

Kinh Bac City Development Holding Corporation

[Vietnam / Industrial real estate]

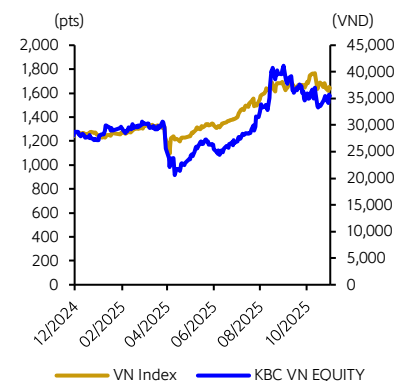
Bloomberg Ticker (KBC VN) | Reuters Ticker (KBC.HM)

BUY

Update Report

Target price (12 months) **VND 41,300**
Current price (11/11/2025) **VND 32,300**
Upside/downside **27%**

VNINDEX	1,593
Market P/E	261
Market Cap (bn VND)	30,418
Outstanding shares (mn)	942
Free-Floating (mn)	660
52-Wk High/Low (VND)	43,100/20,050
90-day avg. trading volume (mn)	8.54
90-day avg. turnover (bn VND)	329
Major shareholders (%)	
DTT Investment and Development JSC	91.9%
Kinh Bac Investment and Consulting JSC	6.61%
Performance	3M 6M 12M
Absolute (%)	9.4 50.1 31.5
Relative to VN-Index (%)	2.9 17.3 -0.8



Source: Bloomberg

Tien Le

(84-28) 6299-8011

tien.l@shinhan.com



Please click or scan

Acceleration with FDI recovery prospects

Update coverage with BUY call and target price of VND 41,300

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. KBC recorded positive growth in 9M/2025 despite a slight slowdown in Q2–Q3/2025 due to tariff policy impacts. With the establishment of a new U.S.–Vietnam trade cooperation framework, FDI inflows are expected to continue rising. Accordingly, KBC is anticipated to recover in Q4/2025 and accelerate in 2026. With over 1,300 ha of expansion and two major projects—Trang Due 3 Industrial Park and Trang Cat Urban Area—approved for investment in 2025, KBC holds strong long-term growth potential. Based on the RNAV valuation method, we estimate KBC's fair value at VND 41,300.

9M/2025 results positive, set to accelerate in 4Q/2025 and surge in 2026

Kinh Bắc reported Q3/2025 net revenue of VND 1,347 billion (+42% YoY) and net profit of VND 312 billion (+55% YoY). Cumulative 9M/2025 revenue reached VND 5,039 billion (+153% YoY), with net profit at VND 1,563 billion (+294% YoY). Industrial land lease revenue reached VND 3,680 billion (+229% YoY), corresponding to approximately 110 ha leased, mainly from Nam Son Hap Linh, Trang Due 3, and Hung Yen industrial clusters. We expect land leasing activities to accelerate in Q4/2025 and 2026 as tariff conditions stabilize, reinforcing foreign investor confidence. At the same time, Trang Due 3 Industrial Park (currently completing compensation procedures) and Trang Cat Urban Area (already issued land use certificates) will serve as growth drivers for revenue. With more than 1,300 ha expanded in 2025, bringing the total leasable land bank to over 3,500 ha, KBC possesses strong long-term growth potential.

We expect: (1) Industrial land leased area to reach approximately 158 ha in 2025 and 197 ha in 2026, driven primarily by Nam Son Hap Linh, Trang Due 3, Long An industrial parks, and a series of new projects approved in 2025; (2) The urban real estate segment to continue growing in 2025 supported by the Nenh Social Housing and Trang Due Urban Area projects, and to accelerate in 2026 when Trang Cat Urban Area begins revenue recognition. We estimate KBC's revenue to reach approximately VND 7,200 billion (+159% YoY) in 2025 and VND 14,090 billion (+96% YoY) in 2026, with net profit projected at VND 1,894 billion (+348% YoY) and VND 3,970 billion (+110% YoY) in 2026.

FDI inflows are expected to continue growing in line with the infrastructure investment trend.

According to the General Statistics Office, FDI in 10M/2025 reached USD 21.3 billion (+8.8% YoY), the highest in five years, while total registered foreign investment hit USD 31.52 billion (+15.6% YoY). On October 26, the U.S. and Vietnam signed a new trade framework allowing reciprocal tariffs of 0–20% and potential 0% rates for select products. Public investment in 2026 is projected at VND 1.08 quadrillion (+22% YoY), with a medium-term plan for 2026–2030 totaling VND 8.31 quadrillion (+144% vs. 2021–2025), supporting continued FDI inflows.

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	8,330	15,220	14,860	18,321
OP (bn VND)	934	3,046	6,022	6,071	7,620
NP (bn VND)	423	2,075	4,123	4,165	5,233
EPS (VND)	498	1,989	3,953	3,993	5,016
BPS (VND)	24,198	24,893	28,346	31,838	36,355
OPM (%)	34%	37%	40%	41%	42%
NPM (%)	15%	25%	27%	28%	29%
ROE (%)	2%	8%	14%	13%	14%
PER (x)	48.99	19.43	9.78	9.68	7.70
PBR (x)	1.01	1.55	1.36	1.21	1.06
EV/EBITDA (x)	22.21	9.94	5.43	5.34	4.37

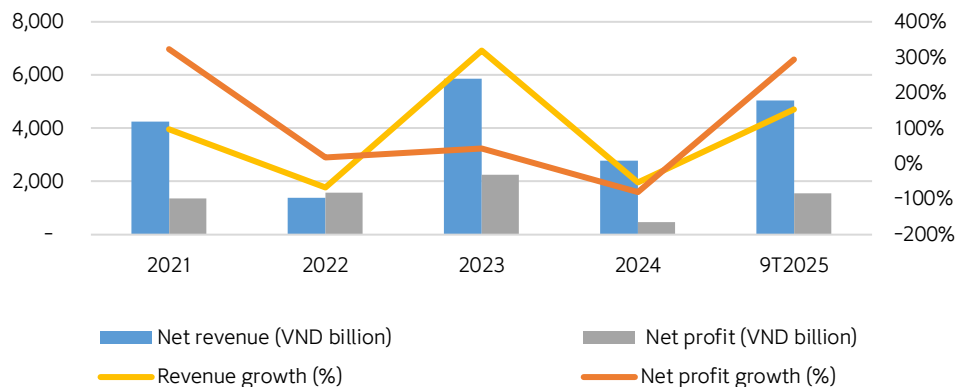
Source: Company data, Shinhan Securities Vietnam

Shinhan Securities Vietnam Co., Ltd. does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. Analysts employed by Shinhan Securities Vietnam Co., Ltd., or a non-US affiliate thereof, are not registered/qualified as research analysts with FINRA, may not be associated persons of the member and may not be subject to FINRA restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account. For analyst certification and important disclosures, refer to the Compliance & Disclosure

Update business results update

Update business results 9M2025

Kinh Bac revenue and profit 2020 – 9M2025 (billion VND)



Source: Company report, Shinhan Vietnam Securities

Kinh Bac recorded Q3/2025 net revenue of VND 1,347 billion (+42% YoY) and net profit of VND 312 billion (+55% YoY). For 9M/2025, total revenue reached VND 5,039 billion (+153% YoY), while net profit came in at VND 1,563 billion (+294% YoY).

The industrial park segment reported land leasing revenue of VND 3,680 billion (+229% YoY), with total leased industrial land area estimated at around 110 hectares, mainly contributed by signed contracts at Nam Son Hap Linh, Trang Due 3, and Hung Yen industrial clusters.

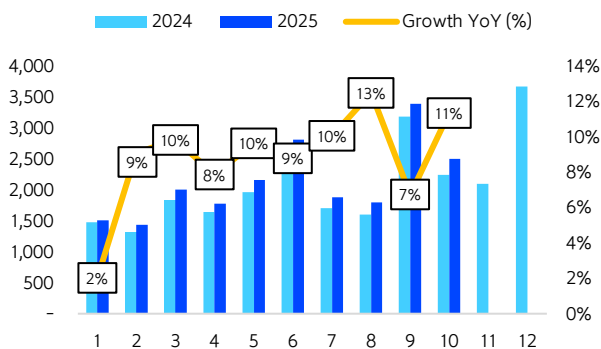
The urban real estate transfer segment showed strong growth, reaching VND 696 billion (+65% YoY), primarily driven by transfers from the Nen Social Housing project.

Other revenue reached VND 661 billion (+45% YoY), supported by higher income from utilities (electricity, water, wastewater treatment), as well as increases in factory leasing and sales compared to the previous year.

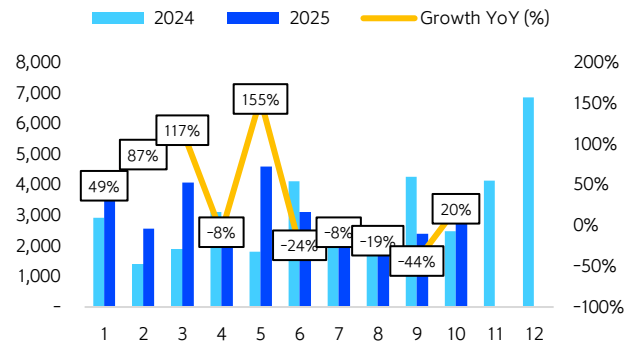
Compared to its full-year business plan, Kinh Bac Urban has achieved about 50% of its revenue target and 52% of its net profit target. We assess that KBC's business performance slowed in Q2–Q3/2025, mainly due to tariff fluctuations that led foreign investors to adopt a more cautious approach and delay land-leasing decisions at Kinh Bac's industrial parks.

Expectation for FDI inflows to continue increasing in the future

FDI capital disbursed in 2024 and 10M2025 (million USD)



Registered FDI capital 2024 and 10M2025 (million USD)



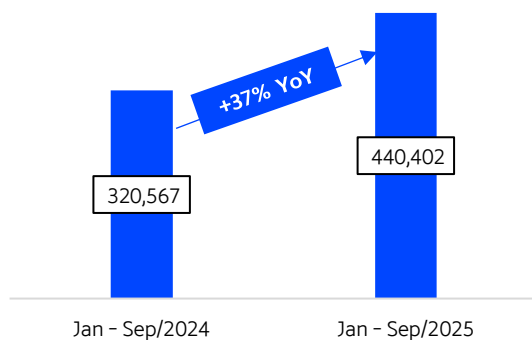
Source: General Statistics Office, Ministry of Finance

According to data from the General Statistics Office, implemented foreign direct investment (FDI) in the first 10 months of 2025 reached USD 21.3 billion, up 8.8% YoY, marking the highest level in the past five years. In addition, total registered FDI, including new investment, adjustments, and capital contributions for share purchases, exceeded USD 31.52 billion, a strong increase of 15.6% YoY.

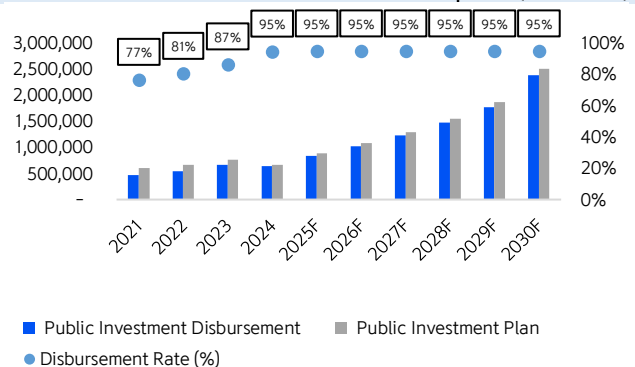
Record levels of FDI disbursement and registration indicate that Vietnam remains an attractive destination for foreign investors. However, amid tariff fluctuations, registered FDI decreased during the period from June to September 2025. After tariffs gradually stabilized and the U.S. officially announced its tax policy for other countries, registered FDI began to show signs of recovery in October 2025. With a 20% tariff, Vietnam still maintains a competitive advantage over other countries in the region in attracting foreign investment. Additionally, on October 26, the U.S. and Vietnam reached a new trade framework agreement, under which the U.S. will apply reciprocal tariffs of 0–20% depending on the origin of Vietnamese goods and consider applying a 0% tariff to certain product categories.

Boosting public investment to promote infrastructure construction

Cumulative public investment disbursement 9M/2025 (VND billion)



Public investment disbursement for the 2021–2030 period (VND billion)



Source: Ministry of Finance, Shinhan Securities Vietnam

The Ministry of Finance reported that public investment disbursement from the beginning of the year to September 30, 2025, is estimated at around VND 440,402 billion (+37% YoY), reaching 50% of the target set by the Prime Minister. The disbursement rate in 9M/2025 showed an improvement compared to 9M/2024, rising from 47.3% to 50%.

According to the Ministry of Finance's estimates, the total state budget capital for development investment in 2026 is expected to reach approximately VND 1.12 quadrillion, including: public investment spending of about VND 1.08 quadrillion and other development investment of around VND 40 trillion. This represents a forecasted increase of approximately 22% in total public investment compared to 2025, reflecting the government's strong push to expand public investment to drive economic growth and accelerate the development of key infrastructure projects.

Significant increase in public investment capital during the 2026–2030 period

Period	2021 – 2025	2026 – 2030
Average GDP Growth Rate	6.3% (estimated)	10%
State Budget Revenue	VND 9.6 trillion	VND 16.1 quadrillion
State Budget Expenditure	VND 10.9 trillion	VND 20.9 quadrillion
Total Public Investment Expenditure	VND 3.4 trillion	VND 8.31 quadrillion
Budget Deficit	3.1–3.2% of GDP	5% of GDP
Total Government Debt for the Whole Period	VND 2.5 trillion	Expected to mobilize about VND 6.55 quadrillion
Public Debt/GDP Ratio	35–36% GDP	41–42% of GDP

Source: Ministry of Finance, Shinhan Securities Vietnam

In the medium term, the government plans to significantly increase public investment capital during the 2026–2030 period. According to the government's orientation for 2026–2030, achieving an average GDP growth of 10% per year or higher is identified as a key focus in the economic development strategy. To realize this goal, the Ministry of Finance expects total development investment expenditure to reach around VND 8.51 quadrillion, equivalent to 40% of total state budget expenditure, of which medium-term public investment capital is estimated at VND 8.31 quadrillion, a 144% increase compared to 2021–2025.

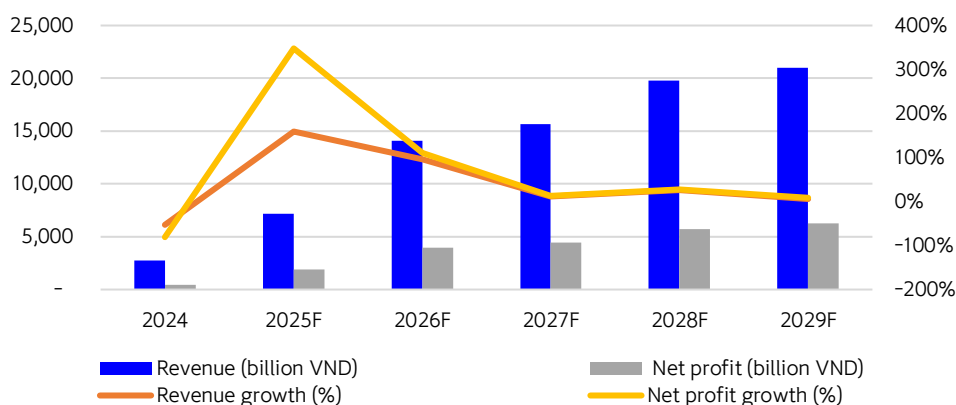
To meet the sharply rising capital demand, the government plans to raise total state budget revenue to VND 16.1 quadrillion through accelerated economic growth, with budget revenue expected to account for 18% of GDP. At the same time, the budget deficit target is set to increase from 3.1% to 5% of GDP, leading to government borrowing projected to rise from VND 2.5 quadrillion to VND 6.55 quadrillion, an increase of 2.62 times compared to the previous period. The public debt-to-GDP ratio target is planned to rise from 35–36% to approximately 41–42%. We assess that with a public debt-to-GDP ratio around 40%, Vietnam can still maintain financial safety, ensure macroeconomic stability, achieve double-digit GDP growth, and accelerate infrastructure development in the medium term.

The government's push to expand infrastructure investment is expected to further attract FDI inflows in the future, which will have a positive impact on KBC's industrial land leasing demand.

Earnings estimates

Legal clearance drives strong business growth

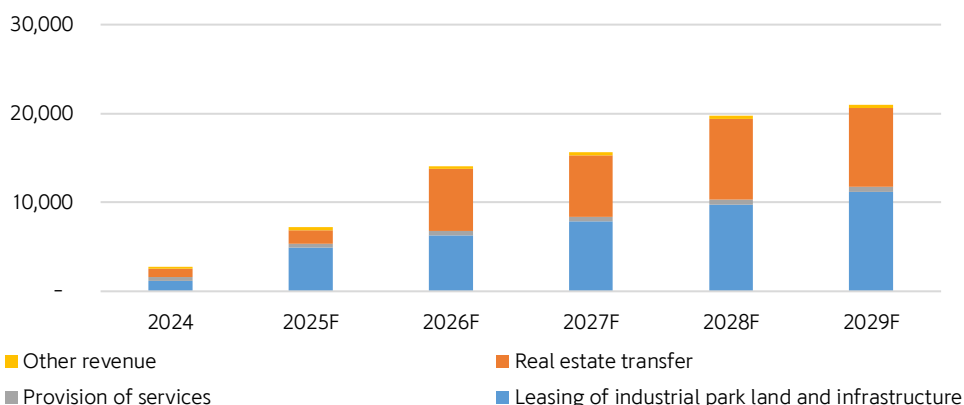
Kinh Bac net revenue and net profit forecast 2024 – 2029F



Source: Company report, Shinhan Securities Vietnam

We forecast Kinh Bac Urban Development Corporation's net revenue to reach approximately VND 7,200 billion (+159% YoY) in 2025 and VND 14,090 billion (+96% YoY) in 2026. The projected net profit for 2025 is VND 1,894 billion (+348% YoY); for 2026, it is expected to reach VND 3,970 billion (+110% YoY).

Kinh Bac revenue structure 2024 – 2029F (billion VND)



Source: Company report, Shinhan Securities Vietnam

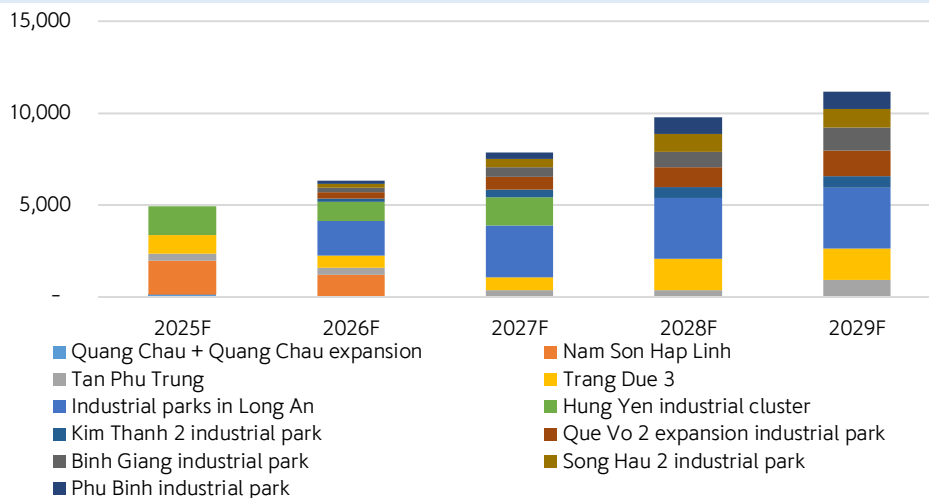
In 2025, KBC's revenue and profit will primarily be driven by the industrial park land leasing segment and the transfer of real estate business projects. Revenue from the industrial park real estate segment is projected to reach VND 4,916 billion (+311% YoY), supported by the resolution of legal bottlenecks 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 1,519 billion (+67% 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)



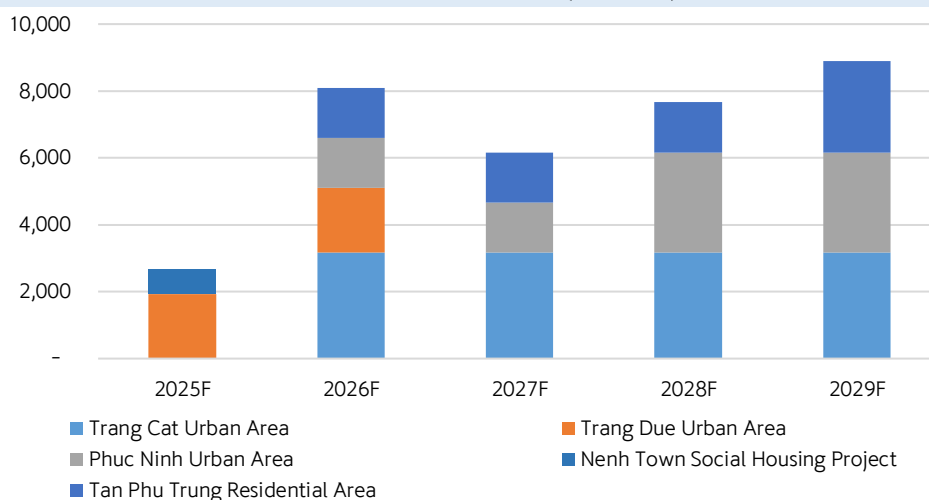
Source: Company report, Shinhan Securities Vietnam

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 41,300

We update our valuation following the share issuance and land bank expansion of Kinh Bac City Development Holding Corporation (KBC). We issue a Buy recommendation with a target price of VND 41,300, implying an upside of 27%. For long-term investment perspectives, KBC may be considered based on 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 41,300.

The RNAV method

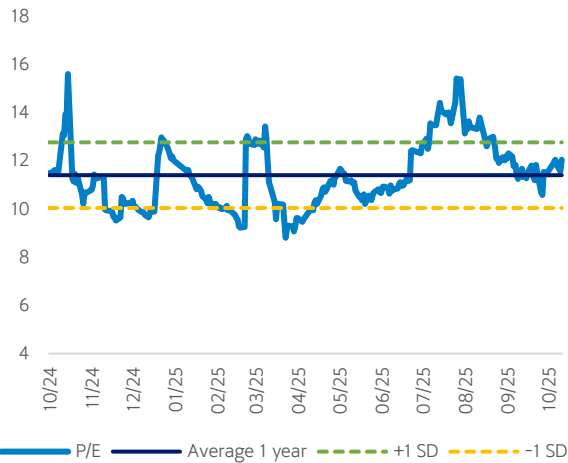
Project Name	Ownership (%)	Valuation method	Discount (%)	Value (billion VND)
- Industrial Park				18,214
Nam Son Hap Linh	100%	RNAV		1,524
Tan Phu Trung	73%	RNAV		1,355
Trang Due 3	89%	RNAV		3,650
Hung Yen Industrial Cluster	89%	RNAV		1,510
Kim Thanh 2 Industrial Park	94%	RNAV		370
Que Vo Industrial Park Expansion 2	100%	RNAV		816
Binh Giang Industrial Park	100%	RNAV		438
Song Hau 2 Industrial Park	100%	RNAV		353
Phu Binh Industrial Park	100%	RNAV		1,442
Industrial Parks in Long An		RNAV		4,520
Service Fees of Industrial Parks		DCF		2,237
- Urban Area				30,122
Trang Cat	100%	DCF	10%	18,296
Trang Due Urban Area	100%	DCF		1,098
Khoai Chau Urban Complex, Eco-tourism, Golf Course Project	85%	DCF	30%	8,870
Other Projects		DCF		1,857
Total				48,336
+ 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)				38,849
Number of shares				941,754,759
Target price (VND)				41,300
Current price (VND)				32,300
Upside (%)				27%

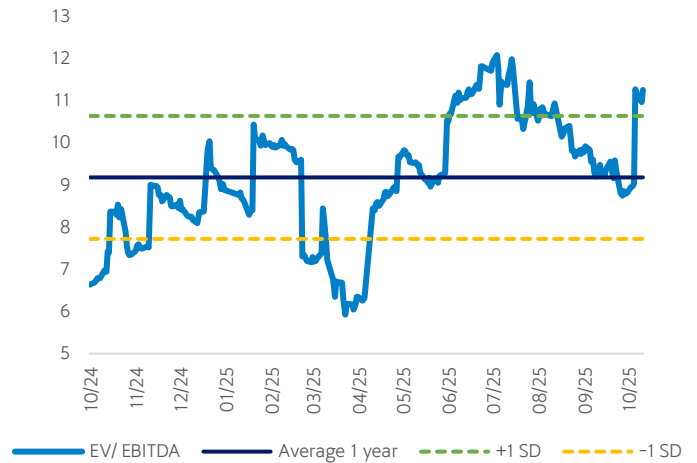
Variable	Value
D/E	0.58
Beta	1.2
Risk-free rate	4.0%
Cost of equity	14.4%
Cost of debt	11.2%
WACC	12.4%

For the Weighted average cost of capital (WACC), we use the 10-year Vietnamese government bond yield at 4% 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

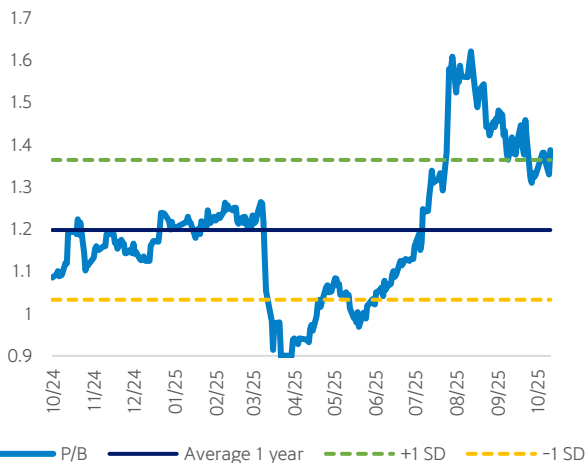


EV/EBITDA 1 year

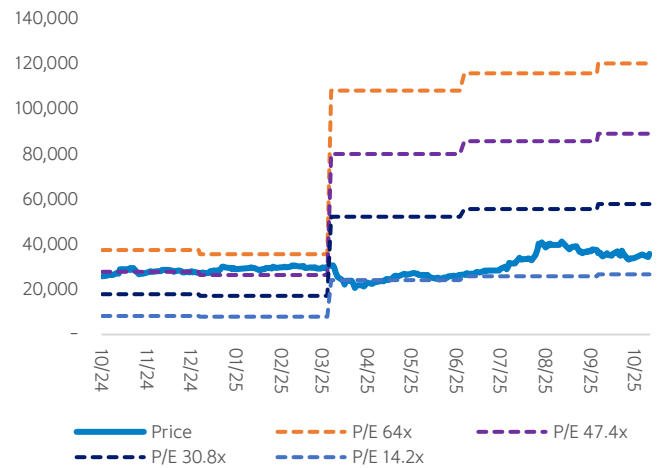


Source: Bloomberg data, Shinhan Securities Vietnam

P/B 1 year



P/E band

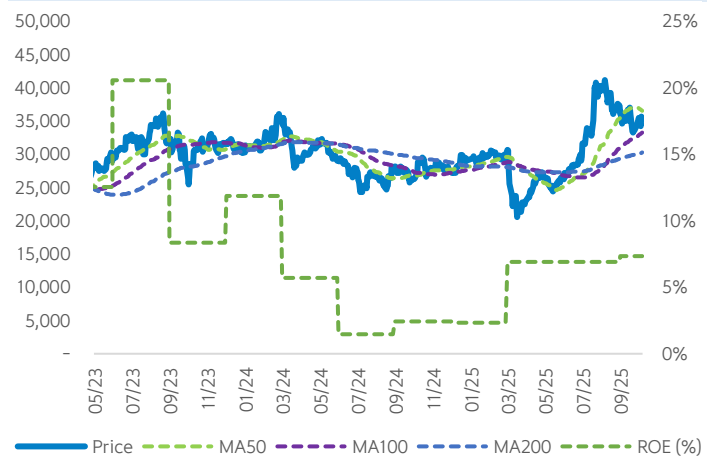


Source: Bloomberg data, Shinhan Securities Vietnam

P/B band

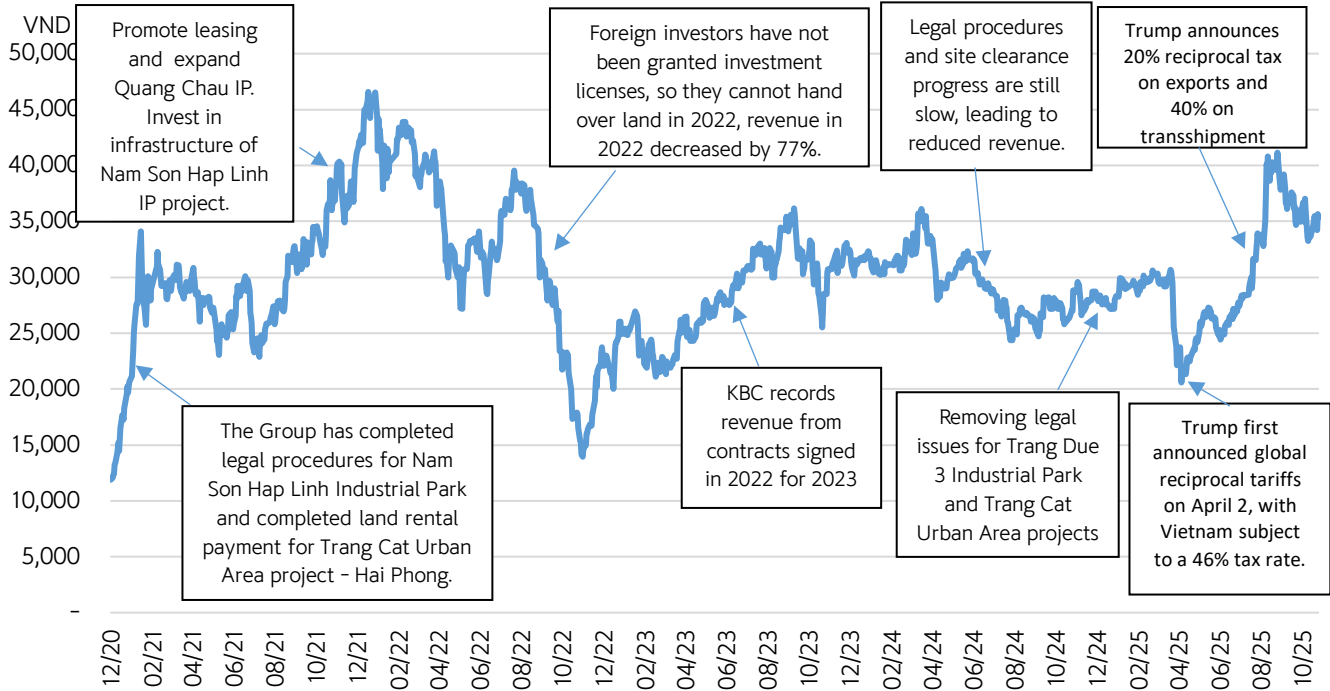


ROE and MA



Source: Bloomberg data, Shinhan Securities Vietnam

KBC's important events



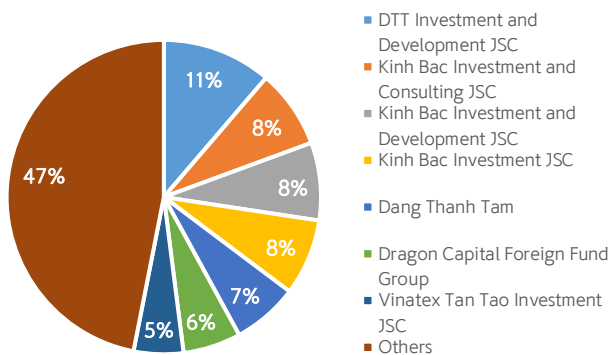
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Company background

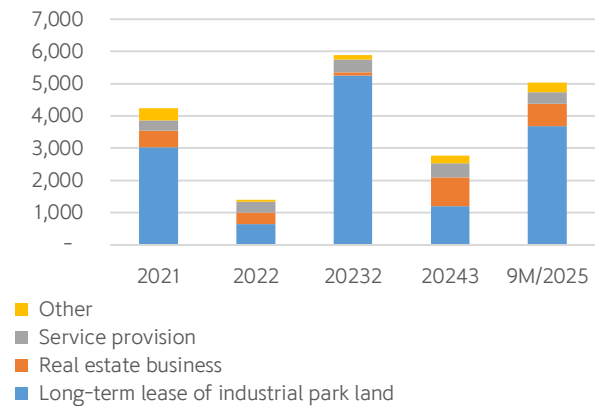
Company history

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 – 9T/2025 (billion VND)

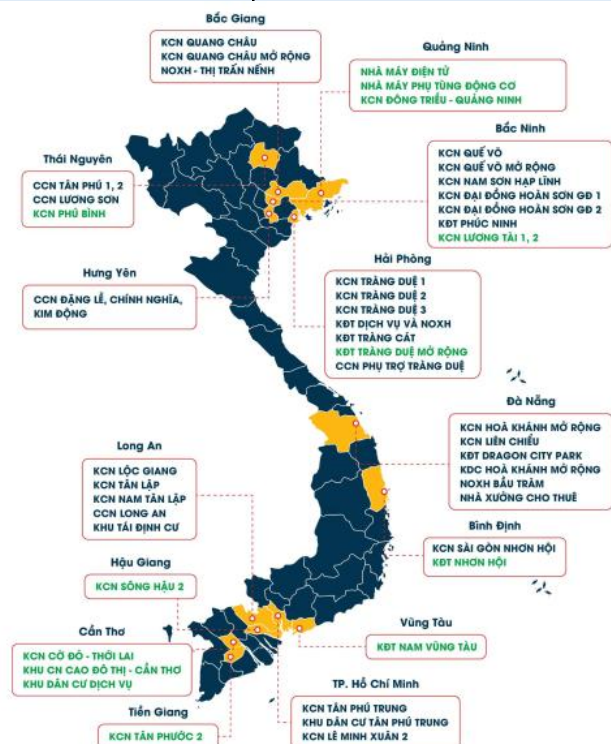


Source: Company report, Shinhan Vietnam Securities

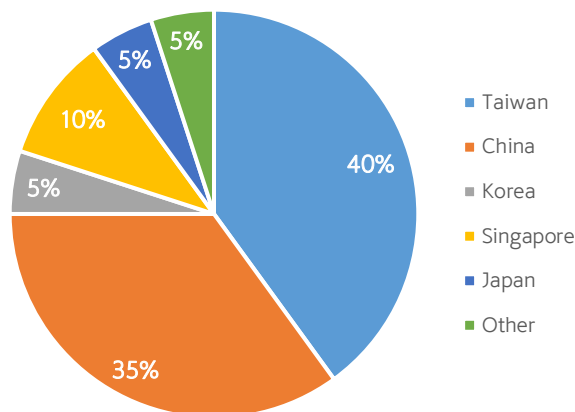
Kinh Bac is mostly owned by the Chairman of the Board of Directors Dang Thanh Tam and his related companies. Major shareholders account for 53% of the shareholder structure.

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 (%)

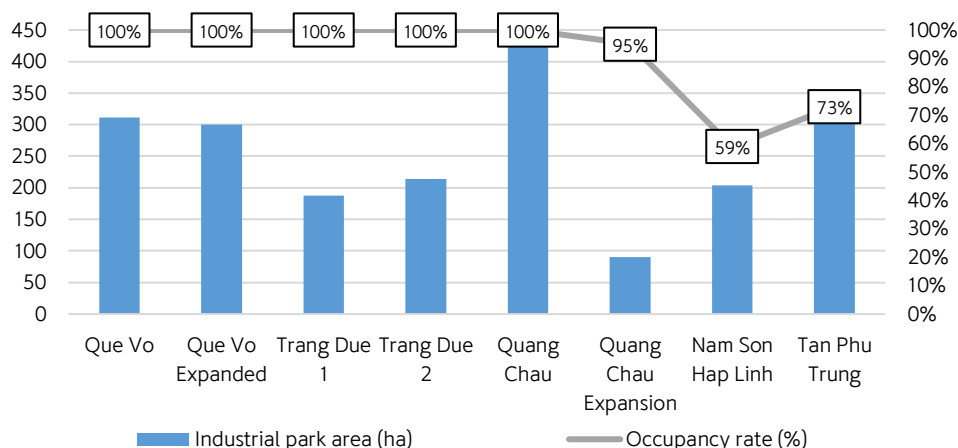


Source: Company report, Shinhan Vietnam Securities

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	56,012	59,489	63,883	70,668
Current assets	36,075	47,192	50,502	54,730	61,334
Cash & equivalents	6,566	9,279	9,894	11,171	14,534
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	30,645	31,008	31,839	33,911
Current liabilities	7,093	7,107	7,188	7,261	7,363
Accounts payable	529	483	506	494	500
Short-term borrowings	371	407	478	556	655
Others	6,192	6,217	6,204	6,211	6,207
Non-current liabilities	16,992	23,538	23,819	24,577	26,548
Long-term borrowings	9,741	16,221	16,926	17,709	18,698
Other financial liabilities	7,251	7,317	6,894	6,869	7,850
Total shareholders' equity	20,645	25,367	28,481	32,045	36,757
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	6,050	9,164	12,728	17,440
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	16,629	17,404	18,265	19,353
*Net debt (cash)	3,547	7,350	7,510	7,094	4,819

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	(6,703)	403	979	2,838
Net profit	723	2,602	5,455	6,141	7,888
Depreciation expense	165	73	81	88	95
(Gain) from investing activities	(485)	-	-	-	-
Interest expense/ income	(2,095)	(710)	(904)	(947)	(999)
Change in working capital	3,321	(7,638)	(2,161)	(1,950)	(1,115)
Others	(477)	(1,030)	(2,068)	(2,353)	(3,031)
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	6,045	304	390	617
Change in equity	1	-	-	-	-
Net borrowing	6,446	6,516	775	861	1,088
Dividends	(0)	(471)	(471)	(471)	(471)
Change in total cash	5,725	(770)	615	1,277	3,363
Beginning cash	841	6,566	9,279	9,894	11,171
Change in FX rates	-	-	-	-	-
Ending cash	6,566	5,796	9,894	11,171	14,534

Source: Company data, Shinhan Securities Vietnam

Statement of comprehensive income

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Revenue	2,776	7,200	14,090	15,660	19,781
Growth (%)	-53%	159%	96%	11%	26%
COGS	(1,492)	(3,343)	(6,656)	(7,371)	(9,436)
Gross profit	1,283	3,857	7,434	8,289	10,345
GPM (%)	46%	54%	53%	53%	52%
SG&A	(558)	(710)	(951)	(1,017)	(1,168)
Operating profit	726	3,147	6,483	7,272	9,177
Growth (%)	-75%	334%	106%	12%	26%
OPM (%)	26%	44%	46%	46%	46%
Non-operating profit	(3)	(544)	(1,028)	(1,132)	(1,290)
Financial income	451	301	171	147	135
Financial expense	(259)	(710)	(904)	(947)	(999)
In which: interest expenses	(269)	(710)	(904)	(947)	(999)
Net other non-operating profit	(195)	(136)	(296)	(331)	(426)
Pre-tax profit	723	2,602	5,455	6,141	7,888
Income tax	(299)	(708)	(1,485)	(1,671)	(2,147)
Net profit	423	1,894	3,970	4,469	5,741
Growth (%)	-81%	348%	110%	13%	28%
NPM (%)	15%	26%	28%	29%	29%
Controlling interest	382	1,710	3,585	4,035	5,183
Non-controlling interest	41	184	386	434	558
EBIT	991	3,312	6,359	7,088	8,887
Growth (%)	-70%	234%	92%	11%	25%
EBIT Margin (%)	36%	46%	45%	45%	45%
EBITDA	1,156	3,386	6,440	7,176	8,982
Growth (%)	-66%	193%	90%	11%	25%
EBITDA Margin	42%	47%	46%	46%	45%

Source: Company data, Shinhan Securities Vietnam

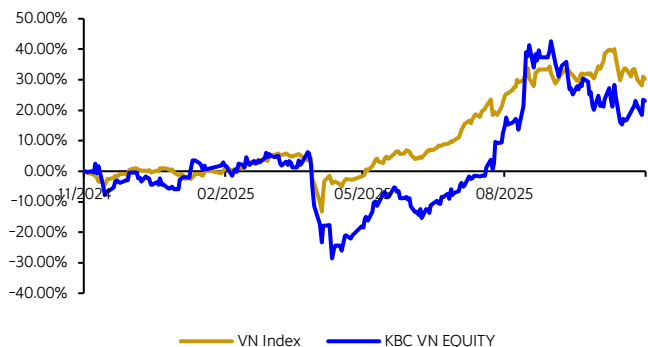
Key ratios

Year to Dec.	2024	2025F	2026F	2027F	2028F
EPS (VND)	498	1,816	3,806	4,285	5,504
BPS (VND)	24,198	24,720	28,026	31,811	36,814
DPS (VND)	0	500	500	500	500
PER (x)	48.99	18.64	8.89	7.90	6.15
PBR (x)	1.01	1.37	1.21	1.06	0.92
EV/EBITDA (x)	22.21	9.42	4.95	4.44	3.55
Dividend payout ratio (%)	0%	2%	2%	2%	1%
Dividend yield (%)	0%	1%	1%	1%	1%
Profitability					
EBITDA margin (%)	42%	47%	46%	46%	45%
OPM (%)	26%	44%	46%	46%	46%
NPM (%)	15%	26%	28%	29%	29%
ROA (%)	1%	4%	7%	7%	9%
ROE (%)	2%	8%	15%	15%	17%
Stability					
Debt to equity ratio (%)	49%	66%	61%	57%	53%
Net debt ratio (%)	307%	217%	117%	99%	54%
Cash ratio (%)	93%	131%	138%	154%	197%
Interest coverage ratio (x)	3.69	4.66	7.04	7.48	8.90
Activity (%)					
Inventory turnover (days)	1,714	878	552	521	433
Accounts receivable turnover (days)	1,510	708	398	394	343
Accounts payable turnover (days)	118	55	27	25	19

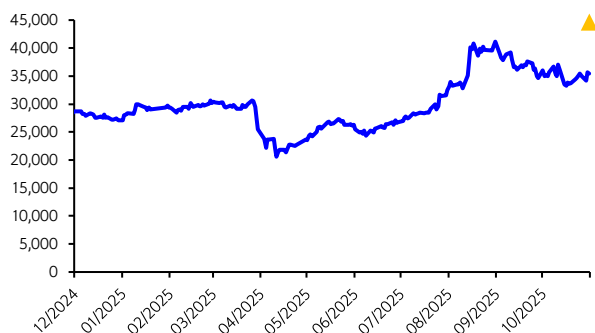
Source: Company data, Shinhan Securities Vietnam

Sonadezi Chau Duc Joint Stock Company (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
24/03/2025 (Update)	BUY	38,000	25	5/57
17/07/2025 (Update)	BUY	38,100	48	22/90
28/08/2025 (Update)	HOLD	43,300	27	2/116
11/11/2025 (Update)	BUY	41,300	40	3/121

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

Shinhan Securities Vietnam

Stocks

- ◆ **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

Sector

- ◆ **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

Compliance & Disclosure Notice

Analyst Certification

- ◆ The following analysts hereby certify that their views about the companies and securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report: Tien Le

Important Disclosures & Disclaimers

- ◆ As of the date of publication, Shinhan Securities Vietnam Co., Ltd. does not beneficially own 1% or more of any class of common equity securities of the following companies mentioned in this report: KBC VN
- ◆ Shinhan Securities Vietnam Co., Ltd. or one of its affiliates, and/or their respective officers, directors, or employees may have interests, or long or short positions, and may at any time make purchases or sales as a principal or agent of the securities of the companies mentioned in this report.
- ◆ As of the date of publication, research analysts responsible for this report and members of their households do not have any financial interest in the debt or equity securities of the companies mentioned in this report.
- ◆ Research analysts responsible for this report receive compensation based upon, among other factors, the overall profitability of Shinhan Securities Vietnam Co., Ltd. including profits derived from investment banking. The analysts responsible for this report may also receive compensation based upon, among other factors, the overall profitability of sales and trading businesses relating to the class of securities or financial instruments for which such analysts are responsible.
- ◆ All opinions and estimates regarding the companies and their securities are accurate representations of the research analysts' judgments and may differ from actual results.
- ◆ This report is intended to provide information to assist investment decisions only, and should not be used or construed as an offer or a solicitation of an offer to buy or sell any securities. The information herein has been obtained from sources deemed reliable, but such information has not been independently verified and no guarantee, representation, or warranty, expressed or implied, is made as to its accuracy, completeness, or correctness. Shinhan Securities Vietnam Co., Ltd. makes the best effort but does not guarantee the accuracy, completeness, or correctness of information and opinions translated into English from original Vietnamese language materials. Shinhan Securities Vietnam Co., Ltd. accepts no liability whatsoever for any direct, indirect, and/or consequential loss arising from any use of this material or its contents. Stock selection and final investment decisions should be made at the investor's own and sole discretion.
- ◆ This report is distributed to our customers only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.
- ◆ Investing in any Vietnamese securities or related financial instruments discussed in this research report may present certain risks. The securities of Vietnamese issuers may not be registered with, or be subject to the regulations of, the US Securities and Exchange Commission. Information on Vietnamese securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the US. The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in currencies other than the Vietnamese won is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Distribution

- ◆ United States: This report is distributed in the US by Shinhan Investment America, Inc., a member of FINRA/SIPC, and is only intended for major US institutional investors as defined in Rule 15a-6(a)(2) of the US Securities Exchange Act of 1934. All US persons that receive this document by their acceptance thereof represent and warrant that they are major US institutional investors and have not received this report under any express or implied understanding that they will direct commission income to Shinhan Securities Vietnam Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any US recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Shinhan Investment America, Inc., which accepts responsibility for the contents of this report in the US. The securities described herein may not have been registered under the US Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the US or to US persons unless they have been registered or are in compliance with an exemption from registration requirements.
- ◆ All Other Jurisdictions: Customers in all other countries who wish to effect a transaction in any securities referenced in this report should contact Shinhan Securities Vietnam Co., Ltd. or its affiliates only if distribution to or use by such customer of this report would not violate applicable laws and regulations and not subject Shinhan Securities Vietnam Co., Ltd. and its affiliates to any registration or licensing requirement within such jurisdiction.



Shinhan Investment Network

SEOUL

Shinhan Securities Co., Ltd
Shinhan Investment Tower
70, Youido-dong, Yongdungpo-gu,
Seoul, Korea 150-712
Tel : (82-2) 3772-2700, 2702
Fax : (82-2) 6671-7573

NEW YORK

Shinhan Investment America Inc.
1325 Avenue of the Americas Suite 702,
New York, NY 10019
Tel : (1-212) 397-4000
Fax : (1-212) 397-0032

Hong Kong

Shinhan Investment Asia Ltd.
Unit 7705 A, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong
Tel : (852) 3713-5333
Fax : (852) 3713-5300

Indonesia

PT Shinhan Sekuritas Indonesia
30th Floor, IFC 2, Jl. Jend. Sudirman Kav.
22-23, Jakarta, Indonesia
Tel : (62-21) 5140-1133
Fax : (62-21) 5140-1599

Shanghai

Shinhan Investment Corp.
Shanghai Representative Office
Room 104, Huaneng Union Mansion No.958,
Luijiazui Ring Road, PuDong, Shanghai, China
Tel : (86-21) 6888-9135/6
Fax : (86-21) 6888-9139

Ho Chi Minh

Shinhan Securities Vietnam Co., Ltd.
18th Floor, The Mett Tower, 15 Tran Bach Dang, Thu Thiem Ward,
Thu Duc City, Ho Chi Minh City, Vietnam.
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

Ha Noi

Shinhan Securities Vietnam Co., Ltd.
Hanoi Branch
2nd Floor, Leadvisors Building, No. 41A Ly Thai To,
Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam.
Tel : (84-8) 6299-8000