KHANG DIEN HOUSE TRADING AND INVESTMENT JSC

[Vietnam /Real Estate]

Bloomberg Code (KDH VN) | Reuters Code (KDH.HM)

BUY

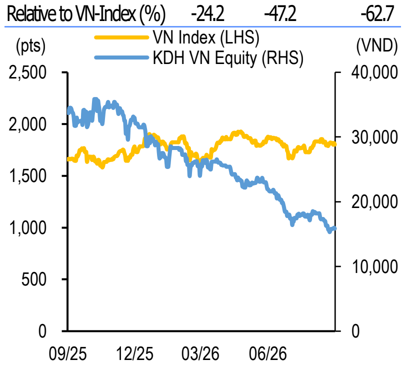
Update Report

Target price (12 months)	**24,200 VND**
Current price (23/09/2026)	15,850 VND
Return (%)	52.6%

VNINDEX	1,802
Market P/E (x)	12.7
Market Cap (bn VND)	17,787
Outstanding shares (1mn)	1,122
Free float (1mn)	648
52-week high/low (VND)	36,450/15,200
90-day avg. trading volume (1mn)	4.54
90-day avg.turnover (bn VND)	86
Beta	0.9

Major shareholders (%)	Tien Loc Investment JSC	11.2
	VinaCapital Fund	6.9

Performance	3M	6M	12M
Absolute (%)	-27.8	-34.0	-52.5
Relative to VN-Index (%)	-24.2	-47.2	-62.7



Source: Bloomberg

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Gladia is the near-term growth driver

Update recommendation BUY, target price at VND 24,200

Khang Dien House Trading and Investment JSC (HOSE: KDH) is a leading residential developer in Ho Chi Minh City, with ~620 ha of land bank concentrated in the eastern and western areas, targeting the mid- and high-end segments. In 6M2026, profit surged on non-recurr ing income, while handovers and sales remained low. We expect sales to recover from H2/2026 as Gladia accelerates commercialization. Based on RNAV, we recommend BUY with a target price of VND24,200.

6M/2026 profit surged on one-off income, while core operations remained weak

In Q2/2026, KDH recorded VND161bn in revenue (-85% YoY) and VND750bn in attributable net profit (+277% YoY), mainly driven by VND896bn in one-off financial income from the transfer of a 2% stake in Binh Trung Moi, reducing its ownership from 51% to 49%. In 6M2026, revenue reached VND442bn (-74.9% YoY) and net profit stood at VND1,031bn (+221% YoY), with the result further supported by a bargain purchase gain related to An Lap in Q1. H1/2026 sales are estimated at VND300bn. Net debt/equity increased to 0.69x, from 0.54x in Q1/2026 and 0.32x at end-2025, significantly above the sub-0.2x level recorded during 2023–2024, reflecting substantial funding needs to accelerate the development of existing projects and strengthen financial capacity for BT projects. We believe this will increase KDH's interest burden as interest rates remain elevated.

Launch of Gladia's high-rise segment expected to mark a turning point for sales from H2/2026

Gladia is currently KDH's key near-term growth driver. As of end-Q2/2026, approximately 60% of the 226 low-rise units had been absorbed, of which around 80 units had been handed over. For Gladia Heights, approximately 500/616 apartments were launched in August 2026, with an initial absorption rate of ~90%, and handovers are expected to commence from Q4/2027. The positive launch results indicate that demand in the eastern area remains resilient, reinforcing our expectation for a recovery in sales from H2/2026.

Expand land bank through BT projects, while scaling up Tan Tao A

KDH shareholders approved two key resolutions: (1) KDH will participate in the Ma Lang – Cho Ga Gao BT project, with total investment of VND16,370bn for 2026–2029, which is expected to be settled through land plots valued at approximately VND10,735bn and the remaining VND5,635bn funded by the city budget; and (2) the total investment of Tan Tao A was increased from VND7,737bn to VND17,918bn (+131.6%) to reflect updated compensation, resettlement, and infrastructure investment costs, creating greater room for project development while also increasing funding requirements.

2026 forecast: Revenue and net profit are projected to reach VND886bn (-81% YoY) and VND1,508bn (-7% YoY), respectively.

Risks: 1) Higher-than-expected land and site clearance costs; (2) delays in project legal procedures and commercialization; (3) lower-than-expected absorption; and (4) higher leverage and interest costs.

Year to Dec.	2023	2024	2025	2026F	2027F
Revenue (bn VND)	**2,088**	**3,279**	**4,651**	**886**	**5,787**
OP (bn VND)	1,220	1,308	2,160	192	941
NP (bn VND)	**730**	**804**	**1,627**	**1,510**	**529**
EPS (VND)	840	80	870	1,240	254
BPS (VND)	16,828	19,136	20,377	21,007	21,039
OPM (%)	58.4	39.9	46.4	21.7	16.3
NPM (%)	34.9	24.5	35.0	553.3	-58.7
ROE (%)	**5.3**	**4.6**	**8.0**	**98.3**	**34.4**
PER (x)	42.4	448.8	41.3	29.0	106.8
PBR (x)	2.3	1.9	1.8	1.6	1.4

Source: Company data, Shinhan Securities Vietnam

Earning updates and estimates

Items	Q2/2026 (Billion VND)	%YoY	H1/2026 (Billion VND)	%YoY	2026F (Billion VND)	%YoY
Revenue	***161***	***-85%***	***442***	***-75%***	**886**	**-81%**
Project transfer revenue	*144*	*-86%*	*408*	*-76%*	818	-82%
Revenue providing service	*15*	*+38%*	*28*	*+27%*	56	+22%
Revenue rental	*2*	*-63%*	*6*	*-25%*	12	-33%
Gross profit	**81**	**-80%**	**264**	**-63%**	**462**	**-83%**
GPM	50.2%		59.7%		52.1%	-7.1đpt
SG&A expenses	-134	+19%	-229	-0.1%	-270	-54%
Operating profit	**-53**	**-118%**	**33**	**-93%**	**192**	**-91%**
Financial income	906	+21,500%	913	3,730%	933	+2,208%
Financial expenses	-30	-45%	-47	-54%	-94	-47%
Other profit	-23		256		241	+1,212%
Gain from joint ventures	0		0		319	
EBT	**800**	**+226%**	**1,156**	**+188%**	**1,592**	**-22%**
Net profit after tax	**770**	**+292%**	**1,097**	**+246%**	**1,510**	**-7%**
NPAT-MI	**750**	**+277%**	**1,031**	**+221%**	**1,392**	**+33%**

6M2026 results do not yet reflect a core recovery; Gladia leads a new sales cycle

In Q2/2026, KDH recorded VND161bn in revenue (-84.7% YoY) and VND750bn in attributable net profit (+277.3% YoY). Gross margin improved to 50.2%, supported by a handover mix concentrated in Gladia's low-rise products. However, the profit surge was mainly driven by VND896bn in one-off financial income following KDH's reduction of its ownership in Binh Trung Moi to 48.95%; excluding this item, core Q2 profit was only around VND33bn, indicating that handover activity remained subdued. In 6M2026, revenue reached VND442bn (-74.8% YoY), while attributable net profit stood at VND1,031bn (+221.3% YoY). Reported profit was also supported by a bargain purchase gain from An Lap in Q1 and therefore does not yet fully reflect the health of core operations.

Sales activity remained relatively subdued in 1H2026 ahead of the official launch of Gladia Heights on 01/08/2026. For Gladia's low-rise segment, approximately 60% of the 226 units had been sold. Meanwhile, customer advances declined 38.5% from end-2025 to VND399bn at end-Q2/2026, indicating that sales cash inflows have not kept pace with the increase in project investment during H1/2026. Following the launch, Gladia Heights showed positive initial traction, with around 500 units released to the market and more than 90% booked during the launch event, supporting expectations for a clearer recovery in sales in H2/2026. However, following the deconsolidation of Binh Trung Moi, profits from products under this entity will be recognized through earnings from associates and JVs rather than consolidated revenue. As a result, KDH's reported revenue may remain low in the near term despite an improvement in actual handover activity.

We forecast FY2026 revenue at approximately VND886bn, with H2 contributing around VND444bn. Revenue is expected to remain low despite a strong recovery in sales, as most Gladia Heights units have yet to reach the handover stage, while Binh Trung Moi will no longer be consolidated from H2/2026 and KDH's economic interest will be reflected through its share of associates' earnings. Full-year gross margin is expected to reach approximately 52.1%, versus 59.6% in 6M2026.

We forecast 2026 attributable net profit at VND1,392bn (+33.0% YoY). However, excluding approximately VND1,002bn in after-tax attributable impact from one-off gains at Binh Trung Moi and An Lap, core net profit would be only around VND390bn (-63% YoY). The more positive development is the recovery in Gladia project sales, which should provide a foundation for revenue and core operations to recover from 2027, although the extent of profit improvement will remain dependent on Gladia Heights' handover progress and margins.

Update on the expected project development plan

No	Project	Product	Location	Land bank (ha)	Owner-ship	The expected project development plan [1]					
						2024	2025	2026	2027	From 2028	Status
1	Classia	Low-rise	Thu Duc City	4.3	100%						100% sold and handed over to customers since the end of 2022. KDH is currently handing over the pink book to customers.
2	Privia	High-rise	Binh Tan (former)	1.9	100%						Launched in November 2023, the project was fully sold and began handovers in mid-October 2024, with ownership certificates issued from March 2025. Most revenue was recognized in 2024–2025.
3	Solina	Low-rise	Binh Hung, HCM City	16.7	100%						Phase 1 has completed the key land procedures, paid land-use fees, and obtained the construction permit; infrastructure development began in 2025. KDH continues construction in 2026, with sales expected to launch in 2028 and handovers from 2029.
4	Gladia	Low-rise/ High-rise	Binh Trung, HCM City	11.9	49%						KDH's key commercialization driver for 2025–2027. The low-rise segment has completed construction; as of end-Q2/2026, ~60% of 226 units had been absorbed and ~80 units handed over, with the remaining units to be sold and handed over through 2028. Gladia Heights commenced construction in 01/2026 and became eligible for sale of all 616 units on 23/07/2026; ~500 units were launched on 01/08, achieving ~90% initial absorption, with handovers expected from Q4/2027. Following KDH's reduction of its ownership in Binh Trung Moi from 51% to 49%, related profits will be recognized through earnings from associates rather than consolidated revenue from H2/2026.
5	Le Minh Xuan IP (Expansion)	IP	Binh Loi	110	100%						Phase 1 has largely completed its legal procedures, and the project has entered the infrastructure development stage. Commercialization is expected to begin in 2028.
6	Phong Phu 2	Low-rise/ High-rise	Binh Chanh	26	99%						Site clearance has been completed, with further legal procedures underway. Commercialization is expected after 2028.
7	Tan Tao	Low-rise/ High-rise	Tan Tao, Ho Chi Minh City	330	100%						Site clearance for the ~330 ha Tan Tao A has reached ~85–90%; land allocation and financial obligations remain under completion. In 07/2026, total investment increased from VND7,737bn to VND17,918bn (+131.6%). Meanwhile, ~133 ha of Tan Tao B is expected to serve as counterpart land for the Ma Lang – Cho Ga Gao BT project. Tan Tao A is expected to be commercialized from 2029, while Tan Tao B will depend on the completion progress of the BT project.
8	Binh Trung Dong	Low-rise/ High-rise	Binh Trung & Cat Lai	18.2	98%						Site clearance has been completed, and the project received investment policy approval on 13/10/2025. The next steps include finalizing the 1/500 detailed master plan, land allocation/financial obligations, construction permit, and sales eligibility.

							KDH expects to launch apartments from 2027 and commence handovers from 2028.
9	An Lap – Cat Lai	Low-rise	Cai Lai	8.2	98%		KDH completed the acquisition of nearly 99% of the stake in Q1/2026 for approximately VND2,553bn. The project has obtained the residential land certificate and 1/500 detailed master plan, but no construction or sales launch schedule has been announced.
10	BT Ma Lang – Cho Ga Gao	Social housing/ resettlement + infrastructure	Cau Ong Lanh & Ben Thanh	4.2	100%		HCMC People's Council approved the investment policy on 19/06/2026; KDH shareholders approved participation on 07/07, and construction commenced on 29/08/2026. Preliminary total investment exceeds VND16,370bn; KDH will arrange funding upfront and receive settlement through counterpart land and a budget top-up upon completion. The project is expected to be completed in Q4/2028 and operational in 2029.
Total				**530.8**			

Source: Company data, Shinhan Securities Vietnam

(1) The estimated time from construction to handover

Valuation and Recommendation

We provide an updated valuation for Khang Dien House Trading and Investment JSC with a BUY recommendation and a target price of VND24,200, implying an upside of xx% from the current market price. From a long-term perspective, KDH may be considered for the following reasons:

(1) KDH is among Vietnam's reputable property developers and owns a large and continuously expanding land bank in Ho Chi Minh City, offering long-term development potential;
(2) The Gladia project marks the start of a sales recovery cycle and is expected to support KDH's core business from H2/2026;
(3) Valuation remains attractive.

Valuation methodology

We apply the RNAV methodology to value KDH. For projects with specific development plans, we use the DCF method; for projects without clear development plans, we use BV.

RNAV valuation

Projects	**Value (Billion VND)**	**Method**
Gladia – Emeria	3,374	DCF
Gladia – Clarita / Binh Trung Moi	1,519	DCF
Solina / KDC 11A	4,373	DCF
Phong Phu 2	12,367	DCF
Tan Tao – Area A	21,090	DCF
An Lap / Cat Lai	4,541	DCF
Le Minh Xuan Expanded Industrial Park	1,931	BV
Binh Trung Expansion	4,961	BV
Loc Minh / Binh Trung	240	BV
Others	2,794	BV
Total	**57,189**	
(+) Cash & equivalents	5,378	
(-) Debts	19,506	
(-) Non-controlling interest	1,143	
RNAV of the parent company	**41,694**	
Number of shares outstanding (billion units)(*)	1.122	
RNAV/share	**37,200**	
Discount to RNAV	**35%**	
Target price (VND)	**24,200**	

Source: Company data, Shinhan Securities Company

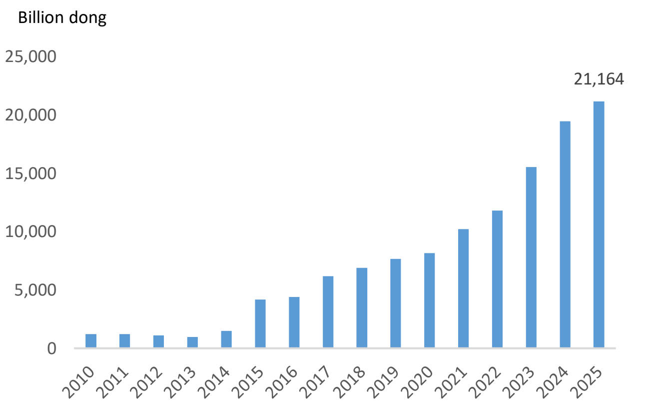
Company background

1. History of development

Khang Dien House Trading and Investment JSC Company (HOSE: KDH) was established in 2001 with a charter capital of VND 10 billion and was equitization in 2007. After three years post- equitization, KDH officially listed on the stock exchange. As of now, its equity has nearly increased thirteenfold since listing.

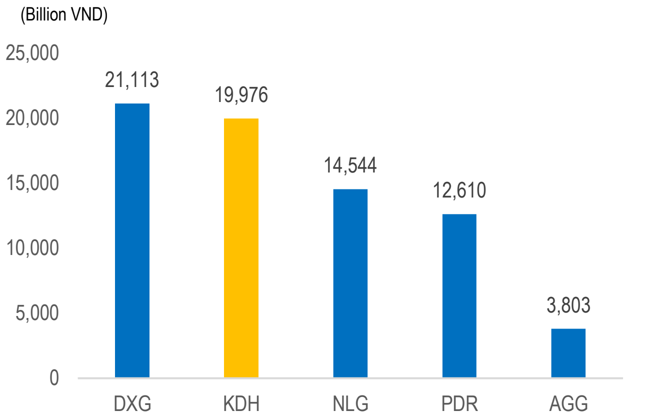
This robust equity enables KDH to undertake larger, more structured projects. Current regulations increasingly emphasize the financial capacity of investors, such as (1) the Law on Real Estate Trading in 2024, which mandates a minimum equity ratio of 20% for projects on land under 20 hectares and 15% for those over 20 hectares, and (2) Decree 96/2024/ND-CP, which tightens the debt-to-equity ratio at 4x and 5.67x for projects under 20 hectares and over 20 hectares, respectively.

Equity has expanded nearly 16 times compared to the initial listing date



Source: Company data, Shinhan Securities Vietnam

Equity scale of several listed enterprises involved in projects in HCMC

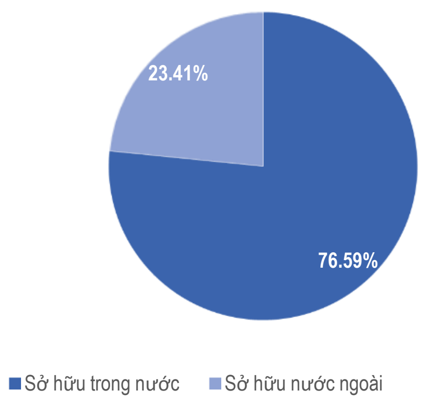


Source: Company data, Shinhan Securities Vietnam

2. Ownership structure

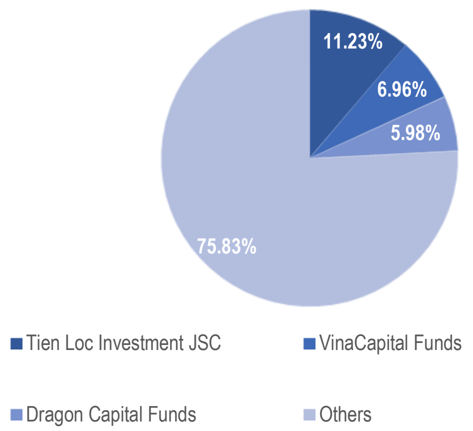
Foreign shareholders hold nearly 40% of KDH's equity, reflecting the transparency and attractiveness of the company to international investors. One of large foreign funds investing in KDH is Group of Dragon Capital (5.58%). Currently, Tien Loc Investment JSC, a management consulting firm based in Ho Chi Minh City, holds the highest equity stake at 13.03%, followed by various domestic and foreign investment funds.

Structure of domestic and foreign shareholders as of September 21, 2026



Source: Company data, Shinhan Securities Vietnam

Ownership structure as of September 21, 2026



Source: Company data, Shinhan Securities Vietnam

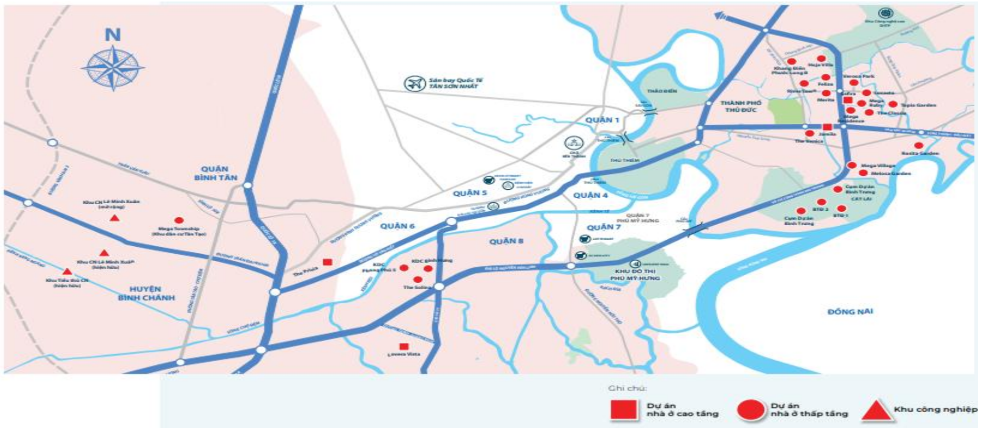
(1) The Law on Real Estate Trading in 2014 stipulated a minimum charter capital of VND 20 billion. Consequently, many companies adopted a high debt structure to undertake large-scale projects. In 2022, Decree 02/2022/ND-CP mandated that projects on land under 20 hectares must maintain a minimum equity ratio of 20% of the total investment; however, this requirement is only outlined at the decree level.

3. Segments and KDH's products

KDH initially operated in the eastern area of HCMC. In Q4/2015, KDH completed the acquisition of 57.31% of BCCI's equity, thereby expanding its operations to the western and southwestern areas of the city, including Binh Chanh and Binh Tan districts.

KDH's projects are all well-connected to infrastructure. For example, projects in the eastern region (Thu Duc City) are in proximity to key infrastructure developments such as Metro 1, the Ho Chi Minh City – Long Thanh – Dau Giay Expressway, Ring Road 2, and Ring Road 3. Meanwhile, the projects in Binh Tan and Binh Chanh are close to the western gateway and major thoroughfares such as Vo Van Kiet Street and Nguyen Van Linh Avenue. This connectivity (1) enhances the potential for price appreciation as infrastructure improvements are completed and (2) supports KDH's strategy for developing mid-end and high-end products.

KDH's land bank is primarily concentrated in the eastern, western, and southwestern areas of HCMC

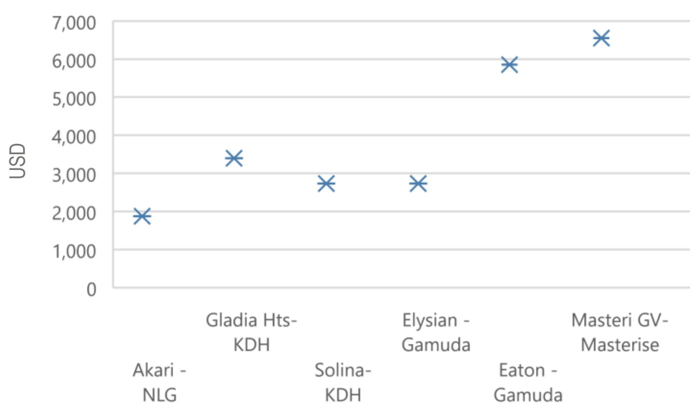


Source: KDH, Shinhan Securities Vietnam

KDH develops a diverse range of products, from commercial housing (apartments, villas, and townhouses) to industrial parks. In the commercial housing sector, **KDH has successfully launched mid-end and high-end residential products with high absorption rates.** We attribute KDH's success to:

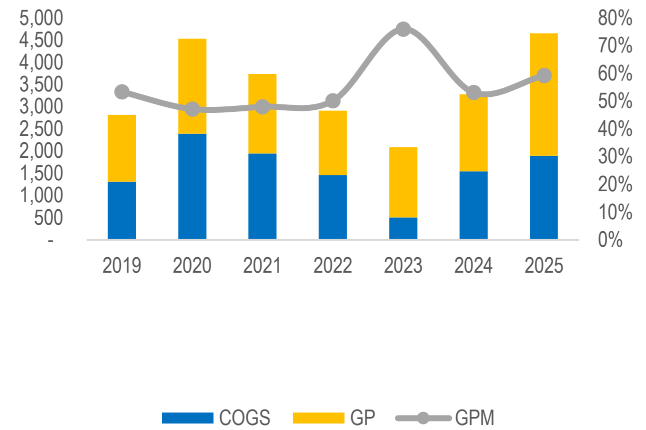
- Timely project implementation with clear legal frameworks, with many projects handed over 2-3 months ahead of schedule.
- High-quality products offered at competitive prices.
- Prime locations, with KDH's projects concentrated in the eastern, western, and southwestern areas of the city, benefiting from strong infrastructure connectivity.

KDH's average selling prices (2) are relatively moderate



Source: JLL, Shinhan Securities Vietnam

Gross margins have improved year over year



Source: Company data, Shinhan Securities Vietnam

(2) The selling prices (USD) of condos in recent projects

KDH's gross margin has remained above 50%, with a median of 53.1% over 2021–2025, and reached 63.1% in 1H2026, the highest level to date, based solely on the property transfer segment. The partnership with Keppel has delivered initial positive results: the 11.8-ha Gladia by the Waters project along the Rach Chiec River launched its low-rise segment in Q3/2025 at VND230mn/m² of land area, followed by the launch of Gladia Heights on 12/06/2026, comprising 616 apartments and 23 commercial units, priced at VND83mn/m² for bare-shell handover and VND91–95mn/m² for finished handover. This pricing is nearly twice that of Privia, moving KDH from the mid-end toward the upper-mid-end segment. Gladia is also the first project in Vietnam to receive Singapore's BCA Green Mark for Districts certification.

In addition to developing commercial housing, KDH owns the 109.9-ha expanded Le Minh Xuan Industrial Park, adding industrial real estate income to its long-term portfolio. Phase 1 covers approximately 89 ha, has completed its legal procedures, and entered construction in 2025. The company is currently engaging with domestic and international investors and expects to begin attracting tenants from late 2026 to early 2027. We therefore expect the project to start contributing revenue from 2027.

RISKS

Rủi ro chi phí đất và GPMB cao hơn dự kiến

KDH sở hữu quỹ đất lớn tại TP.HCM, trong đó một số dự án vẫn cần hoàn thiện công tác bồi thường, GPMB và nghĩa vụ tài chính về đất. Chi phí đền bù hoặc tiền sử dụng đất cao hơn giả định có thể làm tăng tổng mức đầu tư, qua đó thu hẹp biên lợi nhuận gộp và giảm NPV dự án. Rủi ro này đặc biệt đáng lưu ý đối với các dự án quy mô lớn, có thời gian phát triển kéo dài và tỷ trọng chi phí đất cao.

Rủi ro chậm tiến độ pháp lý và thương mại hóa dự án

Tiến độ mở bán của KDH phụ thuộc lớn vào việc hoàn tất các thủ tục pháp lý như quy hoạch, giao đất, xác định nghĩa vụ tài chính và cấp phép xây dựng. Việc phê duyệt kéo dài hơn dự kiến có thể khiến thời điểm mở bán và bàn giao bị lùi, kéo theo doanh số, doanh thu và lợi nhuận ghi nhận thấp hơn dự báo trong ngắn hạn. Đồng thời, vòng quay vốn kéo dài có thể làm giảm IRR/NPV dự án và tạo áp lực lên dòng tiền.

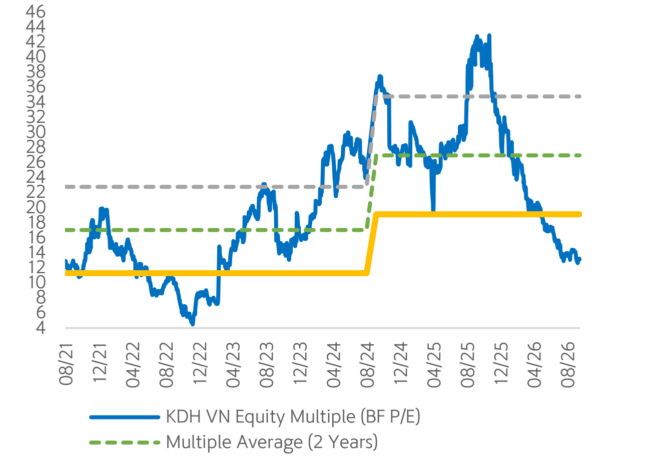
Rủi ro tỷ lệ hấp thụ thấp hơn dự kiến

Nhu cầu nhà ở có thể chịu ảnh hưởng từ mặt bằng lãi suất, khả năng tiếp cận tín dụng và sức mua của khách hàng. Nếu tỷ lệ hấp thụ tại các dự án mới thấp hơn kỳ vọng, KDH có thể phải kéo dài thời gian bán hàng hoặc gia tăng chính sách chiết khấu/hỗ trợ lãi suất, qua đó ảnh hưởng đến presales, ASP thực nhận và biên lợi nhuận. Tốc độ thu tiền chậm hơn cũng có thể làm gia tăng nhu cầu vốn lưu động cho các dự án đang triển khai.

Rủi ro đòn bẩy và chi phí lãi vay gia tăng

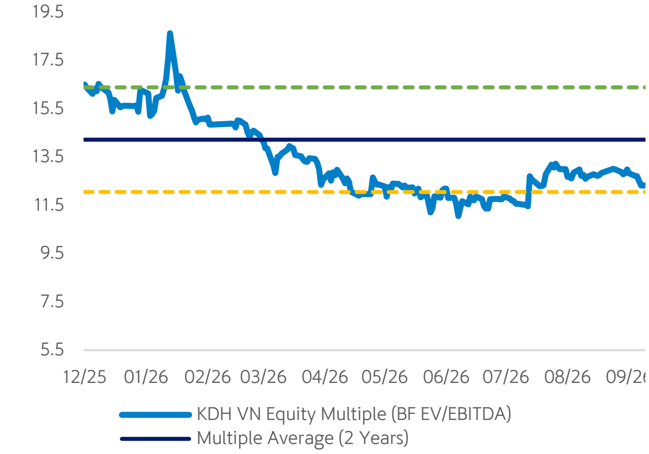
Việc đồng thời triển khai các dự án quy mô lớn có thể khiến nhu cầu vốn và dư nợ vay của KDH tăng trong giai đoạn đầu tư cao điểm. Trong bối cảnh lãi suất tăng có thể làm dòng tiền từ hoạt động bán hàng thấp hơn dự kiến, chi phí tài chính và áp lực dòng tiền có thể gia tăng, qua đó ảnh hưởng đến lợi nhuận và khả năng duy trì tốc độ triển khai dự án. Mức độ tác động sẽ phụ thuộc vào tiến độ thu tiền khách hàng và khả năng cân đối giữa vốn vay, dòng tiền nội bộ và các nguồn vốn khác.

PER of KDH



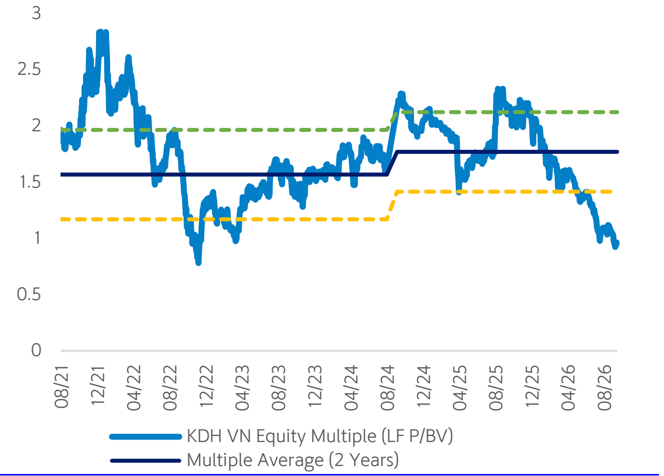
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

EV/EBITDA of KDH



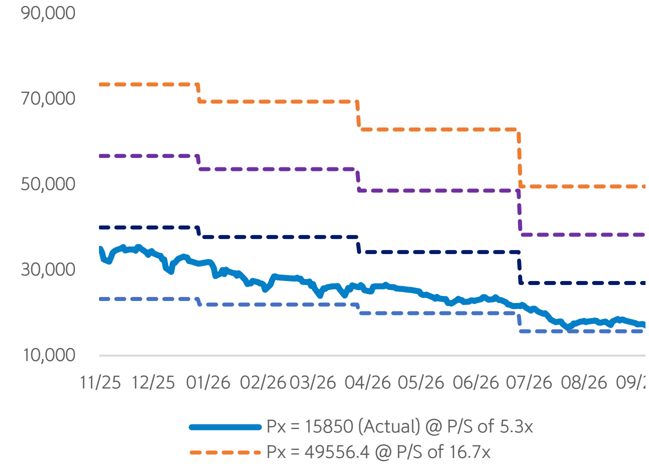
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

PBR of KDH



Source: Bloomberg, Company Data, Shinhan Securities Vietnam

PS band chart of KDH



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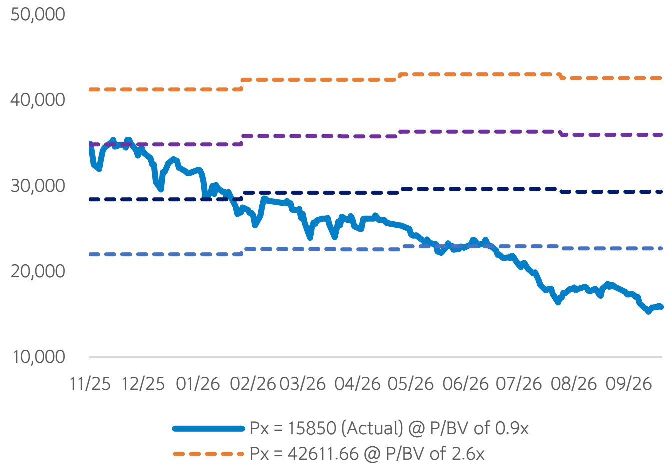
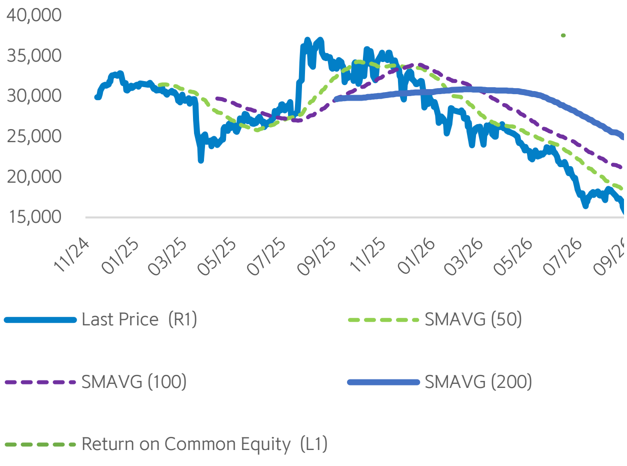
PB band chart of KDH



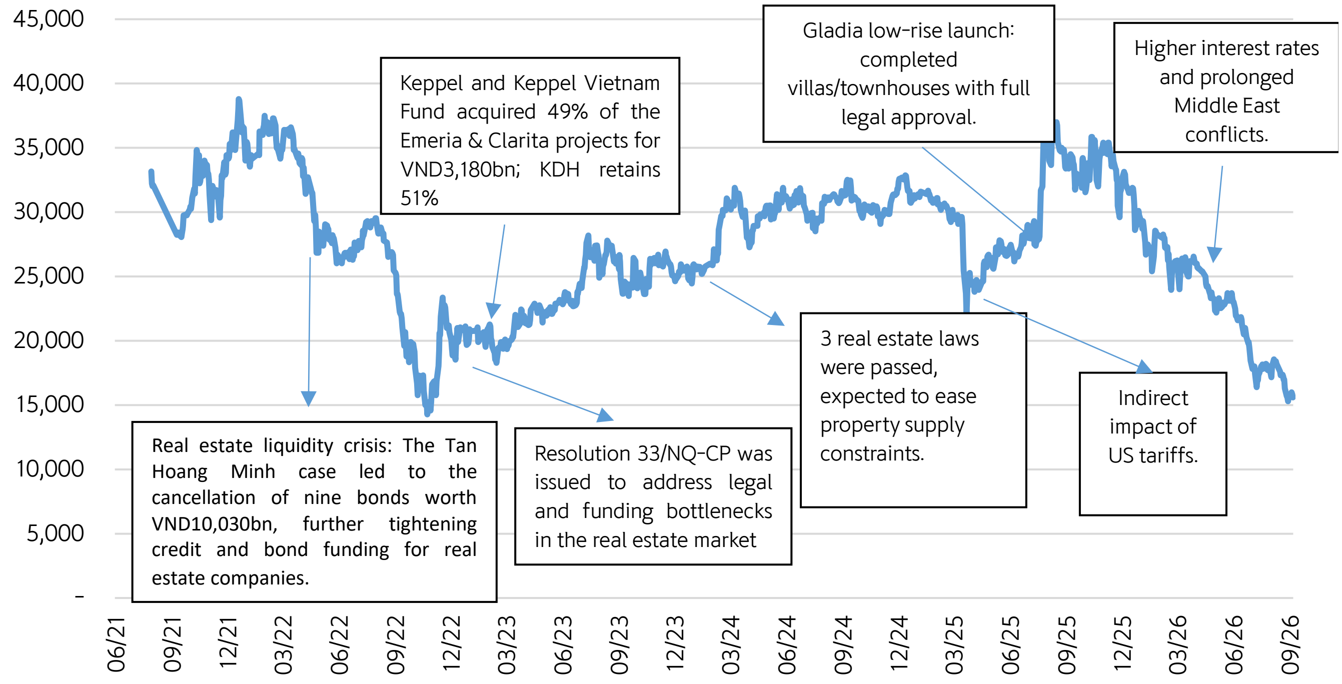
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

Correlation between KDH's price and ROE



Source: Bloomberg, Company Data, Shinhan Securities Vietnam

Key events chart of KDH



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Appendix : Financial statements

Statement of financial position

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Total assets	**26,481**	**30,758**	**34,074**	**40,012**	**46,745**
Current assets	24,737	28,844	31,619	35,676	42,928
Cash & equivalents	3,730	3,096	2,544	2,553	2,026
Short-term financial asset	9	277	211	285	61
Accounts receivable	1,831	3,018	5,482	2,978	3,740
Inventories	18,787	22,178	23,260	29,763	36,664
Other current assets	381	275	122	97	438
Non-current assets	1,744	1,914	2,455	4,336	3,817
Net fixed assets	81	73	67	63	56
Investment assets	933	1,028	1,735	1,933	1,496
Other long-term assets	1,662	813	654	4,273	3,761
Total liabilities	**10,958**	**11,304**	**12,910**	**19,497**	**25,941**
Current liabilities	5,346	4,182	3,515	3,525	7,282
Accounts payable	92	288	113	64	447
Advance from customers	2,388	1,901	648	399	839
Short-term borrowings	1,444	1,100	1,802	2,223	2,867
Others	1,421	893	952	839	3,129
Non-current liabilities	5,612	7,122	9,394	15,972	18,659
Long-term borrowings	4,902	5,998	8,348	14,436	17,122
Others	711	1,124	1,047	1,537	1,537
Total shareholders' equity	**15,523**	**19,453**	**21,164**	**20,515**	**20,804**
Capital stock	7,993	10,111	11,222	12,453	12,453
Capital surplus	1,339	3,314	3,353	3,375	3,375
Other capital	2,424	2,411	2,993	1,772	2,070
Retained earnings	3,767	3,618	3,595	2,915	2,906
Non-controlling interest equity	2,072	2,059	2,641	1,420	1,680
*Total debt	6,346	7,098	10,149	16,659	19,989
*Net debt (cash)	2,608	3,726	7,394	13,821	17,902

Statement of comprehensive income

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Revenue	**2,088**	**3,279**	**4,651**	**886**	**5,787**
Growth (%)	-28.3	57.0	41.9	-81.0	553.3
COGS	**(501)**	**(1,539)**	**(1,898)**	**(424)**	**(4,044)**
Gross profit	**1,587**	**1,740**	**2,754**	**462**	**1,743**
GPM (%)	76.0	53.1	59.2	52.2	30.1
SG&A	**(367)**	**(432)**	**(594)**	**(270)**	**(802)**
Operating profit	**1,220**	**1,308**	**2,160**	**192**	**941**
Growth (%)	14.5	7.2	65.2	(91.1)	388.7
OPM (%)	58.4	39.9	46.4	21.7	16.3
Non-operating profit	**(151)**	**(257)**	**(121)**	**1,399**	**(261)**
Financial income	50	38	40	933	70
Financial expense	(148)	(216)	(180)	(94)	(301)
In which: interest expenses	0	0	0	(50)	(233)
Net other non-operating profit	(53)	(79)	18	560	(30)
Pre-tax profit	**1,069**	**1,051**	**2,039**	**1,592**	**680**
Income tax	(340)	(247)	(412)	(82)	(151)
Net profit	**730**	**804**	**1,627**	**1,510**	**529**
Growth (%)	(32.6)	10.2	102.4	(7.2)	(65.0)
NPM (%)	34.9	24.5	35.0	170.5	9.1
Controlling interest	716	810	1,045	1,392	269
Non-controlling interest	14	(7)	581	118	260
EBIT	**1,069**	**1,051**	**2,039**	**1,642**	**913**
Growth (%)	(24.7)	(1.7)	94.0	(19.5)	(44.4)
EBIT Margin (%)	51.2	32.1	43.8	185.3	15.8
EBITDA	**1,065**	**1,065**	**2,052**	**1,649**	**959**
Growth (%)	(8.6)	0.0	92.8	(19.7)	(41.9)
EBITDA margin (%)	51.0	32.5	44.1	186.1	16.6

Statement of cash flow

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Cash flow from operations	**(1,543)**	**(3,648)**	**(2,024)**	**(1,663)**	**(4,362)**
Net profit	1,069	1,051	2,039	1,590	680
Depreciation expense	(5)	14	13	7	46
(Gain) from investing activities	(50)	(38)	(40)	(1,517)	(70)
Change in working capital	(964)	(3,476)	(2,868)	(904)	(4,867)
Others	(1,594)	(1,198)	(1,168)	(839)	(151)
Cash flow from investments	**2,813**	**(918)**	**(1,723)**	**(2,645)**	**707**
Change in fixed assets	(216)	(100)	(683)	(144)	414
Change in investment assets	45	(256)	66	(638)	223
Others	2,984	(562)	(1,105)	(1,864)	70
Cash flow from financing	**(293)**	**3,932**	**3,195**	**4,317**	**3,128**
Change in equity	132	3,179	144	132	-
Net borrowing	(425)	752	3,051	4,410	3,330
Dividends	-	-	-	(224)	(201)
Change in total cash	**977**	**(634)**	**(551)**	**9**	**(527)**
Beginning cash	2,752	3,729	3,094	2,542	2,553
Change in FX rates	-	(1)	-	2	-
Ending cash	3,729	3,094	2,542	2,553	2,026

Source: Company data, Shinhan Securities Vietnam

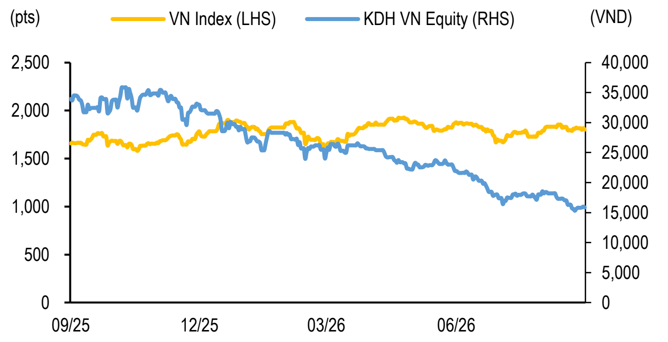
Key ratios

Năm	2023	2024	2025	2026F	2027F
EPS (VND)	840	80	870	1,240	254
BPS (VND)	16,828	19,136	20,377	21,007	21,039
PER (x)	42.44	448.8	41.3	29	107
PBR (x)	2.26	1.9	1.8	1.6	1.4
Dividend payout (%)	100.2	68.0	75.5	81.2	74.9
Profitability					
EBITDA margin (%)	51.0	32.5	44.1	186.1	16.6
OPM (%)	58.4	39.9	46.4	21.7	16.3
NPM (%)	34.9	24.5	35.0	170.5	9.1
ROA (%)	3.0	2.8	5.0	3.8	1.1
ROE (%)	5.3	4.6	8.0	98.3	34.4
Stability					
Debt to equity ratio (%)	40.9	36.5	48.0	81.2	96.1
Net debt ratio (%)	245.0	350.0	360.3	838.4	1,867.5
Cash ratio (%)	69.9	80.6	78.4	80.5	28.7
Interest coverage ratio (x)	-			33.0	3.9
Activity (%)					
Working capital turnover (days)	236	353	471	(447)	197
Inventory turnover (days)	11,377	4,858	4,370	22,832	2,997
Receivable turnover (days)	615	270	334	1,743	212

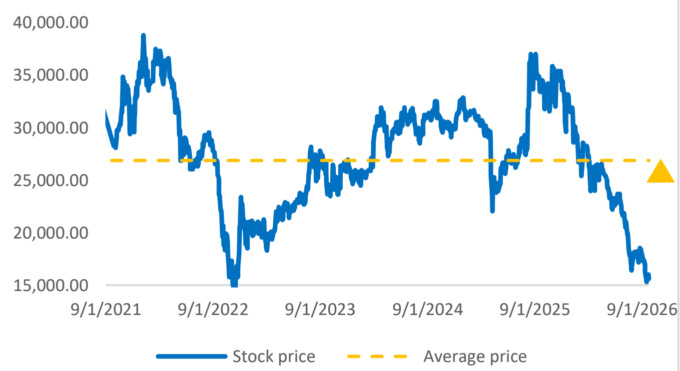
Source: Company data, Shinhan Securities Vietnam

Khang Dien House Trading and Investment JSC (KDH VN)

Share performance



Target price



Date	Rating	Target price (VND)	Target price gap (%) Average	Max/Min
01/10/2024 (Initiation)	HOLD	40,000	20.0	32.7/10.6
14/11/2024 (Update)	HOLD	36,900	13.2	27.1/3.1
18/3/2025 (Update)	HOLD	37,400	10.0	19.8/3.3
23/09/2026 (Update)	BUY	24,200	-9.9	-33.6/59.2

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

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Stock	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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