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Company Brief

19 Aug 2026

Phu My Fertilizer (DMP)

Continuing to benefit from selling prices

12M rating **NON-RATED**

2Q26 – Earnings surged, but no surprise

- In 2Q26, DPM posted revenue of VND6,986bn, up 32% yoy. Growth was mainly driven by sharply higher selling prices:
    - According to Agromonitor price data, selling prices of urea (+49% yoy or +31% QoQ) and NPK (+29% yoy, +10% qoq) rose strongly in 2Q26, in line with the global fertilizer price trend (Figures 3, 4, 6).
    - Fertilizer sales volume reached 464 thousand tonnes, -2.2% yoy. Specifically: urea 202 thousand tonnes, -19% yoy; NPK 85 thousand tonnes, -1% yoy; and imported fertilizer 177 thousand tonnes, +45% yoy (Figure 2).

      We attribute the significant yoy decline in urea volume to high fertilizer prices squeezing farmers' returns from fertilizer use, a risk we flagged in previous reports. NPK volume, by contrast, fell only slightly, which we think reflects farmers substituting toward NPK in some cases, as NPK prices rose considerably less than urea prices (Figure 5).
- Gross profit grew strongly to VND1,665bn, +86% yoy, with gross margin at 23.8%, +6.9ppt yoy and +7.1ppt qoq (Figure 7), broadly benefiting from the sharp rise in selling prices during the period, while the input gas price in 2Q26 stood at USD11.23/mmBTU, +8% yoy or +12% qoq — a considerably smaller increase than selling prices (Figure 5).
- NPAT reached VND916bn, +122% yoy and +123% qoq, mainly on higher gross profit, while other expenses and income saw little significant change.

	2021A	2022A	2023A	2024A	2025A
Sales (VND bn)	12,882	18,745	13,720	13,657	16,820
chg. (% yoy)	64.7	45.7	(27.2)	(0.5)	22.7
Operating profit (VND bn)	3,646	6,587	690	665	1,335
Net profit (VND bn)	3,172	5,585	530	554	1,096
EPS (VND)	7,415	14,218	1,327	1,374	1,234
chg. (% yoy)	424.2	91.7	(90.7)	3.5	(10.2)
EBITDA (VND bn)	4,080	6,819	704	752	1,400
PE (x)	5.5	2.4	26.1	17.4	21.5
EV/EBITDA (x)	3.6	1.8	17.7	15.9	15.2
PB (x)	1.53	0.95	1.19	0.85	1.59
ROE (%)	33.5	45.7	4.1	4.8	9.6
Dividend yield (%)	12.17	20.86	5.78	6.28	-

Note: Net profit, EPS and ROE are based on figures attributed to controlling interest
Source: FiinproX, KIS Research

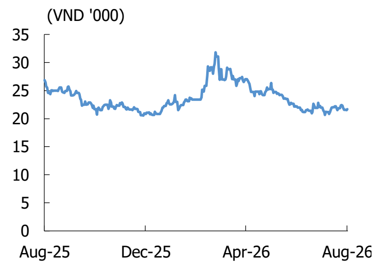
Stock Data

VNIndex (18 Aug, pt)	1,732
Stock price (18 Aug, VND)	21,700
Market cap (USD mn)	564
Shares outstanding (mn)	680
52-Week high/low (VND)	31,835/20,552
6M avg. daily turnover (USD mn)	6.26
Free float / Foreign ownership (%)	40.4/3.4
Major shareholders (%)	
PVN	59.59
Agrimex Nghe An	4.07
Others	36.26

Performance

	1M	6M	12M
Absolute (%)	(1.4)	(7.3)	(19.3)
Relative to VNIndex (%p)	1.3	(3.6)	(27.4)

Stock price trend



Source: Bloomberg

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3Q26F results expected to still grow yoy, but absolute earnings unlikely to stay as high as in 2Q26

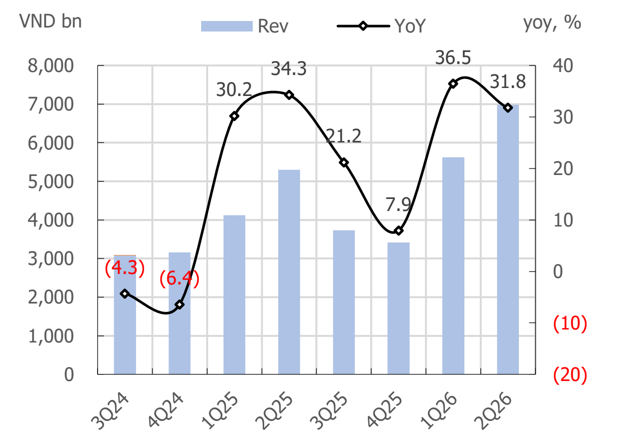
- In 3Q26F, we believe revenue and earnings can still grow yoy; however, in absolute terms they are unlikely to repeat the record high of 2Q26, as:
  - Global urea prices have fallen significantly from their early-May 2026 peak; Middle East and Black Sea urea is currently trading at USD380-400/tonne (down 45-60% from the peak), while domestic urea prices are very closely correlated with global urea prices (Figure 6).
  - Although urea prices dropped sharply, Singapore-market MFO fuel oil prices — a component of the input gas price formula for DPM - have not fallen correspondingly (Figure 6). This risks narrowing DPM's qoq margin in the coming quarter.

Table 1. Quarterly earnings snapshot in 2Q26 (VND bn, %, %p)

	2Q25	3Q25	4Q25	1Q26	2Q26	QoQ	YoY
Sales	5,301	3,729	3,414	5,623	6,986	24.2	31.8
OP	442	278	45	477	939	96.8	112.3
OP margin	8.3	7.5	1.3	8.5	13.4	5.0	5.1
EBT	502	353	245	515	1,116	116.9	122.4
NP	413	239	233	411	916	122.8	121.5

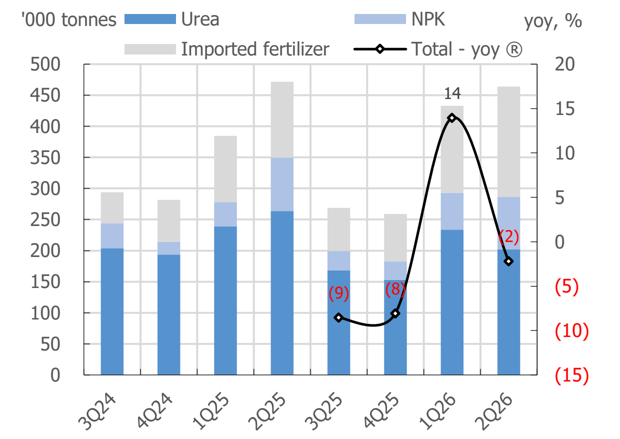
Source: Company data, FiinproX, KIS Research

Figure 1. Total revenue grew 32% yoy, of which:



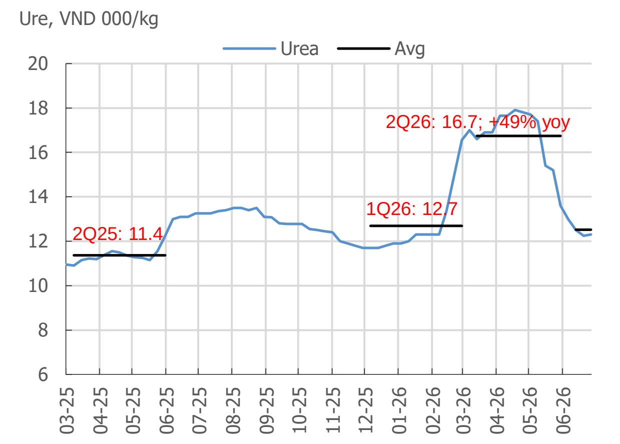
Source: Company data, KIS Research

Figure 2. ... Fertilizer sales volume declined slightly by 2% yoy



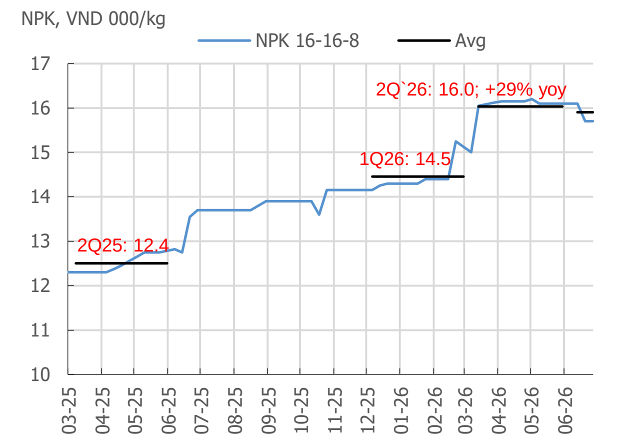
Source: Company data, KIS Research

Figure 3. … Revenue growth mainly driven by higher selling prices, urea price up 49% yoy …



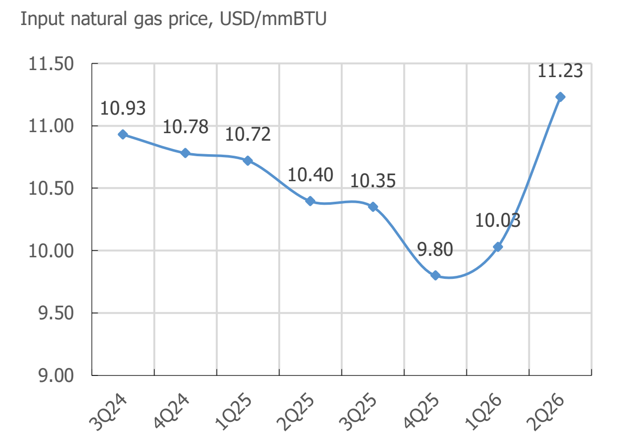
Source: Agromonitor, KIS Research
Note: The selling price included VAT

Figure 4. … and NPK up 29% yoy



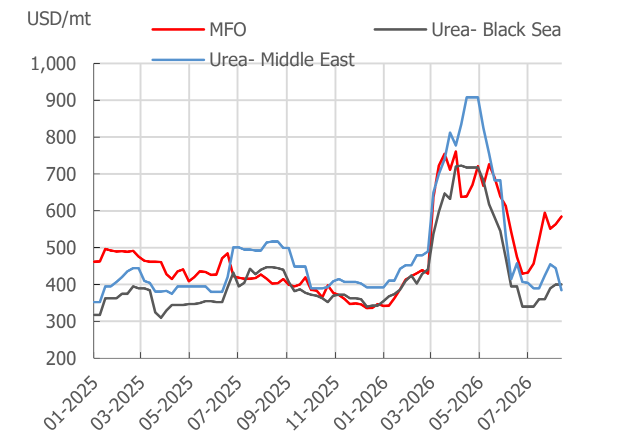
Source: Agromonitor, KIS Research
Note: Reference on VietNhat NPK 16-16-8
The selling price included VAT

Figure 5. … Input gas price in 2Q26 at USD11.23/mmBTU, +8% yoy or +12% qoq, rising considerably less than selling prices



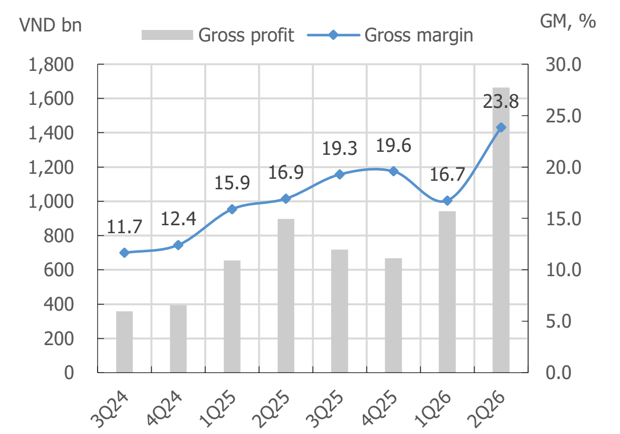
Source: Company data, KISVN
Note: Input gas price from 3Q2025 excludes 10% VAT

Figure 6. Global urea prices fell sharply from early May 2026. While MFO fuel oil prices also declined, the drop was not proportional. This risks narrowing DPM's qoq margin in the coming quarter



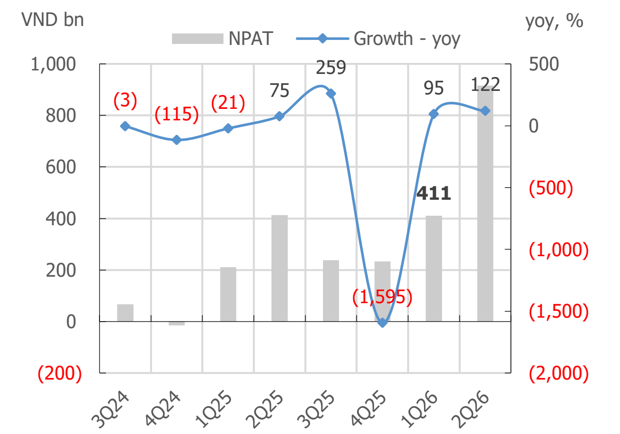
Source: Bloomberg, KIS Research

Figure 7. Gross profit benefited positively from selling prices



Source: Company data, KIS Research

Figure 8. NPAT reached VND916bn, +122% yoy



Source: Company data, KIS Research

■ Company overview

PetroVietnam Fertilizer and Chemicals Corporation (DPM), also known as Phu My Fertilizer, was established in 2003 and is a subsidiary of PetroVietnam (PVN). DPM specializes in the production and trading of fertilizers and chemicals, primarily urea under the “Phu My” brand. The company operates the Phu My Fertilizer Plant with an annual capacity of around 800,000 tons of urea, and also engages in the distribution of NPK, ammonia, and other chemical products across Vietnam.

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