

KINHBAC CITY DEVELOPEMENT SHARE HOLDING CORP (HSX: KBC)

Sector: Industrial property

3Q24 result was not good enough to offset disappointed 9M24 accumulated result

3Q24 results: Keep rebound momentum following by signed MOUs

KBC reported that 3Q24 revenue surged by 284.5% yoy to VND950bn thanks to strong rebound of two core business: IP and residential. 3Q24 IP revenue increased by 22.5x times yoy as freezing 3Q23 with no IP land to be hand over. We estimated that KBC handed over about 15ha in 3Q24, in which 10ha from Ham Son Hap Linh IP and 5ha from Quang Chau expansion IP. Besides, 3Q24 residential revenue increased by 294.4% yoy to VND196bn thanks to start handing over a few units in social housing project in Nenh, Bac Giang.

Following that, 3Q24 gross profit increased by 224.4% yoy to VND360bn while GPM slightly reduced by 7.0% pts yoy. Thus, 3Q24 NPAT-MI showed a great recovery from the low base of 3Q23, with a 41.5x times yoy increase.

However, 9M24 accumulated results still far below our forecast

Combined with the disappointed 1H24 result due to limited handover activates, 9M24 revenue fall by 60.4% yoy to VND1,994bn, in which IP business (-75.6% yoy) showed a contrast trend with residential business (+ 5.3x times yoy).

Overall, 9M24 NPAT-MI declined by 81.7% yoy to VND352bn, just completed about 33.9% of our full-year forecast.

With limited unbilled backlog about 13ha at end 3Q24 (8.5ha from Tan Phu Trung, 2ha from Quang Chau expansion and 2.5 from NSHL), we expect KBC will receive positive signal for legal procedure of two key projects: Trang Due 3 IP and Trang Cat UA, to boost earnings results in next quarters.

KEY STATISTICS

52w Average Volume	6,116,102
Outstanding share (mn)	767.6
52w High/Low (VND)	36,100/24,350
Mkt Cap (VNDbn)	20,150
Free float	66%
Avail Foreign Room	22.5%
Beta	1.6

Share price performance	1M	3M	12M
KBC	-6.9%	-3.8%	-1.1%
VNINDEX	-2.3%	1.1%	20.7%



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(VNDbn)	3Q24	3Q23	%yoy	9M24	9M23	%yoy	9M24/FY24F
Revenue	950	247	284.5%	1,994	5,038	-60.4%	41.2%
_Industrial Property	585	26	2157.1%	1,117	4,567	-75.6%	29.2%
_Residential Property	196	50	294.4%	422	79	431.7%	78.7%
_Other	169	171	-1.5%	456	392	16.5%	94.8%
Gross profit	360	111	224.4%	898	3,309	-72.9%	34.9%
SG&A expenses	132	76	74.8%	412	672	-38.7%	71.3%
PBT	250	47	430.8%	600	2,652	-77.4%	41.2%
NP	201	19	986.2%	397	2,087	-81.0%	34.9%
NPAT-MI	196	5	4048.8%	352	1,925	-81.7%	33.9%
GPM	37.8%	44.9%	-7.0% pts	45.0%	65.7%	-20.7% pts	
NPM	20.6%	1.9%	18.7% pts	17.6%	38.2%	-20.6% pts	

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