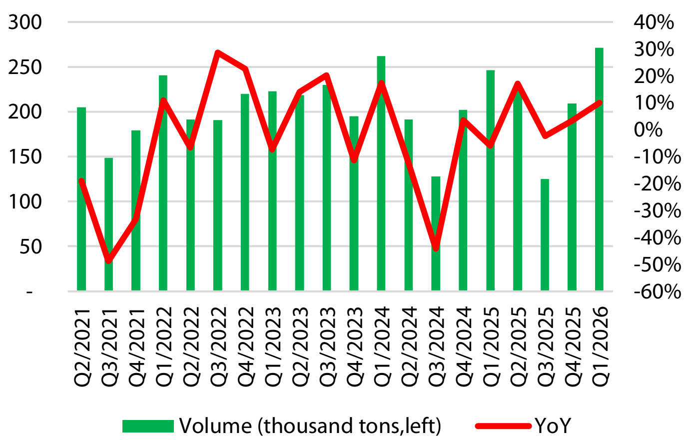
Source: DCM, RongViet Securities

Figure 2: DCM's average quarterly NPK selling price (thousand VND/kg, left) and growth (%, right)



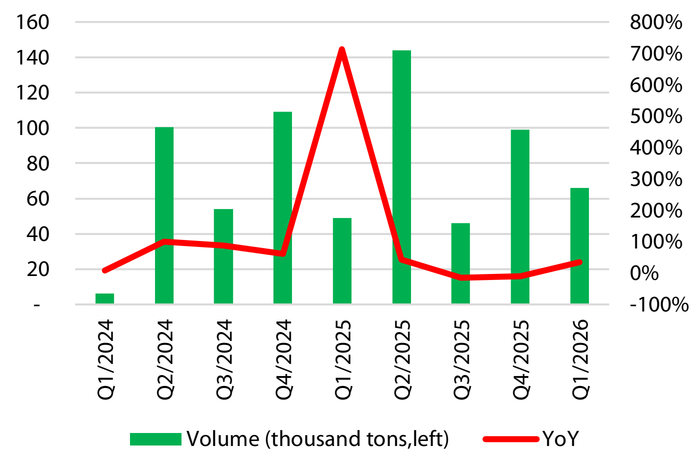
Source: DCM, RongViet Securities

Figure 3: Urea fertiliser consumption output by quarter (thousand tons, left) and growth (%, right)



Source: DCM, RongViet Securities

Figure 4: NPK fertiliser consumption output by quarter (thousand tons, left) and growth (%, right)



Source: DCM, RongViet Securities

Q2-FY26 business results are projected to improve due to higher exports

In Q2/2026, net revenue is estimated to reach VND 8,298 billion (+33% YoY and +53% QoQ), and NPAT-MI is estimated to reach VND 1,310 billion (+67% YoY).

The Urea segment is the main growth driver, with projected revenue of VND 3,713 billion (+53% YoY). This growth is attributed to a 14% YoY rise in output, boosted by exports starting in March 2026 and a 35% YoY increase in the average selling price. In Q2/2026, the gross profit margin is expected to improve to 25% from 20%. The gross margin for the Urea segment is projected to rise to 43%, up from 33% in the same period. This increase is due to a sharp 35% YoY rise in selling prices, while gas prices are expected to rise 31% YoY.

Table 2: Q2/2026 business results

Unit: VND billion	Q2/2026	+/-YoY	+/-QoQ	Assumptions
Revenue	*8,298*	*33%*	*53%*	
- Urea	3,713	53%	27%	
+Output (thousand tons)	*255*	*14%*	*-6%*	*Output growth due to export output increased by 50% YoY, reaching 133 thousand tons, while domestic demand declined by 5% due to rising prices*
+ Selling price (thousand VND/kg)	*14.6*	*35%*	*35%*	*Selling price increased in line with the global fertiliser price trend.*
- NPK	2,139	22%	162%	
+Output (thousand tons)	*144*	*0%*	*119%*	*Consumption demand is expected to decline slightly compared to the previous quarter, following a significant rise in selling prices.*
+ Selling price (thousand VND/kg)	*15*	*22%*	*20%*	*Selling prices increase gradually based on single fertiliser prices, plus an additional 5% output VAT.*
- Trading	1,935	24%	30%	Strong growth is expected due to a 20% increase in the selling prices of Potash and DAP fertilisers.
- Others	511	0%	152%	Expected to stay stable from the previous quarter.
Net revenue	8,120	35%	54%	
Gross profit	**1,999**	**61%**	**48%**	
- Urea	1,581	95%	39%	
- NPK	272	6%	159%	
- Others	(8)	-191%	-131%	
Gross margin	***25%***	*+477 bps*	*-86 bps*	
- Urea	*43%*	*+926 bps*	*+375 bps*	*Gross margin improved due to a 31% YoY increase in gas prices and a 35% YoY rise in selling prices.*
- NPK	*15%*	*+17 bps*	*+200 bps*	*Gross margin improved due to a 22% YoY increase in selling prices.*
- Trading	*2%*	*+116 bps*	*0 bps*	*Gross margin improved thanks to the gradual increase in selling prices.*
- Others	*32%*	*0 bps*	*-795 bps*	*Expect to match the previous quarter's results.*
Selling and general administrative expenses	575	30%	8%	Selling expenses are set to rise by 40% YoY because of higher transportation costs, driven by a 50% increase in export output. Domestic demand is expected to decline by 5% YoY. Meanwhile, general administrative expenses are expected to increase by 20% YoY.
Selling & general administrative expense/revenue ratio	7%	*-26 bps*	*-295 bps*	*The SG&A expense/revenue ratio is expected to decrease slightly as revenue rises quickly due to high selling prices.*
EBIT	1,407	79%	75%	
Financial income	141	16%	51%	Compared to the same period, expect a slight decrease, driven by a 50% YoY decline in short-term deposits.
Financial expenses	29	62%	6%	This will be consistent with the previous quarter.
PBT	1,528	72%	74%	
Minority shareholder interest	2	0%	94%	
NPAT-MI	1,310	67%	74%	
NPAT-MI margin	16%	+311 bps	+189 bps	

Source: DCM, RongViet Securities

2026-2027 Outlook – opportunities amid political instability

For 2026, we have raised the average annual domestic Urea selling price to 14,300 VND/kg, a 25% YoY increase and equivalent to 550 USD/ton. However, this price is still down about 35% from the current peak of 850 USD/ton. Urea prices are expected to peak in Q2 2026, then stabilise and gradually decline towards year-end as oil prices drop amid a cooling of the conflict in the Middle East. In the base case, Brent oil prices are expected to average around 80 USD per barrel in 2026.

In 2027, the average selling price is anticipated to drop 5% YoY due to a high base level in 2026, but it will stay above 400 USD/ton.

Table 3: DCM's revenue projection for the 2026-27 period

Unit: VND billion	2025	2026F	YoY	2027F	YoY	Explanation of 2026/27F projection
Revenue	17,548	23,205	32%	22,995	-1%	Revenue growth is driven by growth in the Urea segment.
Urea	**8,648**	**10,928**	**26%**	**10,673**	**-2%**	
- Domestic	4,597	5,418	18%	5,454	1%	Growth thanks to selling prices increasing by 25% YoY, while domestic output fell by 6% YoY.
- Export	4,052	6,085	50%	5,781	-5%	In 2026, Urea export output and selling price are expected to increase by 25%/20% YoY, respectively.
+Output (thousand tons)	*804*	*862*	*7%*	*885*	*3%*	*Output increases thanks to export output increasing by 20% YoY, offsetting the 6% YoY decrease in domestic output.*
+ Selling price (thousand VND/kg)	*10,747*	*13,334*	*24%*	*12,689*	*-5%*	*Urea selling price increases in line with the Middle East fertiliser price trend, with the average domestic price for the whole year 2026 estimated at about 14,300 thousand VND/kg (equivalent to 550 USD/ton), while the 2026 export selling price is about 12,600 thousand VND/kg (+25% YoY). The Urea price in March 2026 reached about 18,000 VND/kg, up 50% from the beginning of the year.*
NPK	**3,878**	**5,217**	**35%**	**5,578**	**7%**	
+Output (thousand tons)	*331*	*390*	*18%*	*440*	*13%*	*Output increases significantly thanks to a lower price base than Urea, and the trend of using NPK to replace single fertilisers.*
+ Selling price (thousand VND/kg)	*11,705*	*14,046*	*20%*	*13,343*	*-5%*	*Strong growth thanks to high consumption demand when the enterprise changed its sales strategy. This was accompanied by Urea fertiliser prices increasing faster than NPK fertiliser prices, which caused a shift in consumption demand shifted partially to NPK in the short term.*
Trading	**4,008**	**5,711**	**43%**	**5,426**	**-5%**	Expect growth thanks to output increasing by 25% YoY and selling prices increasing by 20% YoY.
Others	**1,014**	**1,349**	**33%**	**1,317**	**-2%**	
Net revenue	**16,961**	**22,428**	**32%**	**22,224**	**-1%**	
Gross profit	**4,035**	**5,684**	**41%**	**5,207**	**-8%**	
+ Urea	2,862	4,010	40%	3,795	-5%	
+ NPK	597	905	52%	673	-26%	
+ Trading	191	409	114%	389	-5%	
Gross margin	23%	24%	+150 bps	23%	-185 bps	
+ Urea	33%	37%	+361 bps	36%	-114 bps	
+ NPK	15%	17%	+196 bps	12%	-530 bps	
+ Trading	7%	7%	0 bps	7%	0 bps	
Selling and administrative expenses	2,189	2,653	21%	2,664	0%	Increase due to selling expenses increasing by 50% YoY when the enterprise is pushing a new sales strategy to boost the NPK segment, and transportation costs increasing slightly, according to gasoline and oil prices.
EBITDA	2,195	3,782	72%	3,312	-12%	
EBIT	1,820	2,998	65%	2,508	-16%	
Financial revenue	402	480	19%	541	13%	Increase thanks to the enterprise having an increasing amount of cash as profits increase strongly.
Financial expenses	70	37	-47%	35	-7%	2026 is expected to decrease because the company is gradually reducing debt.
Profit before tax	2,157	3,444	60%	3,018	-12%	
NPAT-MI	1,915	3,059	-37%	2,680	-12%	

Source: RongViet Securities

Table 4: Summary table of key assumptions after adjustment

	2025	2026F	2027F	2028F	2029F	2030F	CAGR 2025-2030F
Domestic Urea fertiliser selling price (VND/kg)	11,379	14,223	13,512	13,674	13,838	14,005	4.2%
YoY	*13.1%*	*25%*	*-5.0%*	*1.2%*	*1.2%*	*1.2%*	
Export Urea fertiliser selling price (VND/kg)	10,105	12,631	11,999	12,143	12,289	12,437	4.2%
YoY	*16.3%*	*25.0%*	*-5.0%*	*1.2%*	*1.2%*	*1.2%*	
NPK fertiliser selling price (VND/kg)	11,705	14,046	13,343	13,503	13,666	13,830	3.4%
YoY	*5%*	*20%*	*-5%*	*1%*	*1%*	*1%*	
Trading segment selling price (VND/kg)	12,922	15,507	14,731	15,026	15,327	15,633	3.9%
YoY	*35%*	*20%*	*-5%*	*2%*	*2%*	*2%*	

Urea fertiliser consumption output (thousand tons)	**805**	**863**	**885**	**917**	**949**	**979**	**4.0%**
YoY	*0.0%*	*7.2%*	*2.6%*	*3.6%*	*3.4%*	*3.2%*	
Domestic Urea fertiliser output (thousand tons)	**404**	**381**	**404**	**428**	**451**	**473**	**3.2%**
YoY	*-21.5%*	*-5.7%*	*6.0%*	*5.9%*	*5.5%*	*5.0%*	
Domestic Urea market share	*21.0%*	*22.0%*	*22.2%*	*22.4%*	*22.6%*	*22.8%*	
Export Urea fertiliser output (thousand tons)	**401**	**482**	**482**	**490**	**498**	**506**	**4.8%**
YoY	*38.3%*	*20.1%*	*0.0%*	*1.7%*	*1.6%*	*1.6%*	
Export Urea market share	*24.8%*	*29.8%*	*29.8%*	*30.3%*	*30.8%*	*31.3%*	
Total capacity	*800*	*800*	*800*	*800*	*1,000*	*1,000*	
Consumption output/total capacity	*101%*	*107.8%*	*110.7%*	*114.7%*	*94.9%*	*97.9%*	
Total NPK fertiliser consumption output (thousand tons)	**331**	**391**	**440**	**491**	**560**	**631**	**13.8%**
YoY	*31.9%*	*18.0%*	*12.6%*	*11.6%*	*14.0%*	*12.8%*	
Domestic NPK fertiliser output (thousand tons)	**247**	**376**	**422**	**470**	**534**	**601**	**19.5%**
YoY	*52.7%*	*52.3%*	*12.3%*	*11.2%*	*13.7%*	*12.5%*	
Domestic NPK market share	*8.4%*	*9.4%*	*10.4%*	*11.4%*	*12.4%*	*13.4%*	
Export NPK fertiliser output (thousand tons)	**14**	**15**	**18**	**21**	**25**	**31**	**16.8%**
YoY	*0.0%*	*5.0%*	*20.0%*	*20.0%*	*20.0%*	*20.0%*	
Export NPK market share	13.1%	13.1%	15.0%	17.1%	19.6%	22.4%	
Trading fertiliser output (thousand tons)	**310**	**388**	**388**	**388**	**388**	**388**	**4.6%**
YoY	22%	25%	0%	0%	0%	0%	
Input gas price (USD/mmbtu)	8.4	9.8	9.3	9.9	9.9	9.9	3.5%
YoY	*62%*	*16%*	*-5%*	*7%*	*0%*	*0%*	
Brent oil price (USD/Barrel)	67	80	76	76	76	76	2.6%
YoY	*-16%*	*19%*	*-5%*	*0%*	*0%*	*0%*	

Source: RongViet Securities

Working capital management

The Cash Conversion Cycle (CCC) of DCM rose sharply from 17 days in 2023-2024 to 113 days in 2025. We expect it to decline to 111-109 days in 2026-2027, in which:

- In 2027, Inventory days are expected to decrease to 126 days. In 2025, due to storms and floods at year-end, the enterprise struggled to sell goods, resulting in high inventory levels in Q4 2025. In 2026, the weather changed to El Niño, causing a rapid increase in selling prices. This helped the enterprise boost exports and reduce inventory.
- Receivable days are expected to shorten to 23 days due to improved selling prices, encouraging agents to settle debts earlier. This mirrors the 2021-2022 period when rising prices kept average receivable days at just 10 days.
- In 2027, payable days are projected to drop to 40 days, matching the average from 2020-2022, and then remain stable at that level.

Overall, the cash conversion cycle for 2025 is projected to be longer than the 17 to 59 days range observed from 2018 to 2024. Looking ahead, we anticipate that weather-related uncertainties will decrease, allowing DCM to refine its inventory and sales policies. This will help to shorten the cash cycle and improve capital efficiency.

Table 5: Working capital

							Growth				
	2022A	**2023A**	**2024A**	**2025A**	**2026F**	**2027F**	**2023**	**2024**	**2025**	**2026F**	**2027F**
Receivable days	4	11	14	27	25	23	6	4	13	(2)	(2)
Inventory days	82	75	98	136	131	126	(7)	24	37	(5)	(5)
Payable days	*37*	*69*	*54*	*50*	*45*	*40*	*32*	*(15)*	*(4)*	*(5)*	*(5)*
Cash conversion cycle	*49*	*17*	*59*	*113*	*111*	*109*	*(33)*	*42*	*54*	*(2)*	*(2)*

Source: DCM, RongViet Securities

Profitability rebounded from the 2023 low, driven by higher selling prices.

DCM's ROE improved from 4.1% in 2022 to 9.5% in 2025. We anticipate DCM's ROE will rise above 14.4% by 2027, primarily driven by an increase in the net profit margin. Specifically:

- Net profit margin increases as gross margin rises when selling prices are projected to jump by 25% in 2026 and stabilise in 2027, influenced by global Urea prices amid Iran-Israel political instability.
- Asset turnover is high because the company is involved in treasury activities, and profits have not yet experienced significant growth. In 2026–2027, DCM is expected to gradually reduce its borrowings due to a significant increase in profits. However, slightly rising interest rates may impact treasury activities, bringing the ratio back to around 0.9x, similar to the 2015–2018 period.
- Financial leverage is projected to decrease to 1 time by 2025-2026 as the enterprise sustains high profit levels while reducing capital activities and debt.

Table 6: DUPONT analysis for DCM's profitability

							Growth				
	2022	**2023**	**2024**	**2025**	**2026F**	**2027F**	**2023**	**2024**	**2025**	**2026F**	**2027F**
ROE	**47.9%**	**10.8%**	**14.1%**	**18.4%**	**22.1%**	**17.4%**	**-3,707 bps**	**+333 bps**	**+423 bps**	**+371 bps**	**-467 bps**
In which:											
Net profit margin	*27.1%*	*8.8%*	*10.6%*	*11.3%*	*13.6%*	*12.1%*	*-1,828 bps*	*+173 bps*	*+74 bps*	*+235 bps*	*-154 bps*
Asset turnover	*1.26*	*0.85*	*0.87*	*1.02*	*1.06*	*1.02*	*-32%*	*2%*	*17%*	*4%*	*-3%*
Financial leverage	*1.4*	*1.4*	*1.5*	*1.6*	*1.5*	*1.0*	*2%*	*8%*	*4%*	*-4%*	*-35%*
Gross margin	*36%*	*16%*	*19%*	*24%*	*25%*	*23%*	*-1,965 bps*	*+252 bps*	*+511 bps*	*+155 bps*	*-191 bps*
Urea selling price (thousand VND/kg)	*13,859*	*10,008*	*10,065*	*11,379*	*14,223*	*13,512*	*-28%*	*1%*	*13%*	*25%*	*-5%*
Input gas price (USD/MMBtu)	*8.24*	*9.48*	*9.69*	*8.37*	*9.75*	*9.27*	*15%*	*2%*	*-14%*	*16%*	*-5%*

Source: DCM, RongViet Securities

VALUATION

We raised the profit forecast for 2026/27 by 46% and 68% due to an increase in the average selling price to 13,334 VND/kg (+25% YoY). This adjustment is linked to the prolonged Iran-Israel tensions, which have pushed the average Brent oil price up to an estimated 80 USD/barrel from 65 USD/barrel. For 2027, we lowered the input gas price by 1 USD/mmbtu because management indicated that starting in 2027, the new rate will be 13.7% of the Brent oil price, rising from 12.7%, with no additional 1 USD/mmbtu.

We updated our FCFF valuation assumptions: the risk-free rate is now 4.3% (down from 5%), beta is 1.0 (down from 1.2% based on Bloomberg's 5-year beta), and other coefficients remain unchanged. WACC decreased from 13% to 12.3%. We also lowered the target EV/EBITDA multiple from 5.6 to 5.25 times, as the Urea segment's contribution to total gross profit rose sharply from 60% to 71% due to higher selling prices.

Thereby, we raised the target price for next year by 13% to 48,500 VND/share, reflecting projected P/E ratios of 8.3x for 2026 and 9.5x for 2027. With an expected cash dividend of 1,500 VND over the next 12 months, the total expected return relative to the closing price on April 21, 2026, is 18%. We recommend ACCUMULATE for DCM stock.

LONG-TERM VALUATION BY FCFF METHOD

DCF assumptions	**Value**	**Valuation summary**	**Unit: VND billion**
WACC 2026	12.28%	DCF projection period	5 years
Effective tax rate	20.00%	Discountable free cash flow	21,170
Cost of equity	13.20%	+ Cash & equivalents at valuation date	8,015
Risk-free rate	5.00%	- Debt	(1,439)
Equity risk premium	9.00%	Equity value	27,746
Beta	1	Number of outstanding shares (million shares)	529
Exit EV/EBITDA	5.25	**Equity value per share (VND)**	**52,411**

Source: RongViet Securities

Target EV/EBITDA for DCM

EV/EBITDA	According to the fertiliser industry average	Segment proportion/total profit	Target EV/EBITDA
Urea fertilizer segment	5.3	71%	3.8
NPK fertilizer segment	7.2	15%	1.1

Other segment	5.3	7%	0.4
Total target EV/EBITDA			**5.25**

Source: RongViet Securities

Sensitivity table for DCM's Equity Value per Share based on the FCFF method (VND/share)

		Exit EV/EBITDA				
		3.25	4.25	5.25	6.25	7.25
WACC	8.3%	48,801	53,369	57,938	62,507	67,076
	10.3%	46,650	50,847	55,045	59,242	63,440
	12.3%	44,686	48,549	**52,411**	56,273	60,136
	14.3%	42,891	46,450	50,009	53,568	57,127
	16.3%	41,245	44,530	47,814	51,098	54,383

Source: RongViet Securities

VALUATION BY COMPARATIVE METHOD (P/B)

Table 7: Financial indicators of companies in the same Urea industry

Company	2025 trailing P/E (x)	2025 trailing P/B (x)	2025 trailing EV/EBITDA (x)	2025 net revenue (million USD)	Market cap (USD)
DPM VN	15.6	1.3	7.5	637	575
DHB VN	190.6	3.3	4.4	167	79
CF Industries Holdings (USA)	8.1	2.4	5.0	7,084	12,063
China BlueChemical (China)	10.3	0.5	37.4	1,675	1,433
China XLX Fertiliser (China)	10.6	1.1	7.4	3,529	1,479
Urea fertilizer industry average	47	1.7	12.3	2,618	3,142
Urea fertilizer industry median	10.6	1.3	7.42	1,675	1,433
DCM VN	10.2	1.6	5.3	640	658

Source: Bloomberg, RongViet Securities

Table 8: Financial indicators of companies in the same NPK industry

Company	2025 trailing P/E (x)	2025 trailing P/B (x)	2025 trailing EV/EBITDA (x)	2025 net revenue (million USD)	Market cap (USD)
BFC VN	8.75	1.77	6.11	408	92
Nutrien Ltd	14.29	1.17	6.73	26,885	29,801
Yara International ASA	7.68	1.20	5.35	15,623	10,511
Urea fertilizer industry average	10.24	1.38	6.07	14,305	13,468
NPK fertilizer industry median	8.75	1.20	6.11	15,623	10,511

Source: Bloomberg, RongViet Securities

For the short-term valuation method, we keep the target P/B ratio at 1.7x, as in the fertiliser *industry report updated on March 10, 2026.*

Sensitivity table for DCM's Equity Value per Share based on P/B (VND/share)

			P/B				
			0.7	1.2	**1.7**	2.2	2.7
Book value	**2026F**	26,177	18,324	31,412	**44,501**	57,589	70,677
	2027F	29,183	20,428	35,019	49,610	64,202	78,793

Source: RongViet Securities

VALUATION SUMMARY

Method	Price	Weight	Contribution
P/B (1.4x)	44,501	50%	22,300
-5Y DCF (WACC: 12.3%; EV/EBITDA: 5.3x)	52,411	50%	26,200
Target price			**48,500**
Cash dividend in the next 1 year			2,000
Target price equivalent to target P/E			8.4

Source: DCM, RongViet Securities

Appendix

Table 9: Q1-2026 business results

(VND billion)	Q1/2026	Q4/2025	*+/- (qoq)*	Q1/2025	*+/- (yoy)*
Revenue	5,286	4,528	17%	3,407	55%
Gross profit	1,346	1,252	8%	885	52%
Selling and administrative expenses	531	855	-38%	511	4%
EBITDA	903	498	81%	455	98%
EBIT	806	395	104%	370	118%
Financial revenue	94	54	72%	97	-3%
Financial expenses	*28*	*18*	*54%*	*15*	*78%*
Depreciation	97	103	-6%	85	15%
Other income	5.82	4.26	37%	2	207%
Profit before tax	878	436	101%	454	93%
NPAT-MI	788	390	102%	411	91%

Source: DCM, RongViet Securities

Table 10: Q1-2026 business operation

Indicators	Q1/2026	Q3/2025	*+/- (qoq)*	Q1/2025	*+/- (yoy)*	*2025*	2024	*+/- (yoy)*
Profitability indicators								
Gross profit margin	25%	22%	+349 bps	26%	-401 bps	24%	19%	+511 bps
EBITDA/Revenue	17%	12%	+486 bps	13%	-114 bps	13%	9%	+344 bps
EBIT/Revenue	15%	9%	+623 bps	11%	-186 bps	11%	7%	+340 bps
Net profit margin	14%	11%	+327 bps	12%	-111 bps	11%	11%	+74 bps
Operational efficiency								
- Inventory days	108	143	(35)	111	(2)	136	98	37
- Receivable days	24	31	(8)	26	(2)	27	14	13
- Payable days	39	51	(12)	56	(17)	50	54	(4)
Leverage (%)								
Total debt/Total Equity	39%	36%	+275 bps	37%	-138 bps	39%	35%	+384 bps

Source: DCM, RongViet Securities

VND bn

INCOME STATEMENT	2024A	2025A	2026F	2027F
Net revenue	13,456	16,961	22,428	22,224
COGS	10,942	12,926	16,745	17,018
Gross profit	**2,513**	**4,035**	**5,684**	**5,207**
SG&A expense	1,495	2,189	2,653	2,664
Finance income	382	402	480	551
Finance expense	44	70	37	35
Other profit	200	12	12	12
EBT	**1,522**	**2,157**	**3,444**	**3,027**
Corporate income tax	94	239	382	336
Minority of interest	8	2	2	2
NPAT-MI	**1,420**	**1,915**	**3,059**	**2,689**
EBIT	986	1,820	2,998	2,508
EBITDA	1,278	2,195	3,782	3,312

%

FINANCIAL RATIOS	2024A	2025A	2026F	2027F
YoY growth (%)				
Net sales	7%	26%	32%	-1%
EBITDA	-28%	72%	72%	-12%
NPAT-MI	28%	35%	60%	-12%
Total assets	3%	12%	14%	8%
Total equity	3%	12%	14%	8%
Profitability ratios (%)				
Gross margin	19%	24%	25%	23%
EBITDA margin	9%	13%	17%	15%
EBIT margin	7%	11%	13%	11%
Net margin	11%	11%	14%	12%
ROA	9%	11%	15%	12%
ROE	14%	18%	22%	17%
Efficiency ratios (days)				(ngày)
Days AR on hands	14	27	25	23
Day Invenroty on hands	98	136	131	126
Day AP	54	50	45	40
Liquidity ratios (x)				(lần)
Current	2.8	2.4	3.3	3.9
Quick	2.0	1.5	2.0	2.5
Solvency ratios (%)				
Total liabilities/total equity	35%	39%	31%	29%
Short-term debt/Total equity	9%	13%	0%	0%
Long-term debt/Total equity	13%	21%	0%	0%

VND bn

BALANCE SHEET	2024A	2025A	2026F	2027F
Cash & Equivalents	1,903	3,590	4,927	7,656
Short-term investment	7,039	4,082	3,674	3,306
Receivables	529	1,263	1,547	1,411
Inventories	2,950	4,804	5,994	5,859
Other current assets	500	709	619	614
Tangible fixed assets	2,547	2,853	2,548	2,133
Intangible fixed assets	364	426	398	369
Long-term investment	-	-	-	-
Other non-current assets	2,808	3,196	3,399	2,951
Total assets	**15,729**	**17,645**	**20,162**	**21,797**
Trade payables	1,612	1,764	2,064	1,865
Other short-term payables	1,840	1,992	3,034	3,006
Short-term debt	1,229	2,226	-	-
Short-term debt	120	57	-	-
Other long-term payables	751	866	1,172	1,441
Total liabilities	**5,552**	**6,905**	**6,270**	**6,312**
Paid-in capital	5,294	5,294	5,294	5,294
Treasury shares	1,883	1,864	3,868	5,502
Retained earnings	2,968	3,551	4,696	4,653
Shareholder's equity	**10,144**	**10,709**	**13,858**	**15,449**
Total equity	**15,729**	**17,645**	**20,162**	**21,797**

VALUATION RATIOS	2024A	2025A	2026F	2027F
EPS (VND)	2,682	3,618	5,779	5,079
P/E (x)	17.1	11.8	7.5	8.6
BV (VND)	19,162	20,228	26,177	29,183
P/B (x)	2.4	2.1	1.7	1.5
DPS (VND)	2,000	2,000	2,000	2,000
Dividend yield (%)	4.4%	4.6%	4.6%	4.6%

VALUATION MODEL	PRICE		Weight	AVERAGE
SoTP	44,501		50%	22,250
DCF	52,917		50%	26,458
Target price (VND/share)				48,500

VALUATION HISTORY	PRICE	RECOMMENDATION	TIME
Apr-25	34,500	ACCUMULATE	1 YEAR
Oct-25	40,400	ACCUMULATE	1 YEAR
May-26	48,500	BUY	1 YEAR

VALUATION UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process. The report comprises analyses and projections that are based on the most up-to-date information with the objective that is to determine the reasonable value of the stock at the time such analyses are performed. Through this report. we strive to convey the complete assessment and opinions of the analyst relevant to the discussed company. To send us feedbacks and/or receive more information. investors may contact the assigned analyst or our client support department.

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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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CONTACT INFORMATION

Lam Nguyen
Head of Research
lam.ntp@vdsc.com.vn
+ 84 28 6299 2006 (1313)

Lam Do
Senior Manager
lam.dt@vdsc.com.vn
+ 84 28 6299 2006 (1524)

Ha Tran
Operation Manager
ha.ttn@vdsc.com.vn
+ 84 28 6299 2006 (1526)

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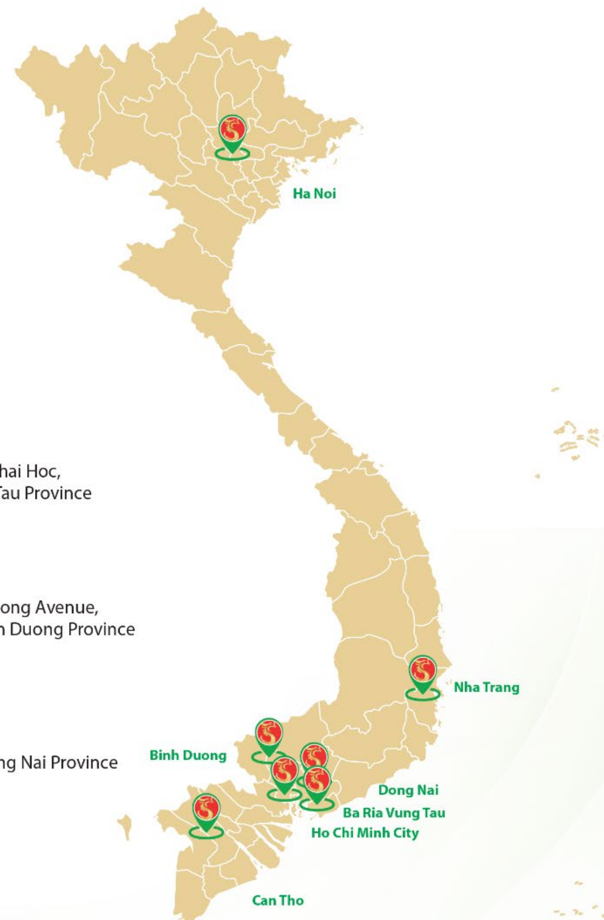

HEADQUARTER IN HO CHI MINH CITY
Floors 1-8, Viet Dragon Tower, 141 Nguyen Du, Ben Thanh Ward, District 1, Ho Chi Minh City
T (+84) 28 6299 2006 E info@vdsc.com.vn
W www.vdsc.com.vn Tax code 0304734965

HANOI BRANCH
10th floor, Eurowindow Tower, 2 Ton That Tung,
Kim Lien Ward, Dong Da District, Hanoi
T (+84) 24 6288 2006
F (+84) 24 6288 2008

VUNG TAU BRANCH
2nd floor, VCCI Building, 155 Nguyen Thai Hoc,
Ward 7, Vung Tau City, Ba Ria – Vung Tau Province
T (+84) 25 4777 2006

NHA TRANG BRANCH
7th floor, 76 Quang Trung, Loc Tho Ward,
Nha Trang City, Khanh Hoa
T (+84) 25 8382 0006
F (+84) 25 8382 0008

BINH DUONG BRANCH
3rd floor, Becamex Tower, 230 Binh Duong Avenue,
Phu Hoa Ward, Thu Dau Mot City, Binh Duong Province
T (+84) 27 4777 2006

CAN THO BRANCH
8th floor, Sacombank Tower, 95-97-99, Vo Van Tan,
Tan An Ward, Ninh Kieu District, Can Tho City
T (+84) 29 2381 7578
F (+84) 29 2381 8387

DONG NAI BRANCH
8th floor, TTC Plaza, 53-55 Vo Thi Sau,
Quyet Thang Ward, Bien Hoa City, Dong Nai Province
T (+84) 25 1777 2006