

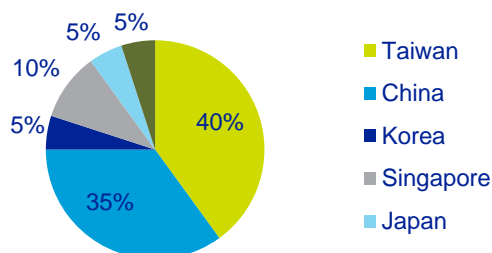
KBC – AGM note

Kinh Bac (HSX: KBC) held its AGM on 23/6/2023 with the following highlights:

- KBC's 2023 targets: revenue of VND9trn (9.4 times YoY), PAT of VND4trn (2.5 times YoY) and cash dividend of VND2000/share.
- KBC completed around 50% of 2023 targets in 1H23 with revenue of c.VND4,500bn (4 times YoY) and PAT of ~VND2,000bn (10 times YoY) mainly thanks to deliveries of industrial land areas to Foxconn and Goertek.
- As of 22/6/2023, KBC has paid back the entire VND3,900bn of corporate bonds and reduced corporate bonds balance to zero. Given more cash inflows of newly signed projects, capital raising is not a concern for the company in this year.
- KBC plans to lease 250ha in 2023 and has completed 70% of this target in 1H23. Nam Son Hap Linh industrial park (IP) continues to be a FDI magnet for Chinese investors with details as shown in the table below. KBC will accelerate legal process and infrastructure development for new projects: Trang Due 3 IP and Trang Cat urban area in Hai Phong, Kim Dong – Dang Le – Chinh Nghia industrial clusters (ICs) in Hung Yen, Dam Nha Mac IC in Quang Ninh, Phuoc Vinh Dong IP, Loc Giang IP and Tan Tap IC in Long An. The company is pursuing Song Hau 2 IP project in Hau Giang province.

Potential manufacturing projects	Country	Industrial park/industrial cluster	Province/City	Area (ha)
Accessories of earphones and smart pens	China	Nam Son Hap Linh	Bac Ninh	20
Complex warehouse and cold storage	Korea	Lien Chieu	Da Nang	20
Accessories of speakers	China	Nam Son Hap Linh	Bac Ninh	15
Electronic accessories and watches	China	Nam Son Hap Linh	Bac Ninh	10
Semiconductor devices manufacturing	Taiwan	Trang Due	Hai Phong	20
Stationery	China	Nam Son Hap Linh	Bac Ninh	20
Home electric devices	China	Trang Due 3	Hai Phong	20
Logistics	Denmark	Kim Dong – Dang Le – Chinh Nghia	Hung Yen	10
Total				135

2023 Target market



Source: KBC

- On 20/6/2023, the Prime Minister approved the general planning of Bac Ninh province which will push legal process of KBC's projects.
- The Prime Minister approved the general planning of Hai Phong province in March, 2023 and some KBC's projects are expected to complete legal process by August, 2023.
- KBC is in discussion with a foreign investor for a potential lease of 50ha.
- Regarding minimum global tax rate of 15% applied for corporations with revenue above EUR750mn, KBC said this tax would not be approved soon and it would affect only huge corporations which accounted for 20% of FDI companies operating in Vietnam.

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