

22 May 2026

# Sonadezi Chau Duc (SZC)

## 1Q26 earnings down, IP gross margin improved

### Revenue and profit plunged due to new accounting policy

- In 1Q26, SZC reported VND102bn revenue (-73% QoQ, -75% YoY, Figure 1) with a GP of VND35bn (-82% QoQ, -82% YoY, Figure 2). In particular:

- **IP:** revenue plunged to VND42bn (42% of total revenue, -60% YoY) with VND42bn GP (-87% QoQ, -88% YoY). The sharp decline in revenue was due to new revenue recognition on allocation basis, unlike the previous one-off recognition of full contract value. Based on unearned revenue balances at end-1Q26, we estimate that SZC recognized amortized revenue of ~7ha new IP area (Figure 5).

Notably, IP GPM widened to 60.2% (+10.0%p YoY), largely from higher ASP (USD125/sqm, +4% YoY).

- **Toll fees:** revenue soars to VND36bn (36% of total revenue, -3% QoQ) driven by the resumption of Road 768 BOT since Apr-25. GP stood at VND15bn with GPM of 42.2% (+37.3%p QoQ).
- While revenue and COGS were amortized, some operating expenses were not objected this change in accounting policy. Therefore, SG&A expense decline 68% YoY to VND11bn, resulting in lower OPM and NPM (Figure 3)
- Net profit came in at VND17bn (-83% QoQ, -86% YoY, Figure 4).

### Numbers in line with BOD's 2026F guidance

- The shift toward the allocation method will distort 2026F yoy earnings growth. However, looking at contract deposits, we estimate SZC signed new lease deals could cover 20-22 ha of IP area (Figure 6). Historically, these deposits translate into recognized revenue within 3 to 4 quarters (from 2H26F). Based on these estimates, the 2026F leasing target of 25ha guided by the BOD remains highly achievable.

	2021A	2022A	2023A	2024A	2025A
Sales (VND bn)	713	859	818	873	1,098
chg. (% YoY)	64.7	20.4	(4.8)	6.4	26.1
Operating profit (VND bn)	392	243	266	375	481
Net profit (VND bn)	324	197	219	299	345
EPS (VND)	3,136	1,874	1,824	1,679	1,816
chg. (% YoY)	77.2	(40.3)	(2.7)	(8.0)	8.2
EBITDA (VND bn)	618	714	633	683	809
PE (x)	9.2	19.2	23.2	18.6	13.8
EV/EBITDA (x)	7.9	8.4	11.9	10.6	8.1
PB (x)	1.97	2.34	2.92	1.81	1.40
ROE (%)	23.7	13.2	13.4	12.3	10.9
Dividend yield (%)	3.47	-	2.36	3.21	-

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

Source: FiiproX, KIS Research

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12M rating **NON-RATED**

#### Stock Data

VNIndex (21 May, pt)	1,897
Stock price (21 May, VND)	25,000
Market cap (USD mn)	171
Shares outstanding (mn)	180
52-Week high/low (VND)	38,636/25,000
6M avg. daily turnover (USD mn)	1.00
Free float / Foreign ownership (%)	43.0/3.7
Major shareholders (%)	
SNZ	46.8
SZL	10.1
Pham Quoc Chi	0.8

#### Performance

	1M	6M	12M
Absolute (%)	(11.8)	(21.6)	(21.6)
Relative to VNIndex (%p)	(15.6)	(36.9)	(67.3)

#### Stock price trend



Source: Bloomberg

#### Research Dept

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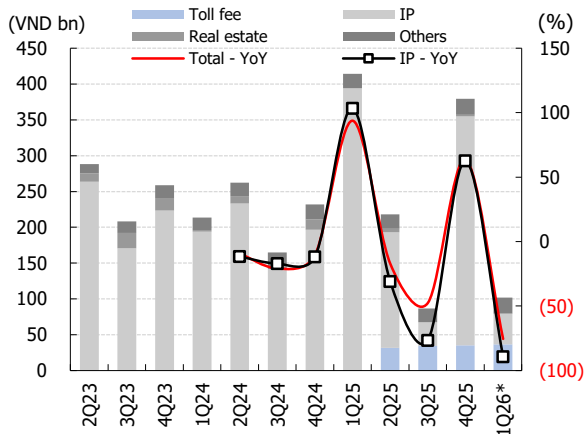
**Table 1. Quarterly earnings snapshot in 1Q26**

(VND bn, %, %p)

	1Q25	2Q25	3Q25	4Q25	1Q26	QoQ	YoY
Sales	414	218	86	379	102	(73)	(82)
OP	155	119	32	168	24	(86)	(78)
OP margin	37.5	54.5	36.5	44.4	23.8	(20.6)	(13.7)
EBT	157	118	26	143	21	(85)	(95)
NP	126	95	21	103	17	(83)	(106)

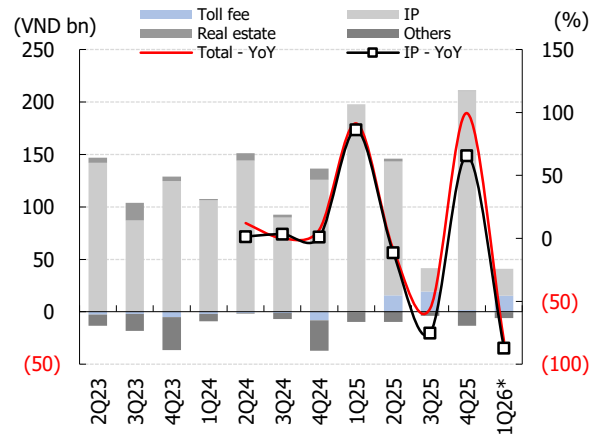
Source: Company data, FiinproX, KIS Research

**Figure 1. Total revenue -75% YoY, IP revenue -60% YoY**



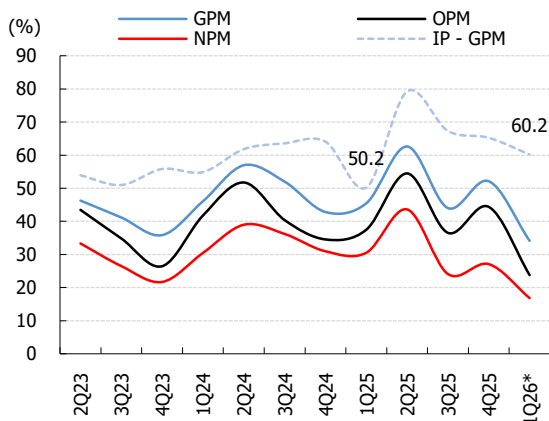
Source: Banhero Costa Research, KIS Research  
Note: (\*) Change in IP revenue recognition

**Figure 2. IP segment GP plunge due to new revenue recognition policy**



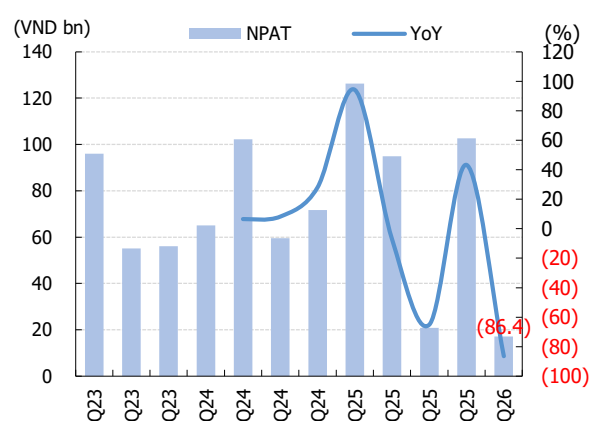
Source: Banhero Costa Research, KIS Research  
Note: (\*) Change in IP revenue recognition

**Figure 3. IP GPM improved thanks to higher quoted price in 2026**



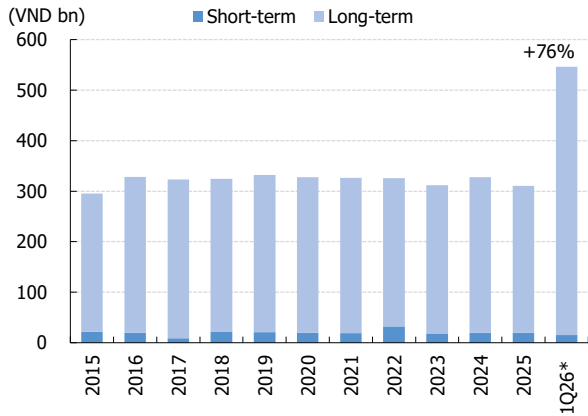
Source: Company data, KIS Research  
Note: (\*) Change in IP revenue recognition

**Figure 4. NPAT plunge 86% YoY due to new revenue recognition policy**



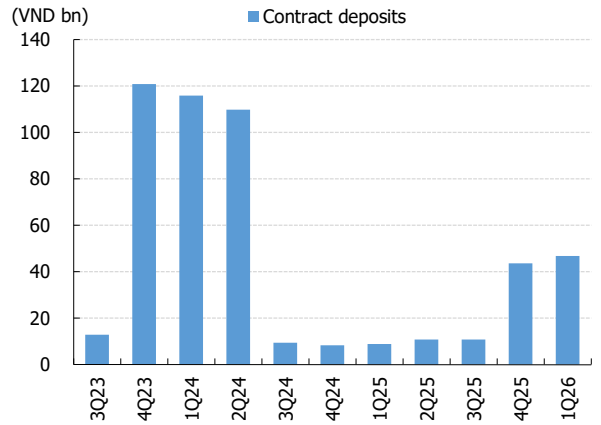
Source: Company data, KIS Research  
Note: (\*) Change in IP revenue recognition

**Figure 5. Unearned revenue surges 76%, equivalent to ~7ha amortizing**



Source: Company data, KIS Research  
 Note: (\*) Change in IP revenue recognition

**Figure 6. ~20-22ha from deposits**



Source: Company data, KIS Research  
 Note: (\*) Change in IP revenue recognition

**■ Company overview**

Sonadezi Chau Duc (SZC), a subsidiary of Sonadezi Corporation (SNZ), is a industrial park developer in Southern Vietnam. The company currently operates the 1,556ha Sonadezi Chau Duc Industrial Park, and 689ha of Urban Area and Golf Course located in Ngai Giao, HCMC.

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