



KDH Flash note - NEUTRAL

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AGM Flash note

Recommendation

NEUTRAL

HSX: KDH

Property

Target price (VND)

35,169

Market price (VND)

33,450

Expected share price return

5.1%

Expected dividend yield

0.0%

Expected total return

5.1%

Stock performance (%)

	YTD	1M	3M	12M
Absolute	9.2	-9.8	7.7	29.6
Relative	2.7	-1.7	7.6	14.8

Source: Bloomberg



Ownership

VinaCapital	11.0%
Dragon Capital	11.0%
Tien Loc Investment JSC	10.8%

Stock Statistics

23-Apr-24

Bloomberg code

KDH VN

52-week range (VND)	25,091 - 38,950
Shares O/S (m)	799
Mkt cap (VND bn)	27,416
Mkt cap (USD m)	1,076
Est. Foreign room left (%)	10.8
Est. free float (%)	58.8
3m avg daily vol (m)	3,519,250
VND/USD	25,488
Index: VNIIndex / HNX	1200.92/226.50

KHANG DIEN HOUSE TRADING AND INVESTMENT JSC (KDH VN)

Khang Dien held its 2024 Annual General Meeting of Shareholders on April 23, 2024 with the following highlights:

- **2024 business plan:** Revenue of VND3.9 trn (+87% YoY) and PAT of VND790 bn (+10% YoY) mainly coming from the handover of over 1,000 apartments at the Privia project in Binh Tan District, HCMC.

- **Expected 2024 dividend rate:** 10%.

- **Update on main projects at YE2023:**

- **Privia:** The project was launched in 4Q2023 and sold out within 3 months. It is expected to be fully delivered in 4Q2024.
- **Classia:** Accumulatively sold 95% and delivered 90% of a total 176 units. KDH continues to sell and hand over the remaining units in 2024.
- **Le Minh Xuan expansion Industrial Park** with a scale of 110ha in Binh Chanh District, HCMC: This project includes 3 phases. Phase 1 of 89ha is expected to receive a construction permit in 1H2024, start infrastructure construction in 2H2024 and start leasing from 2025.
- **Two projects in cooperation with Keppel (Singapore)** with a scale of 11.8 ha in Thu Duc City: KDH started construction from October 2023 and is completing legal documents. The low-rise components are expected to be launched at the end of 2024.

- **Pay 2023 stock dividend of 10%**, equivalent to 90.9 mn shares.

- **Issue 10.8 mn ESOP shares**, equivalent to 1.35% of the total outstanding shares at a price of VND17,000/share.

Quick comment: We adjust KDH's 2024 revenue and PAT forecasts to decrease by 6% and 17%, respectively, to nearly VND3.9 trn (+85% YoY) and over VND800 bn (+13% YoY) due to delivery reschedule of 2 projects in cooperation with Keppel from the end of 2024 to 2025. Using the NAV method, we suggest a target price of VND35,200/share, almost unchanged compared with the target price in the update report in January 2024. Change recommendation from Outperform to Neutral as the stock price has increased 11% since the updated report in January 2024.

	2021	2022	2023	2024F	2025F
Net Sales (VNDbn)	3,738	2,912	2,088	3,861	5,471
Growth	-17.5%	-22.1%	-28.3%	84.9%	41.7%
EBITDA (VNDbn)	1,418	810	1,215	1,133	2,506
Growth	-9.0%	-42.9%	50.0%	-6.8%	121.3%
NPATMI (VNDbn)	1,202	1,103	716	809	893
Growth	4.3%	-8.3%	-35.1%	13.1%	10.4%
EPS (bonus-adjusted, VND)	1,543	1,339	860	962	1,062
Growth	3.0%	-13.2%	-35.8%	11.9%	10.4%
ROE	13.1%	10.1%	5.7%	5.9%	6.1%
ROIC	8.5%	6.0%	2.9%	2.8%	5.7%
Net debt/EBITDA (times)	0.8	4.9	2.1	4.7	2.3
EV/EBITDA (times)	19.6	37.9	24.1	28.3	12.9
PER (times)	21.7	25.0	38.9	34.8	31.5
PBR (times)	2.1	2.1	2.0	1.9	1.8
DPS (VND)	-	-	-	-	-
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%

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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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