Shinhan Securities



Kinh Bac City Development Holding Corporation

[Vietnam / Industrial real estate]

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

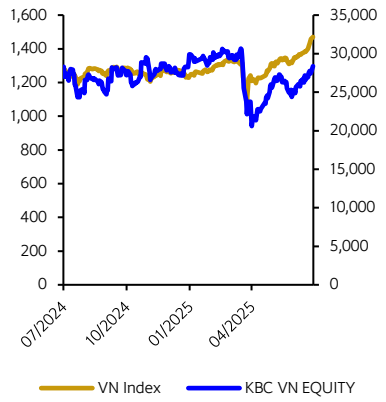
BUY

Update Report

Target price (12 months)	**38,100 VND**
Current price (17/07/2025)	**28,400 VND**
Upside/downside	**34 %**

VNINDEX	1,490
Market P/E	246
Market Cap (bn VND)	26,745
Outstanding shares (mn)	942
Free-Floating (mn)	660
52-Wk High/Low (VND)	31,300/20,050
90-day avg trading volume (mn)	7.59
90-day avg turnover (bn VND)	202
Major shareholders (%) DTT Investment and Development JSC	9.19%
Kinh Bac Investment and Consulting JSC	6.61%

Performance	3M	6M	12M
Absolute (%)	28.3	-5.2	0.4
Relative to VN-Index (%)	8.5	-24.1	-14.5



Source: Bloomberg

Resilient through tariff storms

Update coverage with BUY call and target price of VND 38,100

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. We update our valuation for KBC stock following its expansion of over 1,300 ha and equity issuance in Q2/2025. Based on the RNAV valuation method, we assess KBC's fair value at VND 38,100. Amid global tariff uncertainties, we believe KBC can navigate through volatility and achieve strong growth in 2025: (1) Stable FDI inflows continue to support land leasing demand, and (2) A series of approved industrial park and urban.

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

According to the General Statistics Office, realized FDI in the first six months of 2025 is estimated at USD 11.72 billion (+8.1% YoY), the highest level in the past 5 years. Total registered foreign investment into Vietnam reached over USD 21.52 billion (+32.6% YoY). Flexible diplomacy, along with unique advantages in geography and production costs, has given Vietnam a special position in attracting FDI.

Growth potential after approval of multiple industrial park and urban area projects

In Q2/2025, Kinh Bac City (KBC) received investment approval for over 1,300 ha of industrial park (IP) land, bringing the total newly approved area since the beginning of the year to more than 1,500 ha. Key projects include: Que Vo IP Expansion 2 (140 ha), Binh Giang IP (148 ha), Song Hau 2 IP (380 ha), Phu Binh IP (675 ha), and Kim Thanh 2 IP (234 ha). Beyond the industrial segment, in Q2/2025, KBC was also granted investment approval for the Khoai Chau complex urban, eco-tourism, and golf course project (Trump International Hung Yen), with a total investment of USD 1.533 billion.

Notably, two strategic projects—Trang Due 3 IP and Trang Cat urban area—were approved in early 2025, unlocking significant development potential for KBC in the year ahead.

We estimate KBC's 2025 revenue will reach approximately VND 8,188 billion (+195% YoY), and net profit is projected at VND 1,433 billion (+212% YoY). We expect: (1) Leased IP land area to reach around 158 ha in 2025 and 197 ha in 2026, mainly contributed by Nam Son Hap Linh IP, Trang Due 3, IPs in Long An, and a range of newly approved projects in 2025; (2) The urban real estate segment to continue growing in 2025 thanks to the Nen Social Housing project and Trang Due Urban Area, and to surge in 2026 when the Trang Cat Urban Area begins revenue recognition.

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**	**15,220**	**14,860**	**18,321**
OP (bn VND)	907	1,953	3,977	4,449	5,449
NP (bn VND)	**460**	**1,281**	**2,635**	**2,984**	**3,653**
EPS (VND)	555	1,228	2,526	2,860	3,502
BPS (VND)	24,226	24,132	26,158	28,519	31,520
OPM (%)	33%	24%	26%	30%	30%
NPM (%)	17%	16%	17%	20%	20%
ROE (%)	**2%**	**5%**	**10%**	**10%**	**11%**
PER (x)	48.99	22.39	10.89	9.61	7.85
PBR(x)	1.01	1.14	1.05	0.96	0.87
EV/EBITDA (x)	22.21	9.77	5.17	4.66	3.95

Source: Company data, Shinhan Securities Vietnam

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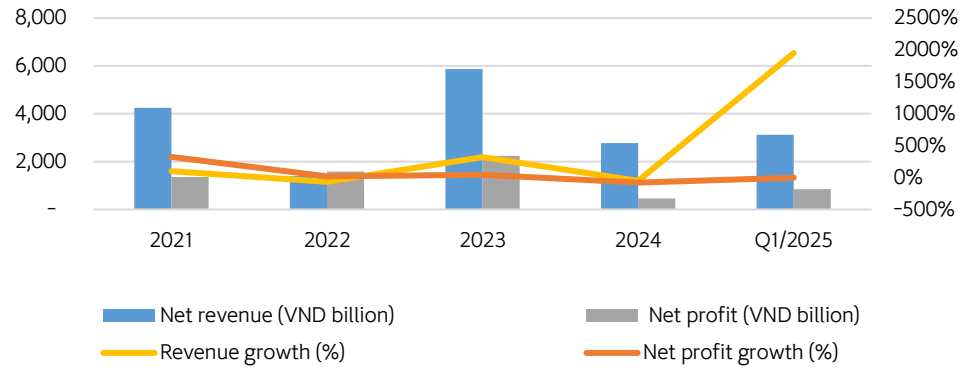
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Company update in H1/2025

Update business results Q1/2025

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



Source: Company report, Shinhan Vietnam Securities

Kinh Bac Urban Development recorded Q1/2025 net revenue of VND 3,117 billion, 20.5 times higher year-over-year. Net profit reached VND 849 billion, compared to a loss in the same period last year, in which:

The industrial park segment contributed VND 2,483 billion, accounting for 79% of total revenue. Leased IP land area in Q1/2025 is estimated at around 68 ha (30% of the 2025 target of 200 ha), mainly from signed contracts at Nam Son Hap Linh IP, Trang Due 3, and Hung Yen Industrial Cluster.

The urban real estate transfer segment saw strong growth, reaching VND 411 billion, 28 times higher year-over-year.

Other revenue streams reached VND 221 billion (+61% YoY), driven by increases in service revenue (electricity, water, wastewater treatment), factory rental, and factory sales compared to last year.

Compared to the annual business plan, Kinh Bac Urban only fulfilled 31% of the revenue target and 26% of the full-year net profit target.

Update on private placement of shares in 06/2025

Kinh Bac City Development Holding Corporation (KBC) has recently completed a private placement of 174.1 million shares at an offering price of VND 23,900 per share, corresponding to a 70% successful distribution rate. The remaining 75.85 million shares were canceled in accordance with current regulations.

After the issuance, KBC's charter capital increased from VND 7,676 billion to VND 9,417 billion. The total capital raised amounted to VND 4,161 billion.

Regarding the use of proceeds, the company stated that approximately VND 1,462 billion was used to repay principal and interest on loans for Saigon – Hai Phong Industrial Park JSC, while the remaining VND 2,699 billion was allocated to settle debts of Saigon – Bac Giang Industrial Park JSC.

Accelerating the expansion of new land bank with over 1,500 hectares in Q2/2025

KBC is actively expanding its industrial land bank by over 1,500 hectares through a series of large-scale projects. Specifically, the company has received investment approvals for several industrial parks, including: Que Vo Expansion 2 IP (over 140 ha), Binh Giang IP (nearly 148 ha), Song Hau 2 IP (380 ha), and Phu Binh IP (675 ha). In addition, Kim Thanh 2 IP (234 ha) has completed legal procedures and received approval for implementation. The expansion of land bank in strategic locations highlights KBC's long-term growth potential.

Completed land lease payment for the Trang Cat project, construction commenced in 05/2025

KBC's subsidiary, Trang Cat Urban Development One Member Limited Liability Company – the investor of the Trang Cat Urban and Service Area Project – has completed all financial obligations related to the project's land use fees.

Specifically, in the recent period, the company paid VND 6,854 billion for 714,810 m² of residential land with long-term land use rights. Including payments made since 2020 and after planning adjustments, the total land use fee for the entire project is estimated at VND 17,794 billion.

As of now, the full 1.955 million m² of long-term residential land under the project has 100% of financial obligations completed, ready for commercial development.

According to the plan, in May 2025, KBC will commence construction of a 50-hectare social housing sub-zone at Trang Cat, marking a significant milestone in the project's overall rollout.

Commencement of the Khoai Chau Urban, Eco-tourism, and Golf Complex Project in Hung Yen (Trump International Hung Yen)



Hung Yen Investment and Development Group JSC (a subsidiary 85% owned by KBC) is currently developing the Khoai Chau Urban, Eco-tourism, and Golf Complex Project in Hung Yen Province (referred to as the Khoai Chau Project), a large-scale development with strong potential to become a strategic highlight in KBC's growth portfolio.

Significant Total Investment:

The project spans 888.52 hectares with a total planned investment of VND 39,787 billion (approximately USD 1.533 billion), including:

- VND 4,087 billion for compensation, support, and resettlement,
- VND 35,700 billion for construction and development costs.

Strategic Partnership with Trump Organization – A Key Differentiator:

Khoai Chau is one of the flagship projects under the strategic partnership between KBC and the Trump Organization (USA), aiming to develop the first Trump-branded resort, golf course, and villas in Vietnam. This marks a strategic move for KBC to enter the international luxury resort real estate segment and elevate its brand positioning.

Master Plan – 4 Functional Zones:

The project is master-planned into four main zones:

- Zone 1: Eco-residential area combined with a premium golf course (387.44 ha, approx. 3,500 residents),
- Zone 2: Eco-residential area combined with an eco-golf course (220.39 ha, approx. 1,800 residents),
- Zone 3: Urban commercial and service area (181.29 ha, approx. 29,700 residents),

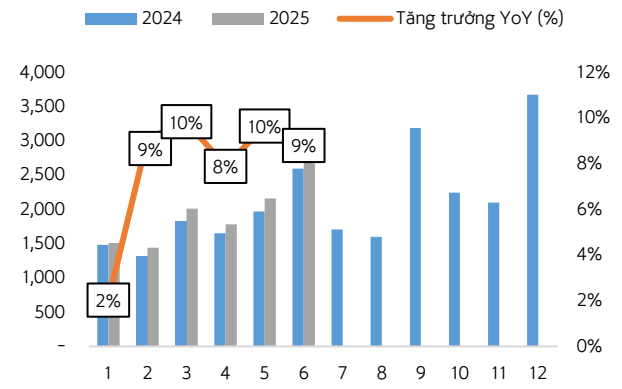
- Zone 4: Green spaces and themed parks (99.41 ha).

A highlight of the project is a 54-hole golf course, covering 241.59 hectares, divided into two sections: a 36-hole course and an 18-hole course, targeting high-end clients and international golf tourism.

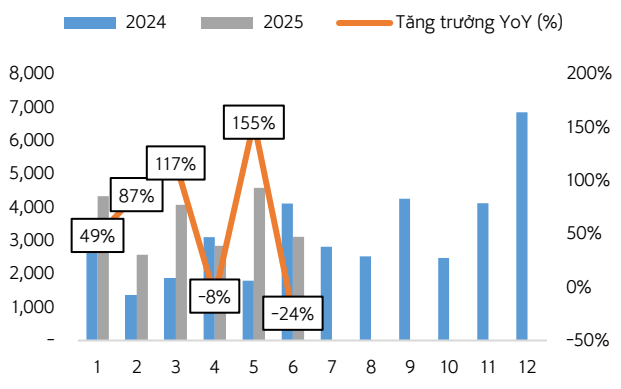
Implementation Timeline: The project is expected to be implemented from Q2/2025 to Q2/2029 (approximately 4 years), with a 50-year operating term. It will benefit from investment incentives in accordance with current legal regulations.

The outlook for FDI inflows remains stable

FDI capital disbursed in 2024 and 6M2025 (million USD)



Registered FDI capital 2024 and 6M2025 (million USD)



Nguồn: Báo cáo công ty, Chứng khoán Shinhan Việt Nam

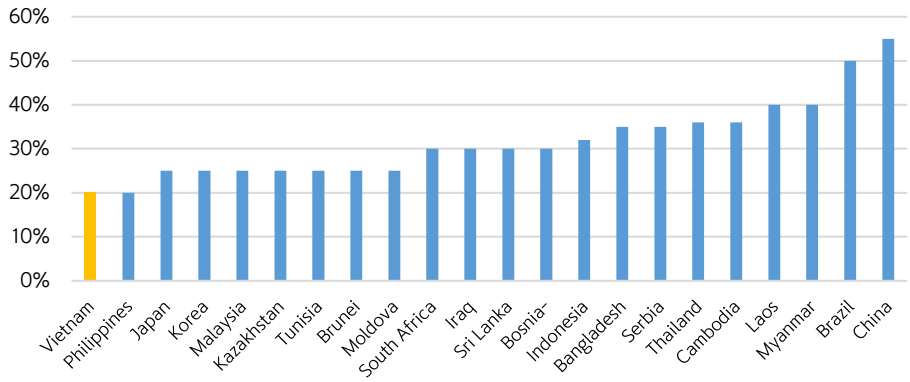
According to data from the General Statistics Office, realized foreign direct investment (FDI) in the first half of 2025 reached USD 11.72 billion, up 8.1% YoY, marking the highest level in the past five years. In addition, total newly registered, adjusted capital, and capital contribution/share purchases reached over USD 21.52 billion, a sharp increase of 32.6% YoY.

We assess that the key drivers behind this surge in FDI include:

- **Flexible and stable diplomatic policies**, with numerous FTAs signed, enhancing Vietnam's global position amid rising geopolitical competition. At the same time, Vietnam has maintained a soft diplomatic approach, especially in tariff-related dialogues with the U.S., reinforcing investor confidence.
- **Cost advantages** in production such as electricity, land lease, and factory rental. Vietnam also benefits from a skilled yet low-cost labor force.
- **Strategic geographic location** within the ASEAN supply chain and major Asia–Pacific maritime routes, in close proximity to major manufacturing hubs like China.
- **Improved investment environment**, including administrative reforms, infrastructure and industrial zone development, along with incentive policies to attract foreign companies, especially in technology sectors.

Outlook:The strong FDI growth in H1 2025—especially monthly increases compared to the previous year even after the U.S. implemented new tariffs—clearly reflects international investor confidence in Vietnam's business environment. With global supply chain shifts still ongoing, Vietnam is expected to remain a top investment destination for multinational corporations, particularly in manufacturing, high-tech, and industrial real estate sectors.

US tax rate on Vietnam compared to other countries



Source: Company report, Shinhan Securities Vietnam

According to an announcement by President Trump in early July, Vietnam is expected to face a 20% tariff on goods originating from Vietnam and a 40% tariff on "transshipment" goods — i.e., products shipped from China. These tariffs are considered competitive compared to other countries in the region and are not overly disadvantageous to Vietnamese businesses.

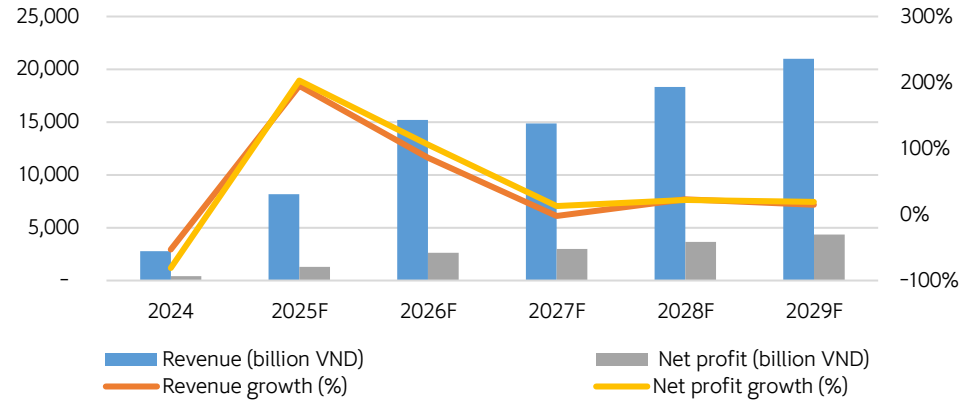
For KBC, with Chinese tenants currently accounting for approximately 35% of its customer base, the company believes the tax policy will not significantly affect demand from Chinese clients. Specifically, Chinese companies that manufacture goods in Vietnam and hold a Vietnamese Certificate of Origin (CO) would only be subject to the 20% tariff. Moreover, the 40% tariff on transshipped goods is still lower than the current 55% tariff the U.S. imposes on Chinese-origin goods. This is expected to encourage more Chinese firms to establish real production facilities in Vietnam rather than using it as a transshipment hub to evade taxes.

We believe this new tariff policy could further reinforce the “China +1” strategy, especially as Vietnam continues to offer clear competitive advantages, such as its geographic proximity to China, affordable labor, and competitive production costs. These factors position KBC to continue attracting FDI inflows, particularly from East Asia, soon.

Earnings estimates

Legal clearance drives strong business growth

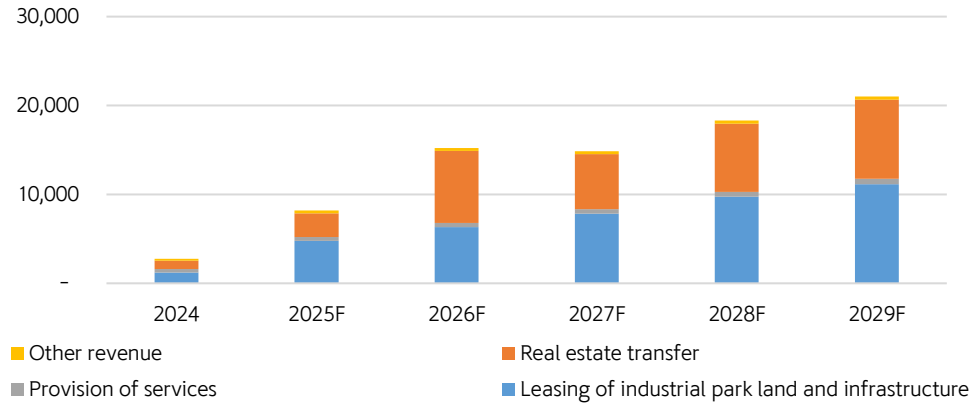
Kinh Bac net revenue and net profit forecast 2024 – 2029F



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 2024 – 2029F (billion VND)



Source: Company report, Shinhan Securities Vietnam

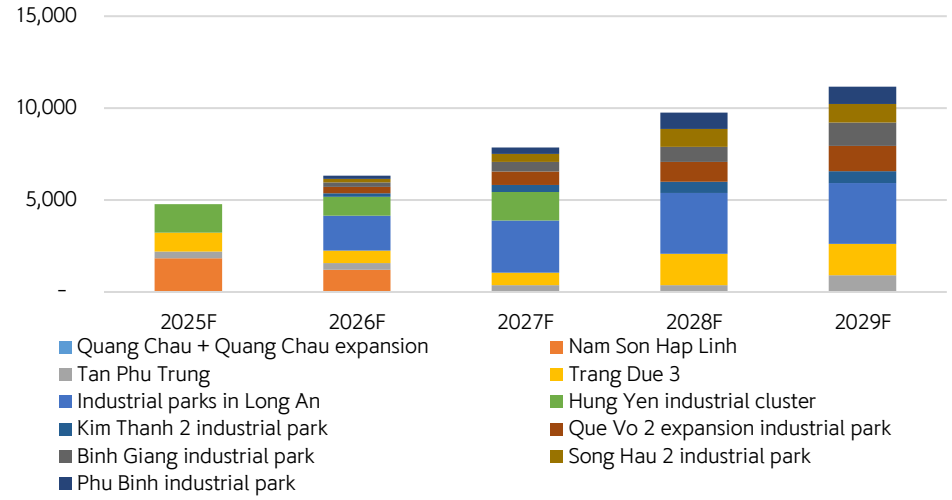
In 2025, KBC's revenue and profit will primarily be driven by the industrial park land leasing segment and the transfer of real estate business projects. Revenue from the industrial park real estate segment is projected to reach VND 4,774 billion (+299% YoY), supported by the resolution of legal bottlenecks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



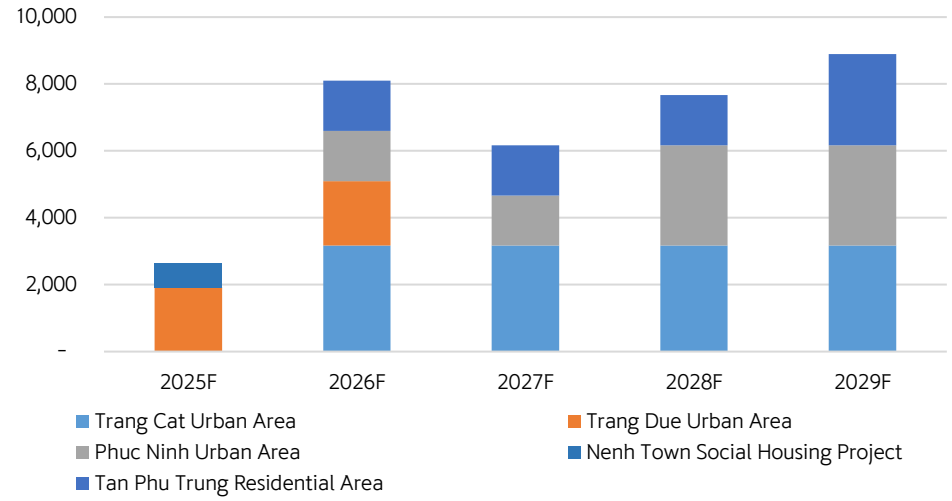
Source: Company report, Shinhan Securities Vietnam

We estimate that the leasable industrial land area of KBC will be lower than the company's initial plan due to risks from the ongoing trade war situation, which may impact the demand for industrial land leasing. We project KBC will lease about 158 ha in 2025, mainly from Nam Son Hap Linh IP (50 ha), Quang Chau expansion IP (3.69 ha), Tan Phu Trung IP (14 ha), Hung Yen CCN (60 ha), and Trang Due 3 IP (30 ha).

Moving into 2026, revenue from the industrial real estate segment is expected to continue expanding, with over 1,500 ha of industrial land to be brought into operation from projects such as Kim Thanh 2 IP (234 ha), Que Vo 2 expansion IP (140 ha), Binh Giang IP (148 ha), Song Hau 2 IP (380 ha), and Phu Binh IP (675 ha). We estimate KBC can lease 197 ha in 2026..

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 transfer segment, we expect the Nen Social Housing project to contribute around 1.82 ha and Trang Due Urban Area to complete the revenue recognition of the remaining 15 villas.

The Trang Cat Urban Area project commenced construction in July 2025. We estimate that the project will be launched for sale in Q3 – Q4/2025 and start revenue recognition in 2026. We maintain a cautious view and believe KBC will begin recognizing revenue in 2026, with an estimated recognized area of about 10 ha.

The Phuc Ninh Urban Area project is expected to resolve legal issues and complete infrastructure

development in 2025, thereby contributing revenue to KBC starting from 2026.

Long-term potential with the Khoai Chau Urban, Eco-tourism Complex and Golf Course project (Trump International Hung Yen)

In terms of long-term potential, we highly value the Khoai Chau Urban, Eco-tourism Complex and Golf Course project (Trump International Hung Yen). With the construction period scheduled from Q2/2025 to Q2/2029, we expect the project to begin contributing to KBC's revenue starting from 2030, with estimated annual revenue potentially exceeding VND 3,500 billion.

Valuation and Recommendation

Update valuation with BUY recommendation, target price VND 38,100

We have updated our valuation following the recent share issuance and land bank developments of Kinh Bac City Development Holding Corporation (KBC). We issue a Buy recommendation with a target price of VND 38,100, representing an upside of 34%. For long-term investment perspectives, KBC may be considered given the following strengths:

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 38,100 .

The RNAV method

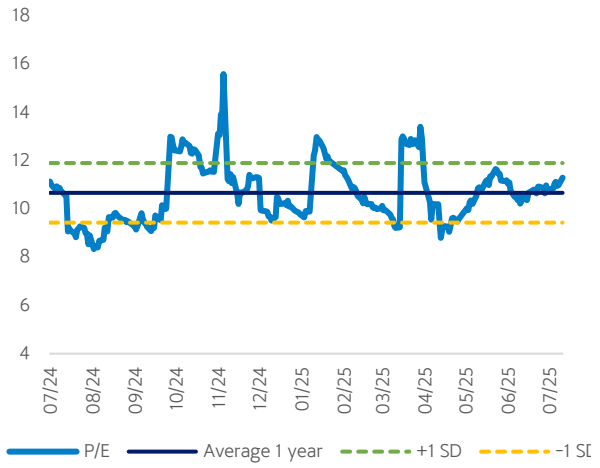
Project Name	Ownership (%)	Valuation method	Discount (%)	Value (billion VND)
- Industrial Park				**17,515**
Nam Son Hap Linh	100%	RNAV		1,523
Tan Phu Trung	73%	RNAV		1,344
Trang Due 3	89%	RNAV		3,527
Hung Yen Industrial Cluster	89%	RNAV		1,497
Kim Thanh 2 Industrial Park	94%	RNAV		333
Que Vo Industrial Park Expansion 2	100%	RNAV		793
Binh Giang Industrial Park	100%	RNAV		421
Song Hau 2 Industrial Park	100%	RNAV		327
Phu Binh Industrial Park	100%	RNAV		**1,347**
Industrial Parks in Long An		RNAV		4,242
Service Fees of Industrial Parks		DCF		2,161
- Urban Area				**27,862**
Trang Cat	100%	DCF	10%	17,820
Trang Due Urban Area	100%	DCF		419
Khoai Chau Urban Complex, Eco-tourism, Golf Course Project	85%	DCF	30%	7,785
Other Projects		DCF		1,839
Total				**45,377**
+ Cash and short-term investments				8,461
+ Long-term investments, fixed assets			20%	5,445
+ Value of additional shares issued				2,421

- Debt				17,589
- Deposit				6,071
- Minority interests				2,153
Equity value (VND billion)				35,891
Number of shares				941,754,759
Target price (VND)				**38,100**
Current price (VND)				28,400
Upside (%)				**34%**

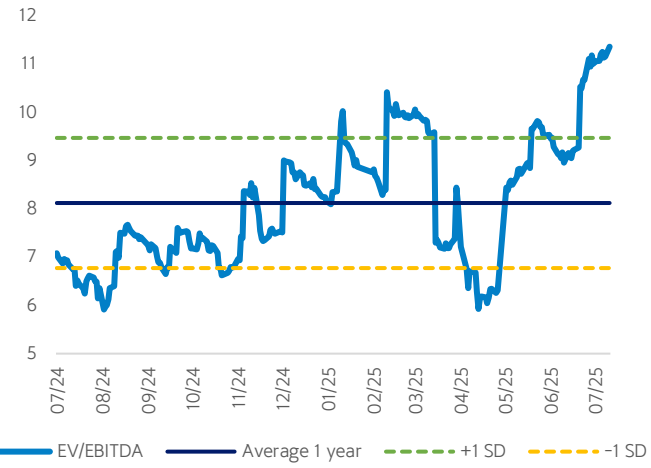
Variable	Value
D/E	0.68
Beta	1.2
Risk-free rate	3.1%
Cost of equity	15.5%
Cost of debt	11.2%
WACC	12.8%

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.

P/E 1 year

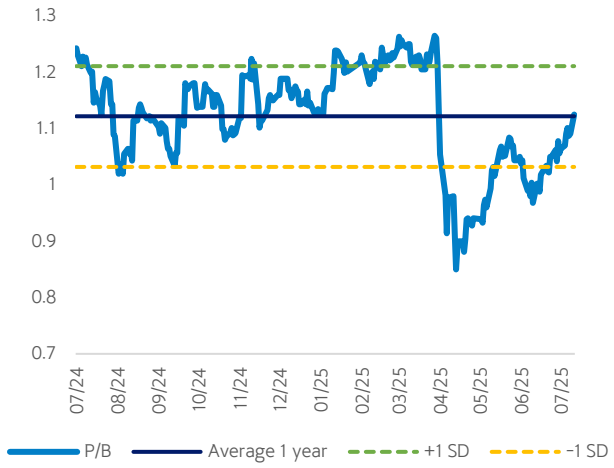


EV/EBITDA 1 year

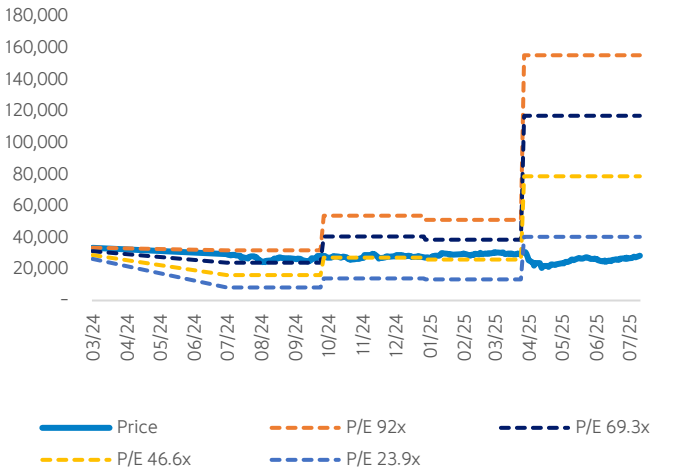


Source: Bloomberg data, Shinhan Securities Vietnam

P/B 1 year

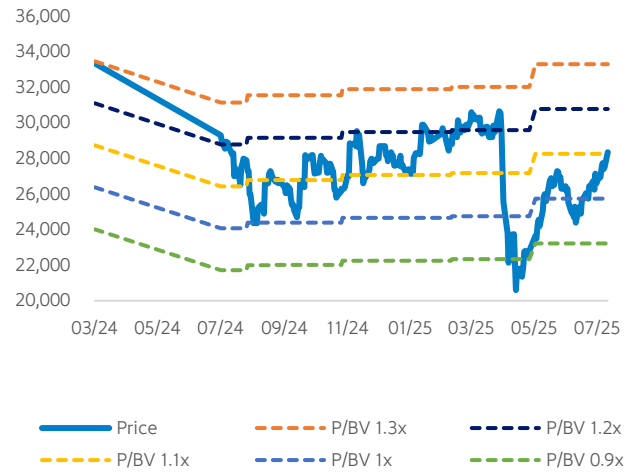


P/E band



Source: Bloomberg data, Shinhan Securities Vietnam

P/B band

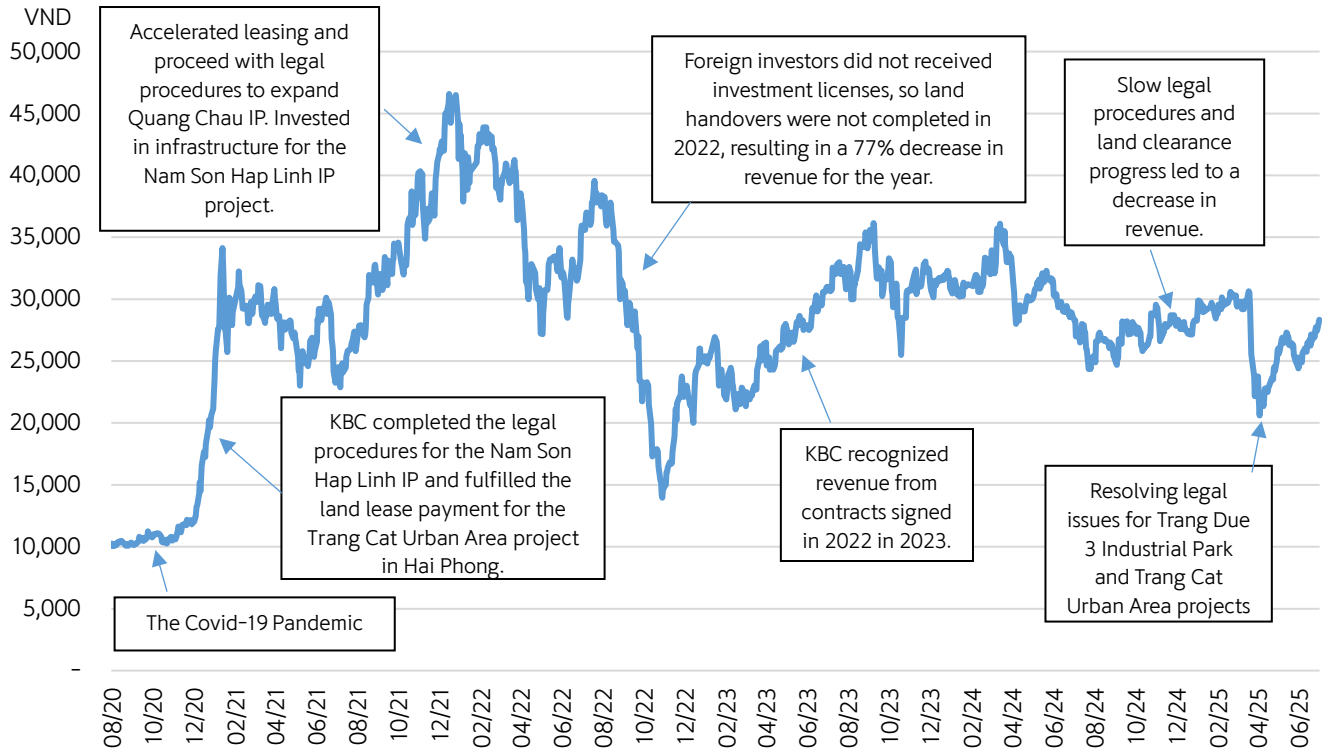


ROE and MA



Source: Bloomberg data, Shinhan Securities Vietnam

Key event chart of KBC



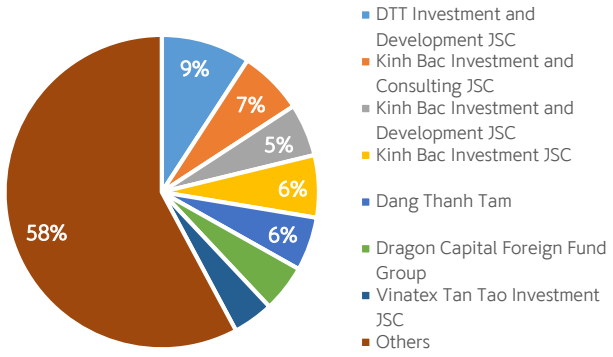
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Company background

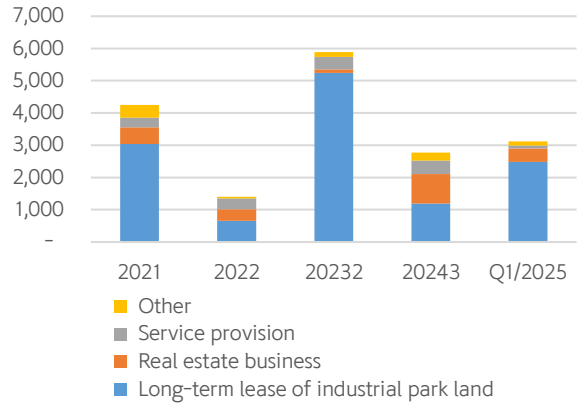
Company history

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 2024, KBC owned a land fund of up to 7,013 ha of industrial park land from North to South.

Shareholder structure of KBC



KBC's revenue structure from 2018 – Q1/2025 (billion VND)

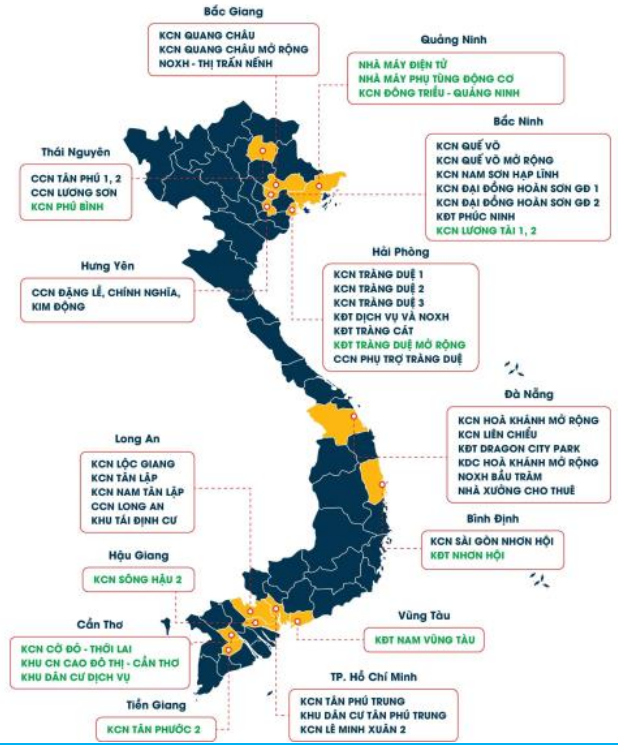


Source: Company report, Shinhan Vietnam Securities

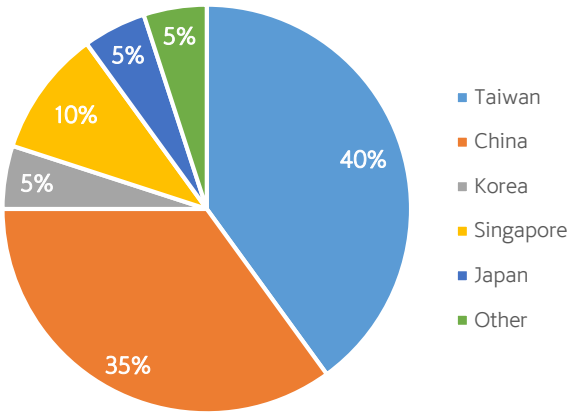
Kinh Bac is mostly owned by the Chairman of the Board of Directors Dang Thanh Tam and his related companies. Major shareholders account for 53% of the shareholder structure.

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 (%)

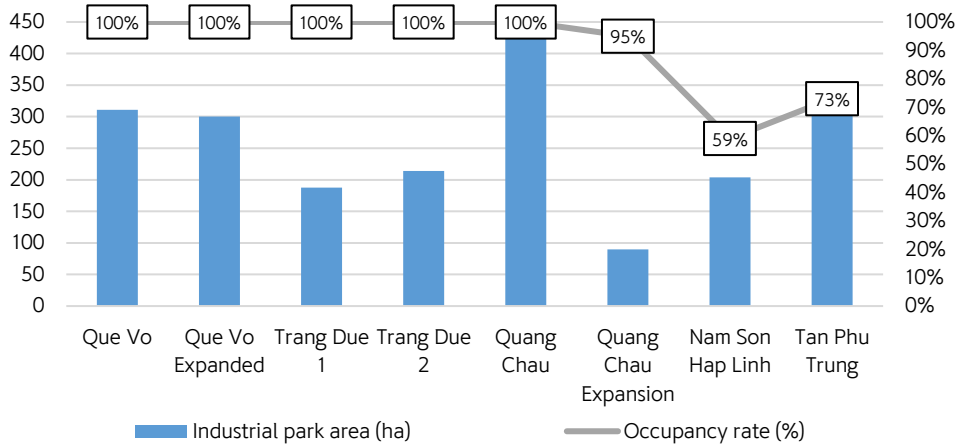


Source: Company report, Shinhan Vietnam Securities

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	**44,730**	**56,353**	**58,685**	**61,695**	**66,514**
Current assets	36,075	47,532	49,699	52,542	57,180
Cash & equivalents	6,566	9,619	9,091	8,983	10,380
Short-term financial asset	1,858	1,858	1,858	1,858	1,858
Accounts receivable	13,802	15,280	16,937	18,797	20,893
Inventories	13,850	20,775	21,813	22,904	24,049
Non-current assets	8,655	8,820	8,987	9,153	9,333
Net fixed assets	408	448	459	463	460
Investment assets	-	-	-	-	-
Other long-term assets	8,246	8,373	8,528	8,691	8,874
Total liabilities	**24,085**	**31,539**	**31,964**	**32,750**	**34,742**
Current liabilities	7,093	7,112	7,199	7,268	7,362
Accounts payable	529	483	506	494	500
Short-term borrowings	371	412	489	563	654
Others	6,192	6,217	6,204	6,211	6,207
Non-current liabilities	16,992	24,427	24,765	25,483	27,380
Long-term borrowings	9,741	17,110	17,871	18,614	19,530
Other financial liabilities	7,251	7,317	6,894	6,869	7,850
Total shareholders' equity	**20,645**	**24,814**	**26,722**	**28,945**	**31,771**
Charter capital	7,676	9,418	9,418	9,418	9,418
Capital surplus	2,744	4,485	4,485	4,485	4,485
Retained earnings	4,811	5,497	7,405	9,628	12,455
Other capital	3,327	3,327	3,327	3,327	3,327
Non-controlling interest equity	2,087	2,087	2,087	2,087	2,087
*Total debt	10,113	17,522	18,359	19,177	20,184
*Net debt (cash)	3,547	7,903	9,269	10,194	9,804

Source: Company data, Shinhan Securities Vietnam

Statement of cash flow

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Cash flow from operations	**1,152**	**(7,256)**	**(803)**	**(362)**	**953**
Net profit	723	1,761	3,620	4,100	5,018
Depreciation expense	165	73	81	88	95
(Gain) from investing activities	(485)	-	-	-	-
Interest expense/ income	(2,095)	(817)	(1,311)	(1,372)	(1,438)
Change in working capital	3,321	(7,531)	(1,754)	(1,525)	(676)
Others	(477)	(741)	(1,438)	(1,653)	(2,047)
Cash flow from investments	**(1,874)**	**(113)**	**(92)**	**(92)**	**(92)**
Change in fixed assets	(530)	(113)	(92)	(92)	(92)
Change in investment assets	56	-	-	-	-
Others	(1,400)	-	-	-	-
Cash flow from financing	**6,447**	**6,939**	**366**	**346**	**537**
Change in equity	1	-	-	-	-
Net borrowing	6,446	7,410	837	817	1,008
Dividends	(0)	(471)	(471)	(471)	(471)
Change in total cash	**5,725**	**(430)**	**(529)**	**(108)**	**1,397**
Beginning cash	841	6,566	9,619	9,091	8,983
Change in FX rates	-	-	-	-	-
Ending cash	6,566	6,136	9,091	8,983	10,380

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**	**15,220**	**14,860**	**18,321**
Growth (%)	-53%	195%	86%	-2%	23%
COGS	**(1,492)**	**(4,783)**	**(7,804)**	**(6,963)**	**(8,692)**
Gross profit	**1,283**	**3,404**	**7,416**	**7,897**	**9,629**
GPM (%)	46%	42%	49%	53%	53%
SG&A	**(558)**	**(1,584)**	**(2,945)**	**(2,875)**	**(3,545)**
Operating profit	**726**	**1,820**	**4,472**	**5,022**	**6,085**
Growth (%)	-75%	151%	146%	12%	21%
OPM (%)	26%	22%	29%	34%	33%
Non-operating profit	**(3)**	**(60)**	**(852)**	**(923)**	**(1,066)**
Financial income	451	301	169	150	154
Financial expense	(259)	(817)	(1,311)	(1,372)	(1,438)
In which: interest expenses	(269)	(817)	(1,311)	(1,372)	(1,438)
Net other non-operating profit	(195)	456	291	299	218
Pre-tax profit	**723**	**1,761**	**3,620**	**4,100**	**5,018**
Income tax	(299)	(479)	(985)	(1,116)	(1,366)
Net profit	**423**	**1,281**	**2,635**	**2,984**	**3,653**
Growth (%)	-81%	203%	106%	13%	22%
NPM (%)	15%	16%	17%	20%	20%
Controlling interest	382	1,157	2,379	2,694	3,298
Non-controlling interest	41	125	256	290	355
EBIT	**991**	**2,578**	**4,931**	**5,471**	**6,457**
Growth (%)	-70%	160%	91%	11%	18%
EBIT Margin (%)	36%	31%	32%	37%	35%
EBITDA	**1,156**	**2,651**	**5,012**	**5,559**	**6,552**
Growth (%)	-66%	129%	89%	11%	18%
EBITDA Margin	42%	32%	33%	37%	36%

Source: Company data, Shinhan Securities Vietnam

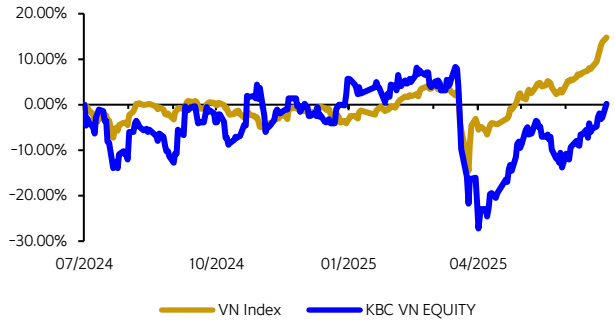
Key ratios

Year to Dec.	2024	2025F	2026F	2027F	2028F
EPS (VND)	498	1,228	2,526	2,860	3,502
BPS (VND)	24,198	24,132	26,158	28,519	31,520
DPS (VND)	0	500	500	500	500
PER (x)	48.99	22.39	10.89	9.61	7.85
PBR (x)	1.01	1.14	1.05	0.96	0.87
EV/EBITDA (x)	22.21	9.77	5.17	4.66	3.95
Dividend payout ratio (%)	0%	2%	2%	2%	2%
Dividend yield (%)	0%	2%	2%	2%	2%
Profitability					
EBITDA margin (%)	42%	32%	33%	37%	36%
OPM (%)	26%	22%	29%	34%	33%
NPM (%)	15%	16%	17%	20%	20%
ROA (%)	1%	3%	5%	5%	6%
ROE (%)	2%	6%	10%	11%	12%
Stability					
Debt to equity ratio (%)	49%	71%	69%	66%	64%
Net debt ratio (%)	307%	298%	185%	183%	150%
Cash ratio (%)	93%	135%	126%	124%	141%
Interest coverage ratio (x)	3.69	3.15	3.76	3.99	4.49
Activity (%)					
Inventory turnover (days)	1,714	772	511	549	468
Accounts receivable turnover (days)	1,510	623	369	415	371
Accounts payable turnover (days)	118	39	23	26	21

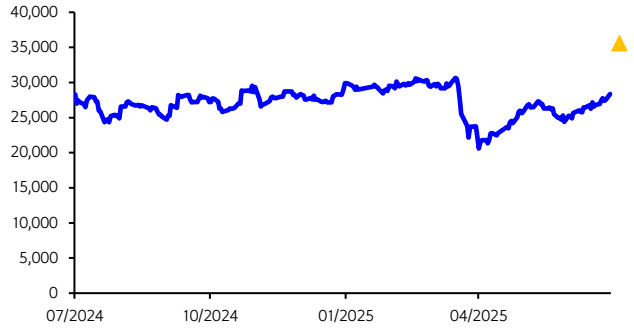
Source: Company data, Shinhan Securities Vietnam

Sonadezi Chau Duc Joint Stock Company (KBC)

Stock price



Target price (VND)



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
24/03/2025 (Update)	BUY	38,000	25	5/57
17/07/2025 (Update)	BUY	38,100	48	22/90

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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