

NAM LONG DAY 2024

13/12/2024

RECOMMENDATION HOLD

Fair price	40,600 VND
Current price	37,850 VND
Upside/downside (*)	+7.2%

STOCK INFORMATION

Outstanding shares (mil)	384.8
Free float (%)	59%
Market cap. (billion VND)	14,564
3m avg. volume (shares)	1,378,532
Foreign ownership (%)	47.22%
First listing date	08/04/2013

SHAREHOLDER STRUCTURE

Mr. Nguyen Xuan Quang	12.33%
Ibeworthy Pte. Ltd	8.15%
Others	79.52%

KEY ATTRIBUTES

TTM EPS (VND)	748
BVPS (VND)	23,839
Debt/Equity (%)	49.76%
ROA (%)	1.06%
ROE (%)	3.16%
P/E	461.84
P/B	1.59
Dividend yield (%)	1.32%

PRICE PERFORMANCE



COMPANY PROFILE

Established in 1992, Nam Long Investment Corporation (NLG) specializes in the investment, development, and trading of residential real estate projects. As one of the leading listed real estate companies in Vietnam, NLG boasts an extensive land bank of over 680 hectares strategically located in Ho Chi Minh City, Dong Nai, Long An, and Hai Phong.

RESEARCH DIVISION

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- As of November 2024, NLG recorded presales of VND 4,575 bn, (+15% compared to FY23). The primary contributors were Akari City Phase 2 (VND 1,697 bn), Southgate (VND 1,415 bn), and the Can Tho project (VND 881 bn).
- For FY25, the management anticipates a twofold increase in presales compared to FY24 this growth will be fueled by ongoing projects and the launch of two new developments in Hai Phong and Dong Nai.
- NLG is currently trading at a P/B ttm of 1.60x, aligning with its historical average P/B of 1.5x (2014 to date). We maintain our valuation of NLG at VND 40,600/share and recommend HOLD.

Company meeting keynotes:

Management restructuring to reinforce NLG's strategic direction: Following the achievement of its FY21 goal of reaching a market capitalization of USD 1 billion, NLG has set an ambitious vision for FY30, aiming to optimize its urban development capabilities based on three strategic pillars: Nam Long Land, Nam Long Capital, and Nam Long Commercial. In alignment with this new vision, the company has recognized the need for leadership with the expertise and experience to drive its strategic goals forward. Consequently, NLG made significant changes to its executive team, appointing a new CEO and CFO in March 2024 and September 2024, respectively:

- March 30, 2024: Mr. Lucas Ignatius was appointed as Chief Executive Officer. With over 30 years of experience in senior leadership and management roles, Mr. Lucas brings extensive expertise in asset management, investment, and real estate development to major corporations such as Capitaland and Temasek Holdings.
- September 16, 2024: Mr. Eric Chan was appointed as Chief Financial Officer. Mr. Eric has over a decade of experience as CFO in leading companies, including SPG Land, Alpha King, Novaland, and Masan.

NLG BOD's Outlook on Southern real estate market over the next 03 Years: This market will enter a transformative phase in the next period, driven by key factors (i) legal reforms and (ii) infrastructure development:

- Legal reforms in real estate:** The long-standing legal bottlenecks since 2017 are expected to be resolved as three pivotal laws—Land Law, Housing Law, and Real Estate Business Law—come into effect in 2024. These new regulations are clearer and less overlapping, fostering greater market transparency. They also introduce provisions aimed at strengthening buyer protection, which is likely to rebuild customer confidence. Importantly, NLG's projects, which have consistently adhered to robust legal standards from initiation to handover, are well-positioned to comply with these new regulations without disruption.
- Challenges in project development costs:** Despite the legal advancements, the market faces rising project development costs, making the acquisition of new projects and land banks increasingly challenging and resource-intensive, especially in Ho Chi Minh City's central areas.
- Infrastructure-driven growth in satellite cities market:** Satellite urban areas surrounding Ho Chi Minh City are expected to become the primary