

Nam Long Investment (NLG)

Continues its recovery momentum

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4Q NPAT was VND512 billion (+6%YoY), hitting the target

Nam Long Investment Corporation (NLG) posted VND497 billion (+71%YoY) in 4Q NPAT on revenue of VND6,396 billion (+289%YoY) as it started the handover of the Akari City project. Full-year respective results were VND512 billion (+6%YoY) and VND7,196 billion (+126%YoY), equal to 101% and 108% of the objectives.

2024 presales hit VND5,204 billion (+33%YoY)

4Q presales reached VND1,680 billion (+97%QoQ, -24%YoY), coming from Can Tho, Southgate, Akari City, Mizuki Park, and Izumi City projects. Accumulated presales for the whole year of 2024 were VND5,204 billion (+33%YoY) or 54% of the company's plan and 104% of KBSV's forecast.

2025/2026F presales reach VND5,787/7,813 billion (+11%/+35%YoY)

KBSV expects 2025/2026F contracted sales of NLG to be VND 5,787/7,813 billion (+11%/+35%YoY), mainly from the Mizuki Park, Can Tho, Southgate, Izumi City and Akari City projects (phase 3 in 2026).

2025/2026F NPAT is VND696/770 billion (+36%/+11%YoY)

We estimate the company's 2025/2026F NPAT and revenue at VND696/770 billion (+36%/+11%YoY) and VND5,229/7,531 billion (-27%/+44%YoY) with the handover of Southgate, Izumi City, Can Tho, Akari City and Mizuki Park projects and the transfer of a 15% stake in Izumi City (2025).

Valuation: BUY rating – Target price VND45,800

NLG shares are currently trading at a 2025fw P/B of 1.25x, lower than the five-year P/B average of 1.6x. Based on the business outlook and valuation results, we recommend BUY for NLG shares with a target price of VND 45,800/share, 37% higher than the closing price on March 10, 2025.

Buy maintain

Target price VND45,800

Upside	37%
Current price (Mar 10, 2025)	VND33,500
Consensus target price	VND43,000
Market cap (VNDtn/USDbn)	12.8/0.5

Trading data

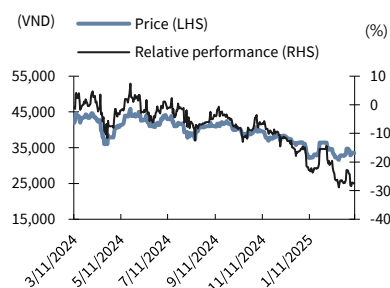
Free float	56.7%
3M avg trading value (VNDbn/USDmn)	65.3/2.6
Foreign ownership	40.6%
Major shareholder	Chairman Nguyen Xuan Quang (10%)

Share price performance

(%)	1M	3M	6M	12M
Absolute	0.8	-12.1	-18.1	-20.0
Relative	-4.1	-16.9	-24.2	-27.7

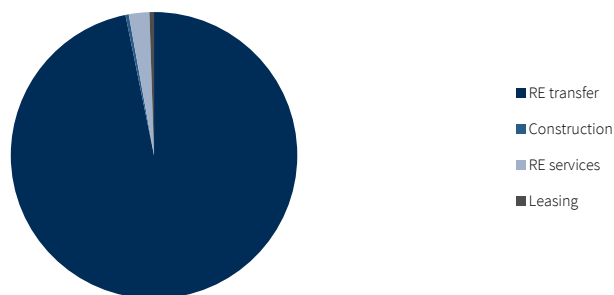
Forecast earnings & valuation

FY-end	2023	2024	2025F	2026F
Net sales (VNDbn)	3,181	7,196	5,229	7,531
Operating income/loss (VNDbn)	942	1,783	1,513	1,981
NPAT-MI (VNDbn)	484	512	696	770
EPS (VND)	1,257	1,330	1,807	2,000
EPS growth (%)	-13	6	36	11
P/E (x)	27.20	24.85	18.54	16.75
P/B (x)	1.40	1.32	1.27	1.19
ROE (%)	3.6	3.5	4.5	4.5
Dividend yield (%)	1	0	1	1



Source: Bloomberg, KB Securities Vietnam

Revenue composition (2024)



Business operation

Nam Long Investment Corporation (NLG) maintains its leading position in developing mid-range and affordable housing with its core product lines Ehome, Valora, and Flora. The company currently owns a substantial land bank of over 600 ha.

Source: Nam Long Investment, KB Securities Vietnam

Investment Catalysts

Notes

NLG owns a large land bank. Its “clean” land bank covers up to 680ha, which is ready for development and has a suitable product orientation, meeting the housing needs.

Please find more details [here](#)

Sales maintain a growth momentum. KBSV estimates NLG’s sales at VND5,787 billion (+11%YoY) in 2025 and VND7,813 billion (+35%YoY) in 2026.

Please see more details below

Business results are recovering. KBSV estimates 2025/2026F NPAT at VND696 billion (+36%YoY)/VND770 billion (+11%YoY).

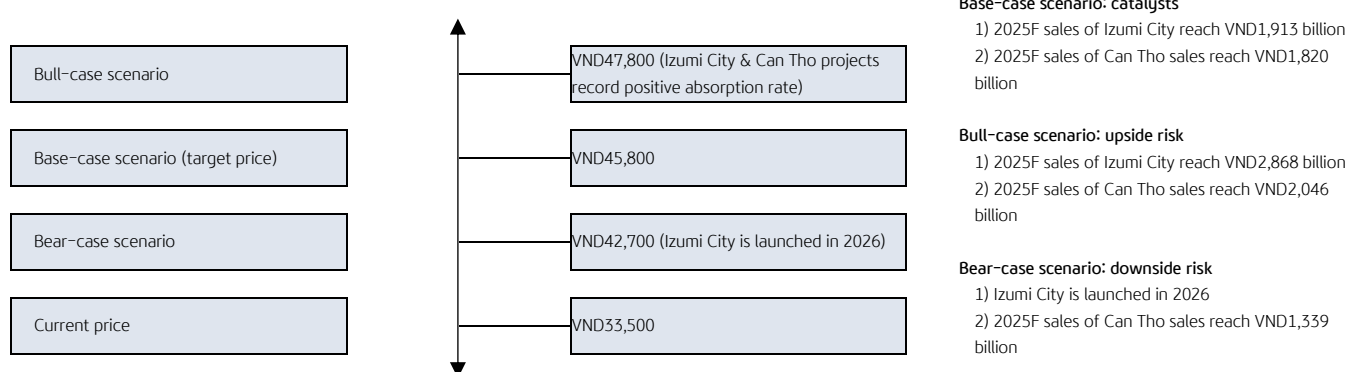
Please see more details below

Revised earnings estimates

(VNDbn)	KBSV estimates		Change vs previous estimates		Consensus*		Difference	
	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E
Revenue	5,229	7,531	-26%	-	4,867	5,809	7%	30%
EBIT	1,322	1,959	9%	-	1,123	1,756	18%	12%
NP after MI	696	770	14%	-	575	882	21%	-13%

Source: Bloomberg, KB Securities Vietnam

Investment opinion & risks



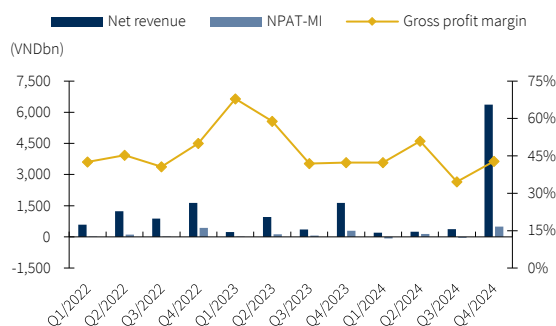
4Q24 performance updates

Table 1. NLG – 2024 business performance

(VNDbn)	Q4Q23	4Q24	+/-%YoY	2023	2024	+/-%YoY	Notes
Revenue	1,636	6,369	289%	3,181	7,196	126%	Completed 108% of the full-year target
Property sales	1,528	6,267	310%	2,887	6,945	141%	2024 property sales reached VND6,945 billion (+141% YoY) as NLG (1) started handing over 1,448 Akari City apartments in 4Q24 with revenue reaching VND5,178 billion and (2) recorded VND1,753 billion from Can Tho, Southgate and Izumi projects.
Gross profit	692	2,724	294%	1,562	3,068	96%	
<i>Gross profit margin</i>	<i>42%</i>	<i>43%</i>	<i>0pp</i>	<i>49%</i>	<i>43%</i>	<i>-6pp</i>	
Financial income	128	40	-69%	238	337	42%	In 2Q24, NLG recorded PBT of VND231 billion from the sale of a 25% stake at the Paragon Dai Phuoc (NL Dai Phuoc) project.
Financial expenses	-87	-153	76%	-296	-331	12%	
Profits from affiliates	213	16	-93%	418	100	-76%	Profits come from the handover of 204 apartments at Mizuki Park project with revenue of VND926 billion, reflecting a sharp YoY decline. NLG handed over 1,017 units at the same project, generating VND4,162 billion in revenue.
SG&A	-354	-898	153%	-980	-1,390	42%	
Operating income/loss	591	1,729	192%	942	1,783	89%	
Profit before taxes (PBT)	611	1,747	186%	968	1,839	90%	
<i>PBT margin</i>	<i>37%</i>	<i>27%</i>	<i>-10pp</i>	<i>30%</i>	<i>26%</i>	<i>-1pp</i>	
Profit after taxes (NPAT)	482	1,327	175%	800	1,382	73%	
NP after MI	290	497	71%	484	512	6%	NLG completed 101% of the full-year target.
<i>NPAT margin</i>	<i>18%</i>	<i>8%</i>	<i>-10pp</i>	<i>15%</i>	<i>7%</i>	<i>-8pp</i>	

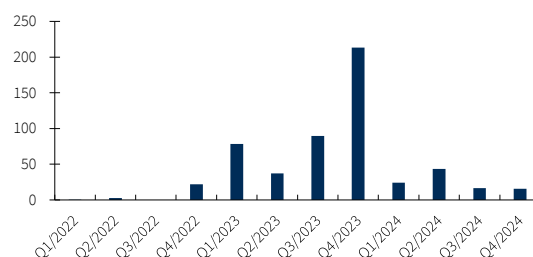
Source: Nam Long Investment, KB Securities Vietnam

Fig 2. NLG – Net revenue, NP-MI, GPM (VNDbn, %)



Source: Nam Long Investment, KB Securities Vietnam

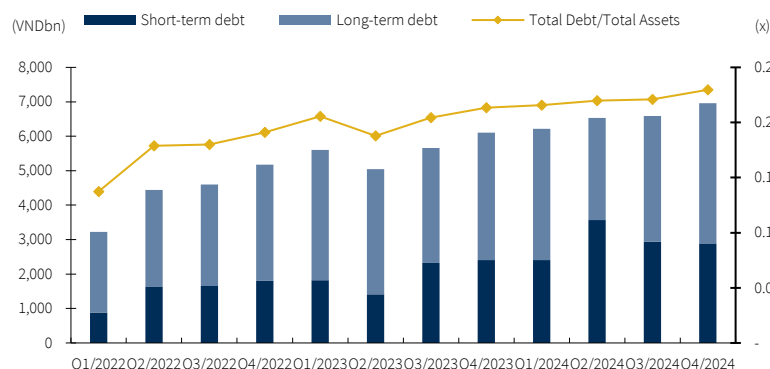
Fig 3. NLG – Profits from affiliates (VNDbn)



Source: Nam Long Investment, KB Securities Vietnam

Fig 4. NLG – Total debt in 2022–2024 (VNDbn)

As of the end of 4Q24, NLG's total debt amounted to VND6,961 billion, gaining 14% YTD. The debt-to-asset ratio was 0.23x, which is in line with the average for real estate developers.



Source: Nam Long Investment, KB Securities Vietnam

2024 presales recorded a 33% increase to VND5,204 billion

4Q24 presales hit VND1,680 billion (+97%QoQ, -24%YoY), driven by projects including Can Tho, Southgate, Akari City, Mizuki Park, and Izumi City. Cumulative presales in 2024 amounted to VND5,204 billion (+33%YoY) or 54% of the company's plan and 104% of KBSV's forecast.

Table 5. NLG – 2024 presales (VNDbn)

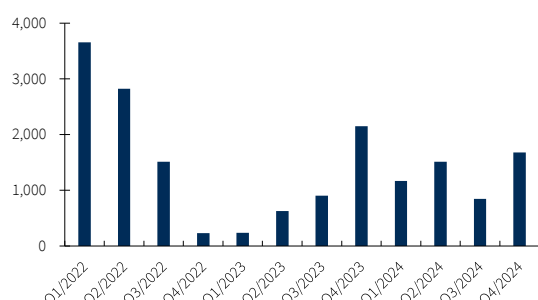
(VNDbn)	4Q23	3Q24	4Q24	2023	2024
Mizuki Park	169	50	127	558	642
Akari City	908	513	241	1,968	1,862
Southgate	1,074	155	347	1,394	1,461
Can Tho – Land plots			748		748
Can Tho – EhomeS		128	87		361
Izumi City			130		130
Total	2,151	846	1,680	3,920	5,204

Source: Nam Long Investment, KB Securities Vietnam

KBSV estimates 2025F presales at VND5,787 billion (+11% YoY)

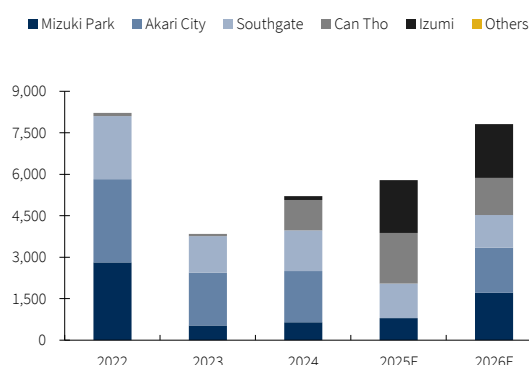
KBSV believes 2025 presales of NLG will grow 11% YoY to VND5,787 billion, which is attributable to Mizuki Park, Can Tho, Southgate, and Izumi City projects. Our forecast is based on assumptions: (1) the Izumi City project will complete legal procedures and reopen for sale in 2025; and (2) the absorption capacity of low-rise products in Long An and Can Tho provinces will recover.

Fig 6. NLG – Presales in 2022–2024 (VNDbn)



Source: Nam Long Investment, KB Securities Vietnam

Fig 7. NLG – Presales in 2022A–2026F (VNDbn)



Source: Nam Long Investment, KB Securities Vietnam

Fig 8. NLG – Waterpoint

The project covers an area of 165ha located in Ben Luc, Long An.

Phase 1: NLG announced the sale of the low-rise subdivisions Rivera 1 and The Aqua in 4Q19 (handover completed).

Phase 2:

- In 2021: NLG launched Rivera 2, Aquaria 2, and Ehome Southgate (Phase 1) – handover completed.
- In August 2022, NLG introduced Ehome Southgate (Phase 2), with 100% of the apartments sold and delivered.
- NLG continued sales activities for previously launched phases of The Aqua 1, 2, and Park Village.
- Phase 3 of Ehome Southgate, consisting of three blocks with 580 apartments, is expected to be handed over in 2Q25.
- The Pearl subdivision should be launched in 2025.



Source: Nam Long Investment, KB Securities Vietnam

Fig 9. NLG – Mizuki Park

The project covers an area of 26ha located in Binh Chanh, Ho Chi Minh City, with a total of over 4,000 properties.

Phase 1: 1,400 Flora MP 1–5 apartments have been delivered.

Phase 2:

- NLG launched MP6, MP7, and MP8 in April 2021, completed their topping-out in August 2022, and finalized the handover by the end of the year, three months ahead of schedule.
- NLG launched MP 9, 10 in 4Q21, completed their topping-out in early 2023, and commenced handover in June 2023.
- Mizuki Panorama was introduced in April 2022, topped out in early 2023, and began handover in July 2023.
- In 2024, NLG continued handing over Flora Panorama and The Mizuki villas.
- The CC5 subdivision and Adjacent townhouse 11 are expected to be launched in 2026.



Source: Nam Long Investment, KB Securities Vietnam

Fig 10. NLG – Mizuki Park



Source: Nam Long Investment, KB Securities Vietnam

Fig 11. NLG – Flora Panorama and The Mizuki



Source: Nam Long Investment, KB Securities Vietnam

Fig 12. NLG – Akari City project

The project covers an area of 8.5ha located in Binh Tan, Ho Chi Minh City.

Phase 1: All 1,800 units have been sold and handed over.

Phase 2:

- Presales for blocks AK 7, 8 began in March 2022, followed by AK 9 in July 2022, and AK NEO (AK 10) in 3Q23.

- NLG has started handing over the project from 4Q24, and 1,448 out of 1,690 units (~86%) have been done.



Source: Nam Long Investment, KB Securities Vietnam

Table 13. NLG – Other projects

Project	Location	Area	Progress
Izumi City	Dong Nai	170ha	<p>The project was first introduced in 4Q21 with 270 units in the 1A subdivision, which were reserved with a total contracted value of VND1,929 billion.</p> <p>By the end of 3Q24, approximately 180 units from the 1A subdivision had been successfully handed over. Currently, NLG has paused sales while awaiting approval for the 1/500 zoning plan adjustment with the launch of the next phase anticipated by the end of 2025.</p> <p>NLG plans to divest 15% of its shares in this project in 2025 (in 2020, it sold a 35% stake to Japanese partners, recording VND636 billion in PBT).</p> <p>In 4Q23, the sale and construction of social housing project EhomeS began with an asking price of around VND16 million/m². This project has an area of 3.8ha, including 12 buildings with a maximum height of nine floors with a scale of 1,602 apartments. In 2024, NLG sold more than 400 apartments for a contract value of VND360 billion. The company offered land plots for sale in 4Q24 and sold 178 lots for VND748 billion.</p> <p>NLG is waiting for approval for the 1/500 zoning plan adjustment</p>
NL Can Tho	Can Tho	43ha	
Paragon Dai Phuoc	Dong Nai	45ha	
VSIP Hai Phong	Hai Phong	21ha	
			The project is scheduled for sale in 2025.

Source: Nam Long Investment, KB Securities Vietnam

Forecast & valuation

Table 14. NLG – 2023A–2025F business performance

(VNDbn)	2024	2025F	+/-%YoY	2026F	+/-%YoY	Assumptions
Revenue	7,196	5,229	-27%	7,531	44%	
Property sales	6,945	5,070	-27%	7,293	44%	The sales of properties in 2025 are from Akari City, Southgate, Izumi City, and Can Tho projects.
Gross profit	3,068	2,611	-15%	3,639	39%	
<i>Gross profit margin</i>	43%	50%	7pp	48%	-2pp	
<i>Property sales</i>	43%	51%	7pp	45%	-6pp	
Financial income	337	433	29%	198	-54%	Financial income comes from VND245 billion in PBT from transferring 15% stake at Izumi City project.
Financial expenses	-331	-360	9%	-373	4%	
Profits from affiliates	100	118	18%	197	67%	Profit is attributable to the handover at Mizuki Park project.
SG&A	-1,390	-1,289	-7%	-1,680	30%	
Profit before taxes (PBT)	1,839	1,513	-18%	1,981	31%	
Profit after taxes (NPAT)	1,382	1,204	-13%	1,567	30%	
NP after MI	512	696	36%	770	11%	
<i>NPAT margin</i>	7%	13%	6pp	10%	-3pp	

Source: Nam Long Investment, KB Securities Vietnam

We recommend BUY for NLG with a target price of VND45,800 apiece

Using the RNAV method, we concluded the target price for NLG shares is VND45,800 apiece. NLG shares are currently trading at a P/B 2025fw of 1.25x, lower than the five-year P/B average. Based on the business outlook and valuation results, we issue a BUY recommendation for NLG shares with a target price of VND45,800/share, 37% higher than the closing price on March 10, 2024.

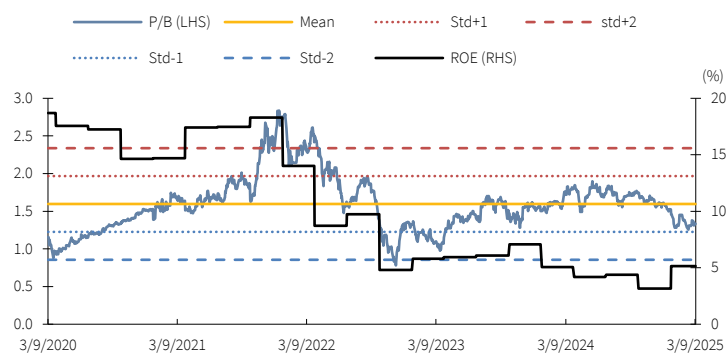
Table 15. NLG – Valuation results

Projects	Valuation method	Value (VNDmn)
Waterpoint 1	DCF	2,291,260
Waterpoint 2	DCF	3,190,145
Mizuki	DCF	1,374,139
Akari City	DCF	935,836
NL Dai Phuoc	DCF	1,476,535
Waterfront	DCF	5,301,556
NL Hai Phong	DCF	1,102,005
NL Can Tho	DCF	2,207,087
Total net asset value		17,878,564
+ Cash		6,669,861
- Net debt		6,961,180
RNAV		17,587,245
Number of shares outstanding		384,777,471
Value per share (VND)		45,800

Source: KB Securities Vietnam

* Note: The valuation model reflects the plan on transferring 15% of capital in the Izumi City project and does not include the plan on share offering to existing shareholders.

Fig 16. NLG - P/B in 2020-2025 (x)



Source: KB Securities Vietnam

NLG – 2023A–2026F summarized financials & forecasts

Income Statement (VND billion)					Balance Sheet (VND billion)				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Net sales	3,181	7,196	5,229	7,531	CURRENT ASSETS	25,313	27,549	28,245	30,825
Cost of sales	-1,619	-4,128	-2,618	-3,892	Cash and cash equivalents	2,540	5,443	4,441	5,108
Gross Profit	1,562	3,068	2,611	3,639	Short-term investments	1,050	792	792	792
Financial income	238	337	433	198	Accounts receivable	3,637	2,629	3,877	5,188
Financial expenses	-296	-331	-360	-373	Inventories	17,353	17,993	18,480	18,717
of which: interest expenses	-278	-212	-231	-239	LONG-TERM ASSETS	3,298	2,759	2,798	2,910
Gain/(loss) from joint ventures (from 2015)	418	100	118	197	Long-term trade receivables	13	10	10	10
Selling expenses	-418	-742	-565	-867	Fixed assets	141	143	208	325
General and admin expenses	-562	-648	-724	-813	Investment properties	305	316	290	285
Operating profit/(loss)	942	1,783	1,513	1,981	Long-term incomplete assets	44	5	5	5
Other incomes	27	56	0	0	Long-term investments	2,220	1,794	1,794	1,794
Other expenses	47	85	0	0	TOTAL ASSETS	28,611	30,308	31,043	33,736
Net other income/(expenses)	-20	-29	0	0	LIABILITIES	15,078	15,742	15,486	16,789
Income from investments in other entities	0	0	0	0	Current liabilities	9,886	10,148	9,770	10,947
Net accounting profit/(loss) before tax	968	1,839	1,513	1,981	Trade accounts payable	1,175	1,027	857	1,045
Corporate income tax expenses	104	-56	309	413	Advances from customers	3,815	3,024	3,400	2,804
Net profit/(loss) after tax	800	1,382	1,204	1,567	Short-term unrealized revenue	8	26	0	0
Minority interests	317	869	508	797	Short-term borrowings	2,402	2,887	3,031	3,183
Attributable to parent company	484	512	696	770	Long-term liabilities	5,192	5,594	5,716	5,842
					Long-term trade payables	0	0	0	0
					Long-term advances from customers	0	0	0	0
					Unrealized revenue	260	303	303	303
					Long-term borrowings	3,705	4,074	4,196	4,322
					OWNER'S EQUITY	13,533	10,594	14,039	15,315
					Paid-in capital	3,848	3,851	3,851	3,851
					Share premium	2,643	2,643	2,643	2,643
					Undistributed earnings	2,879	3,166	3,669	4,247
					Minority interests	0	0	0	0
Margin ratio					Key ratios				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Gross profit margin	45.7%	49.1%	42.6%	49.9%	Multiple				
EBITDA margin	19.9%	19.8%	24.0%	26.3%	P/E	27.2	24.9	18.5	16.8
EBIT margin	19.1%	18.3%	23.3%	25.3%	P/E diluted	27.2	24.9	18.5	16.8
Pre-tax profit margin	24.7%	30.4%	25.6%	28.9%	P/B	1.4	1.3	1.3	1.2
Operating profit margin	24.0%	29.6%	24.8%	28.9%	P/S	4.1	1.8	2.5	1.7
Net profit margin	19.9%	25.2%	19.2%	23.0%	P/Tangible Book	1.0	0.9	0.8	0.8
					P/Cash Flow	-5.6	10.6	-13.4	17.4
					EV/EBITDA	33.1	11.1	15.3	10.6
					EV/EBIT	35.9	11.4	15.9	10.9
					Operating performance				
					ROE	3.57	3.52	4.47	4.54
					ROA	3.15	8.63	6.38	8.89
					ROIC	1.69	1.69	2.24	2.28
					Financial structure				
					Cash Ratio	0.3	0.5	0.5	0.5
					Quick Ratio	0.7	0.9	0.9	1.0
					Current Ratio	2.6	2.7	2.9	2.8
					LT Debt/Equity	0.3	0.3	0.3	0.3
					LT Debt/Total Assets	0.1	0.1	0.1	0.1
					Debt/Equity	0.7	0.7	0.6	0.6
					Debt/Total Assets	0.3	0.3	0.3	0.3
					ST Liabilities/Equity	0.7	0.7	0.6	0.6
					ST Liabilities/Total Assets	0.3	0.3	0.3	0.3
					Total Liabilities/Equity	1.1	1.1	1.0	1.0
					Total Liabilities/Total Assets	0.5	0.5	0.5	0.5
					Activity ratios				
					Account Receivable Turnover	0.9	2.3	1.6	1.7
					Inventory Turnover	0.1	0.2	0.1	0.2
					Account Payable Turnover	1.5	3.7	2.8	4.1

Source: Company report, KB Securities Vietnam

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Investment ratings & definitions

Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

Buy:	Neutral:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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