DCM Update – OUTPERFORM

February 03/02/2026

RESEARCH & MARKET STRATEGY DEPARTMENT

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Update Report

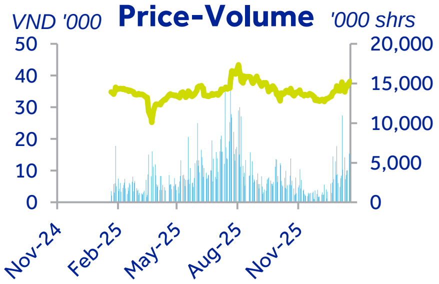
Recommendation	**OUTPERFORM**
	HOSE: DCM
	Fertilizer
Target price (VND)	**43,150**
Current price (VND)	**37,850**
Rate of price increase	14.0%
Expected dividend yield	4.9%
Total return	**18.9%**

Stock price movement (%)

	YTD	1T	3T	12T
Absolute	16.5	15.7	8.1	19.7
Relative	14.6	14.4	-2.3	-25.6

Source : Bloomberg

Price-Volume



Ownership structure

PVN	92.13 %

Stock Statistics	**3-Feb-26**
Bloomberg code	**DCM VN**
52-week range (VND)	24,750 - 43,850
Shares O/S (m)	529
Mkt cap (VND bn)	20,170
Mkt cap (USD m)	764
Foreign room left (%)	45.1
Est. free float (%)	24.4
3m avg daily vol (shrs)	2,404,650
VND/USD	26,401
Index: VNIndex / HNX	1818.03/264.29

PVN Ca Mau Fertilizer Corporation (HOSE)

In 2025, DCM achieved revenue of VND 16,961 billion (+26% yoy, 121% annual target), and net profit of VND 1,917 billion (+34% yoy, 248% annual target). Net profit increased mainly due to rising fertilizer prices, while production volume increased slightly. For 2026, we estimate revenue of VND 16,732 billion (-1% yoy) and net profit of VND 2,080 billion (+8.5% yoy). Expected growth comes from improved profit margins thanks to the 5% VAT refund for the whole of 2026 (VAT law applied from July 2025), and low input gas prices. Using the discounted cash flow (DCF) method, we value DCM with a target price of VND 43,150/share by the end of 2026. This represents a potential upside of 14% from the current price. Rating: OUTPERFORM.

In 2025, the Urea business segment recorded strong revenue growth, reaching VND 8,648 billion (+12% yoy), and gross profit reached VND 3,450 billion (+56% yoy). The gross profit margin for this segment grew strongly to 39.9% (compared to 28.6% in the same period) due to increased selling prices, and decreased input gas prices.

The NPK fertilizer business segment recorded strong revenue growth in 2025 thanks to increased production volume. Revenue reached VND 3,878 billion (+35.7% yoy), and gross profit reached VND 597 billion (+48.5% yoy). The gross profit margin for this segment increased slightly to 15.4%.

Positive outlook for 2026: Net profit after tax (NPAT) growth of 8.5% yoy.

Key points in DCM's business operations in 2026 include: (1) Urea and NPK selling prices are expected to decrease slightly by 4%-5%, however (2) profit margins will improve thanks to the 5% VAT refund for the whole year 2026 (VAT law applied from July 2025), and (3) input gas prices remain low .

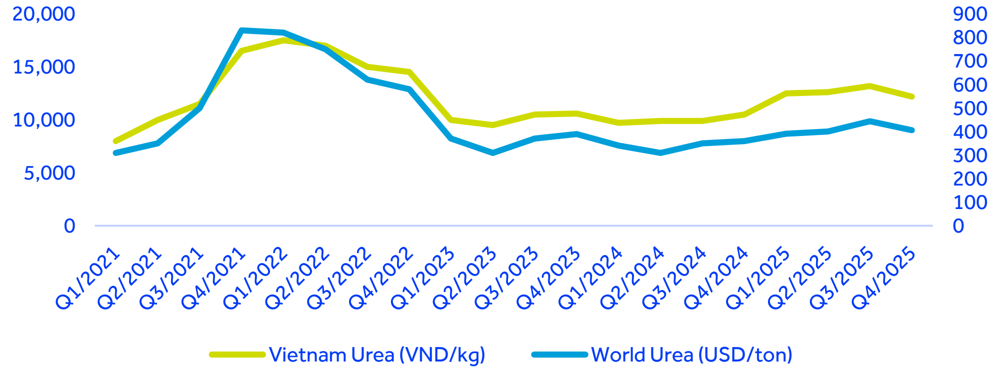
	2023	2024	2025	2026F	2027F
Revenue (bn VND)	**12,571**	**13,456**	**16,961**	**16,732**	**17,283**
Growth (%)	*-21%*	*7%*	*26%*	*-1%*	*3%*
EBITDA (bn VND)	2,348	1,835	2,566	2,737	2,433
EBITDA margin (%)	19%	14%	15%	16%	14%
NPAT (bn VND)	**1,110**	**1,428**	**1,917**	**2,080**	**2,022**
Growth (%)	*-74%*	*29%*	*34%*	*9%*	*-3%*
EPS (VND)	2,095	2,682	3,618	3,919	3,807
Growth (%)	*-74%*	*28%*	*35%*	*8%*	*-3%*
ROE (%)	11%	14%	18%	17%	15%
ROIC (%)	10%	13%	16%	15%	13%
Net debt/EBITDA	0.4	0.7	0.9	0.7	0.9
PER	17.5	13.6	10.1	9.3	9.6
EV/EBITDA	12.4	14.7	9.7	9.5	10.8
PBR	1.9	1.9	1.8	1.6	1.5
Dividend (VND)	3,003	2,000	1,993	1,793	1,811
Dividend yield (%)	8.2%	5.5%	5.4%	4.9%	4.9%

Business results 2025 : DCM's revenue and net profit grew by 26% and 34% respectively yoy thanks to (1) high selling prices, (2) improved profit margins, and (3) increased NPK production.

In Q4 2025, the company achieved revenue of VND 4,528 billion (+7% yoy), while net profit increased sharply to VND 389 billion (+36% yoy). In 2025, DCM achieved revenue of VND 16,961 billion (+26% yoy, 121% of annual plan), and net profit of VND 1,917 billion (+34% yoy, 248% of annual plan). The increase in net profit was mainly due to:

- **The Urea business segment** recorded strong revenue growth, reaching VND 8,648 billion (+12% yoy), and gross profit reached VND 3,450 billion (+56% yoy). The gross profit margin for this segment grew strongly to 39.9% (compared to 28.6% in the same period last year) due to increased selling prices and decreased input gas prices. Average revenue per ton of Urea in 2025 was VND 10.3 million (+7.3% yoy), primarily driven by export channels.

Urea world price



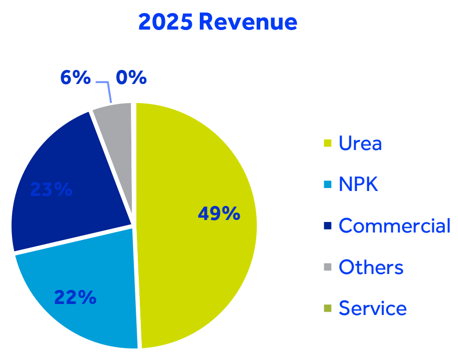
Source: DCM, ACBS

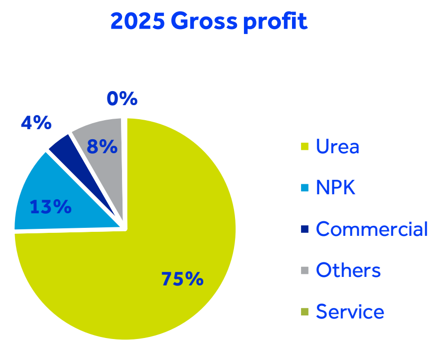
- **The NPK fertilizer business segment** recorded strong revenue growth thanks to increased production volume. Revenue reached VND 3,878 billion (+35.7% yoy), and gross profit reached VND 597 billion (+48.5% yoy). The gross profit margin for this segment increased slightly to 15.4%. With the completion of the M&A of the Vietnam-Korea Fertilizer Plant in May 2024, the company has added an additional 360,000 tons of annual capacity.
- **The gross profit margin** improved significantly from 18% in the same period last year to nearly 24%. The business management expenses was doubled to VND 981 billion, due to provisions for the science and technology development fund.
- **DCM benefited from VAT refunds** for fertilizer products from July 2025.

Business results	2025	2024	+/- svck
Net revenue (billion VND)	**16,961**	**13,456**	***26.0%***
Urea	*8,648*	*7,701*	*12.3%*
NPK	*3,878*	*2,796*	*38.7%*
Commercial	*4,008*	*2,440*	*64.3%*
Other products	*989*	*1,002*	*-1.2%*
Service	*25*	*4*	*528.9%*
Gross profit (billion VND)	**4,035**	**2,513**	**60.5%**
Urea	*3,450*	*2,203*	*56.6%*
NPK	*597*	*402*	*48.4%*
Commercial	*191*	*150*	*27.2%*

Other products	*372*	*241*	*54.0%*
Service	*13*	*4*	*235.2%*
Gross Margin (%)	**23.8%**	**18.7%**	**5.1%**
Urea	*39.9%*	*28.6%*	*11.3%*
NPK	*15.4%*	*14.4%*	*1.0%*
Commercial	*4.8%*	*6.2%*	*-1.4%*
Other products	*37.5%*	*24.1%*	*13.5%*
Service	*52.7%*	*99.0%*	*-46.2%*
Net profit after tax	**1,917**	**1,428**	**34.2%**

Source: DCM, ACBS





Source: DCM, ACBS

Stable financial health

At the end of 2025, DCM's total assets reached over VND 17.6 trillion (+12% compared to the beginning of the year). Cash / Bank deposit accounted for 43% of total assets, reaching VND 7,672 billion (-14% yoy). The company's financial income increased slightly compared to the same period, reaching VND 402 billion, mainly from interest on bank deposits.

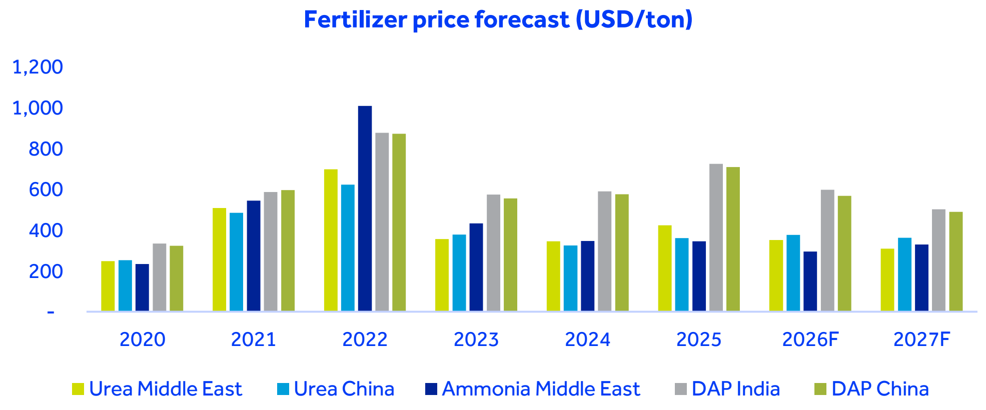
DCM demonstrates financial stability by maintaining a low leverage ratio. DCM's Debt-to-Equity (D/E) ratio was around 20% – safe level in the industry.

The company plans to continue its policy of regular cash dividends at 20% during the period 2026-2028, corresponding to a dividend yield of approximately 5%/year.

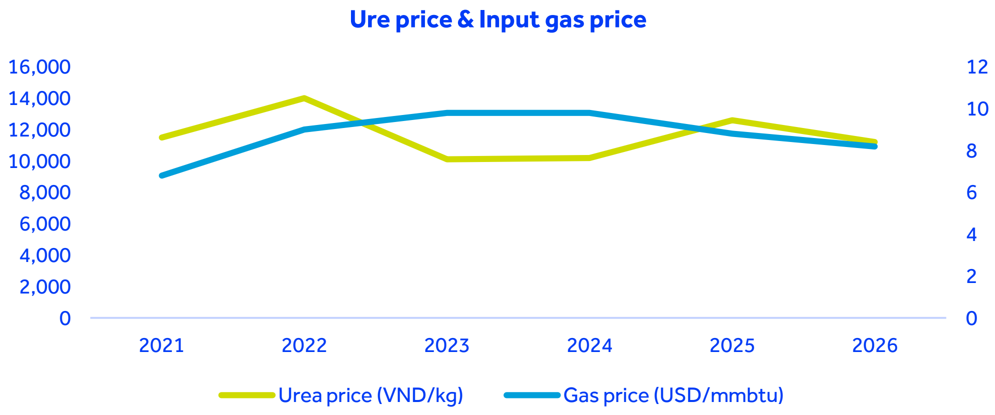
2026 Forecast

For the year 2026, we project revenue to reach VND 16,732 billion (-1% yoy) and net profit to reach VND 2,080 billion (+8.5% yoy) . Key points in DCM's business operations in 2026 include: (1) 4%-5% reduction in Urea and NPK selling prices, (2) improved profit margins thanks to a 5% VAT refund for the whole year 2026 (VAT law applied from July 2025), and (3) low input gas prices. Specifically :

- In 2026, world fertilizer prices are expected to adjust, with the average price of urea falling to $420/ton (-5% yoy), corresponding to a price of VND 11,000 – 11,200/kg in the domestic market. The main reasons stem from the recovery of global supply, and the significant inventory pressure in key consuming markets such as India and Brazil after the strong import surge in 2025.



Source: Bloomberg, ACBS



Source: Bloomberg, ACBS

- **Fertilizer consumption is projected to recover strongly** in 2026 in key markets (Brazil, India, Vietnam). The main driving force will be more favorable weather conditions compared to 2025.
- **Expected NPK market share growth** is projected to reach 17% during the 2027-2028 period, focusing on key regions such as the Southeast, Central, and Central Highlands. DCM is accelerating investment in port and warehousing systems, helping to improve raw material storage capacity (a factor accounting for up to 90% of NPK production costs).
- **Input gas costs are projected to decrease** slightly due to the downward trend in world oil prices – which account for a large proportion of the input cost.
- **Export activities** in 2026 are projected to face competition from the recovery of global fertilizer supply. DCM maintains a consumption structure with domestic sales accounting for the majority, approximately 60–65%.

Using the discounted cash flow (DCF) method, we value DCM with a target price of VND 43,150 / share by the end of 2026.

PRICING MODEL					
(Unit: billion VND)	**2023**	**2024**	**2025**	**2026F**	**2027F**
Net revenue	**12,571**	**13,456**	**16,961**	**16,732**	**17,283**
Growth (%)	*-21%*	*7%*	*26%*	*-1%*	*3%*
COGS minus depreciation	9,455	10,674	12,587	12,399	13,222
Sales and administrative expenses	1,349	1,495	2,189	2,054	2,220
Sales and administrative expenses/DTT	*11%*	*11%*	*13%*	*12%*	*13%*
EBITDA	**2,348**	**1,835**	**2,566**	**2,737**	**2,433**
EBITDA margin (%)	*19%*	*14%*	*15%*	*16%*	*14%*
Depreciation	1,083	268	339	343	116
Operating Profit	**683**	**1,018**	**1,846**	**1,936**	**0**
Operating profit margin (%)	*5%*	*8%*	*11%*	*12%*	*0%*
Net interest expense	10	44	70	93	97
Interest Expense/Average Net Debt	*1%*	*3%*	*3%*	*5%*	*5%*
Tax	145	94	239	221	199
Tax rate (%)	*12%*	*6%*	*11%*	*10%*	*9%*
Minorities	1	8	2	6	6
Profit after tax	**1,110**	**1,428**	**1,917**	**2,080**	**2,022**
Net profit margin (%)	*9%*	*11%*	*11%*	*12%*	*12%*
Cash	2,284	1,903	3,590	3,809	3,913
Number of shares (million shares)	529	529	529	529	529
EPS (VND)	**2,095**	**2,682**	**3,618**	**3,919**	**3,807**
Bonus/dividend payment by shares (times)	1.0	1.0	1.0	1.0	1.0
Adjusted EPS (VND)	**2,095**	**2,682**	**3,618**	**3,919**	**3,807**
Adjusted EPS growth (%)	*-74%*	*28%*	*35%*	*8%*	*-3%*

KEY CASH FLOW & BS ITEMS	2023	2024	2025	2026F	2027F
Change in working capital	508	(1,220)	(2,493)	104	(147)
Capex	(544)	(791)	(427)	(427)	(856)
Investment in associated companies and joint ventures	0	0	0	5	105
Free cash flow	**1,140**	**2,117**	**4,320**	**1,887**	**1,422**
Issuing shares	0	0	0	0	0
Dividends paid	3,003	2,000	1,993	1,793	1,811
Change in net debt	744	(2,084)	(2,204)	1,370	42
Net debt at year end	**9,678**	**7,594**	**5,390**	**6,759**	**6,801**
Enterprise value	29,054	26,970	24,766	26,135	26,177
Equity	**9,963**	**10,177**	**10,740**	**12,477**	**13,325**
Book value/share (VND)	18,820	19,224	20,288	23,569	25,170
Net debt / Equity (%)	97.1%	74.6%	50.2%	54.2%	51.0%
Net debt / EBITDA (x)	*412%*	*414%*	*210%*	*247%*	*280%*
Total assets	**15,238**	**15,729**	**17,645**	**19,116**	**20,091**

PROFITABILITY AND VALUATION RATIOS	2023	2024	2025	2026F	2027F
ROE (%)	*11.1%*	*14.0%*	*17.9%*	*16.7%*	*15.2%*
ROA (%)	*7.3%*	*9.1%*	*10.9%*	*10.9%*	*10.1%*
ROIC (%)	*10%*	*13%*	*16%*	*15%*	*13%*
WACC (%)	*9.9%*	*10.1%*	*10.0%*	*9.9%*	*10.1%*
EVA (%)	*0%*	*3%*	*6%*	*5%*	*3%*
PER (x)	*17.5*	*13.6*	*10.1*	*9.3*	*9.6*
EV/EBITDA (x)	*12.4*	*14.7*	*9.7*	*9.5*	*10.8*
EV/FCF (x)	*25.5*	*12.7*	*5.7*	*13.8*	*18.4*
PBR (x)	*1.9*	*1.9*	*1.8*	*1.6*	*1.5*
PSR (x)	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
EV/sales (x)	*2.3*	*2.0*	*1.5*	*1.6*	*1.5*
Dividend yield (%)	*8.2%*	*5.5%*	*5.4%*	*4.9%*	*4.9%*

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Our Recommendation System

BUY: prospective 12 month VND total return (including dividends) will be more than 20%.
OUTPERFORM: prospective 12 month VND total return (including dividends) will be 10% to 20%.
NEUTRAL: prospective 12 month VND total return (including dividends) will be -10% to 10%.
UNDERPERFORM: prospective 12 month VND total return (including dividends) will be will be -20% to -10%.
SELL: prospective 12 month VND total return (including dividends) will be lower than -20%.

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