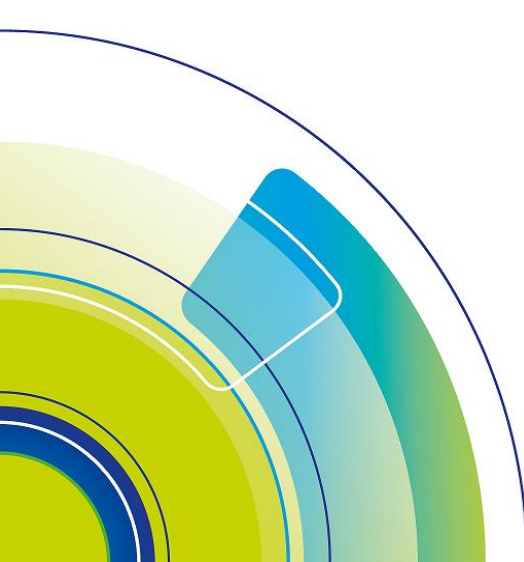




KBC Update - OUTPERFORM

November 25, 2025



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Company Update

Recommendation **OUTPERFORM**
HSX: KBC
Property
Market price (VND) **35,600**
Target price (VND) **41,900**
Expected share price return 17.8%

Expected dividend yield 0.0%

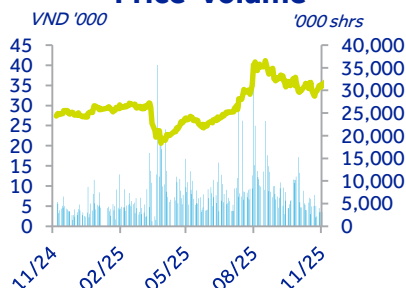
Expected total return 17.8%

Stock performance (%)

	YTD	1M	3M	12M
Absolute	31.6	3.7	-14.3	29.4
Relative	-1.2	4.5	-16.3	-8.8

Source: Bloomberg

Price-Volume



Ownership

DTT Investment and Development JSC	9.19%
Kinh Bac Investment and Consulting JSC	7.24%
Dang Thanh Tam (Chairman)	5.53%

Stock Statistics 25-Nov-25

Bloomberg code **KBC VN**

52-week range (VND) 20,050 - 43,100

Shares O/S (m) 942

Mkt cap (VND bn) 33,715

Mkt cap (USD m) 1,277

Est. Foreign room left (%) 38.7

Est. free float (%) 70.0

3m avg daily vol (shrs) 7,134,963

VND/USD 26,401

Index: VNIndex / HNX 1660.36/257.30

KINH BAC CITY DEVELOPMENT HOLDING CORPORATION JSC (KBC VN)

Strong growth in 3Q2025 and 9M2025 business results was mainly thanks to the delivery of 85.6 ha in industrial clusters in Hung Yen. We keep our 2025 forecast unchanged and roll forward the target price to VND41,900/share for YE2026. Therefore, we upgrade our rating from Neutral to Outperform as the market price has adjusted by 10% since our update report on 08/22/2025.

KBC reported a positive 3Q2025 result with revenue of VND1,347 bn (+42% YoY) and NPAT of VND312 bn (+55% YoY) mainly thanks to the delivery of nearly 20 ha in Nam Son Hap Linh industrial park (IP) (17 ha) and industrial clusters (ICs) in Hung Yen (2.6 ha).

The 9M2025 result also showed strong growth, with revenue of VND5,039 bn (+153% YoY) and NPAT of VND1,563 bn (+293% YoY), driven by a three-fold YoY growth in the IP segment's revenue, to VND3,681 bn. This was supported by the delivery of over 105 ha of industrial land area, mostly at ICs in Hung Yen (85.6 ha) compared with nearly 30 ha delivered in 9M2024. 9M2025 NPAT completed 49% of KBC's full year plan and 73% of our forecast. We keep our forecast of 2025 delivered area at 141 ha, equivalent to 67% of KBC's targets.

In 9M2025, KBC was approved to develop 5 new IPs (Kim Thanh 2, Que Vo 2 expansion, Song Hau 2, Binh Giang and Phu Binh) with a total area of 1,578 ha. These additions increased KBC's total IP land bank to over 6,400 ha and its remaining NLA to 2,863 ha at the end of 3Q2025, placing the company among the largest developers in the IP industry.

In early November, KBC signed a MOU with Accelerated Infrastructure Capital (AIC) and VietinBank (HOSE: CTG) to develop a USD2 bn data center on a 10 ha land lot in Tan Phu Trung IP. Later this month, the company announced a partnership with CTP Invest Group - an industrial developer from Europe to develop a complex of seaports, airports, logistics and integrated industrial parks in Hai Phong. In 2026, CTP Invest Ltd Remon Vos will launch a 30-hectare infrastructure and factory project in Trang Due 3 IP, which is part of the Dinh Vu - Cat Hai Economic Zone. During this month, provincial committees are directing relevant governmental agencies to accelerate reimbursement and land clearance process at USD1.5 bn Khoai Chau urban complex, eco-tourism and golf course project (990 ha) in Hung Yen and VND11.5 trn Phu Binh IP (675 ha) in Thai Nguyen.

	2022	2023	2024	2025F	2026F
Net Sales (VNDbn)	950	5,618	2,776	7,100	10,807
Growth	-77.6%	491.2%	-50.6%	155.8%	52.2%
EBITDA (VNDbn)	(168)	3,015	890	2,915	3,908
Growth	n/a	n/a	-70.5%	227.3%	34.1%
NPATMI (VNDbn)	1,526	2,031	382	1,943	2,652
Growth	95.2%	33.0%	-81.2%	409.0%	36.5%
EPS (bonus-adjusted, VND)	1,993	2,646	498	2,305	2,816
Growth	67.5%	32.8%	-81.2%	362.8%	22.2%
ROE	10.2%	11.9%	2.1%	9.0%	10.3%
ROIC	5.1%	6.1%	0.6%	3.8%	4.1%
Net debt/EBITDA (times)	-20.9	0.3	1.9	3.8	4.6
EV/EBITDA (times)	-292.1	16.3	55.3	16.9	12.6
PER (times)	17.9	13.5	71.5	15.4	12.6
PBR (times)	1.7	1.5	1.5	1.4	1.2
DPS (VND)	0	0	0	0	0
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%

Leverage ratios increased to finance for many new projects. In 3Q2025, total debts balance increased by nearly VND1 trn, to over VND27 trn while cash and cash equivalent declined by VND8.7 trn, to VND11.3 trn. Thus, in 9M2025, Net debt/Equity ratio rose from 8.2% to 60.2%, much higher than the industry median of -11.5%. Net debt/EBITDA jumped from 2.1x to 6.5x, much higher than the industry median of -0.7x.

Overall, the outlook for the IP segment has improved as framework agreements between the US and Vietnam were announced in late October 2025 and tariff rates applied for Vietnam remain unchanged from those announced in late July 2025, which were much better than those announced in early April 2025 and on par with neighbouring countries. Registered FDI in 10M2025 increased by 15.6% YoY, to USD31.5 bn and disbursed FDI grew to USD21.3 bn (+8.8 YoY), the highest in the last 5 years.

We keep our 2025 forecast unchanged. For 2026, we estimate revenue of VND10,807 bn (+52% YoY) and NPAT of VND2,938 bn (+36% YoY) mainly thanks to deliveries at Hung Yen ICs, Trang Due 3 IP, Nam Son Hap Linh IP and Trang Cat urban area. **We roll forward target price to VND41,900/share at YE2026 and upgrade our rating from Neutral to Outperform** as stock price has decreased by 10% since our update report on 08/22/2025.

Table 1: 3Q2025 and 9M2025 business results

Unit: VND billion	3Q2024	3Q2025	YoY Change	9M2024	9M2025	YoY Change	2025 Plan	% completion
Revenue	950	1,347	42%	1,994	5,039	153%	10,000	50%
Of which: IP	585	851	45%	1,117	3,681	230%		
Residential property	196	285	45%	422	696	65%		
Warehouse, factory leasing	53	64	20%	144	175	21%		
Water, Power supply	116	144	24%	311	354	14%		
Others	0	4	5888%	1	133	20139%		
Gross profit	360	784	118%	898	2,588	188%		
Financial income	116	90	-23%	294	388	32%		
Financial expenses	85	237	177%	193	461	138%		
SG&A expenses	132	207	57%	412	504	22%		
NPAT	201	312	55%	397	1,563	293%	3,200	49%

Sources: KBC, ACBS.

Table 2: US reciprocal tariffs

Nation	Tariff announced on 2/4/2025	Tariff announced on 31/7/2025
Vietnam	46%	20%
Indonesia	32%	19%
Malaysia	24%	19%
Philippines	17%	19%
Thailand	36%	19%
Cambodia	49%	19%
Laos	48%	40%
Myanmar	44%	40%
India	26%	25%
Pakistan	30%	19%
Bangladesh	37%	20%

Source: USTR

Table 3: KBC's Industrial Parks

No.	Project	Location	KBC's stake	Total area (ha)	NLA (ha)	Occupancy rate	Avg. leasing rate (USD/sqm/remaining term)	Progress
Fully occupied IPs								
1	Que Vo 1 IP	Bac Ninh	100.0%	311	192	100.0%		
2	Que Vo 2 IP	Bac Ninh	100.0%	300	173	100.0%		
3	Quang Chau IP	Bac Ninh	89.0%	426	307	100.0%		
4	Trang Due 1 IP	Hai Phong	89.3%	188	129	100.0%		
5	Trang Due 2 IP	Hai Phong	89.3%	214	133	100.0%		
Operating IPs								
6	Nam Son Hap Linh IP	Bac Ninh	100.0%	300	204	67.8%	153	Remaining NLA of 66 ha.
7	Quang Chau exp. IP	Bac Ninh	96.5%	90	67	96.0%	127	
8	Tan Phu Trung IP	HCMC	72.8%	543	346	74.3%	223	Remaining 33 ha has not been compensated. Remaining NLA of 77 ha.
9	Hung Yen IC	Hung Yen	96.3%	225	160	53.60%	125	Remaining NLA of 74 ha
10	Trang Due 3 IP	Hai Phong	89.3%	653	456	n/a	n/a	Approved in 1/2025. Waiting for construction permit
Upcoming IPs								
11	Trang Due IC	Hai Phong	89.3%	59	n/a	n/a	n/a	Had 1/500 Plan in 2/2024
12	Trang Cat IP	Hai Phong	100.0%	206	126	n/a	n/a	
13	Phuoc Vinh Dong 1 IC	Tay Ninh	100.0%	50	35	n/a	n/a	
14	Phuoc Vinh Dong 2 IC	Tay Ninh	89.0%	49	31	n/a	n/a	Under land clearance
15	Phuoc Vinh Dong 4 IC	Tay Ninh	72.8%	50	36	n/a	n/a	
16	Tan Tap IC	Tay Ninh	89.3%	71	42	n/a	n/a	
17	Tan Tap IP	Tay Ninh	66.0%	654	461	n/a	n/a	Under land clearance
18	Loc Giang IP	Tay Ninh	72.8%	687	456	n/a	n/a	Under land clearance. Reimbursed 200 ha
19	Kim Thanh 2 – Phase 1	Hai Phong	96.3%	235	158	n/a	n/a	Approved in 1/2025. Reimbursed 80 ha
20	Que Vo 2 expansion	Bac Ninh	100.0%	140	95*	n/a	n/a	Approved in 4/2025
21	Song Hau 2	Can Tho	100.0%	380	258*	n/a	n/a	Approved in 6/2025. Under land clearance.
22	Binh Giang	Hai Duong	100.0%	148	101*	n/a	n/a	Approved in 6/2025. Under land clearance.
23	Phu Binh	Thai Nguyen	100.0%	675	549*	n/a	n/a	Approved in 6/2025. Under land clearance. Cleared 32 ha.

Sources: KBC, ACBS.
Note: *ACBS estimation

Table 4: KBC's residential projects

No.	Project	Location	KBC's stake	Total area (ha)	Progress
1	Diplomatic Area	Hanoi	100%	2.0	Looking for partners to co-develop
2	Phuc Ninh urban area	Bac Ninh	100%	136.5	Compensated 88.2 ha. Completed 119/150 townhouses/villas. Had 121 land use right certificates. Received bookings for 12ha with a total sales value of VND1.6 trn and recognized revenue of VND346 bn for 2.51 ha. Completing legal procedures to continue to recognize revenue.
3	Tan Phu Trung residential area	HCMC	73%	47.7	Fully compensated. Completing legal procedures.
4	Trang Cat urban area	Hai Phong	100%	584.9	Compensated 582ha, ground filled 80ha, paid land use fee, received adjusted 1/500 Plan in 10/2023 and adjusted investment in principle in 1/2025. Expect to start construction from 2026.
5	Trang Due urban area	Hai Phong	89%	42.1	15 villas have not been recorded revenue and commercial & service land has not been put into operation. Social housing project: Phase 1 of 3 blocks and 768 apartments was delivered from 2024. Phase 2 of 4 blocks was constructed from 3Q2024.
6	Social houses in Nenh town	Bac Giang	76%	12.6	Phase 1: Deliver and record revenue for 10 blocks Phase 2: Construct 5 blocks in 1/2025 and expect to deliver from 2026.
7	Loc Giang resettlement area	Long An	73%	31	Completing 1/500 Plan, compensation and infrastructure construction
8	Tan Lap resettlement area	Long An	89%	11.9	Completing legal procedures
9	Phuoc Vinh Dong 2 IC resettlement area	Long An	89%	10.5	Completing legal procedures
10	Phuoc Vinh Dong 4 IC resettlement area	Long An	73%	10.5	Completing legal procedures
11	Hung Yen Provincial Convention Center	Hung Yen	96%	45	n/a
12	Khoai Chau urban complex, eco-tourism and golf course	Hung Yen	96%	990	Start construction from 5/2025
13	Hai Phong Central Point	Hai Phong	n/a	4.7	8 blocks and 1,500 condos Start construction from 7/2025

Sources: KBC, ACBS.

KBC FINANCIALS MODEL	Price (VND):	35,600	Target (VND):	41,900	Mkt cap (VND bn):	33,715
(VND bn except where stated)		2022	2023	2024	2025F	2026F
Total Net Sales		950	5,618	2,776	7,100	10,807
<i>Sales growth</i>		-77.6%	491.2%	-50.6%	155.8%	52.2%
CoGS ex-dep'n		608	1,791	1,327	3,491	5,842
SG&A		510	813	558	694	1,056
<i>SG&A as % of sales</i>		53.7%	14.5%	20.1%	9.8%	9.8%
EBITDA		-168	3,015	890	2,915	3,908
<i>EBITDA margin</i>		-17.7%	53.7%	32.1%	41.1%	36.2%
Depreciation		76	133	165	182	200
Operating profit		-245	2,882	725	2,733	3,708
<i>Operating profit margin</i>		-25.7%	51.3%	26.1%	38.5%	34.3%
Profit/loss from associates and JVs		2,187	(8)	16	16	16
Financial income (excl. saving interest)		0	112	7	0	0
Financial expenses (excl. interest expense)		73	47	-10	15	17
Net interest expense		469	353	112	850	1,236
<i>as % of avg. net debt</i>		15.7%	15.8%	8.5%	13.4%	8.5%
Other profit/loss		10	17	-211	0	0
Tax		120	646	299	538	734
<i>Effective tax rate</i>		7.1%	22.4%	41.5%	20.0%	20.0%
NPAT		1,577	2,245	423	2,153	2,938
Minorities		50	214	41	209	286
NPATMI		1,526	2,031	382	1,943	2,652
<i>Net profit margin</i>		160.6%	36.1%	13.8%	27.4%	24.5%
Cash earnings		1,603	2,163	547	2,125	2,852
Number of shares (m)		768	768	768	942	942
EPS (VND)		1,993	2,646	498	2,305	2,816
Bonus factor (x)		1.0	1.0	1.0	1.0	1.0
Adjusted EPS (VND)		1,993	2,646	498	2,305	2,816
<i>EPS growth</i>		67.5%	32.8%	-81.2%	362.8%	22.2%

KEY CASHFLOW AND BS ITEMS	2022	2023	2024	2025F	2026F
Increase in working capital	629	-853	4,797	9,919	4,264
Capex	274	1,251	475	475	475
Other cash flow items	-2,072	795	3,990	-5,200	-5,200
Free cash flow	-1,372	2,560	-736	-13,469	-7,087
Share issues	335	130	1	4,162	-
Dividends paid	0	130	0	-	-
Increase in net debt	1,037	-2,560	735	9,306	7,087
Net debt, end of year	3,514	954	1,689	10,995	18,082
Shareholders' equity	17,846	20,221	20,645	26,750	29,403
Minority interest	1,777	2,045	2,087	2,296	2,525
BVPS (VND)	20,933	23,679	24,176	25,967	28,540
<i>Net debt / equity</i>	<i>19.7%</i>	<i>4.7%</i>	<i>8.2%</i>	<i>41.1%</i>	<i>61.5%</i>
<i>Net debt / EBITDA (x)</i>	<i>-20.9</i>	<i>0.3</i>	<i>1.9</i>	<i>3.8</i>	<i>4.6</i>
Total assets	34,907	33,434	44,730	60,142	69,881

KEY RETURN AND VALUATION RATIOS	2022	2023	2024	2025F	2026F
<i>ROE</i>	<i>10.2%</i>	<i>11.9%</i>	<i>2.1%</i>	<i>9.0%</i>	<i>10.3%</i>
<i>ROA</i>	<i>5.0%</i>	<i>6.3%</i>	<i>1.0%</i>	<i>3.9%</i>	<i>4.2%</i>
<i>ROIC</i>	<i>5.1%</i>	<i>6.1%</i>	<i>0.6%</i>	<i>3.8%</i>	<i>4.1%</i>
<i>WACC</i>	<i>13.3%</i>	<i>14.0%</i>	<i>13.6%</i>	<i>12.0%</i>	<i>8.8%</i>
<i>EVA</i>	<i>-8.2%</i>	<i>-7.9%</i>	<i>-13.0%</i>	<i>-8.3%</i>	<i>-4.6%</i>
<i>PER (x)</i>	<i>17.9</i>	<i>13.5</i>	<i>71.5</i>	<i>15.4</i>	<i>12.6</i>
<i>EV/EBITDA (x)</i>	<i>-292.1</i>	<i>16.3</i>	<i>55.3</i>	<i>16.9</i>	<i>12.6</i>
<i>EV/FCF (x)</i>	<i>-35.9</i>	<i>19.2</i>	<i>-66.9</i>	<i>-3.7</i>	<i>-6.9</i>
<i>PBR (x)</i>	<i>1.7</i>	<i>1.5</i>	<i>1.5</i>	<i>1.4</i>	<i>1.2</i>
<i>PSR (x)</i>	<i>35.3</i>	<i>6.0</i>	<i>12.1</i>	<i>4.7</i>	<i>3.1</i>
<i>EV/sales (x)</i>	<i>51.8</i>	<i>8.8</i>	<i>17.7</i>	<i>6.9</i>	<i>4.6</i>
<i>Dividend yield</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>

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DISCLAIMER

Our Recommendation System

BUY: Expected prospective total return (including dividends) in VND will be 20% or more within 12 months

OUTPERFORM: Expected prospective total return (including dividends) in VND will be from 10% to 20% within 12 months

NEUTRAL: Expected prospective total return (including dividends) in VND will be from -10% to 10% within 12 months

UNDERPERFORM: Expected prospective total return (including dividends) in VND will be from -20% to -10% within 12 months

SELL: Expected prospective total return (including dividends) in VND will be less than -20% within 12 months

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