



Company Report: Kinh Bac City Development Holding Corporation (HOSE: KBC)

Equity Analyst
 Nhu Vu Quynh
 Mail: nhuvq@gtjas.com.vn – ext 702

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Update on Q1/2024 business result and AGM

On 19/06 morning, Kinh Bac City Development Holding Corporation (HoSE: KBC) held its 2024 Annual General Meeting of Shareholders (AGM). The main topics included updates on the legal progress of the Trang Due 3 Industrial Park, Trang Cat Urban Area, Phuc Ninh Urban Area projects, and the strategy for developing industrial park and residential land funds in the mid to long term.

Notably, KBC proposed to increase its equity capital through a private placement, issuing 250 million shares. The proceeds will be used to i) increase working capital, ii) repay part of the current debt, and iii) invest in subsidiaries to expand KBC's operations.

We maintain a conservative view on KBC's short-term prospects due to the continuous delays in ongoing projects and the generally sluggish market conditions. However, revenue and profit for 2024 remain secured thanks to the large ready-to-lease land bank and the company's active engagement with major corporate leaders to attract tenants:

- The handover of the remaining parts of Nam Son Hap Linh, Quang Chau Expansion, and Tan Phu Trung Industrial Parks will be concentrated in the second half of 2024, with an expected handover of 87 hectares of land across these three industrial parks. Additionally, we now anticipate the handover of the Trang Due 3 Industrial Park project to occur in the first half of 2025.
- For the residential real estate segment, the Phuc Ninh and Trang Cat projects are expected to be resolved following the enactment of the 2024 Land Laws.

Recommendation:

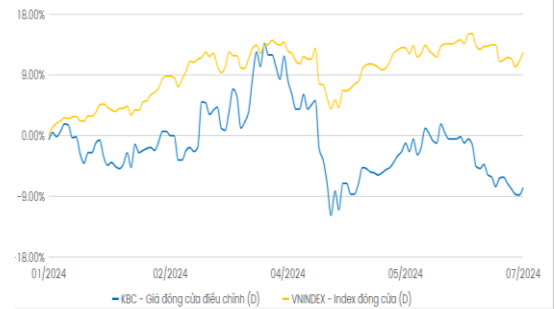
We recommend **"BUY"** for KBC shares with a target price of VND 35,250 per share (a potential increase of 20.32% compared to the current market price).

Recommendation: **BUY**

6-18m TP: **35,250**
(+20.32%)

Current price: VND 29,300

Price performance



Price change	1 M	3 M	1Y
% Abs.	-9.29	-0.15	-0.02
% Rel to VNIndex	-0.80	-0.92	12.82
Avg price (VND)	30,480	30,900	31,540

Source: Fii n X, Guotai Junan (VN)

Shares in issue (m)	767.6	Major shareholder	Dang Thanh Tam 18.06%
Market cap. (VND b)	22,490.8	Free float (%)	75%
3-month average vol. ('000)	6,106	D/E	0.95
52 week high/ low (VND)	36,600/25,200		

Source: Bloomberg, Guotai Junan (VN).



1. Update on Q1/2024 business results

Items	Q1/2023	Q1/2024	%YoY	Notes
Net revenue	2,214	152	-93%	Only completed 2% of the 2024 revenue plan (9,000 billion VND)
<i>Industrial land lease and infrastructure management fee</i>	2,068	0	-100%	KBC did not record any project handovers in the industrial park segment, which is the core business activity and the main driver of annual revenue growth.
<i>Transfer of urban area projects</i>	21	15	-30%	
<i>Industrial service charges (clean water, electricity, service fees, wastewater treatment)</i>	97	93	-4%	
<i>Ready built warehouse, factory and office rental</i>	28	44	61%	
COGS	669	78	-88%	
Gross profit	1,551	74	-95%	
<i>Gross profit margin</i>	70.1%	48.5%	-2126ppt	
Financial Income	155	68	-56%	The decrease is due to the lack of financial income from investment transfers compared to the same period last year.
Interest expense	-132	-54	-59%	Financial expenses decreased as there were no bond issuance costs and interest expenses reduced. However, the company incurred an additional provision for investment loss of 131m VND.
Selling cost	-151	-4	-98%	Total selling and administrative expenses (SG&A) decreased significantly compared to the same period last year; however, the drop in revenue caused the SG&A expense ratio to soar from 11.5% to 75.1%.
Administrative cost	-105	-111	6%	
<i>%SG&A/ Net revenue</i>	11.5%	75.1%	6358 ppt	
Operating profit/(loss)	1,315	-33	-103%	
Net profit/(loss) before tax	1,314	-36	-103%	
Net profit/(loss) after tax	1,056	-77	-107%	The loss of 77 billion VND is a long way from the target to achieve a profit of up to 4,000 billion VND in 2024.
<i>Net profit margin</i>	47.7%	-50.4%	-9809ppt	

Gross profit margin by business segment

<i>Industrial land lease and infrastructure management fee</i>	71%	-	
<i>Transfer of urban area projects</i>	34%	35%	
<i>Industrial service charges (clean water, electricity, service fees, wastewater treatment)</i>	60%	51%	
<i>Ready built warehouse, factory and office rental</i>	48%	47%	

Source: KBC, GTJAVN

At the end of the Q1/2024, the balance of cash and short-term deposit investments surged from 848.5 billion VND to 6.24 trillion VND, an increase of nearly 5.4 trillion VND compared to the end of 2023. This was due to the deposit for the Trảng Cát Urban Area project (through a real estate brokerage contract with Saigon – Hàm Tân Tourism Joint Stock Company (SGHT) allowing SGHT to provide exclusive brokerage services for over 40.5 hectares of residential land in the Trảng Cát Urban Area project, equivalent to approximately 14 million VND per square meter). We predict that this deposit may be used by KBC to pay for the land use fees for the additional commercial areas according to the revised plan of the Trảng Cát Urban Area project, in return for which SGHT will have the right to sell over 40 hectares of commercial land with better brokerage profits.

2. 2024 AGM Update (June 19th, 2024)

Update on ongoing projects

- **Trang Due 3 Industrial Park (Hai Phong):** The project is awaiting approval from the Prime Minister for investment decision. The investment proposal has been forwarded to the Ministry of Planning and Investment after amendments from Hai Phong City. According to KBC, many investors have registered to invest in Trang Due 3 Industrial Park, and KBC is collaborating with LG and its subsidiaries. Legal procedures for Trang Due 3 Industrial Park are in the final stages, expected to be completed and operational in 2024. With a cleared area of over 200 hectares, KBC expects to sign contracts for approximately 90 hectares with LG, of which 50 hectares are ready for immediate handover upon early approval of the investment proposal.
- **Nam Son Hap Linh Industrial Park:** There are nearly 100 hectares of commercial land ready for lease. However, KBC still needs to accelerate compensation, land clearance, and complete infrastructure to attract new tenants.

POTENTIAL FDI PROJECTS FOR LAND LEASE AT KBC'S INDUSTRIAL PARK IN 2024

Industrial park	Project field	Country	Area
Nam Son Hap Linh (Bac Ninh)	Manufacture of plastic products	China	30 ha
	Manufacture of aluminum components	China	20 ha
	Warehouse, logistic	Singapore	18 ha
	Manufacture of household electronic devices	China	15 ha
	Printed circuit board (PCB) production	Taiwan	14 ha
Trang Due 3 (Hai Phong)	Manufacture of induction cookers and grills	China	60 ha
	CNC battery production	Korea	20 ha
Phu Binh (Thai Nguyen)	Manufacture of electronic components	China	20 ha

Source: KBC, GTJAVN

- **Phuc Ninh Urban Area (Bac Ninh):** Awaiting legal approval from local authorities.
- **Trang Cat Urban Area (Hai Phong):** While awaiting approval for the remaining legal procedures, KBC is proceeding with land clearance and infrastructure construction for the project. Compensation has been completed for 581.9 hectares (out of a total of 584.1 hectares), and 80 hectares have been leveled. The leadership expects the profit margin at Trảng Cát Urban Area to potentially expand due to (1) the rising trend in housing prices in Hai Phong and (2) low costs since the company paid the land use fees many years ago.
- Additionally, KBC has received approval for the investment policy and investor acceptance at several industrial parks and economic clusters such as **Tan Tap Industrial Park** and Loc Giang in Long An province, the supporting industrial cluster at Trang Due (58.7 hectares in Hai Phong), **Tan Tap cluster**, and **Phuoc Vinh Dong** (in Long An province). KBC will need additional capital for land clearance and compensation for these projects to make commercial land available for new investors to lease.

Private placement plan: KBC proposes to increase its equity through a private placement, under which KBC will issue 250 million shares at a minimum price equal to 80% of the average closing price of the 30 trading sessions preceding the approval date of the private placement by the State Securities Commission of Vietnam (SSC) and not lower than the book value per share as per the latest standalone financial statements at the time the KBC Board of Directors implements the offering plan. The proceeds will be used to i) increase working capital, ii) pay down part of the current debt, and iii) invest in subsidiaries to expand KBC's operations.

Company Plan for 2024: KBC's leadership maintains the 2024 plan approved at the extraordinary general meeting of shareholders in March 2024, with projected revenue and net profit after tax (NPAT) of 9,000 billion VND (+60% YoY) and 4,000 billion VND (+78% YoY), respectively.

Dividends: No dividend payment is planned.

GTJA Research's viewpoint: KBC's key projects, including Trang Due 3, Nam Son Hap Linh Industrial

Park, and Trang Cat Urban Area, have progressed to the final stages of legal completion to attract tenants and facilitate handovers. In the context of KBC's increasingly limited commercial land fund, the progress of product handovers at these projects is crucial for the company's growth potential. We expect the private placement to be completed soon to support KBC in land clearance and compensation for the projects that have received investment approval, thereby ensuring the timely availability of land for future handovers.

3. Investment Thesis

3.1. Business prospects

3.1.1. The industrial real estate segment – core business line that ensures growth for KBC.

We expect KBC to hand over a total of 87 hectares from the three operating industrial parks: Nam Son Hap Linh, Tan Phu Trung, and Quang Chau Industrial Park.

We expect KBC's business performance in the second half of the year to improve compared to the first half, driven by revenue and profit recognition from the handover of existing industrial parks, including:

- Handover of the remaining 17 hectares at Quang Châu Industrial Park, where an MOU has been signed,
- Handover 3 hectares of signed MOU at Tan Phu Trung Industrial Park, along with the expected new rental area in 2024, totaling 30 hectares

Additionally, as of Q3/2023, although there were 25 hectares under MOU at Nam Son Hap Linh, KBC was unable to hand over land to customers. The main reason was that Tien Du district had exhausted its land use quota, so the District People's Committee could not approve additional land for KBC to complete land clearance, infrastructure construction, and hand over the remaining area to customers. This issue was completely resolved in Q1/2024 when:

(1) The government approved Decision 227/QĐ-TTG on March 12, 2024, adjusting provinces' land use quota until 2025. Consequently, Bac Ninh Province increased its quota by 780 hectares, from 4,760 hectares to 5,540 hectares. This provides a basis for Bac Ninh province to allocate additional land use quotas to districts.

(2) In January 2024, Tien Du district (Bac Ninh Province) signed Decision 657/QĐ-UBND, including 55 hectares of Nam Son Hap Linh Industrial Park in the 2024 land use plan.

Based on (1) the increased land use quota for Tien Du district, Bac Ninh Province, and (2) KBC's 25 hectares under MOU and 15 hectares expected to hand over to Foxconn within 2H24, we expect KBC to hand over 40 hectares from this project by the end of the year.

Trang Due 3 Industrial Park is unlikely to become operational in 2024 due to slow legal progress.

For Trang Due 3, our initial expectation of receiving investment approval in the first half of 2024 and starting to recognize revenue from the second half of 2024 has not been met due to delays in legal procedures. We now anticipate that KBC will receive investment approval in the second half of 2024 and begin recognizing revenue in the first half of 2025. With 200 hectares already cleared, we expect KBC to be able to hand over 90 hectares to LG Group (a former client from Trang Due 1 and 2) in 2025, as committed in the investment agreement with the group. This is projected to generate over 3,700 billion VND in revenue and 900 billion VND in net profit after tax in 2025 (GPM 47%).

The large reserve of industrial land currently being developed in Hung Yen (245 hectares), Long An (1,057 hectares), and the two industrial parks in Can Tho (1,320 hectares) ensures long-term growth.

In early June 2024, KBC discussed with the leadership of Can Tho province the investment proposal for the O Mon Industrial Park (250 hectares) and the Co Do - Thoi Lai Industrial Park (1,070 hectares) in the city, with total investment value of 4,200 billion VND and 12,800 billion VND, respectively. Along with projects whose the legal procedures KBC is currently undertaking in Bac Ninh, Hai Phong, Thai Nguyen, Tien Giang, Hau Giang, and Vung Tau, this will ensure a long-term industrial land fund for the company, ready to meet the large leasing demand in the context of increasing FDI inflows into Vietnam.

3.1.2. The residential real estate segment

In the second half of 2024, we expect KBC to complete the handover of the remaining 15 villas at Trang

Due Urban Area (Hai Phong).

We expect the Phuc Ninh Urban Area to complete the final land valuation procedures with the relevant authorities by the first half of 2025 (after the real estate laws come into effect) and to hand over the project to customers in 2025.

Launching the sales of the project at Trang Cat Urban Area is unlikely to happen this year, with potential only after the revised Land Law comes into effect.

We maintain a conservative outlook on the growth prospects of the Trang Cat Urban Area project given that the housing real estate market has not shown any sustainable signs of improvement and the three real estate laws have not yet come into effect



The distance of the urban area from the city center and industrial zones, as well as the incomplete surrounding infrastructure, are also barriers to sales performance when the project is launched. We expect KBC to receive approval for the revised investment policy from 2024 to the first half of 2025 and complete the land use rights payment for the additional commercial area in 2025. After that, KBC can launch the project in the second half of 2025 and begin recognizing revenue in 2026.

3.2. Investment catalyst

3.2.1 The industrial real estate sector has significant growth potential driven by a positive wave of FDI following enhanced cooperation with major countries.

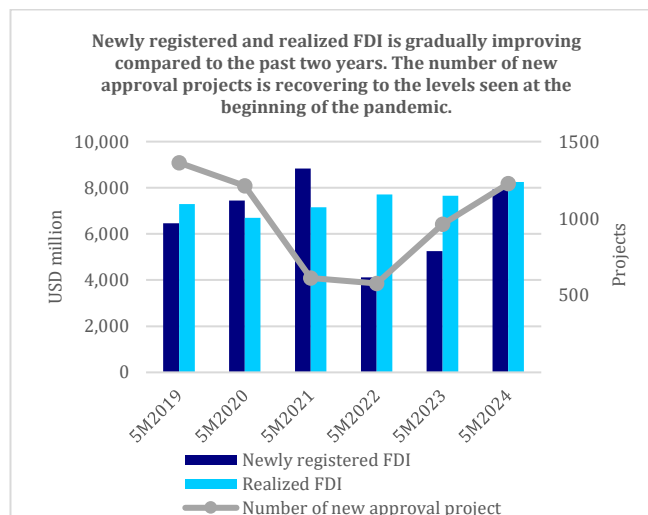
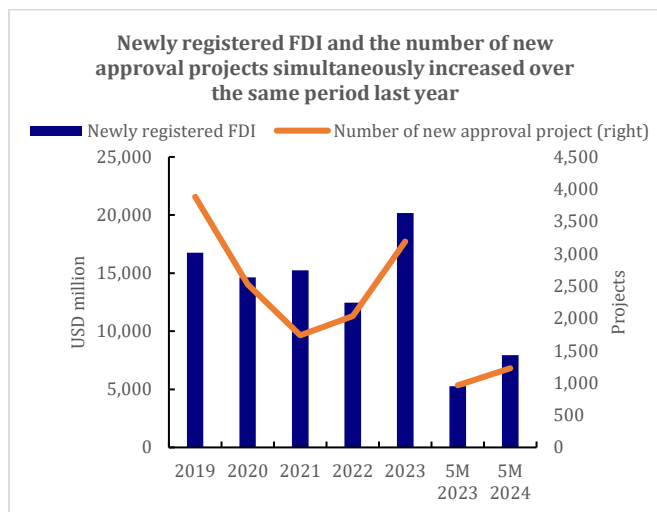
Rental demand surge, driven by investment capital from major countries.

The boost from upgrading diplomatic relations between Vietnam and major countries, particularly the US, Japan, South Korea, and the EU, has created a ripple effect on the inflow of FDI from these regions into Vietnam. Additionally, Vietnam continues to benefit from the trend of diversifying supply chains beyond China due to its proximity to China, a young and abundant workforce, and significantly lower average production costs.

In June, several important events are forecasted to have a positive impact on attracting FDI in the near future. First, Prime Minister Pham Minh Chinh made a significant visit to China to attend the Dalian 2024 World Economic Forum.

The Prime Minister also had an official visit to South Korea from June 30 to July 3. The visit was expected to include over 30 activities, more than half of which focused on economic matters. Besides official programs with high-level South Korean leaders, the Prime Minister participated in and spoke at three forums: the Business Forum, the Tourism Promotion and Cultural Cooperation Forum, and the Vietnam-South Korea Labor

Forum. Additionally, there were two discussions: one with leaders of South Korean economic organizations and another with South Korean intellectuals and scientists on semiconductors and artificial intelligence. The Prime Minister also met with representatives of leading South Korean corporations investing in Vietnam. This visit took place against the backdrop of the improving Vietnam-South Korea relationship, with expectations for a substantial increase in new FDI from South Korea in the near future. With a highly open economy, Vietnam is positioned to attract high-quality FDI from major global enterprises.

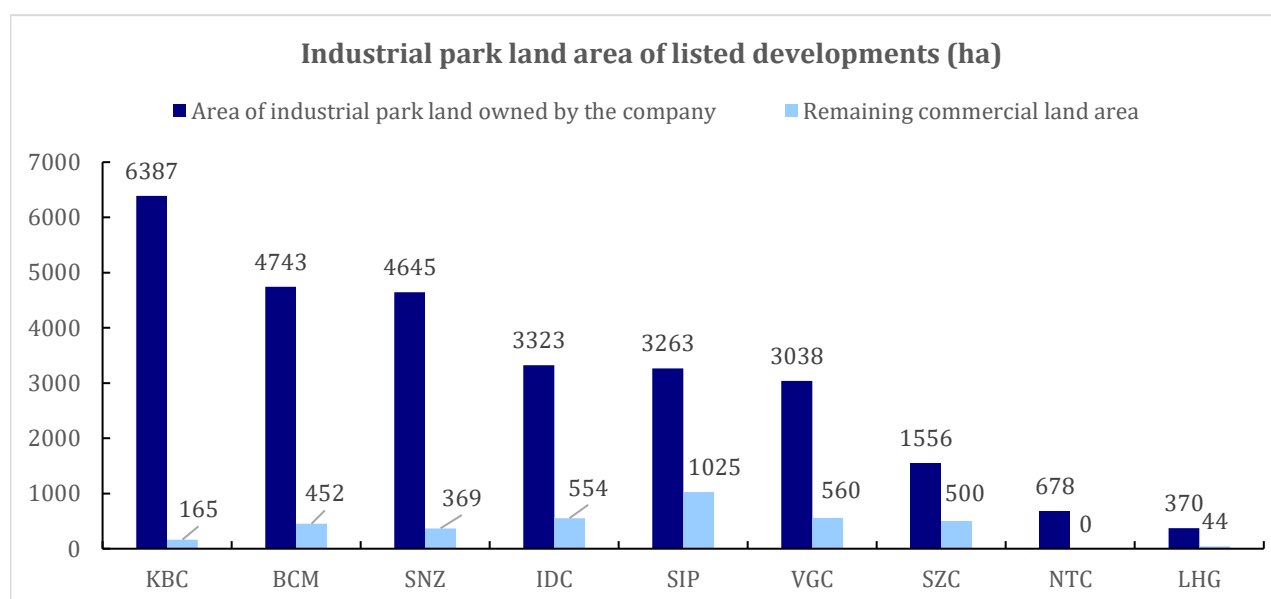


Source: MPI, GTJAVN

3.2.2 Large clean land reserves located in key industrial provinces and strong FDI attraction potential help shorten industrial park occupancy time

Large land reserve with extensive experience in industrial parks development

After more than 20 years of formation and development, KBC is now one of the leading industrial real estate developers. The area of KBC’s land reserve has been growing at an average annual rate of about 5%. By the end of 2022, the company’s industrial land area reached approximately 6,387 hectares (accounting for about 5.2% of the total industrial land area nationwide) and 1,263 hectares of urban land. The Trang Due 3 project, with a scale of 687 hectares and a leasable area of 456 hectares (with land clearance completed for over 200 hectares), benefits from a favorable location and tax incentives within the Dinh Vu - Cat Hai Economic Zone. Rental fee from Trang Due 3 is expected to drive business growth in 2024 and beyond, through 2024 – 2026. We anticipate that receiving the investment decision in the second half of 2024 will allow the company to add over 400 hectares of leasable land to its limited leasable land reserve.



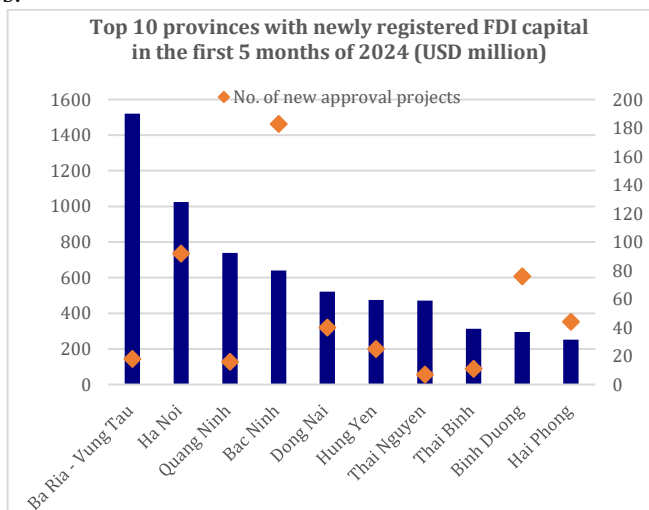
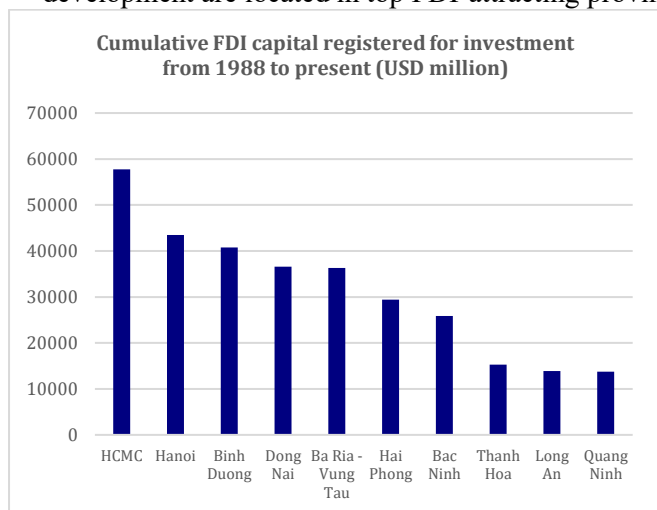
Source: GTJAVN summary

The industrial zones are located in advantageous transport areas and in key FDI-attracting provinces.

KBC's IP projects are spread across the three regions of North, Central, and South Vietnam, in key industrial cities such as Bac Ninh, Bac Giang, Hai Phong, Cu Chi - Ho Chi Minh City, and Long An. In addition to developing existing projects, KBC is also planning new projects in Hung Yen, Hai Duong, Quang Ninh, Tay Ninh, Vung Tau, and Tien Giang. The primary business area is the northern region, specifically the provinces of Bac Ninh, Bac Giang, and Hai Phong.

Regarding foreign direct investment (FDI), investors have invested in 47 provinces and cities nationwide in the first five months of 2024. Of these, the top 10 provinces and cities for new investment capital accounted for 74.7% of new projects and 75.2% of total investment capital during this period. Bac Ninh ranked third with a total registered investment capital of over \$1.06 billion, representing nearly 9.6% of the country's total investment. Ho Chi Minh City leads the country in the number of new projects (37.8%), capital adjustments (16.4%), and equity contributions and share purchases (71.1%).

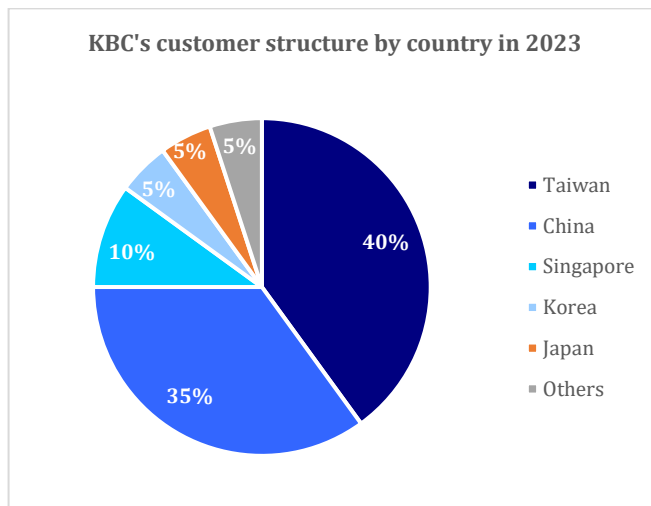
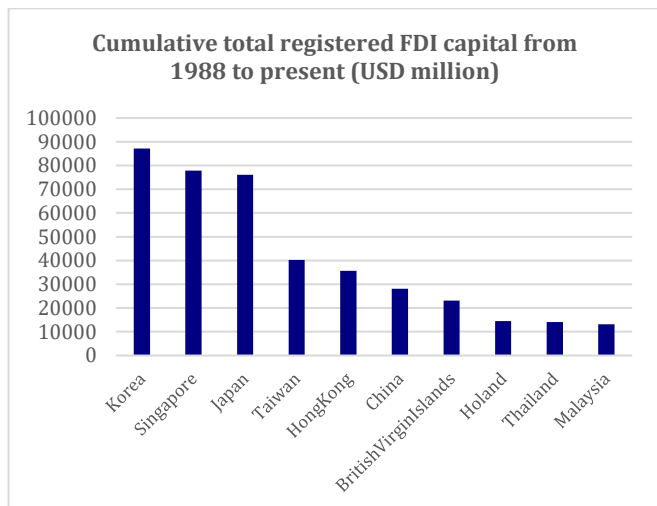
According to the Foreign Investment Agency, investment capital is concentrated in provinces and cities with significant advantages for attracting FDI (good infrastructure, stable labor force, efforts in administrative reform, and active investment promotion, etc.). All of KBC's industrial and urban area projects for lease or development are located in top FDI-attracting provinces.



Source: FiinProX, MPI, GTJAVN

KBC's major tenants primarily come from countries leading in FDI flows into Vietnam:

Over 90% of tenants in KBC's industrial parks are foreign enterprises from Taiwan, China, Singapore, South Korea, and other countries. Each industrial park hosts major tenants such as Canon, Foxconn, LG, JA Solar, Luxshare – ICT, Goertek, Fuyu, Jufeng, Ingrasys, and others. Among these, tenants from Taiwan and China are the primary customers in KBC's industrial parks. These countries are among the top 10 largest FDI investors in Vietnam in recent years. KBC's experience in collaborating with and maintaining good relationships with foreign tenants helps establish its brand, continue leasing land to existing tenants expanding their production (like LG and Foxconn), and attract new tenants from these countries in the China + 1 manufacturing shift.

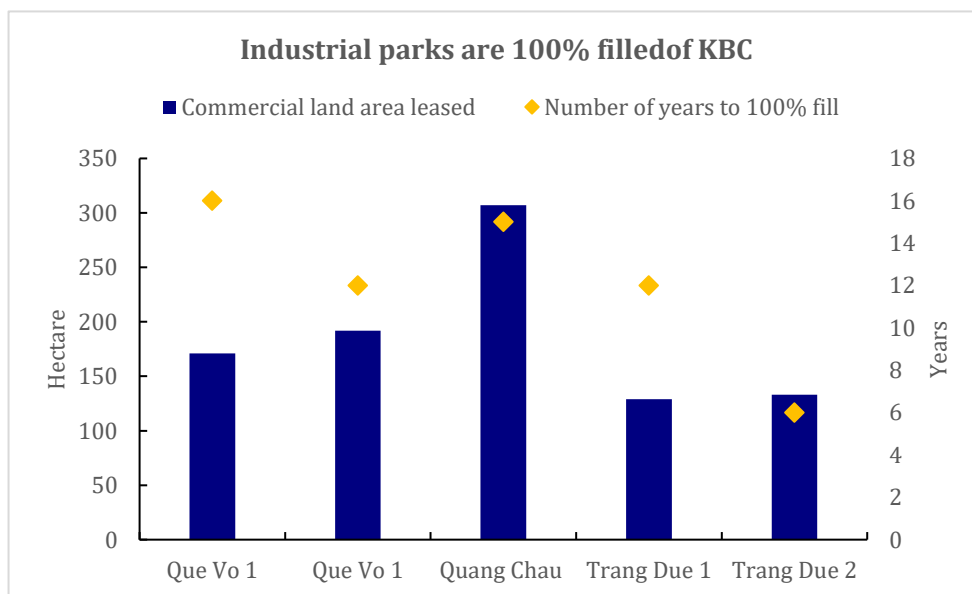


Source: KBC, FIA, GTJAVN

Sales progress improvement is reflected in the shortening fill-up periods of recent industrial parks

In the 5 industrial parks where KBC has achieved 100% occupancy, the fill-up period for newly sold parks has gradually shortened. While the first 4 parks took 12-16 years to fill, Trang Due 2 only took 6 years to reach full occupancy. Quang Chau Industrial Park, which began sales in 2022, has achieved a 75% fill rate in just 2 years, partly due to attracting major tenants like Foxconn with over 50 hectares delivered in 2023. Similarly, Nam Son Hap Linh Industrial Park quickly reached an occupancy rate of approximately 50% within just 2 years of operation.

Looking ahead, although Trang Due 3 Industrial Park has not yet been launched, the company has already secured investment commitments from LG Innotek for over 90 hectares for factory expansion. We expect that resolving legal and land clearance issues at these projects will help KBC maintain a similar fill-up rate for future industrial parks.



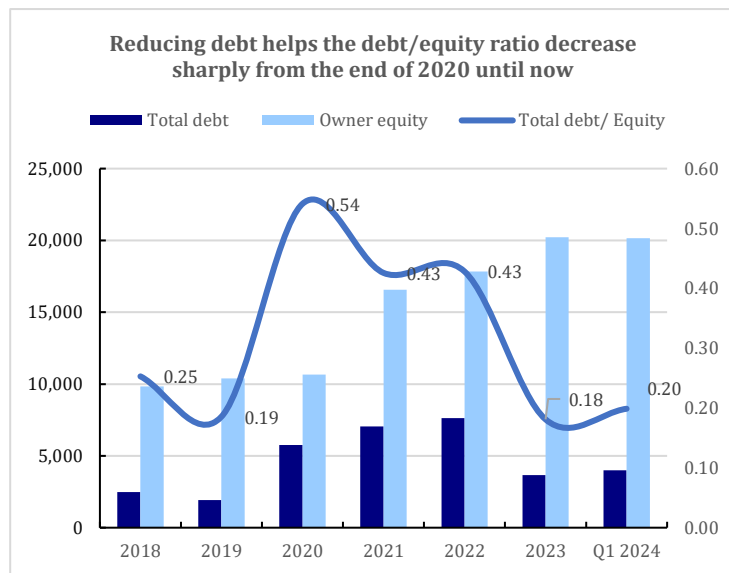
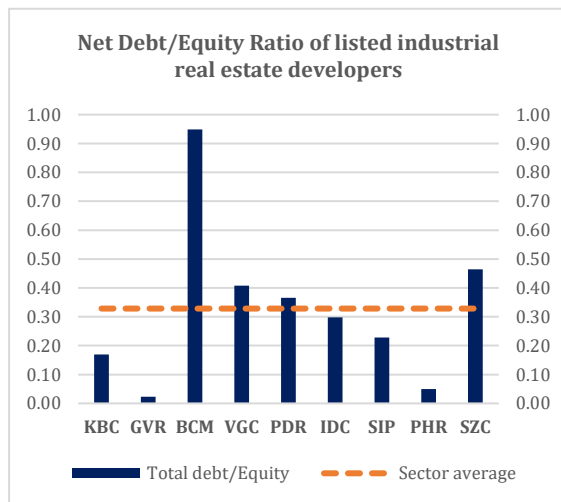
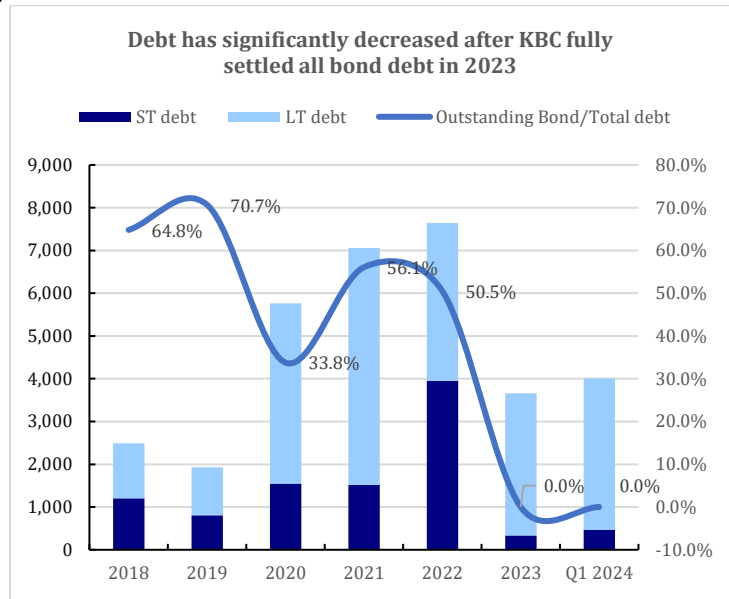
Source: KBC, GTJAVN

3.2.3 Stable financial health supports long-term growth

Capital restructure to lower financial leverage

Highlights of KBC's capital restructuring in 2023 include the successful repayment of bonds maturing in 2023, totaling approximately VND 3,900 billion, which reduced the company's bond debt to zero. This has brought KBC's debt-to-equity ratio down to 0.17, significantly lower than many industry peers and the sector average of 0.33.

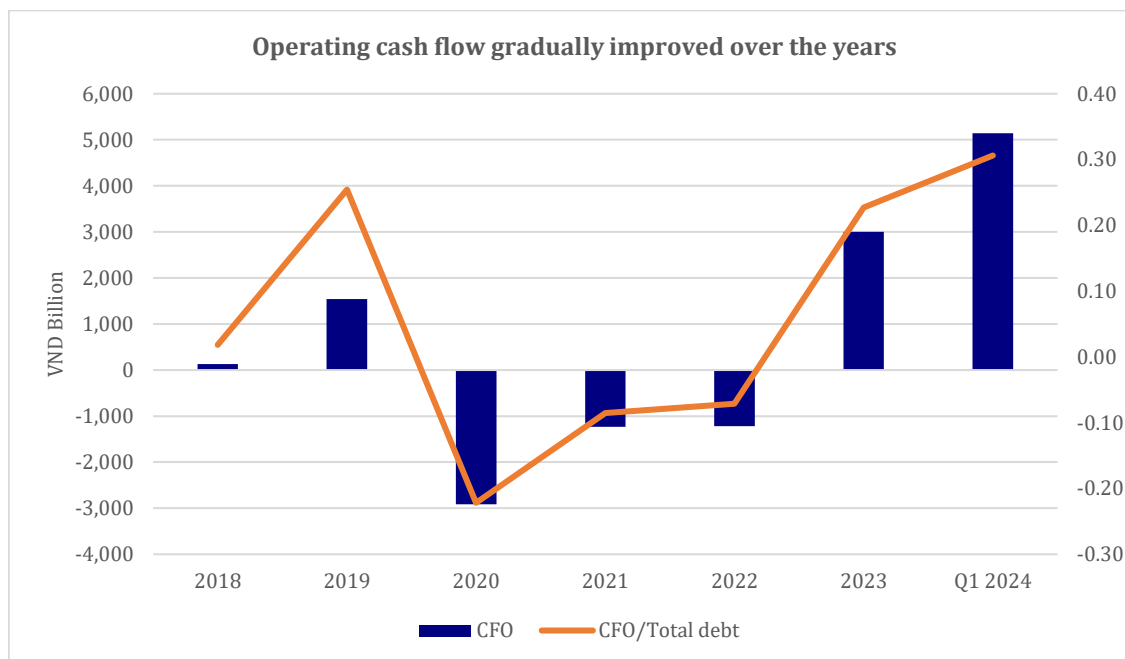
In a context where real estate companies face significant pressure from maturing corporate bonds, KBC's successful debt repayment underscores its solid financial health and ability to undertake future projects.



Nguồn: KBC, GTJAVN

Operating cash flow continued to improved

KBC's operating cash flow has progressively improved from 2020 to the end of Q1.24, turning positive by the end of 2023. This improvement aligns with the company's recent positive business performance, characterized by active land transfers, newly signed MOUs, and formal agreements. We anticipate that KBC will continue to maintain robust financial health, supporting its ambitions for future industrial and residential development projects.



Source: KBC, GTJAVN

Valuation and Recommendation

We maintain a **"BUY"** recommendation for KBC stock with a target price of VND 35,250 per share (representing a 20.32% upside potential compared to the closing price of VND 29,300 on July 2nd).

This target is derived from a Sum-of-the-parts valuation (SOTP) approach, reflecting KBC's extensive and diverse project portfolio, including industrial real estate, residential properties, and various stages of project development.

- Using the DCF method with a WACC assumption of 15.4% for projects currently operational and those expected to start operations between 2024 and 2025.
- Applying the P/B method for the Trang Cat and Phuc Ninh urban area projects.

We apply a 10% RNAV discount to account for market-related risks in the context of continued market volatility through the end of 2023.

Investment Risks:

- Risk of a slowdown in FDI inflows, leading to reduced demand for industrial land.
- Risk of delays in land clearance for Trang Due 3 and Trang Cat projects impacting project effectiveness.
- Increased land clearance costs following the enactment of the 2024 Land Law.
- Macroeconomic policy risks in Vietnam, trade barriers, and regional or global agreements involving Vietnam.



Project	Ownership	Valuation method	Valuation	Value belongs to KBC
Industrial partk projects				
Expanded Quang Chau	89%	DCF	209.8	187
Nam Son Hap Linh	100%	DCF	1701.5	1701
Tan Phu Trung	72.4%	DCF	1500.5	1087
Trang Due 3	86.5%	DCF	5115.3	4427
Industrial service charges	100%	DCF	1805.0	1805
Urban Areas				
Trang Cat	100%	P/B	11328.0	11328
Trang Due	86.5%	RNAV	239.0	207
Phuc Ninh	100%	P/B	1670.0	1670
Nenh Town social housing	76%	RNAV	511.0	388
Others	100%		160.0	160
Total				22960
+ Cash and cash equivalent				580
+ Short term investments				7515
+ Investments in subsidiaries				4372
+ Investments in associates				398
- Total debt				-4003
- Minor shareholders interest				-2054
Owner equity				29768
Number of shares outstanding				768
Target price (VND)				38781
Discount of 10%				35250
Current price				29300
Upside				+20.32%

WACC Assumption	
Market risk premium	9%
Risk-free interest rate	2.50%
Debt ratio	13%
Equity ratio	87%
Beta	1.6
Cost of capital	16.9%
Cost of using debt	7%
WACC	15.4%

OVERVIEW OF KBC PROJECTS

	Location	Leasable area	Occupancy rate	Price (USD/m2/term)	Notes	
Operating projects						
	Que Vo 1	Que Vo , Bac Ninh	171	100%	75	
	Que Vo 2	Que Vo , Bac Ninh	192	100%	90	
	Trang Due 1	An Duong, Hai Phong	129	100%	80	
	Trang Due 2	An Duong, Hai Phong	133	100%	85	
	Quang Chau	Viet Yen, Bac Giang	307	100%	130	
	Expanded Quang Chau	Viet Yen, Bac Giang	67	75%	130	Signed MOU of 17ha remaining The remaining leasable land is over 90 hectares, including:
	Nam Son Hap Linh	Tien Du, Bac Ninh	204	54%	142	- 60 hectares yet to be compensated - 25ha signed MOU, yet to be handed over
	Tan Phu Trung	Tan Phu Trung, HCMC	314	78%	182	Remaining leasable land ~ 69ha
Projects undergoing legal implementation and developing (expected)						
	Long An IP cluster	Long An	110.6	0%	120	Compensation and land clearance are in progress, and the investment approval has not yet been granted.
	Phuoc Vinh Dong 2	Phuoc Vinh Dong, Long An	32.4	0%		Has been issued an approved 1/500 construction plan
	Tan Tap cluster	Tan Tap, Long An	46.3	0%		
	Phuoc Vinh Dong 4	Phuoc Vinh Dong, Long An	31.9	0%		
	Hung Yen IP cluster	Hung Yen	245	0%	145	3 out of 5 industrial parks have received investment approval, are currently undergoing compensation and land clearance, and have been financed by banks
	Long An IP	Long An	947	0%	125	Investment approval has been granted since April 2022.
	Loc Giang		327	0%		Investment approval was granted in 2022; planning at a 1/2000 scale is underway. The provincial People's Committee has conducted land inventory, approved compensation unit prices, and assigned the management board to review the compensation plan.
	Nam Tan Tap		159	0%		Investment approval was granted in 2022; the master plan at a 1/5000 scale has been submitted; KBC has invested 348 billion VND.
	Tan Tap		461	0%		The 1/500 construction plan has been approved.
	Trang Due 3	An Duong, Hai Phong	456	0%	150	- Awaiting investment approval from the Prime Minister - Land clearance for 200 hectares has been completed.



URBAN AREA	Location	(Expected) launching	Leasable area (ha)	Notes
Phuc Ninh	Bac Ninh	2023	115	Awaiting approval of legal procedures to recognize revenue
Trang Cat	Hai Phong	2025E	42	Master plan at 1/500 scale is approved, awaiting building permit approval
Trang Due	Hai Phong	2019	3	The company is finalizing the procedures to recognize revenue for the remaining 15 villas in 2024. Additionally, the company is developing a master plan for the 73-hectare Trang Due Urban Area expansion project.
Trang Due social housing project	Hai Phong		585	Three buildings (768 units) of Phase 1 are under construction, with a plan to sell 80% of the apartments in 2024.
Nenh Town social housing project	Bac Giang		13	Five buildings are expected to be operational in 2024
Diplomatic Urban Area	Ha Noi		2	Looking for investment cooperation partners



COMPANY RATING DEFINITION

Benchmark: VN – Index

Time Horizon: 6 to 18 months

Rating	Definition
Buy	Relative Performance is greater than 15% Or the Fundamental outlook of the company or sector is favorable
Accumulate	Relative Performance is 5% to 15% Or the Fundamental outlook of the company or sector is favorable
Neutral	Relative Performance is -5% to 5% Or the Fundamental outlook of the company or sector is neutral
Reduce	Relative Performance is -15% to -5% Or the Fundamental outlook of the company or sector is unfavorable
Sell	Relative Performance is lower than - 15% Or the Fundamental outlook of the company or sector is unfavorable

SECTOR RATING DEFINITION

Benchmark: VN – Index

Time Horizon: 6 to 18 months

Rating	Definition
Outperform	Relative Performance is greater than 5% Or the Fundamental outlook of the sector is favorable
Neutral	Relative Performance is -5% to 5% Or the Fundamental outlook of the sector is neutral
Underperform	Relative Performance is lower than -5% OrThe Fundamental outlook of the sector is unfavorable

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GUOTAI JUNAN VIETNAM RESEARCH DEPARTMENT

Vu Quynh Nhu

Equity Analyst

nhuvq@gtjas.com.vn - ext:702

Tran Thi Hng Nhung

Deputy Director

nhungtth@gtjas.com.vn

(024) 35.730.073 – ext:703



CHỨNG KHOÁN GUOTAI JUNAN (VIỆT NAM)
GUOTAI JUNAN SECURITIES (VIETNAM)

CONTACT	Hanoi Head Office	HCMC Branch
Advising: (024) 35.730.073	R9-10, 1 st Floor, Charmvit Tower, 117 Trần Duy Hưng, Hà Nội	3 rd Floor, No. 2 BIS, Công Trường Quốc Tế, P. 6, Q.3, Tp.HCM
Stock ordering: (024) 35.779.999	Tel: (024) 35.730.073	Tel: (028) 38.239.966
Email: gtja@gtjas.com.vn Website: www.gtjai.com.vn	Fax: (024) 35.730.088	Fax: (028) 38.239.696