March 24th, 2025

Shinhan Securities



Kinh Bac City Development Holding Corporation

[Vietnam / Industrial real estate]

Bloomberg Ticker (KBC VN) | | Reuters Ticker (KBC.HM)

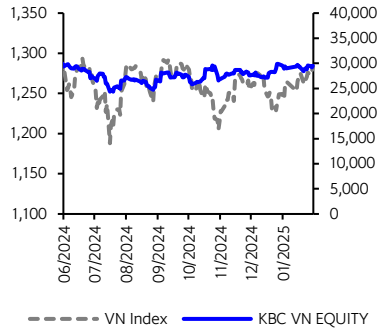
BUY

Update Report

Target price (12 months)	**38,000 VND**
Current price (24/03/2025)	**29,200 VND**
Upside/downside	**30 %**

VNINDEX		1,330
Market P/E		246
Market Cap (bn VND)		22,414
Outstanding shares (mn)		488
Free-Floating (mn)		63.6
52-Wk High/Low (VND)		36,300/24,200
90-day avg trading volume (mn)		4.67
90-day avg turnover (bn VND)		121
Major shareholders (%)	DTT Investment and Development JSC	11.25%
	Kinh Bac Investment and Consulting JSC	8.11%

Performance	3M	6M	12M
Absolute (%)	10.9	10.9	-7.7
Relative to VN-Index (%)	4.5	9.2	-12.4



Source: Bloomberg

Unlocking potential

Update coverage with BUY call and target price of VND 38,000

Kinh Bac Urban Development Corporation (KBC) is one of the leading enterprises in the field of developing industrial parks (Ips) and urban real estate projects. Kinh Bac owns projects in all three regions of Vietnam, in big cities such as Bac Giang, Hai Phong, Da Nang, Ho Chi Minh, and Long An. With investment approval secured for two key projects—Trang Due 3 Industrial Park and Trang Cat Urban Area—KBC's business outlook is expected to improve in 2025, driven by: (1) Sustained growth in FDI inflows, bolstering land lease demand, and (2) Regulatory advancements facilitating revenue expansion in industrial park and urban real estate. We update our valuation for KBC shares to VND 38,000, applying the RNAV methodology.

Update business results in 2024

Kinh Bac recorded a net revenue of VND 2,776 billion in 2024 (-53% YoY), with net profit reaching VND 460 billion (-80% YoY). The leased industrial land area was only 33 ha (-77%), primarily due to challenges related to site clearance and legal issues.

The stable growth of FDI inflows strengthens the demand for land leasing

According to the General Statistics Office, realized FDI in the first two months of 2025 is estimated at USD 2.95 billion (+5.4% YoY), marking the highest level in the past five years. Total registered foreign investment in Vietnam reached over USD 6.9 billion (+35.5% YoY). The stable inflow of FDI provides a favorable foundation for businesses to sustain long-term growth.

Resolving legal obstacles to drive revenue growth in the IPs and urban real estate sectors

With investment approval secured for two key projects—Trang Due Industrial Park (Decision No. 86/QD-TTg) and Trang Cat Urban Area (Decision No. 116/QD-TTg)—KBC has successfully removed legal bottlenecks, paving the way for significant revenue recognition in 2025 and 2026.

We estimate KBC's revenue will reach approximately VND 8,188 billion (+195% YoY) in 2025, with an expected net profit of VND 1,433 billion (+212% YoY). Our projections include: (1) Leased industrial land area reaching approximately 157 ha in 2025 and 197 ha in 2026, primarily driven by Nam Son Hap Linh industrial park, Trang Due 3 industrial park, and industrial parks in Long An; and (2) Continued growth in the urban real estate segment in 2025, supported by the Nenh Social Housing project and Trang Due Urban Area, with a substantial acceleration in 2026 as revenue from the Trang Cat Urban Area project begins to be recognized.

Risks: (1) Risk of weakening FDI capital flows; (2) Risk of real estate market decline; (3) Risk of slow project implementation; (4) Legal risks.

Year to Dec.	2024	2025F	2026F	2027F	2028F
Revenue (bn VND)	**2,776**	**8,188**	**14,424**	**14,636**	**15,889**
OP (bn VND)	907	2,083	4,007	4,757	4,714
NP (bn VND)	**460**	**1,433**	**2,771**	**3,317**	**3,272**
EPS (VND)	555	1,730	3,345	4,004	3,950
BPS (VND)	24,226	25,464	28,309	31,813	35,263
OPM (%)	33%	25%	28%	32%	30%
NPM (%)	17%	17%	19%	23%	21%
ROE (%)	**2%**	**7%**	**12%**	**13%**	**11%**
PER (x)	48.99	17.43	9.01	7.53	7.63
PBR (x)	1.01	1.18	1.07	0.95	0.85

Source: Company data, Shinhan Securities Vietnam

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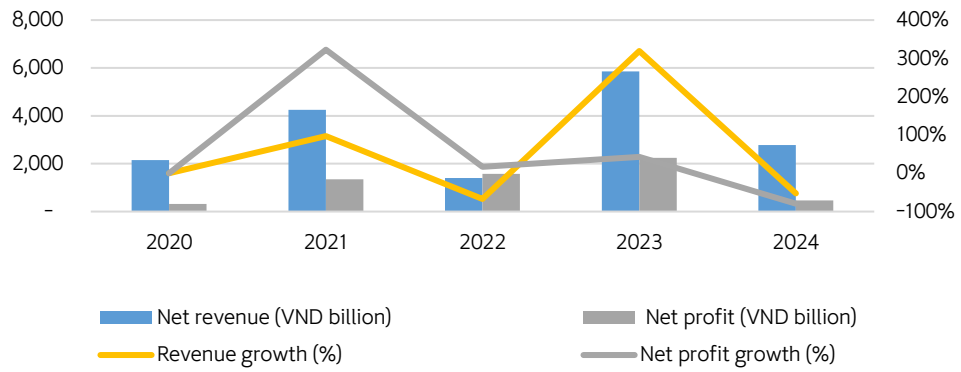


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Update business results 2024

Kinh Bac revenue and profit 2020 – 2024 (billion VND)



Source: Company report, Shinhan Vietnam Securities

In 2024, Kinh Bac Urban Development Corporation (KBC) recorded net revenue of VND 2,776 billion (-53% YoY) and net profit after tax of VND 460 billion (-80% YoY). Key segment performance was as follows:

Industrial Park Leasing: Revenue from the industrial park segment reached VND 1,195 billion (-77% YoY), contributing 43% of total revenue. The estimated industrial land leased in 2024 was approximately 33 ha, primarily from Nam Son Hap Linh IP (19.4 ha), Quang Chau IP (12 ha), and Tan Phu Trung IP (1.4 ha).

Urban Real Estate Transfers: The segment experienced robust growth, generating revenue of VND 909 billion (+768% YoY), accounting for 32% of total revenue. This surge was primarily driven by the handover of 13,800 m² at the Social Housing project in Nenh town, Bac Giang province.

Other Revenue Streams: Revenue from other segments totaled VND 671 billion (+26% YoY), contributing 24% of total revenue. Growth in this category was supported by increased income from service fees (electricity, water, wastewater treatment) and factory leasing.

Compared to the company's business plan, KBC only achieved 31% of its revenue target and 12% of its net profit target for the year. The company had set a target of handing over 150 ha of industrial park land in 2024, mainly from Nam Son Hap Linh IP, Tan Phu Trung IP, Quang Chau Expansion IP, and Trang Due 3 IP. However, as of year-end, only 33 ha was delivered. The delays in project execution were primarily attributed to legal procedures and site clearance compensation issues, including:

- Nam Son Hap Linh Industrial Park Project: Land leasing activities at the Nam Son Hap Linh Industrial Park experienced delays in 2023 due to Bac Ninh province reaching its allocated land quota. However, in 2024, the Prime Minister issued Decision No. 227/QD-TTg (dated March 12, 2024), increasing Bac Ninh's land use quota by 780 ha (from 4,760 ha to 5,540 ha), providing the basis for quota distribution across districts. As a result, Tien Du district (where Nam Son Hap Linh Industrial Park is located) issued Decision No. 657/QD-UBND (dated December 29, 2023), adding 55 ha of industrial park land to the project. Currently, Kinh Bac City Development Holding Corporation (KBC) is facing difficulties in land acquisition and clearance for three land lots in Xuan Hoi village, Lac Ve commune, Tien Du district, covering a total of over 25 ha. The Chairman of the Bac Ninh Provincial People's Committee has directed Tien Du district to facilitate land handover within Q1/2025. Also in Q1/2025, KBC has signed a memorandum of understanding (MoU) with Goertek Inc. (Goertek), under which Goertek plans to lease over 30 ha at Nam Son Hap Linh Industrial Park in 2025.
- Tan Phu Trung Industrial Park Project: The remaining land area pending compensation amounted to 33.2 ha. The project continued to face challenges related to land compensation due to ongoing disagreements over pricing. However, the new real estate laws took effect in August 2024, along with Ho Chi Minh City's updated land pricing framework, are expected to facilitate compensation and site clearance processes, supporting project advancement.

- Trang Due 3 Industrial Park Project: As the project did not received investment policy approval in 2024, site clearance and compensation efforts was delayed, consequently affecting leasing and revenue recognition. However, the project obtained official investment policy approval on January 14, 2025, under Decision No. 86/QD-TTg.
- Trang Cat Urban Area Project: Throughout 2024, the project remained in the legal finalization phase, preventing infrastructure construction and sales activities. Investment policy approval was granted on January 15, 2025, under Decision No. 116/QD-TTg. In February 2025, Hai Phong City People's Committee issued a second decision to adjust land allocation for Trang Cat Urban Development One Member Co., Ltd., increasing the designated land area for residential construction from 124 ha to 195.5 ha.According to Decision No. 589/QD-UBND (dated February 28, 2025) issued by the Hai Phong City People's Committee, the land use fee payable by investors for the project was adjusted to VND 17,794 billion—an increase of over VND 6,850 billion compared to the 2020 land valuation decision. With KBC's capital contribution of VND 12,681 billion and an additional loan of VND 5,512 billion, KBC could secure for the project, we assess that KBC has sufficient financial capacity to execute the Trang Cat Urban Area project. We estimate that sales could commence in H2/2025, with revenue recognition beginning in 2026.
- Industrial Parks in Long An: Projects in Long An remain in the legal and site clearance phases, preventing revenue recognition in 2025. Specifically, Loc Giang Industrial Park has compensated for 110 ha out of a total of 466 ha, while Nam Tan Tap Industrial Park has completed compensation for 118 ha out of 158.56 ha. Tan Tap Industrial Park has obtained 1/5000 planning approval and is currently undergoing legal finalization for project execution.

In the past year, KBC failed to achieve its plan due to legal issues, compensation, and site clearance, affecting project implementation progress. However, with key projects being cleared of legal issues, accelerated implementation, and a strategy to expand rental areas, KBC is facing the opportunity to make a strong breakthrough in 2025.

According to the plan, the company aims for net revenue of VND 10,000 billion, an increase of 260% over the same period. Profit after tax is expected to reach VND 3,200 billion, 7 times higher than in 2024, reflecting strong growth prospects from core business activities.

KBC plans to lease more than 200 ha of industrial park land, including:

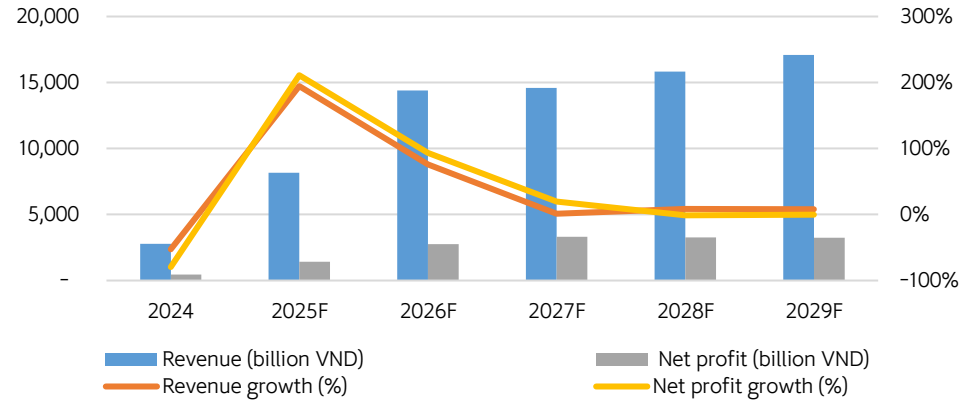
- Nam Son Hap Linh Industrial Park (70 ha)
- Tan Phu Trung Industrial Park (14 ha)
- Hung Yen Industrial Cluster (95 ha)
- Trang Due 3 Industrial Park (30 ha)

In addition, KBC is also constantly expanding its land fund as a basis for long-term growth in the future. On January 22, 2025, KBC received investment policy approval Decision No. 211/QD-TTg for Kim Thanh 2 Industrial Park (phase 1). Kinh Thanh 2 Industrial Park (phase 1) is located in Kim Thanh district, Hai Duong province. Kim Thanh 2 has a total area of 234.63 ha, with a total investment capital of VND 3,403 billion.

Earnings estimates

Legal clearance drives strong business growth

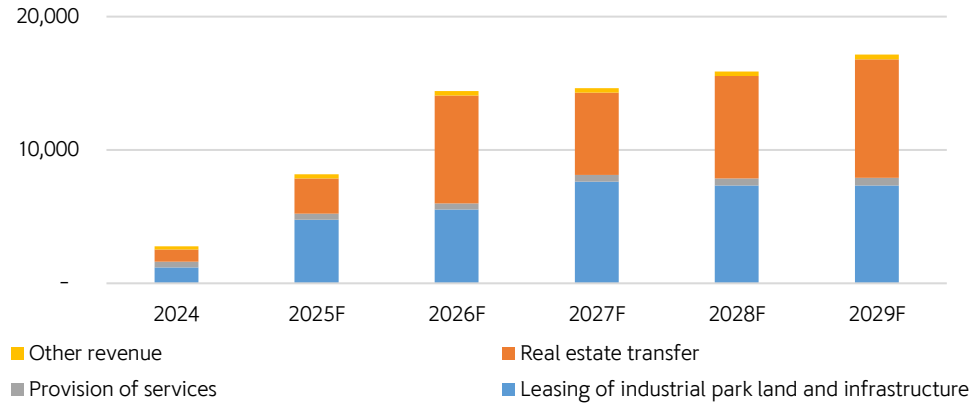
Kinh Bac net revenue and net profit forecast 2024 – 2029F



Source: Company report, Shinhan Securities Vietnam

We forecast Kinh Bac Urban Development Corporation's net revenue to reach approximately VND 8,188 billion (+195% YoY) in 2025 and VND 14,424 billion (+76% YoY) in 2026. The projected net profit for 2025 is VND 1,433 billion (+212% YoY); for 2026, it is expected to reach VND 2,771 billion (+93% YoY).

Kinh Bac revenue structure 2022 – 2028F (billion VND)



Source: Company report, Shinhan Securities Vietnam

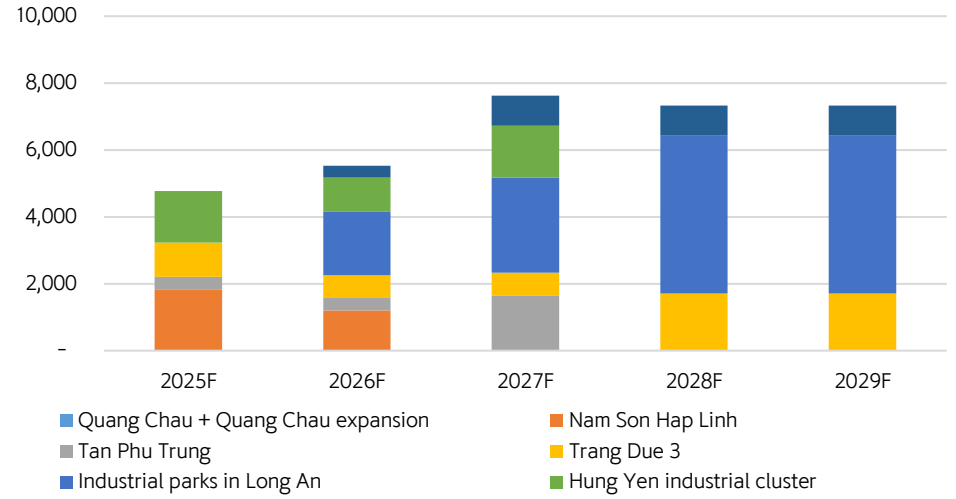
In 2025, KBC's revenue and profit will primarily be driven by the industrial park land leasing segment and the transfer of real estate business projects. Revenue from the industrial park real estate segment is projected to reach VND 4,774 billion (+299% YoY), supported by the resolution of legal bottlenecks and the completion of compensation and site clearance for key industrial park projects.

Meanwhile, the urban real estate segment is expected to generate revenue of VND 2,649 billion (+191% YoY), driven by the Nenh Social Housing Project and Trang Due Urban Area. Revenue recognition from the Trang Cat Urban Area Project will commence in 2026, further accelerating KBC's growth trajectory.

Additionally, the service provision segment (including revenue from utilities such as clean water supply, electricity, service fees, and wastewater treatment) and the factory rental segment are expected to maintain a stable growth rate of approximately 10%, supported by the ongoing expansion of KBC's industrial park portfolio.

The IP segment is expected to grow significantly due to Trang Due 3 and Long An industrial parks.

Forecast of Kinh Bac's industrial park revenue 2025F - 2029F (billion VND)

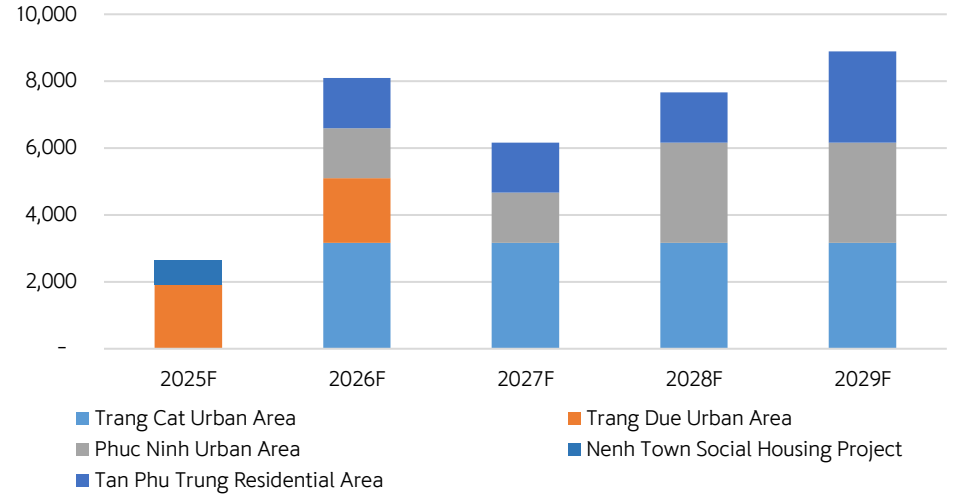


Source: Company report, Shinhan Securities Vietnam

We estimate that KBC's land lease area will be lower than the company's plan due to the risks of the trade war situation that may affect the company's land leasing demand. KBC will lease about 157 ha in 2025, mainly from Nam Son Hap Linh Industrial Park (50 ha), Quang Chau Expanded Industrial Park (3.69 ha), Tan Phu Trung Industrial Park (14 ha), Hung Yen Industrial Park (60 ha), and Trang Due 3 Industrial Park (30 ha). We estimate that the industrial parks in Long An and Kim Thanh Industrial Park are expected to be leased in 2026, thereby increasing the industrial park leasing area to 197 ha.

Real estate transfer revenue is expected to see explosive growth due to the Trang Cat Urban Area project.

Forecast of Kinh Bac's real estate transfer revenue 2025F - 2029F (billion VND)



Source: Company report, Shinhan Securities Vietnam

For the real estate segment, we expect the Nenh Social Housing Project to contribute about 1.82 ha, and Trang Due Urban Area to complete the recording of the remaining 15 villas. The Trang Cat Urban Area Project will invest in infrastructure in Q1 – Q2/2025 and then be offered for sale in Q3 – Q4/2025. We maintain a cautious view and believe that KBC will start recognizing revenue in 2026, with an estimated revenue recording area of about 10 ha. The Phuc Ninh urban area project is expected to resolve legal issues and complete infrastructure construction in 2025, thereby contributing revenue to KBC from 2026.

Valuation and Recommendation

Update valuation with BUY recommendation, target price VND 38,000

We offer an updated Kinh Bac City Development Holding Corporation (KBC) valuation with a buy recommendation and a target price of VND 38,000, representing a 30% increase from the current price. With a strong outlook from both industrial park and real estate business segments, we expect growth for Kinh Bac with the following views:

1) One of the leading industrial park developers with large land funds
2) Stable growth of FDI capital strengthens land lease demand
3) Legal issues boost revenue growth in industrial park and urban area real estate

Valuation method

We apply the revalued net asset value (RNAV) method to value KBC. Based on the RNAV method, we estimate the value of KBC shares at VND 38,000 .

The RNAV method

Project Name	Ownership ratio (%)	Valuation method	Discount (%)	Value (billion VND)
- Industrial Park				**14,930**
Nam Son Hap Linh	100%	RNAV		1,519
Tan Phu Trung	73%	RNAV		1,462
Trang Due 3	89%	RNAV		3,260
Hung Yen Industrial Cluster	89%	RNAV		1,470
Kim Thanh 2 Industrial Park	94%	RNAV		539
Some other Industrial Parks		RNAV		4,678
Service fees of Industrial Parks		DCF		2,003
- Urban Area				**18,301**
Trang Cat	100%	DCF	10%	16,083
Trang Due Urban Area	100%	DCF		417
Other projects		DCF		1,800
Total				**33,231**
+ Cash and short-term investments				8,424
+ Long-term investments, fixed assets				5,478
- Debt				10,113
- Deposit				5761
- Minority interests				2,091
Equity value (VND billion)				29,168
Number of shares				767,604,759
Target price (VND)				**38,000**
Current price (VND)				29,200
Upside (%)				**30%**

Variable	Value
D/E	0.44
Beta	1.2
Risk-free rate	3.1%
Cost of equity	16.0%
Cost of debt	11.2%
WACC	13.8%

For the Weighted average cost of capital (WACC), we use the 10-year Vietnamese government bond yield at 3.1% as the risk-free rate. Beta is calculated based on historical data of the last 5 years of KBC and VNINDEX.

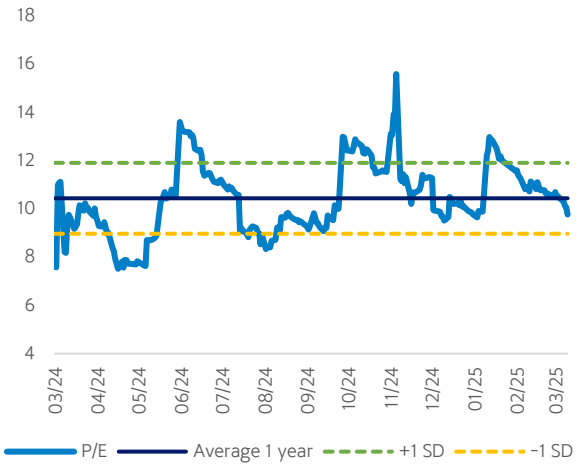
Adjustment due to private issuance of shares

Kinh Bac Urban Development Corporation (KBC) has announced a plan to privately issue 250 million shares, equivalent to 32.57% of outstanding shares, to 11 professional securities investors. The offering price is determined at 80% of the average closing price of 30 consecutive trading sessions before the State Securities Commission's approval, but not lower than VND 16,200/share. The expected implementation period is from Q1/2025 to Q3/2025, after completing legal procedures.

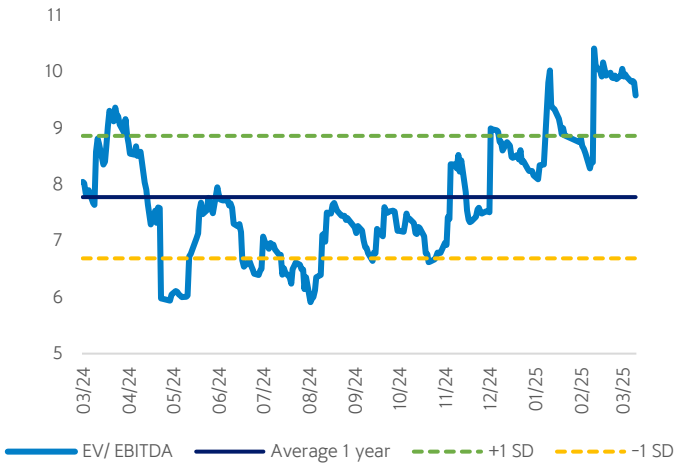
Purpose of capital use: The total mobilized value is estimated at VND 6,250 billion, of which VND 6,090 billion will be used to restructure loans, improve the financial situation, and optimize capital structure. The remaining VND 160 billion will be added to working capital, supporting business activities.

Impact on ownership structure: After completing the issuance, the group of 11 participating investors will hold a total of 28.52% of KBC's charter capital. With the total estimated mobilized value reaching VND 6,250 billion, equivalent to the issuance price of each share of VND 25,000. We adjust our target price down to VND 34,800 after the stock completes the private placement.

P/E 1 year



EV/EBITDA 1 year

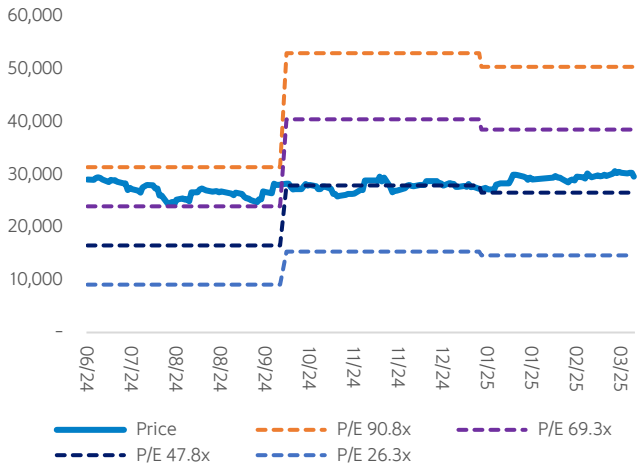


Source: Bloomberg data, Shinhan Securities Vietnam

P/B 1 year



P/E band



Source: Bloomberg data, Shinhan Securities Vietnam

P/B band

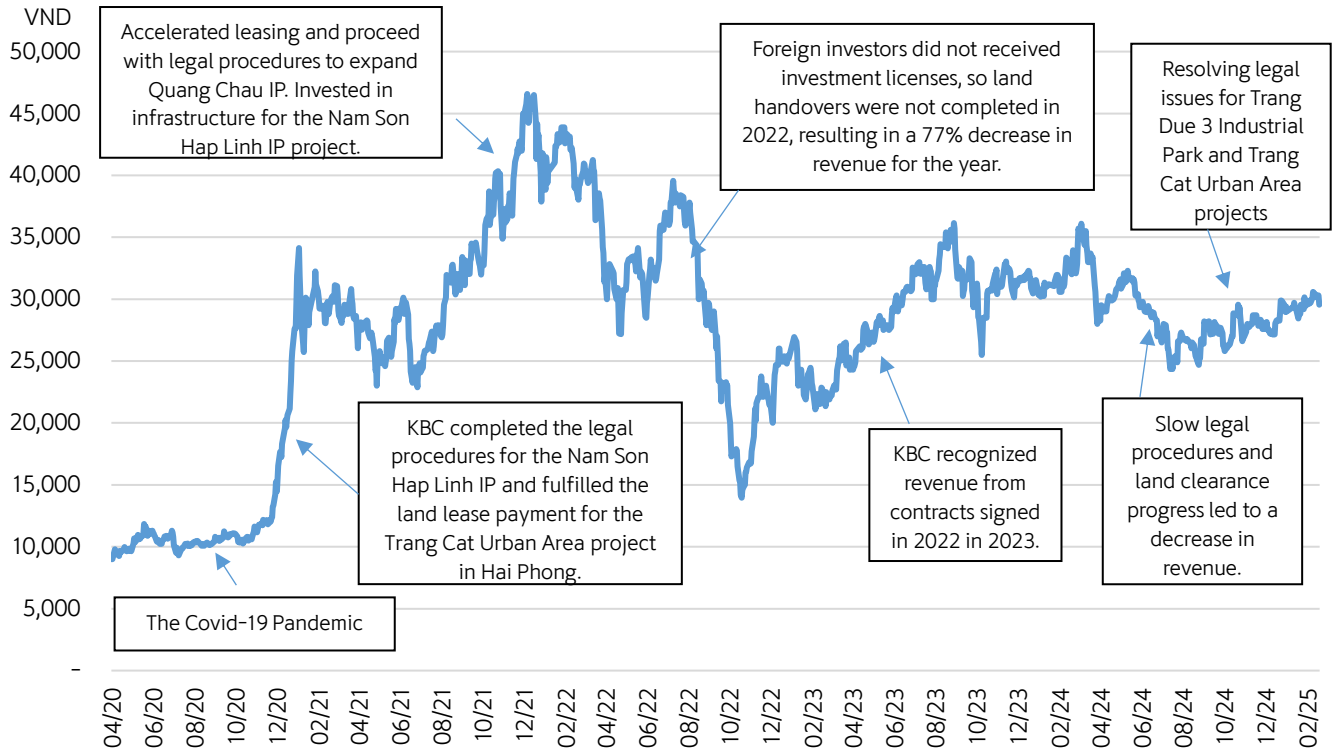


ROE and MA



Source: Bloomberg data, Shinhan Securities Vietnam

Key event chart of KBC



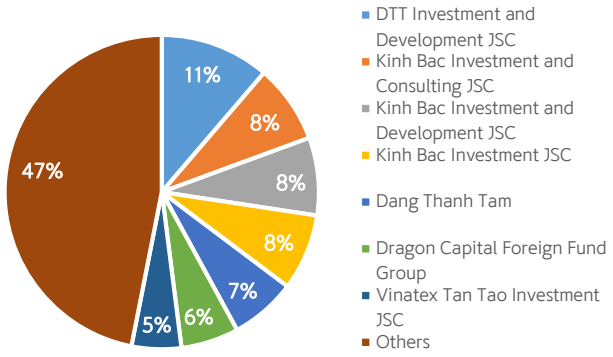
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Company background

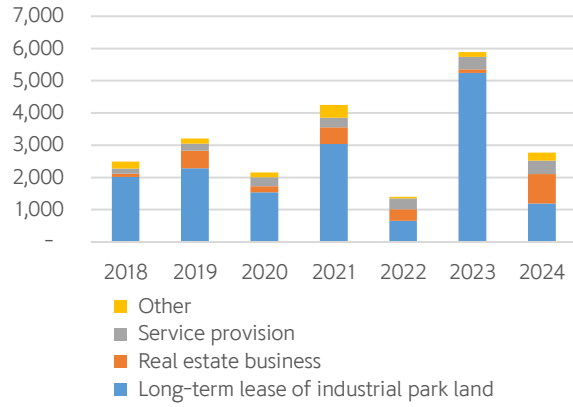
Company history

Kinh Bac City Development Holding Corporation (HoSE: KBC), established in 2002, is one of the leading industrial real estate development enterprises in Vietnam. KBC has experience working with and attracting leading FDI corporations in Vietnam. More than 90% of customers at KBC's industrial park are foreign corporations, from countries such as Japan, Taiwan, Korea, and China with big names such as Canon, Foxconn, LG... By the end of 2023, KBC owned a land fund of up to 6,611 ha of industrial park land from North to South.

Shareholder structure of KBC



KBC's revenue structure from 2018 – 2024 (billion VND)

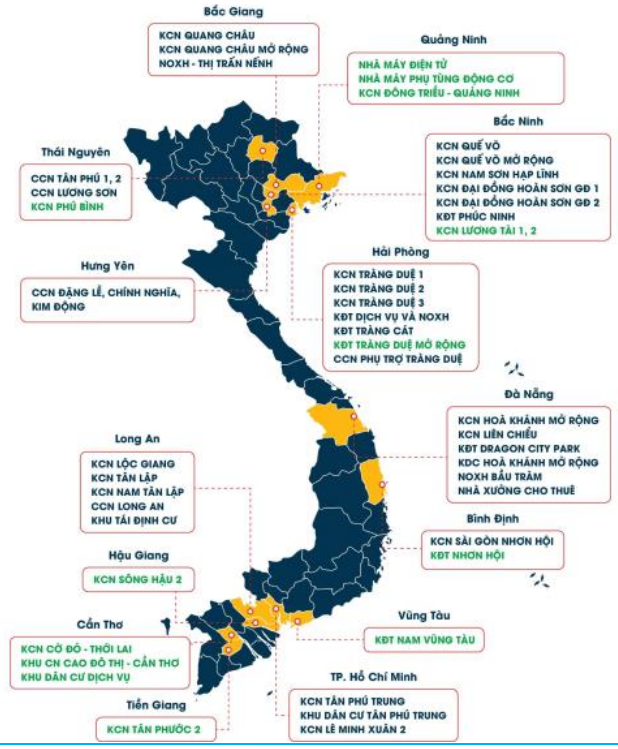


Source: Company report, Shinhan Vietnam Securities

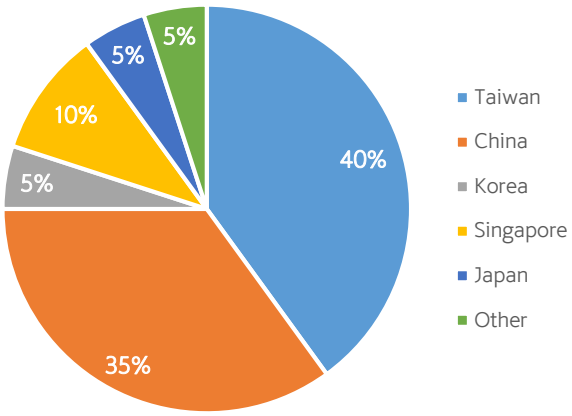
Kinh Bac is mostly owned by the Chairman of the Board of Directors Dang Thanh Tam and his related companies. Major shareholders account for 53% of the shareholder structure.

Kinh Bac's revenue mainly comes from long-term leasing of land and infrastructure in industrial parks, accounting for 50% - 70% of KBC's revenue structure. In addition, real estate business and service provision in industrial parks account for about 15% and 10%, respectively.

Overview of KBC's industrial parks in 2024



KBC's customer structure by country in 2024 (%)

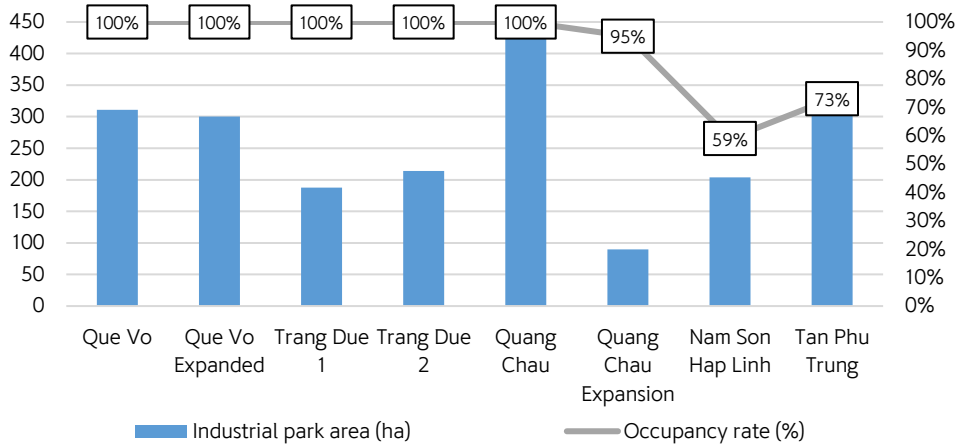


Source: Company report, Shinhan Vietnam Securities

KBC's projects are distributed in all three regions: North - Central - South, in large cities such as Bac Giang, Hai Phong, Da Nang, Ho Chi Minh, and Long An. Along with operating current projects, KBC is also establishing new projects in Hung Yen, Hai Duong, Quang Ninh, Tay Ninh, Vung Tau, Tien Giang,...

More than 90% of customers in KBC's industrial parks are foreign businesses from Japan, Taiwan, Korea, China, Hong Kong, etc. Some large corporations rent KBC industrial parks include Canon, Foxconn, LG, JA Solar, Luxshare – ICT, Goertek, Fuyu, Jufeng, and Ingrasys, ... Which customers from Taiwan and China are the main customer groups at KBC industrial parks.

Industrial parks area and occupancy rate of KBC's current operating industrial parks in 2024



Source: Company report, Shinhan Vietnam Securities

KBC's industrial parks are located mainly in big cities with high occupancy rates. Of the total 6,611 ha of industrial park land mentioned above, 05 industrial parks have a total area of 1,439 ha and achieve a 100% occupancy rate. Normally, it takes KBC about 6 years to reach an occupancy rate of over 90%.

Appendix: Financial Statements

Statement of financial position

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Total assets	**44,765**	**48,579**	**52,887**	**57,766**	**66,634**
Current assets	34,339	37,803	41,754	46,251	54,705
Cash & equivalents	6,566	8,032	9,789	11,871	17,655
Short-term financial asset	1,858	1,858	1,858	1,858	1,858
Accounts receivable	12,048	13,353	14,818	16,469	18,336
Inventories	13,867	14,560	15,288	16,053	16,855
Non-current assets	10,427	10,776	11,133	11,515	11,929
Net fixed assets	408	448	459	463	460
Investment assets	-	-	-	-	-
Other long-term assets	10,018	10,328	10,674	11,052	11,469
Total liabilities	**24,084**	**26,953**	**29,077**	**31,266**	**37,486**
Current liabilities	7,404	9,406	11,876	14,713	18,323
Accounts payable	528	1,546	2,399	2,125	2,366
Short-term borrowings	368	1,186	2,629	5,556	8,734
Others	6,508	6,674	6,848	7,032	7,224
Non-current liabilities	16,680	17,547	17,202	16,554	19,162
Long-term borrowings	9,745	10,564	12,006	12,738	13,532
Other financial liabilities	6,935	6,983	5,195	3,816	5,630
Total shareholders' equity	**20,682**	**21,626**	**23,809**	**26,499**	**29,148**
Charter capital	7,676	7,676	7,676	7,676	7,676
Capital surplus	2,744	2,744	2,744	2,744	2,744
Retained earnings	4,319	5,263	7,447	10,137	12,785
Other capital	3,863	3,863	3,863	3,863	3,863
Non-controlling interest equity	2,080	2,080	2,080	2,080	2,080
*Total debt	10,113	11,750	14,635	18,294	22,266
*Net debt (cash)	3,547	3,718	4,845	6,423	4,611

Source: Company data, Shinhan Securities Vietnam

Statement of cash flow

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Cash flow from operations	**731**	**325**	**(651)**	**(1,101)**	**2,288**
Net profit	764	1,958	3,786	4,532	4,471
Depreciation expense	161	73	81	88	95
(Gain) from investing activities	(475)	-	-	-	-
Interest expense/ income	(2,367)	(646)	(964)	(1,203)	(1,482)
Change in working capital	3,126	(283)	(2,139)	(2,807)	973
Others	(477)	(777)	(1,415)	(1,711)	(1,769)
Cash flow from investments	**(1,386)**	**(113)**	**(92)**	**(92)**	**(92)**
Change in fixed assets	(156)	(113)	(92)	(92)	(92)
Change in investment assets	-	-	-	-	-
Others	(1,230)	-	-	-	-
Cash flow from financing	**6,380**	**1,254**	**2,501**	**3,275**	**3,588**
Change in equity	1	-	-	-	-
Net borrowing	6,379	1,638	2,885	3,659	3,972
Dividends	-	(384)	(384)	(384)	(384)
Change in total cash	**5,725**	**1,466**	**1,757**	**2,081**	**5,785**
Beginning cash	841	6,566	8,032	9,789	11,871
Change in FX rates	-	-	-	-	-
Ending cash	6,566	8,032	9,789	11,871	17,655

Source: Company data, Shinhan Securities Vietnam

Statement of comprehensive income

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Revenue	**2,776**	**8,188**	**14,424**	**14,636**	**15,889**
Growth (%)	-53%	195%	76%	1%	9%
COGS	**(1,492)**	**(4,783)**	**(7,422)**	**(6,576)**	**(7,320)**
Gross profit	**1,283**	**3,404**	**7,002**	**8,060**	**8,569**
GPM (%)	46%	42%	49%	55%	54%
SG&A	**(627)**	**(1,625)**	**(2,862)**	**(2,904)**	**(3,153)**
Operating profit	**657**	**1,780**	**4,139**	**5,156**	**5,416**
Growth (%)	-77%	171%	133%	25%	5%
OPM (%)	24%	22%	29%	35%	34%
Non-operating profit	**107**	**178**	**(354)**	**(623)**	**(945)**
Financial income	451	301	183	156	132
Financial expense	(258)	(646)	(964)	(1,203)	(1,482)
In which: interest expenses	(268)	(646)	(964)	(1,203)	(1,482)
Net other non-operating profit	(86)	523	427	424	405
Pre-tax profit	**764**	**1,958**	**3,786**	**4,532**	**4,471**
Income tax	(304)	(525)	(1,015)	(1,215)	(1,199)
Net profit	**460**	**1,433**	**2,771**	**3,317**	**3,272**
Growth (%)	-80%	212%	93%	20%	-1%
NPM (%)	17%	17%	19%	23%	21%
Controlling interest	426	1,328	2,568	3,074	3,032
Non-controlling interest	34	105	203	243	240
EBIT	**1,032**	**2,604**	**4,750**	**5,735**	**5,953**
Growth (%)	-68%	152%	82%	21%	4%
EBIT Margin (%)	37%	32%	33%	39%	37%
EBITDA	**1,193**	**2,677**	**4,831**	**5,824**	**6,048**
Growth (%)	-65%	124%	80%	21%	4%
EBITDA Margin	43%	33%	33%	40%	38%

Source: Company data, Shinhan Securities Vietnam

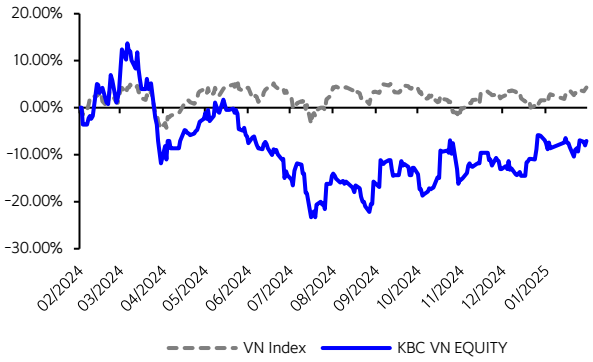
Key ratios

Year to Dec.	2024	2025F	2026F	2027F	2028F
EPS (VND)	555	1,730	3,345	4,004	3,950
BPS (VND)	24,226	25,464	28,309	31,813	35,263
DPS (VND)	-	500	500	500	500
PER (x)	48.99	17.43	9.01	7.53	7.63
PBR (x)	1.01	1.18	1.07	0.95	0.85
EV/EBITDA (x)	22.21	19.40	8.65	4.79	3.97
Dividend payout ratio (%)	0%	2%	2%	2%	1%
Dividend yield (%)	0%	2%	2%	2%	2%
Profitability					
EBITDA margin (%)	43%	33%	33%	40%	38%
OPM (%)	24%	22%	29%	35%	34%
NPM (%)	17%	17%	19%	23%	21%
ROA (%)	1%	3%	5%	6%	5%
ROE (%)	2%	7%	12%	13%	12%
Stability					
Debt to equity ratio (%)	49%	54%	61%	69%	76%
Net debt ratio (%)	297%	139%	100%	110%	76%
Cash ratio (%)	89%	85%	82%	81%	96%
Interest coverage ratio (x)	3.85	4.03	4.93	4.77	4.02
Activity (%)					
Inventory turnover (days)	1,715	634	378	391	378
Accounts receivable turnover (days)	1,394	541	337	366	371
Accounts payable turnover (days)	118	79	97	126	112

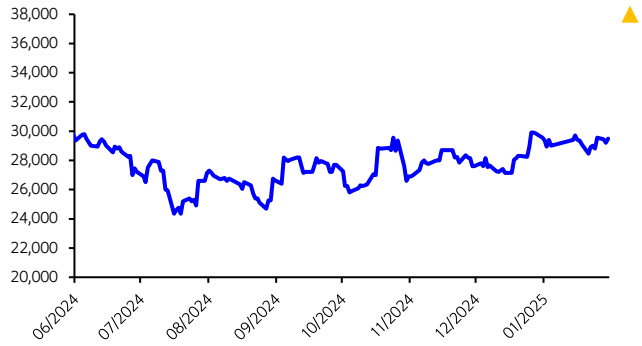
Source: Company data, Shinhan Securities Vietnam

Kinh Bac City Development Holding Corporation (KBC)

Stock price



Target price



Date	Rating	TP (VND)	TP gap (%) TB	TB
29/12/2023 (Initiate)	BUY	42,400	50	16/114
11/03/2024 (Update)	BUY	42,400	48	16/103
26/11/2024 (Update)	BUY	34,600	14	-5/43
24/03/2024 (Update)	BUY	38,000	25	5/57

Note: Calculation of target price gap based on past 12 months

Shinhan Securities Vietnam

Stocks	Sector
◆ **BUY:** Expected 12-month gain of 15% or more ◆ **HOLD:** Expected 12-month loss of 15% to gain of 15% ◆ **SELL**: Expected 12-month loss of 15% or more	◆ **OVERWEIGHT**: Based on market cap, largest share of sector stocks under coverage is rated BUY ◆ **NEUTRAL**: Based on market cap, largest share of sector stocks under coverage is rated HOLD ◆ **UNDERWEIGHT**: Based on market cap, largest share of sector stocks under coverage is rated SELL

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