

DANANG RUBBER JSC (HSX: DRC)

Shifting Focus Back to Domestic Market

Unit: VND bn	Q2-FY26	Q1-FY26	+/- qoq	Q2-FY25	+/- yoy
Net sales	1,176	1,155	1.8%	1,377	-14.6%
NPAT-MI	32	16	96.2%	32	-0.8%
EBIT	59	27	116.5%	36	63.3%
EBIT margin	5.0%	2.3%	265bps	2.6%	238bps

Source: DRC, RongViet Securities

H1-FY26: Global macro volatility became a major headwind

- In the first half of 2026, amid global volatility stemming from U.S. tariffs and Middle East geopolitical conflicts, DRC recorded net revenue of VND 2,410 bn (-9.2% YoY), largely in line with plan and our expectation. The bias truck tire segment (mainly domestic) rose strongly to VND 517 bn (+11.7% YoY), supported by public investment capital flows (IIP up 10.8% – the highest since 2019) and a competitive pricing strategy (average VND 2.1 mn/tire, -1%), helping it gain an edge over imported Chinese tires (down 7.1% YoY). In contrast, the TBR radial segment (mainly export) declined 14.1% YoY to VND 1,355 bn, of which exports dropped 33.9% YoY as U.S. distributors became cautious amid tariff uncertainty and competition from low-priced Cambodian tires (a new Chinese transshipment hub), while Middle East orders remained disrupted. The PCR segment also plunged sharply, reaching only VND 82 bn (-42.6% YoY) with volume of 124 thousand tires (-50.3% YoY), mainly due to a lack of new overseas orders.
- DRC's net profit in H1-2026 reached VND 48 bn (+15.6% YoY), corresponding to a net margin of 2.1% (+44bps YoY), benefiting from low-cost raw material inventory carried over from late Q4-2025 into Q1-2026. Gross margin rose sharply to 17.3% (+612bps YoY) as input prices declined meaningfully: natural rubber (-6%), synthetic rubber (-7%), chemicals (-4%), carbon black (-15%) and steel cord (-6%). The company's three-month inventory policy allowed these cost declines to flow through quickly (with roughly a one-quarter lag). However, the SG&A exp / Net revenue ratio rose to a record 13.6% (+463bps YoY) due to an exceptional provision of VND 126 bn for doubtful receivables. Excluding this item, the expense ratio would have been only 8.2% (-78bps YoY), reflecting lower discounts and export logistics costs.

FY26–27 Outlook: Expecting global macro headwinds to gradually ease from H2-2026

- Listing selling prices 2–3% lower YoY has strengthened DRC's competitive position in the domestic tire market, which is receiving a boost from the expanded national public investment target (VND 1,000 tn in 2026 vs VND 790 tn in 2025) and tighter border controls on smuggled Chinese tires. We expect DRC to return to a growth trajectory in the domestic market in 2026/27 with growth of 17.9%/13.9% YoY.
- Nevertheless, given other adverse signals emerging from late 2025 — elevated rubber prices, higher doubtful receivable provisions, and Middle East market disruptions due to geopolitical volatility — we project DRC's net profit to decline 21.8% YoY in 2026 and only begin recovering from 2027 (+69.5% YoY) as these headwinds gradually subside.
- For Q3-2026, we forecast DRC's net profit at only VND 17 bn (-45.2% QoQ, -56.6% YoY) as unfavorable natural and synthetic rubber price trends from late Q2-2026 gradually flow through to the company's margins this quarter, offsetting the solid revenue growth (+6.4% YoY) expected as the macro environment in the Middle East and the U.S. becomes less challenging for DRC's operations.
- We project DRC's net revenue and net profit for 2026/27 at VND 4,933/5,392 bn (-1.4%/+9.3% YoY) and VND 103/140 bn (-23.0%/+35.2% YoY), respectively. Corresponding EPS is VND 670/906.

Outlook & Recommendation

DRC is gradually shifting its focus back to the domestic market (to capture the public investment wave and tighter controls on smuggled goods) rather than aggressively pushing TBR tire exports to markets such as the U.S., Brazil and the Middle East amid intensifying "tariff wars" and geopolitical tensions in 2026. In our base case, we expect DRC's profits to bottom in 2026 and recover from 2027 as global macro risks ease.

Compared with our previous report, our 2026/27F earnings forecasts for revenue/profit are largely unchanged, except for a 17.0% downward revision to 2026 net profit to reflect the doubtful receivable provision (~VND 100 bn for full-year 2026). Combined with an adjustment of DRC's target payable days to 50 days (from the previous 87 days) in our 5-year DCF valuation, we slightly lower our 12-month target price by 5% to **VND 11,300 per share**, corresponding to 2026 and 2027 forward P/E of 16.3x and 9.6x, respectively. Therefore, we upgrade our recommendation to **ACCUMULATE** for DRC after the 12% share price correction over the past month.

ACCUMULATE +13%

Market price (VND)	10,000
Target price (VND)	11,300

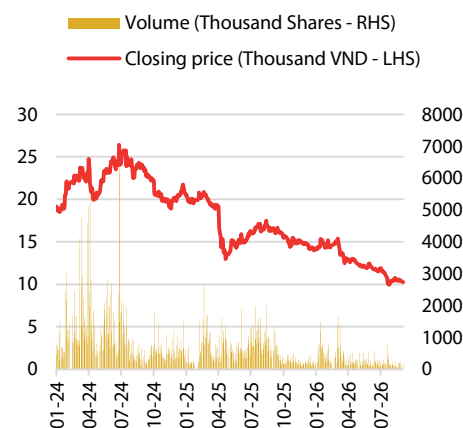
1-year expected cash dividend (VND/share): 0

Stock Info

Sector	Auto & Spare Parts
Market Cap (VND Bn)	1,583
Share O/S (Mn)	154
Average trading volume (20 sessions) ('000 shares)	188
Free Float (%)	50.0
52 weeks high	16,700
52 weeks low	9,800
Beta	0.8

	FY2025	Current
EPS	869	827
EPS growth (%)	-42.1	-12.9
P/E	16.2	12.9
P/B	1.2	0.84
EV/EBITDA	15.3	11.6
ROE (%)	6.9	6.6

Stock price movement



Major shareholders (%)

Vietnam National Chemical Group	50.51
Hoi, Pham Thi Hong	3.06
Nhut, Le Hoang Khanh	0.50
Others	47.13
Remaining Foreign Room (%)	-1.31

Auto & Spare Parts Analysis Department

phantich@vdsc.com.vn

H1-FY26 RESULTS: GLOBAL VOLATILITY BECAME THE HARD ROCK

In H1-2026, global volatility from U.S. tariffs and Middle East geopolitical conflicts limited DRC's net revenue to VND 2,410 bn (-9.2% YoY), largely in line with the company's plan and our expectation. Specifically:

- **Bias truck tire segment (mainly domestic)**, reached VND 517 bn (+11.7% YoY), driven by both heavy-duty bias tires at VND 219 bn (+7.9% YoY) and light-duty bias tires at VND 285 bn (+15.8% YoY). This was consistent with the strong recovery in industrial production (IIP rose an estimated 10.8% YoY in 6M2026, the highest since 2019). In addition, DRC's competitive pricing (average VND 2.1 mn/tire, -1% YoY) helped the company gain an edge over imported Chinese tires (which declined 7.1% YoY in value in H1) and benefited from tighter enforcement under Decree 70 targeting counterfeit and smuggled goods without invoices.

According to Eastmoney (Beijing), operating rates in China's semi-steel tire industry (including TBR truck tires and PCR passenger tires) averaged only 66% in H1 2026, down sharply from 75% in the same period of 2024 — implying nearly 10% of orders were lost. This is the lowest average utilization rate in the past four years, with some plants running below 50%. The main cause is severe oversupply: from 2023 to 2025, China added more than 300 mn new semi-steel tires, far exceeding actual replacement demand. At end-2023, China's passenger vehicle fleet stood at approximately 336 mn units, up about 14 mn from the prior year. Even assuming all 14 mn new vehicles required a full set of four tires, replacement demand would total only around 57 mn tires (14 mn × 4). Meanwhile, Chinese tire makers have shipped more than 200 mn semi-steel tires since 2023. In addition, the capacity of the top 20 domestic tire companies alone is already sufficient to meet current replacement demand.

When supply significantly exceeds demand, order reductions for individual plants become inevitable. For years of oversupply, Chinese tire companies have typically exported excess inventory. Even after paying higher ocean freight costs, they accepted them because overseas sales and profits could offset domestic losses or sluggish demand. In 2026, however, this channel faced obstacles as countries imposed anti-dumping and countervailing duties, tightened controls on smuggled goods, maintained high overseas inventories. Weaker international demand also played a part, effectively putting Chinese tires on "pause" in many markets. Despite looser credit policies in 2026, inventory days remain elevated, highlighting the difficulties facing Chinese tire manufacturers (Figures 1 & 2).

- **Radial truck tire segment – TBR (mainly export)**, reached VND 1,355 bn (-14% YoY), of which the export market (accounting for 66% of segment revenue) declined nearly 34% YoY. U.S. distributors (44.0% of segment revenue) ordered more cautiously than expected amid global tariff changes (Section 301 – Tables 3 & 4) and intense competition from low-priced Cambodian tires (*), which have become a new Chinese transshipment hub replacing Thailand into the U.S., in our view. Regarding the Middle East conflict, DRC's Q2-2026 orders remained disrupted, similar to Q1-2026, in Egypt and several Middle Eastern countries (accounting for 10.0% of segment revenue).

(*) In terms of the value of radial truck tire (TBR) imports into the U.S. market in 5M2026, Cambodia was the only country recording double-digit growth (+13.5% YoY) and entered the Top 4. Meanwhile, Vietnam dropped to 5th place with disappointing YoY growth of 14.6%.

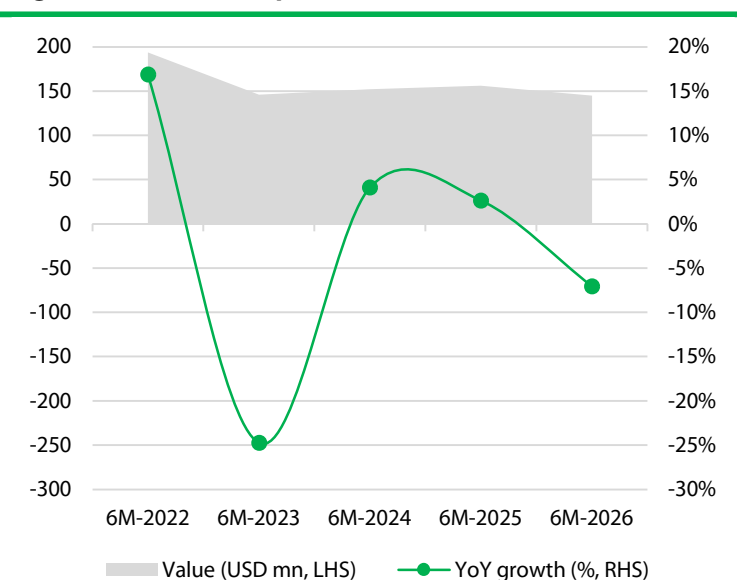
- **Passenger car radial tire segment – PCR**, reached VND 82 bn (-42.6% YoY), with sales volume of 124 thous tires (-50.3% YoY). PCR volume in 6M2026 dropped by 50.0% YoY (per DRC), due to a lack of new overseas orders (which account for 80.0% of this segment's revenue).

Table 1: Import value of TBR tires into the U.S. by country

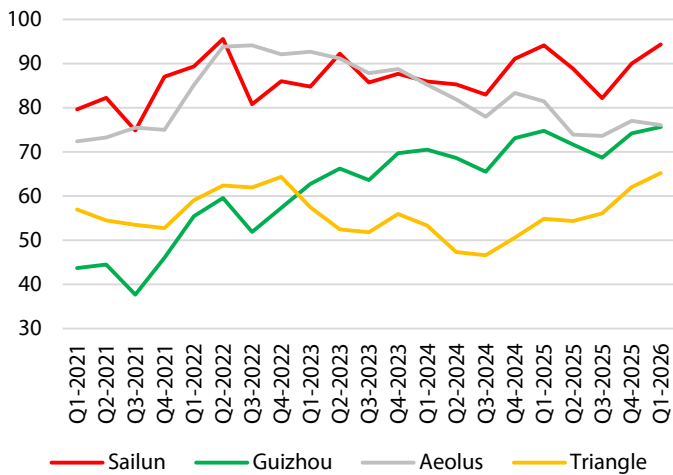
Unit: USD mn	2024	2025	5M-2026
Vietnam	294	328	280
YoY growth	58.1%	11.6%	-14.6%
Thailand	809	703	468
YoY growth	19.9%	-13.1%	-33.4%
Cambodia	155	282	320
YoY growth	314.4%	81.9%	13.5%
Japan	293	355	328
YoY growth	-24.7%	21.2%	-7.6%
Canada	419	435	462
YoY growth	13.2%	3.8%	6.2%
China	82	91	46
YoY growth	-16.3%	11.0%	-49.1%
Total	2,992	3,202	2,648
YoY growth	12.8%	7.0%	-17.3%

Source: US Trademap, RongViet Securities

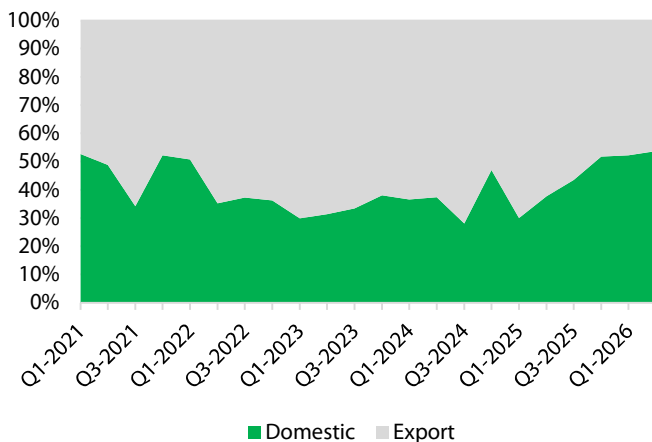
Figure 1: Vietnam's import value of Chinese tires



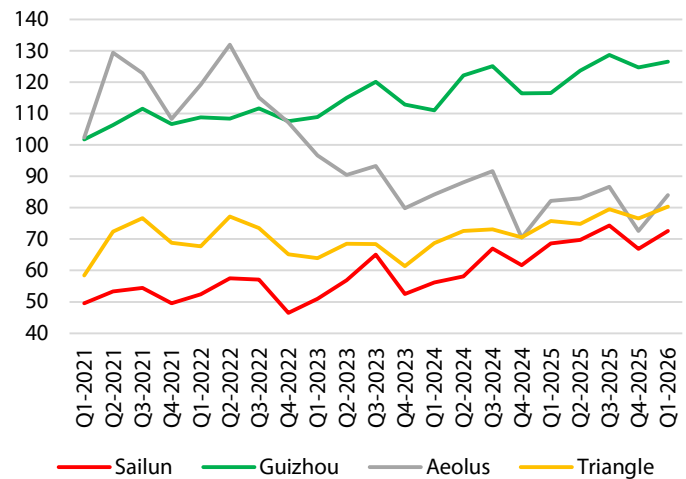
Source: Bloomberg, RongViet Securities

Figure 2: Days Inventory on hand at Chinese tire producers (days)


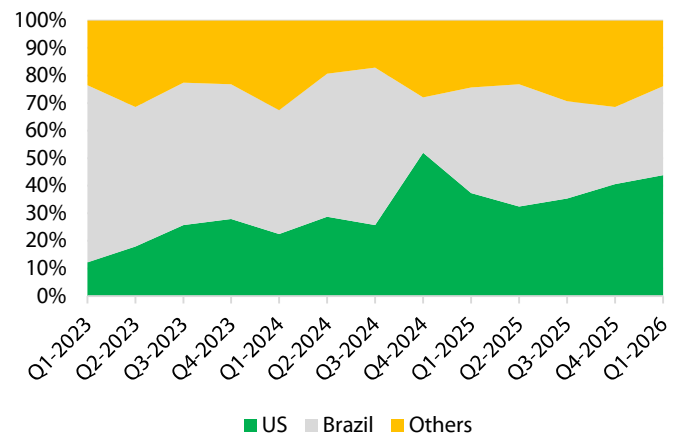
Source: Bloomberg, RongViet Securities

Figure 4: DRC revenue mix by export and domestic markets (%)


Source: DRC, RongViet Securities

Figure 3: Days AR on hand at Chinese tire producers (days)


Source: Bloomberg, RongViet Securities

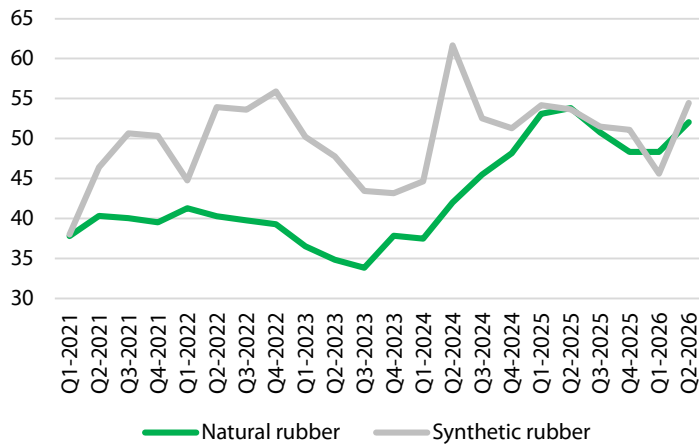
Figure 5: DRC export revenue mix by market (%)


Source: DRC, RongViet Securities

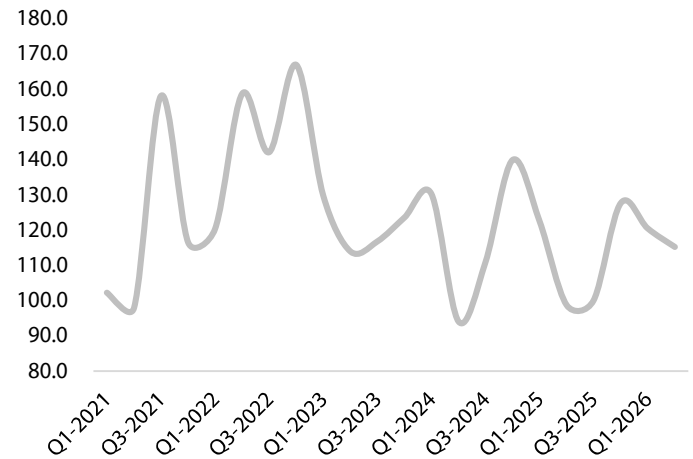
DRC's 1H2026 NPAT reached 48 VND bn (+15,6% YoY), equivalent to a 2.1% net margin (+44bps YoY) as it continued to benefit from low-cost raw material inventory from Q1-2026 to date. Specifically:

- **Gross margin**, reached 17.3% (+612bps YoY) as input prices for production continued to be favorable YoY, including natural rubber (-6,0% YoY), synthetic rubber (-7,0% YoY), chemicals such as sulfur and silica (-4,0% YoY), carbon black (-15,0% YoY), and bead wire (-6,3% YoY). DRC's continued three-month inventory policy allowed declining raw material prices to flow through to gross margin quickly (approximately one-quarter lag).
- **SG&A exp / net revenue**, reached 13.6% (+463bps YoY) – a record high due to recognition of a provision for bad debts (126 VND bn). This provision relates to two export customers, Oceanside and D-force (total bad debt of 505 VND bn). Notably, these two customers accounted for 76.1% of DRC's total customer receivables, and the Company has reclassified 100% of this amount as bad debt (the Company currently recognizes a bad debt provision for only 34% of the total gross amount, meaning there is a risk of further provisions in subsequent quarters). **Excluding this provision expense**, the ratio was only 8.2% (-78bps YoY), as DRC proactively reduced sales discount and export freight costs amid an unfavorable global macro backdrop, as noted above.

- **Net finance income**, recorded a loss of 28 VND bn (compared with a loss of 7 VND bn in the same period), also weighing on DRC's NPAT, mainly due to lower foreign-exchange gains as the exchange rate declined and increased interest expense amid high interest rates.

Figure 6: Movement in natural and synthetic rubber prices used in DRC's production (VND mn/ton)


Source: DRC, RongViet Securities

Figure 7: DRC has maintained a three-month inventory policy since 2024


Source: DRC, RongViet Securities

Table 2: DRC's H1-2026 results (VND bn)

Unit: VND bn	H1-2026	+/- YoY	% of Company's H1-2026 Plan	% of VDS's H1-2026 Forecast
Net revenue	2,331	-8.9%	94%	96%
Cost of goods sold	-1,928	-15.1%		
Gross profit	403	41.2%		
SG&A exp	-317	38.2%		
EBIT	86	53.4%		
Finance income	8	-71.9%		
Finance expenses	-37	-0.6%		
Profit from affiliates	0			
Other income (net)	0	-94.4%		
Profit before tax	58	19.5%	144%	114%
Net income	48	15.6%		
Gross margin	17.3%	612bps		
SG&A exp / Net revenue	13.6%	463bps		
Net margin	2.1%	44bps		
Revenue by segment (VND bn)	H1-2026	+/- YoY	% of Company's H1-2026 Plan	% of VDS's H1-2026 Forecast
Bias truck tires	517	11.7%		90%
TBR (Truck and Bus Radial) tires	1,355	-14.1%		97%
PCR (Passenger Car Radial) tires	82	-42.6%		106%
Others	377	0.9%		100%

Source: DRC, RongViet Securities

Table 3: Description of U.S. tariffs applicable to DRC's truck tires

Tariff type	Heavy-duty trucks (HS 4011.20)	Light-duty trucks (HS 4011.10)	Effective date
MFN tariff	4%	4%	2001 to date
Anti-dumping duty (AD)	0%	0% (DRC, CSM) 22.3% (FDI group with Chinese elements)	May-2021 to date
Countervailing duty (CVD)	0%	0% (DRC, CSM) 7.89% (FDI group with Chinese elements)	May-2021 to date
Section 301 tariff	12.5%	12.5%	From Jul-2026
Total tariffs applicable to DRC	16.5%	16.5%	

Source: RongViet Securities. According to USTR's official announcement dated 7/23/2026 (effective from 7/24/2026) immediately after Trump's reciprocal tariff expired.

Table 4: Summary of Section 301 tariffs applicable to truck tires imported into the U.S. (excluding aircraft tires)

Country	Additional Section 301 tariff	Application	Notes
Cambodia	10.0%	Added on top of MFN tariff	Among the 17 economies subject to 10%
Canada	10.0%	Added on top of MFN tariff (with a USMCA exception for certain products)	Among the 10% group
Japan	12.5% (including MFN)	Total (MFN + Section 301) = 12.5% if MFN < 12.5%. If MFN ≥ 12.5%, Section 301 = 0%	Specific to Japan, South Korea, and Switzerland
Vietnam	12.5%	Added on top of MFN tariff	12.5% group
Thailand	12.5%	Added on top of MFN tariff	12.5% group
China	12.5%	Added on top of MFN tariff	12.5% group

Source: RongViet Securities. According to USTR's official announcement dated 7/23/2026 (effective from 7/24/2026) immediately after Trump's reciprocal tariff expired.

Table 5: Summary of U.S. tariffs applicable to truck tires from Vietnam/Thailand/Cambodia

Country	Tire type	Current tariff	Additional Section 301 tariff
Vietnam (DRC only)	Heavy-duty truck	4%	12.5%
	Light-duty truck	4%	12.5%
Thailand	Heavy-duty truck	16.33% (remaining) – 52.39% (Bridgestone Thailand)	12.5%
	Light-duty truck	5.24% - 10.16%	12.5%
Cambodia	Heavy-duty truck	4%	10.0%
	Light-duty truck	4%	10.0%

Source: RongViet Securities

In terms of working capital management, DRC's capability has been trending unfavorably in recent periods and is expected to remain so in the future – but this is an inevitable trend for a domestic company seeking to expand into large, highly competitive overseas markets.

- **Days AR on hand,** we believe that DRC will need to extend receivable days to the industry average of 70-72 days during 2026-27 to “enter new, highly competitive overseas markets such as the U.S.” or “maintain its influence in the long-established Brazilian market.” This is further supported by the fact that Dforce Tires & Wheels Ilc (U.S.) and Oceanside One Trading Ilc (Brazil), DRC's two largest overseas truck-tire distribution dealers, accounted for 55% of DRC's total trade receivables at the end of Q2-2026.

We also note the increasing risk that DRC may not recover its overseas trade receivables. All receivables from the two large customers (Dforce Tires & Wheels Ilc – U.S., Oceanside One Trading Ilc – Brazil) have now been classified as DRC's bad debts, and the Company has recognized a provision for 34% of the receivable value.

- **Days Inventory on hand,** DRC has followed a policy of procuring raw materials every 3-4 months since 2023 and does not plan to change this during 2025-29, corresponding to 110-120 inventory days.

- **Days AP**, DRC has good relationships with long-standing raw-material suppliers such as Vietnam Rubber Group and overseas partners, enabling the Company to extend payable days from 40 days to 80-87 days during 2021-24 to mitigate the adverse impact of its receivables policy on cash flow. However, in our view, we are seeing a rapid narrowing of this metric in 1H 2026, potentially due to a difficult borrowing environment causing suppliers to become more cautious in managing working capital. Accordingly, this metric is expected to reach 62 days (down 25 days YoY) by year-end and remain at this level next year.

Table 6: DRC's working capital management (days)

	2022	2023	2024	2025	YTM 2026	2026F	2027F
Days AR on hand	19	37	54	72	74	72	72
Days Inventory on hand	153	112	138	117	112	115	110
Days AP	42	51	87	87	49	62	62

Source: DRC, RongViet Securities

Return on equity declines in 2026 due to weaker profitability

As noted above, DRC's business model entered a new operating phase during 2022-26 (reduced reliance on the high-margin core domestic market, with greater exposure to the low-margin overseas market). Accordingly, the sharp compression in net margin was the primary factor behind the decline in ROE during 2022-26. In 2026, the situation became "temporarily severe" as DRC increased bad debt provisions for two major customers (55% of total customer receivables, as noted above), driving estimated full-year 2026 ROE down to 5.7% (below YTM 2026 due to the significant impact of unfavorable input rubber prices on profit margins in H2-2026).

For 2027, DRC's ROE is expected to improve to 8.8%, mainly driven by asset turnover increasing from 1.2x to 1.4x and net margin increasing from 2.1% to 3.3%, as high-margin domestic revenue returns to a growth phase after 2021-25 (when the Company was heavily focused on exports), supported by an asset base requiring no further investment (key projects such as Phase 3 of the radial plant and the bias plant have been completed) and beginning to depreciate. We believe DRC will not increase financial leverage (maintaining it at ~2.0x) because borrowing rates have risen 100-150 bps YoY, increasing its cost of capital, while DRC continues to maintain a sound capital structure (low debt).

Table 7: DUPONT analysis of DRC's return on equity

	2022	2023	2024	2025	YTM 2026	2026F	2027F
ROE	16.7%	13.1%	12.3%	6.3%	6.8%	5.4%	8.8%
Of which:							
Net margin	6.3%	5.5%	5.0%	2.7%	2.7%	2.1%	3.3%
Asset turnover	1.5	1.3	1.2	1.2	1.2	1.2	1.4
Financial leverage	1.8	1.8	2.0	2.0	2.1	2.0	1.9

Source: DRC, RongViet Securities. Note: YTM 2026 is the trailing one-year figure as of 06-30-2026.

Q3-2026's projected results: Headwinds from rising input rubber prices
Table 8: DRC's Q3-2026 earnings forecast

Unit: VND bn	Q3-2026	+/-YoY	+/-QoQ	Assumption
Net sales	1,314	6.4%	11.7%	
Bias TB tire	321	18.7%	30.3%	Similar to H1-2026, strong YoY growth is expected based on the recovery of manufacturing output as anticipated (the entire industrial sector's added value in Jul-2026 reached 14.5% YoY, according to Vietnam's GSO) and more attractive changes to pricing/discount policies for domestic dealers. Tighter controls on imports of Chinese tires at the border are another reason for DRC's strong growth in Q3-2026, similar to H1-2026, in our view.
Radial TB tire (TBR)	765	6.8%	11.1%	U.S. market revenue is expected to remain at ~ USD 10-11 mn per quarter, as in H1-2026, as dealers are taking products relatively cautiously this quarter ahead of changes related to global tariffs (according to DRC), together with the possibility that market-share expansion will fall short of expectations amid the aggressive influx from Cambodia (the new transshipment hub for Chinese tires into the U.S. instead of Thailand, +81.9% YoY in 2025). Brazilian market revenue can maintain only a base level of USD 11-12 mn per quarter rather than USD 18-20 mn before 2024, having lost its long-standing core customer from H2-2024. The Middle East/Africa market (10.0% of radial tire export revenue) is expected to return to USD 8-9 mn (above USD 5-7 mn per quarter in H1-2026) as geopolitical conflict in these regions eases during the quarter.
Radial Passenger car tire (PCR)	40	-29.3%	8.6%	PCR tire volume sold reached only 50.0% of YoY levels in H1-2026, due to the absence of new overseas orders (80.0% of segment's revenue).
Others	188	-1.8%	-8.0%	
Gross profit	147	-11.3%	-32.2%	Gross profit margin is expected to decline sharply by 725bps QoQ and 224bps YoY as natural rubber/synthetic rubber/sulfur prices have remained near their peaks since Jun-2026. As DRC now applies a quarterly raw-material procurement policy, the rebound in commodity prices—rubber, steel, chemicals, and carbon black—will be inflected in the Company's earnings more quickly. However, DRC is currently unable to pass through part of the higher raw-material costs to selling prices because demand in the key markets discussed above remains sensitive.
Selling expenses	-87	-1.8%	-3.7%	SG&A exp / Net revenue is expected to decline by 56bps YoY, as DRC is expected to manage overseas dealer discount costs more efficiently YoY (these costs were elevated in the first year of Phase 3 of the radial plant's operation as the Company stepped up this activity). Dealer discount costs will remain high, similar to the 2025 quarters, as domestic/export business conditions remain challenging for the tire industry, keeping DRC's average quarterly selling expenses above 90 VND bn per quarter.
GA expenses	-24	3.2%	-65.3%	We do not expect DRC to incur bad debt provision expenses as it did in the last three quarters; therefore, DRC will incur only recurring G&A expenses of ~20-25 VND bn per quarter.
EBIT	37	-32.7%	-37.4%	
Income from affiliates	0			
Net finance income	-15			Primarily affected by lending rates increasing an additional 100-150bps YoY, causing net financial losses to rise significantly from the VND 5 bn loss in Q3-2025.
Other profit	0			
Profit before tax	22	-56.6%	-45.4%	

Corporate income tax	-4	-56.8%	-46.2%	In summary, the sharp increase in raw-material prices in Q2-2026 narrowed net margin YoY.
Minority of interest (MI)	0			
NPAT-MI	17	-56.6%	-45.2%	
<i>Gross margin</i>	<i>11.2%</i>	<i>-224bps</i>	<i>-725bps</i>	
<i>Selling exp/Net sales</i>	<i>6.6%</i>	<i>-56bps</i>	<i>-106bps</i>	
<i>GA exp/Net sales</i>	<i>1.8%</i>	<i>-6bps</i>	<i>-400bps</i>	
<i>EBIT margin</i>	<i>2.8%</i>	<i>-163bps</i>	<i>-219bps</i>	
<i>Net margin</i>	<i>1.3%</i>	<i>-192bps</i>	<i>-138bps</i>	
Sales volume (unit)				
Radial TB tire (TBR)	203,475	5.4%	11.1%	
<i>Domestic</i>	<i>47,000</i>	<i>37.2%</i>	<i>2.0%</i>	
<i>Export</i>	<i>156,475</i>	<i>-1.5%</i>	<i>14.1%</i>	
Bias TB tire	140,967	9.3%	35.0%	
<i>Domestic</i>	<i>111,454</i>	<i>15.6%</i>	<i>30.3%</i>	
<i>Export</i>	<i>29,513</i>	<i>-9.1%</i>	<i>56.2%</i>	

Source: DRC, RongViet Securities

2026-2027 OUTLOOK – GLOBAL MACRO HEADWINDS EXPECTED TO GRADUALLY FADE FROM 2H 2026

Quoting selling prices 2-3% below YoY levels helped DRC strengthen its competitive position as the domestic tire market received a boost from the expanded national public investment target (VND 1,000 tn in 2026 vs VND 790 tn in 2025) and the disruption of Chinese tire flows following tighter controls on smuggled goods at the border (as discussed above). We expect DRC **to return to a growth trajectory in the domestic market in 2026/27, with growth of 17.9%/13.9% YoY**.

Nevertheless, with other adverse signals emerging since late 2025, such as elevated rubber prices, increased bad debt provisioning, and Middle East market bottlenecks due to geopolitical volatility, we believe **DRC will post negative NPAT growth of 22.9% YoY in 2026 and only begin recovering from 2027 (+35.2% YoY) as these headwinds gradually ease**, in our view.

Table 9: DRC revenue forecast by segment (VND bn)

	H1-2026	2026	2027	Assumption
Bias truck tires	517	1,189	1,354	Maintaining selling prices 2-3% below YoY levels helps DRC reinforce its competitive advantage as the domestic tire market is supported by the national public investment target increasing to VND 1,000 tn in 2026 vs VND 790 tn in 2025, together with restricted Chinese tire supply due to tighter controls on cross-border smuggling (as discussed above). Accordingly, DRC is expected to return to a growth trajectory in the domestic market in 2026/27, reaching 17.9%/13.9% YoY, respectively.
YoY growth	11.7%	17.9%	13.9%	
TBR (Truck and Bus Radial) tires	1,355	2,833	3,140	The loss of 10.0% of net revenue from the Middle East market (DRC halted all business activities there in H1-2026 amid geopolitical volatility) was the largest factor affecting this segment's earnings. In addition, U.S. tire dealers became cautious about stocking products ahead of this year's tariff volatility (Vietnamese, Thai, and Cambodian semi-steel tires—excluding aircraft tires—were all subject to a 12.5% Section 301 tariff, announced in late Jul-2026), also significantly affecting tire imports there (-17.3% YoY in 5M-2026). Entering 2027, with a low 2026 base and global macro conditions expected to be more stable, and with the Company forecasting an additional 3.0% YoY price reduction, DRC is expected to restore sales volume for this tire line.
YoY growth	-14.1%	-4.9%	10.9%	
PCR (Passenger Car Radial) tires	82	162	167	This tire line is not a strength for DRC either domestically (dominated by CSM and Chinese companies such as Sailun), and the lack of export orders is expected to drive revenue down sharply to VND 160-167 bn per year during 2026-27.
YoY growth	-42.6%	-35.1%	3.1%	
Other	377	750	731	Bicycle and motorcycle tire segments are expected to see limited changes as the market size and DRC's production capacity in these lines have reached saturation. Accordingly, we maintain revenue of VND 730-750 bn per year for 2026-27.
YoY growth	0.9%	-2.3%	-2.5%	
Net revenue	2,331	4,933	5,392	
YoY growth	-8.9%	-1.4%	9.3%	

Source: RongViet Securities

Table 10: DRC market share forecast by segment (%)

	2023	2024	2025	2026F	2027F
YoY growth in imported truck-tire volume					
U.S.	-16.7%	18.5%	5.0%	-15.0%	5.0%
Brazil	26.3%	20.4%	-4.2%	-3.0%	-2.0%
DRC market share					
U.S.	2.7%	2.9%	3.5%	2.5%	3.0%
Brazil	20.9%	16.5%	14.0%	14.0%	14.0%

Source: U.S. Trademap, DRC, RongViet Securities

Table 11: DRC's earnings forecast for 2026-27

Unit: VND bn	2026F	2027F	Assumption
Revenue	4,933	5,392	YoY growth for 2026/27 is -1.4%/9.3%, driven by the recovery of domestic market share (which is entering a growth phase under the objective of accelerating national infrastructure projects) alongside a return to stable macro conditions (Middle East geopolitics and U.S. tariffs).
<i>Bias truck tires – primarily domestic</i>	<i>1,189</i>	<i>1,354</i>	
<i>TBR (Truck and Bus Radial) tires – primarily export</i>	<i>2,833</i>	<i>3,140</i>	
<i>PCR (Passenger Car Radial) tires</i>	<i>162</i>	<i>167</i>	
<i>Others</i>	<i>750</i>	<i>731</i>	
Gross profit	690	770	Three main factors support DRC's gross margin improving to 14.0-14.3% during 2026/27 from 13.5% in 2025, including: • Production cost per unit is optimized, particularly for heavy-duty/light-duty/specialized bias tires (down 7.2%/10.2%/20.4% YoY). • Bias tire revenue mix (which has a better margin than radial tires) is higher, reaching 24.0-25.0% vs 20.0% in 2025. • Regarding raw-material price trends, we also reduce our carbon black price assumption by 14.0% in line with global trends in 2026 and our synthetic rubber price assumption by 3.0% in line with oil prices in 2027 (unchanged for 2026). Meanwhile, natural rubber prices remain near VND 52-53 mn/ton in 2026 before declining slightly to VND 51 mn/ton in 2027 as El Nino eases.
SG&A exp	-506	-539	DRC recognized bad debt provisions (57.5/160.4 VND bn for 2025/H1-2026), causing the Company's G&A expenses to increase sharply and abnormally compared with prior periods. We expect no further provisions from H2-2026 (with a reversal of USD 1 mn in H2-2026) and lower provisions in 2027 (VND 74 bn vs VND 100 bn for full-year 2026), supporting an improvement in the SG&A/net sales ratio in 2026/27 versus 2025. <i>Note that additional bad debt provisions for DRC's two remaining major customers could become both a downside and upside risk to DRC's forecasts in the period ahead and should be closely monitored.</i>
EBIT	183	231	
Finance income	32	27	Finance income is expected to decline 39.0% YoY in 2026 due to less favorable foreign-exchange movements than in the same period.
Finance expenses	-85	-82	Financial expenses are expected to increase 36.4% YoY in 2026 as borrowing rates rise 100-150bps YoY.
Profit (loss) from affiliates	0	0	
Profit before tax	129	175	
Corporate income tax expense	26	35	
Net Income	103	140	In summary, DRC's NPAT is expected to bottom in 2026 and recover from 2027 as adverse factors in the overseas business environment fade.
EPS (VND)	670	906	
Financial ratios			
Revenue YoY growth	-1.4%	9.3%	
NPAT YoY growth	-22.9%	35.2%	
Gross margin	14.0%	14.3%	
SG&A/net revenue	10.3%	10.0%	
Net margin	2.1%	2.6%	

Source: DRC, RongViet Securities

Table 12: Summary forecast of DRC raw-material price trends

Raw material	Current (as of Q2-2026)		2026/27 period	
	Price	YoY growth	Trend	Change vs Q2-2026
Natural rubber (VND mn/ton)	52.1	-3.3%	Slight decline	+1.4%/-2.1%
Synthetic rubber (VND mn/ton)	54.5	+1.5%	Slight decline	-0.6%/-3.7%
Bead wire (VND mn/ton)	26.5	-6.4%	Increase	+10.2%/+14.4%
Chemicals (sulfur) (VND mn/ton)	56.2	-0.7%	Slight decline	-5.7%/-11.0%
Carbon black (VND mn/ton)	27.4	-14.1%	Slight decline	-1.3%/+1.2%

Source: DRC, RongViet Securities

VALUATION

Compared to [Our Result Update: DRC - The road ahead remains bumpy](#) dated 06/12/2026, our 2026/27F earnings forecasts for revenue are largely unchanged, but we have reduced 2026/27 NPAT forecasts by 17.9%/21.0%, respectively to reflect bad debt provisions (~ VND 100/74 bn for full-year 2026/27) after the Company increased this provision in Q2-2026 and showed no sign of stopping (a further VND 182 bn of unprovided bad debt remains related to the two major dealers mentioned above). Nevertheless, this is a non-cash expense (with no impact on our discounted cash flow valuation); however, due to a revision to DRC's target payable days to 50 days (from the previous forecast of 87 days) in the five-year discounted cash flow valuation, we modestly adjust DRC's one-year target price down 4% to **11,300 VND/share**, corresponding to projected 2026 and 2027 P/E of 16.9x and 12.5x, respectively. Therefore, we upgrade DRC to **ACCUMULATE** after the share price corrected 12% over the past month.

Regarding the valuation assumptions under the discounted cash flow (FCFF) method, we apply a risk-free rate of 4.5% (up from 4.0% previously), beta of 1.3 (unchanged), a standard equity risk premium of 8.2% (unchanged), a debt weighting of 30% (unchanged), a pre-tax cost of debt of 5.0% (unchanged), and an exit EVEBITDA of 9.0x (unchanged). Accordingly, the assumed WACC increases to 12.1% (from 11.6%).

Table 13: Description of changes to DRC's segment forecasts (VND bn)

	Actual	Previous forecast		New forecast		% Change in new forecast vs old	
	2025	2026F	2027F	2026F	2027F	2026F	2027F
Net revenue	5,004	4,933	5392	4,933	5,392	0.0%	0.0%
Bias truck tires	1,008	1,189	1354	1,189	1,354	0.0%	0.0%
TBR (Truck and Bus Radial) tires	2,979	2,833	3140	2,833	3,140	0.0%	0.0%
PCR (Passenger Car Radial) tires	249	162	167	162	167	-0.2%	-0.2%
Other	767	750	731	750	731	0.0%	0.0%
EBIT	188	209	273	183	231	-12.3%	-15.3%
Net financial profit	-24	-50	-50	-53	-55	5.5%	10.1%
NPAT	134	126	177	103	140	-17.9%	-21.0%

Source: DRC, RongViet Securities

LONG-TERM VALUATION BY FCFF METHOD

DCF Assumptions	Value	Valuation summary	Value (VND bn)
WACC 2026	12.1%	DCF forecast time	5 years
Effective tax rate	20.0%	Enterprise value	2,566
Cost of equity	14.8%	+ Cash & cash equivalent & investment	114
Risk-free rate	4.5%	- Debt	928
Equity risk premium	8.2%	Equity value	1,753
Beta	1.3	Target equity value per share (VND)	11,300
Exit EV/EBITDA	9.0		

Source: RongViet Securities

Table 14: Sensitivity scenario for DRC's Equity Value per Share by FCFF method (VND)

WACC	Exit EV/EBITDA					
		7.0	8.0	9.0	10.0	11.0
	10.1%	9,061	10,915	12,770	14,624	16,478
	11.1%	8,484	10,262	12,041	13,820	15,599
	12.1%	7,934	9,641	11,348	13,056	14,763
	13.1%	7,410	9,049	10,689	12,328	13,967
	14.1%	6,912	8,486	10,060	11,635	13,209

Source: RongViet Securities

Table 15: Peers' valuations, DRC

Công ty	Market cap (USD mn)	H1-2026's trailing EVEBITDA (x)	H1-2026's trailing PE (x)	H1-2026's trailing PB (x)
Sailun (China)	7,612	11.5	12.8	2.0
Guizhou Tyre (China)	1,152	9.2	9.1	0.7
Aeolus Tyre (China)	724	11.7	15.2	1.0
Triangle Tyre (China)	1,636	7.8	10.7	0.7
Prinx Chengshan (HongKong)	640	2.2	3.8	0.5
PT. Gajah Tunggal (Indonesia)	218	2.9	3.0	0.4
Caosumina – CSM (Vietnam)	53	9.4	25.6	1.0
Caosudanang – DRC (Vietnam)	87	8.1	12.9	0.8
Industry Median		9.2	10.7	0.7

Source: Bloomberg, RongViet Securities

DRC VALUATION SUMMARY

Method	Weight	Target price
DCF (5 years, WACC: 12.1%, Exit EVEBITDA 9.0x)	100%	11,300
Total DRC	100%	11,300
One-year forward cash dividend (VND/share)		500
Target P/E 2026F		16.3

Source: RongViet Securities

VND bn

INCOME STATEMENT	2024A	2025A	2026F	2027F
Net revenue	4,673	5,004	4,933	5,392
COGS	-3,944	-4,328	-4,243	-4,622
Gross profit	729	676	690	770
SG&A expense	-443	-488	-506	-539
Finance income	70	53	32	27
Finance expense	-66	-77	-85	-82
Other profit	-2	0	-1	-1
EBT	289	164	129	175
Corporate income tax	-57	-29	-26	-35
Minority of interest	0	0	0	0
NPAT-MI	232	134	103	140
EBIT	287	188	183	231

FINANCIAL RATIOS	2024A	2025A	2026F	2027F
YoY growth (%)				
Net sales	4.0	7.1	-1.4	9.3
EBIT	-11.3	-38.0	1.1	30.9
NPAT-MI	-6.0	-42.1	-22.9	35.2
Total assets	24.1	-0.8	-8.4	2.3
Total equity	3.5	1.4	1.5	4.2
Profitability ratios (%)				
Gross margin	15.6	13.5	14.0	14.3
EBIT margin	6.1	3.8	3.7	4.3
Net margin	5.0	2.7	2.1	2.6
ROA	5.5	3.2	2.7	3.6
ROE	12.1	6.9	5.2	6.8
Efficiency ratios (days)				
Days AR on hands	54	76	76	76
Day Invenroty on hands	141	118	115	110
Day AP	87	87	50	50
Liquidity ratios (x)				
Current	1.3	1.4	1.5	1.6
Quick	0.5	0.6	0.6	0.6
Solvency				
Total liabilities/total equity	0.5	0.5	0.5	0.5
Total debt/Total equity	0.5	0.5	0.5	0.5
(%)S.term debt/Total equity	0.4	0.4	0.5	0.4

VND bn

BALANCE SHEET	2024A	2025A	2026F	2027F
Cash & Equivalents	221	208	49	54
Short-term investment	45	0	50	50
Receivables	697	982	862	957
Inventories	1,491	1,387	1,337	1,393
Other current assets	341	236	232	254
Tangible fixed assets	1,344	1,243	1,152	1,059
Intangible fixed assets	1	2	1	1
Long-term investment	5	5	5	5
Other non-current assets	56	105	129	135
Total assets	4,200	4,168	3,818	3,908
Trade payables	946	1,034	581	633
Short-term debt	826	847	925	860
Short-term debt	133	121	121	121
Other liabilities	298	194	191	212
Bonus & welfare funds	69	30	30	30
Science and technology fund	13	0	0	0
Total liabilities	2,285	2,226	1,848	1,856
Paid-in capital	1,188	1,544	1,544	1,544
Treasury shares	0	0	0	0
Retained earnings	189	146	175	257
Other funds	21	0	0	0
Investment & development funds	517	251	251	251
Total equity	1,915	1,942	1,970	2,052
Minority of interest	0	0	0	0

VALUATION RATIOS	2024A	2025A	2026F	2027F
EPS (VND)	1,500	869	670	906
P/E (x)	14.2	17.0	16.6	12.3
BV (VND)	12,402	12,572	12,756	13,288
P/B (x)	1.7	1.2	0.9	0.8
DPS (VND)	1,200	600	0	0
Dividend yield (%)	6.3	2.8	0	0

VALUATION MODEL	Price	Contribution	Average
DCF	11,300	100%	11,300
Target price (VND/share)		100%	11,300

VALUATION HISTORY	PRICE	RECOMMENDATION	TIME
Sep-2026	11,300	ACCUMULATE	Long-term
Jun-2026	11,800	NEUTRAL	Long-term
Mar-2026	13,200	NEUTRAL	Long-term

UPDATE VALUATION

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.

RATING GUIDANCE

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%

In some cases, we do not provide specific buy/sell recommendations but only offer some reference valuations to give investors additional information, classified under the **OBSERVE** recommendation

ABOUT US

RongViet Securities Corporation (RongViet) was established in 2007, licensed to perform the complete range of securities services including brokerage, financial investment, underwriting, financial and investment advisory and securities depository. RongViet now has an operating network that spreads across the country. Our major shareholders, also our strategic partners, are reputable institutions, i.e Eximbank, Viet Dragon Fund Management, etc... Along with a team of the professional and dynamic staffs, RongViet has the man power as well as the financial capacity to bring our clients the most suitable and efficient products and services. Especially, RongViet was one of the very first securities firms to pay the adequate attention to the development of a team of analysts and the provision of useful research report to investors.

The **Analysis and Investment Advisory Department** of RongViet Securities provides research reports on the macro-economy, securities market and investment strategy along with industry and company reports and daily and weekly market reviews.

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)

DISCLAIMERS

This report is prepared in order to provide information and analysis to clients of Rong Viet Securities only. It is and should not be construed as an offer to sell or a solicitation of an offer to purchase any securities. No consideration has been given to the investment objectives, financial situation or particular needs of any specific. The readers should be aware that Rong Viet Securities may have a conflict of interest that can compromise the objectivity this research. This research is to be viewed by investors only as a source of reference when making investments. Investors are to take full responsibility of their own decisions. VDSC shall not be liable for any loss, damages, cost or expense incurring or arising from the use or reliance, either full or partial, of the information in this publication.

The opinions expressed in this research report reflect only the analyst's personal views of the subject securities or matters; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or opinions expressed in the report.

The information herein is compiled by or arrived at Rong Viet Securities from sources believed to be reliable. We, however, do not guarantee its accuracy or completeness. Opinions, estimations and projections expressed in this report are deemed valid up to the date of publication of this report and can be subject to change without notice.

This research report is copyrighted by Rong Viet Securities. All rights reserved. Therefore, copy, reproduction, republish or redistribution by any person or party for any purpose is strictly prohibited without the written permission of VDSC. Copyright 2022 Viet Dragon Securities Corporation.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by Viet Dragon Securities Corp. ("VDSC"), a company authorized to engage in securities activities in Vietnam. VDSC is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

Additional Disclosures

This research report is for distribution only under such circumstances as may be permitted by applicable law. This research report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This research report is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither VDSC nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this research report or lack of care in this research report's preparation or publication, or any losses or damages which may arise from the use of this research report.

VDSC may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of VDSC. Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States.

The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by VDSC with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior.

RESEARCH DISCLOSURES**Third Party Research**

This is third party research. It was prepared by Rong Viet Securities Corporation (Rong Viet), with headquarters in Ho Chi Minh City, Vietnam. Rong Viet is authorized to engage in securities activities according to its domestic legislation. This research is not a product of Tellimer Markets, Inc., a U.S. registered broker-dealer. Rong Viet has sole control over the contents of this research report. Tellimer Markets, Inc. does not exercise any control over the contents of, or the views expressed in, research reports prepared by Rong Viet.

Rong Viet is not registered as a broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" and other "U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Tellimer Markets, Inc., located at 575 Fifth Avenue, 27th Floor, New York, NY 10017. A representative of Tellimer Markets, Inc. is contactable on +1 (212) 551 3480. Under no circumstances should any U.S. recipient of this research report effect any transaction to buy or sell securities or related financial instruments through Rong Viet. Tellimer Markets, Inc. accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor.

None of the materials provided in this report may be used, reproduced, or transmitted, in any form or by any means, electronic or mechanical, including recording or the use of any information storage and retrieval system, without written permission from.

Rong Viet is the employer of the research analyst(s) responsible for the content of this report and research analysts preparing this report are resident outside the U.S. and are not associated persons of any U.S. regulated broker-dealer. The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of Tellimer Markets, Inc. and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Tellimer Markets, Inc. or its affiliates has not managed or co-managed a public offering of securities for the subject company in the past 12 months, has not received compensation for investment banking services from the subject company in the past 12 months, and does not expect to receive or intend to seek compensation for investment banking services from the subject company in the next three months. Tellimer Markets, Inc. has never owned any class of equity securities of the subject company. There are no other actual, or potential, material conflicts of interest of Tellimer Markets, Inc. at the time of the publication of this report. As of the publication of this report, Tellimer Markets, Inc. does not make a market in the subject securities.

About Tellimer

Tellimer is a registered trade mark of Exotix Partners LLP. Exotix Partners LLP and its subsidiaries ("Tellimer") provide specialist investment banking services to trading professionals in the wholesale markets. Tellimer draws together liquidity and matches buyers and sellers so that deals can be executed by its customers. Tellimer may at any time, hold a trading position in the securities and financial instruments discussed in this report. Tellimer has procedures in place to identify and manage any potential conflicts of interests that arise in connection with its research. A copy of Tellimer's conflict of interest policy is available at www.tellimer.com/regulatory-information.

Distribution

This report is not intended for distribution to the public and may not be reproduced, redistributed or published, in whole or in part, for any purpose without the written permission of Tellimer. Tellimer shall accept no liability whatsoever for the actions of third parties in this respect. This report is for distribution only under such circumstances as may be permitted by applicable law.

This report may not be used to create any financial instruments or products or any indices. Neither Tellimer, nor its members, directors, representatives, or employees accept any liability for any direct or consequential loss or damage arising out of the use of all or any part of the information herein.

United Kingdom: Distributed by Exotix Partners LLP only to Eligible Counterparties or Professional Clients (as defined in the FCA Handbook). The information herein does not apply to, and should not be relied upon by, Retail Clients (as defined in the FCA Handbook); neither the FCA's protection rules nor compensation scheme may be applied.

UAE: Distributed in the Dubai International Financial Centre by Exotix Partners LLP (Dubai) which is regulated by the Dubai Financial Services Authority ("DFSA"). Material is intended only for persons who meet the criteria for Professional Clients under the Rules of the DFSA and no other person should act upon it.

Other distribution: The distribution of this report in other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restriction.

Disclaimers

Tellimer and/or its members, directors or employees may have interests, or long or short positions, and may at any time make purchases or sales as a principal or agent of the securities referred to herein. Tellimer may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups of Tellimer.

Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States. The value of any investment or income from any securities or related financial instruments discussed in this report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Frontier and Emerging Market laws and regulations governing investments in securities markets may not be sufficiently developed or may be subject to inconsistent or arbitrary interpretation or application. Frontier and Emerging Market securities are often not issued in physical form and registration of ownership may not be subject to a centralised system. Registration of ownership of certain types of securities may not be subject to standardised procedures and may even be effected on an ad hoc basis. The value of investments in Frontier and Emerging Market securities may also be affected by fluctuations in available currency rates and exchange control regulations. Not all of these or other risks associated with the relevant company, market or instrument which are the subject matter of the report are necessarily considered.

OPERATING NETWORK

HEADQUARTER IN HO CHI MINH CITY

1st floor to 8th floor, Viet Dragon Tower, 141 Nguyen Du, Ben Thanh Ward, 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, 02 Ton That Tung, Kim Lien Ward, Hanoi

T (+84) 24 6288 2006
F (+84) 24 6288 2008

NHA TRANG BRANCH

7th floor, Sacombank Tower, 76 Quang Trung, Nha Trang Ward, Khanh Hoa Province

T (+84) 25 8382 0006
F (+84) 25 8382 0008

CAN THO BRANCH

8th floor, Sacombank Tower, 95-97-99 Vo Van Tan, Ninh Kieu Ward, Can Tho City

T (+84) 29 2381 7578
F (+84) 29 2381 8387

VUNG TAU BRANCH

2nd floor, VCCI Building Tower, 155 Nguyen Thai Hoc, Tam Thang Ward, Ho Chi Minh City

T (+84) 25 4777 2006

BINH DUONG BRANCH

3rd floor, Becamex Tower, 230 Binh Duong Avenue, Phu Loi Ward, Ho Chi Minh City

T (+84) 27 4777 2006

DONG NAI BRANCH

8th floor, TTC Plaza Building Tower, 53-55 Vo Thi Sau, Tran Bien Ward, Dong Nai Province

T (+84) 25 1777 2006



**BEST INVESTMENT RESEARCH
VIETNAM 2025**

GLOBAL BANKING & FINANCE AWARDS