

FERTILIZER

UNEXPECTED SHORT-TERM VOLATILITY



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OVERVIEW

In 2025, NPAT-MI for fertilizer companies DCM, DPM, DDV, and BFC is projected to grow by 61%. Specifically, NPAT-MI increase by 35% for DCM, 104% for DPM, 276% for DDV, and -13% for BFC. This growth is fueled by higher domestic fertilizer prices, with average prices for urea, NPK, and DAP expected to rise 17%, 3%, and 25% YoY. Consumption volumes are projected to increase by 1.3% for urea, 16% for NPK, and 10% for DAP.

In 2026, NPAT-MI of fertilizer companies is forecasted to grow by 6%. Specifically, NPAT-MI for DCM, DPM, DDV, and BFC is expected to increase by 9%, 8%, -6%, and 10% YoY, respectively. Domestic prices for urea, DAP, and NPK (including 5% VAT) are projected to rise by 2%, 4%, and 2% YoY. Consumption volumes for urea, NPK, and DAP are estimated to grow by 2%, 9%, and 0% YoY. BFC, the NPK fertilizer producer, saw a higher NPAT-MI than DAP and urea fertilizer companies, due to a sharper decline in input raw material costs relative to NPK selling prices.

Recommendations: The escalation of geopolitical tensions between the U.S.-Israel and Iran has provided a short-term catalyst, driving a strong breakout in fertilizer stocks. However, based on base-case scenario with the assumption that conflicts will soon de-escalate, we maintain a cautious stance with the following target prices: **DCM** (VND 43,100), **DPM** (VND 24,600), **DDV** (VND 30,100), while remaining Non-rated on BFC.

HIGHLIGHTS

(1) Domestic fertilizer selling prices in 2026 are expected to experience strong short-term volatility due to geopolitical instability, closely tracking movements in global fertilizer prices. However, in the base-case scenario with the assumption that conflicts will soon de-escalate, pre-VAT selling prices for Urea/DAP/NPK are projected to decline modestly by 3%/1%/3%, respectively, given the uncertain extent of the geopolitical impact alongside the following expectations:

- (a) Domestic selling prices typically lag behind global prices. The fertilizer market is dominated by a few large producers, resulting in greater stability and control over domestic prices relative to global prices.
- (b) Fertilizer selling prices are expected to maintain growth in Q1/2026, slightly decline year-on-year in Q2/2026 and Q3/2026 as the conflicts de-escalate, before returning to growth in Q4/2026, following the 2019-2025 trend.
- (c) India's fertilizer import demand is projected to hit 22.3 million tons in 2026, a 41% increase from the previous year, driven by favorable weather conditions (a high probability of ENSO-neutral conditions in 2026).
- (d) Global prices of key agricultural commodities (corn, wheat, rice) are forecast to increase modestly by 2–5% in 2026, while coffee and soybean meal prices are expected to decline by 5%/8% YoY, respectively. However, coffee prices are projected to remain 52% above the 2020–2025 average.
- (e) Some global fertilizer price forecasts may be unreliable in the short term, as Fitch Ratings and the World Bank have sharply raised their 2025 price projections for urea, DAP, and potash (+33%, +45%, +17%), underscoring market uncertainty and the possibility that actual prices may be higher than current forecasts.

2) Gross margins are expected to remain stable for NPK and urea at 12%–15% and 22%, respectively. The DAP segment's gross margin is projected to decrease by 20 bps to 16.7%.

- Urea gross margins are expected to remain stable at around 22%, as COGS (Cost of Goods Sold) declines in line with selling prices. This decrease in COGS is driven by the exclusion of input VAT from costs for the full year 2026—compared to only half a year in 2025—which offsets a slight rise in gas input costs. Gas costs in VND terms are expected to climb due to a projected 3% YoY increase in the USD/VND exchange rate and an anticipated gradual rise in transportation tariffs as reserves from low-cost gas fields deplete. Meanwhile, Brent oil prices are estimated to decrease by 3% YoY, reaching 65 USD/barrel.
- The NPK segment's gross margin is expected to remain around 12% as selling prices decline in 1H2025 and recover in Q3 2026. NPK gross margins are projected to improve significantly from Q3 2026 onward, supported by a rebound in fertilizer prices and the use of low-cost input inventories accumulated in Q1–Q2 2026.
- The DAP segment's gross margin is expected to decline slightly as DAP selling prices increase at a slower pace than input costs.

HIGHLIGHTS

3) Urea, NPK, and DAP consumption volumes are projected to rise by 2%, 9%, and 0% YoY in 2026, respectively, driven by favorable weather in domestic and export markets, with NPK expected to surpass urea.

- Domestic market: Favorable weather conditions in the domestic market, due to a neutral ENSO phase, are expected to increase fertilizer demand. Urea consumption should rise as rice prices recover, while NPK fertilizer production is likely to grow moderately due to the expansion of industrial crops like coffee and pepper. High coffee prices are likely to boost sales for branded fertilizer producers, as farmers prefer higher-quality fertilizers that offer better yields than standard blended NPK products.
- Export market: Shipments to Laos, Cambodia, Myanmar, and Japan are expected to revive export value in 2022.

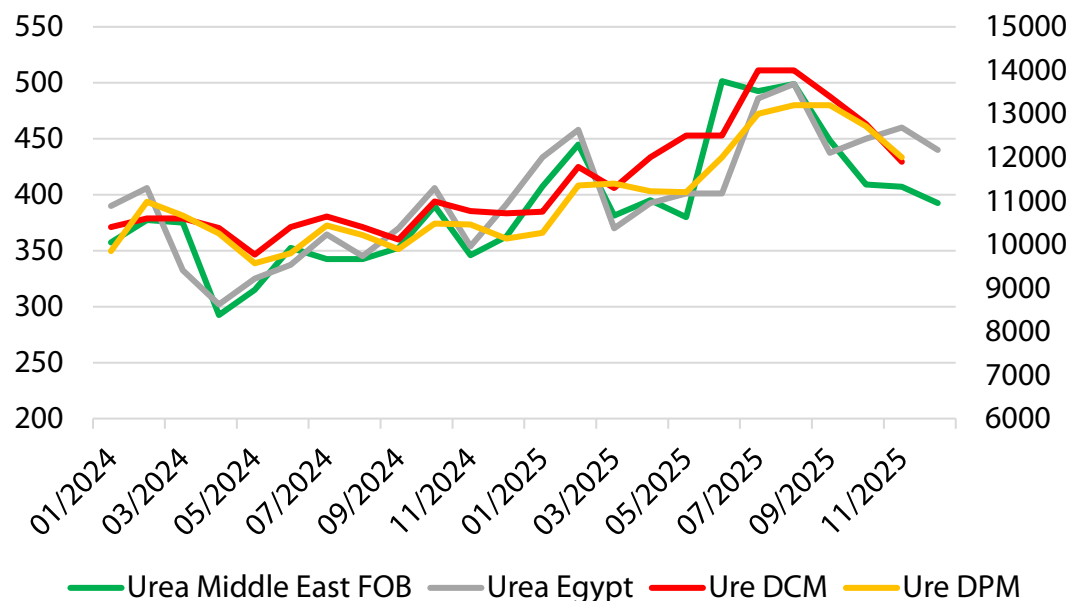
4) Selling expenses are expected to stay stable, as reduced transportation costs should balance out increased advertising expenses when companies expand market share.

RISKS

- **Upside risks:** Selling prices have risen more than expected because of high gas prices caused by geopolitical tensions, export restrictions, and slow capacity expansion. Dividend payout ratios are also higher than expected.
- **Downside risks:** Selling prices decline more than expected as China reopens exports and global fertilizer production capacity expands faster than anticipated. Gas prices and input material costs rise more rapidly than forecast.

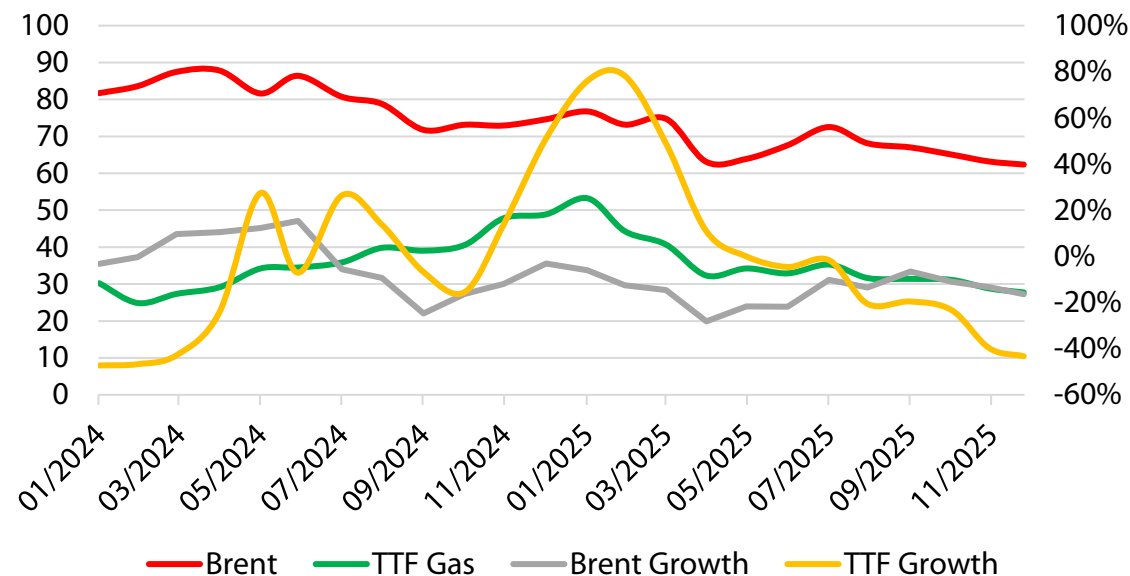
2025 OVERVIEW: A FAVORABLE YEAR

Global fertilizer prices (USD/ton, left) and Domestic fertilizer prices (thousand VND/kg, right)



Source: Bloomberg, Agromonitor, RongViet Securities

Brent oil prices (USD/barrel, left), TTF gas prices (EU/MWH, left), and Growth (% , right)

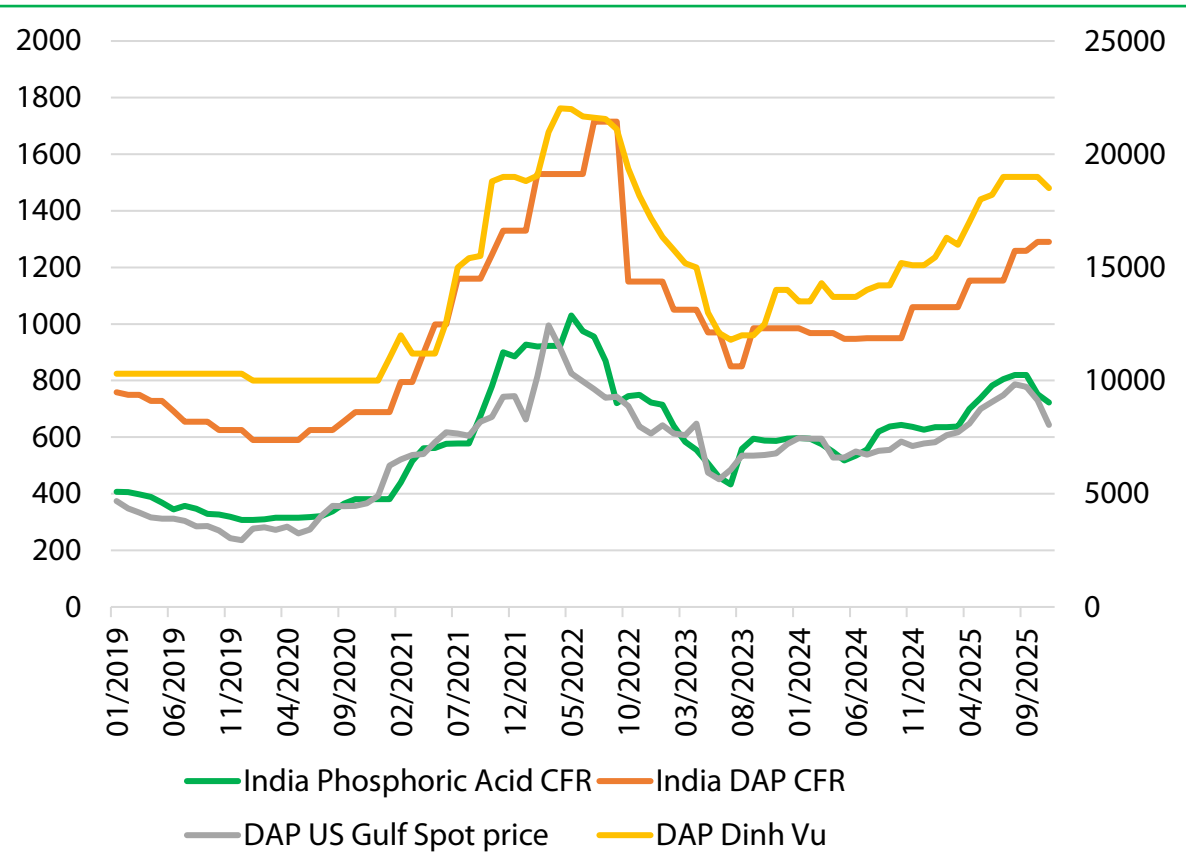


Source: Bloomberg, RongViet Securities

In 2025, average urea prices rose 17% YoY due to tariffs, geopolitical tensions, and high demand from India.

- In January 2025, TTF gas prices rose sharply due to gas shortages in the EU, driven by the conflict with Russia.
- In June 2025, the Iran-Israel war disrupted gas supply for Egypt's urea production.
- In July 2025, the EU's sanctions on Russia and Belarus caused a temporary drop in supply from the region, keeping urea prices high.
- In July 2025, Domestic urea prices rose by 5% following a VAT increase implemented on July 1, 2025, leading to a similar 5% increase in all fertilizer products.
- In August 2025, Demand in India increased significantly as inventory levels dropped. Prior to August 2025, stockpiling was restricted due to expected declines in urea prices, but prices instead continued to rise. The main planting season and favorable weather conditions led to increased fertilizer consumption, forcing India to accept higher import prices in August 2025.
- After September 2025, prices fell as India moved past its peak season, with urea inventories surpassing 7 million tons. Additionally, lower TTF gas and Brent crude oil prices reduced production costs, thereby lowering selling prices.

Global DAP fertilizer price (USD/ton, left) and DAP Dinh Vu price (thousand VND/kg, right)



Source: Bloomberg, RongViet Securities

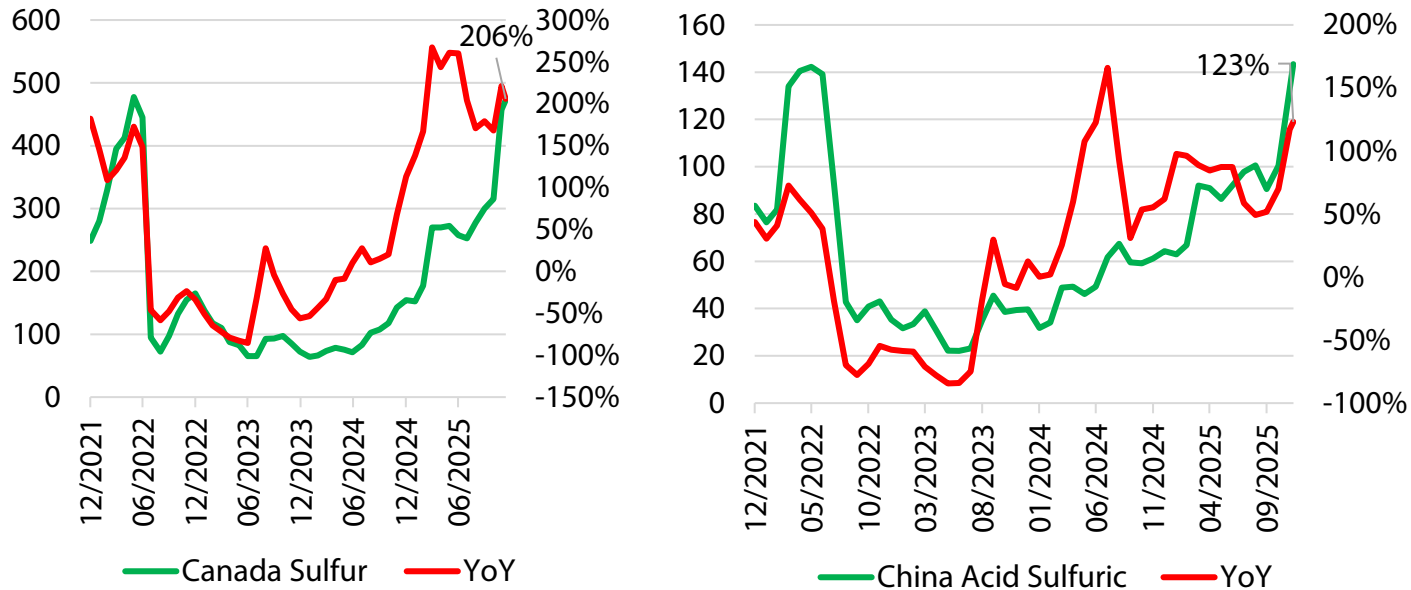
DAP Dinh Vu raised its average selling prices by 15% in 2025, following global price increases driven by higher sulfur costs in India and the US.

Rising sulfur prices led to higher phosphoric acid production costs, which account for 73% of total DAP production costs.

In November 2025, DAP Dinh Vu's average selling prices rose 25% YoY, in line with a 25% increase in phosphoric acid prices and exceeding the 21% rise in DAP India prices.

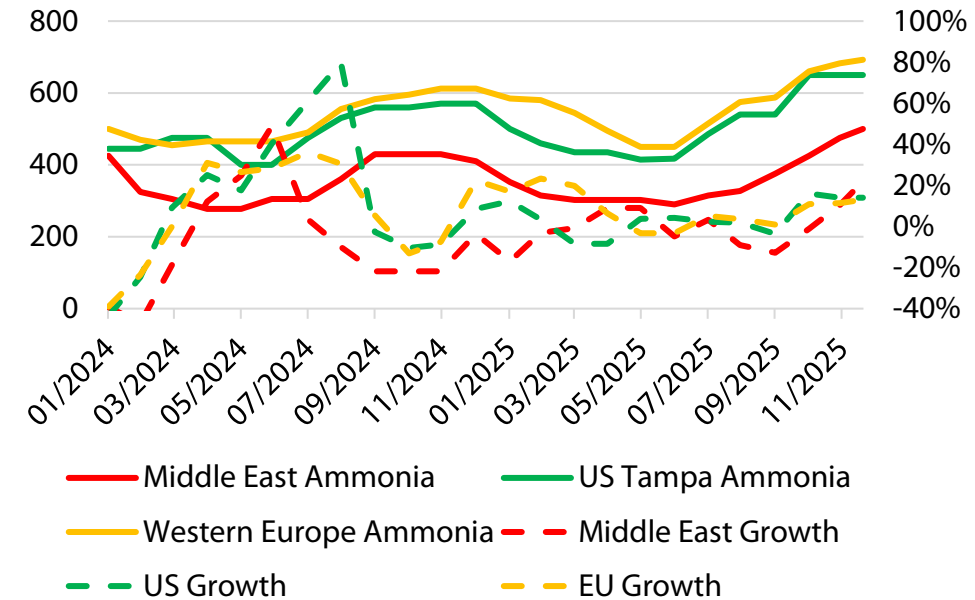
- DAP Dinh Vu prices are highly correlated with DAP India and DAP US Gulf prices, showing 96% and 92% correlations, from January 2019 to November 2025. DAP India prices have a 94% correlation with phosphoric acid prices, which make up 73% of raw material costs.
- From January to October 2025, phosphoric acid prices rose steadily as sulfuric acid input costs, which make up 40% of raw material costs, surged due to high demand exceeding supply. (Next Slide)
- From October 2025, prices fell as India cut imports, while Mosaic offered a 20% discount, bringing the spot price to USD 650 per tonne in December 2025.
- After India's peak season from August to November 2025, strong import demand led to inventories surpassing 2 million tonnes.

Sulfuric Acid Price (USD/ton) rose in line with the selling price of sulfur raw materials (USD/ton)



Source: Bloomberg, RongViet Securities

Ammonia price (USD/ton) is less volatile



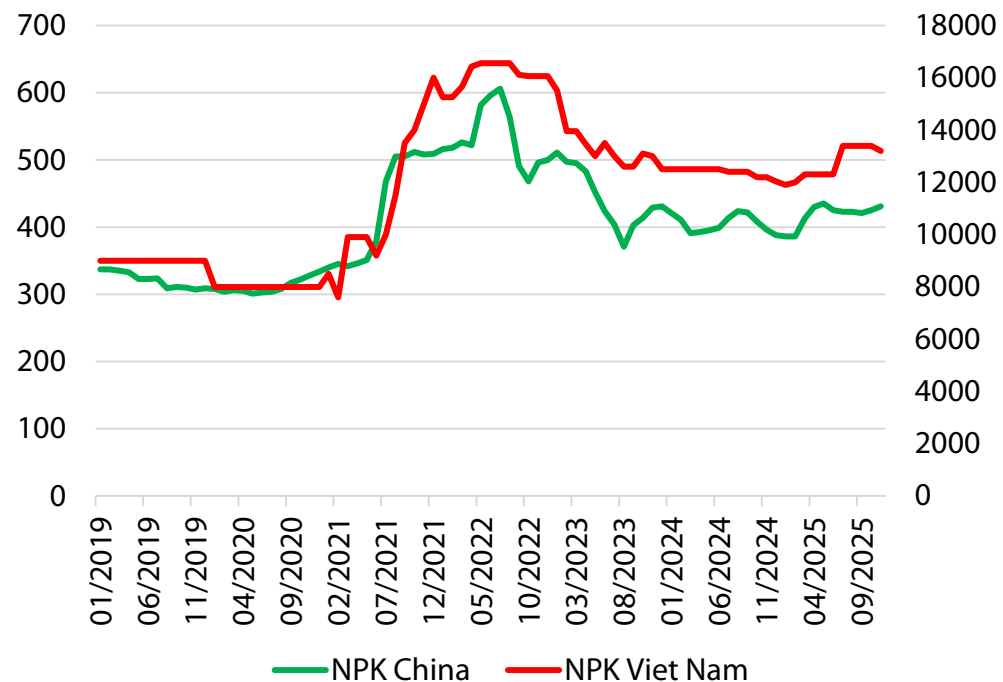
Phosphoric acid production costs increased due to higher sulfuric acid prices driven by stronger demand and tighter supply.

Sulfuric acid prices increased due to higher sulfur costs and strong demand exceeding supply.

Regarding demand, Morocco, the largest exporter of DAP, has increased its sulfur imports for DAP fertilizer production. Similarly, Indonesia, the world's largest nickel exporter, has increased sulfur imports to support nickel refining for electric-vehicle battery production.

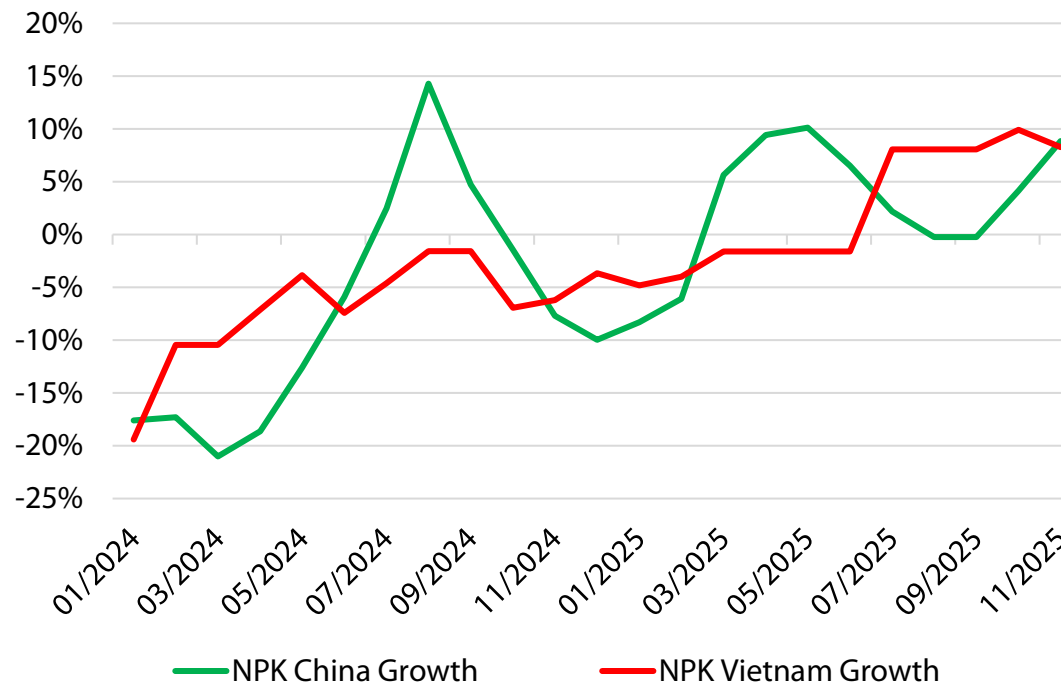
Regarding supply, the availability of sulfur became tighter because a large portion of Russia's sulfur output was disrupted by conflict-related damage to oil and gas processing facilities.

Chinese NPK (USD/ton, left) and Vietnamese NPK (thousand VND/kg, right)



Source: Bloomberg, RongViet Securities

Growth in prices of Chinese and Vietnamese NPKs (%).

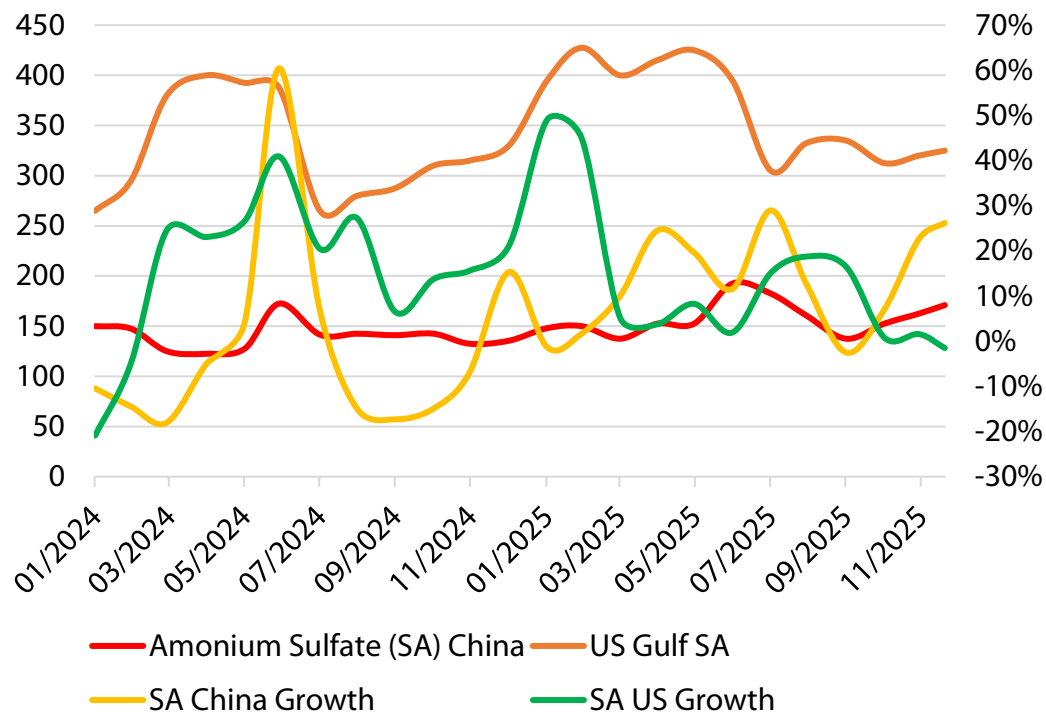


Source: Bloomberg, RongViet Securities

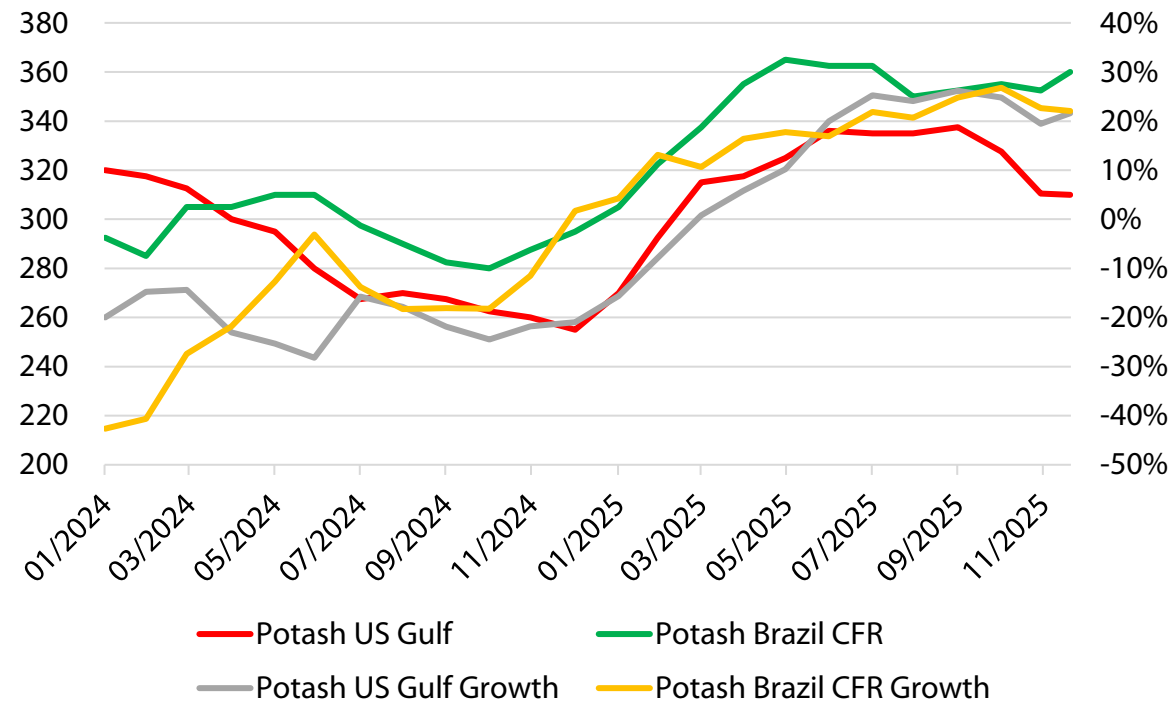
Average NPK selling prices in 2025 increased by 3% YoY, supported by stable domestic prices in 1H2025 and an upward trend starting from July 2025.

NPK prices rose gradually due to higher input material costs (single-nutrient and compound fertilizers) and the 5% VAT.

China's Ammonium Sulfate (SA) Selling Price (USD/Ton, Left) and US Gulf SA Fertilizer Selling Price (USD/Ton, Left) and Growth (% , Right)



US Gulf Potash Selling Prices (USD/Ton, Left) and Brazilian SA Fertilizer Prices (USD/Ton, Left) and Growth (% , Right)

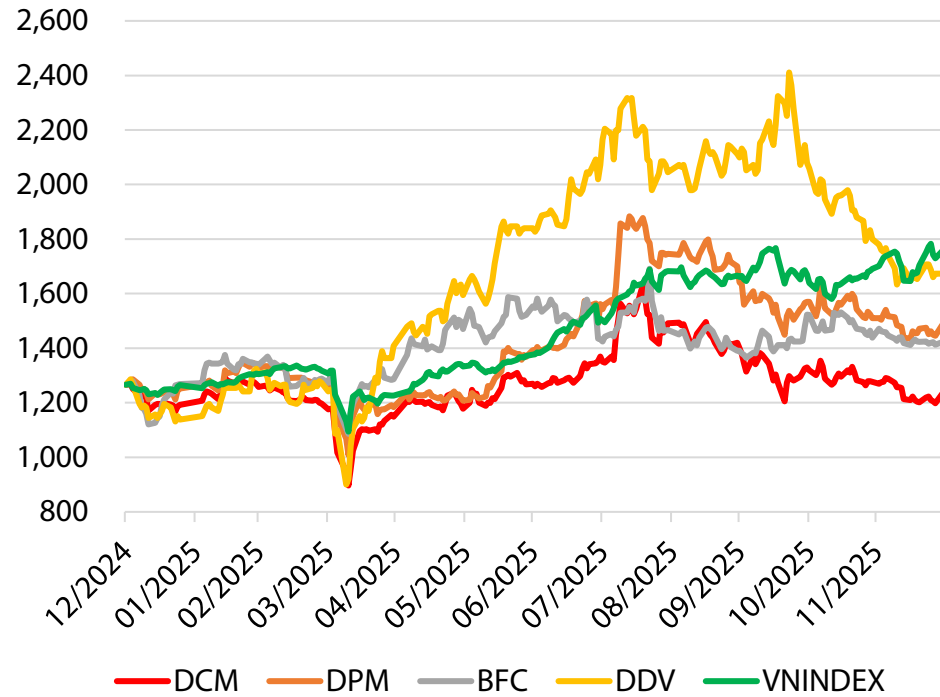


Source: Bloomberg, RongViet Securities

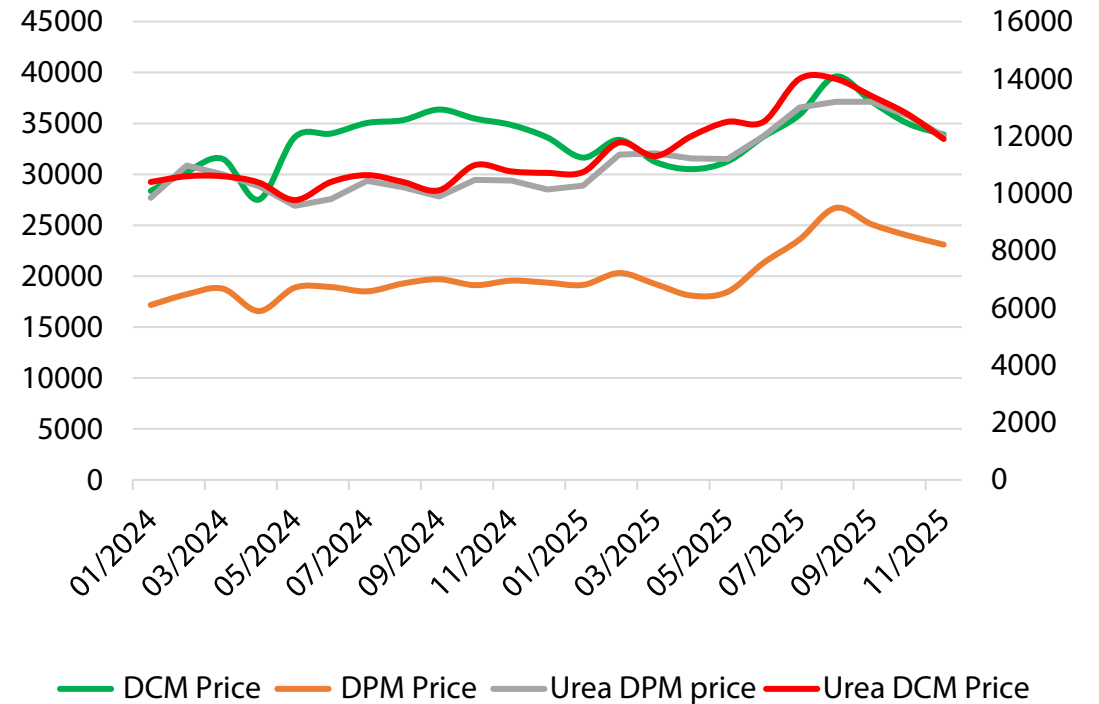
NPK fertilizer input prices rose in 2025.

In 2025, the average prices of key NPK input materials increased as follows: Ca Mau urea by 17%, DAP Dinh Vu by 15%, imported potash by 16%, and Chinese ammonium sulfate by 12%.

Price movements of fertilizer stocks (adjusted according to VNINDEX) and VNINDEX



Urea fertilizer stock prices (VND/share) are correlated with fertilizer prices (VND/kg)



Source: Bloomberg, RongViet Securities

Fertilizer stocks underperformed the VN-Index in 2025, largely reflecting movements in fertilizer prices.

Stock prices of DPM/BFC/DDV increased by 16%/11%/32% YTD, respectively, while DCM declined by 2% YTD. All fertilizer stocks underperformed the VN-Index, which rose by 38% YTD. Among fertilizer producers, urea-focused companies tended to track urea price movements despite strong earnings growth in 2025. A notable example is DCM; NPAT-MI is estimated to increase by 50% in 2025, while its stock price declined by 2% YTD, trending downward from August 2025 in line with falling fertilizer prices. DDV and BFC closely followed selling price trends, with DAP prices up 19% YTD and NPK prices up 11% YTD.

2026: SLOWING GROWTH

Fertilizer prices are expected to decrease for both typical organizations in 2026

Type	Forecast organization	Fertilizers	Forecast Time	Fertilizer price				YoY	
				2024	2025F	2026F	2027F	2026 YoY	2027 YoY
Ure	World Bank	Urea, Eastern Europe	29/10/2025	338	440	410	375	-7%	-9%
	Fitch Ratings	Ure- FOB Middle East	Dec 2025	323	390	340	300	-13%	-12%
	Average								
DAP	World Bank	DAP	29/10/2025	586	710	600	450	-15%	-25%
	Fitch Ratings	DAP- FOB Morrocco	Dec 2025	586	710	600	450	-15%	-25%
	Average								
Kali	World Bank	Potassium chloride	29/10/2025	265	300	260	230	-13%	-12%
	Fitch Ratings	Potash-FOB Vancouver	Dec 2025	265	300	260	230	-13%	-12%
	Average								

Source: Worldbank, Fitch Ratings, RongViet Securities

- Institutions expect selling prices to drop in 2026 and in the medium term due to production capacity exceeding demand. They project average selling prices for urea, DAP, and potash will decrease by 10%, 12%, and 13% YoY, respectively.

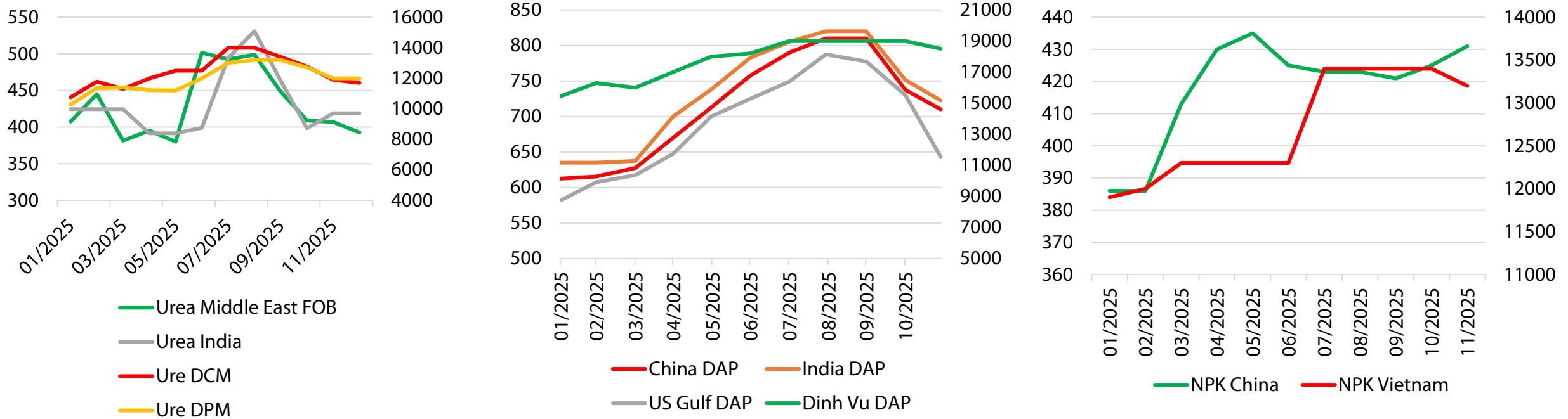
According to Bloomberg, average fertilizer prices decreased on December 17, 2025

Năm/Đơn vị	Middle East Granular Urea	China Granular Urea	Middle East Ammonia	India DAP CFR	China DAP	Gulf Coast NOLA Potash Granular	YoY					
	USD/metric ton	USD/metric ton	USD/metric ton	USD/metric ton	USD/metric ton	USD/short ton	Middle East Granular Urea	China Granular Urea	Middle East Ammonia	India DAP CFR	China DAP	Gulf Coast NOLA Potash Granular
2020	249	253	235	334	323	205	-5%	-7%	-2%	-8%	-7%	-20%
2021	509	485	545	588	597	462	104%	92%	132%	76%	85%	125%
2022	699	623	1009	877	872	669	37%	28%	85%	49%	46%	45%
2023	356	378	433	575	556	361	-49%	-39%	-57%	-34%	-36%	-46%
2024	345	326	348	590	577	287	-3%	-14%	-20%	3%	4%	-20%
2025	424	362	345	725	709	318	23%	11%	-1%	23%	23%	11%
2026	352	377	296	599	569	304	-17%	4%	-14%	-17%	-20%	-4%
2027	310	363	330	503	490	280	-12%	-4%	11%	-16%	-14%	-8%
2028	305	297	330	487	474	295	-2%	-18%	0%	-3%	-3%	5%
2029	300	292	330	467	454	315	-2%	-2%	0%	-4%	-4%	7%
2030	295	287	330	467	454	325	-2%	-2%	0%	0%	0%	3%
2030/2025	-30%	-21%	-4%	-36%	-36%	2%						

Source: Bloomberg, RongViet Securities

- Bloomberg projects average industry selling prices will decline, with Middle East urea and India DAP prices down by 17%, and potash prices down by 4% YoY.

Global price of Urea, DAP, and NPK fertilizer (USD/ton) and domestic price of Urea, NPK, and DAP fertilizer (thousand VND/kg).



Source: Bloomberg, Agromonitor, RongViet Securities

Monthly growth in fertilizer selling prices, highlighting the lag between global and domestic prices.

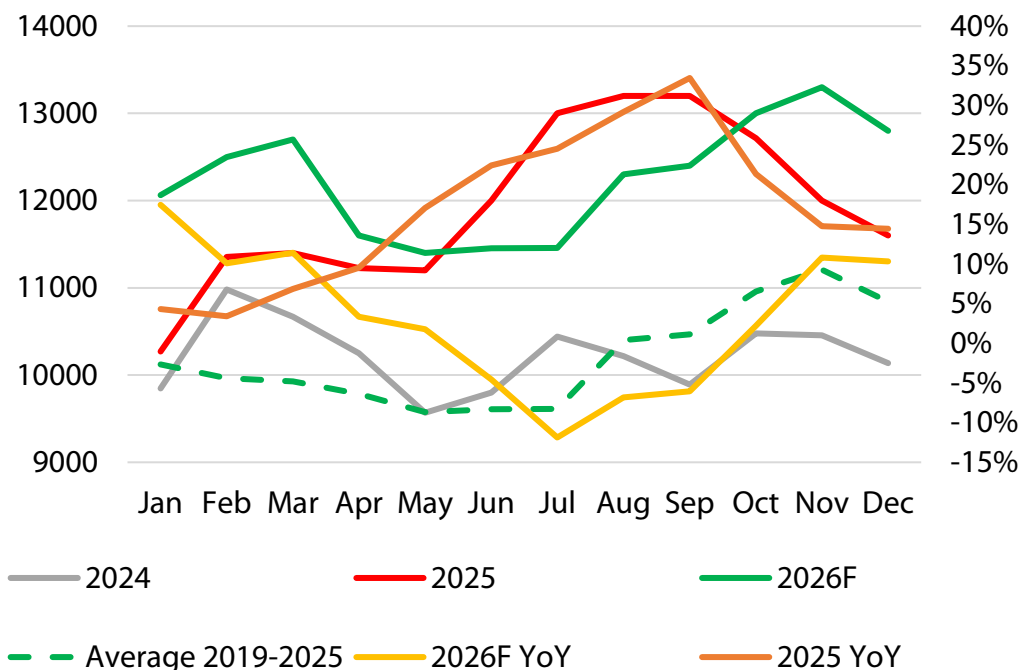
	Urea Middle East FOB	Urea Egypt	Urea India	Ure DCM	Ure DPM	China DAP	India DAP	US Gulf DAP	DAP Dinh Vu	China NPK	Vietnam NPK
Jan-25	12%	11%	17%	0%	1%	-1%	1%	1%	2%	-1%	-1%
Feb-25	9%	6%	0%	10%	11%	0%	0%	4%	6%	0%	1%
Mar-25	-14%	-19%	0%	-4%	0%	2%	0%	2%	-2%	7%	2%
Apr-25	4%	6%	-8%	6%	-2%	7%	10%	5%	6%	4%	0%
May-25	-4%	2%	0%	4%	0%	6%	5%	8%	6%	1%	0%
Jun-25	32%	0%	2%	0%	7%	6%	6%	4%	1%	-2%	0%
Jul-25	-2%	21%	24%	12%	8%	4%	3%	3%	4%	0%	9%
Aug-25	1%	3%	7%	0%	2%	3%	2%	5%	0%	0%	0%
Sep-25	-10%	-12%	-13%	-4%	0%	0%	0%	-1%	0%	0%	0%
Oct-25	-9%	3%	-14%	-5%	-4%	-9%	-8%	-6%	0%	1%	0%
Nov-25	0%	2%	5%	-7%	-6%	-4%	-4%	-12%	-3%	1%	-1%

Source: Agromonitor, RongViet Securities

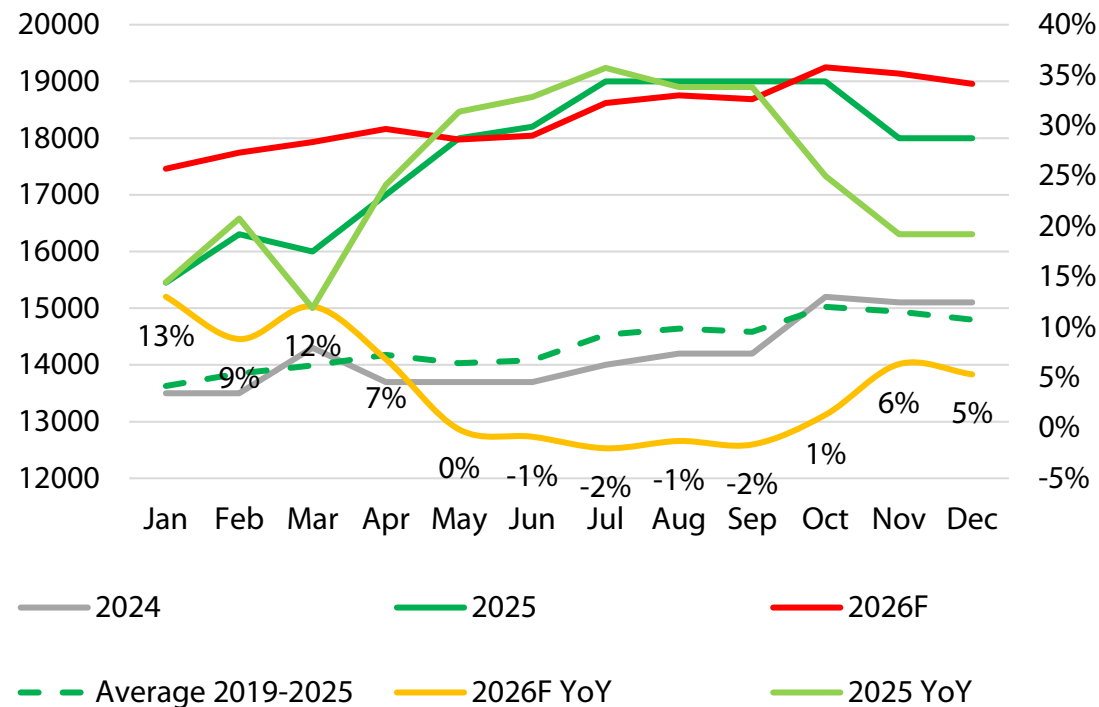
In 2025, domestic selling prices are expected to lag behind global prices by one to two months due to import lead times and cost structures, as companies use import prices to set their prices.

- Global urea prices surged in January, but domestic prices only increased in February 2025. Similarly, global urea prices declined sharply in September and October 2025, domestic prices adjusted more gradually.
- DAP prices also lagged global declines in October and November 2025.
- Vietnam's NPK prices rose with about a two-month lag compared to China's NPK prices.

Estimated average price of urea fertilizer after tax in 2026 (thousand VND, left)



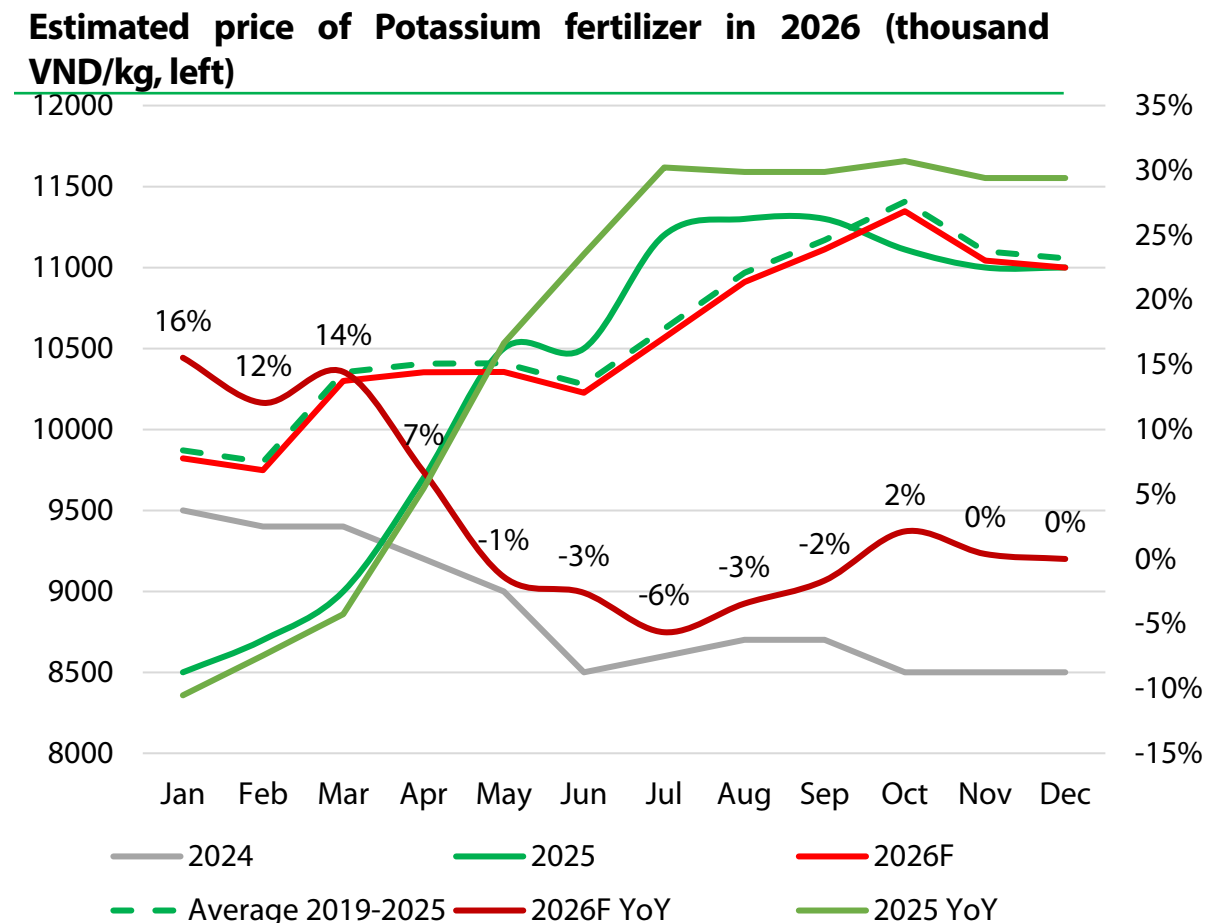
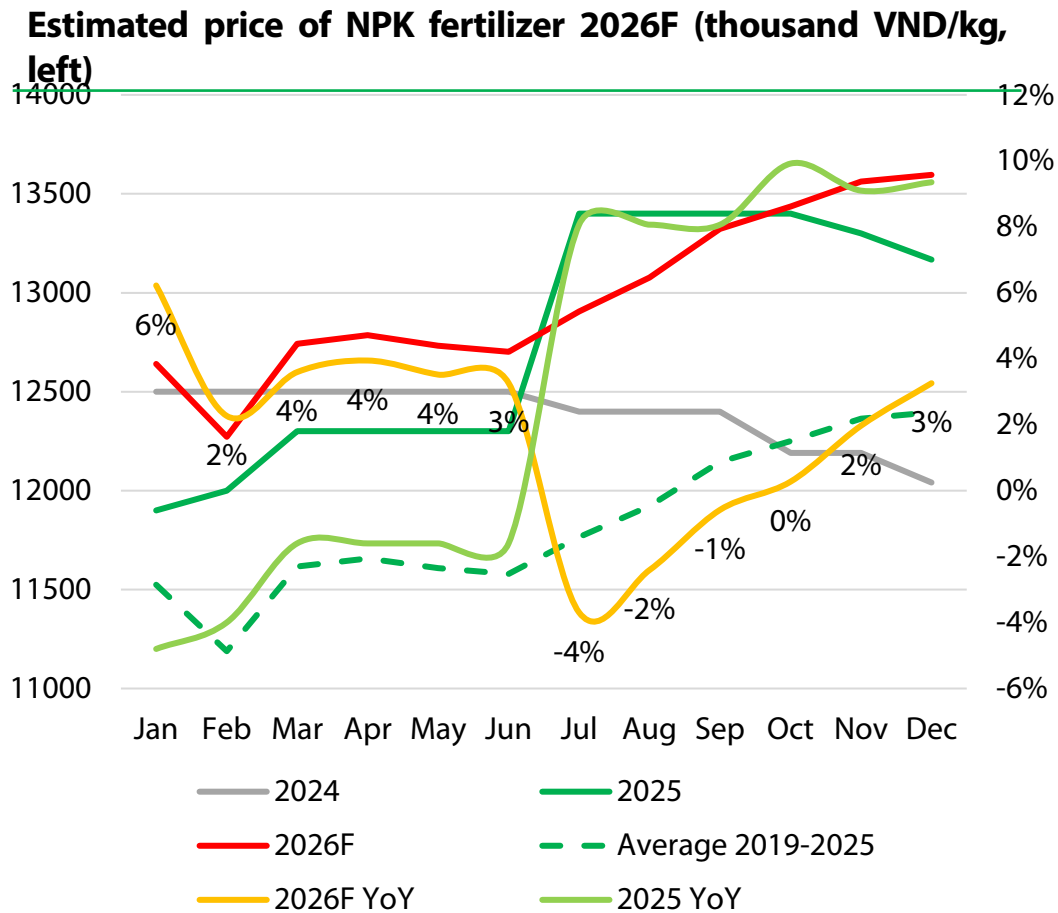
Estimated average price of DAP fertilizer after tax in 2026 (thousand VND, left)



Source: Agromonitor, RongViet Securities

Urea selling prices after VAT in 2026 are expected to remain stable, while DAP selling prices are projected to increase slightly by 2% YoY.

Based on average price movements over the 2019–2025 period, we expect selling prices to trend down through Q1/2026 and gradually recover from Q2/2026, supported by seasonality as India’s import demand peaks in Q3/2026. However, selling prices in 2026 are expected to decline only slightly compared with the same period, due to a low base in 1H2025, and the impact of the 5% VAT, which helps sustain price growth in Q1/2026, followed by a slight YoY decline in Q2/2026 and Q3/2026 before rebounding in Q4/2026.

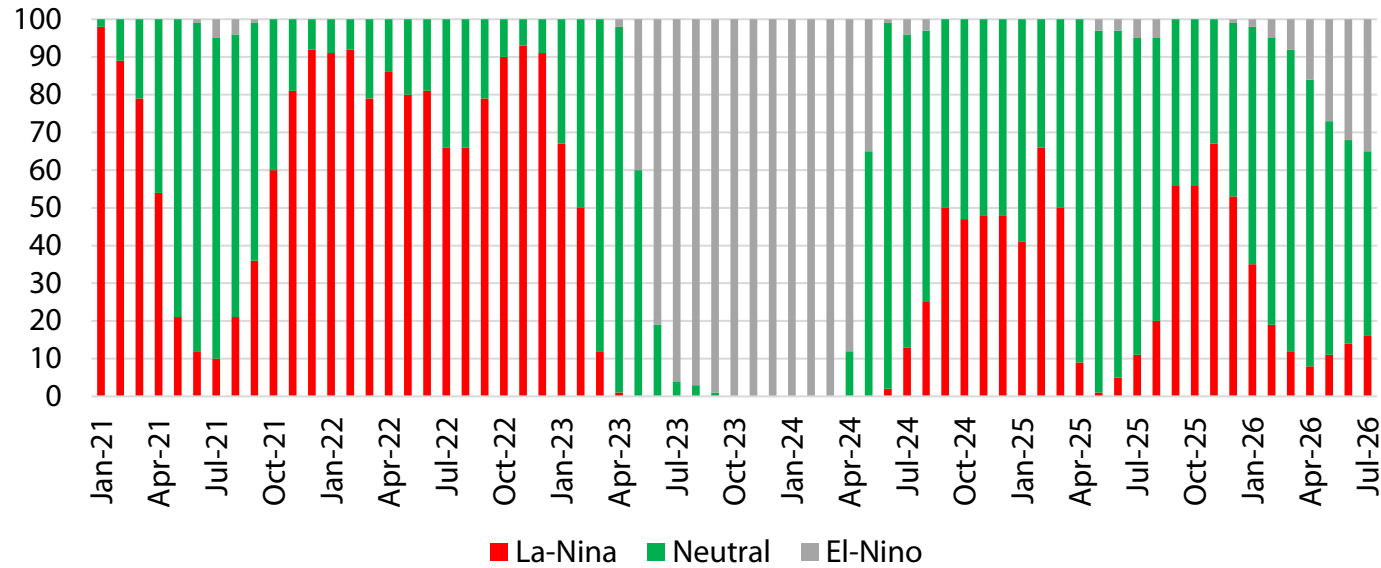


Source: Agromonitor, RongViet Securities

Average domestic NPK and potash fertilizer prices (after VAT) in 2026 are expected to increase modestly by 2% and 2% YoY.

Based on average price movements during 2019–2025, we expect selling prices to trend upward from 2026. However, prices after VAT are projected to maintain a 2% YoY increase, supported by the low base in 1H2025 and the impact of the 5% VAT, which helps sustain price growth in 1H2026 before moderating to a slight YoY decline from 2H2026.

Forecast the probability of ENSO phenomenon over months



Source: IRI, RongViet Securities

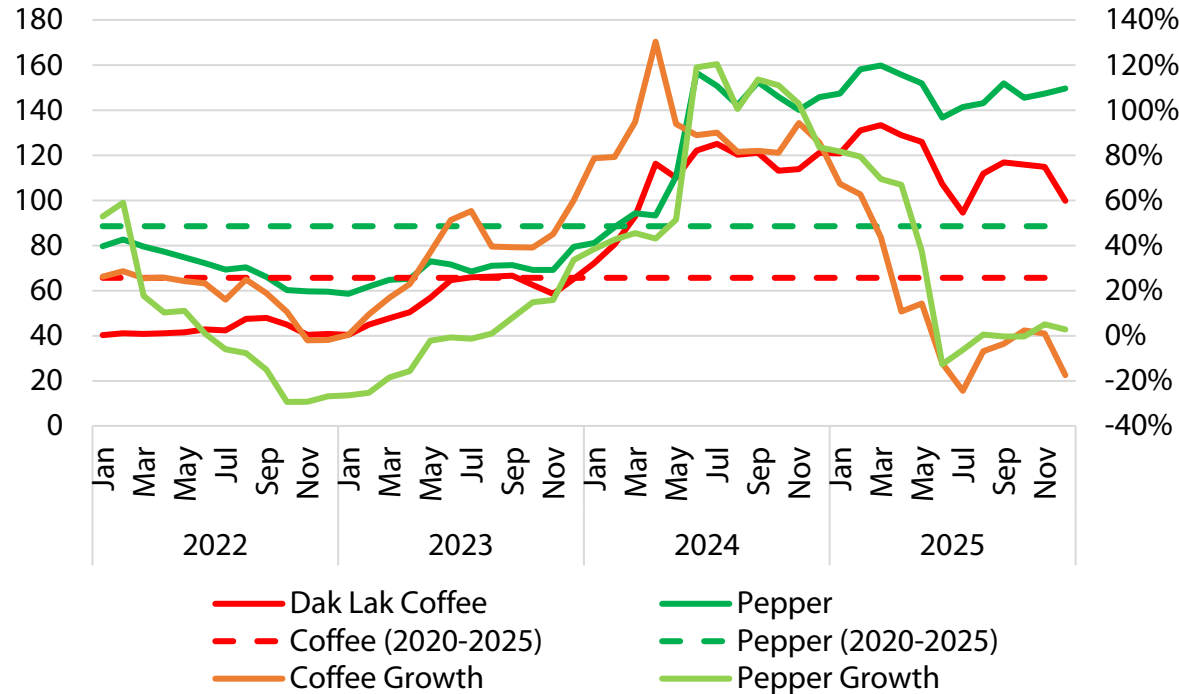
Fertilizer demand in Brazil and India is expected to increase, supported by more favorable weather conditions, with a higher probability of an ENSO-neutral phase in 2026.

In 2025, heavy rainfall and flooding disrupted fertilizer demand.

In 2026, a higher probability of neutral ENSO conditions is expected to support stronger fertilizer consumption.

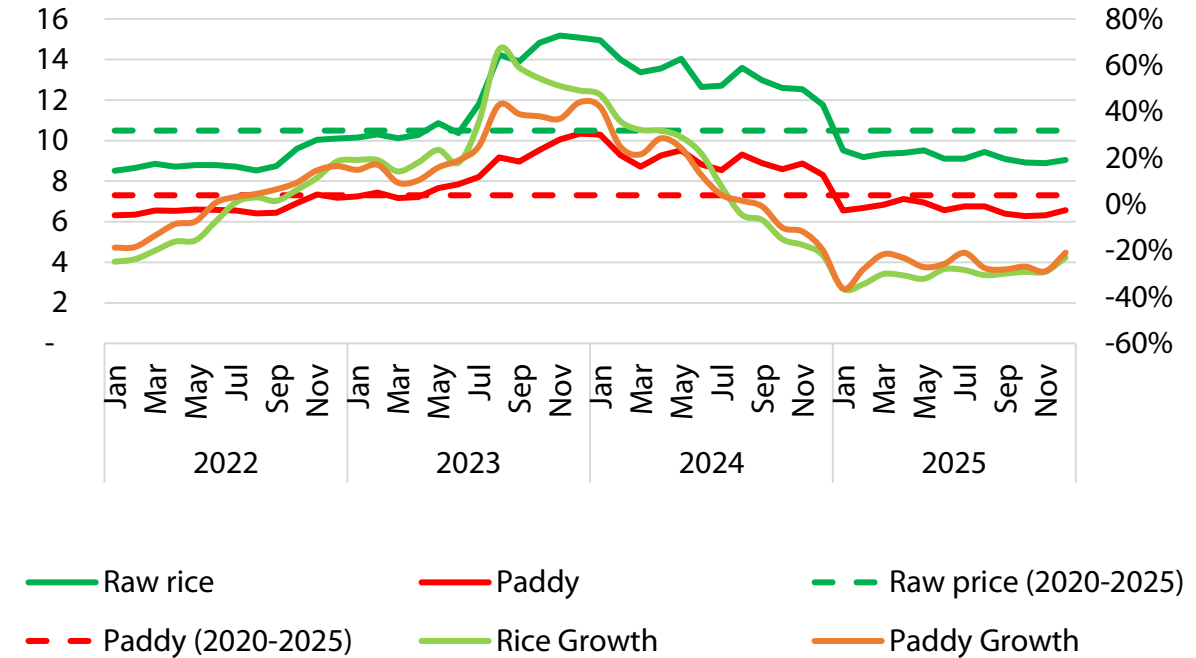
1.D) VIETNAM'S AGRICULTURAL COMMODITY PRICES ARE EXPECTED TO ALIGN WITH GLOBAL TRENDS....

Although the price of coffee and pepper in Vietnam (thousand VND/kg) is gradually decreasing, it is still at a high level compared to the period 2020-2025



Source: Widata, RongViet Securities

Rice prices (thousand VND/kg) decreased sharply but are expected to return to the period of 2020-2025



Source: IRI, RongViet Securities

Vietnam's agricultural commodity prices diverged in 2025.

Prices of certain commodities, notably coffee and pepper, have diverged from rice prices, with coffee and pepper prices remaining elevated at 52% and 69% above their respective 2020–2025 average levels. Meanwhile, paddy and rice prices in 2025 remained stable at around VND 7,000/kg and VND 10,000/kg, respectively. We expect major agricultural commodity prices in Vietnam to broadly follow global price trends, as discussed in the next slide.

1.D) ...WHILE GLOBAL AGRICULTURAL COMMODITY PRICES ARE MOSTLY EXPECTED TO RISE MODESTLY

Commodity	Unit	Price					YoY			Average Price 2021-2025	Difference between 2026 and average price 2021-2025
		2024	2025E	2026F	2027F	2028F	2024	2025	2026		
Corn cents/bu.	(Cents/bu)	421	440	458	462	480	4%	1%	4%	542	-16%
Wheat cents/bu.	(Cents/bu)	558	535	565	580	593	6%	3%	2%	666	-15%
Rice \$/cwt	(USD/cwt)	17	13	14	14	15	10%	3%	4%	15	-10%
Coffee Arabica (KC) c/lb	Cents/lb	250	370	338	380	360	-9%	12%	-5%	238	42%
Coffee Robusta (DF) \$/MT	USD/MT	4.482	4.696	3.305	3.850	3.650	-30%	16%	-5%	3.139	5%
Soybeans c/bsh	(Cents/bu)	1.084	1.040	1.100	1.100	1.100	6%	0%	0%	1.305	-16%
Soybean meal \$/ST	USD/MT	330	290	285	274	252	-2%	-4%	-8%	382	-25%

Source: Bloomberg, RongViet Securities

- Global prices of major agricultural commodities are forecast to rise up in 2026, with the exception of coffee and soybeans. Arabica and Robusta coffee prices are projected to decline sharply as supply from Brazil and Colombia returns. Despite the expected decline, coffee prices are still forecast to remain high relative to the 2021-2025 period.

Estimated fertilizer prices of organizations have increased after 1 year

Type	Organizations	Fertilizers	Lastest forecast time	2025F	Forecast of 2025 price in 2024		Differences in forecasted price 2025/2024
					Previous forecast price last year	Last year forecasted time	
Ure	World Bank	Urea, Eastern Europe	29/10/2025	440	335	29/10/2024	31%
	Fitch Ratings	Ure- FOB Middle East	Dec 2025	390	290	Dec 2024	34%
	Average				313		
DAP	World Bank	DAP	29/10/2025	710	510	29/10/2024	39%
	Fitch Ratings	DAP- FOB Morrocco	Dec 2025	710	470	Dec 2024	51%
	Average				490		
Kali	World Bank	Potassium chloride	29/10/2025	300	290	29/10/2024	3%
	Fitch Ratings	Potash-FOB Vancouver	Dec 2025	300	230	Dec 2024	30%
	Average				260		

Source: Worldbank, Fitch Ratings, RongViet Securities

- Compared with last year's forecasts by the World Bank and Fitch Ratings, urea, DAP, and potash prices have been revised sharply upward, suggesting that institutional forecasts tend not to fully capture potential future shocks and should be viewed more as reference points.
- For 2026–2027, these institutions estimate that fertilizer prices will gradually decline as supply from China and Russia increases, while demand from Indonesia and India moderates.

Organizations	2025 Forecast		2026 Forecast					Total number of forecasts (2020–2025)	Number of forecasts with deviations below 5%
	2025F	Forecast Date	2025E	2026F	2025 YoY	Forecast Date	Forecast Spreads 2025/2024		
EIA	74	10/12/2024	69	55	-20%	09/12/2025	-7%		
JP Morgan	73	19/12/2024	68	58	-15%	15/12/2025	-7%	2	1
HSBC	70	02/12/2024	69	65	-5%	01/12/2025	-2%	2	1
Goldman Sachs	76	21/11/2024	68	56	-18%	15/12/2025	-11%	3	1
Morgan Stanley	70	05/12/2024	69	60	-14%	15/10/2025	-1%	2	1
Citi Group	70	17/12/2024	69	67	-2%	15/12/2025	-2%	2	-
BNP Paribas SA	74	13/12/2024	68	59	-13%	01/12/2025	-8%	4	1
Rabobank	68.1	22/11/2024	68	58	-14%	15/12/2025	-1%	3	2
Median of organizations according to Bloomberg	73		68	62	-9%		-6%	4	1
VDSC average price forecast	73.4		68	65	-4%		-7%		
VDSC forecast vs median	0%			4%					

- We expect the full-year average Brent oil price to reach about USD 65 per barrel, with prices fluctuating within a USD 62–68 per barrel range.
- This assumption is above the institutional median but broadly in line with HSBC’s forecast and below Citigroup’s estimate, as we expect a gradual decline in oil prices to constrain supply more than assumed by other institutions. In addition, based on Bloomberg data, only around one-quarter of institutional forecasts deviate by less than 5% (see next slide).

	2020	2021	2022	2023	2024	2025
Oil Price Forecasts by Institutions – Bloomberg Figures as of December Each Year	61	48	72.3	101	84.9	73.1
Actual oil prices over the years	42.6	71.8	101	82.1	80	68
Spreads	-30%	50%	40%	-19%	-6%	-7%

Source: Bloomberg, RongViet Securities

Agricultural product areas by year, showing fluctuations from highest (blue) to lowest (red) levels

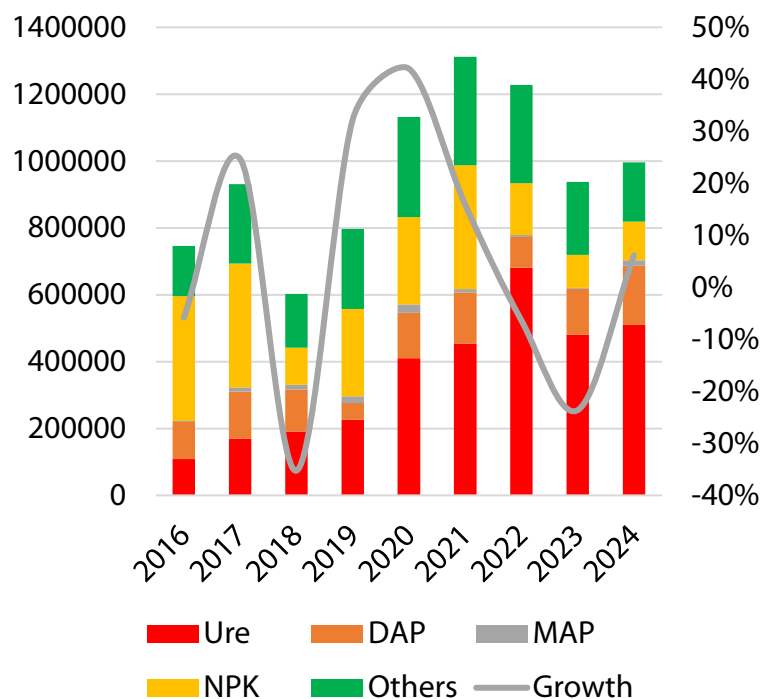
Area (Thousand hectares)	Paddy	Corn	Sugarcane	Cashew	Rubber	Coffee	Tea	Pepper	Total agriculture area
2015	7,828	1,179	284	280	604	594	118	68	14,945
2016	7,737	1,153	268	281	621	598	119	82	15,112
2017	7,705	1,100	281	284	653	617	109	94	14,902
2018	7,571	1,033	269	284	686	619	108	108	14,769
2019	7,470	987	238	276	711	623	108	111	14,703
2020	7,279	943	186	281	729	638	110	113	14,487
2021	7,239	903	166	295	752	649	111	112	14,434
2022	7,109	887	170	292	728	656	112	108	14,370
2023	7,119	885	175	289	723	667	112	102	14,416
Preliminary 2024	7,127	872	186	284	735	679	113	99	14,462
2024/2015	-9%	-26%	-35%	1%	22%	14%	-4%	46%	-3%

Source: GSO, RongViet Securities

Farmers need to use higher-quality fertilizers to enhance yields as cultivated land areas continue to shrink.

Total cultivated area in 2024 declined by 3% compared with 2015, with crop land gradually shifting from rice to industrial crops such as coffee, cashew, rubber, and tea. Among crop types, industrial crops have a higher demand for premium NPK fertilizers than other crops. In particular, rubber and coffee cultivation is expected to support volume growth for NPK producers as they gain market share from lower-quality NPK products, such as blended NPK fertilizers.

Vietnam's fertilizer export volume (tons)



Source: IFA, RongViet Securities

Vietnam's fertilizer export market (Mn USD)

Year	2020	2021	2022	2023	2024	11T2025	2024 YoY	11T2025 YoY
Fertilizers	340.56	559.35	1,094.81	648.68	709.79	792	9%	22.86%
Japan	1.06	8.52	16.08	4.12	14.05	15	241%	18.97%
South Korea	3.37	70.83	65.45	35.03	89.14	46	154%	-39.83%
Laos	14.61	24.74	32.46	17.75	25.88	27	46%	8.48%
Malaysia	18.3	36.16	65.32	33.78	43.79	44	30%	15.09%
Philippines	5.19	26.03	64.19	25.91	46.35	35	79%	-14.88%
Thailand	8.54	9.49	21.35	9.47	9.81	8	4%	-7.24%
Taiwan	3.65	8.57	4.55	2.8	17.29	14	518%	-13.74%
Angola	0.36	0.16	0.67	0.78	0.14	0	-82%	0.00%
Campuchia	131.46	209.19	254.81	246.69	240.82	266	-2%	21.03%
Myanmar	16.74	8.49	38.07	26.18	24.14	29	-8%	22.90%
Mozambique	3.47	25.73	8.8	9.77	6.04	5	-38%	-25.00%

Source: Finpro, RongViet Securities

- After the 2021–2022 period, export volumes increased significantly due to shipments to India and rebounded in 2024 thanks to demand from Korea. In 2025, exports continued to rise, with 11 months of fertilizer exports reaching 1,855 thousand tons, an 18% increase. Export value also grew to USD 792 million, up 22.9% YoY. In November 2025, export volumes in Cambodia, Singapore, and Myanmar surged by 21.2%, 31.5%, and 24.1%, corresponding to increases of 650, 265, and 59 thousand tons, respectively.
- For 2026, we expect export markets such as Laos, Cambodia, Myanmar, Japan, and Singapore to continue driving export volumes, supporting a recovery back to 2022 levels.

Ticker	Mkt Cap. (\$mn)	AVG. 3M Daily Trading value (VND mn)	Target price (VND)	Closing price	Cash dividend Nxt 12M	Expected return of 12 month (%)	Foreign room leftover %	P/E		P/B		ROE Forward	EPS			Book value per share			2026 Growth	
								2026F	5 Yr. AVG	2026F	5 Yr. AVG		2024A	2025F	2026F	2024A	2025F	2026F	Sales%	NPAT-MI%
DCM	1,010	130,901	43,100	50,000	1,600	-13.8	43.4	12.7	11.7	1.9	1.8	16.2	3,618	3,953	3,374	20,228	22,301	24,116	7.6	9.3
DPM	794	151,463	24,600	30,600	2,000	-19.6	44.5	16.0	17.7	1.5	1.4	7.6	1,221	1,580	1,708	16,744	17,169	17,625	7,6	8.2
DDV	181	46,787	30,100	32,400	0	-7	47.9	7.7	21.7	2.0	1.4	16.8	4,336	4,103	4,102	15,479	16,170	17,008	5.3	-5.5
BFC	166	13,770	48,800	76,100	1,500	-35.9	49.1	11.0	8.9	2.9	1.5	25.2	5,421	6,148	6,690	24,160	25,181	26,027	6.2	13.3
LAS(*)	85	9,337	n.a	19,700	n.a	n.a	48.7	n.a	17.7	1.5	1.3	11.1	1,345	n.a	n.a	12,950	n.a	n.a	n.a	n.a

Source: Bloomberg, RongViet Securities. Data as of Mar 04, 2026.

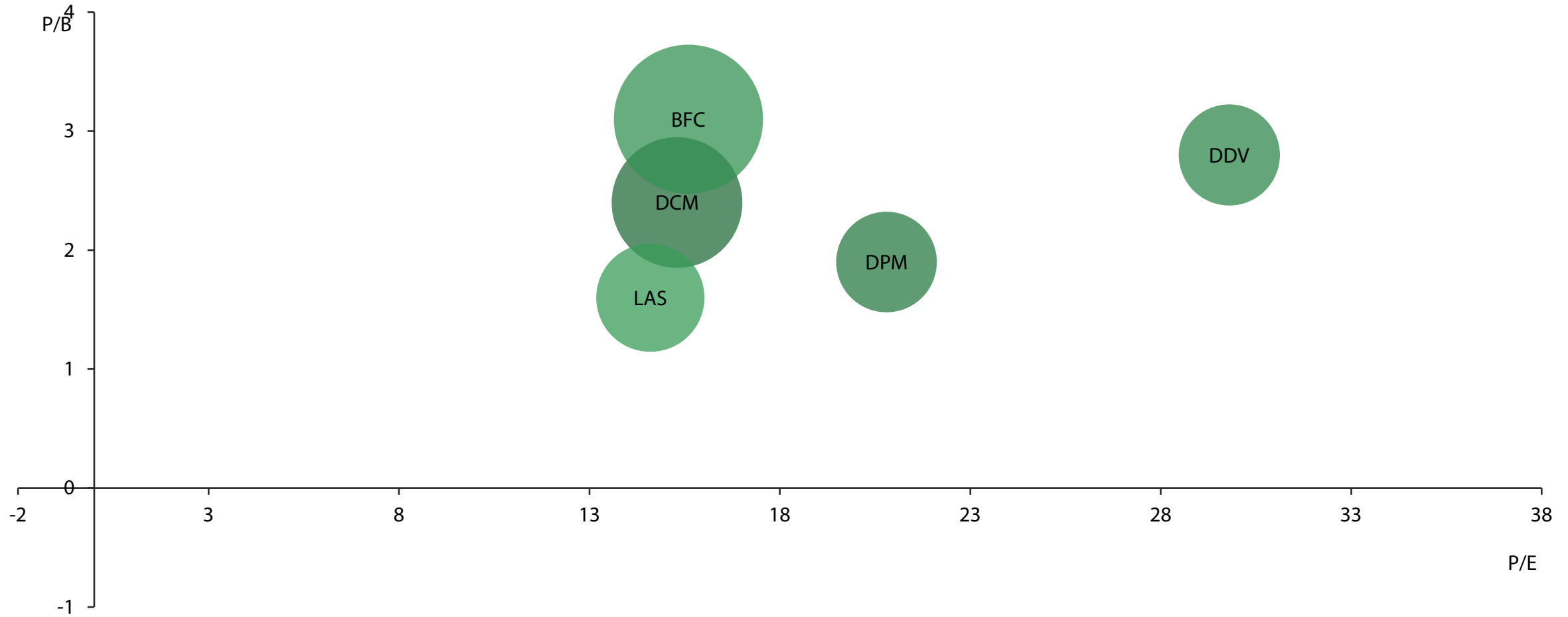
* For stocks in the recommendation list, ROE, ROA, P/B, and forward P/E are calculated based on projected 2026 earnings.

For stocks under our coverage, results are updated based on data from the most recent four quarters.

N.R: Not rated

N.A: Not forecasted or no data

NPAT-MI: Net Profit After Tax – Minority Interest.



Source: Fiinpro, RongViet Securities. Bubble size corresponds to the respective ROE. Data as of Mar 4, 2026.

NEUTRAL

MP: 34.000

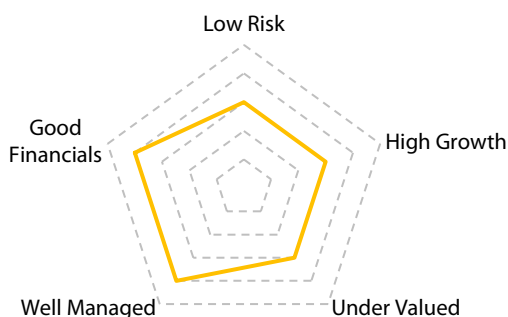
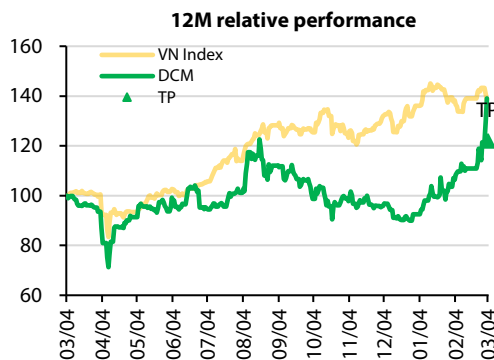
TP: 44.700

STOCK INFO

Sector	Chemicals
Market Cap (USD Mn)	1,010
Current Shares O/S (Mn shares)	529
3M Avg. Volume (K)	3,437
3M Avg. Trading Value (VND bn)	131
Remaining foreign room (%)	43.4
52-week range ('000 VND)	24.75 - 50.7

FINANCIALS

	2025	2026	2027
Revenue (VND bn)	16,961	18,244	19,341
NPATMI (VND bn)	1,915	2,093	1,786
ROA (%)	11.5	14.0	13.1
ROE (%)	18.4	19.4	16.3
EPS (VND)	3,618	3,953	3,374
Book Value (VND)	20,228	22,301	24,116
Cash dividend (VND)	3,000	2,200	2,000
P/E (x)	9.0	12.6	14.8
P/B (x)	1.6	2.2	2.1



INVESTMENT THESIS

Revenue in 2026 is projected to increase by 8%, driven by 16% growth in the trading segment and 2% growth in the NPK segment.

- Wholesale segment revenue for Kali, DAP, and SA rose by 16% YoY, with volumes reaching 386 thousand tons, a 20% increase. This was slightly below the target of 395 thousand tons, driven by demand for Kali and DAP in NPK production. NPK segment revenue increased by 2%, with volume climbing to 379 thousand tons (+7% YoY) due to market share gains in blended NPK fertilizers. However, NPK selling prices before tax fell by 5% YoY. In contrast, Urea segment revenue declined 1% YoY, driven by a 3% YoY drop in selling prices and a 2% YoY increase in volume.

Gross margin is projected to remain stable at 20.7%, driven by lower input costs and lower selling prices before tax.

- Urea gross margin remained stable as input cost reductions were in line with the 3% decline in Urea selling prices before tax. COGS fell slightly by 3%, as VAT offsets the higher gas prices. Gas prices rose 2%, driven by a 3% YoY increase in the exchange rate. Freight rates also increased by 2% due to higher operating costs, despite Brent oil prices projected to decline by 3% to USD 65 per barrel.

Valuation has returned to a reasonable range in the short term

- Short-term valuations have returned to reasonable levels, driven by recent geopolitical tensions involving the U.S., Iran, and Israel.
- In addition, from 2027, DCM is expected to adjust its gas price to FO price + USD 1, instead of the current 50/50 Brent/FO formula, which would increase input gas costs. As a result, NPAT-MI is expected to be impacted when gas prices rise by 15%, and selling prices increase by only 2% YoY.

RISKS

- NPK and urea sales volumes and prices did not meet expectations.
- The company pays higher-than-expected dividends.

Estimating DCM's business results over the years

	2024A	2025A	2026F	2027F	2028F	2029F	2025E	2026F	2027F	2028F	2029F
Net Revenue	13,943	17,548	18,876	20,011	21,207	22,411	25.9%	7.6%	6.0%	6.0%	5.7%
-Urea	7,701	8,648	8,741	9,112	9,497	9,871	12.3%	1.1%	4.2%	4.2%	3.9%
+ Urea productivity	805	805	839	857	875	892	0.0%	4.2%	2.2%	2.2%	1.9%
+ Urea Selling Price After Tax	9,570	10,743	10,972	11,193	11,419	11,647	12.3%	2.1%	2.0%	2.0%	2.0%
NPK	2,796	3,878	4,396	5,020	5,689	6,377	38.7%	13.4%	14.2%	13.3%	12.1%
+ NPK productivity	268	353	413	462	514	564	31.5%	17.0%	12.0%	11.1%	9.9%
NPK productivity/Capacity	25%	53%	63%	70%	78%	86%	+2904 bps	+389 bps	+400 bps	+411 bps	+391 bps
+ NPK selling price after tax	10,418	10,985	11,205	11,429	11,658	11,891	5.4%	2.0%	2.0%	2.0%	2.0%
Trading	2,440	4,008	4,906	5,004	5,104	5,206	64.3%	22.4%	2.0%	2.0%	2.0%
Gross profit	2,513	4,035	4,280	4,164	4,402	4,760	60.5%	6.1%	-2.7%	5.7%	8.1%
- Urea	1,716	2,862	2,948	2,715	2,801	3,000	66.8%	3.0%	-7.9%	3.2%	7.1%
- NPK	402	597	780	881	1,016	1,160	48.5%	30.7%	12.9%	15.4%	14.1%
Gross profit margin	18.7%	23.8%	23.5%	21.5%	21.5%	22.0%	+511 bps	-33 bps	-193 bps	-5 bps	+50 bps
- Urea	22.3%	33.1%	33.7%	29.8%	29.5%	30.4%	+1081 bps	+64 bps	-393 bps	-30 bps	+89 bps
- NPK	14.4%	15.4%	17.8%	17.5%	17.9%	18.2%	+101 bps	+235 bps	-21 bps	+32 bps	+32 bps
SG&A	1,495	2,189	2,268	2,384	2,505	2,628	46%	4%	5%	5%	5%
PAT	1,420	1,915	2,093	1,786	1,913	2,134	35%	9%	-15%	7%	12%
Net profit margin	10.2%	10.9%	11.1%	8.9%	9.0%	9.5%	+73 bps	+17 bps	-216 bps	+9 bps	+50 bps
Gas Prices	9.69	9.08	8.87	10.23	10.48	10.48	-6.3%	-2.3%	15.4%	2.4%	0.0%
YoY exchange rate							3.0%	3.0%	0.5%	0.5%	0.5%
Brent oil price (USD/barrel)	80	67	65	65	65	65	-16.3%	-3.0%	0.0%	0.0%	0.0%

Source: DCM, RongViet Securities

Method	Price	Ration	Contribution
P/B (1,7x)	39,532	50%	19,800
DCF (EV/EBITDA: 5,6x; WACC: 13%)	48,419	50%	24,900
Target Price			43,100

Short-term target price based on DCM's P/B relative to changes in the Urea selling price

	Average Urea Selling Price Growth 2026	PAT 2026 (bn VND)	EPS 2026 (VND/share)	BVS 2026	Target Price by P/B
Positive	10%	2,677	5,056	24,745	42,066
	5%	2,294	4,332	23,813	40,482
Basic	2%	2,064	3,898	23,254	39,532
Negative	-5	1,522	2,876	21,940	37,298
	-10%	1,126	2,128	20,984	35,673

- Short-term forecasting of urea selling prices remains challenging due to unpredictable market events. Therefore, we have developed three scenarios based on changes in selling price, as shown in the table above. Due to the surprising short-term impact from the US-Israel-Iran conflict, the stock price has move to reasonable range.

Source: DCM, RongViet Securities

NEUTRAL

MP: 29,500

TP: 24,600

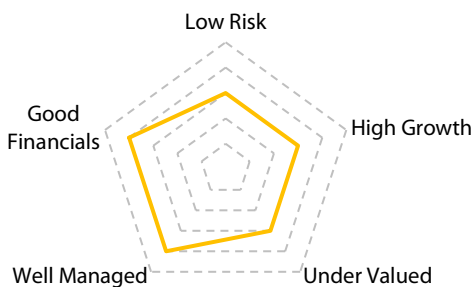
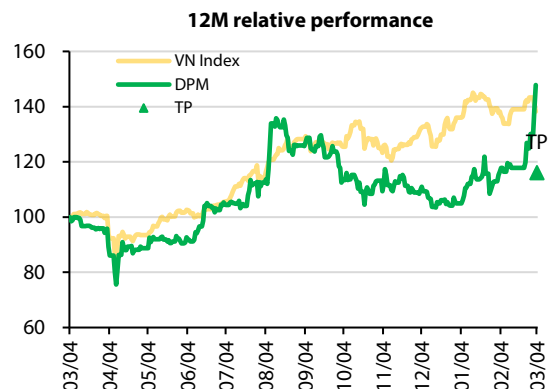
STOCK INFO

FINANCIALS

2025

2026

2027



Sector	Chemicals
Market Cap (USD Mn)	794
Current Shares O/S (Mn shares)	680
3M Avg. Volume (K)	5,987
3M Avg. Trading Value (VND bn)	151
Remaining foreign room (%)	44.5
52-week range ('000 VND)	15.8 - 32.5

Revenue (VND bn)	16,564	17,816	18,538
NPATMI (VND bn)	1,073	1,161	1,256
ROA (%)	6.0	6.9	7.0
ROE (%)	9.6	10.2	10.7
EPS (VND)	1,580	1,708	1,847
Book Value (VND)	16,966	17,169	17,650
Cash dividend (VND)	7,000	2,000	2,000
P/E (x)	18.2	16.5	17.8
P/B (x)	1.3	1.7	1.7

INVESTMENT THESIS

Revenue grows by 7%, driven by a 37% increase in NPK segment revenue.

- Revenue is expected to grow by 6%, driven by a 37% YoY increase in the NPK segment, while the urea segment is projected to post a modest 4% YoY growth. The NPK segment's growth is underpinned by a 34% increase in NPK volumes, as the company has stepped up marketing efforts and adjusted its sales policies since 2025 to gain market share from low-quality NPK traders (three-grain blended NPK). Demand for high-quality NPK fertilizers is rising as total cultivated area in 2024 declined by 3% compared with 2015, while prices of coffee, pepper, and rubber (based on Japanese rubber prices) remain elevated at 52%, 69%, and 30% above their respective 2020–2025 average levels.

Gross margin remains stable YoY, supported by modest price increases.

Selling prices are expected to rise 2% YoY on a low 1H2025 base, while gas prices edge up due to a 3% YoY increase in the USD/VND exchange rate and a 1% YoY rise in freight costs, as low-cost gas fields decline, despite a 3% YoY drop in Brent oil prices.

RISKS

- Downside risk: NPK and trading volumes decline more than expected.
- Upside risk: Higher-than-expected dividend payouts—if the company distributes dividends in line with Government Resolution No. 167/2024/NQ-CP, dividend yield could become more attractive.

	2024A	2025E	2026F	2027F	2028F	2029F	Growth				
							2025E	2026F	2027F	2028F	2029F
Total revenue	13,657	16,820	18,028	18,759	19,494	20,216	23.2%	7.2%	4.1%	3.9%	3.7%
Urea	9,159	9,565	9,828	10,260	10,707	11,128	4.4%	2.8%	4.4%	4.4%	3.9%
+ Urea consumption volume (thousand tons)	899	824	871	891	912	929	-8.4%	5.8%	2.3%	2.3%	1.9%
+ Urea selling price after tax	10,188	11,615	11,847	12,084	12,325	12,572	14.0%	2.0%	2.0%	2.0%	2.0%
NPK	1,689	2,328	3,194	3,257	3,323	3,389	37.9%	37.2%	2.0%	2.0%	2.0%
+ NPK consumption volume	147	186	250	250	250	250	26.5%	34.5%	0.0%	0.0%	0.0%
+ NPK selling price after tax	11,490	12,524	12,774	13,030	13,290	13,556	9.0%	2.0%	2.0%	2.0%	2.0%
Gross profit	1,898	2,939	3,274	3,575	3,805	4,033	54.8%	11.4%	9.2%	6.4%	6.0%
Urea	1,680	2,183	1,949	2,086	2,230	2,373	29.9%	-10.7%	7.0%	6.9%	6.4%
NPK	187	177	253	340	350	361	-5.1%	42.5%	34.4%	3.0%	3.0%
Gross profit margin	13.9%	17.5%	18.2%	19.1%	19.5%	20.0%	+355 bps	+71 bps	+90 bps	+46 bps	+43 bps
Urea	18.3%	22.8%	19.8%	20.3%	20.8%	21.3%	+587 bps	+12 bps	+6 bps	+7 bps	+7 bps
NPK	11.1%	7.6%	7.9%	10.4%	10.5%	10.6%	+179 bps	-85 bps	+7 bps	+3 bps	+4 bps
SG&A	1,540	1,929	2,164	2,251	2,301	2,386	25.3%	12.2%	4.1%	2.2%	3.7%
NPAT-MI	538	1,074	1,161	1,256	1,400	1,531	99.7%	8.2%	8.2%	11.4%	9.4%
Net profit margin	4%	6%	7%	7%	7%	8%	+250 bps	+4 bps	+26 bps	+49 bps	+40 bps
Gas Prices(USD/MMBtu)	9.5	9.2	9.1	9.2	9.3	9.5	-3.6%	-1.2%	1.5%	1.5%	1.5%
YoY exchange rate							3.0%	3.0%	0.5%	0.5%	0.5%
Brent oil price (USD/barrel)	80	67	65	65	65	65	-16.3%	-3.0%	0.0%	0.0%	0.0%

Source: DPM, RongViet Securities

Method	Price	Ratio	Contribution
P/B (1.4x)	24,380	50%	12,200
DCF (EV/ETBIDA: 6.1x, WACC: 13%)	24,700	50%	12,400
Target Price			24,600

Short-Term P/B-Based Target Price Scenarios for DPM Under Urea Price Changes

	Average Urea Selling Price Growth in 2026	NPAT-MI 2026 (bn VND)	EPS 2026 (VND/share)	BVS 2026 (VND/share)	Short term Target price by P/B
Positive	10%	1,614	2,373	17,834	25,324
	5%	1,331	1,957	17,418	24,734
Basic	2%	1,161	1,708	17,169	24,380
	-5%	766	1,126	16,587	23,553
Negative	-10%	483	710	16,171	22,963

- Forecasting urea selling prices in the short term is difficult due to unpredictable market events. We've created three scenarios based on potential changes in selling prices, as outlined in the table above.

NEUTRAL

MP: 25,300

TP: 30,100

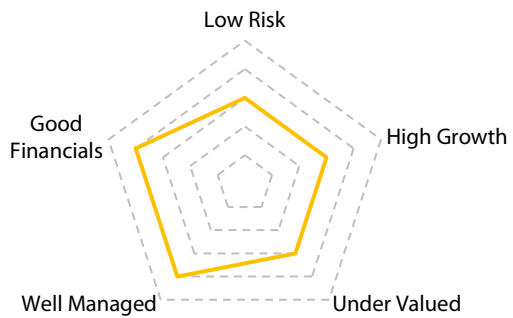
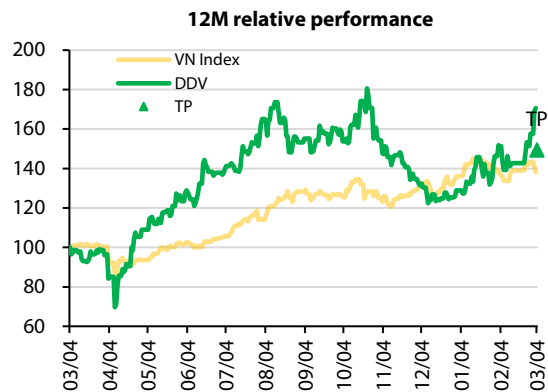
STOCK INFO

FINANCIALS

2025

2026

2027



Sector	Chemicals
Market Cap (USD Mn)	181
Current Shares O/S (Mn shares)	146
3M Avg. Volume (K)	1,628
3M Avg. Trading Value (VND bn)	47
Remaining foreign room (%)	47.9
52-week range ('000 VND)	12.6 - 37

Revenue (VND bn)	5,624	5,919	6,008
NPATMI (VND bn)	634	599	599
ROA (%)	24.0	20.9	14.3
ROE (%)	31.4	28.0	25.2
EPS (VND)	4,336	4,103	4,102
Book Value (VND)	15,479	16,170	17,008
Cash dividend (VND)	600	900	900
P/E (x)	6.0	7.9	7.9
P/B (x)	1.7	2.0	1.9

INVESTMENT THESIS

Despite a 6% YoY earnings decline in 2026, valuation remains attractive with an early price recovery expected.

Revenue is projected to increase 3% YoY, driven by a 4% increase in selling prices. Volume for 2026 is expected to remain steady at approximately 268 thousand tons, reflecting strong consumption in 2025 and limited inventory capacity. Fertilizer production is operating at less than 75% of total capacity (350 thousand tons per year) due to issues with gypsum by-products. DDV produces about 750,000 tons of gypsum waste each year, with 3.5–4.0 million tons of raw gypsum. DDV plans to increase its capacity to 1.5 million tons per year, but competition from imported natural gypsum affects the sales of DAP gypsum products.

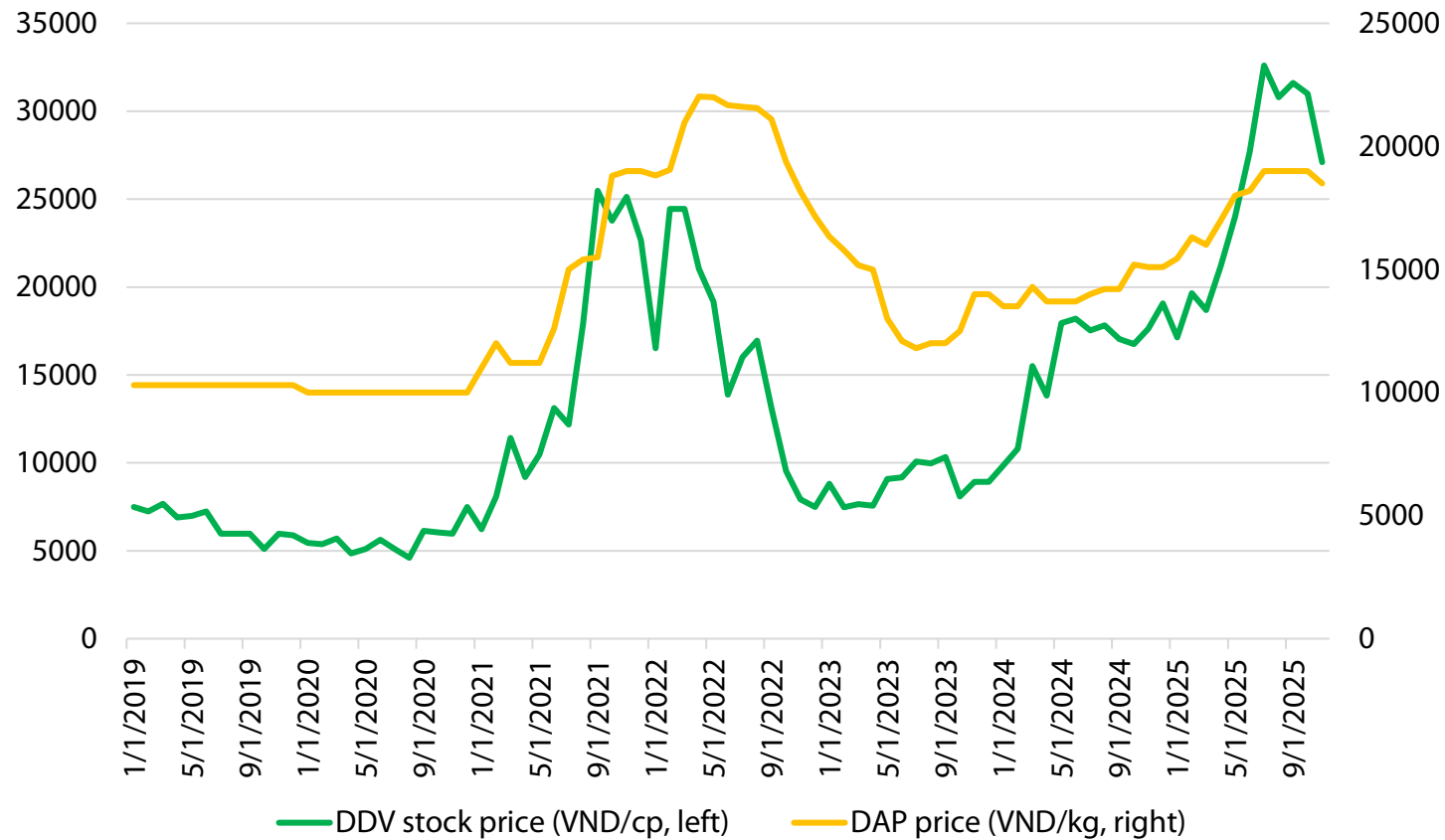
Gross margin reached 16.7% (-19 bps) in 2026, driven by limited downside in raw material costs.

Gross margin declined as selling prices rose more slowly than raw material costs. Selling prices are expected to rise by 4% YoY, while input raw material costs, such as sulfur prices, continue to grow at around 10% YoY. Sulfur prices are unlikely to decline, given stable demand from Indonesia, which imports sulfur for nickel production, amid high and rising nickel prices.

RISKS

- DAP/NH3 sales volumes rose below expectations, and DAP selling prices fell more than expected.
- Raw material costs rose faster than expected.

DDV'S PRICE MOVES IN LINE WITH SELLING PRICES



Source: DDV, RongViet Securities

- DDV's share price closely follows DAP fertilizer prices, with a 74% correlation between DAP selling prices and DDV's share price from January 2019 to November 2025.

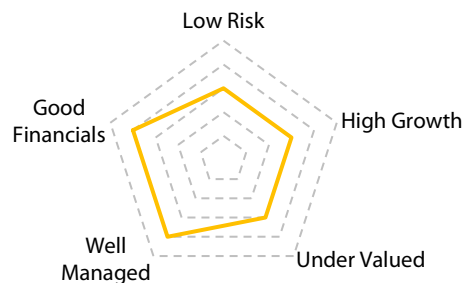
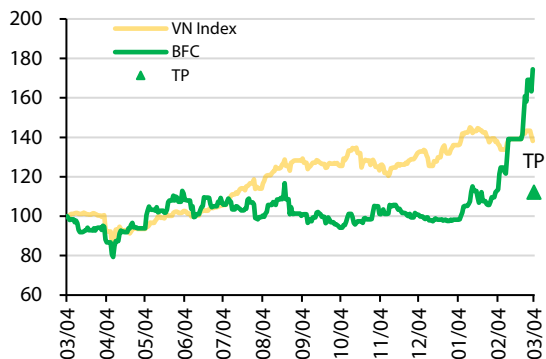
Method	Price	Ratio	Contribution
P/B (1.6x)	25,872	50%	12,396
DCF (EV/EBITDA: 5.4x; WACC: 13%)	34,503	50%	17,252
Target Price			30,100

							YoY				
	2024A	2025A	2026F	2027F	2028F	2029F	2025E	2026F	2027F	2028F	2029F
Revenue	3,365	5,624	5,919	6,008	6,098	6,190	67.1%	5.3%	1.5%	1.5%	1.5%
NPAT-MI	168	634	599	599	592	605	276.3%	-5.4%	0.0%	-1.3%	2.3%
Gross profit	10.8%	16.8%	15.8%	16.7%	16.8%	16.9%	+596 bps	-100 bps	+93 bps	+10 bps	+9 bps
Net Profit	5.0%	11.3%	10.1%	10.0%	9.7%	9.8%	+626 bps	-114 bps	-15 bps	-27 bps	+7 bps
DAP Productivity	244	263	263	263	263	263	8.0%	0.0%	0.0%	0.0%	0.0%
DAP Price	13.63	16.47	16.79	17.13	17.47	17.82	20.8%	2.0%	2.0%	2.0%	2.0%
Input Sulfur Price	94.75	224.56	247.01	247.01	242.07	237.23	137.0%	10.0%	0.0%	-2.0%	-2.0%
Input Ammonia Price	492.08	506.85	506.85	506.85	516.98	527.32	3.0%	0.0%	0.0%	2.0%	2.0%

Source: DDV, RongViet Securities

NON-RATED

12M relative performance



STOCK INFO

Sector	Chemicals
Market Cap (USD Mn)	166
Current Shares O/S (Mn shares)	57
3M Avg. Volume (K)	257
3M Avg. Trading Value (VND bn)	14
Remaining foreign room (%)	49.1
52-week range ('000 VND)	32.65 - 77.9

FINANCIALS

	2025	2026	2027
Revenue (VND bn)	10,615	11,272	11,951
NPATMI (VND bn)	310	351	382
ROA (%)	8.6	8.2	8.6
ROE (%)	23.5	28.5	30.2
EPS (VND)	5,421	6,148	6,690
Book Value (VND)	24,160	25,181	26,027
Cash dividend (VND)	1,500	1,500	1,500
P/E (x)	7.9	12.4	11.4
P/B (x)	1.8	3.0	2.9

INVESTMENT THESIS

Revenue grows by 6%, driven by a 4% increase in volumes.

- NPK fertilizer volumes are projected to increase by 4% due to higher demand for quality products. This comes as the total cultivated area is expected to decline by 3% in 2024 compared to 2015. Prices for coffee, pepper, and rubber are significantly above their 2020–2025 averages, by 52%, 69%, and 30%, respectively.
- BFC's NPK market share is expected to increase from 19.7% in 2025 to 20.2% in 2026.

Gross margin increases due to a 2% YoY rise in selling prices after tax, while input costs stay stable.

- Gross margin improves, driven by a 2% YoY increase in NPK selling prices after VAT, while urea and SA prices after VAT remain broadly flat YoY. BFC tends to stockpile raw materials when input fertilizer prices decline, thereby lowering its cost base. In addition, BFC's gross margin is expected to gradually improve from Q3/2026 as NPK selling prices recover, while benefiting from low input costs secured in Q1–Q2/2026.

RISKS

- NPK prices and volumes are below expectations.
- Input costs rise faster than selling prices.

							Growth				
	2024A	2025E	2026F	2027F	2028F	2029F	2025E	2026F	2027F	2028F	2029F
Revenue	9,358	10,615	11,272	11,951	12,663	13,348	13.4%	6.2%	6.0%	6.0%	5.4%
NPAT-MI	358	310	351	382	403	429	-13.5%	13.4%	8.8%	5.4%	6.5%
Gross profit	14.9%	12.5%	12.2%	12.0%	12.0%	12.0%	-240 bps	-32 bps	-20 bps	0 bps	+0 bps
Net Profit	3.8%	2.9%	3.1%	3.2%	3.2%	3.2%	-91 bps	+20 bps	+8 bps	-2 bps	+3 bps
NPK Selling Volume	729	790	822	854	887	917	8.4%	4.0%	3.9%	3.9%	3.3%
NPK selling price after tax	12,992	13,564	13,835	14,112	14,394	14,682	4.4%	2.0%	2.0%	2.0%	2.0%
Urea input price after tax	11.10	12.32	12.32	12.57	12.82	13.08	11.0%	0.0%	2.0%	2.0%	2.0%
DAP input price after tax	13.90	16.68	17.35	17.69	18.05	18.41	20.0%	4.0%	2.0%	2.0%	2.0%
Kali input price after tax	9.00	10.64	10.96	11.18	11.40	11.63	18.2%	3.0%	2.0%	2.0%	2.0%

Source: BFC, RongViet Securities

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