NAM LONG GROUP (HSX: NLG)

Being patient: Preceding the recovery

(VND bn)	Q1-FY23	Q4-FY22	+/-QoQ	Q1-FY22	+/-yoy
Revenue	235	1,629	-86%	587	-60%
Parent company's NPAT	7	437	-98%	1	980%
EBIT	(19)	429	-104%	56	-133%
EBIT margin	(8.0)	26.3	-3430 bps	9.6	-1757 bps

Source: NLG, RongViet Securities

1Q23, modest revenue from project handover.

- In 1Q2023, NLG had revenue of VND 231bn from real estate products (USD 8.3mn, -60%YoY), reflecting the difficulty of the market. The revenue's breakdown included VND 30bn from the handover of 12 units in Akari – Flora; VND 134bn from the handover of Southgate project; VND 11bn from other projects (Flora Novia) and VND 67bn from other services (including service charge, rental fees).
- The company's NPAT came in at VND 16 bn (-51% YoY) in 1Q23 and the NPAT-MI was VND 7 bn (+980% YoY). NLG has recognized a net loss of VND 19 bn in EBIT, but offset by profit from associates, with VND 78bn from Mizuki Park (handing over 413 apartments in blocks MP6-7-8).

2023 result outlook – Bottom-line is improving gradually.

- In 2Q2023, we estimate NLG's revenue to reach VND 270bn (USD 11.5mn, +15% QoQ), mainly from the handover of apartments in Akari – Flora, and low-rise units in Southgate. In terms of income from associates, the company will recognize VND 31bn (-60%QoQ) from Mizuki project, thanks to the handover of Flora MP9-10. The parent company's NPAT is forecasted to reach VND 37bn (+448%QoQ, -66% YoY).
- In 2023, we expect the company's total revenue to reach VND 3,817bn (USD 162.4mn, -12%YoY), thanks to the handover of Southgate and Izumi. With VND 167bn contribution from the Mizuki Park's joint venture (USD 7.1mn, +579%YoY) and VND238bn from divestment of Paragon Dai Phuoc, we estimate the parent company's NPAT at 535bn (-4% YoY, met 91% of company's business plan). Corresponding to an EPS of VND 1,339.

Valuation and Recommendation

NLG, a high-reputation developer, is among the top five listed real estate developers with the largest land bank and concentrate in high-demand cities such as Dong Nai, Long An, and Can Tho. Owing to its prudent development strategy and financial leverage, we believe that the company can maintain its business while its peers struggle to stay afloat. Given the current headwinds in the real estate market, we think it is for a slowdown of the company's business results in 2023, before gradually recovering in 2024.

*Using the RNAV method, we set a target price for NLG of VND **35,800/share** with a total return of **+12.4%** compared to the closing price on July 11, 2023 (including cash dividend of VND 500/share) and recommend to **ACCUMULATE** the stock.*

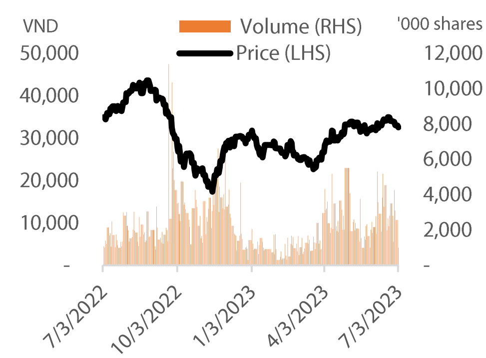
ACCUMULATE +12%

Target price (VND)	35,800
Current market price (VND)	32,300
Cash dividend	*VND 500*

Stock Info

Sector	Real estate
Market Cap (VND billion)	12,483
Current Shares O/S	384
Avg. Daily Volume (in 20 sessions)	2,250,776
Free float (%)	55%
52 weeks High	44,500
52 weeks Low	16,450
Beta	1,0

	FY2022	TTM
EPS	1,422	1,467
EPS Growth (%)	-47.1%	1.3%
Diluted EPS	1,472	1,491
P/E	22.9	22.2
P/B	1.4	1.4
EV/EBITDA	16.1	23.6
Cash dividend yield (%)	1.4%	1.4%
ROE (%)	6.2%	6.4%



Major Shareholders (%)

Nguyen Xuan Quang	11.6%
Ibeworth Pte.Ltd	8.17%
Thai Binh Investment JSC	5.87%
Foreign ownership room (%)	49

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Exhibit 1: 1Q/2023 Results

Business result (VND Bn)	Q1-FY23	Q4-FY22	+/-(qoq)	Q1-FY22	+/-(yoy)
Revenue	235	1,629	-86%	587	-60%
Gross profit	160	814	-80%	250	-36%
SG&A	-178	-385	-54%	-194	-8%
Operating income	-19	429	-104%	56	-133%
EBITDA	-7	443	-101%	62	-111%
EBIT	-19	429	-104%	56	-133%
Financial expenses	-77	-69	10%	-39	98%
- Interest expenses	*-77*	*-28*	*175%*	*-34*	*126%*
Dep. and amortization	12	14	-13%	5	124%
Non-recurring items (*)					
Extraordinary items (*)					
PBT	34	705	-95%	44	-22%
NPAT-MI	7	437	-98%	1	980%
(*) Adjusted NPAT-MI	7	437	-98%	1	980%

Source: NLG, RongViet Securities

Exhibit 2: 1Q/2023 Performance Analysis

Results	Q1-FY23	Q4-FY22	+/-(qoq)	Q1-FY22	+/-(yoy)
Profitability Ratios (%)					
Gross Margin	67.9	50.0	1792 bps	42.6	2533 bps
EBITDA Margin	-2.8	27.2	-2997 bps	10.5	-1329 bps
EBIT Margin	-8.0	26.3	-3430 bps	9.6	-1757 bps
Net Margin	2.9	26.8	-2393 bps	0.1	279 bps
Adjusted Net Margin	2.9	26.8	-2393 bps	0.1	279 bps
Turnover (x) *					
-Inventories	0.1	0.2	0.0	0.2	-0.1
-Receivables	3.6	4.3	-0.7	8.6	-5.0
-Payables	3.0	3.0	0.0	4.2	-1.2
Leverage (%)					
Total Debt/ Equity	42.9	38.9	404 bps	24.9	1805 bps

Source: NLG, RongViet Securities

** Denominator is total revenue/COGS for the last four quarters*

Exhibit 3: 2Q/Q2023 Performance Forecast

Particulars (VND Bn)	Q2-FY23	+/-QoQ	+/-YoY
Net revenue	270	15%	-78%
Gross profit	103	-36%	-82%
EBIT	28	248%	-89%
Parent company's NPAT	**37**	**448%**	**-66%**

Source: Rong Viet Securities

Q2/2023 assumptions:

- 2Q23 revenue will reach VND 270bn (USD 11.5mn, +15% QoQ), mainly from the handover of projects: 12 apartments in Akari – Flora, 20 low-rise units and 10 apartments (Ehome) in Southgate. EBIT will reach VND 28bn (+248%QoQ), with EBIT margin of 10%.

- In terms of income from associates, it will recognize VND 31bn (-60%QoQ) from Mizuki project, thanks to the handover of Flora MP9-10.

- With the net financial loss of VND12 bn (-25%YoY), the company's PBT will reach VND 53bn (+53%QoQ, -78%YoY) and parent company's NPAT is forecasted to reach VND 37bn (+448%QoQ, -66% YoY).

Updated Q1-F23 result: Modest revenue from project handover

In 1Q2023, NLG had revenues of VND 231 bn from real estate products (USD 8.3mn, -60%YoY), reflecting the difficulty of the market. The revenue breakdown included:

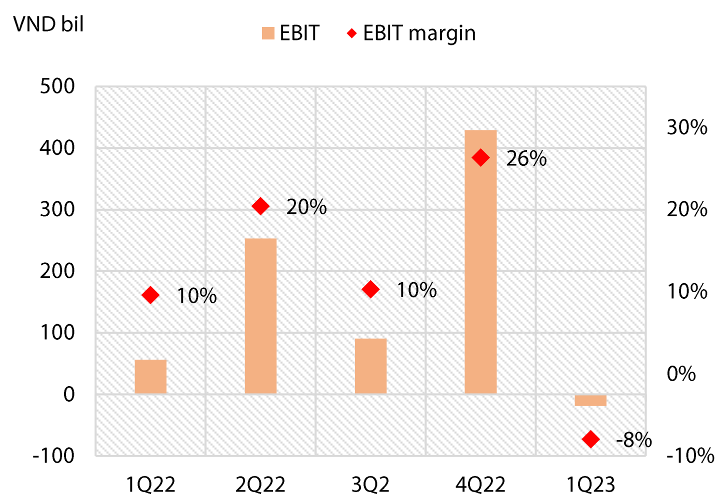
- VND 30bn from the handover of 12 units in Akari – Flora (apartments with average price of VND 2.5bn/unit)
- VND 134bn from the handover of Southgate project (17 low-rise units in the Aqua subdivision, and 24 apartments in Ehome subdivision – phase 1)
- VND 11bn from other projects (Flora Novia,…) and VND 67bn from other service (including service charge, rental fee,…)

The modest results came from: 1/Most of mid-priced products at the Southgate project (townhouses in the Aquaria/Riveria subdivisions) have been completely handed over in 4Q22, while remaining products (villas in the Aqua subdivision) will take longer, 2/ Other projects (Akari-phase 1, Flora Novia,…) were completely handed over, and 3/ Izumi phase 1A1 are not eligible for handover.

In terms of gross profit, NLG recorded VND 160bn (USD 6.8mn, -36%YoY), implying a gross profit margin (GPM) of 68% owing to the contribution of low-rise units. Nevertheless, the higher contribution from SG&A expenses (with SG&A/revenue ratio of 76%) led to a net loss of VND19bn in EBIT.

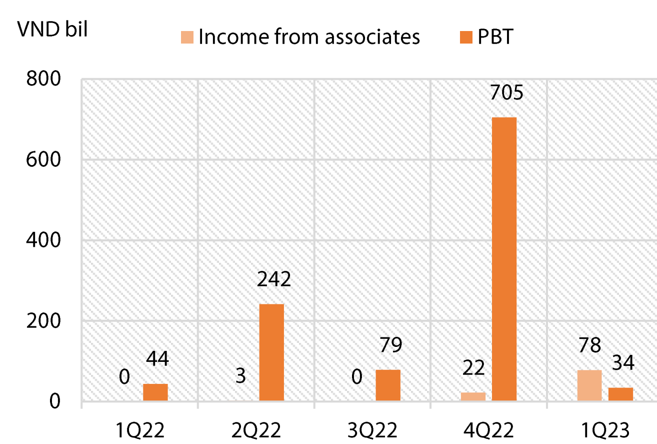
NLG has offset the net loss in EBIT by profit from associates, with VND 78 bn from Mizuki Park (handing over 413 apartments in blocks MP6-7-8). The company's NPAT came in at VND 16 bn (-51% YoY) in 1Q 23 and the NPAT-MI was VND 7bn (+980% YoY) as the contribution of minority interest was less significant.

Figure 1: NLG's EBIT for period 2022-2023



Sources: NLG, RongViet Securities

Figure 2: NLG's income from associates and PBT for period 2022-2023



Sources: NLG, RongViet Securities

2023 result outlook – Bottom line is improving gradually

2Q23 – Steadily recovering from the bottom

In 2Q23, NLG will continue with projects being handed over in 1Q, with focusing on low-rise units in Southgate and high-rise units in Mizuki Park. Per our estimation, the handover progress will be as follow:

- 12 apartments in Akari – Flora, equal to the previous quarter, which is equivalent to revenue of VND 30 bn and meet 34% of our full-year forecast.
- For the Southgate project, 20 low-rise units (+18%QoQ) and 10 apartments can be delivered, which meet 18% of our full-year forecast. Per our observation, the infrastructure of the Aqua 1&2 subdivisions has nearly been completed and ~70% of total units are available for delivery, while Ehome subdivision – phase 1- has already filled up vacancy and will not contribute significant to

revenue in the following quarters. To sum up, the contributed revenue is VND 215bn (USD 9.15mn, meeting 11% of our full-year forecast).

- For the Mizuki Park project, NLG will deliver 166 apartments as the Flora MP9-10 have been handed over since June 2023. The estimated 2Q profit from the project (in term of income from Associates) is VND 31bn, which is equal to 20% of our full-year forecast.

Figure 3: The Aqua subdivisions has nearly been completed

Sources: NLG, RongViet Securities

Figure 4: Blocks MP9-10 have been handed over since June

Sources: NLG, RongViet Securities

2H2023 outlook – Hidden numbers from Izumi and Paragon

For 2H2023, NLG will continue to push the handover process of Southgate Valora, especially with the villas in the Aqua subdivisions as the landscape (swimming pool, central park) will be completed to serve the residents' daily needs. Per the company, it will start construction of the shopping mall in 4Q (with specific partners), which is also a supporting factor. As a result, we expect the company to record revenue of VND 1,172 bn (~USD 50mn) from Valora Southgate in 2H2023, and revenue of VND 1,479 bn for the whole year (USD 64.3mn, ~81% of the company's plan). Besides, phase 2 of Ehome construction progress is being steadily deployed to reach the goal of handing over to owners in 4Q2023, with expected handed-over units of 383 and revenue of VND 442bn (USD 18.8mn, met ~82% of the company's plan).

For Mizuki Park project, the Flora Paranoma subdivisions (~416 apartments) and the compound villa The Mizuki (39 low-rise units) are expected to be handed over in 2H. The Flora Paranoma had its topping up ceremony in early 2023, and is currently completing exterior decoration. The compound villa, the Mizuki, has completed bare wall construction, currently constructing the subdivision landscape. We expected that NLG can hand over ~162 apartments (40% of total apartments) and 12 low-rise unit in 4Q23, and the project can contribute 2H2023 income from associate of VND 58bn (2023 JV profit sharing of VND 167bn).

In addition, NLG will hand over 275 units in phase 1A1 – Izumi city – which have been sold since 2021 but not yet been handed over in 2022, due to legal issues. According to NLG, the issues have been resolved and the project received a sale permit in May, thereby NLG is eligible to sign the purchase contract with customers and can hand over the products as soon as they are completed. Per our observation, the infrastructure in phase 1A1 area has nearly been completed, and with a well-legal-comply company like NLG, it can achieve the target of delivering ~193 units in 2H2023, with expected revenue of VND 1,512 bn (USD 64.3mn, met ~81% of the company's plan).

Table 1: Number of handed over units and revenue of projects in 2023

Project	Units sold			Units handed-over			Revenue (VNDbn)	
	Until 1Q23	2Q23F	2H23F	Until 1Q23	2Q23F	2H23F	2Q23F	2H23F
Southgate								
- Valora	*1,350*	*46*	*122*	*1,077*	*20*	*201*	*200*	*1,172*
- Ehome	*558*	*-*	*642*	*356*	*10*	*383*	*15*	*438*
Akari – Flora	2,668	93	580	1,768	12	11	30	28
Mizuki								
- Valora	*48*	*-*	*24*	*33*	*-*	*12*	*Contributed as income from associates*	
- Flora	*2,493*	*58*	*208*	*1,996*	*166*	*162*		
Can Tho	-	-	724	-	-	-	-	-
Izumi	275	-	-	-	-	275	-	1,512
Total	**7,392**	**197**	**2,300**	**5,230**	**208**	**1,044**	**245**	**3,150**

Source: NLG, Rong Viet Securities

Figure 5: The status of Mizuki Park with Flora Paranoma and The Mizuki subdivisions

Sources: NLG, RongViet Securities

For 2023, we estimate that:

- NLG's total revenue will reach VND 3,817bn (USD 162.4mn, -12%YoY), owing to the handover of Southgate and Izumi as described.
- Gross profit will be VND 1,177bn (USD 75.1mn, -40.6%YoY), and expected EBIT of VND 425bn (USD 18.1mn, -49%YoY, with EBIT margin of 11%).
- For other profit, we have VND238bn from divestment of Paragon Dai Phuoc as the project is currently in the process of carrying out the procedures for transferring the name and updating the investment certificate. We expect this deal to be completed in 2H2023 as the legal procedures in Dong Nai province are being pushed by the Government.
- Adding the contributed income of VND 167bn (USD 7.1mn, +579%YoY) from Mizuki Park's joint venture, we estimate the parent company's NPAT at 529bn (-5% YoY, met 90% of company's business plan) with key assumptions summarized in table 2.

Table 2: Forecast 2023

Unit: VND Bn	2023F	YoY %	Assumption
Revenue	**3,817**	**-12%**	
Project handover	3,769		
Akari - Flora	88		*Handover of 36 units in Akari – phase 1.*
Southgate - Valora	1,479		*Handover of 178 townhouses in Aquaria 2 and Riveria 2 subdivisions; NLG will also handover of 60 villas in the Aqua subdivisions (~28% of total villas).*
Southgate - Ehome	480		*Handover of 383 apartments in Ehome Southgate - phase 2.*
Izumi - Valora	1,512		*Handover of 193 low-rise units in Izumi - phase 1A1.*
Others	257		Mostly in term of service charge, with revenue/handover value of 6%.
Gross profit	**1,178**	**-41%**	Izumi and Southgate have higher land cost compared to previous projects.
SG&A expenses	(754)	-35%	We estimated the SG&A expense/revenue of 20%, equal to the period 2020-2021.
EBIT	**425**	**-49%**	
Financial income	335	-13%	Including VND 238bn from 25% divestment of Paragon, also interest income from short-term deposits.
Financial expense	(179)	-10%	Lower borrowing interest costs.
Gain (loss) from JV	167	579%	Profit from Mizuki Park (hand over of 741 apartments and 12 villas in 2023).
PBT	**783**	**-27%**	
Tax expense	(123)	-40%	
Minority interest	125	-60%	Mostly from minority interest of Southgate (VND 24bn) and Izumi (VND 93bn).
NPAT-MI	**535**	**-4%**	
EPS (VND)	**1,339**	**-4%**	

Source: RongViet Securities

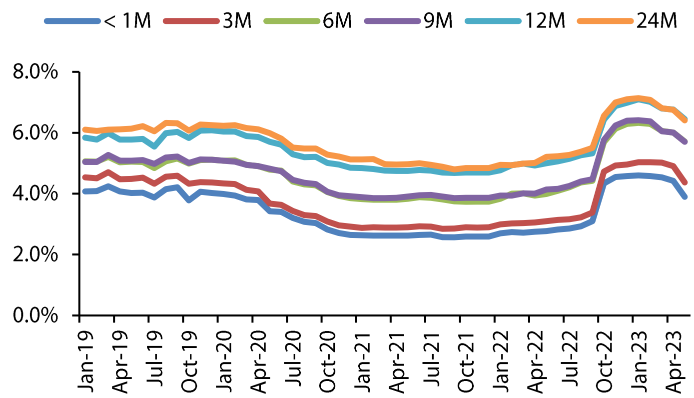
Pre-sale plan – Take advantage of being a comprehensive developer

Market outlook – headwinds are weaker, but it takes time to rebuild trust

Since 2H2022, the real estate market has faced headwinds, including: 1/The State Bank of Vietnam (SBV) rose the regulatory interest rate and tighten credit in risky fields; 2/Violations in the approval and management of previous projects in provinces were discovered, causing recent approvals to be suspended to review compliance and regulations; 3/ Bond maturity pressure caused developers to face liquidity risk. Nevertheless, the government has been cautiously resolving difficulties, with: 1/SBV has decreased regulatory rates since 2Q23, 2/ Circular 03/2023 and decree 08/2023 to ease the bond maturity pressure and 3/Finalizing the amended Land Law, the Real Estate Trading Law and related decrees to push faster legal procedures.

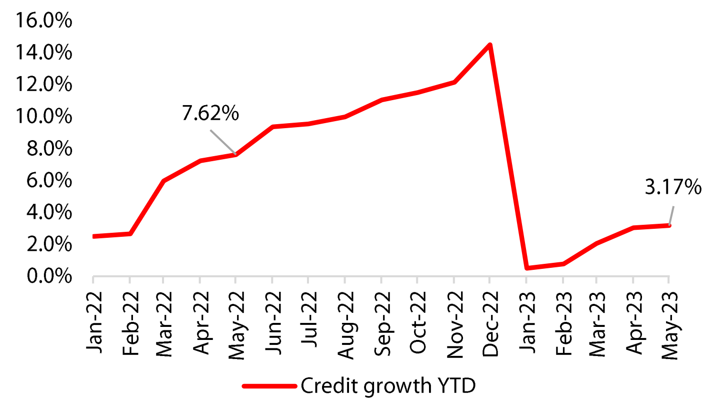
As our observation, the market needs time to react, with: 1/ the absorption is still at the lowest point (According to CBRE Research, in 1Q23 HCMC only has three new condominium projects, and Villa & Townhouse market did not record any new supply), 2/ Credit demand is still relatively weak when banks seem to be cautious in terms of legal issues in the real estate market. We expect the recovery to happen from late 4Q2023 as: 1/The amended Law and related decrees are finalized, 2/ Economic factors are better, and investors/banks are more confident to enter the market.

Figure 6: Deposit rates movement to support lowering lending rate



Source: Rong Viet Securities complied

Figure 7: Credit growth is at the low level, compared to 2022



Source: Fiinpro, Rong Viet Securities

Sales plan to precede the recovery

In 5M23, sales activities were quite modest with presales value of VND 660bn (USD 28.1mn, met 7% of the business plan), with most sold units from Akari City - Phase 2 (AK7-10 buildings). The average sold units in Akari City was more than 1 apartment/day, which is better than the previous quarter (in 1Q23, 20 apartments in Akari City have been sold, equivalent to less than 1 apartment sold per day). We appreciate the effort of NLG to push sales, with attractive policies to support customers, including: 1/Customers only need to pay ~40% of total value until handover, 2/Supporting lending rate by 8% within 18 months.

For 2H23, beside Akari City, the company will push sales in Southgate (especially units for high-end customers), and social housing project in Can Tho. Per our estimation, NLG can reach presales value of VND 6,430 (USD 237.6mn, 68% of the company's plan) for 2023, that will mostly come from:

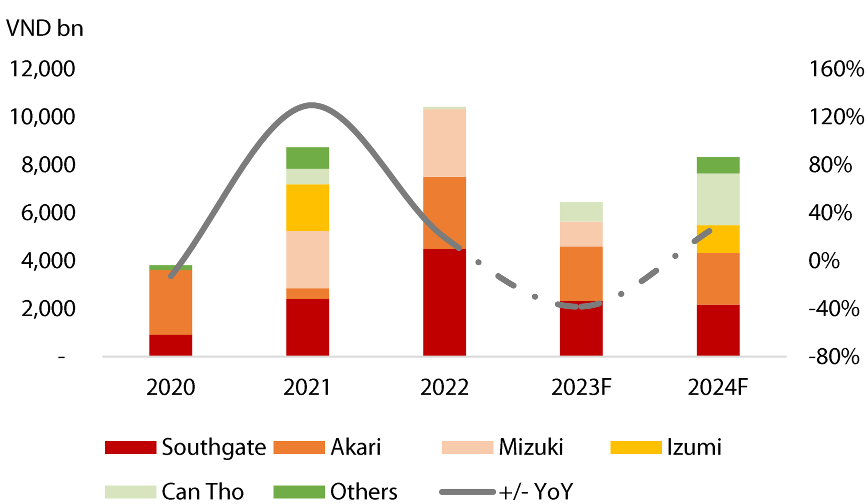
- Akari city: owing to the attractive policies for buyers and stable progress of construction (AK7-10 building have completed the construction of the 15th floor by June), we expect that NLG can sell ~580 units in 2H23, with expected presales value of VND 1,914bn (USD 81.5mn). For 2023, we expect Akari's presale value of VND2,277bn (USD 97mn, 86% of the company's plan).
- Southgate – Ehome: Per NLG, Phase 2B (192 units) and phase 3 (563 units) are expected to launch from 2H2023. With acceptable price for mid-end customers (~VND 1bn/apartment), we expect phase 2B and most of phase 3 to be sold successfully and contribute pre-sale value of VND 767bn (USD 32.6mn, 95% of the plan).
- Southgate – Valora: from 2H23, NLG will launch the sale event of the Pearl (~160 low-rise units) and the Park Village (~96 units) subdivisions. Typical products are grand villas/eco villas for high-end customers with a price range from VND 10-20bn/unit). Despite the high-end price, we expect investors can absorb ~40% of total units, given 1/The signal for market's recovery will be more clear in 4Q23 and 2/Project's key selling point – the Shopping center – will start construction from 4Q23. As a result, we expect a contributed pre-sale value of VND 1,356bn (USD 57.7mn in 2H23); and for 2023, the contributed pre-sale value from Southgate – Valora will be VND 1,548bn (USD 66mn, 44% of the company's plan).
- EhomeS – Can Tho: The project is expected to complete the land use levy payment in 2Q23 and launch sales from 3Q. As the selling price is at an acceptable level (from VND 600mn-1bn/unit), we expect NLG can complete the targeted pre-sale value of VND 800bn (USD 34mn) for 2023.
- Mizuki Park: We expect they can have pre-sale value of VND1,041bn (USD 44.3mn) from remaining units in the Flora Paranoma and the Mizuki subdivisions (handed over from 2H23).

Figure 8: The Southgate with sales plan in 2H2023

Source: NLG, Rong Viet Securities complied

For 2024, we expect that the remaining units in Southgate can be absorbed, while other potential project can be exploited more efficiently, with advantages from: 1/ Brand of Nam Long Group as a high-reputation developer, 2/The market is on a recovery phase and investors will be attracted by projects with well-legal-complied and favorable location. Especially with projects that can be launched for sales in 2024, including: 1/Izumi (Dong Nai province), when province's land-use master plan has successfully been re-checked and approved; 2/Akari phase 3 – thanks to the absorption of phase 2, can be sold with 30% of total units. We estimate that NLG can recognize the 2024 pre-sale value of VND 8,322bn (USD 354.1mn, +29%YoY), with significant contribution from: 1/ VND 2,033 from Southgate-Valora (the Pearl and the Park Village subdivisions), 2/VND 1,152bn from Izumi phase 1A2 (169 low-rise units), 3/VND 1,858bn from E-homeS Can Tho and VND 2,148bn from Akari -phase 3 (~1,512 apartments for the total phase).

Figure 9: Pre-sale value for the period 2020-2024F



Source: NLG, Rong Viet Securities forecasted

Valuation

We use a RNAV valuation to determine the fair value of NLG. Projects with specific development plans are run under the DCF model while projects that have been legally completed but have not been deployed in the next 12 months will be valued at market value (MV). For the remaining projections where there is no clear information, we use book value (BV). According to the RNAV method, we assume the WACC at 9.6% for projects with a high probability of going on sale in 2023-2024. We derive a fair value for NLG at VND **35,800/share**, with a total return of **12.4%** compared to the closing price on July 11, 2023 (including cash dividend of VND 500/share). Therefore, we recommend to **ACCUMULATE** the stock.

Project	Method	NPV
Mizuki	DCF	1,093
Akari	DCF	1,724
Southgate	DCF	2,264
Can Tho	DCF	1,451
VSIP Hai Phong	BV	34
Paragon Dai Phuoc	DCF	1,471
Izumi	DCF	5,083
Waterpoint phase 2	MV	3,642
Others	BV	607
Total		**17,369**
(+) Cash & Cash equivalents		1,556
(+) Investment		855
(+) Others		(4,111)
(-) Debt		(3,788)
Net Asset Value		**13,751**
Number of shares outstanding (Mn shares)		383
Target price		**35,800**

VND Bn

INCOME STATEMENT	FY2021	FY2022	FY2023E	FY2024E
Revenue	5,206	4,339	3,817	8,531
COGS	-3,427	-2,355	-2,639	-5,428
Gross profit	**1,778**	**1,984**	**1,178**	**3,103**
Selling expense	-416	-511	-449	-1,005
Administrative expense	-581	-644	-304	-658
Finance income	445	386	335	207
Finance expenses	-112	-199	-172	-213
Other income	435	29	29	29
Gain from j,t ventures	91	25	167	82
PBT	**1,640**	**1,070**	**783**	**1,545**
Prov, of Tax	-162	-204	-123	-293
Minority's Interest	407	309	125	338
PAT to Equity S/H	**1,071**	**556**	**535**	**914**
EBIT	2	51	188	1,095
EBITDA	811	865	433	1,449

%

FINANCIAL RATIOS	FY2021	FY2022	FY2023E	FY2024E
Growth				
Revenue	134.8%	-16.6%	-12.0%	123.5%
EBITDA	213.0%	6.6%	-50.0%	234.8%
EBIT	-99.7%	2115.5%	268.8%	481.0%
PAT	28.3%	-48.1%	-3.8%	70.9%
Total assets	73.1%	14.7%	-4.6%	16.7%
Total equity	59.4%	0.7%	1.8%	6.1%
Profitability				
Gross margin	34.2%	45.7%	30.9%	36.4%
EBITDA margin	15.6%	19.9%	11.3%	17.0%
EBIT margin	0.0%	1.2%	4.9%	12.8%
Net margin	20.6%	12.8%	14.0%	10.7%
ROA	4.5%	2.1%	2.1%	3.0%
ROCE	0.0%	0.2%	1.0%	5.3%
ROE	12.0%	6.2%	5.8%	9.7%
Efficiency				
Receivables turnover	2.7	1.2	1.7	1.7
Inventories turnover	0.2	0.2	0.2	0.4
Payables turnover	1.4	0.6	1.0	1.0
Liquidity				
Current	3.5	2.7	3.4	2.8
Quick	1.0	1.0	1.0	1.2
Finance Structure				
Total debt/equity	40.4%	57.6%	43.7%	47.0%
ST debt/equity	14.5%	20.1%	24.1%	25.2%
LT debt/equity	25.9%	37.5%	19.6%	21.8%

VND Bn

BALANCE SHEET	FY2021	FY2022	FY2023E	FY2024E
Cash	3,112	3,773	3,131	4,958
Short term investment	744	987	855	855
Account receivables	1,934	3,570	2,279	5,095
Inventories	15,490	14,830	15,515	15,203
Other short-term assets	505	559	635	635
Fixed tangible asset	438	430	433	433
Fixed intangible asset	31	95	87	79
Long term financial investment	873	2,136	2,205	2,205
Other long-term assets	491	704	704	704
Total asset	**23,618**	**27,085**	**25,845**	**30,166**
Account payables	2,478	3,678	2,587	5,322
Customers pay in advance	2,463	3,271	3,996	4,107
Short term debt	1,293	1,804	2,205	2,447
Long term debt	2,315	3,375	1,796	2,119
Other non-current liabilities	1,457	1,543	1,543	1,543
Bonus and welfare fund	83	98	119	128
Science and technology funds	0	0	0	0
Total liabilities	**10,090**	**13,770**	**12,246**	**15,667**
Common stock and APIC	6,472	6,484	6,484	6,484
Treasury stock (enter as -)	0	0	0	0
Retained earnings	2,444	2,493	2,653	3,215
Other comprehensive income	2	2	2	2
Inv, and Dev, Fund	11	11	11	11
Total equity	**8,929**	**8,990**	**9,149**	**9,712**
Minority interests	4,598	4,325	4,450	4,788

VALUATION RATIO	FY2021	FY2022	FY2023E	FY2024E
EPS (VND/share)	3,754	1,453	1,339	2,364
P/E (x)	9.5	24.6	26.7	15.1
BV (VND/share)	23,318	23,407	23,892	25,362
P/B (x)	1.5	1.5	1.5	1.4
DPS (VND/share)	500	500	500	500

VALUATION MODEL	Price	Weight	Average
RNAV	35,800	100%	35,800

Target price (VND/Share) **34,200**

VALUATION HISTORY	Target price	Recommend	Period
19/10/2021	41,930	Accumulate	MEDIUM TERM
21/07/2021	40,840	Accumulate	MEDIUM TERM

RESULT UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process. The report comprises analyses and projections that are based on the most up-to-date information with the objective that is to determine the reasonable value of the stock at the time such analyses are performed. Through this report. we strive to convey the complete assessment and opinions of the analyst relevant to the discussed company. To send us feedbacks and/or receive more information. investors may contact the assigned analyst or our client support department.

RATING GUIDANCE

Ratings	BUY	ACCUMULATE	REDUCE	SELL
Total Return including Dividends in 12-month horizon	>20%	5% to 20%	-20% to -5%	<-20%

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