Shinhan Securities



Sonadezi Chau Duc Joint Stock Company

[Vietnam / Industrial real estate]

Bloomberg Ticker (SZC VN) | | Reuters Ticker (SZC.HM)

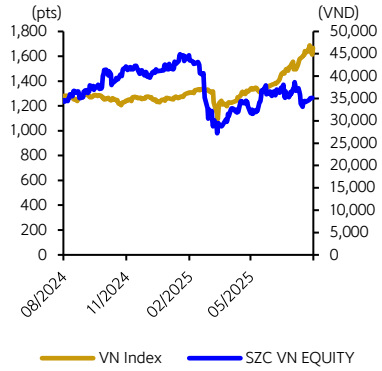
BUY

Update Report

Target price (12 months)	**45,400 VND**
Current price (09/09/2025)	**34,250 VND**
Upside/downside	**32 %**

VNINDEX	1,637
HNXINDEX	274
Market Cap (bn VND)	6,164
Outstanding shares (mn)	180
Free-Floating (mn)	76
52-Wk High/Low (VND)	47,200/27,700
90-day avg. trading volume (mn)	2.76
90-day avg. turnover (bn VND)	107
Major shareholders (%)	Industrial Park Development Corporation 46.84%
	Sonadezi Long Thanh JSC 10.08%

Performance	3M	6M	12M
Absolute (%)	2.6	-22.1	-3.2
Relative to VN-Index (%)	-20.5	-45.6	-31.7



Source: Bloomberg

Solid fundamentals amid reciprocal tariff headwinds

Update coverage with BUY call and target price of VND 45,400

Sonadezi Chau Duc Joint Stock Company (SZC) is a key developer of industrial park and real estate projects in Chau Duc district, Ba Ria - Vung Tau province, with a 2,287-hectare land bank for industrial parks, urban areas, and golf courses. Sonadezi Châu Đức reported solid business performance in H1/2025 with an estimated leased area of 30 hectares. Based on the latest updates regarding global tariff policies, we believe Vietnam continues to maintain its advantage in attracting FDI inflows, thereby sustaining demand for land leasing in industrial parks. Applying the RNAV valuation method, we value SZC at VND 45,400.

FDI inflows expected to sustain growth momentum following the US reciprocal tariff

According to the General Statistics Office, FDI implemented in 8M2025 is estimated at USD 15.4 billion (+8.8% YoY), marking the highest level in five years. Total registered capital reached over USD 26.14 billion (+27.3% YoY). Under the US's global reciprocal tax policy, Vietnam is subject to a reciprocal tax rate of 20% for domestically produced goods and 40% for transshipment orders. Compared with other countries, we assess that Vietnam continues to maintain a competitive edge in attracting FDI. With the majority of tenants coming from Vietnam (38%) and South Korea (36%), we believe SZC will sustain leasing demand in long term and remain less impacted relative to industry peers.

H1/2025 earnings remain solid, while H2/2025 outlook may soften due to slower MOU progress

SZC announced Q2/2025 net revenue of VND 218 billion (-17% YoY) and net profit after tax (NPAT) of VND 95 billion (-7% YoY). Q2/2025 business results decreased due to foreign investors' concerns about the tariff situation, thereby postponing new signings. For H1/2025, net revenue reached VND 632 billion (+32% YoY) and NPAT came in at VND 221 billion (+32% YoY).

- Industrial Park (IP) segment: SZC recorded revenue of VND 555 billion (+30% YoY) in H1/2025, mainly from MOUs signed in 2024, including ~30 ha contributed by Tripod (18 ha) and Vina One Steel Plant (12 ha). We expect SZC's earnings growth to decelerate in H2/2025 as most large-value MOUs were already recognized in H1/2025.
- Residential real estate segment: Revenue declined to VND 4.9 billion (-61% YoY) due to weak housing sales in H1/2025. However, recovery is expected as the real estate market improves and SZC launched pre-sales of 210 social housing units starting June 2025. With the expectation that the real estate market is gradually recovering and SZC started selling 210 social housing units from 06/2025. We assess that the revenue of the residential real estate segment in H2/2025.
- BOT revenue: The BOT 768 project resumed toll collection on April 5, 2025, enabling SZC to record VND 31.8 billion in BOT revenue.

We expect SZC's revenue in 2025 to reach VND 961 billion (+10% YoY), while net profit is estimated at VND 337 billion (+11% YoY). Total industrial land leased is expected to be 40 ha.

Risks: (1) Risk of weakening FDI capital flows; (2) Risk of real estate market decline; (3) Risk of slow project implementation; (4) Legal risks.

Year to Dec.	2024	2025F	2026F	2027F	2028F
Revenue (bn VND)	**873**	**961**	**1,076**	**1,164**	**1,224**
OP (bn VND)	369	405	464	499	523
NP (bn VND)	**302**	**337**	**383**	**411**	**429**
EPS (VND)	1,616	1,871	2,131	2,284	2,384
BPS (VND)	17,254	18,626	20,256	22,041	23,924
OPM (%)	42%	42%	43%	43%	43%
NPM (%)	35%	35%	36%	35%	35%
ROE (%)	**12%**	**10%**	**11%**	**10%**	**10%**
PER (x)	22.91	18.63	16.36	15.26	14.62
PBR(x)	2.46	1.87	1.72	1.58	1.46
EV/EBITDA (x)	17.92	7.64	7.24	6.70	6.35

Source: Company data, Shinhan Securities Vietnam

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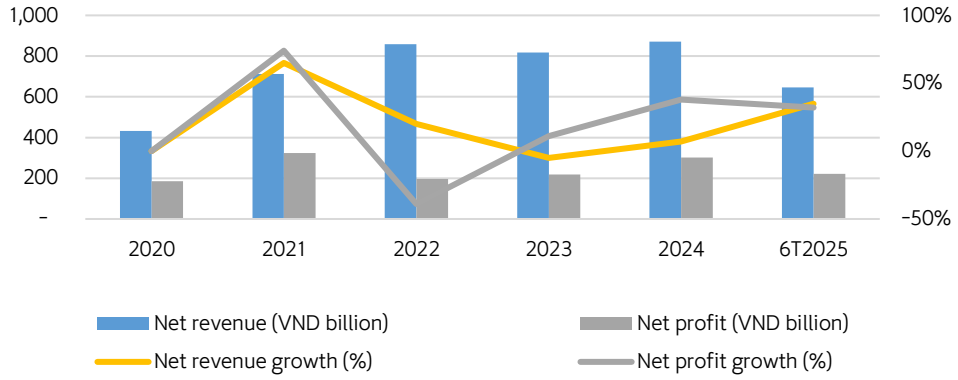
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Update business results

Update business results 6M2025

Revenue and profit of Sonadezi Chau Duc Joint Stock Company 2020 – 6M2025 (billion VND)



Source: Company report, Shinhan Securities Vietnam

Sonadezi Châu Đức JSC reported Q2/2025 net revenue of VND 218 billion (-17% YoY) and net profit after tax (NPAT) of VND 95 billion (-7% YoY). For H1/2025, revenue reached VND 632 billion (+32% YoY) and NPAT was VND 221 billion (+32% YoY), with the following breakdown:

Industrial Park (IP) leasing: Revenue reached VND 555 billion (+30% YoY), with an estimated leased area of ~30 ha, mainly from MOUs signed in 2024 by Electronic Tripod Vietnam Co., Ltd., under Tripod Technology Group (18 ha), and Vina One Steel Plant (12 ha).

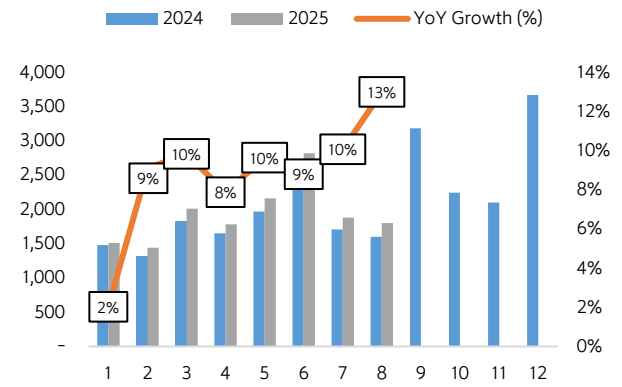
Real estate segment: The Sonadezi Huu Phuoc Residential Project (Phase 2) recorded revenue of VND 4.9 billion (-61% YoY), reflecting weak sales volume in H1/2025. We expect SZC's housing sales to improve in H2/2025, supported by a recovering real estate market, provincial merger plans, and the Bien Hoa–Vung Tau expressway scheduled for completion by end-2025. Additionally, SZC became eligible to launch sales of 210 social housing units from June 2025, which is expected to contribute positively to residential revenue in the second half of the year.

BOT projects: The BOT 768 project resumed toll collection on April 5, 2025, contributing VND 31.8 billion in BOT revenue.

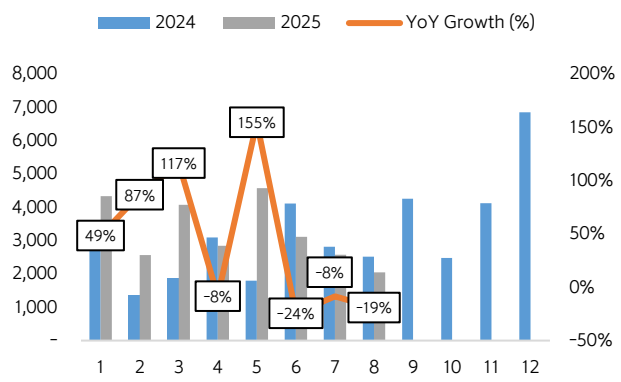
Golf course operations: Revenue reached VND 25.4 billion (-3% YoY), a slight decline compare to the previous year.

The outlook for FDI inflows remains stable

FDI capital disbursed in 2024 and 8M2025 (million USD)



Registered FDI capital 2024 and 8M2025 (million USD)



Source: Company report, Shinhan Securities Vietnam

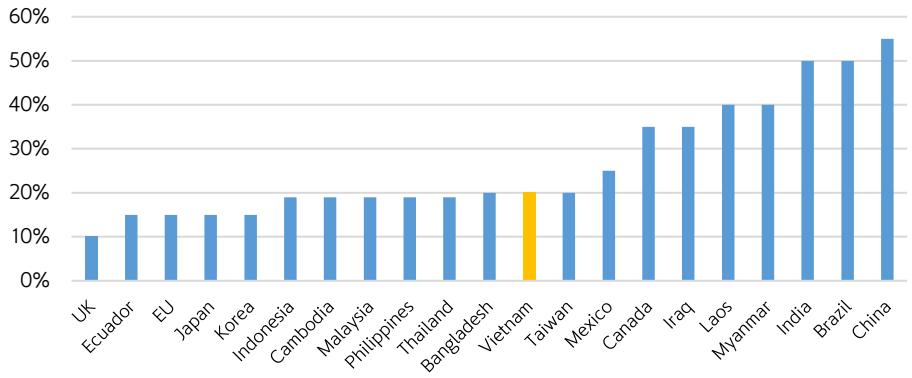
According to data from the General Statistics Office, the implemented foreign direct investment (FDI) in the 8M/2025 reached USD 15.4 billion (+8.8% YoY) and marking the highest level in the past five years. In addition, total newly registered, adjusted, and contributed capital for share purchases amounted to over USD 26.14 billion(+27.3% YoY).

We assess that the key drivers behind this surge in FDI include:

- **Flexible and stable diplomatic policies**, with numerous FTAs signed, enhancing Vietnam's global position amid rising geopolitical competition. At the same time, Vietnam has maintained a soft diplomatic approach, especially in tariff-related dialogues with the U.S., reinforcing investor confidence.
- **Cost advantages** in production, such as electricity, land lease, and factory rental. Vietnam also benefits from a skilled yet low-cost labor force.
- **Strategic geographic location** within the ASEAN supply chain and major Asia–Pacific maritime routes, in close proximity to major manufacturing hubs like China.
- **Improved investment environment**, including administrative reforms, infrastructure, and industrial zone development, along with incentive policies to attract foreign companies, especially in technology sectors.

Outlook: The positive growth of FDI inflows in 8M2025 showed the confidence of international investors in Vietnam's business environment. In which, the disbursed FDI capital continued to grow steadily compared to the same period last year, demonstrating that Vietnam is an attractive destination for multinational corporations, especially in the fields of manufacturing, high technology and industrial real estate. We assess that the prospect of FDI inflows will continue to be positive in the future thanks to its unique competitive advantages, thereby promoting stable growth in demand for industrial park land lease.

Tax rates that the US applies to countries (%)



Source: Shinhan Securities Vietnam, Whitehouse.gov updated as of August 1, 2025

According to President Donald Trump's announcement in early July, Vietnam is expected to face a 20% tariff on goods directly originating from the country, along with a 40% tariff on "transshipment" orders—goods transshipped from other countries. Subsequently, in the White House update on August 1, President Trump introduced a new reciprocal tariff framework ranging from 10% to 55% applied across multiple countries.

Compared with the regional landscape, the tariff level imposed on Vietnam is considered relatively competitive and does not pose excessive pressure on exporters. Notably, several countries directly competing with Vietnam in attracting FDI, such as India and Brazil, are subject to higher tariffs of around 50%. This enables Vietnam to maintain a relative advantage and further incentivizes multinational corporations to consider Vietnam as an alternative production hub.

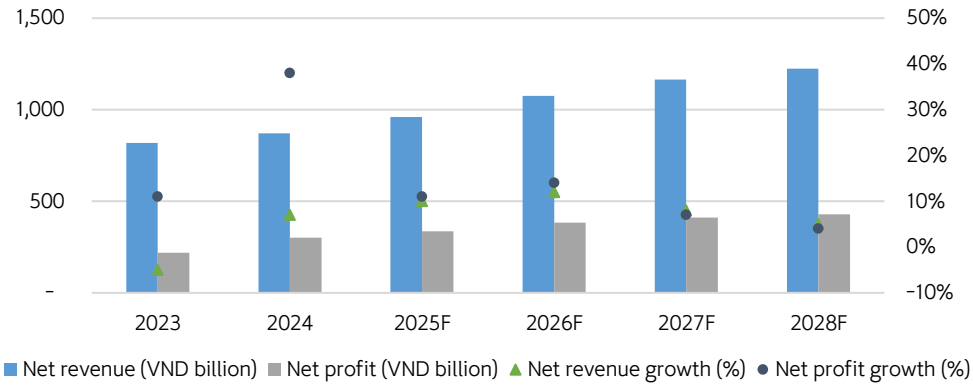
For SZC, the current tenant base in its industrial parks is concentrated in Vietnamese and Korean enterprises (Vietnam 38%, Korea 36%, China 17%, Taiwan 9%). In terms of U.S. tariff exposure, Vietnamese exports face a rate of 20%, compared with 15% for Korea, 55% for China, and 20% for Taiwan. We believe the impact of these tariffs will not materially affect SZC's land leasing demand, as Vietnam continues to sustain its competitive position in attracting FDI.

We also view the new tariff policy as a potential catalyst that reinforces the "China +1" trend, particularly as Vietnam continues to hold clear competitive advantages, such as geographic proximity to China, reasonable labor costs, and competitive production expenses. These factors should enable SZC to further capture FDI inflows, especially from East Asia, in the coming periods.

Earnings estimates

Sustainable revenue growth with the contribution of industrial park real estate

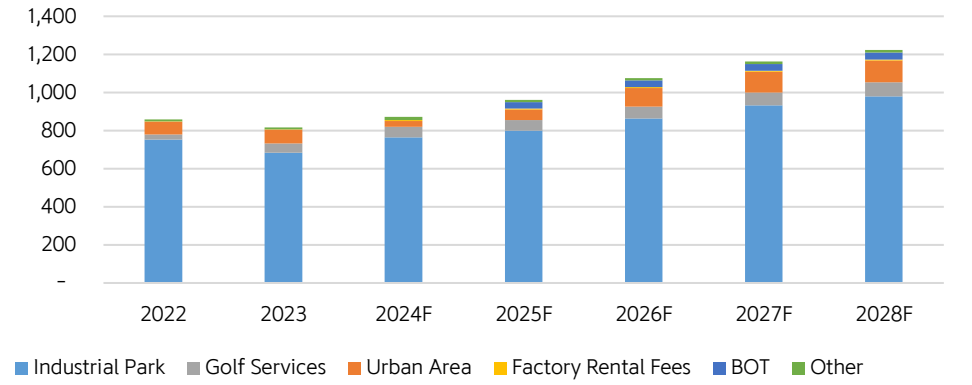
Net revenue and net profit forecast of Sonadezi Chau Duc Joint Stock Company 2023 – 2028F



Source: Company report, Shinhan Securities Vietnam

Sonadezi Chau Duc JSC's net revenue is projected to reach VND 961 billion (+10% YoY) in 2025 and VND 1,076 billion (+12% YoY) in 2026, reflecting steady growth. Profit after tax is expected to rise to VND 337 billion (+11% YoY) in 2025 and further to VND 383 billion (+14% YoY) in 2026, driven by strong performance across key business segments.

Revenue structure of Sonadezi Chau Duc Joint Stock Company 2023 – 2028F (billion VND)

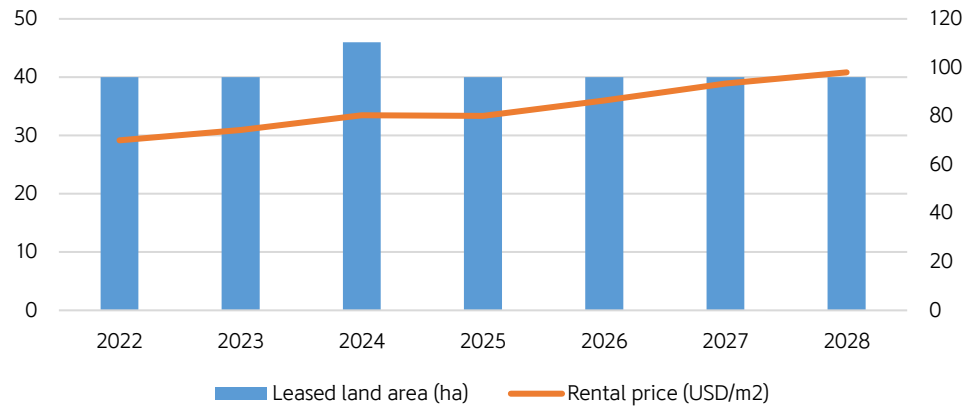


Source: Company report, Shinhan Securities Vietnam

In 2025, Sonadezi Chau Duc JSC is expected to continue deriving the majority of its revenue from industrial park land leasing, which will account for 82% of total revenue. The company's business performance is anticipated to maintain a stable growth trajectory, driven by key factors including sustainable revenue from industrial park land leasing, increasing contributions from the Sonadezi Huu Phuoc Residential Area Project, and steady revenue growth from golf course services and the BOT 768 project.

Industrial land area for lease slightly decreased, remaining stable in the future with improved rental prices

Projected industrial park area of Sonadezi Chau Duc JSC 2022 – 2028F

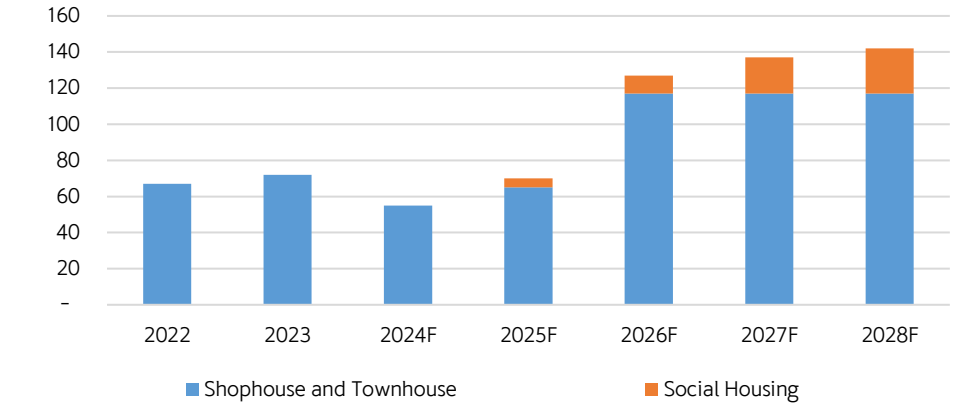


Source: Company report, Shinhan Securities Vietnam

Ba Ria–Vung Tau province continues to attract strong foreign direct investment (FDI) inflows, with total registered FDI in Q1/2025 reaching USD 863 million, 2.47 times higher than the same period last year. This trend has contributed to strengthening land lease demand at Chau Duc Industrial Park. Supported by a favorable geographic location and ongoing infrastructure development, industrial land rental prices at Chau Duc are projected to grow by 5%–8% during 2025–2028. SZC's newly leased land area in 2025 is estimated to decline slightly to around 40 hectares, before stabilizing in the following years.

Urban real estate revenue grows thanks to the Sonadezi Huu Phuoc Residential Area project

Projected revenue from the transfer of Sonadezi Huu Phuoc Residential Area project 2022 – 2028F (billion VND)



Source: Company report, Shinhan Securities Vietnam

The Sonadezi Huu Phuoc Residential Area Project is expected to contribute to SZC's future revenue potential, with 30 Shophouse units and 54 Lien Ke houses carried over for sale in 2025. Additionally, the company plans to launch sales for 210 more housing units in 06/2025, serving as a key driver for revenue growth.

Valuation and Recommendation

Update valuation with BUY recommendation, target price VND 45,400

We offer an updated valuation of SONADEZI Chau Duc Shareholding Company (SZC) with a buy recommendation and a target price of VND 45,400, representing a 30% increase from the current price. With a strong outlook from both industrial park and real estate business segments, we expect growth for SZC with the following views:

1) Increasing FDI inflows continue to drive demand for industrial park leasing
2) Large amount of land available for lease, with steadily rising prices
3) Rising revenue from urban areas, golf courses, and the BOT 768 projects

Valuation method

We apply the revalued net asset value (RNAV) method to value SONADEZI Chau Duc Shareholding Company (SZC). Based on the RNAV method, we estimate the value of SZC shares at VND 45,400.

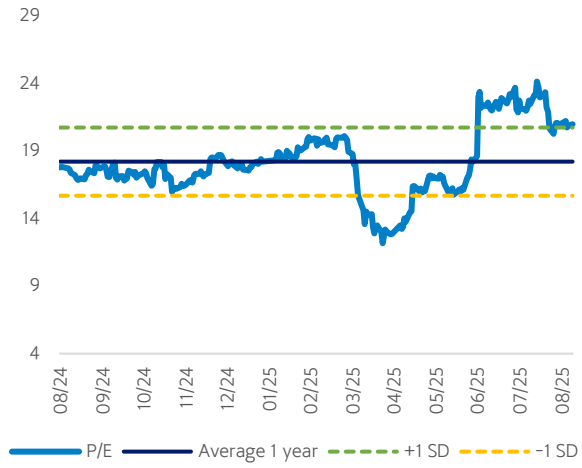
The RNAV method

Project Name	Valuation Method	Value (billion VND)
Chau Duc Industrial Park	DCF	6,122
Chau Duc Urban Area	BV	1,513
Huu Phuoc Urban Area	DCF	309
Golf Course Project	DCF	179
Factory Project	DCF	30
BOT 768 Project	DCF	102
Total		**8,255**
+ Cash and Short-term Investments		705
+ Long-term Investments, Fixed Assets		1,543
- Debt		2,332
Equity Value		8,171
Number of Shares		179,985,863
Target Price (VND)		**45,400**
Current Price (VND)		34,250
Upside (%)		**32%**

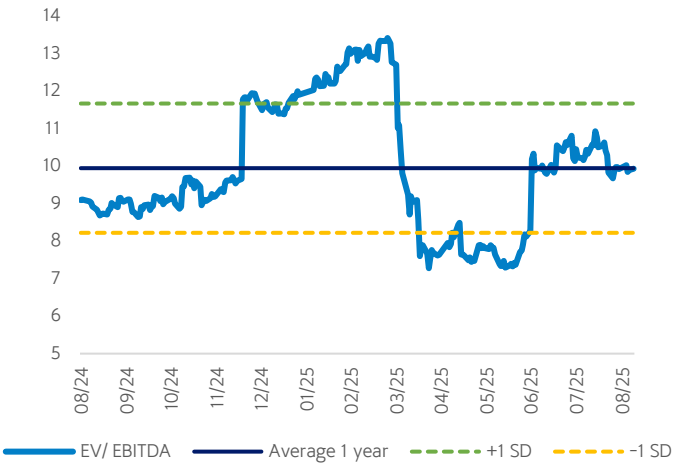
Variable	Value
D/E	0.37
Beta	1.3
Risk-free rate	3.6%
Cost of equity	17.8%
Cost of debt	8.8%
WACC	14.9%

For the Weighted average cost of capital (WACC), we use the 10-year Vietnamese government bond yield at 3.6% as the risk-free rate. Beta is calculated based on historical data of the last 5 years of SZC and VNINDEX.

P/E 1 year

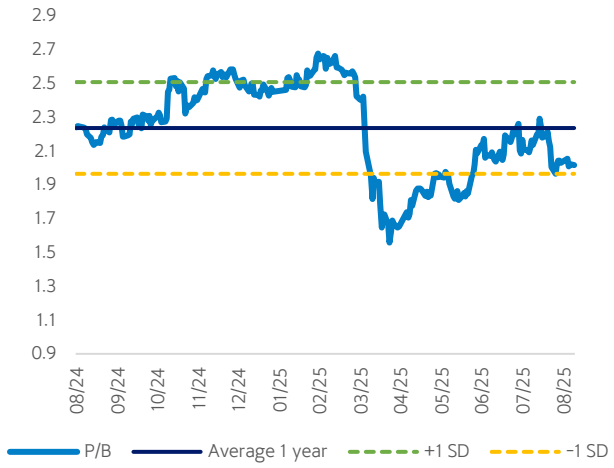


EV/EBITDA 1 year

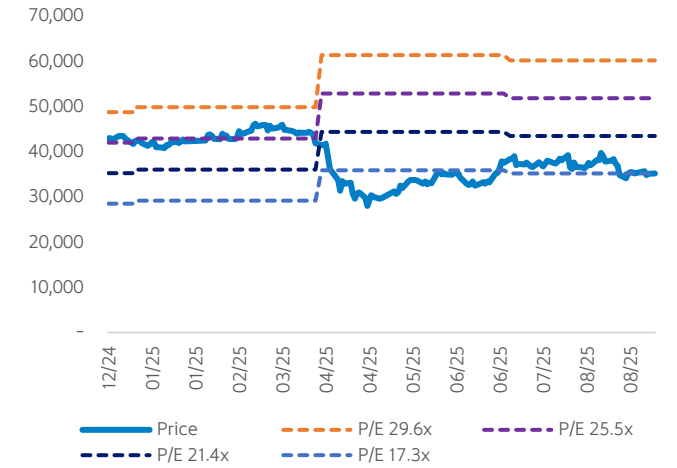


Source: Bloomberg data, Shinhan Securities Vietnam

P/B 1 year



P/E band

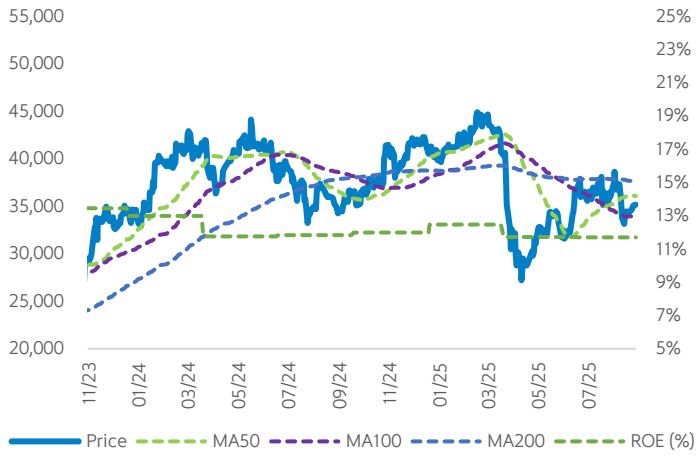


Source: Bloomberg data, Shinhan Securities Vietnam

P/B band

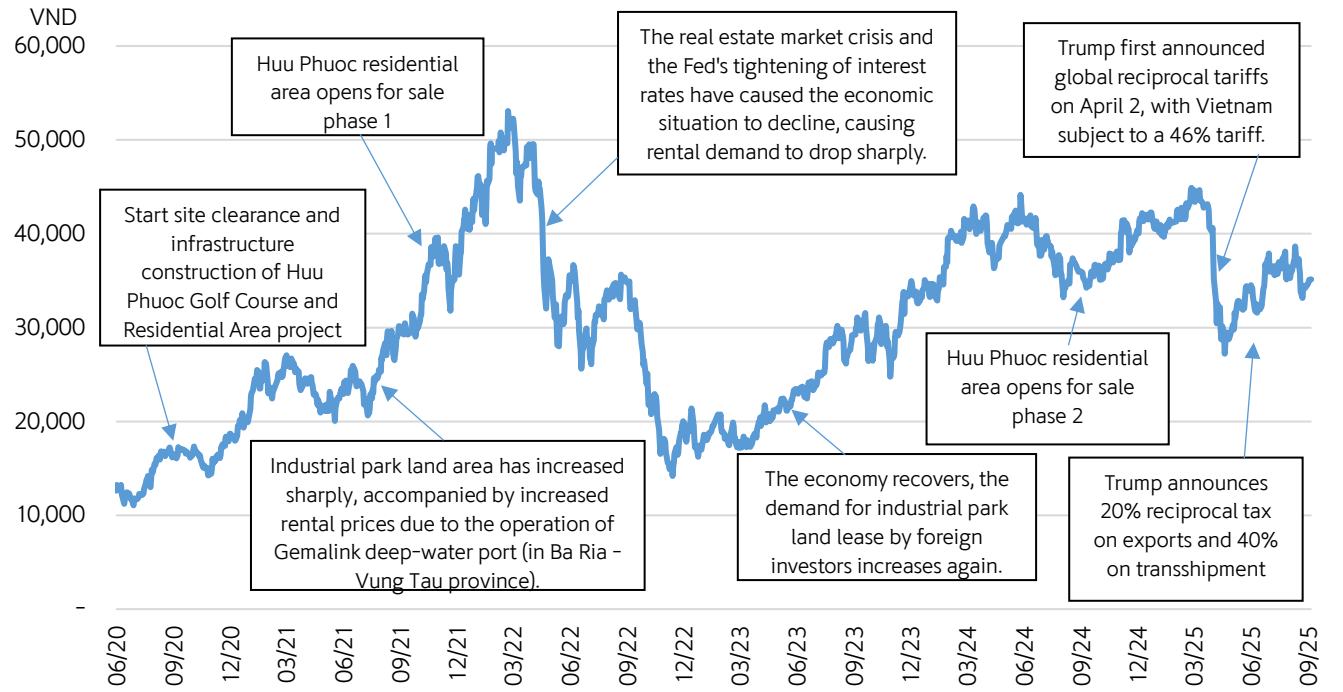


ROE and MA



Source: Bloomberg data, Shinhan Securities Vietnam

Key event chart of SZC



Source: Bloomberg, Company data, Shinhan Securities Vietnam

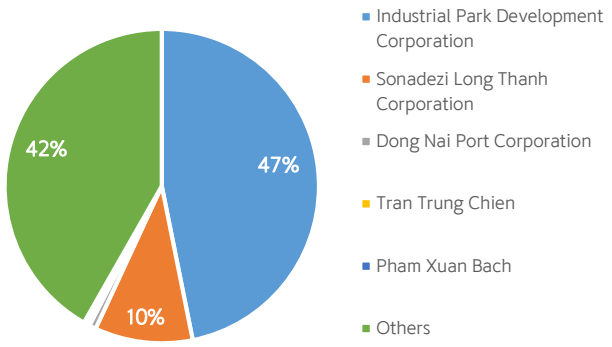
Company background

Company history

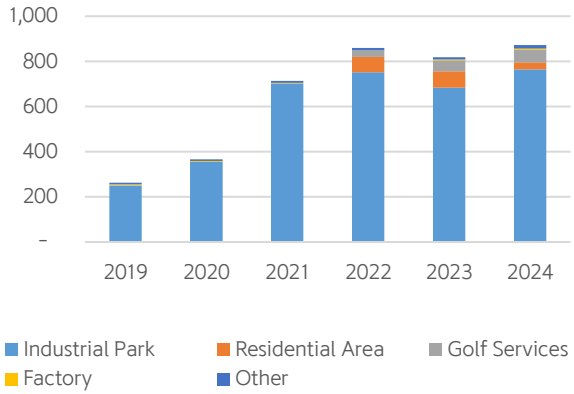
Sonadezi Chau Duc Joint Stock Company (HoSE: SZC), established in 2007 and listed on the Ho Chi Minh City Stock Exchange in late 2018, is a key player in Vietnam's industrial real estate investment and development sector.

Headquartered in Chau Duc Industrial Park, SZC manages a 2,287-hectare estate in Ba Ria - Vung Tau province, comprising an integrated industrial, urban, and golf course complex. The company also operates the BOT 768 project, which provides a consistent revenue stream.

Shareholder structure of SZC Q2/2025



SZC's revenue structure from 2019 - 2024 (billion VND)

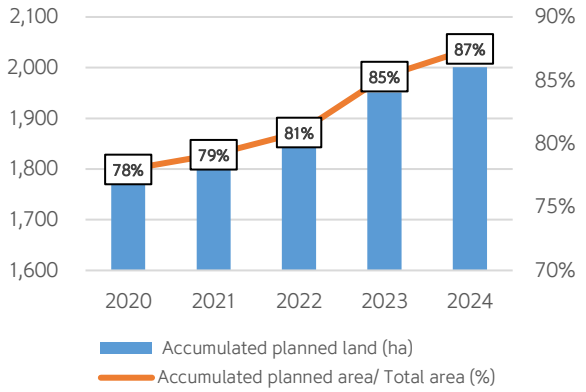


Source: Company report, Shinhan Securities Vietnam

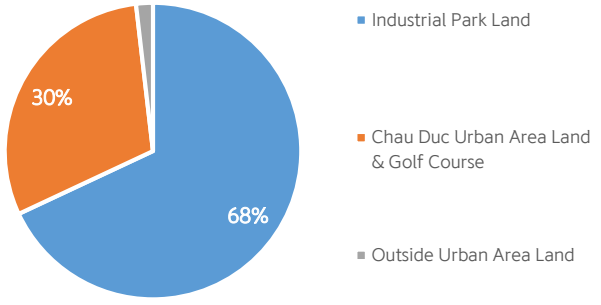
SZC is primarily owned by the Industrial Park Development Corporation, under the Dong Nai Provincial People's Committee, holding a 47% stake.

The company's revenue is largely derived from long-term industrial and residential land leases, which comprise 88% of its revenue structure. Additionally, SZC generates income from ready-built factory leasing services, a golf course, and the BOT 768 road project.

Industrial park land reserve accumulated by SZC for development from 2020 to 2024



SZC's land fund structure (ha)

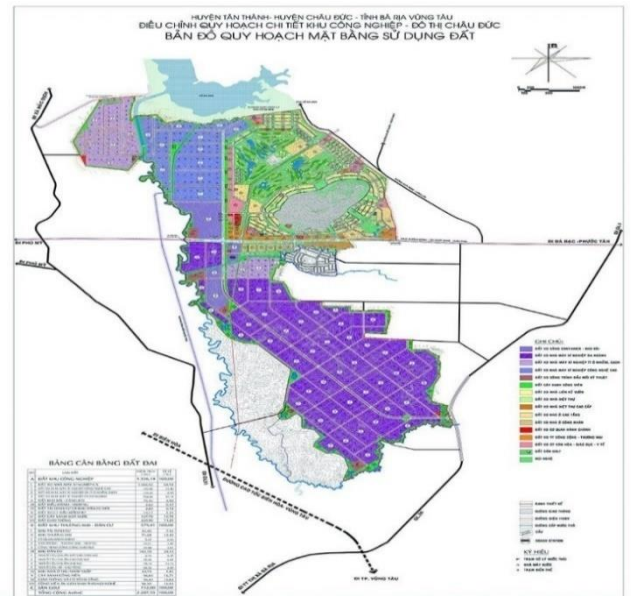


Source: Company report, Shinhan Securities Vietnam

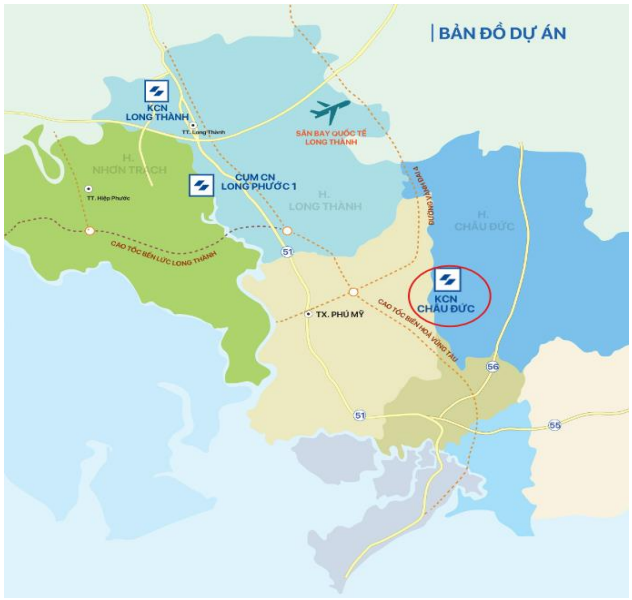
SZC holds 2,287 ha of industrial land in Chau Duc district, with 1,556 ha allocated for residential purposes and 689 ha for a combination of residential and golf course land. As of now, SZC has planned 1,951 ha, representing 85% of the allocated land area. To maximize its leasable land fund, SZC has consistently advanced site clearance and infrastructure development initiatives over the years. Besides, Chau Duc Industrial Park still maintains its attractiveness to businesses by maintaining an occupancy rate of over 60% of the total planned area over the years.

Chau Duc Industrial Park

Chau Duc Industrial Park planned map



Geographical location of Chau Duc Industrial Park



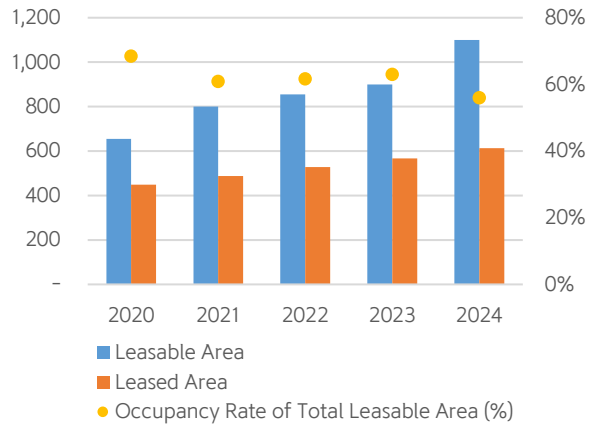
Source: Company report, Shinhan Securities Vietnam

Chau Duc Industrial Park spans 1,556 ha, strategically positioned for optimal connectivity to the city's key transportation networks:

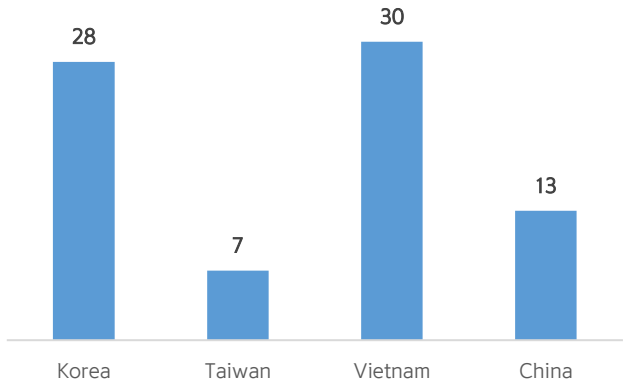
- 9 km from National Highway 51
- 0.5 km from the Bien Hoa – Vung Tau Expressway
- 22 km from the Ben Luc – Long Thanh Expressway
- 34 km from Long Thanh International Airport (projected to open in 2025)
- 12 km from the Cai Mep – Thi Vai International Port Cluster

The proximity to Cai Mep International Port, through which 90% of international goods are shipped, significantly enhances Chau Duc Industrial Park's appeal to foreign enterprises. The development of major infrastructure projects, such as the Bien Hoa – Vung Tau Expressway, the Ben Luc – Long Thanh Expressway, and Long Thanh International Airport, further strengthens the park's potential to attract FDI enterprises.

Leased area and occupancy rate in Chau Duc Industrial Park from 2020 – 2024 (ha)



Number of enterprises leasing land from Sonadezi Chau Duc JSC



Source: Company report, Shinhan Securities Vietnam

Chau Duc Industrial Park continues to attract land-leasing enterprises, with annual leased areas ranging from 45 to 50 ha from 2020 to 2023. The park maintains a high occupancy rate,

exceeding 60% of its planned area. Notably, foreign enterprises from South Korea, Taiwan, and China represent the majority of its customer base, making up 62% of SZC's tenant portfolio.

Chau Duc Urban Area Land & Golf Course

Situated within the Chau Duc Industrial and Urban Area, the Chau Duc Urban Area & Golf Course spans 689 ha, allocated across distinct sections: Chau Duc Urban Area (498 ha), Sonadezi Huu Phuoc Residential Area (40 ha), and the Chau Duc Golf Course (152 ha).

The Chau Duc Urban Area involves a total investment of VND 8,117 billion, with its implementation divided into six phases over 10 years from 2022 to 2032. Currently, the project is undergoing investment policy adjustments and executing urban infrastructure investment packages. Additionally, housing initiatives like the Golf Villa Investment and Business Project and the Type 2 Villa Investment and Business Project are in the construction drawing design phase.

Detailed planning map of Sonadezi Huu Phuoc Residential Area



Shophouse Project Sonadezi Huu Phuoc Residential Area



Source: Company report, Shinhan Securities Vietnam

Sonadezi Huu Phuoc Residential Area has a total investment of 652 billion VND with the project implementation period in the period of 2020 - 2023 (phase 1: 25ha 2020 - 2022; phase 2: 16ha 2022 - 2024). Sonadezi Huu Phuoc Residential Area projects include 153 Shophouses (phase 1: 94 units, phase 2: 64 units), 126 Townhouses (phase 1: 72 units, phase 2: 54 units) and 210 social housing units. Phase 1 of the shophouse and townhouse projects completed sales during 2021–2022, with phase 2 sales commencing in 2024. The social housing project began construction in Q3/2024, with sales anticipated to launch in 2025.

Chau Duc Golf Course Project



Source: Company report, Shinhan Securities Vietnam

The Chau Duc Golf Course, spanning 152 ha, completed construction and officially opened in November 2023. This 36-hole course includes an 18-hole Resort course and an 18-hole Tournament course, designed to meet PGA international competition standards, with a total investment exceeding VND 1,800 billion. In 2024, the golf course attracted over 42,000 visitors from Ho Chi Minh City, Binh Duong, Dong Nai, Ba Ria - Vung Tau, and other provinces. Visitor

numbers are growing steadily, with an average monthly increase of 15-20%.

Other projects

The BOT Project 768 spanning over 48 km, connects Bien Hoa City with Vinh Cuu District (Dong Nai) and Binh Duong Province, originally involving six routes with a total investment of over 534 billion VND, excluding site clearance costs. Toll collection began in November 2010, initially planned for a 30-year capital recovery period plus an additional five years for profit generation. Tolling was temporarily suspended on January 1, 2021, to implement a Government-mandated non-stop toll collection system (ETC). By November 2024, the Dong Nai Provincial People's Committee approved adjustments to the project, reducing its scope to three routes with a total length of nearly 24 km and lowering the investment to 425 billion VND. Consequently, the toll collection period was reduced from 35 years to approximately 24 years, with a remaining toll collection period of around 9 years and 3 months. Toll collection is scheduled to resume on December 1, 2024, to facilitate capital recovery for investors.

Factory for lease: SZC continues to maintain the lease of about 5,600 m² of factory space, with a rental rate of VND 80,500/m²/month, providing a stable income stream for the business.

Appendix: Financial Statements

Statement of financial position

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Total assets	**8,226**	**8,984**	**9,743**	**10,599**	**11,544**
Current assets	3,067	3,513	3,583	3,764	4,035
Cash & equivalents	705	845	640	466	351
Short-term financial asset	335	335	335	335	335
Accounts receivable	284	354	478	596	745
Inventories	1,743	1,980	2,130	2,367	2,604
Non-current assets	5,159	5,470	6,160	6,835	7,509
Net fixed assets	756	861	1,303	1,739	2,169
Investment assets	-	-	-	-	-
Other long-term assets	4,403	4,609	4,858	5,096	5,340
Total liabilities	**5,120**	**5,631**	**6,097**	**6,632**	**7,238**
Current liabilities	1,912	2,111	2,209	2,310	2,408
Accounts payable	180	282	309	336	355
Short-term borrowings	676	758	811	870	931
Others	1,056	1,071	1,088	1,105	1,123
Non-current liabilities	3,209	3,521	3,889	4,321	4,830
Long-term borrowings	1,657	1,705	1,759	1,817	1,878
Other financial liabilities	1,552	1,816	2,130	2,504	2,951
Total shareholders' equity	**3,106**	**3,352**	**3,646**	**3,967**	**4,306**
Charter capital	1,800	1,800	1,800	1,800	1,800
Capital surplus	604	604	604	604	604
Retained earnings	544	790	1,084	1,405	1,744
Other capital	158	158	158	158	158
Non-controlling interest equity	-	-	-	-	-
*Total debt	2,332	2,463	2,570	2,687	2,809
*Net debt (cash)	1,627	1,618	1,931	2,221	2,458

Source: Company data, Shinhan Securities Vietnam

Statement of cash flow

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Cash flow from operations	**662**	**845**	**892**	**926**	**992**
Net profit	375	410	466	500	522
Depreciation expense	414	420	431	449	467
(Gain) from investing activities	-	-	-	-	-
Interest expense/ income	-	-	-	-	-
Change in working capital	28	114	136	131	186
Others	(111)	(99)	(142)	(153)	(183)
Cash flow from investments	**(953)**	**(745)**	**(1,114)**	**(1,127)**	**(1,139)**
Change in fixed assets	(648)	(745)	(1,114)	(1,127)	(1,139)
Change in investment assets	-	-	-	-	-
Others	(305)	-	-	-	-
Cash flow from financing	**774**	**40**	**18**	**26**	**32**
Change in equity	1,229	-	-	-	-
Net borrowing	(335)	130	108	116	122
Dividends	(119)	(90)	(90)	(90)	(90)
Change in total cash	**483**	**139**	**(205)**	**(174)**	**(115)**
Beginning cash	222	705	845	640	466
Change in FX rates	-	-	-	-	-
Ending cash	705	845	640	466	351

Source: Company data, Shinhan Securities Vietnam

Statement of comprehensive income

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Revenue	**873**	**961**	**1,076**	**1,164**	**1,224**
Growth (%)	7%	10%	12%	8%	5%
COGS	**(440)**	**(487)**	**(535)**	**(581)**	**(613)**
Gross profit	**431**	**474**	**541**	**583**	**610**
GPM (%)	49%	49%	50%	50%	50%
SG&A	**(61)**	**(69)**	**(77)**	**(83)**	**(88)**
Operating profit	**369**	**405**	**464**	**499**	**523**
Growth (%)	25%	10%	14%	8%	5%
OPM (%)	42%	42%	43%	43%	43%
Non-operating profit	**5**	**4**	**2**	**1**	**(1)**
Financial income	40	40	40	40	40
Financial expense	(35)	(36)	(38)	(40)	(41)
In which: interest expenses	(32)	(36)	(38)	(40)	(41)
Net other non-operating profit	(0)	0	0	0	0
Pre-tax profit	**375**	**410**	**466**	**500**	**522**
Income tax	(72)	(73)	(83)	(89)	(93)
Net profit	**302**	**337**	**383**	**411**	**429**
Growth (%)	38%	11%	14%	7%	4%
NPM (%)	35%	35%	36%	35%	35%
Controlling interest	302	337	383	411	429
Non-controlling interest	-	-	-	-	-
EBIT	**407**	**446**	**504**	**540**	**563**
Growth (%)	30%	10%	13%	7%	4%
EBIT Margin (%)	47%	46%	47%	46%	46%
EBITDA	**820**	**866**	**936**	**989**	**1,030**
Growth (%)	13%	6%	8%	6%	4%
EBITDA Margin	94%	90%	87%	85%	84%

Source: Company data, Shinhan Securities Vietnam

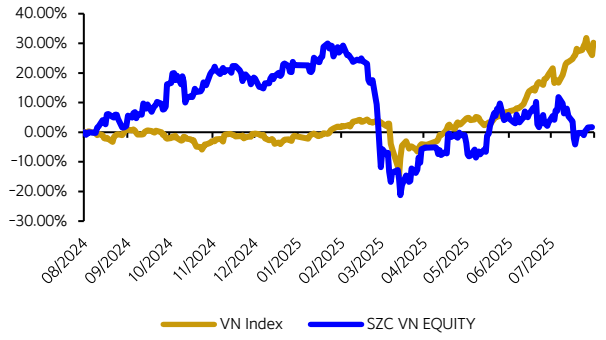
Key ratios

Year to Dec.	2024	2025F	2026F	2027F	2028F
EPS (VND)	1,616	1,871	2,131	2,284	2,384
BPS (VND)	17,254	18,626	20,256	22,041	23,924
DPS (VND)	662	500	500	500	500
PER (x)	22.91	18.63	16.36	15.26	14.62
PBR (x)	2.46	1.87	1.72	1.58	1.46
EV/EBITDA (x)	17.92	7.64	7.24	6.70	6.35
Dividend payout ratio (%)	41%	27%	23%	22%	21%
Dividend yield (%)	2%	1%	1%	1%	1%
Profitability					
EBITDA margin (%)	94%	90%	87%	85%	84%
OPM (%)	42%	42%	43%	43%	43%
NPM (%)	35%	35%	36%	35%	35%
ROA (%)	4.0%	3.9%	4.1%	4.0%	3.9%
ROE (%)	12.5%	10.4%	11.0%	10.8%	10.4%
Stability					
Debt to equity ratio (%)	75%	73%	70%	68%	65%
Net debt ratio (%)	198%	187%	206%	225%	239%
Cash ratio (%)	37%	40%	29%	20%	15%
Interest coverage ratio (x)	12.64	12.33	13.29	13.62	13.59
Activity (%)					
Inventory turnover (days)	704	707	697	705	741
Accounts receivable turnover (days)	45	63	73	87	99
Accounts payable turnover (days)	186	173	201	203	205

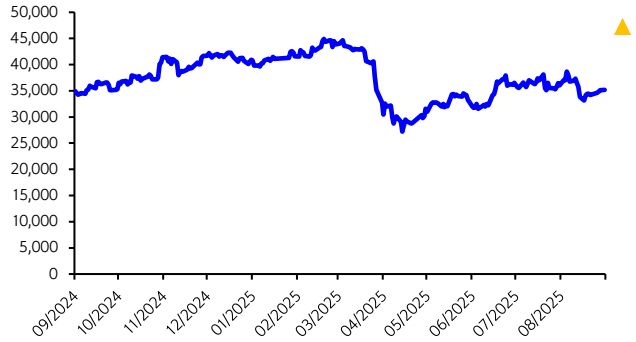
Source: Company data, Shinhan Securities Vietnam

Sonadezi Chau Duc Joint Stock Company (SZC)

Stock price



Target price



Date	Rating	TP (VND)	TP gap (%) TB	TB
28/11/2024 (Initiate)	BUY	49,800	34	7/79
28/02/2025 (Update)	HOLD	48,100	19	3/41
09/09/2025 (Update)	BUY	45,400	25	-1/59

Note: Calculation of target price gap based on past 12 months

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Stocks	Sector
◆ **BUY:** Expected 12-month gain of 15% or more ◆ **HOLD:** Expected 12-month loss of 15% to gain of 15% ◆ **SELL**: Expected 12-month loss of 15% or more	◆ **OVERWEIGHT**: Based on market cap, largest share of sector stocks under coverage is rated BUY ◆ **NEUTRAL**: Based on market cap, largest share of sector stocks under coverage is rated HOLD ◆ **UNDERWEIGHT**: Based on market cap, largest share of sector stocks under coverage is rated SELL

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