

27/06/2022

## KBC – AGM note

Kinh Bac (HSX: KBC) held its AGM on 25/6/2022 with the following highlights:

- KBC's 2022 targets remained unchanged compared to EGM held at the beginning of the year with revenue of VND9.8trn (+128% YoY) and PAT of VND4.5trn (+474% YoY).
- KBC plans to sign a 50ha lease with a large corporation specializing in Apple products next week in Quang Chau Industrial Park (IP). An additional 90ha in this IP may be approved in the next month.
- KBC officially signed a leasing contract with OPPO 3 weeks ago (previously signed MOU) at Nam Son Hap Linh IP.
- In the near future, KBC is expected to be a pioneer in licensing high-tech industrial parks and ecological industrial zones according to Decree 35, especially in Hai Duong.
- Besides Hai Duong, Hung Yen, Long An, Tien Giang, Vung Tau, KBC is applying for a new IP project in Quang Ninh.
- In Bac Ninh, KBC has been allowed by the Bac Ninh Provincial People's Committee to establish 3 more IPs which it proposed last year.
- In 2022, KBC plans to raise ~VND10trn to invest in old and new projects in Hung Yen, Long An, Hai Duong, and Tien Giang.
- KBC is expected to start construction of a social housing project in Tan Phu Trung IP (47ha) in 2022. Currently, the company is constructing a social housing project (0.3ha) in Bac Giang.

**Comment:** Our 2022 forecast for KBC remained unchanged with revenue of VND8,858bn (+109% YoY) and PAT of VND3,733bn (+291% YoY), equivalent to 90% and 83% of the company's targets, respectively. We reiterate our Buy rating for KBC with a target price of nearly VND70k/share at YE22, equivalent to VND50k after stock bonus issuance and a private placement, please see our report [HERE](#) from June 9<sup>th</sup>, 2022 for further details on our recommendation.

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