# Q2/2026 Earnings Update – NLG

**HOSE · NLG · Nam Long Investment Corporation** *(Nam Long Group)*

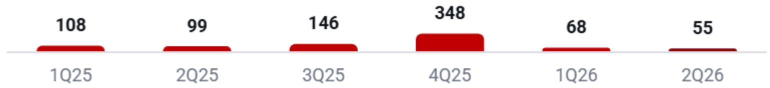
1 CLICK

| NET REVENUE · Q2 | NPAT TO PARENT · Q2 | NET CASH POSITION | VALUATION · P/B |
|---|---|---|---|
| **415** | **55** | **+1,004** | **0.95** x |
| VND bn · **−46.3% YoY** | VND bn · **−44.4% YoY** | VND bn · cash > borrowings | below book value · forward P/E ~19x |

## Q2 ASSESSMENT

Q2 was a **profit trough**: net revenue of **VND 415 bn (−46.3% YoY)** as few projects reached hand-over, with NPAT to parent of just **VND 55 bn (−44.4%)**. Gross margin nonetheless held high at **57%**, and sales held steady. The standout is a **net-cash balance sheet**: cash & equivalents of VND 6,200 bn exceed total borrowings of VND 5,196 bn; customer advances (backlog) stand at VND 2,937 bn. We expect full-year profit to be H2-weighted as larger projects reach hand-over. The stock trades at **P/B ~0.95x** — **below book value**; TCBS Research sees this as a good opportunity for long-term investors to accumulate a sector-leading stock at a below-book valuation.

**NPAT attributable to parent by quarter** · *VND bn*




## % OF FULL-YEAR PLAN ACHIEVED

Revenue · **1,694 / 7,630 bn** — 22%

NPAT to parent · **123 / 720 bn** — **17%**

2026 PLAN · H2-WEIGHTED
**7,630 / 720** bn · rev / NPAT (+35% / +3%) · presales VND 23,460 bn

BALANCE SHEET · NET CASH
**net cash +1,004** bn · backlog VND 2,937 bn · P/B 0.95x

## HIGHLIGHTS

**Net cash** BALANCE SHEET — **Cash exceeds borrowings**
cash & equivalents VND 6,200 bn > total borrowings VND 5,196 bn · high financial safety

**2,937** BN · BACKLOG — **Stable customer advances**
revenue base for H2 2026 · record presales of VND 11,855 bn in 2025

**0.95** X P/B — **Trading below book value**
price VND 24,500 · book value VND 25,764/share · cash dividend ~1.6%

## WATCH ITEMS

**−44%** YOY · Q2 — **Profit back at a trough**
NPAT to parent just VND 55 bn · revenue VND 415 bn (−46%) · few hand-overs

**17%** OF PLAN — **Plan heavily H2-weighted**
H1 delivered only 17% of the profit plan · hinges on H2 hand-overs and new launches

## OUTLOOK FOR COMING QUARTERS

The 2026 plan is H2-weighted: NLG targets **consolidated revenue of VND 7,630 bn (+35%)** and NPAT to parent of **VND 720 bn (+3%)**, with presales of **VND 23,460 bn** — emphasising the **affordable housing** segment and **expansion to the North**. TCBS projects 2026 NPAT to parent **~VND 612 bn** (EPS 1,262), forward P/E **~19x**, ROE ~4.8%. Watch H2 hand-over pace, JV project economics and interest costs.

| REVENUE 2026F · TCBS | NPAT TO PARENT 2026F · TCBS | FORWARD P/E 2026F | CUSTOMER ADVANCES |
|---|---|---|---|
| **5,927** | **~612** | **19.0** | **2,937** |
| bn · **+5%** vs 2025 | bn · EPS 1,262 | x · **P/B 0.95x** · ROE 4.8% | bn · H2 revenue base |

## STOCK INFORMATION & VALUATION · as of 27 Aug 2026

| PRICE · VND | MARKET CAP · VND BN | FORWARD P/E · X | P/B · X | CASH DIVIDEND | SHARES · MN |
|---|---|---|---|---|---|
| 24,500 | 11,885 | 19.0 | 0.95 | 1.6% | 485.1 |

# 1. TCBS Assessment

*Scale and quality of Q2 profit, balance-sheet strength, the backlog signal and the recovery forecast*

NLG's Q2/2026 was a **seasonal hand-over trough**. Net revenue was only **VND 415 bn (−46.3% YoY, −67.6% QoQ)** as few projects reached recognition; NPAT to parent was **VND 55 bn (−44.4%)**. Yet profit quality is **healthy**: a 57% gross margin, earnings from core operations and associates (VND 24 bn), with **no one-off income**. The real highlight is the balance sheet: NLG has moved to a **net-cash position** and holds VND 2,937 bn of customer advances.

On mix, H1 2026 delivered revenue of VND 1,694 bn and NPAT to parent of VND 123 bn — only **17% of the full-year profit plan**, showing a plan **heavily weighted to H2** as large projects (Waterpoint, Izumi, Mizuki, Central Lake Can Tho) reach hand-over. NLG's core strength is a **healthy balance sheet**: after restructuring its consolidation scope in Q4/2025 (inventory and minority interest both fell sharply), it holds cash & equivalents of **VND 6,200 bn versus total borrowings of VND 5,196 bn** — a **net-cash position of ~VND 1,004 bn**. Customer advances of VND 2,937 bn form a revenue base. On valuation, the stock is around **VND 24,500**, at **P/B ~0.95x** (below book value of VND 25,764/share) and a **2026 forward P/E ~19x**. **TCBS projects 2026 NPAT to parent ~VND 612 bn** (EPS 1,262, ROE ~4.8%).

### Q2/2026 RESULTS & FULL-YEAR FORECAST

| NET REVENUE Q2 | NPAT TO PARENT Q2 | GROSS MARGIN Q2 | NET CASH | NPAT TO PARENT 2026F | FORWARD P/E 2026F |
|---|---|---|---|---|---|
| **415** | **55** | **57.1%** | **+1,004** | **~612** | **19.0** |
| bn · −46.3% YoY | bn · −44.4% YoY | high · genuine earnings | bn · cash 6,200 > debt 5,196 | bn · EPS 1,262 | x · P/B 0.95 · ROE 4.8% |

**KEY POINTS**

**01** **A net-cash balance sheet is the strength** — after restructuring its consolidation scope (Q4/2025), NLG holds cash & equivalents of VND 6,200 bn versus total borrowings of VND 5,196 bn (net cash ~+VND 1,004 bn). Customer advances of VND 2,937 bn form a revenue base; record 2025 presales of VND 11,855 bn support the H2 plan.

**02** **Below book, awaiting the H2 inflection** — the stock trades at P/B ~0.95x and forward P/E ~19x; the low earnings base is priced in. H1 delivered only 17% of the plan, so meeting the full-year target hinges heavily on H2 hand-overs. TCBS stays neutral, watching hand-over execution.

# 2. Business Results & Financial Analysis

*Q2 overview, profit quality & composition, the sales–backlog signal, balance sheet & financial position, and valuation*

## 2.1. Q2/2026 overview

Q2/2026 had **low, seasonal hand-over revenue**: net revenue of **VND 415 bn (−46.3% YoY, −67.6% QoQ)** and NPAT to parent of **VND 55 bn (−44.4%)**. Notably, **gross margin jumped to 57.1%** (from 42.9% a year earlier) on a high-margin product mix, but on a small revenue base absolute profit stayed low. Pre-tax profit of VND 94 bn included VND 24 bn from associates; interest expense of VND 61 bn and the minority share are the items eroding parent profit.

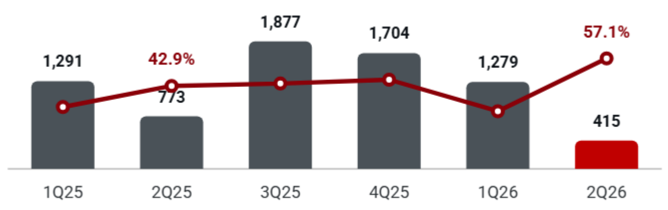
| NET REVENUE | GROSS PROFIT | GROSS MARGIN |
|---|---|---|
| **415** | **237** | **57.1%** |
| VND bn · −46.3% YoY | VND bn · −28.6% YoY | +14.2 ppt YoY · high-margin mix |

| PRE-TAX PROFIT | NPAT TO PARENT | PROFIT FROM ASSOCIATES |
|---|---|---|
| **94** | **55** | **24** |
| VND bn · −36.6% YoY | VND bn · −44.4% YoY | bn · steady contribution |

| Item (VND bn) | Q2/2026 | Q2/2025 | %YoY | Q1/2026 | %QoQ |
|---|---|---|---|---|---|
| **Net revenue** | 415 | 773 | −46.3 | 1,279 | −67.6 |
| Gross profit | 237 | 332 | −28.6 | 381 | −37.8 |
| Gross margin (%) | 57.1 | 42.9 | +14.2 ppt | 29.8 | +27.3 ppt |
| Core operating profit | 42 | 125 | −66.4 | 193 | −78.3 |
| Profit from associates | 24 | 20 | +17.7 | 7 | +244 |
| **Pre-tax profit** | 94 | 149 | −36.6 | 177 | −46.6 |
| Profit after tax | 66 | 98 | −32.1 | 110 | −39.5 |
| **NPAT to parent** | 55 | 99 | −44.4 | 68 | −19.1 |

**Net revenue & gross margin by quarter**

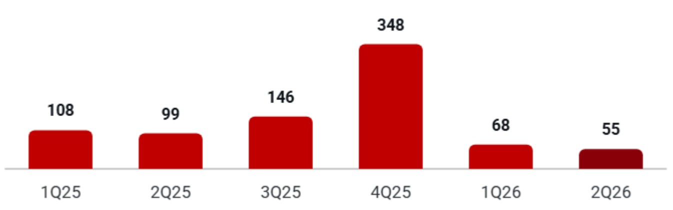
*Bars = revenue (VND bn) · line = gross margin (%, right axis)*




***Source:*** *TCBS Research · NLG consolidated financials*

**NPAT attributable to parent by quarter**

*VND bn · lumpy on hand-overs · Q2/2026 at a trough*




***Source:*** *TCBS Research · NLG consolidated financials*

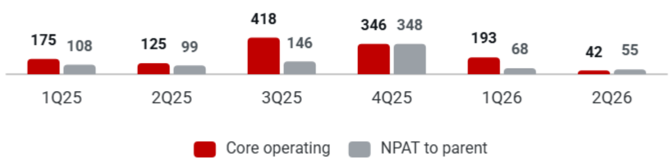
## 2.2. Profit quality & composition

A plus for NLG is **clean profit quality**. Pre-tax profit of VND 94 bn came from genuine operations (gross profit VND 237 bn less SG&A) plus VND 24 bn from associates — **no one-off income**. The main drags are **interest expense of VND 61 bn** and the minority share (projects run through JVs with Japanese partners). So as hand-over revenue recovers in H2, core profit has room to improve without any exceptional items.

- **Core profit at a seasonal trough** — core operating profit of VND 42 bn (from VND 125 bn a year earlier) on low hand-over revenue; but a 57% gross margin shows the products handed over are high quality, ready to lift as volumes rise in H2.
- **Associates contribute steadily** — VND 24 bn from associates (JV projects with Japanese partners Hankyu Hanshin, Nishi Nippon...) is a recurring source. This capital-sharing model reduces risk, in exchange for a portion of profit going to partners.
- **Interest cost is a watch item** — despite the net-cash position, interest expense was VND 61 bn in the quarter (EBIT/interest coverage only ~0.7x in the trough). As hand-over revenue recovers, coverage should improve clearly; this is sensitive to interest rates.

**Core operating profit & NPAT to parent**

*VND bn · lumpy on hand-overs*




*Source:* *TCBS Research · NLG consolidated financials*

**Pre-tax profit bridge — Q2/2026**

*VND bn · profit from genuine operations*


*Source:* *TCBS Research · NLG consolidated financials*

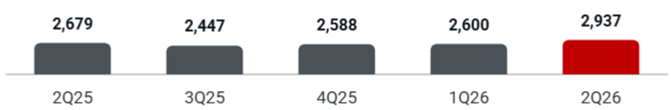
## 2.3. Sales, backlog & consolidation

The best forward indicator is **the balance of customer advances**: NLG holds a steady **~VND 2,937 bn** (up from VND 2,679 bn a year ago) — a revenue base awaiting recognition in H2. Full-year 2025 presales hit a **record VND 11,855 bn**, the basis for the 2026 presales target of VND 23,460 bn. One thing to note when comparing: from **Q4/2025 the consolidation scope changed** — inventory fell from ~VND 17,900 bn to ~VND 8,600 bn and minority interest fell in tandem, as NLG deconsolidated / reduced stakes in some JV projects.

- **Stable backlog, record presales** — customer advances of VND 2,937 bn held steady; 2025 presales hit a record VND 11,855 bn on a multi-segment product range and flexible sales policy — a base to convert into recognised revenue in H2 2026.
- **Consolidation scope changed from Q4/2025** — consolidated inventory fell from ~VND 17,900 bn to ~VND 8,600 bn and minority interest fell sharply, on reducing the consolidation of some projects. This means year-on-year comparisons need a base adjustment.
- **"Affordable" strategy and northward expansion** — NLG focuses on the affordable housing segment (good liquidity) with a 681ha land bank in HCMC and southern provinces, and has announced plans to expand to the North — a medium-term growth avenue.

**Customer advances (backlog)**

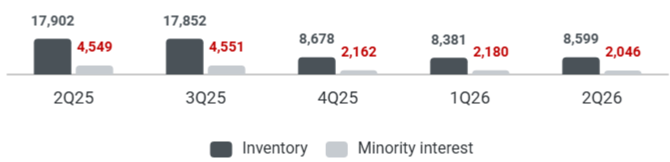
*VND bn · quarter-end · stable*




*Source:* *NLG financials · compiled*

**Inventory & minority interest by quarter**

*VND bn · both fell on consolidation change*




*Source:* *NLG financials*

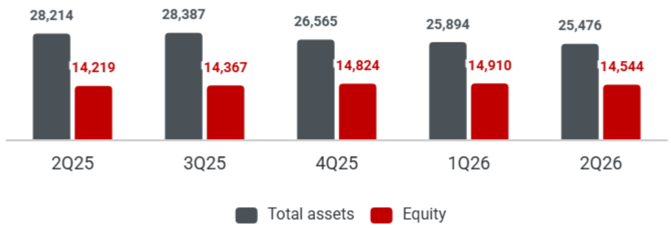
## 2.4. Balance sheet & financial position

This is NLG's standout strength. At end-Q2/2026, total assets reached **VND 25,476 bn**; the company holds **cash & equivalents of VND 6,200 bn versus total borrowings of VND 5,196 bn** — a **net-cash position of ~VND 1,004 bn**, rare among developers. Equity is VND 14,544 bn (book value VND 25,764/share). The debt structure is healthy (short-term 915 + long-term 4,281), with far lower maturity risk than bond-reliant peers. This is the base for NLG to expand its land bank and develop projects without heavy financial pressure.

- **Net-cash position — high financial safety** — cash & equivalents of VND 6,200 bn exceed total borrowings of VND 5,196 bn; total debt has fallen from ~VND 6,960 bn (end-2024). This limits interest-rate pressure and leaves room to seize land-bank opportunities.
- **Consolidation scope leaner from Q4/2025** — inventory and minority interest both fell sharply after reducing consolidation of some projects; this makes the balance sheet leaner and focused on core projects, but also lowered consolidated revenue/profit scale versus before.
- **Steady cash dividend** — NLG pays a cash dividend (~1.6% at the current price), a plus for long-term investors and a favourite of foreign funds. Equity of VND 14,544 bn, trailing ROE ~5.6% at a cyclical low, expected to improve as hand-overs recover.

### Total assets & equity

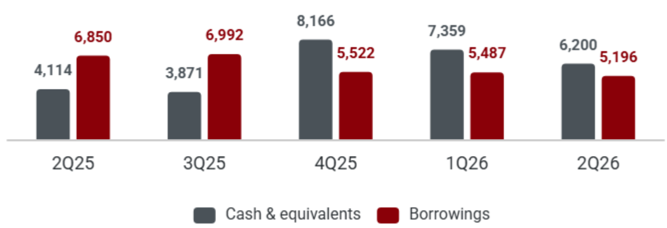
*VND bn · quarter-end · stable equity*




*Source: TCBS Research · NLG consolidated financials*

### Cash & equivalents vs. total borrowings

*VND bn · quarter-end · net cash from Q4/2025*




*Source: TCBS Research · NLG consolidated financials*

## 2.5. Valuation & outlook

NLG trades around **VND 24,500**, at **P/B ~0.95x** — **below book value** (VND 25,764/share) — and a **2026 forward P/E ~19x**. The high P/E reflects trough earnings, so P/B is the more appropriate gauge: trading below book while a 681ha land bank accumulated over years at low cost is an attractive long-term feature. That said, the discount also reflects that profit needs time to recover and the full-year plan is heavily H2-weighted.

- **Drivers: H2 hand-overs & geographic expansion** — TCBS projects 2026 NPAT to parent ~VND 612 bn (EPS 1,262), forward P/E ~19x, ROE ~4.8%; steady growth in later years as large projects and new regions (the North) contribute. The forecast is sensitive to hand-over and launch pace.
- **Three valuation supports** — a net-cash position and healthy debt structure; a 681ha land bank at low cost with hidden value; and a steady cash dividend. Trading below book value offers a margin of safety, though patience is needed for the profit recovery.
- **Assessment:** NLG is a **financially healthy (net-cash) developer, trading below book, at a profit trough**. TCBS stays **neutral**, awaiting an H2 hand-over recovery. Risks to watch: ability to meet the full-year plan, interest costs and JV project economics.

# Appendix — Quarterly financials

*Condensed consolidated income statement and balance sheet by quarter*

### Income statement (VND bn)

| Item | Q2/2025 | Q3/2025 | Q4/2025 | Q1/2026 | Q2/2026 |
|---|---|---|---|---|---|
| **Net revenue** | **773** | **1,877** | **1,704** | **1,279** | **415** |
| Gross profit | 332 | 827 | 785 | 381 | 237 |
| Gross margin (%) | 42.9 | 44.1 | 46.1 | 29.8 | 57.1 |
| Core operating profit | 125 | 418 | 346 | 193 | 42 |
| **Pre-tax profit** | **149** | **330** | **567** | **177** | **94** |
| Profit after tax | 98 | 234 | 505 | 110 | 66 |
| **NPAT to parent** | **99** | **146** | **348** | **68** | **55** |

### Balance sheet (VND bn) · period-end

| Item | Q2/2025 | Q3/2025 | Q4/2025 | Q1/2026 | Q2/2026 |
|---|---|---|---|---|---|
| **Total assets** | **28,214** | **28,387** | **26,565** | **25,894** | **25,476** |
| Inventory | 17,902 | 17,852 | 8,678 | 8,381 | 8,599 |
| Cash & equivalents | 4,114 | 3,871 | 8,166 | 7,359 | 6,200 |
| Borrowings & finance leases | 6,850 | 6,992 | 5,522 | 5,487 | 5,196 |
| Total liabilities | 13,995 | 14,020 | 11,740 | 10,984 | 10,931 |
| **Equity** | **14,219** | **14,367** | **14,824** | **14,910** | **14,544** |

Source: NLG consolidated financials & TCBS Research; TCBS compiled. Calendar-quarter basis. "Core operating profit" = gross profit less selling & admin expenses (before financial & associate items). From Q4/2025 the consolidation scope changed (reduced consolidation of some projects), sharply lowering inventory & minority interest — note this when comparing year-on-year.

# Financial model & yearly forecast · 2021–2030

Unit: VND bn (except ratios, x, %, VND/share, days) · Columns 2026–2030 are forecast · Source: TCBS Research

| | ACTUAL | | | | | FORECAST · TCBS | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Item** | **2021** | **2022** | **2023** | **2024** | **2025** | **2026F** | **2027F** | **2028F** | **2029F** | **2030F** |
| Shares outstanding (mn) | 485.1 | 485.1 | 485.1 | 485.1 | 485.1 | 485.1 | 485.1 | 485.1 | 485.1 | 485.1 |
| **P/E (x)** | **24.8** | **23.6** | **32.2** | **30.4** | **20.7** | **19.0** | **17.5** | **16.9** | **15.7** | **14.6** |
| EPS (VND) | 2,207 | 1,146 | 997 | 1,067 | 1,445 | 1,262 | 1,368 | 1,417 | 1,523 | 1,643 |
| **P/B (x)** | **3.0** | **1.5** | **1.7** | **1.6** | **1.1** | **0.9** | **0.9** | **0.8** | **0.8** | **0.8** |
| BVPS (VND) | 18,407 | 18,532 | 19,342 | 19,944 | 26,102 | 26,928 | 27,823 | 28,751 | 29,748 | 30,823 |
| EV/EBITDA (x) | 30.8 | 19.1 | 34.3 | 11.6 | 19.3 | 14.1 | 12.6 | 12.2 | 11.1 | 10.1 |
| **ROE** | **14.7%** | **6.2%** | **5.3%** | **5.4%** | **6.3%** | **4.8%** | **5.0%** | **5.0%** | **5.2%** | **5.4%** |
| Gross margin | 34% | 46% | 49% | 42% | 42% | 40% | 38% | 37% | 37% | 37% |
| **Net margin** | **20.6%** | **12.8%** | **15.2%** | **7.2%** | **12.4%** | **10.3%** | **10.2%** | **9.6%** | **9.4%** | **9.2%** |
| Debt / EBITDA (x) | 4.4 | 6.0 | 9.7 | 4.1 | 4.9 | 5.2 | 4.6 | 4.4 | 4.0 | 3.7 |
| **Net revenue** | **5,206** | **4,339** | **3,181** | **7,196** | **5,645** | **5,927** | **6,520** | **7,172** | **7,889** | **8,678** |
| *Revenue growth* | | *-17%* | *-27%* | *+126%* | *-22%* | *+5%* | *+10%* | *+10%* | *+10%* | *+10%* |
| EBITDA | 811 | 865 | 630 | 1,714 | 1,117 | 1,071 | 1,200 | 1,244 | 1,364 | 1,496 |
| **NPAT to parent** | **1,071** | **556** | **484** | **518** | **701** | **612** | **664** | **688** | **739** | **797** |
| *NPAT growth* | | *-48%* | *-13%* | *+7%* | *+35%* | *-13%* | *+8%* | *+4%* | *+7%* | *+8%* |
| Cash & ST investments | 3,856 | 4,760 | 3,590 | 6,066 | 8,166 | 8,200 | 7,890 | 7,572 | 7,377 | 7,176 |
| Inventory | 15,490 | 14,830 | 17,353 | 17,993 | 8,678 | 9,386 | 10,669 | 11,926 | 13,118 | 14,430 |
| **Total assets** | **23,618** | **27,085** | **28,611** | **30,318** | **26,565** | **27,396** | **28,586** | **29,764** | **31,034** | **32,448** |
| Total borrowings | 3,608 | 5,179 | 6,107 | 6,961 | 5,522 | 5,522 | 5,522 | 5,522 | 5,522 | 5,522 |
| **Equity** | **13,528** | **13,315** | **13,533** | **14,569** | **14,824** | **15,225** | **15,659** | **16,109** | **16,593** | **17,114** |

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