

Sonadezi Chau Duc Joint Stock Company

[Vietnam / Industrial real estate]

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

BUY

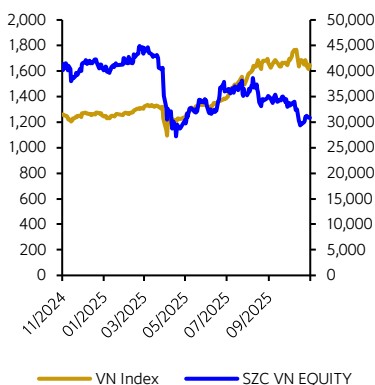
Update Report

Target price (12 months) **VND 45,400**
Current price (11/11/2025) **VND 30,200**
Upside/downside **50%**

VNINDEX	1,593
Market P/E	261
Market Cap (bn VND)	5,435
Outstanding shares (mn)	180
Free-Floating (mn)	76
52-Wk High/Low (VND)	47,200/27,700
90-day avg. trading volume (mn)	207
90-day avg. turnover (bn VND)	55

Major shareholders (%)	Industrial Park Development Corporation	46.84%
	Sonadezi Long Thanh JSC	10.08%

Performance	3M	6M	12M
Absolute (%)	-14.5	-0.5	-19.6
Relative to VN-Index (%)	-20.9	-33.3	-51.8



Source: Bloomberg

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Ending the stagnant phase

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

Sonadezi Chau Duc JSC (SZC) is one of the key developers of industrial parks and real estate projects in Chau Duc District, Ba Ria – Vung Tau Province. The company owns a large land bank with a total area of 2,287 ha, allocated for the development of an industrial park (IP), urban area (UA), and golf course. SZC recorded a slight increase in business performance in 9M2025, with most revenue concentrated in Q1/2025, thanks to previously signed MOU contracts. Its operations were affected in Q2–Q3/2025 due to uncertainties related to tariff issues. We expect business conditions to gradually improve following Vietnam's establishment of a new trade framework agreement with the U.S. Based on the RNAV valuation method, we estimate SZC's fair value at VND 45,400.

9M2025 results posted mild growth, while business performance declined in Q3/2025

In Q3/2025, SZC recorded revenue of VND 86 billion (–46% YoY) and net profit of VND 20 billion (–65% YoY). Cumulatively for 9M2025, revenue reached VND 718 billion (+12% YoY).

Within this, revenue from industrial land leasing reached VND 568 billion (+4% YoY), and net profit reached VND 242 billion (+6% YoY). SZC's land leasing activities slowed in Q2–Q3/2025 as most MOU contract values were recognized in Q1/2025 and were affected by global tariff uncertainties from April to August 2025.

The residential real estate segment declined sharply, recording only VND 4.9 billion (–61% YoY), as housing sales remained weak and no revenue was recognized from this segment in Q2–Q3/2025. The BOT 768 project resumed toll collection on April 5, 2025, contributing VND 66 billion in revenue from the BOT segment.

FDI inflows are expected to continue growing in line with the infrastructure investment trend.

According to the General Statistics Office, realized FDI in 10M2025 was estimated at USD 21.3 billion (+8.8% YoY), the highest level in the past five years. Total registered foreign investment in Vietnam reached over USD 31.52 billion (+15.6% YoY). On October 26, the U.S. and Vietnam reached a new trade framework agreement, under which the U.S. will apply reciprocal tariffs of 0–20% on goods originating from Vietnam and consider a 0% tariff for certain product groups.

On the other hand, public investment is estimated to reach VND 1.08 million billion (+22% YoY) in 2026, while the medium-term public investment plan for 2026–2030 is set at VND 8.31 million billion (+144% vs. 2021–2025). These factors are expected to drive continued FDI inflows into Vietnam, thereby supporting demand for SZC's industrial land leasing.

We forecast 2025 revenue to reach VND 879 billion (+1% YoY), with industrial land leasing area of 35 ha, and net profit of VND 297 billion (–2% YoY). In 2026, revenue and net profit are projected to reach VND 1,156 billion (+31% YoY) and VND 396 billion (+33% YoY), respectively.

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	879	1,156	1,245	1,306
OP (bn VND)	369	357	479	482	473
NP (bn VND)	302	297	396	397	388
EPS (VND)	1,616	1,649	2,199	2,205	2,154
BPS (VND)	17,254	18,403	20,102	21,807	23,461
OPM (%)	42%	41%	41%	39%	36%
NPM (%)	35%	34%	34%	32%	30%
ROE (%)	12%	9%	11%	10%	9%
PER (x)	22.91	18.38	13.78	13.74	14.07
PBR(x)	2.46	1.65	1.51	1.39	1.29
EV/EBITDA (x)	17.92	6.65	6.67	5.74	5.62

Source: Company data, Shinhan Securities Vietnam

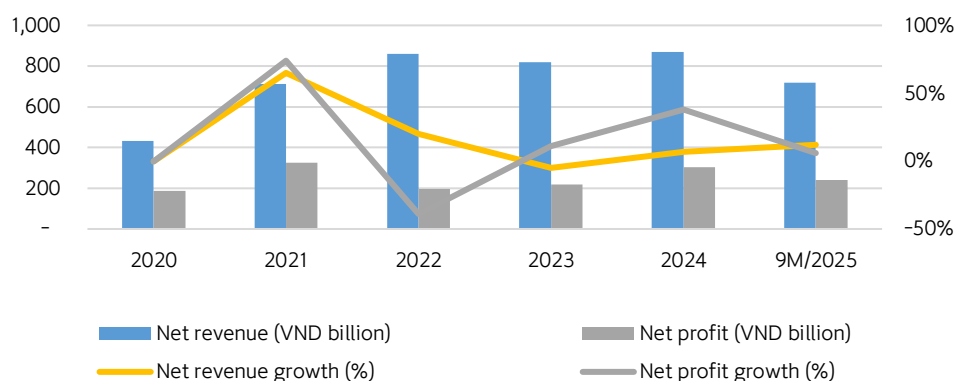
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Update business results

Update business results 9M2025

The industrial park land leasing segment contributes positively to business results in 2024

Revenue and profit of Sonadezi Chau Duc Joint Stock Company 2020 – 9M2025 (billion VND)



Source: Company report, Shinhan Securities Vietnam

In Q3/2025, SZC recorded revenue of VND 86 billion (-46% YoY) and net profit of VND 20 billion (-65% YoY). Cumulatively for 9M2025, revenue reached VND 718 billion (+12% YoY) and net profit reached VND 242 billion (+6% YoY). SZC's land leasing activities slowed in Q2–Q3/2025 due to global tariff uncertainties from April to August 2025.

Industrial land leasing: Revenue reached VND 588 billion (+4% YoY), with an estimated leased area of around 30 ha, mainly from MOU contracts signed in 2024 with two clients — Electronic Tripod Vietnam Co., Ltd. under Tripod Technology Group (18 ha) and Vina One Steel Sheet Plant (12 ha).

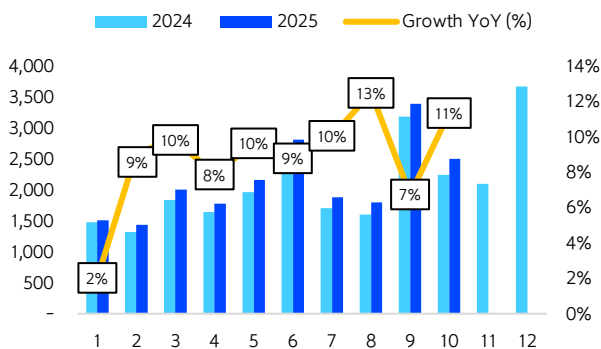
Real estate segment: The Sonadezi Huu Phuoc Residential Area Phase 2 project recorded revenue of VND 4.9 billion (-71% YoY). We expect SZC's housing sales to improve toward the end of 2025 as the real estate market enters a recovery phase, supported by factors such as the planned provincial merger and the Bien Hoa – Vung Tau expressway, which is expected to be completed by late 2025. In addition, SZC became eligible to offer 210 social housing units in early June 2025, which is expected to positively contribute to its residential real estate revenue.

BOT segment: The BOT 768 project resumed toll collection on April 5, 2025, contributing VND 66 billion in revenue from the BOT segment.

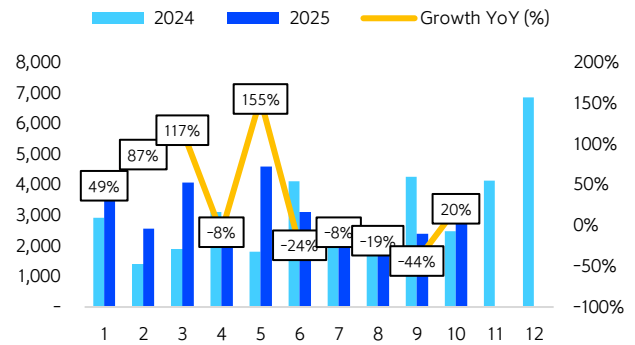
Golf course segment: Revenue reached VND 36 billion (-8% YoY), slightly down compared to the same period last year.

Expectation for FDI inflows to continue increasing in the future

FDI capital disbursed in 2024 and 10M2025 (million USD)



Registered FDI capital 2024 and 10M2025 (million USD)



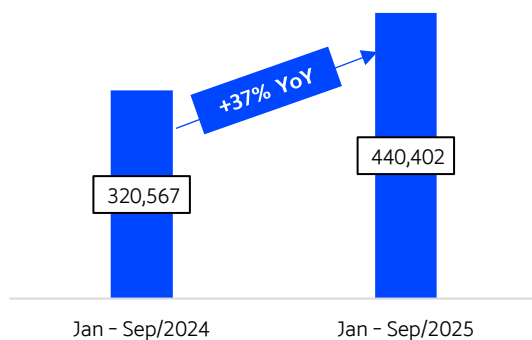
Source: General Statistics Office, Ministry of Finance

According to data from the General Statistics Office, implemented foreign direct investment (FDI) in the first 10 months of 2025 reached USD 21.3 billion, up 8.8% YoY, marking the highest level in the past five years. In addition, total registered FDI, including new investment, adjustments, and capital contributions for share purchases, exceeded USD 31.52 billion, a strong increase of 15.6% YoY.

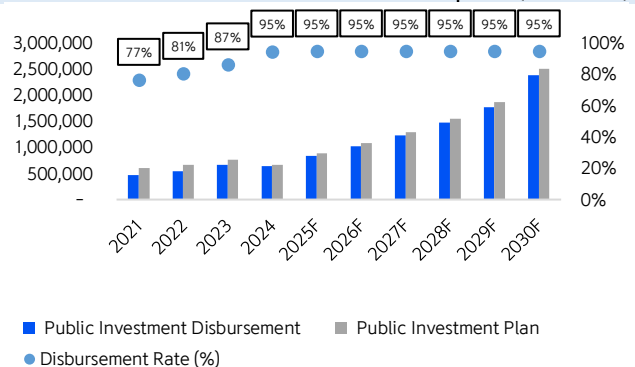
Record levels of FDI disbursement and registration indicate that Vietnam remains an attractive destination for foreign investors. However, amid tariff fluctuations, registered FDI decreased during the period from June to September 2025. After tariffs gradually stabilized and the U.S. officially announced its tax policy for other countries, registered FDI began to show signs of recovery in October 2025. With a 20% tariff, Vietnam still maintains a competitive advantage over other countries in the region in attracting foreign investment. Additionally, on October 26, the U.S. and Vietnam reached a new trade framework agreement, under which the U.S. will apply reciprocal tariffs of 0–20% depending on the origin of Vietnamese goods and consider applying a 0% tariff to certain product categories.

Boosting public investment to promote infrastructure construction

Cumulative public investment disbursement 9M/2025 (VND billion)



Public investment disbursement for the 2021–2030 period (VND billion)



Source: Ministry of Finance, Shinhan Securities Vietnam

The Ministry of Finance reported that public investment disbursement from the beginning of the year to September 30, 2025, is estimated at around VND 440,402 billion (+37% YoY), reaching 50% of the target set by the Prime Minister. The disbursement rate in 9M/2025 showed an improvement compared to 9M/2024, rising from 47.3% to 50%.

According to the Ministry of Finance's estimates, the total state budget capital for development investment in 2026 is expected to reach approximately VND 1.12 quadrillion, including: public investment spending of about VND 1.08 quadrillion and other development investment of around VND 40 trillion. This represents a forecasted increase of approximately 22% in total public investment compared to 2025, reflecting the government's strong push to expand public investment to drive economic growth and accelerate the development of key infrastructure projects.

Significant increase in public investment capital during the 2026–2030 period

Period	2021 – 2025	2026 – 2030
Average GDP Growth Rate	6.3% (estimated)	10%
State Budget Revenue	VND 9.6 trillion	VND 16.1 quadrillion
State Budget Expenditure	VND 10.9 trillion	VND 20.9 quadrillion
Total Public Investment Expenditure	VND 3.4 trillion	VND 8.31 quadrillion
Budget Deficit	3.1–3.2% of GDP	5% of GDP
Total Government Debt for the Whole Period	VND 2.5 trillion	Expected to mobilize about VND 6.55 quadrillion
Public Debt/GDP Ratio	35–36% GDP	41–42% of GDP

Source: Ministry of Finance, Shinhan Securities Vietnam

In the medium term, the government plans to significantly increase public investment capital during the 2026–2030 period. According to the government's orientation for 2026–2030, achieving an average GDP growth of 10% per year or higher is identified as a key focus in the economic development strategy. To realize this goal, the Ministry of Finance expects total development investment expenditure to reach around VND 8.51 quadrillion, equivalent to 40% of total state budget expenditure, of which medium-term public investment capital is estimated at VND 8.31 quadrillion, a 144% increase compared to 2021–2025.

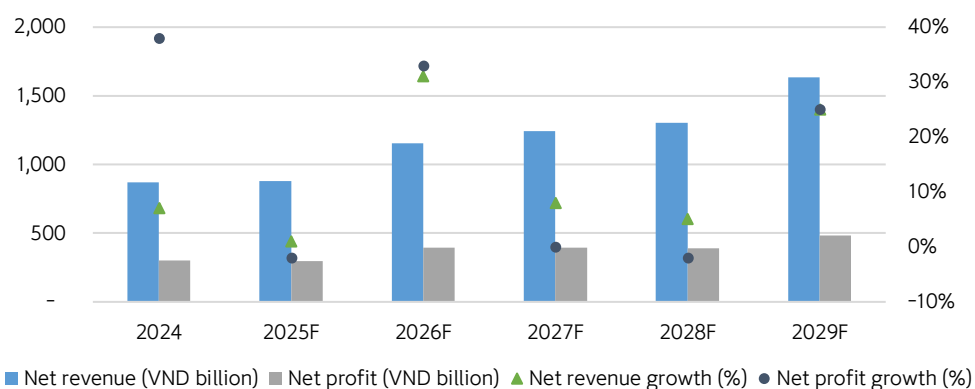
To meet the sharply rising capital demand, the government plans to raise total state budget revenue to VND 16.1 quadrillion through accelerated economic growth, with budget revenue expected to account for 18% of GDP. At the same time, the budget deficit target is set to increase from 3.1% to 5% of GDP, leading to government borrowing projected to rise from VND 2.5 quadrillion to VND 6.55 quadrillion, an increase of 2.62 times compared to the previous period. The public debt-to-GDP ratio target is planned to rise from 35–36% to approximately 41–42%. We assess that with a public debt-to-GDP ratio around 40%, Vietnam can still maintain financial safety, ensure macroeconomic stability, achieve double-digit GDP growth, and accelerate infrastructure development in the medium term.

The government's push to expand infrastructure investment is expected to further attract FDI inflows in the future, which will have a positive impact on SZC's industrial land leasing demand.

Earnings estimates

Sustainable revenue growth with the contribution of industrial park real estate

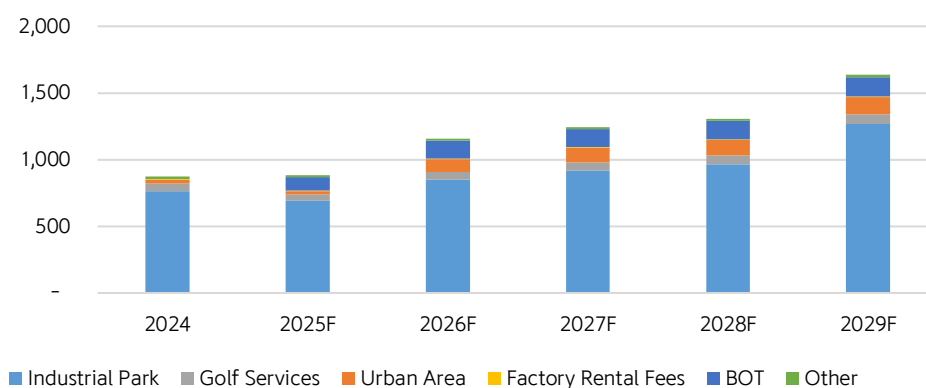
Net revenue and net profit forecast of Sonadezi Chau Duc Joint Stock Company 2024 – 2029F



Source: Company report, Shinhan Securities Vietnam

Sonadezi Chau Duc JSC's net revenue is projected to reach VND 879 billion (+1% YoY) in 2025 and VND 1,156 billion (+31% YoY) in 2026, reflecting steady growth. Profit after tax is expected to rise to VND 297 billion (-2% YoY) in 2025 and further to VND 396 billion (+33% YoY) in 2026, driven by strong performance across key business segments.

Revenue structure of Sonadezi Chau Duc Joint Stock Company 2024 – 2028F (billion VND)

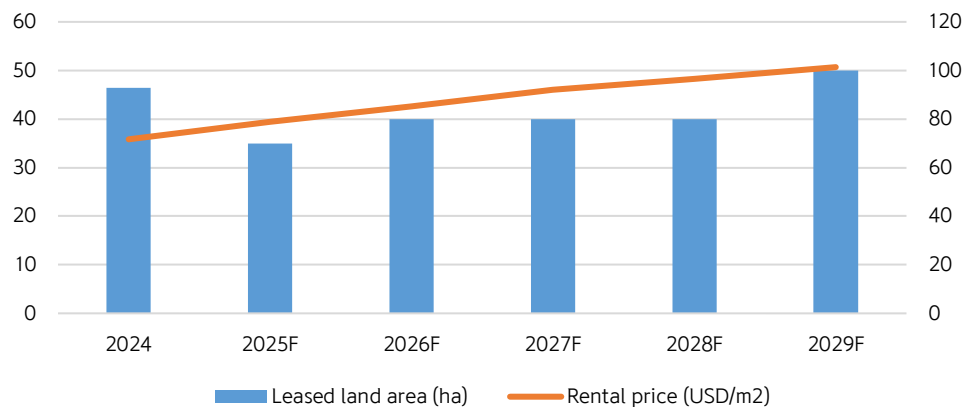


Source: Company report, Shinhan Securities Vietnam

In 2025, Sonadezi Chau Duc JSC (SZC) is expected to continue deriving the majority of its revenue from industrial park land leasing, which will account for 78% 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 remains stable with improved rental prices

Projected industrial park area of Sonadezi Chau Duc JSC 2024 – 2029F

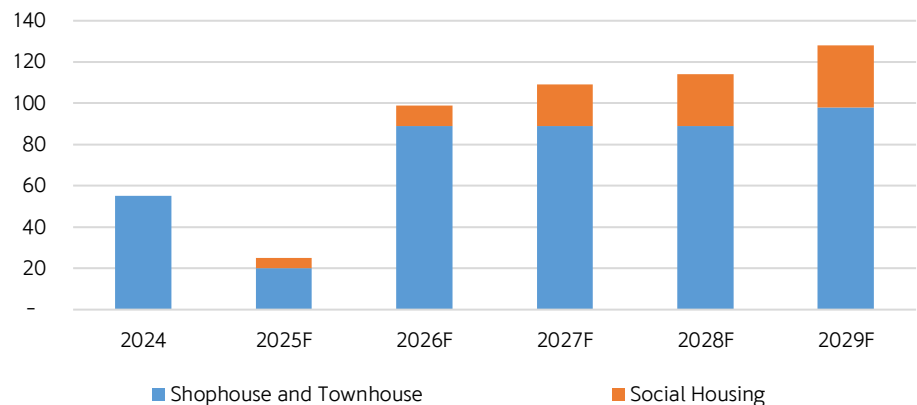


Source: Company report, Shinhan Securities Vietnam

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. However, global trade tensions may pose risks to economic stability and dampen investment appetite. Given the above context, we estimate that SZC's new leased land area in 2025 will slightly decline compared to the previous year, reaching around 35 ha, and is expected to average about 40 ha per year 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 2024 – 2029F (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 during the year, 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 50% increase from the current price. With a strong outlook from both the 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.

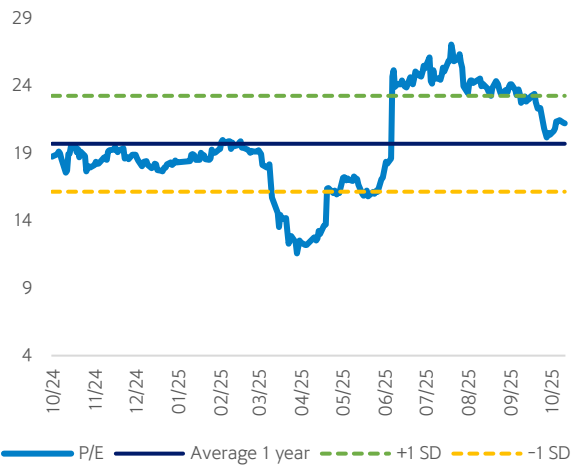
The RNAV method

Project Name	Valuation Method	Value (billion VND)
Chau Duc Industrial Park	DCF	5,944
Chau Duc Urban Area	BV	1,513
Huu Phuoc Urban Area	DCF	293
Golf Course Project	DCF	179
Factory Project	DCF	30
BOT 768 Project	DCF	305
Total		8,264
+ Cash and Short-term Investments		705
+ Long-term Investments, Fixed Assets		1,543
- Debt		2,332
Equity Value		8,180
Number of Shares		179,985,863
Target Price (VND)		45,400
Current Price (VND)		30,200
Upside (%)		50%

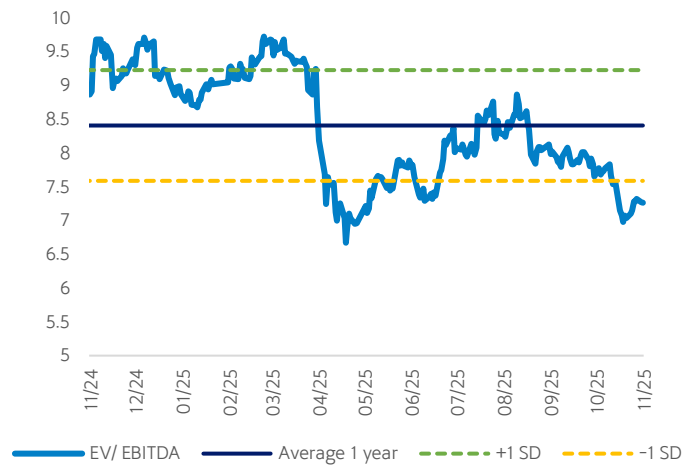
Variable	Value
D/E	0.43
Beta	1.3
Risk-free rate	4%
Cost of equity	17.8%
Cost of debt	8.8%
WACC	14.6%

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

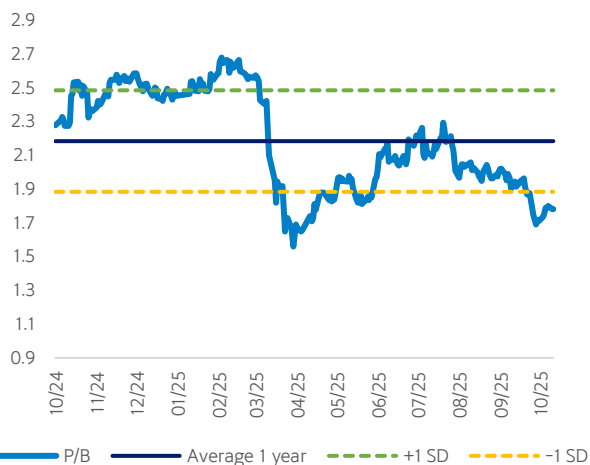


EV/EBITDA 1 year

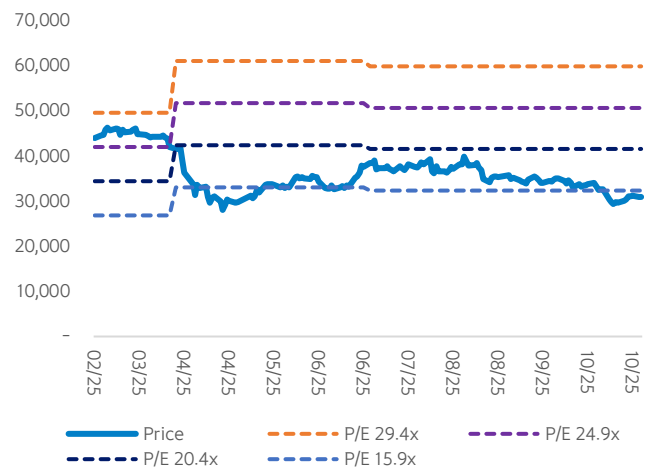


Source: Bloomberg data, Shinhan Securities Vietnam

P/B 1 year



P/E band



Source: Bloomberg data, Shinhan Securities Vietnam

P/B band

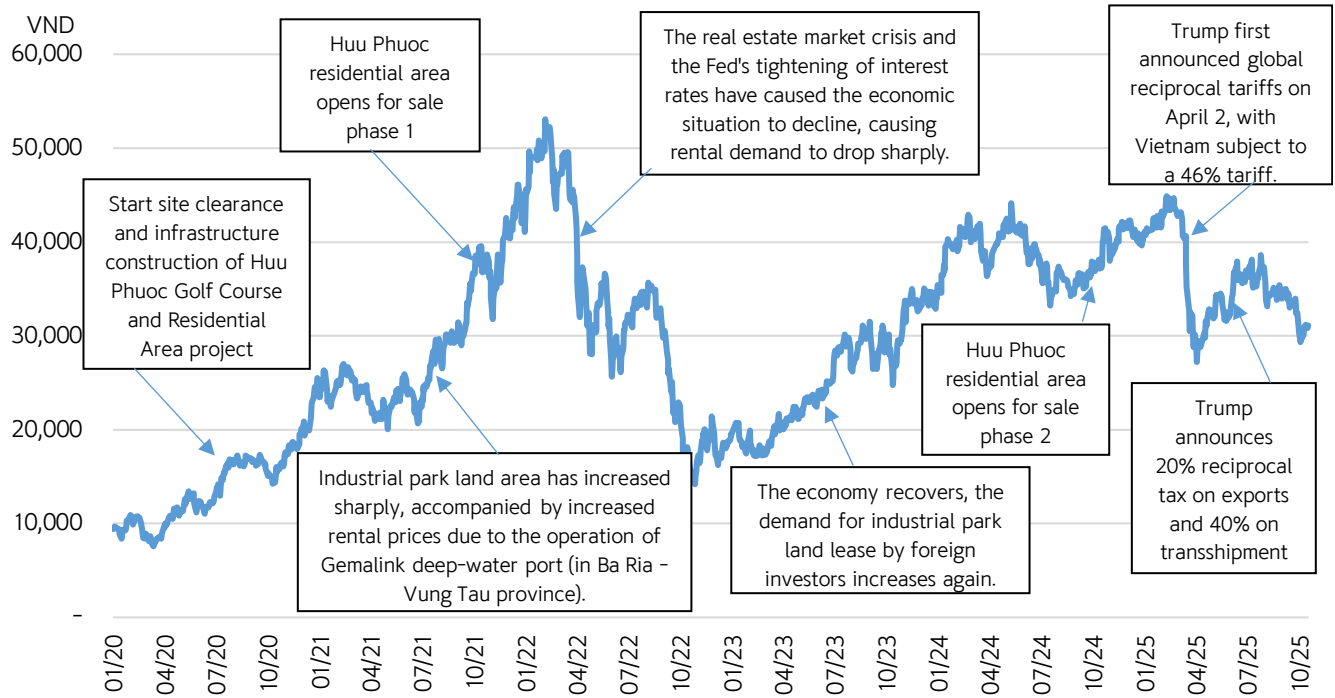


ROE and MA



Source: Bloomberg data, Shinhan Securities Vietnam

Key event chart of SZC



Source: Bloomberg, Company data, Shinhan Securities Vietnam

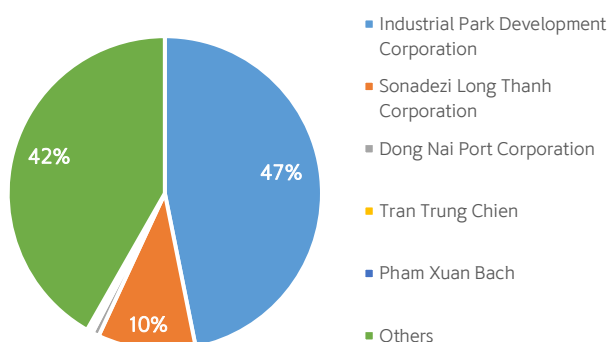
Company background

Company history

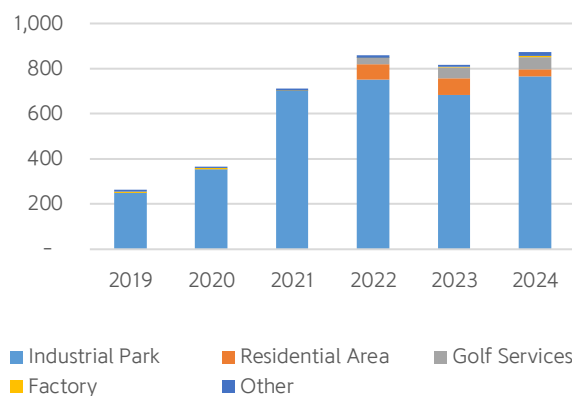
Sonadezi Chau Duc Joint Stock Company (HoSE: SZC), established in 2007 and listed on the Ho Chi Minh City Stock Exchange in late 2018, is a key player in Vietnam's industrial real estate investment and development sector.

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 Q3/2025



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

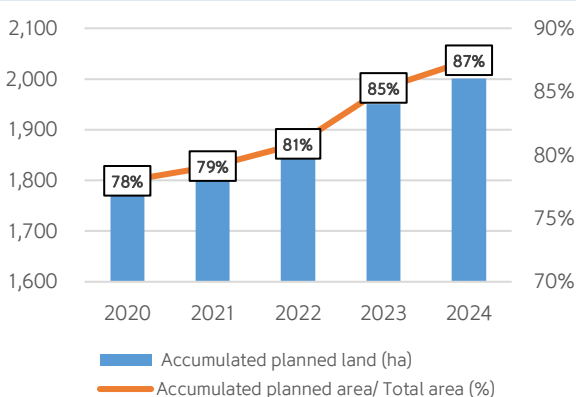


Source: Company report, Shinhan Securities Vietnam

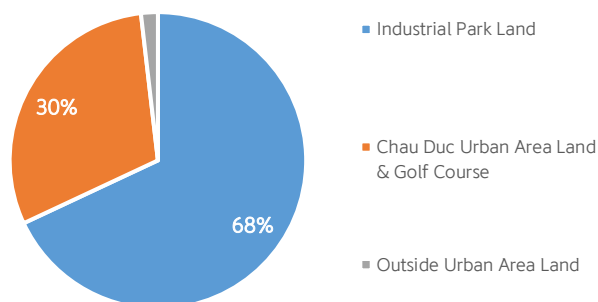
SZC is primarily owned by the Industrial Park Development Corporation, under the Dong Nai Provincial People's Committee, holding a 47% stake.

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)

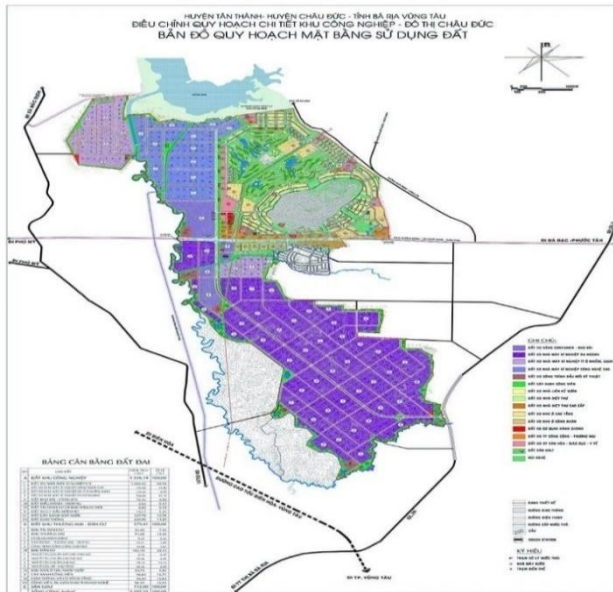


Source: Company report, Shinhan Securities Vietnam

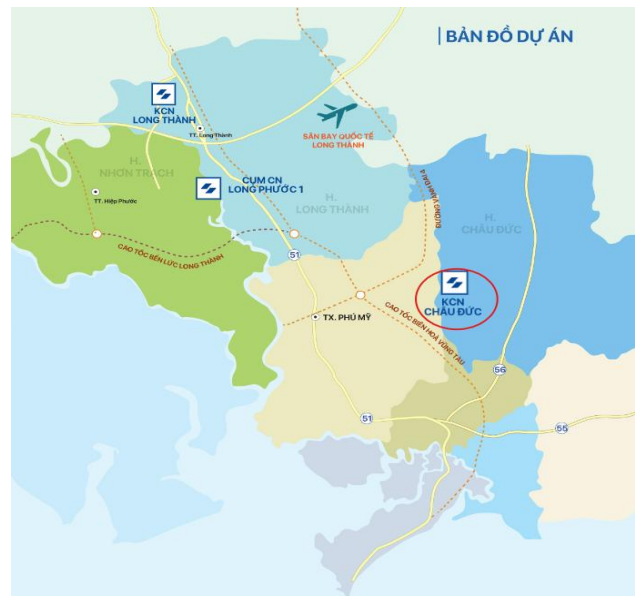
SZC holds 2,287 ha of industrial land in Chau Duc district, with 1,556 ha allocated for residential purposes and 689 ha for a combination of residential and golf course land. As of now, SZC has planned 1,951 ha, representing 85% of the allocated land area. To maximize its leasable land fund, SZC has 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



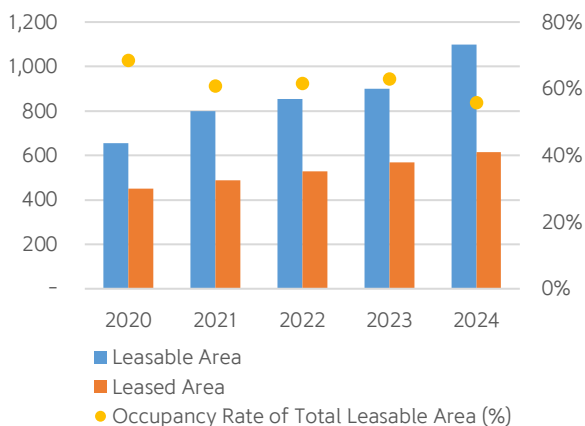
Source: Company report, Shinhan Securities Vietnam

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

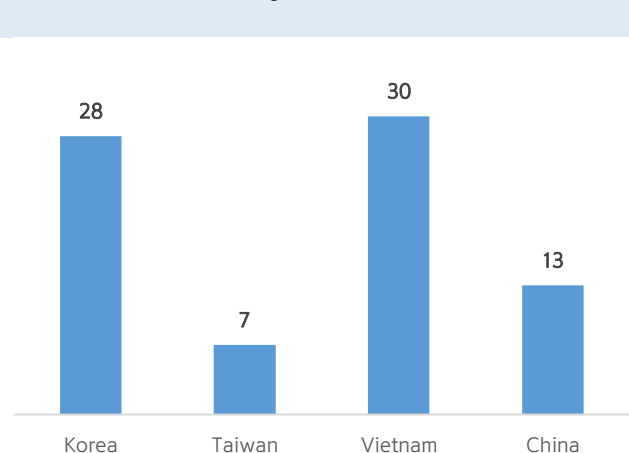
- 9 km from National Highway 51
- 0.5 km from the Bien Hoa - Vung Tau Expressway
- 22 km from the Ben Luc - Long Thanh Expressway
- 34 km from Long Thanh International Airport (projected to open in 2025)
- 12 km from the Cai Mep - Thi Vai International Port Cluster

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	8,917	9,746	10,615	11,547
Current assets	3,067	3,446	3,586	3,780	4,038
Cash & equivalents	705	778	643	482	354
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	5,604	6,128	6,690	7,324
Current liabilities	1,912	2,088	2,240	2,365	2,487
Accounts payable	180	266	344	389	428
Short-term borrowings	676	751	808	871	936
Others	1,056	1,071	1,088	1,105	1,123
Non-current liabilities	3,209	3,516	3,888	4,325	4,838
Long-term borrowings	1,657	1,701	1,759	1,821	1,886
Other financial liabilities	1,552	1,816	2,130	2,504	2,951
Total shareholders' equity	3,106	3,312	3,618	3,925	4,223
Charter capital	1,800	1,800	1,800	1,800	1,800
Capital surplus	604	604	604	604	604
Retained earnings	544	750	1,056	1,363	1,661
Other capital	158	158	158	158	158
Non-controlling interest equity	-	-	-	-	-
*Total debt	2,332	2,451	2,567	2,692	2,822
*Net debt (cash)	1,627	1,674	1,924	2,209	2,468

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	789	954	932	971
Net profit	375	361	481	483	472
Depreciation expense	414	420	431	449	467
(Gain) from investing activities	-	-	-	-	-
Interest expense/ income	-	-	-	-	-
Change in working capital	28	98	186	150	206
Others	(111)	(90)	(145)	(150)	(174)
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	29	26	34	41
Change in equity	1,229	-	-	-	-
Net borrowing	(335)	119	116	124	131
Dividends	(119)	(90)	(90)	(90)	(90)
Change in total cash	483	72	(135)	(161)	(128)
Beginning cash	222	705	778	643	482
Change in FX rates	-	-	-	-	-
Ending cash	705	778	643	482	354

Source: Company data, Shinhan Securities Vietnam

Statement of comprehensive income

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Revenue	873	879	1,156	1,245	1,306
Growth (%)	7%	1%	31%	8%	5%
COGS	(440)	(460)	(595)	(674)	(740)
Gross profit	431	420	561	571	566
GPM (%)	49%	48%	49%	46%	43%
SG&A	(61)	(63)	(83)	(89)	(93)
Operating profit	369	357	479	482	473
Growth (%)	25%	-3%	34%	1%	-2%
OPM (%)	42%	41%	41%	39%	36%
Non-operating profit	5	4	3	1	(1)
Financial income	40	40	40	40	40
Financial expense	(35)	(36)	(38)	(40)	(42)
In which: interest expenses	(32)	(36)	(38)	(40)	(42)
Net other non-operating profit	(0)	0	0	0	0
Pre-tax profit	375	361	481	483	472
Income tax	(72)	(64)	(86)	(86)	(84)
Net profit	302	297	396	397	388
Growth (%)	38%	-2%	33%	0%	-2%
NPM (%)	35%	34%	34%	32%	30%
Controlling interest	302	297	396	397	388
Non-controlling interest	-	-	-	-	-
EBIT	407	397	519	522	513
Growth (%)	30%	-2%	31%	1%	-2%
EBIT Margin (%)	47%	45%	45%	42%	39%
EBITDA	820	817	950	971	980
Growth (%)	13%	0%	16%	2%	1%
EBITDA Margin	94%	93%	82%	78%	75%

Source: Company data, Shinhan Securities Vietnam

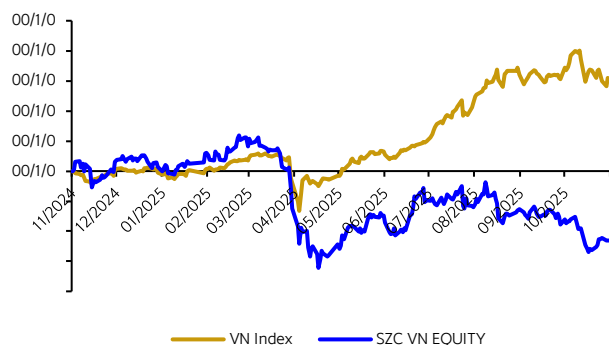
Key ratios

Year to Dec.	2024	2025F	2026F	2027F	2028F
EPS (VND)	1,616	1,649	2,199	2,205	2,154
BPS (VND)	17,254	18,403	20,102	21,807	23,461
DPS (VND)	662	500	500	500	500
PER (x)	22.91	18.38	13.78	13.74	14.07
PBR (x)	2.46	1.65	1.51	1.39	1.29
EV/EBITDA (x)	17.92	6.65	6.67	5.74	5.62
Dividend payout ratio (%)	41%	30%	23%	23%	23%
Dividend yield (%)	2%	2%	2%	2%	2%
Profitability					
EBITDA margin (%)	94%	93%	82%	78%	75%
OPM (%)	42%	41%	41%	39%	36%
NPM (%)	35%	34%	34%	32%	30%
ROA (%)	4.0%	3.5%	4.2%	3.9%	3.5%
ROE (%)	12.5%	9.2%	11.4%	10.5%	9.5%
Stability					
Debt to equity ratio (%)	75%	74%	71%	69%	67%
Net debt ratio (%)	198%	205%	202%	228%	252%
Cash ratio (%)	37%	37%	29%	20%	14%
Interest coverage ratio (x)	12.64	11.01	13.72	13.17	12.34
Activity (%)					
Inventory turnover (days)	704	773	649	660	695
Accounts receivable turnover (days)	45	68	68	81	93
Accounts payable turnover (days)	186	177	187	199	201

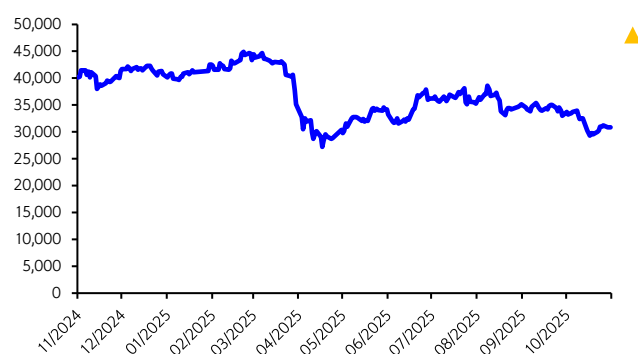
Source: Company data, Shinhan Securities Vietnam

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)	BUY	48,100	19	3/41
05/09/2025 (Update)	BUY	45,400	25	-1/59
11/11/2025 (Update)	BUY	45,400	23	-2/66

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

Shinhan Securities Vietnam

Stocks

- ◆ **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

Sector

- ◆ **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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