

14 May 2026

# Nam Kim Group (NKG)

## Significant challenges remain

### 1Q26 - Exports continue to decline, while the domestic market remains a lifeline

- In 1Q26, NKG recorded revenue of VND3,261bn, down 20.3% YoY. Based on NKG's galvanized steel price movements over the last two quarters and published revenue by market, we estimate **total sales volume** in 1Q26 at ~185.7 thousand tons, a 10% YoY decrease, continuing to be impacted by adverse export activities (Fig 3).

- **The export market** recorded revenue of VND1,098bn, down 48% YoY. Notably, this downward trend has persisted since 4Q24 due to: (a) oversupply in the Chinese market, (b) weak demand from the US and EU, and (c) a series of US trade protection measures against basic steel products (import tariffs, CVD, and AD duties).
- **The domestic market** continues to be a lifeline for NKG amid export difficulties, with 1Q26 revenue reaching VND2,164bn, +10% YoY. The positive trend in the domestic market is supported by (i) a low-interest-rate environment and (ii) a significant increase in the number of real estate projects granted construction permits in recent quarters.

- **The average selling price (ASP)** was generally less favorable than the previous year, standing at USD671/ton, a 15.1% YoY decrease (Fig 4). This decline was driven by intensified domestic competition due to export headwinds, coupled with the impact of oversupply in Chinese HRC.

However, the ASP recorded a slight quarterly uptick of +0.9% QoQ, supported by a rapid recovery in the European and U.S. markets, despite these two regions currently accounting for only a small proportion of the sales mix (Fig 4, 5).

	2021A	2022A	2023A	2024A	2025A
Sales (VND bn)	28,206	23,128	18,621	20,708	14,899
chg. (% YoY)	143.7	(18.1)	(19.4)	10.8	(28.1)
Operating profit (VND bn)	2,551	(107)	177	557	127
Net profit (VND bn)	2,225	(125)	117	453	197
EPS (VND)	9,883	(474)	446	1,434	418
chg. (% YoY)	528.0	(104.8)	(194.2)	221.5	(70.8)
EBITDA (VND bn)	3,128	471	749	1,064	593
PE (x)	1.4	(52.8)	30.3	10.6	33.3
EV/EBITDA (x)	2.0	22.7	10.1	10.1	20.7
PB (x)	0.54	1.24	0.66	0.82	0.82
ROE (%)	50.0	(2.3)	2.2	8.0	2.9
Dividend yield (%)	7.12	-	-	-	-

Note: Net profit, EPS and ROE are based on figures attributed to controlling interest  
Source: FiiproX, KIS Research

12M rating **NON-RATED**

#### Stock Data

VNIndex (13 May, pt)	1,898
Stock price (13 May, VND)	13,950
Market cap (USD mn)	237
Shares outstanding (mn)	448
52-Week high/low (VND)	19,900/12,600
6M avg. daily turnover (USD mn)	2.87
Free float / Foreign ownership (%)	77.4/4.6
Major shareholders (%)	
Chair man – Ho Minh Quang	15.87
Unicoh Specialty Chemicals	6.20
VEIL	5.18

#### Performance

	1M	6M	12M
Absolute (%)	(1.1)	(17.7)	11.2
Relative to VNIndex (%p)	(9.1)	(34.5)	(38.1)

#### Stock price trend



Source: Bloomberg

#### Research Dept

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- **Gross profit** reached VND85bn, a 68% y/y decrease, with the gross margin recorded at 2.6%, down 3.8 ppts yoy but seeing a slight 0.3 ppts uptick qoq (Fig 6). The marginal q/q improvement was primarily driven by the slight increase in ASP as analyzed above, while input HRC prices from both domestic and imported sources remained generally stable throughout the quarter (Fig 7, 8).
- **NPAT** was recorded at a low of VND21bn, a 67% yoy decline, mainly impacted by the contraction in gross profit, while other income and expenses showed no abnormal fluctuations.

### NKG Australia launches Anti-dumping (AD) investigation into Galvanized Steel from NKG

- The Trade Remedies Authority of Vietnam (Ministry of Industry and Trade) announced that galvanized steel from Hoa Sen Group, Nam Kim Steel JSC, and two South Korean companies imported into Australia in 2025 is under an anti-dumping investigation. According to the Anti-Dumping Commission (ADC) of Australia, the estimated dumping margin for the two Vietnamese enterprises is **56.21%**. The investigation is expected to be finalized with a report submitted to relevant authorities by **Oct 2, 2026**.
- Currently, Australia is a vital export market for NKG. According to 2025 data from TradeInt, NKG exported approximately 52.6 million tons of steel to Australia, accounting for **~18.3%** of its export volume and **~6.7%** of its total sales volume.

### 2Q26F – Significant Challenges Persist

- *Sales volume* in 2Q26F is highly likely to maintain negative growth due to:
  - (a) Export activities showing no signs of improvement, with risks potentially escalating due to quota reductions and increased out-of-quota tariffs from Europe for Vietnamese steel products starting early 2H26. Additionally, there is the aforementioned risk of declining exports to the Australian market.
  - (b) Domestic growth slowing down as construction activities are gradually impacted by the rising interest rate trend.
- *Gross margin* is forecast to show limited positive movement:
  - (i) Domestic market: Since late March 2026, NKG has hiked domestic prices for galvanized steel and steel pipes three times; however, these price increases have closely tracked the rising trend of input HRC prices.
  - (ii) Meanwhile, the rapid surge in input HRC prices at the beginning of 2Q26 has generally offset the advantages gained from the export price increases seen since early 1Q26.

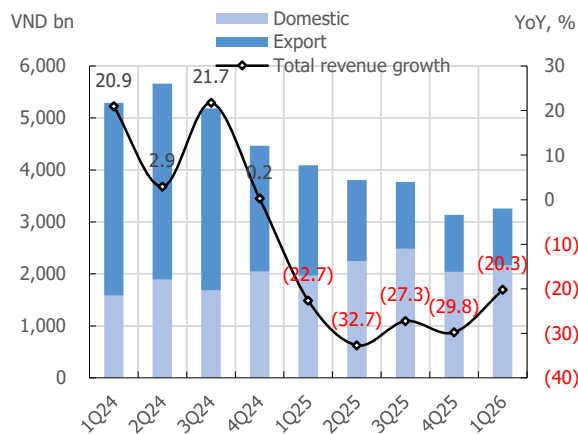
**Table 1. Quarterly earnings snapshot in 1Q26**

(VND bn, %, %p)

	1Q25	2Q25	3Q25	4Q25	1Q26	QoQ	YoY
Sales	4,090	3,808	3,773	3,136	3,261	4.0	(20.3)
OP	95	101	71	(37)	(17)		(118.1)
OP margin	2.3	2.7	1.9	(1.2)	(0.5)	0.6	(2.8)
EBT	81	112	59	(11)	25		(68.9)
NP	65	92	50	(9)	21		(67.2)

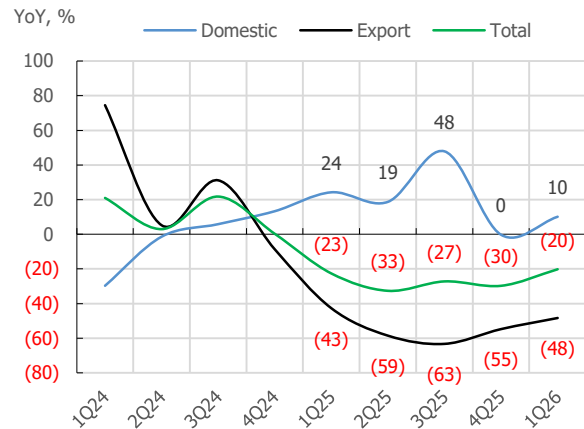
Source: Company data, FiinproX, KIS Research

**Figure 1. Total revenue declined 20% yoy**



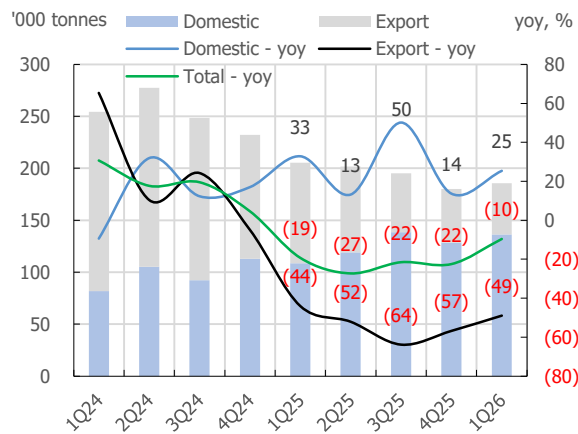
Source: Company data, KIS Research

**Figure 2. ... The domestic market continues to be a lifeline for NKG amid export difficulties**



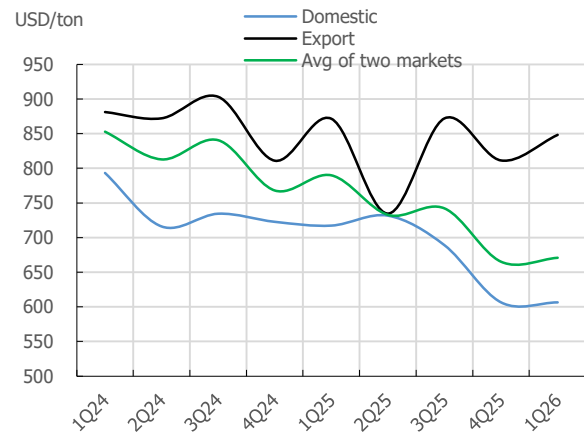
Source: Company data, KIS Research

**Figure 3. NKG's sales volume by market**



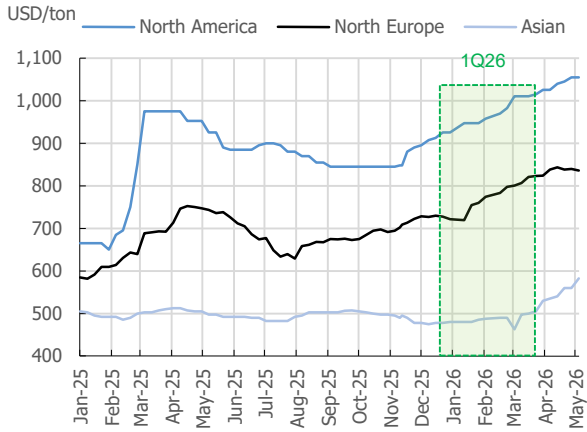
Source: VSA, KIS Research

**Figure 4. the ASP recorded a slight quarterly uptick of +0.9% qoq ...**



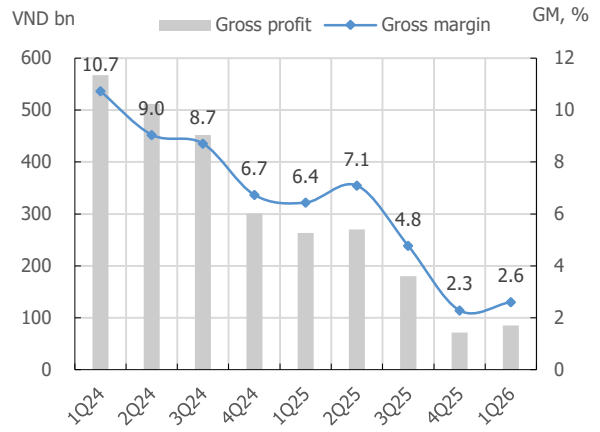
Source: Company data, VSA, KIS Research

**Figure 5. ... supported by a rapid recovery in the European and U.S. markets**



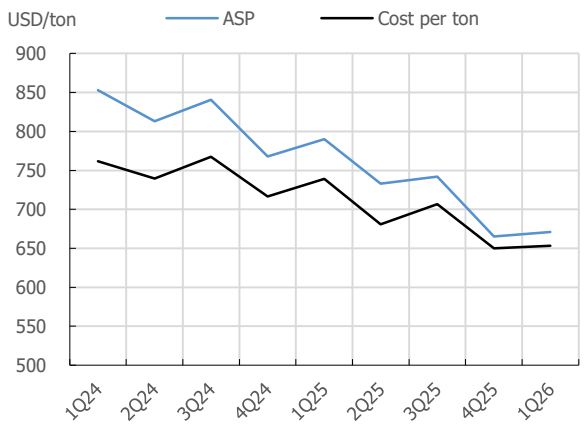
Source: Bloomberg, KIS Research

**Figure 6. Gross margin recorded at 2.6%, down 3.8 ppts yoy but seeing a slight 0.3 ppt uptick qoq**



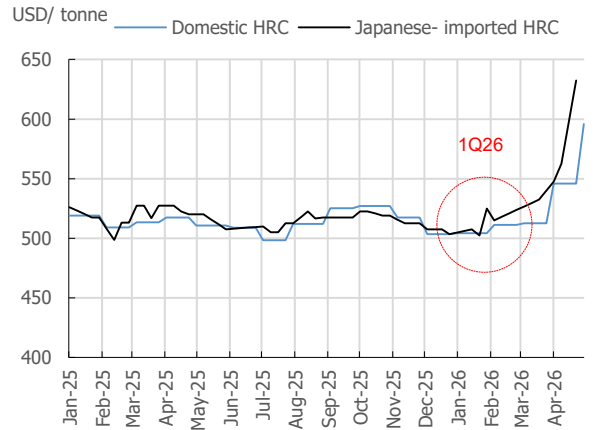
Source: Company data, KIS Research

**Figure 7. ... The marginal qoq-improvement was primarily driven by the slight increase in ASP as analyzed above,**



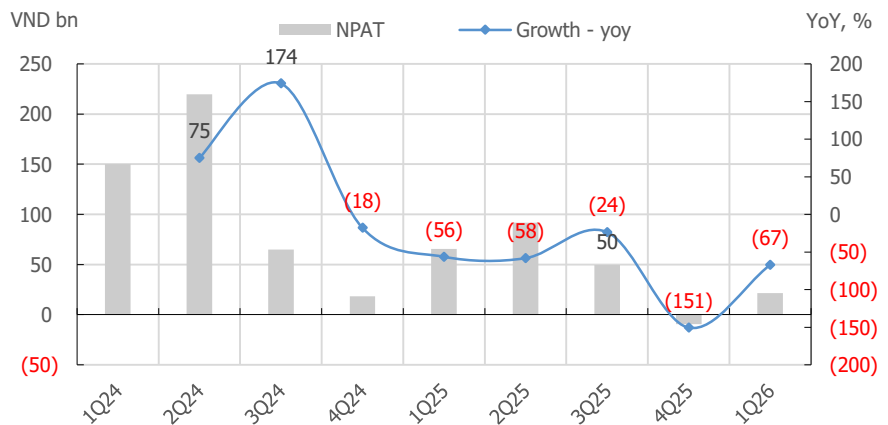
Source: Company data, KIS Research

**Figure 8. ... while input HRC prices from both domestic and imported sources remained generally stable throughout the quarter**



Source: Thitruongthep.com, KIS Research

**Figure 9. NPAT was recorded at a low of VND21bn, -67% yoy**



Source: Company data, KIS Research

**■ Company overview**

Nam Kim Steel JSC (NKG) was established in 2002 and is one of Vietnam's leading manufacturers in the steel industry. The company specializes in the production and trading of coated steel products, including galvanized steel, galvalume steel, and pre-painted steel coils, with a total capacity of over 1 million tons per year, supplying both domestic and export markets.

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