

LONG HAU JOINT STOCK COMPANY (HOSE: LHG)

Potential cash flow from factory investment

We carry out an update report for LHG with a value of **VND 46,800**, equivalent to the projected P/B in 2026 of 1.2 times. In our cautious view, the current price does not fully reflect the company's long-term growth prospects and its position.

• RBF investment plan helps increase asset use efficiency

- LHG is currently operating 03 small-scale industrial parks in Can Giuoc commune, with two of these industrial parks are fully filled and Long Hau 03 Industrial Park (phase 1) achieved a high occupancy rate (over 60%). LHG is also exploiting ready-built factories (RBFs) with a total area of 147,000 m2 – enterprises with a large factory are listed. To increase land use efficiency, LHG plans to invest in high-rise factories and RBFs in LH03 Industrial Park to increase the exploitation area from 147,000 m2 (2025) to 249,000 m2 (2027, +70%).
- Due to its convenient location (~25km from HCM City), Long Hau Industrial Park usually attracts small and medium-sized enterprises. Once the investment is completed, we estimate that LHG will be able to maintain a stable cash flow of around VND 600 billion (equivalent to 30% of the company's equity).

• Potential projects and strong financial health

- LHG has many potential projects such as: 1/ industrial parks are awaiting approval of investment policies (Long Hau 03 - phase 2 and Long Hau - Tan Tap); 2/ Long Hau Residential Area – Resettlement Project 03. New projects are in the early stages of implementation, and accelerating the progress of projects will be a factor that increases business value.
- With a healthy balance sheet (~50% of short-term assets in the form of deposits), LHG can develop projects without relying heavily on financial leverage.

Risk

- The project progress is slower than expected, which may affect the LHG's results in the forecast period.
- Due to the fact that LHG's main customers are FDI enterprises, macro factors affecting customers' land lease decisions will also affect the cash flow outlook.

Key financial ratios

Y/E Dec (VND billions)	FY2021	FY2022	FY2023	FY2024	FY2025F	FY2026F
Net revenue	782	629	395	423	632	677
Growth (%)	21%	-20%	-37%	7%	49%	7%
EBITDA	404	251	192	218	363	396
NPAT	295	204	166	184	276	275
Growth (%)	49%	-31%	-18%	11%	50%	0%
Net margin (%)	38%	32%	42%	43%	44%	41%
ROA (%)	11%	7%	5%	6%	9%	8%
ROE (%)	21%	14%	11%	11%	16%	14%
Basic EPS (VND)	5,309	3,669	2,991	3,308	4,968	4,958
Book value (VND)	29,236	30,673	31,885	33,179	36,738	40,327
Cash Dividend (VND)	1,900	1,900	1,900	1,900	1,900	1,900
P/E (x)	10.0	5.8	9.7	9.1	7.0	7.1
P/BV (x)	1.8	0.7	0.9	0.9	1.0	0.9

Source: LHG, RongViet Securities. Based on the closing price on 09/09/2025.

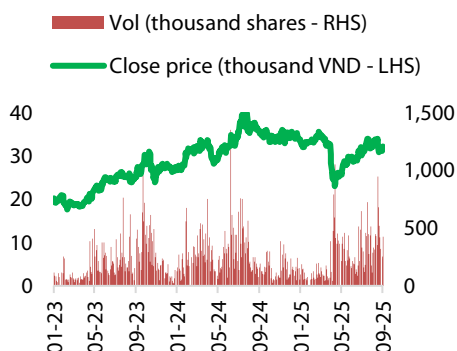
BUY
+55%

Market price (VND)	31,500
Target Price (VND)	46,800

(*) Cash dividend 1,900

Stock Infor

Sector	Real Estate
Market Cap (VND mn)	1,590
Current Shares O/S (mn shares)	50
3M Avg. Volume (K)	306
3M Avg. Trading Value (VND Bn)	10
Remaining foreign room (%)	39.43
52-week range ('000 VND)	23,007 – 36,026



Performance (%)

	3M	6M	1Y
LHG	11.9	-5.5	-10.3
VN30 Index	34.1	35.3	41.5
VN-Index	28.9	27.1	32.1

Major shareholders (%)

IPC	49
Others	51
Remaining foreign room (%)	38

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VALUATION USING THE SOTP METHOD

We use the SOTP (Sum-of-the-parts) method to value LHG's stock. The Company's net asset is aggregated from its industrial park projects, cash flow from factory leasing, cash, financial investment and debt. LHG's total asset reached VND 2.3 trillion, contributing from:

- Industrial Park Project: We include cash flow from land lease in Long Hau 03 Industrial Park (LH3, phase 01) into the valuation model. For potential projects (LH3 phase 2, Long Hau Tan Tap), we need to monitor the project's important progress (completion of investment policy, site clearance) before being included in the valuation model.
- Investment and leasing of RBFs : We estimate the cash flow of factory investment and leasing activities and discounts at a rate of 16%. The main assumptions include: 1/ Rental prices are stable throughout the rental cycle; 2/ LHG invests an additional 76,000 m2 factory for 2026-2027, which will take ~2 years to fill these factories.
- Business activities generate stable cash flow (Supply of electricity, water and other customer services), valued using the net income method (Capitalization = Income/discount rate, with a discount rate of 16%).
- Other net assets (including cash, investments and loans, minus debts) reached ~VND 700 billion, comprising: i/ Cash, cash equivalents and short-term investments reached VND 1.1 trillion, ii/ Other obligations (mainly potential obligations to IPC) reached VND 337 billion.

Table 1: LHG's Valuation using SOTP method

Asset	Method	Value (bn VND)
IPs	DCF	271
RBFs	DCF	1,021
Real Estate	BV	142
IP utility services and others	Net Income	189
Sum		1,623
(+) Cash and cash equivalents		128
(+) Short-term investment		977
(+) Long-term investment		103
(-)Debt		(152)
(-) Others		(337)
Net asset value		2,342
Total outstanding shares (mn shares)		50.0
Target price (VND/share)		46,800

Source: LHG, RongViet Securities forecast

Accordingly, the fair value of the stock is determined at 46,800 VND/share, which represents a 55% return compared to the closing price on September 09, 2025 (including cash dividend of VND 1,900/share). We highly evaluate LHG for its cash flow from factory leasing activities, and the investment plan to expand the factory area in the coming years to increase the efficiency of its industrial park land use. Therefore, we recommend BUY on LHG for long-term investment target.

Table 2: Sensitivity Analysis for Cost of Capital and Cost of Debt per Share (VND)

		Cost of Debt				
Cost of capital		7%	8%	9%	10%	11%
	15%	52,027	51,810	51,594	51,381	51,170
	16%	49,650	49,454	49,260	49,068	48,877
	17%	47,076	46,902	46,830	46,560	46,391
	18%	45,509	45,348	45,189	45,032	44,876
	19%	43,698	43,552	43,408	43,264	43,122

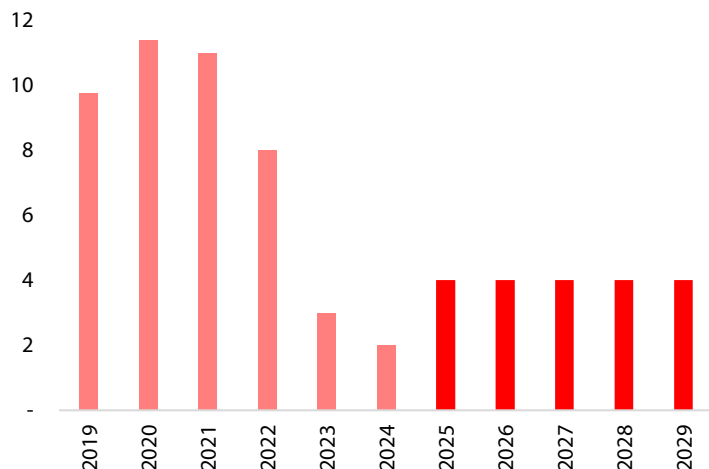
Source: RongViet Securities forecast

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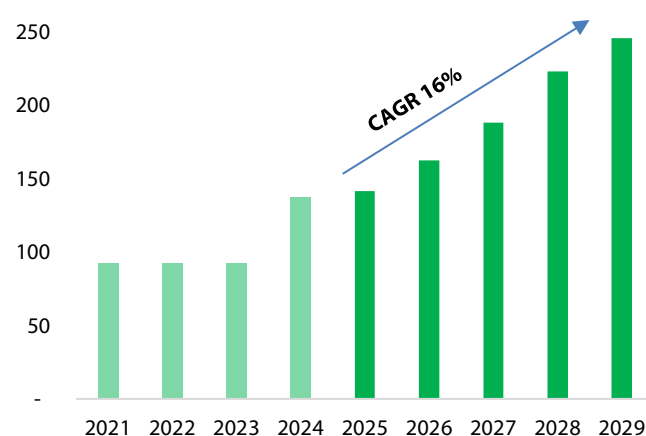
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FINANCIAL ANALYSIS & FORECAST FOR THE PERIOD 2025-2029

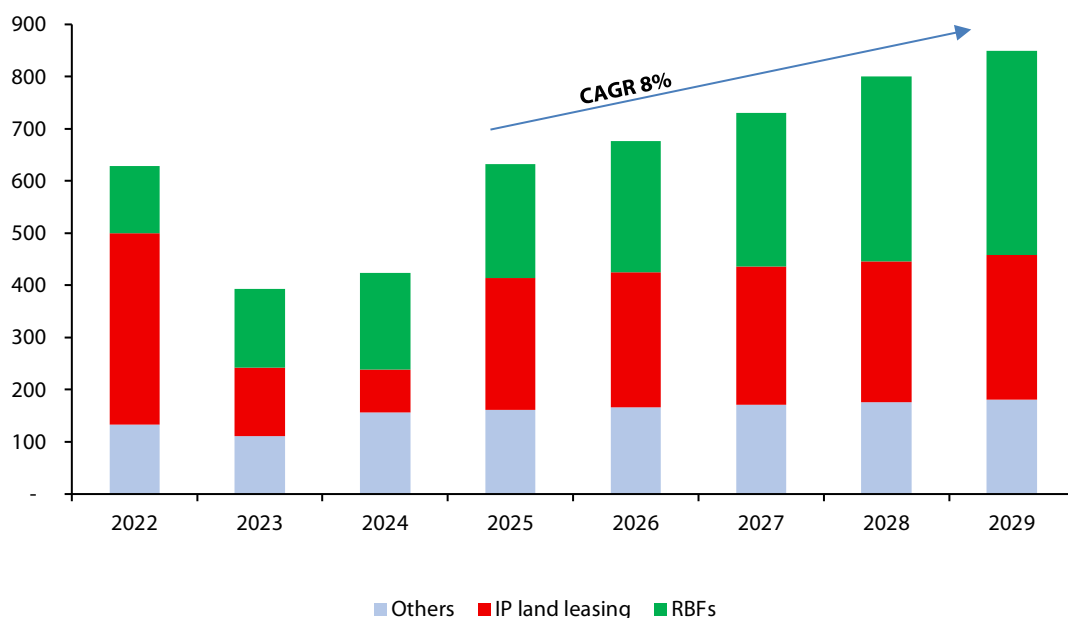
Revenue: For 2025 – 2029, LHG's revenue is expected to reach a CAGR of 7.7%, coming from: 1/ Land lease industrial park. This is a stable revenue with an average leasing area of about 4 hectares per year in LH3 Industrial Park phase 1 (not including the industrial parks that are applying for investment policies); and 2/ RBFs for lease, with the expansion of leasable area for 2025-2029, this activity recorded a CAGR of 16%.

Figure 1: LHG's land lease (ha)


Source: LHG, RongViet Securities forecast

Figure 2: Leasing area of LHG's RBFs (thousand m2)


Source: VSA, RongViet Securities forecast

Figure 3: LHG's net revenue (billion VND)


Source: LHG, RongViet Securities forecast

 Note: We also visualize these data using the table form ([Refer to page 25](#))

For our 2025-2029 sales forecast, we make the following assumptions:

Industrial park land lease: Due to the limited leasing area of LH3 Industrial Park (phase 01) (~25ha of commercial land can be leased), and LHG does not have a new industrial park, its revenue from industrial park land leasing is stable. We expect revenue to reach VND 250 billion/year, in line with an average annual leasing area of 4 hectares (suitable for LHG's small and medium-sized enterprises). ([Refer to page 12](#))

RBFs for lease: We realize that this will be the main growth activity for LHG in the period of 2026 onwards, when the business will increase the exploitation area from 147,000 m² (2025) to 249,000 m² (2027, +70%) – investing in high-rise factories and RBFs in LH03 Industrial Park. Based on the following expectations: 1/ The demand for rental of RBFs (especially in the vicinity of Tier-I cities) is still relatively large, and 2/ LHG's competitive advantage (experience in exploiting RBFs, favorable location of LH3 Industrial Park), we believe that LHG's new leasing area will remain at 30,000 m²/year. Thereby, revenue from 2025-2029 factory leasing can achieve a CAGR of 16%. [\(Refer to page 13\)](#)

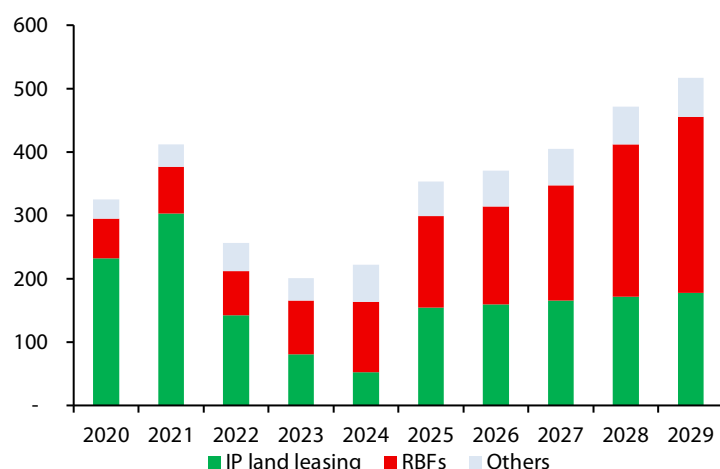
Other activities: Other revenue mainly comes from electricity and water supply at LH3 Industrial Park, along with other customer services (construction,...), bringing stable revenue at ~170 billion VND/year.

Net profit: Business activities related to industrial zones (land lease, RBF leasing) have a relatively good gross profit margin (GPM maintained over 60%), LHG's gross profit maintains a positive growth rate, with a CAGR of 10% for 2025-2029

Gross profit: LHG's the gross profit mainly comes from the core business activities (as mentioned in the revenue section), with a more significant contribution from the industrial park (land leasing and RBF leasing). For 2025-2029, we expect the company's gross profit to maintain an average growth rate of 10%, driven by:

- **Industrial land leasing:** We expect the GPM for this activity to remain at 61% (in line with the period of 2023-2024), driven by advantages such as: 1/ LH 03 Industrial Park has completed land clearance and land use conversion at a relatively high rate (over 90% of the total area), allowing LHG to accumulate land at low cost, 2/ Rental prices are expected to remain high (USD250/m², ~40% higher than the average rental prices in the South, due to the advantage of location). The gross profit from this activity is projected to remain stable, with a CAGR of 2025-2029 expected to reach 4% (in line with the company's overall revenue growth).
- **RBF leasing:** The revenue from this segment is expected to bring positive profit growth, with an average gross profit growth of 16%. With the experience of exploiting new RBFs (from 2012-2013 to now), LHG can control the investment cost in new factories (while ensuring customer requirements) to maintain the GPM at 65%.
- **Stable profit from other activities,** with the GPM remaining at 31% (in line with the period 2021-2024).

Figure 4: LHG's gross profit (VND billion)



Source: LHG, RongViet Securities forecast

Note: We also visualize this data as a table. More details are available in the Appendix. [\(Refer to page 25\).](#)

Figure 5: GPM of core business (%)



Source: LHG, RongViet Securities forecast.

SG&A expenses: They accounted for 1.3% and 9.0% of total revenue for 2025-2029, respectively. Since the industrial land is leased directly to business (B2B), the selling expenses/revenue ratio will be relatively

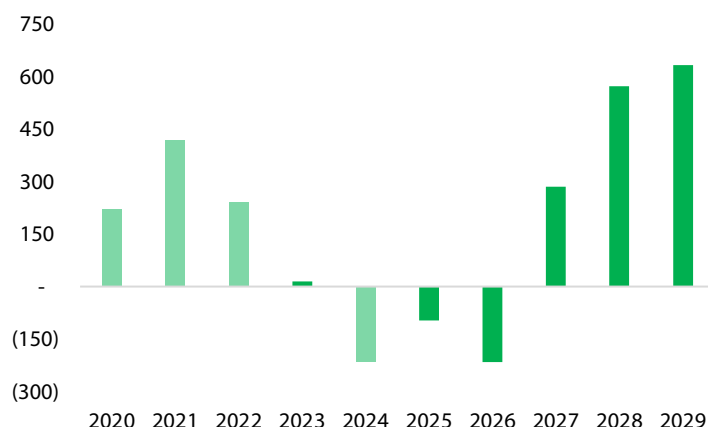
low; while business management costs will remain stable at 9.0% of revenue (corresponding to the average cost of VND 60 billion/year), to ensure the management and operation of company.

Net profit: The company's pre-tax profit comes from: 1/ Profit from core business activities (land lease of industrial parks and RBFs - analyzed above), and 2/ Net financial income/loss. Notably, financial income is mainly from the company's deposit interest, with a low proportion in the company's profit structure (~15% of LHG's profit before tax). LHG's profit after tax is expected to grow at a CAGR of 9.5% for 2025-2029, in line with the growth from the core business activities.

Company cash flow: After completing the investment in LH03 Industrial Park and new factories, we expect LHG to maintain a stable cash flow of ~VND 600 billion in the period from 2027-2028 onwards, including a significant contribution from the leasing of RBFs (when these factories are completed and filled).

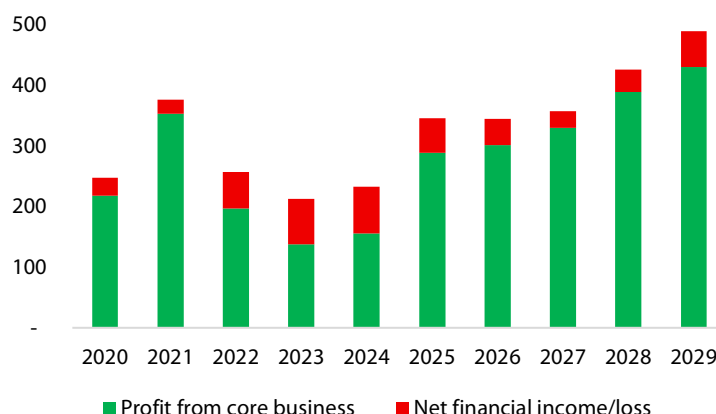
Efficiency of capital use: We expect the company's return on equity (ROE) to be stable at 14% in the period of 2028-2029, driven by: 1/ Total asset turnover improves to 20% (the business recorded positive revenue from leasing and RBFs), and 2/ Net profit margin maintained at 46% (with contributions from high GPM activities – industrial land and RBF leasing).

Figure 6: LHG's free cash flow to equity holders (bn VND)



Source: LHG, RongViet Securities

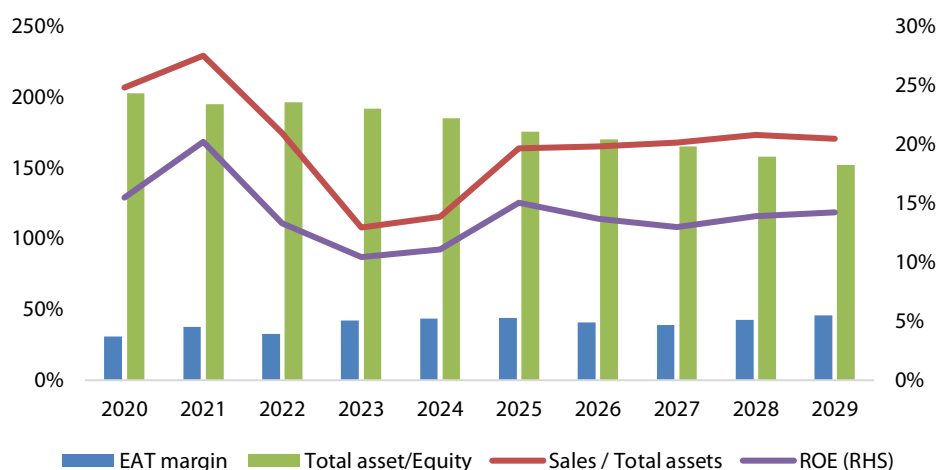
Figure 7: NPBT of LHG, by business activities (bn VND)



Source: LHG, RongViet Securities

Note: We also visualize this data as a table. More details are available in the Appendix. ([Refer to page 26](#))

Figure 8: ROE analysis using the Dupont method



Source: LHG, RongViet Securities

Asset Highlights

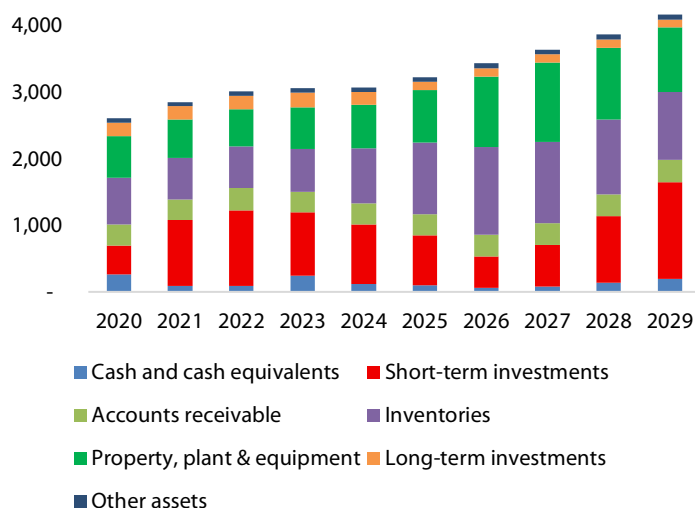
Short-term assets highlights: LHG has a strong balance sheet, with ~50% of its current assets in the form of deposits (both short-term and long-term), providing a favorable condition for company to develop projects without the need for significant financial leverage. For 2025-2029, we expect cash, cash equivalents and short-term investments to account for the majority of the company's current assets, with cash flow from factory leasing activities.

As for other current assets, mainly inventory, which concentrates on 2 projects that the company is implementing, these include: LH03 Industrial Park (phase 1) and Long Hau 03 residential and resettlement area ([Refer to page 21](#)). In the following years, the company continued to record these 2 projects' investments in the inventories, and recorded a decrease when LHG handed over land to customers (at Long Hau 03 Industrial Park).

Fixed asset investment: LHG's long-term assets are mainly RBFs (the company's assets, subject to annual depreciation). For 2025-2027, this category will record an increase and reach ~VND 1,100 billion – in line with the plan to expand the factory area to 249,000 m2 (2027, +70%).

Capital structure: As the company mainly use equity capital to finance investment activities, LHG's capital structure is quite healthy. Notably, LHG maintains outstanding loans at ~VND 180 billion to finance RBF investment projects (thanks to the cash flow advantage of these projects), corresponding to the debt-to-equity ratio at ~10%.

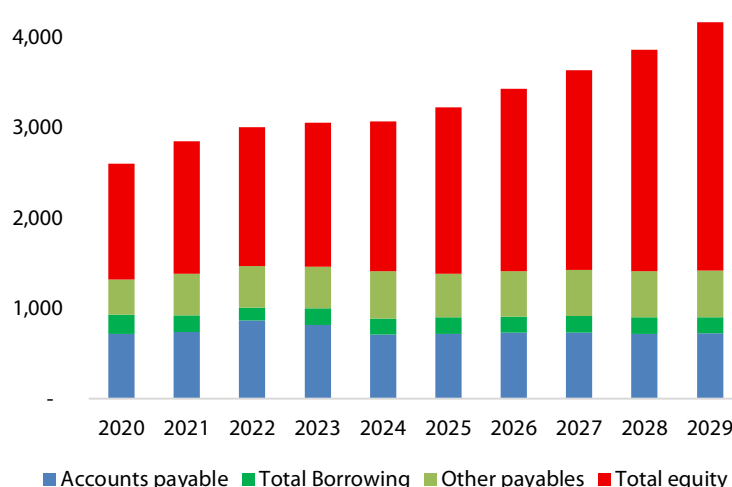
Figure 9: LHG's asset structure (bn VND)



Source: LHG, RongViet Securities forecast.

Note: We also visualize these as tables. More details are available in the Appendix ([Refer to page 26](#)).

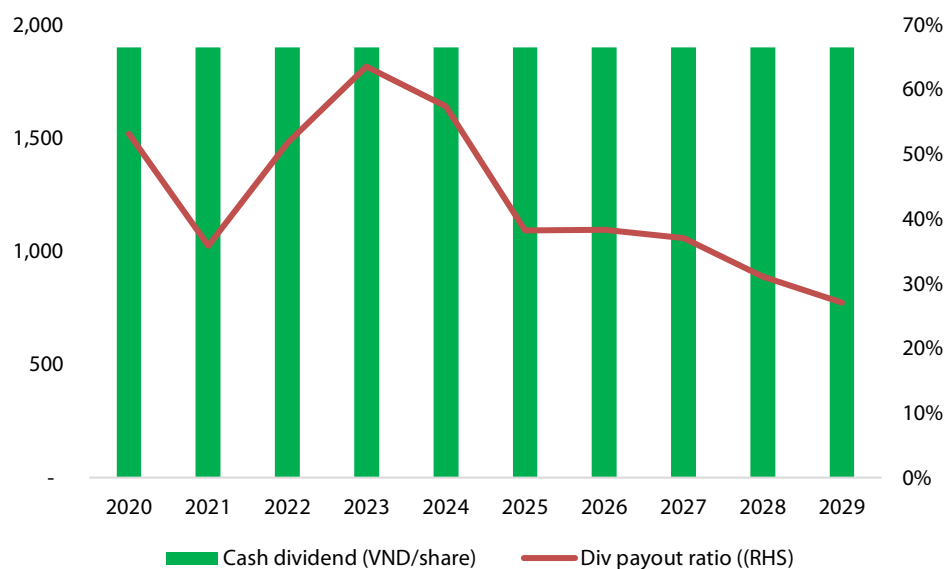
Figure 10: SIP's capital structure (bn VND)



Source: LHG, RongViet Securities forecast.

Cash dividend policy: LHG maintains a stable cash dividend policy at VND 1,900/share (with an average dividend payout ratio of 40%). We consider this to be a relatively prudent policy given the lack of clear progress in the investment progress of large projects (industrial parks waiting for investment policies, residential projects). However, due to the influence of major shareholders, we believe that the company will continue to maintain the cash dividend policy at 1,900 VND/share for 2025-2029. Currently, the stock is trading at a dividend yield of 6% (equivalent to the interest rate on 12-month savings deposits), making it suitable for dividend-focused investors.

Figure 11: LHG's cash dividend (VND)



Source: LHG, RongViet Securities forecast.

Note: We also visualize this data as a table ([Refer to page 26](#)).

BUSINESS VALUE CHAIN ANALYSIS

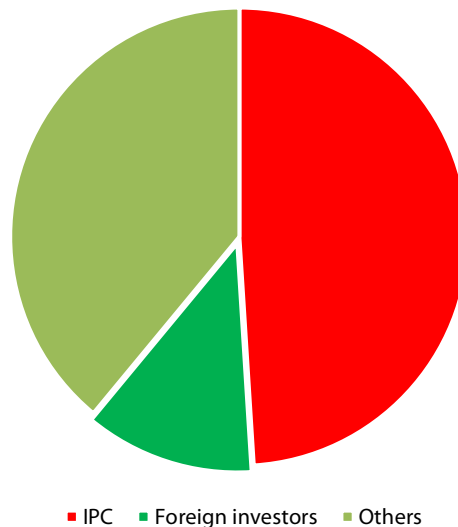
Company Overview

Long Hau Joint Stock Company (LHG) was established in 2006 in the form of a joint stock company, with the majority ownership of Tan Thuan Industrial Promotion Corporation (IPC). LHG is the investor of Long Hau Industrial Park (02 phases, with a total area of 246ha), established when Long An promoted the development of industrial zones to attract FDI enterprises.

For 2011-2013, realizing the potential of construction and RBF leasing, the company invested in the factory system in Long Hau Industrial Park, the first phase with a total area of 51,000 m2. LHG maintained and expanded the leasing area over the years and reached 147 thousand m2 (2024). In addition, the company has also expanded other fields, such as: 1/ Exploitation of rooftop solar power in industrial parks, 2/ Electricity supply in Long Hau 03 Industrial Park (LH3). These activities bring stable cash flow to maintain cash dividend policies over the years.

LHG's shareholder structure is stable and concentrated, with IPC's ownership rate maintained at 49% (LHG is considered a subsidiary of IPC, when most members of the Board of Directors are related parties to IPC); In addition, foreign shareholders (mostly investment funds) own ~12% of the total shares.

Figure 12: LHG's major shareholders



Source: LHG, RongViet Securities

Corporate structure: The company has a simple structure, when LHG is the direct investor of industrial park and RBF projects; in addition, the company has a large ownership rate (recorded as an associate company) in 02 enterprises, of which Ho Chi Minh City Public Lighting JSC (Upcom: CHS) generates stable cash dividends to company (cash dividends at 1,000 VND/share).

Table 3: LHG's key subsidiaries

Company's name	Ownership (%)	Major projects
Subsidiary		
Ho Chi Minh City Public Lighting JSC (Upcom: CHS)	27.8	Maintenance and operation of public lighting systems in HCMC
Igreen Development Technology JSC	40.0	Undergoing bankruptcy procedure

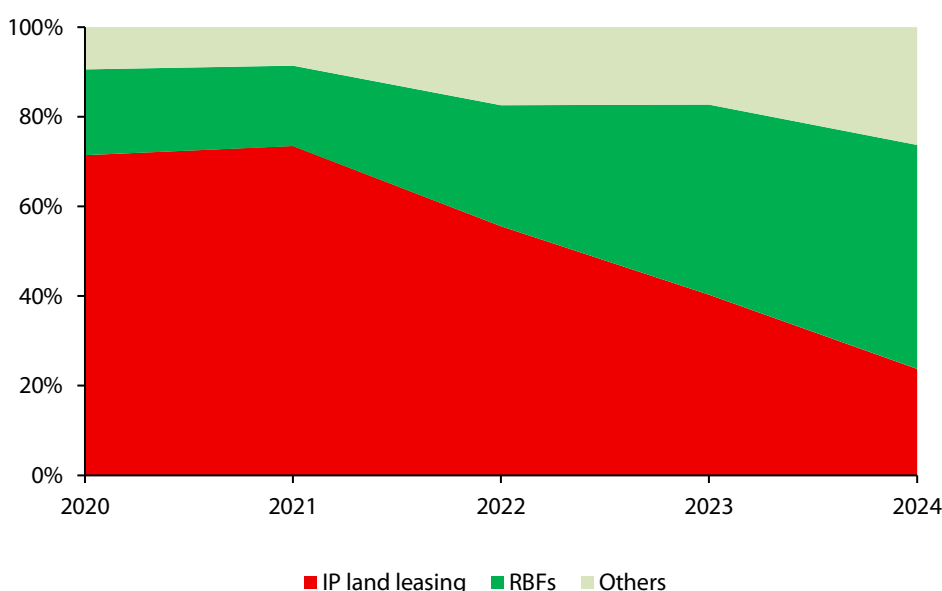
Source: LHG, RongViet Securities

BUSINESS OUTLOOK – CASH FLOW FROM FACTORY LEASING ACTIVITIES

LHG focuses on investment and leasing with industrial parks in Long Hau (Can Giuoc, Long An). The first industrial park developed by LHG was Long Hau Industrial Park (02 phases, with a total area of 246ha) – located in the south of Ho Chi Minh City and connected to large ports in the South (Hiep Phuoc, Cat Lai). In the period of 2016 onwards, when Long Hau Industrial Park was exploited effectively (occupancy rate of over 80%), the company expanded its operation: 1/ Deploying Long Hau 03 Industrial Park (phase 1, 124ha) and Long Hau 03 residential and resettlement area (19ha); 2/ Invest in and expand the RBFs for lease, including projects: high-rise factories (Long Hau Industrial Park), factories in Da Nang Hi-Tech Park,...

Due to LHG accounts revenue from industrial land leasing by the method of recording 01 time (the lease contract value is recorded in the year), revenue often fluctuates greatly every year, depending on the ability to hand over land to customers in each period. By contrast, factory leasing activities generate stable revenue, and customers will sign a lease contract according to the lease term (1-2 years) and make monthly payments.

Figure 13: LHG's revenue by business activities



Source: LHG, RongViet Securities

Land leasing activities – waiting for growth momentum

LHG is currently operating 03 small-scale industrial parks (less than 200ha) in Can Giuoc commune (former Long An province), of which 02 industrial parks have been filled (Long Hau Industrial Park and Long Hau Expansion), while Long Hau 03 Industrial Park (phase 1) has achieved a high occupancy rate (over 60%), the remaining commercial area is not much (~29ha). In addition, LHG is carrying out the necessary procedures to bid for investment policies in industrial parks in Long Hau 03 Industrial Park (phase 2, 90ha) and Long Hau – Tan Tap Industrial Park (150ha), to expand the land fund for lease in the long term. The advantages to attract LHG's customers mainly come from: 1/ Infrastructure and available tenant system (from Long Hau Industrial Park); 2/ Convenient location (near Ho Chi Minh City and major ports such as Hiep Phuoc and Cat Lai).

Table 4: List of operating industrial parks managed by LHG, as of 2024.

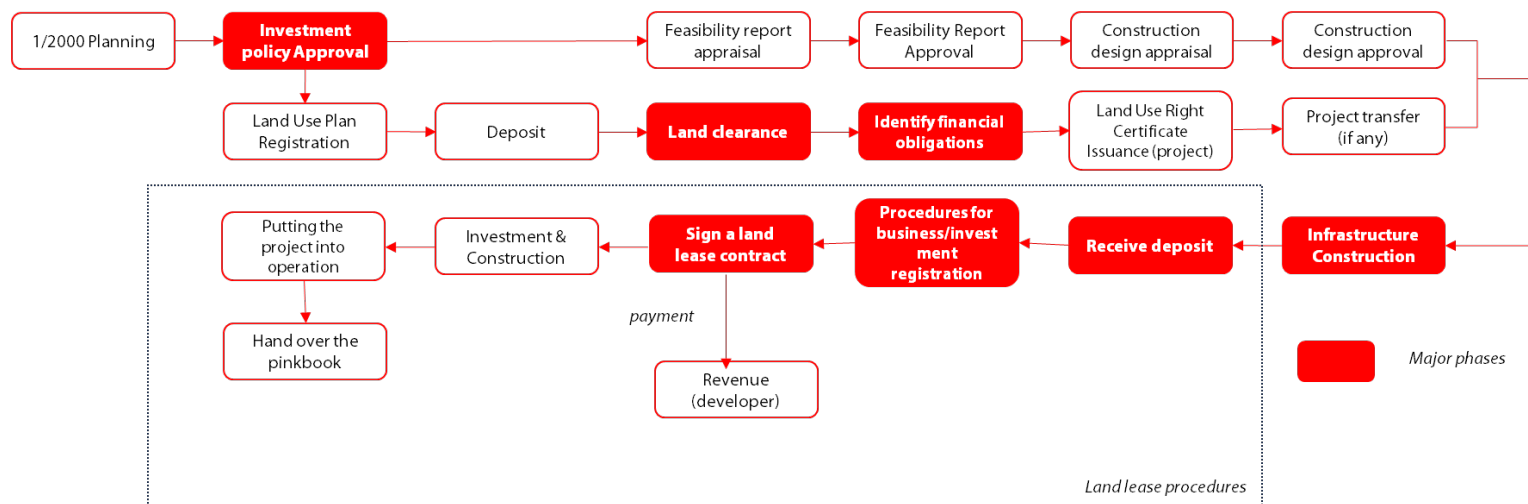
IPs	Area (ha)	% land clearance	Occupancy Rate (%)	Current rental price (USD/m2/lease period)	Major Customers
Long Hau	137	100	100	N/a	Simone, Fujitrans, Phytopharma

Long Hau (expanded)	109	100	100	N/a	Mercedes-Benz, Lock-and-lock, Cobi
Long Hau 03 (Phase 1)	124	97	67 (*)	250	Logos, Cobi, SLP
The industrial park is bidding for investment policies					
Long Hau 03 (Phase 2)	90	N/a			
Long Hau – Tan Tap	150	N/a			

Source: LHG, RongViet Securities

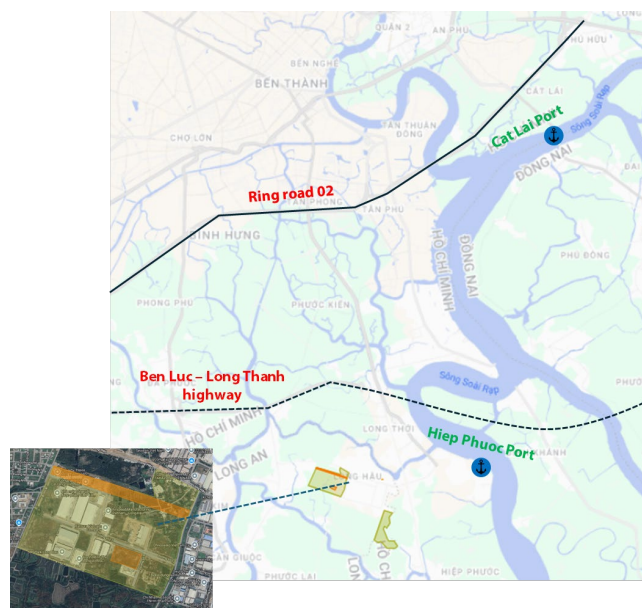
(*) Including 7.6 hectares allocated for the development of RBF projects.

Figure 14: Legal, investment and sales process of an Industrial Park (IP)



Source: RongViet Securities

Figure 14: The industrial parks operated by LHG in Long An, with connected infrastructure and the deployment area for RBFs (orange)



Source: LHG, Gmap, RongViet Securities

- **2025 – 2027 Outlook:** LHG will continue to exploit and lease the remaining land area of Long Hau 03 Industrial Park (phase 1) with a stable rental price of USD 250/m² (~40% higher than the average rent in Tier I markets of the South, according to CBRE). We expect that some bottlenecks of the project will be removed in this period, helping company have enough area for lease, including: 1/ The remaining area that has not been cleared (~37,000 m², mainly residential land, backlogged due to people not agreeing with the initial compensation plan) will be promoted the land clearance process when the land price of Long An (according to Decision 15/2025/QD-UBND) is the basis for a more reasonable compensation price; 2/ The "new" Tay Ninh Provincial People's Committee (merged from Long An province and the old Tay Ninh province) will speed up the land use calculation process. Thereby, we expect LHG to maintain an average leasing area of 4 hectares/year, mainly for small and medium-sized FDI enterprises (investment of less than 10 million USD) – the main customer group of the company.
- **Long-term outlook:** The company expects to complete the investment policy of 2 new industrial parks (LH03 phase 2 and Long Hau – Tan Tap) in early 2026, thereby expanding the land fund of the new leaseable industrial park to 240 hectares (compared to the current lack of land for lease). We believe that after the merger of Long An and Tay Ninh (along with the administrative unit arrangement at all levels in 2025), the process of approving investment policies (under the jurisdiction of the Provincial People's Committee) will be accelerated, in which priority will be given to key areas for industrial park development of the province (including Can Giuoc commune area – concentrating LHG's industrial parks).

Because the process of land clearance in the old Long An province takes a long time due to many residential areas, we think that these industrial parks will be ready for sale from 2028 onwards. We will need to evaluate the progress before including it in the pricing model.

Figure 15: Long Hau 03 Industrial Park (phase 01) with the area site clearance uncompleted



Source: LHG, RongViet Securities

Table 5: Land allocation progress of Long Hau 03 Industrial Park for 2019-2025

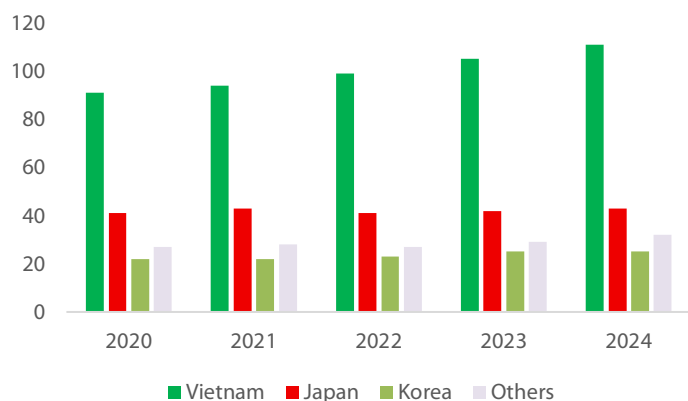
Phase	Period	Area (ha)
01-05	2017-2020	95.7
6	2021	7.5
7	2024	5.7
8	2025	5.6
Sum		114.5

Source: LHG, RongViet Securities

- **Regarding customers:** The industrial parks developed by LHG are small in scale (about 200 hectares). Therefore, the Company also targets small and medium-sized companies (average land rental demand ~2ha). LHG's customers are relatively diverse, including domestic enterprises and FDI enterprises (Japan, Korea,...). Thanks to its location advantage (near the center of Ho Chi Minh City), LHG attracts a group of consumer goods and food production enterprises (targeting consumption markets in major cities) or businesses that invest in and lease RBFs (Cobi, SLP,...). They need to rent land (pay 1 for the entire lease term) or rent a RBF (pay monthly, reduce cost burden), and LHG can provide products flexibly in line with customers' needs.

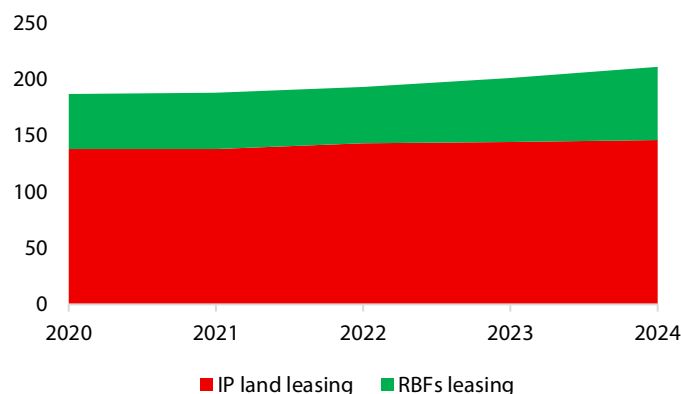
We believe this will remain the primary customer group that LHG focuses on in the near future; additionally, they will expand to attract other potential customer groups (high-tech enterprises, etc.).

Figure 16: LHG's customers by country



Source: LHG, RongViet Securities

Figure 17: LHG's customers in the form of lease



Source: LHG, RongViet Securities

Potential cash flow from investment and factory leasing activities

For most industrial park investors, the RBF leasing activities mainly support industrial land leasing activities, when companies will invest in factories for lease with small-scale land plots (less than 5 ha, not meet customers' needs). However, with LHG, due to limitations, such as: 1/ Tenants are small-scale enterprises, mainly investing in Long An, and 2/ The process of land clearance takes time (for example, with LH3 Industrial Park, they need 2-3 years to have a contiguous area to lease land), investment in RBFs is reasonable, which improves investment efficiency (with existing industrial parks) and generates stable cash flow. We realize that FDI enterprises are paying attention to this model, driven by advantages: 1/ The initial investment level is not high; 2/ Be flexible in business activities, avoid risks related to the macro environment.

- Product:** RBF is a factory built and leased, with an area and design in a predetermined and optimized form to meet the production activities of customers. The RBF model will have an infrastructure system, ventilation system, waste treatment, production space and customers can put production lines into operation soon. This model is suitable for customers in light industry (food processing,...) and small and medium-scale companies that are not ready to lease industrial land for a long term (30-50 years). LHG also invests in building factory models, with a relatively suitable area for customer's needs (the average area of each factory is ~10,000m², with separate ventilation and water supply systems).
- Competitiveness:** LHG's competitive advantage lies in its long-standing experience of implementing the industrial park model and industrial land leasing. For 2011-2013, LHG invested in factories in Long Hau Industrial Park, with 50,000 m², and maintained a 100% occupancy rate after 1-2 years. After 2019, LHG invested in factory projects, notably Lot T4 , high-rise factories (phase 1) and factories in the Hi-Tech Park (Da Nang). By the end of 2024, the total area of factory exploited by LHG reach 147,000 m² – becoming a company with large factories being listed. In addition, the favorable location of Long Hau Industrial Park (~25km from Ho Chi Minh City) attracts small and medium-sized manufacturing companies (revenue mainly from the Vietnamese market).
- Rental price:** The current average rental price of the factory is USD5.2/m²/month (in line with the average rental rate in the South, according to CBRE). For the following stages of factory investment, LHG expects the rental price to increase and reach USD5.5/m²/month (up 7% compared to previous

projects), coming from the company's high demand for renting factories in the industrial parks (new projects in the period of 2023-2024 have an occupancy rate of 100% in the first year).

- **Investment plan:** Currently, the Company is completing the high-rise factory project (phase 02, area of 26,000 m2) and is expected to lease in 2026. In addition, the enterprise also reserves a land fund (~7.6ha) to develop the next NX projects in LH3 Industrial Park, including Block 3A (46,000 m2, continuing for 34,000 m2 of exploited factories) and Block 3F high-rise factories (30,000 m2). We expect: 1/ Projects will be invested in the period of 2026-2027, meeting the market's needs, 2/ Good absorption of the market (with ~30,000 m2 will be absorbed per year) (*)

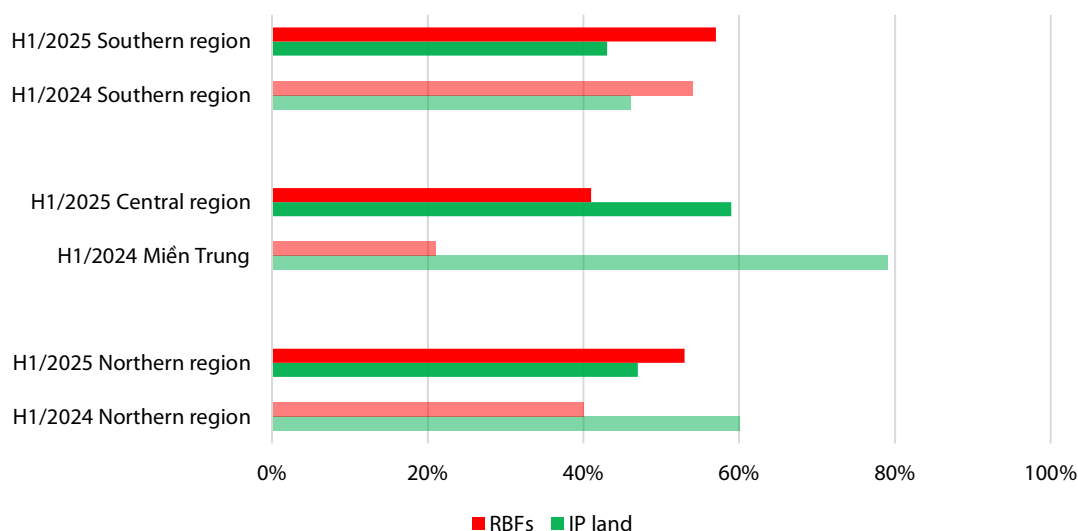
(*) According to Savills, in 1H2025, the number of factory projects has exceeded the number of land lease projects in the North and South (Number of newly produced FDI projects by real estate type - comparison of 1H2024 and 1H2025)

Table 6: RBF investment projects in LHG's industrial park, by the end of 2024.

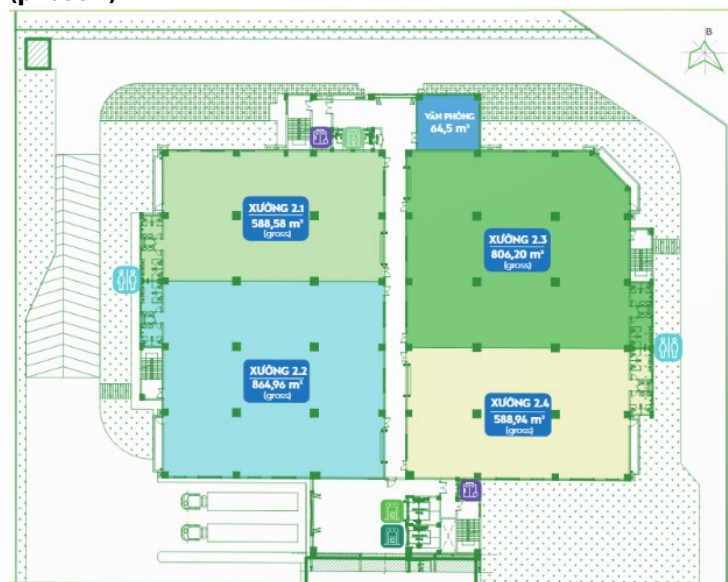
Project	Operation	Area (m2)	Average rental price (USD/m2/month)
Factory in Long Hau Industrial Park (01 and 02)	2011-2013	51,000	5.2
Factory Compound Lot T4	2019	11,522	5.2
Factory in the high-tech park (Da Nang)	2020-2023	30,800	4.0
High-rise factory (phase 01)	2019	19,997	5.2
Factory Lot 3A in Long Hau 03 Industrial Park (Phase 1)	2023-2024	34,000	5.2
Future Projects			
High-rise factory (phase 02 and Lot 3F)	2025-2027	56,000	5.5
Factory Lot 3A in Long Hau 03 Industrial Park (Phase 2)	2026	46,000	5.5

Source: LHG, RongViet Securities

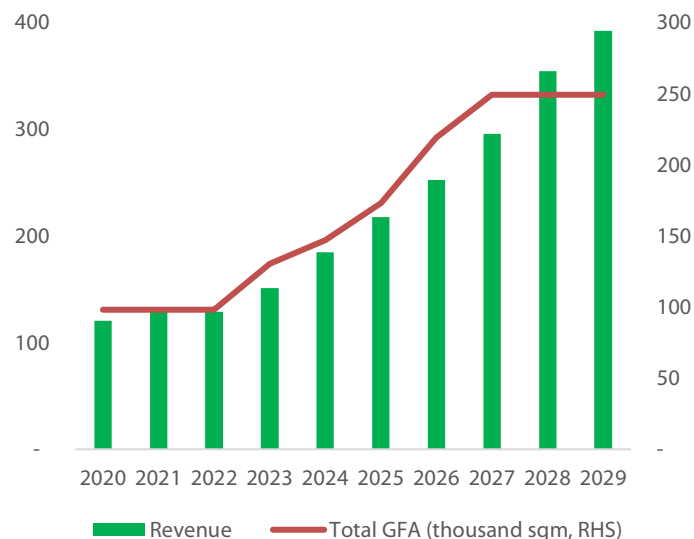
Figure 18: FDI projects by real estate type and by region – 1H2025



Source: Savills, RongViet Securities

Figure 19: Factory premises in Long Hau 03 Industrial Park (phase 1)


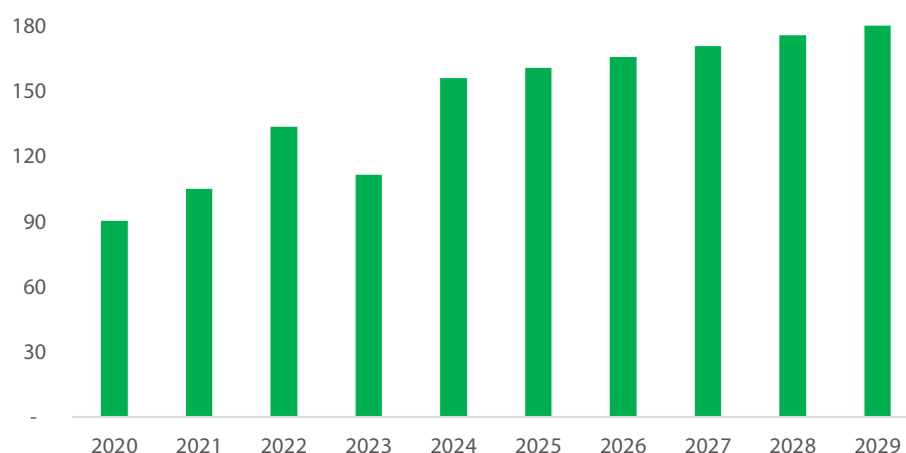
Source: LHG, RongViet Securities

Figure 20: Area and revenue (bn VND) from RBF leasing activities, period 2020-2029


Source: LHG, RongViet Securities

Other activities – generating stable cash flow

Around 20% of LHG's revenue comes from providing other services to customers in the industrial park (construction, operation management, sales of goods,...). Notably, from 2020, LHG began to participate in electricity supply activities for the industrial park with: 1/ Exploiting and trading the rooftop solar power system in the RBFs Lot T4; 2/ Electricity and water supply at LH3 Industrial Park (With the 22kV electricity trading license and the groundwater exploitation license). These activities generate stable cash flow, with GPM at ~34%, and we expect revenue from these activities to maintain an average growth rate of 3%/year (in line with the expectation of an increase in electricity retail prices in the following years).

Figure 21: Revenue from other activities of LHG, period 2020-2029


Source: LHG, RongViet Securities

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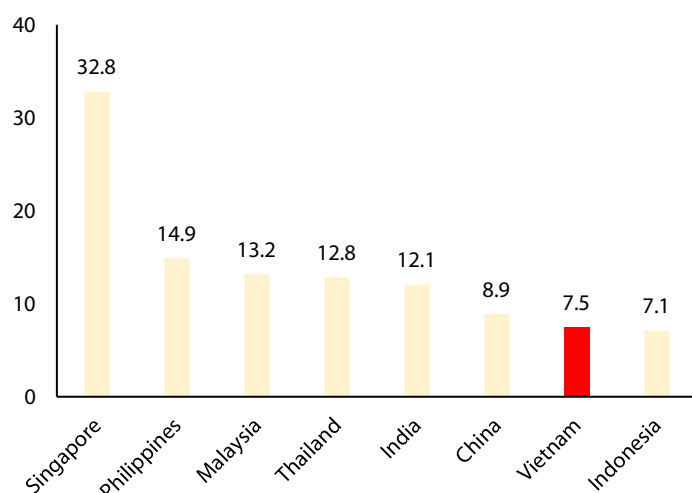
INDUSTRY OUTLOOK – VIETNAM REMAINS A KEY DESTINATION FOR FDI CAPITAL

The "China +1" trend is anticipated to persist: During the 2017-2024 period, the United States and China - the two economic superpowers - experienced a marked deterioration in their bilateral trade relations, triggered by the Trump administration's initiation of trade investigations targeting China over allegations of intellectual property infringements and coerced technology transfers. In response, multinational manufacturers identified heightened risks in over-relying on China as the dominant global manufacturing hub, prompting a strategic diversification of supply chains by relocating factories to adjacent emerging markets. Vietnam has notably capitalized on this shift, drawing substantial foreign direct investment (FDI) inflows—with registered FDI values surging 30% relative to the 2013-2016 baseline—bolstered by key competitive edges, including: 1/ Cost-efficient production factors (labor and electricity expenses remain competitive against regional peers), 2/ Ongoing FDI incentives (such as corporate income tax exemptions for the initial two years and a stable investment climate), 3/ Strategic geographic positioning (proximity to East Asia's economic core, complemented by an extensive coastline and deep-water port infrastructure), and 4/ Liberal trade frameworks (evidenced by the enforcement of 19 active Free Trade Agreements).

From a market perspective, the United States continues to be Vietnam's primary export destination, largely due to the aforementioned dynamics of FDI relocation. That said, in April 2025, the Trump administration unexpectedly unveiled new tariff measures, entailing substantially higher rates compared to prior phases, with a baseline imposition of at least 10%. The Vietnamese government is actively engaged in negotiations to mitigate reciprocal tariff burdens. Meanwhile, FDI entities are exhibiting a propensity to defer commitments, pending definitive resolutions on tariff policies (projected for the latter half of 2025), prior to finalizing site selections for manufacturing facilities, whether in Vietnam or alternative Asian jurisdictions offering comparable advantages.

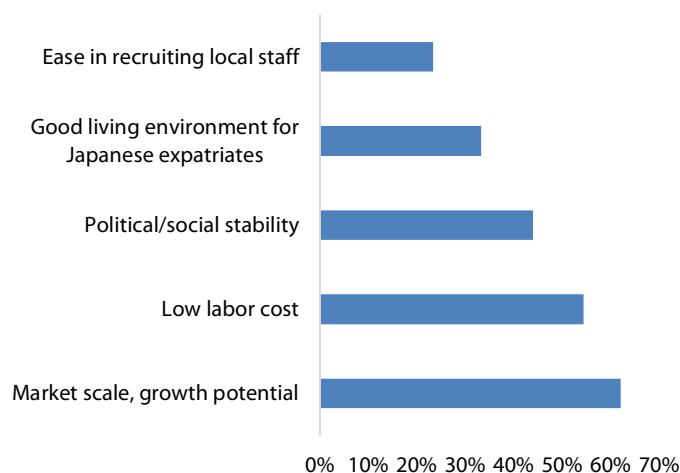
Overall, this FDI hesitation is projected to prolong through 2025, though we assess these as transitory headwinds. *Looking ahead to 2026 and beyond, we forecast a rebound in manufacturing-sector FDI values, sustaining an average annual growth trajectory of 5%, predicated on:* 1/ Crystallization of international trade policies and tariff structures; 2/ Vietnam's retention of enduring competitive strengths (including locational advantages and robust trade pacts); and 3/ Robust domestic consumption upside, underpinned by the country's youthful demographic profile.

Figure 22: Average electricity price in countries (for production, US cent/kWh)



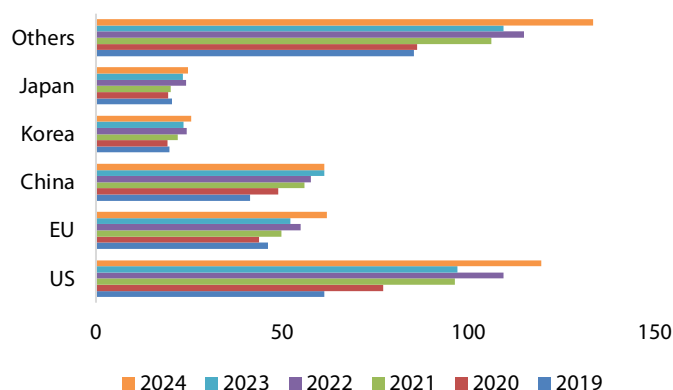
Source: Statista, Globalpetroprices

Figure 23: Advantages of business environment in Vietnam - survey of Japanese enterprises in 2024 (%)



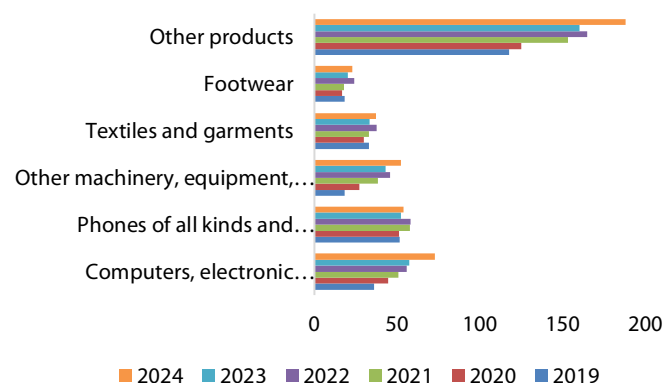
Source: Jetro, RongViet Securities

Figure 24: Vietnam's main export markets, period 2019-2024 (billion USD)



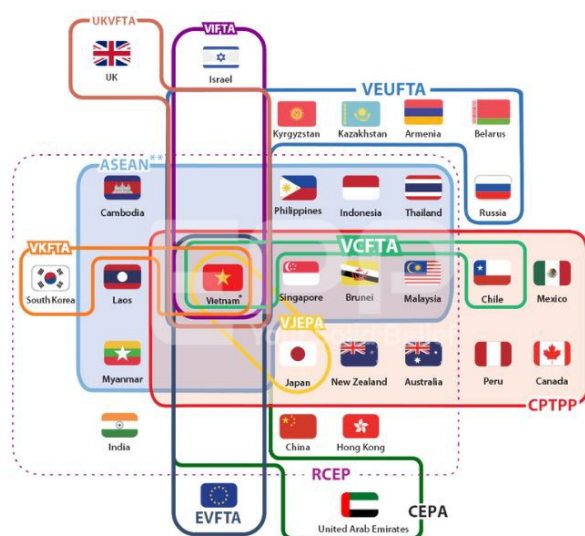
Source: Customs, RongViet Securities

Figure 25: Industries with large export value, period 2019-2024 (billion USD)



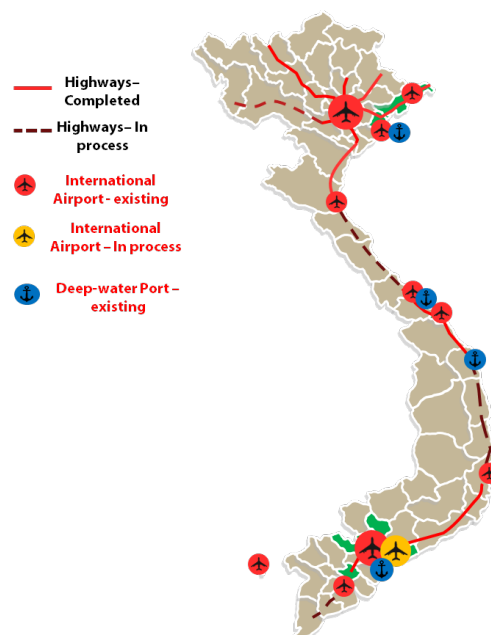
Source: Customs, RongViet Securities

Figure 26: Free Trade Agreements (FTAs) that Vietnam has actively participated in, as of 2025

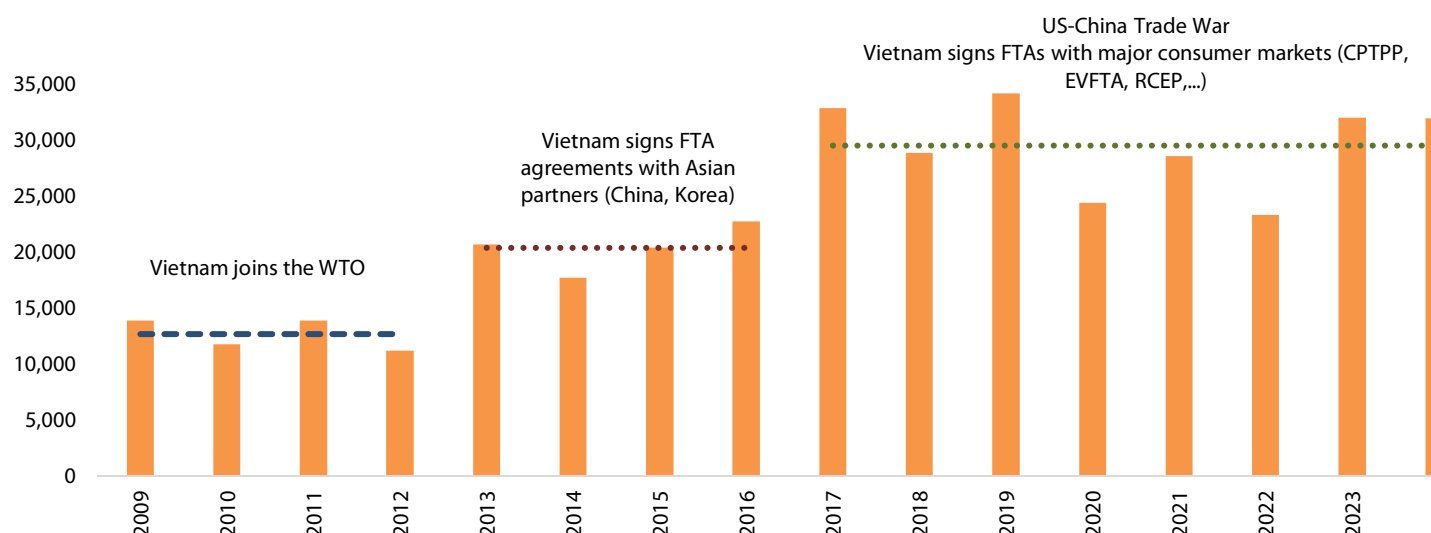


Source: MOIT, RongViet Securities

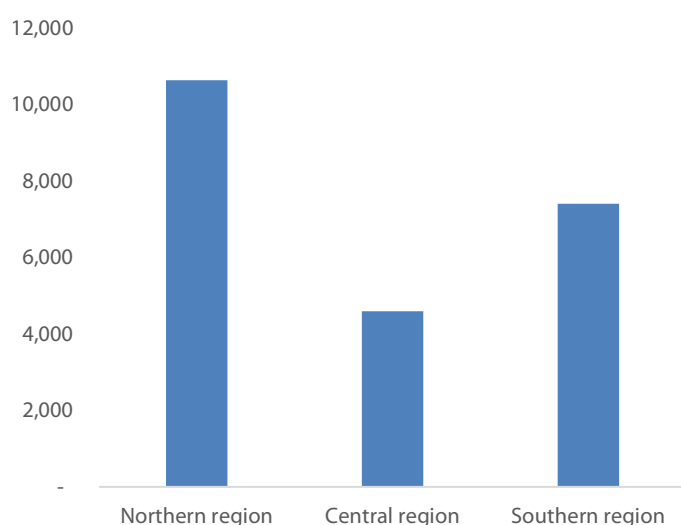
Figure 27: Advantages of Vietnam's Infrastructure System



Source: RongViet Securities

Figure 28: Registered FDI value in the period 2008-2024 (mn USD, excluding RE projects) and average value over periods


Source: Finnpro, RongViet Securities

Figure 29: Total area of IPs approved for investment in the period 2023-1H2025, by region (ha)


Source: RongViet Securities summarized

Table 7: Large-scale industrial parks (over 500 hectares) approved for investment in the period 2023-1H2025

IPs	Developer	Province	Total area (Ha)
Bau Can (Phase 1)	KN Group	Dong Nai	1000
Vinhomes Vung Ang	VHM	Ha Tinh	965
VSIP Lang Son	VSIP	Lang Son	600
Tho Loc (Phase 1)	VSIP	Nghe An	500
Trang Due 03	KBC	Hai Phong	652
Vinh Thanh (Phase 2)	Thanh Binh Phu My	Can Tho	540
Xuan Que - Song Nhan (Phase 1)	Xuan Que IP	Dong Nai	1000

Source: RongViet Securities summarized

In the long term, we observe that future supply (from high-potential regions in Central Vietnam, characterized by deep-water ports and relatively low land clearance costs) could intensify competition among industrial parks (IPs). To attract major clients, IPs will need to closely monitor long-term industry development trends to formulate appropriate investment and sales strategies. We believe that in the upcoming period, notable trends in IP development include:

Development of Industrial Parks within Free Trade Zones (FTZs): FTZs are specialized economic zones established to promote import-export activities, logistics and high-tech manufacturing, as well as to attract both domestic and foreign investment. Key characteristics of FTZs include: 1/ Tailored incentives and policy frameworks for investors; 2/ Testing of innovative mechanisms (e.g., regulatory sandboxes) to foster advancements in digital technology and artificial intelligence; 3/ Empowerment of city-level

People's Councils and People's Committees to autonomously implement policies (under specific resolutions passed by the National Assembly). In 2025, the National Assembly passed specific resolutions for the development of FTZs in key industrial and logistics provinces (Hai Phong, Da Nang, and potentially Dong Nai in the near future). In the long term, these zones are expected to garner significant attention from FDI enterprises, particularly multinational corporations.

Development of Industrial Parks Catering to High-Tech Sectors: Following a period of focusing on attracting enterprises in traditional manufacturing sectors (e.g., footwear, textiles, machinery, and equipment), the Vietnamese Government has shifted its emphasis towards the "quality" of attracted FDI capital to: 1/ Promote high-tech industries for sustainable development; 2/ Mitigate environmental risks associated with a sole focus on conventional manufacturing. Notable policies include: 1/ Decree 182/2024/ND-CP, which outlines the establishment, management, and utilization of the Investment Support Fund (ISF) as a mechanism to support high-tech enterprises; 2/ The Digital Technology Industry Law (passed by the National Assembly in June 2025), which codifies specific Development Orientations and Support Policies for the digital industry, a key future development trend. Given these directions, we believe that industrial parks (IPs) located in digital industry hubs or within Free Trade Zones (FTZs) will attract significant interest from clients developing digital technology products (hardware, software, and digital content) and their associated ecosystems. Such clients typically prioritize locations near major cities (offering access to high-quality human resources), tailored incentive policies for enterprises, and robust infrastructure (e.g., a stable power supply).

Table 8: Conditions that businesses need to meet to receive support from ISF

Who can be supported	Capital Requirements	Disbursement conditions
Enterprises with investment projects in the production of high-tech products	Minimum capital of VND 12,000 billion Or annual revenue of at least VND 20,000 billion	Disbursement of at least VND 12,000 billion in 5 years, or VND 10,000 billion in 3 years, from the date of approval of the investment license
Enterprises with high-tech application projects		
Enterprises with projects in the field of chip industry, semiconductor integrated circuits, AI data centers	Minimum capital of VND 6,000 billion Or annual revenue of at least 10,000 billion VND	Disbursement of at least VND 6,000 billion in 5 years, or VND 4,000 billion in 3 years, from the date of approval of the investment license
Enterprises with investment projects in the production of high-tech products and applications on the list of breakthrough technologies and products prioritized for research and development by the Government.	Not applicable	Not applicable
Enterprises with IC design projects, committed to recruiting at least 300 Vietnamese workers after 5 years of operation in Vietnam, or training at least 30 high-quality engineers per year.	Not applicable	Not applicable
R&D research and development center project	Minimum capital of VND 3,000 billion	Disbursement of at least VND 1,000 billion in 3 years from the date of approval of the investment license.

Source: Decree 182, RongViet Securities

Trend of Relocating Factories Away from Major Urban Areas: The earliest industrial parks (IPs) in Vietnam were established near major city centers, such as Bien Hoa 01 IP (340ha, Vietnam's first IP, established in 1961) and Tan Thuan IP (Ho Chi Minh City, established in 1991). After 50-year land lease periods, some IPs, particularly those located near urban centers, will need to relocate due to: 1/ Incompatibility with updated urban planning frameworks; 2/ The strategic focus on developing high-tech, non-polluting industries in major cities, while existing factories (with potential environmental pollution risks) are

encouraged to relocate to nearby IPs. A notable case in the near term is the relocation of 76 enterprises in Bien Hoa 01 IP , with a deadline set for the end of 2025. However, we assess that this relocation may not meet the planned timeline due to the absence of specific policies to support enterprises in leasing land at new IPs. From 2026 onwards, as more concrete policies facilitate factory relocations, nearby IPs in provinces such as Dong Nai, Vung Tau, and Binh Duong are expected to benefit by attracting this group of clients.

Carbon Emission Reduction in Industrial Parks (IPs): Major export markets, such as the EU (accounting for ~12% of Vietnam’s export value), will begin implementing the Carbon Border Adjustment Mechanism (CBAM) from 2026. This mechanism requires importers to purchase carbon credits based on emissions (primarily Scope 1 and 2), which could erode the cost advantages of manufacturers operating in Asian countries. Consequently, FDI enterprises are increasingly focused on reducing carbon emissions at their production sites. IP developers can enhance their long-term competitiveness by offering services to support these efforts, including: 1/ Wastewater treatment and recycling systems; 2/ Provision of renewable energy sources (e.g., rooftop solar panels) for land-leasing clients.

Table 9: Emission Scopes of a Manufacturing Plant

Emission Scope	Description	Key Sources
Scope 1: Direct Emissions	Emissions from sources owned or controlled by the plant.	<ul style="list-style-type: none"> Combustion process in Production equipment Wastewater treatment:
Scope 2: Indirect Emissions (Energy)	Emissions from purchased energy consumed by the plant.	<ul style="list-style-type: none"> Electricity from the grid Steam from suppliers
Scope 3: Other Indirect Emissions	Emissions from the value chain that are not directly controlled by the plant.	<ul style="list-style-type: none"> Raw materials for Production activities Transportation vehicles

Source: RongViet Securities

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OTHER ASSETS AND LIABILITIES ([Back to page 7](#))

Long Hau 03 Residential and Resettlement Project: The project spans a total area of 19 hectares and was approved for investment in 2020 for LHG, with the following objectives: 1) To develop a resettlement area for households relocated due to the land clearance for the Long Hau 03 Industrial Park; 2) To develop an urban area in the Can Giuoc commune. Due to certain challenges related to the conversion of rice land (with 14.8 hectares of rice land approved for conversion to non-agricultural land by the Deputy Prime Minister in 2024), the residential project is currently in the land clearance phase. According to the company, as of 2025, the land clearance progress has reached only 32%, and the company has not yet commenced infrastructure development for this residential area. Based on our assessment, it will likely take LHG 1-2 years to preliminarily complete the land clearance, laying the foundation for infrastructure investment and the sale of commercial residential land (approximately 4.6 hectares) in the subsequent phase. The commercialization of the project presents significant potential for LHG to value appreciation. However, in the medium term, we find no basis to reassess the value of the project's inventory (VND 142 billion, as per the Q2/2025 financial statement).

Table 9: Land use plan - residential project

Types of land	Area (ha)
Residential land	8.7
Commercial land	4.6
Resettlement land	4.1
Urban service land	1.7
Public green land	1.0
Traffic land - parking lot	5.2
Land outside residential units	2.5

Source: RongViet Securities

Figure 30: Status of Long Hau 03 Residential and Resettlement Area


Source: Ggmap, RongViet Securities

Contingent Liabilities with IPC: IPC (the parent company of LHG) was approved by the Long An Provincial People's Committee as the investor for the technical infrastructure development of the Long Hau Residential Area project in 2002, with a scale of approximately 20 hectares (including an approved resettlement area of over 60,000 m²). The primary objective of the project is to facilitate resettlement for households affected by the Long Hau Industrial Park project (developed by LHG). In 2006, IPC entered into an investment cooperation agreement with Hong Linh Transportation Construction Investment Joint Stock Company (Hong Linh Company). Under the agreement, IPC was responsible for compensation, damage support, and resettlement, while Hong Linh Company was to reimburse IPC's initial investment costs based on book value and was granted the right to manage and transfer the project's products. However, according to the Government Inspectorate's assessment, the investment cooperation between IPC and Hong Linh Company was effectively a project transfer, which was not approved by the competent authorities, thereby violating legal regulations. IPC incurred financial losses due to its inability to fully recover the initial investment costs. Consequently, IPC has demanded that the parties involved in the project (Hong Linh Company and LHG) fully reimburse the project's investment costs.

LHG's Obligation to Reimburse Resettlement Costs: In 2018, LHG advanced approximately VND 65 billion to IPC as part of the resettlement costs for the Long Hau Residential Area project. However, following the

conclusions of the Government Inspectorate, IPC issued documents requesting LHG to cover additional resettlement costs for the project, with a total reimbursement amount of VND 328.7 billion (as per document no. 774/IPC.24, which includes the VND 65 billion already advanced). Based on our assessment, LHG is unlikely to settle these costs until the total reasonable investment for the entire Long Hau Residential Area project is clarified. Although this represents a contingent liability, our conservative estimate incorporates these costs into the valuation model for Long Hau Corporation (LHG).

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APPENDIX - COMPARABLE COMPANIES IN THE IP LAND LEASING INDUSTRY

In this report, we use 6 industrial park (IP) land leasing companies with business models similar to LHG as benchmarks for our analysis and forecasting.

Becamex IDC Corp– CTCP (HOSE: BCM)

BCM is a leading corporation in Vietnam that specializes in industrial parks, urban development, and transportation infrastructure investment. Founded in 1976, Becamex IDC has over 40 years of experience and is a trusted brand in the industry. The company develops many industrial parks across the nation, managing about 32,000 hectares. Key projects include the My Phuoc and Bau Bang Industrial Parks. Additionally, Becamex IDC partners with Sembcorp Group to develop the Vietnam-Singapore Industrial Park (VLHG) in Binh Duong, Hai Phong, Bac Ninh, Hai Duong, Nghe An, and Quang Ngai.

Kinh Bac City Development Holding Corporation (HOSE: KBC)

KBC is a prominent listed enterprise specializing in industrial park (IP) development. KBC and its subsidiaries are investors in large-scale IPs across both Northern and Southern Vietnam, with a potential leasable IP land bank of approximately 2,500 hectares. Key projects include: 1/ In the North: Nam Son Hap Linh (NSHL, 300ha), Trang Due 03 (TD03, 621ha), and Kim Thanh (234ha); 2/ In the South: Tan Phu Trung (TPT, 543ha), Tan Tap (654ha), and Lac Giang (466ha). Additionally, the Trang Cat Urban Area (585ha, Hai Phong) has completed land use fee payments and is poised to generate significant revenue for the enterprise from 2026 onward.

IDICO Corporation– CTCP (HNX: IDC)

IDICO Corporation (IDC) is one of Vietnam's foremost companies specializing in the investment, development, and management of industrial park (IP) infrastructure. With over 20 years of experience, IDICO has established a strong reputation in Vietnam's industrial real estate sector. The company currently invests in and manages 12 industrial parks across the country, covering a total land area of nearly 4,000 hectares. These industrial zones have attracted nearly 400 enterprises with investment capital of about USD 9 billion. Key Industrial Parks: My Xuan A & My Xuan B Industrial Parks (Ba Ria - Vung Tau), Huu Thanh Industrial Park (Long An), Phu My II & Phu My II Expansion Industrial Parks (Ba Ria - Vung Tau), Cau Nghin Industrial Park (Thai Binh).

Sonadezi Chau Duc JSC (HOSE: SZC)

Sonadezi Chau Duc JSC (SZC) is a subsidiary of Sonadezi Corporation, primarily engaged in the investment and development of industrial parks, urban areas, and golf courses. Established on June 26, 2007, it began with an initial charter capital of VND 110 billion. The company is currently investing in and developing the Chau Duc Industrial - Urban & Golf Park project located in Ba Ria - Vung Tau province. The total project area is 2,287.55 hectares, which includes: industrial park land of 1,556.14 hectares and Chau Duc urban area land of 537.01 hectares.

Nam Tan Uyen Industrial Park JSC (Upcom: NTC)

Nam Tan Uyen Industrial Park JSC (NTC) is a company focused on investment, construction, and infrastructure development for industrial parks in Vietnam. Established on February 21, 2005, the company started with an initial charter capital of VND 70 billion. Key Industrial Park Project: Nam Tan Uyen Industrial Park Expansion (Located in Uyen Hung Ward and Hoi Nghia Ward, Tan Uyen City, Binh Duong Province): Total area: 345 ha, Industrial land available for lease: 200.75 ha.

Sai Gon VRG Investment Joint Stock Company (HOSE: SIP)

SIP is an enterprise engaged in investment, construction, and operation of industrial park infrastructure, factories, and residential areas in Vietnam. The company currently manages four industrial parks in

Southern Vietnam, including: Phuoc Dong Industrial Park - Urban - Service Area (Tay Ninh) with an area of 2,436.11 hectares; Dong Nam Industrial Park (Cu Chi, Ho Chi Minh City) with an area of 342 hectares; Le Minh Xuan 3 Industrial Park (Binh Chanh, Ho Chi Minh City) with an area of 330 hectares; Loc An - Binh Son Industrial Park (Dong Nai) with an area of 500 hectares.

Table 9: Compare financial indicators of LHG and peers

Ratio	2020	2021	2022	2023	2024	Peer's average
Proportion	20%	20%	20%	20%	20%	
GPM %						
LHG	46%	53%	41%	51%	52%	48%
Mean	42%	47%	38%	49%	48%	45%
Median	46%	53%	41%	51%	47%	47%
NPM %						
LHG	31%	38%	32%	42%	43%	37%
Mean	39%	28%	49%	29%	40%	37%
Median	31%	27%	27%	28%	31%	29%
Total borrowing/Equity						
LHG	16%	13%	9%	11%	11%	12%
Mean	64%	64%	65%	64%	50%	61%
Median	56%	56%	50%	49%	40%	50%
ROE %						
LHG	15%	20%	13%	10%	11%	14%
Mean	24%	18%	20%	17%	20%	20%
Median	16%	16%	13%	14%	15%	15%
ROA %						
LHG	8%	11%	7%	6%	6%	8%
Mean	6%	5%	6%	5%	6%	6%
Median	6%	4%	5%	5%	5%	5%
P/E						
LHG	9.6	10.0	5.8	9.7	9.1	8.8
Mean	40.8	21.8	16.4	17.5	21.3	23.6
Median	36.4	13.8	12.8	14.8	19.2	19.4
P/B						
LHG	1.3	1.8	0.7	0.9	0.9	1.1
Mean	4.4	2.4	2.4	2.7	2.9	3
Median	4.7	2.1	2.2	3.2	3.4	3.1

Source: Finnpro, RongViet Securities

APPENDIX – FINANCIAL ANALYSIS AND ASSUMPTIONS FOR THE PERIOD 2025-29

Table 11: Forecasted revenue by segments (bn VND) ([Back to page 4](#))

Key Assumptions	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Leased Area (ha)	11	8	3	2	4	4	4	4	4
YoY growth	10%	-27%	-63%	-33%	100%	0%	0%	0%	0%
RBF for lease (thousand sqm)	98	98	130	147	173	219	249	249	249
YoY growth	0%	0%	33%	13%	18%	27%	14%	0%	0%
Revenue –IP land lease	545	366	131	83	254	259	265	271	276
YoY growth	17%	-33%	-64%	-37%	207%	2%	2%	2%	2%
Revenue – RBF lease	131	129	151	185	218	252	295	354	392
YoY growth	9%	-2%	17%	22%	18%	16%	17%	20%	11%
Revenue - Others	105	134	112	156	161	166	171	176	181
YoY growth	16%	27%	-17%	40%	3%	3%	3%	3%	3%
Total revenue	782	629	395	423	632	677	731	801	850
YoY growth	0%	-20%	-37%	7%	49%	7%	8%	10%	6%
REVENUE BY SEGMENTS	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
IP land lease	70%	58%	33%	20%	40%	38%	36%	34%	33%
RBF lease	17%	20%	38%	44%	34%	37%	40%	44%	46%
Others	13%	21%	28%	37%	25%	24%	23%	22%	21%

Source: LHG, RongViet Securities forecasted

Table 12: Forecasted GPM by segments ([Back to page 4](#))

Key Assumptions	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
COGS –IP land lease	(243)	(224)	(50)	(30)	(99)	(99)	(99)	(99)	(99)
YoY growth	5%	-8%	-78%	-40%	233%	0%	0%	0%	0%
COGS – RBF lease	(58)	(60)	(66)	(74)	(73)	(98)	(114)	(114)	(114)
YoY growth	-1%	3%	11%	11%	0%	33%	16%	0%	0%
COGS - Others	(70)	(89)	(77)	(98)	(106)	(110)	(113)	(116)	(120)
YoY growth	17%	28%	-14%	27%	9%	3%	3%	3%	3%
Total COGS	(370)	(372)	(194)	(205)	(279)	(307)	(326)	(329)	(333)
Growth YoY	6%	1%	-48%	5%	36%	10%	6%	1%	1%
Total Gross Profit	412	256	201	219	353	370	405	471	517
GPM (%)	53%	41%	51%	52%	56%	55%	55%	59%	61%
GROSS PROFIT BY SEGMENTS	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
IP land lease	74%	56%	40%	24%	44%	43%	41%	36%	34%
RBF lease	18%	27%	42%	51%	41%	42%	45%	51%	54%
Others	9%	17%	17%	25%	15%	15%	14%	13%	12%
Peers average - GPM	2021	2022	2023	2024F	2025F	2026F	2027F	2028F	2029F
Mean	42%	47%	38%	49%					
Median	46%	53%	41%	51%					

Source: LHG, Bloomberg, RongViet Securities forecasted. Notes: projected gross margins are our assumptions, not LHG's sources.

Table 13: SG&A cost/revenue ([Back to page 5](#))

	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
SG&A cost/revenue	8%	9%	16%	15%	10%	10%	10%	10%	10%

Source: LHG, RongViet Securities forecasted

Table 14: Forecasted NPM ([Back to page 5](#))

	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Net Profit									
Total LHG	295	204	166	184	276	275	285	340	390
Growth YoY	49%	-31%	-18%	11%	50%	0%	4%	19%	15%
NPM									
Total LHG	38%	32%	42%	43%	44%	41%	39%	42%	46%

Source: LHG, RongViet Securities forecasted

Table 15: Projected free cash flow to equity (bn VND) ([Back to page 7](#))

	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
FCFE	418	241	15	(216)	(97)	(216)	285	573	632

Source: LHG, RongViet Securities forecasted

Table 16: LHG's cash dividend ([Back to page 7](#))

	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Cash dividend (VND/share)	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Dividend payout ratio	36%	52%	64%	57%	38%	38%	37%	31%	27%

Source: LHG, RongViet Securities forecasted

VND Bn					VND Bn				
INCOME STATEMENT	FY2023	FY2024	FY2025F	FY2026F	BALANCE SHEET	FY2023	FY2024	FY2025F	FY2026F
Revenue	395	423	632	677	Cash	244	116	96	56
COGS	(194)	(205)	(279)	(307)	Short term investment	946	900	755	479
Gross profit	201	219	353	370	Account receivables	308	312	318	321
Selling expense	(6)	(5)	(8)	(9)	Inventories	647	828	1,073	1,318
Administrative expense	(58)	(58)	(57)	(61)	Other short-term assets	10	13	18	19
Finance income	85	58	67	54	Fixed tangible asset	619	652	784	1,056
Finance expenses	(15)	(24)	(14)	(14)	Fixed intangible asset	2	3	3	3
Other income	4	44	4	4	Long term financial investment	225	192	123	123
Gain from j,t ventures	-	-	-	-	Other long-term assets	54	50	50	50
PBT	212	233	345	344	Total asset	3,055	3,066	3,220	3,425
Prov, of Tax	(46)	(49)	(69)	(69)	Account payables				
Minority's Interest	-	-	-	-	Customers pay in advance	836	785	763	787
PAT to Equity S/H	166	184	276	275	Short term debt	53	55	55	55
EBIT	137	155	288	301	Long term debt	128	126	126	126
EBITDA	192	218	363	396	Other non-current liabilities	0	0	0	0
				%	Bonus and welfare fund	50	48	51	52
FINANCIAL RATIOS	FY2023	FY2024	FY2025F	FY2026F	Science and technology funds	0	0	0	0
Growth					Total liabilities	1,461	1,406	1,386	1,412
Revenue	-37.2%	7.2%	49.2%	7.1%	Common stock and APIC	572	572	572	572
EBITDA	-23.4%	13.5%	66.8%	9.1%	Treasury stock (enter as -)	0	0	0	0
EBIT	-30.2%	13.1%	85.5%	4.4%	Retained earnings	926	943	1,121	1,301
PAT	-18.5%	10.6%	50.2%	-0.2%	Other comprehensive income	0	0	0	0
Total assets	1.7%	0.3%	5.0%	6.4%	Inv, and Dev, Fund	97	144	144	144
Total equity	4.0%	4.1%	10.7%	9.8%	Total equity	1,595	1,659	1,837	2,017
					Minority interests				
Profitability					VALUATION RATIO	FY2023	FY2024	FY2025F	FY2026F
Gross margin	50.9%	51.7%	55.9%	54.7%	EPS (VND/share)	2,991	3,308	4,968	4,958
EBITDA margin	48.6%	51.5%	57.5%	58.6%	P/E (x)	9.7	9.1	7.0	7.1
EBIT margin	34.8%	36.7%	45.6%	44.4%	BV (VND/share)	31,885	33,179	36,738	40,327
Net margin	42.1%	43.4%	43.7%	40.7%	P/B (x)	0.9	0.9	1.0	0.9
ROA	5.4%	6.0%	8.6%	8.0%	DPS (VND/share)	1,900	1,900	1,900	1,900
ROCE	6.3%	7.0%	12.0%	11.6%					
ROE	10.6%	11.3%	15.8%	14.3%	VALUATION MODEL	Weight	Price	Average	
Efficiency					SOTP	100%	46,800	46,800	
Receivables turnover	1.3	1.4	2.0	2.1					
Inventories turnover	0.3	0.2	0.3	0.2	Target price (VND/Share)				46,800
Payables turnover	0.2	0.3	0.4	0.4	VALUATION HISTORY	Target price	Recommend	Period	
Liquidity					09/2025	46,800	BUY	Long-term	
Current	2.4	2.6	3.0	2.8					
Quick	1.7	1.6	1.6	1.1					
Finance Structure									
Total debt/equity	11.3%	10.9%	9.8%	9.0%					
ST debt/equity	3.3%	3.3%	3.0%	2.7%					
LT debt/equity	8.0%	7.6%	6.9%	6.2%					

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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.

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Total Return including Dividends in 12-month horizon	>20%	5% to 20%	-20% to -5%	<-20%

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