

Khang Dien House (KDH)

Maintaining a positive outlook

August 19, 2025

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NPAT-MI came in at VND199 billion (-29% YoY) in 2Q2025

KDH reported 2Q2025 revenue of VND1,052 billion (+63% YoY), while NPAT-MI came in at VND199 billion (-29% YoY), supported by the handover of the remaining units at The Privia. For 1H2025, the company fulfilled 45% and 40% of its full-year revenue and net profit targets, respectively.

The Gladia development should drive growth through 2H2025-2026

During the quarter, KDH secured the pre-sale permit for the Gladia project (comprising Clarita and Emeria), a joint development with Keppel Land. The low-rise subdivision, which broke ground in October 2023, is now nearing completion. KBSV expects robust absorption rates, driven by: (1) the strong reputation and track record of KDH and Keppel Land; (2) its strategic location with good connectivity, secured legal approvals, and improving surrounding infrastructure; (3) limited townhouse/villa supply in Ho Chi Minh City relative to the 2018-2022 period, coupled with a stable interest rate environment.

The planned launch of The Solina next year should meaningfully enhance business results

In 2026, KDH is expected to launch Phase 1 of The Solina (13 ha with 500 low-rise units). The project has already obtained the infrastructure construction permit and is slated to commence development in 2025. We forecast 2026 contracted sales of VND7,126 billion (+54% YoY).

We downgrade KDH to NEUTRAL with a target price of VND39,800/share

KDH shares are trading at a 2025 forward P/B of around 2.x, in line with the 5-year historical average. Considering the business outlook and valuation results, we downgrade our rating to NEUTRAL with a target price of VND39,800/share, implying an 8% upside versus the closing price on August 19, 2025.

Neutral change

Target price	VND39,600
Upside	8%
Current price (Aug 19, 2025)	VND36,800
Consensus target price	VND35,900
Market cap (VNDtn/USDbn)	41.5/1.6

Forecast earnings & valuation

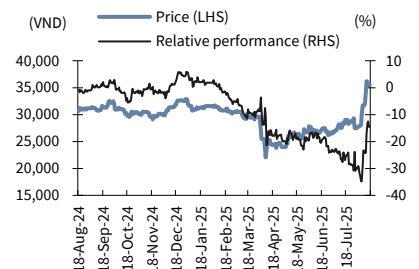
FY-end	2023	2024	2025F	2026F
Net revenue (VNDbn)	2,088	3,279	5,458	5,823
Operating income/loss (VNDbn)	1,122	1,131	2,651	2,796
NPAT-MI (VNDbn)	716	810	1,046	1,091
EPS (VND)	895	801	1,035	1,079
EPS growth (%)	-42	-11	29	4
P/E (x)	38	42	29.57	28.36
P/B (x)	2	1.9	1.69	1.59
ROE (%)	5.7	5.2	5.9	5.8
Dividend yield (%)	0	0	0	0

Trading data

Free float	64.4%
3M avg trading value (VNDbn/USDmn)	140.2/5.4
Foreign ownership	33%
Major shareholder	Tien Loc Investment JSC (11%)

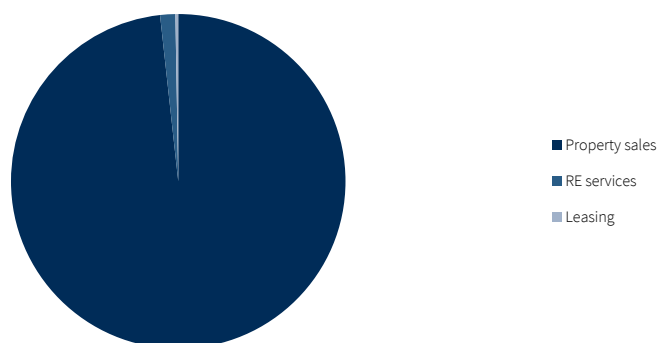
Share price performance

(%)	1M	3M	6M	12M
Absolute	22.4	36.1	15.4	15.6
Relative	13.5	10.8	-12.2	-14.5



Source: Bloomberg, KB Securities Vietnam

Revenue composition (2024)



Business operation

Khang Dien House Trading & Investment (KDH) is a reputable developer with 20 years of experience in investing and developing mid- to high-end real estate in Ho Chi Minh City. The company boasts a substantial land bank of over 600 ha, entirely located within the city.

Source: Khang Dien House Trading and Investment, KB Securities Vietnam

Investment Catalysts

Notes

KDH holds a sizable land bank of over 600ha in Ho Chi Minh City, a significant advantage amid the increasing scarcity of inner-city land.

Please find more details [here](#)

The Gladia development and The Solina are slated for launch in 2025–2026, with the handover of the Gladia project expected to underpin profit growth over the period.

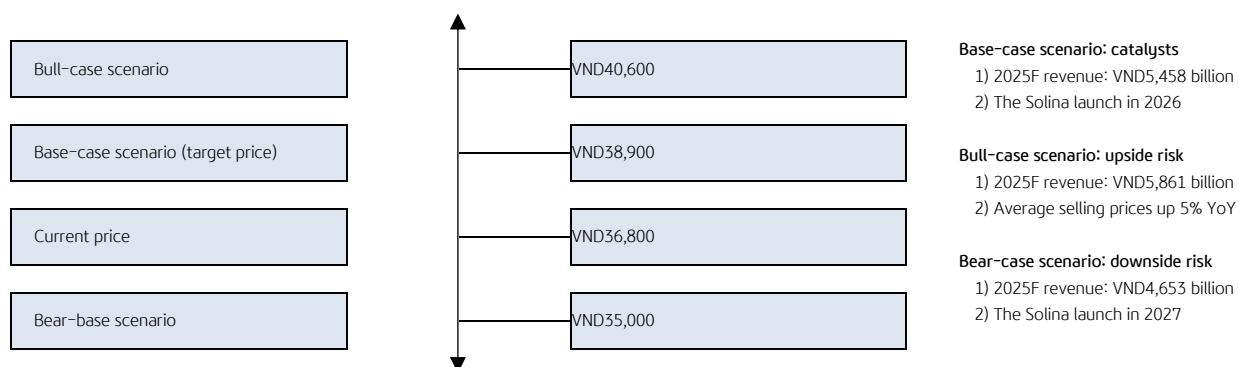
Please find more details below

Revised earnings estimates

(VNDbn)	KBSV estimates		Change vs previous estimates		Consensus*		Difference	
	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E
Revenue	5,458	5,620	10%	-3%	5,236	5,214	4%	8%
EBIT	2,519	2,665	5%	-7%	2,193	2,471	15%	8%
NP after MI	894	954	-2%	-7%	859	1,090	4%	-12%

Source: Bloomberg, KB Securities Vietnam

Investment opinion & risks



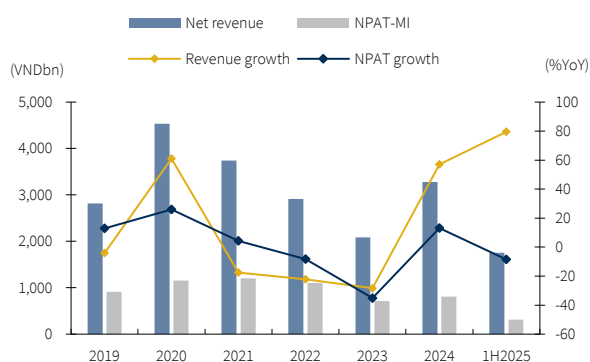
Business performance

Table 1. KDH – 1H2025 financial results

(VNDbn)	2Q2024	2Q2025	+/--%YoY	1H2024	1H2025	+/--%YoY	Notes
Revenue	645	1,052	63%	978	1,757	80%	Met 45% of the annual target
Property sales	633	1,035	64%	951	1,738	83%	Driven largely by the handover of the remaining units at The Privia
Gross profit	500	405	-19%	674	712	6%	
Gross profit margin (GPM)	77%	38%	-39pp	69%	41%	-28pp	The decline was attributable to Privia, the main revenue contributor, which has a lower gross margin than the low-rise project The Classia.
Financial income	10	4	-60%	23	24	6%	
Financial expenses	-11	-54	371%	-33	-102	212%	The increase was mainly driven by payment discounts (customer incentives), while most borrowing costs were capitalized, totaling VND383.5 billion in 1H2025.
SG&A	-77	-112	46%	-134	-229	72%	
Operating income/loss	422	243	-42%	530	404	-24%	
Other income	-51	3	-105%	-58	-2	-96%	
NPAT	371	245	-34%	472	402	-15%	
PBT	280	196	-30%	344	315	-9%	
NPAT-MI	279	199	-29%	342	321	-6%	
NPAT margin	43%	19%	-24pp	35%	18%	-17pp	

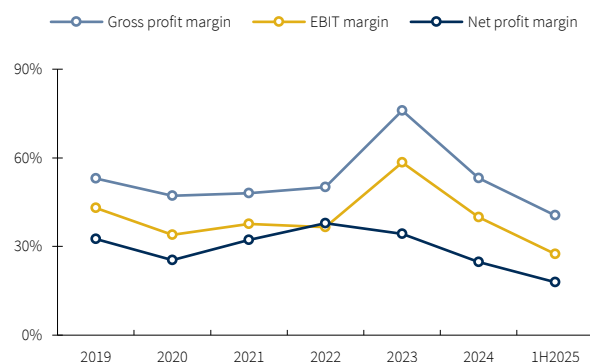
Source: Khang Dien House Trading and Investment, KB Securities Vietnam

Fig 2. KDH – Revenue, NPAT & growth (VNDbn, %YoY)



Source: Khang Dien House Trading and Investment, KB Securities Vietnam

Fig 3. KDH – Profit margins during 2019–2025 (%)



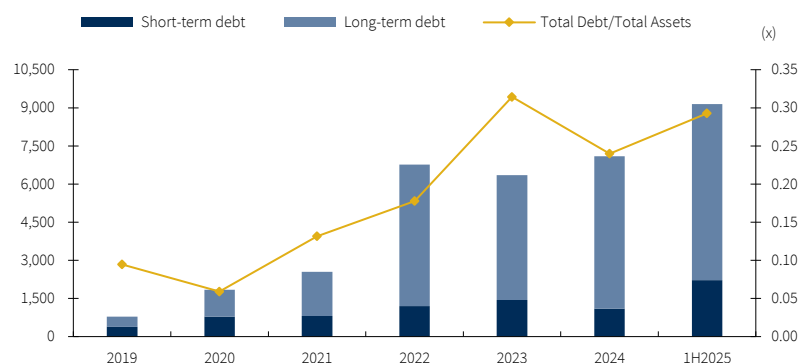
Source: Khang Dien House Trading and Investment, KB Securities Vietnam

At the end of 2Q2025, KDH's borrowings rose 29% YTD to VND9,142 billion to finance projects. The debt-to-total-assets ratio stood at 0.29x, among the highest in the real estate sector.

Short-term borrowings included an VND800 billion bond issue maturing in August 2025.

Long-term borrowings mainly comprised bank loans used to finance the Clarita, The Solina, Le Minh Xuan Industrial Park, Tan Tao Residential Area, and Phong Phu Residential Area projects.

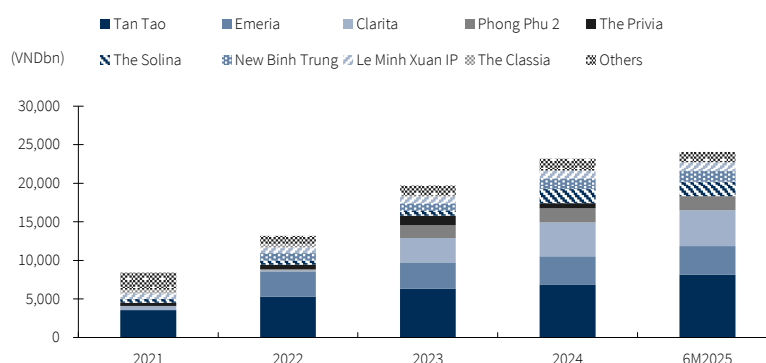
Fig 4. KDH – Debt structure & leverage during 2019–2025 (VNDbn)



Source: Khang Dien House Trading and Investment, KB Securities Vietnam

By end-2Q2025, KDH's inventories and construction-in-progress stood at VND24,059 billion, up 4% from end-2024. Inventories at The Privia declined as KDH recognized the remaining revenue upon handover of the final units, offset by higher inventories at the Tan Tao Residential Area project.

Fig 5. KDH – Inventories, construction in progress in 2019–2025 (VNDbn)



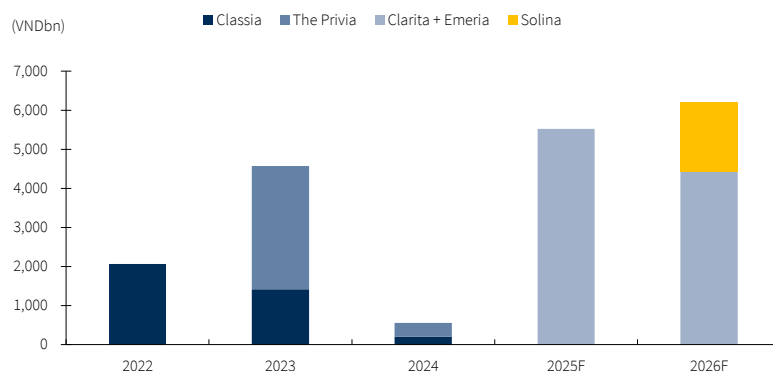
Source: Khang Dien House Trading and Investment, KB Securities Vietnam

The planned launch of The Solina next year should meaningfully enhance business results

In 2Q2025, Khang Dien secured the pre-sale permit for Gladia, a joint project with Keppel Land (comprising Clarita and Emeria). The low-rise subdivision of the project, which commenced construction in October 2023, is now nearing completion. KBSV expects robust absorption rates, driven by: (1) the strong reputation and track record of KDH and Keppel Land; (2) its strategic location with good connectivity, secured legal approvals, and improving surrounding infrastructure; (3) limited townhouse/villa supply in Ho Chi Minh City relative to the 2018–2022 period, coupled with a stable interest rate environment. KBSV expects Gladia to be officially launched in 3Q2025 with an average selling price of VND250 million/m². We estimate 2025 contracted sales to reach VND5,525 billion (+8.x times YoY).

Fig 6. KDH – 2022A–2026F contracted sales (VNDbn)

In 2026, KBSV expects KDH to launch Phase 1 of The Solina (13ha with 500 low-rise units). The project has obtained the infrastructure construction permit and is scheduled to commence development in 2025. Accordingly, we estimate 2026 contracted sales at VND6,207 billion (+12% YoY).



Source: KB Securities Vietnam

Table 7. KDH – Ongoing and pipeline projects

Projects	Location	Area (ha)	Scale	Progress
Ongoing projects		18		
The Privia	Binh Tan, Ho Chi Minh City	1.8	1,043 condos	<ul style="list-style-type: none"> Construction commenced in late 2Q2022, with all three towers topped out. Launched in 4Q2023 and fully sold out by end-1Q2024. Handover began in October 2024 and is expected to be completed in 2Q2025.
Clarita	Thu Duc City	5.8	~ 200 low-rise units & ~ 600 condos	<ul style="list-style-type: none"> KDH transferred 49% of the project to Keppel Land. Construction of the low-rise subdivision commenced in October 2023. KDH has obtained the pre-sale permit, with launch scheduled for 3Q2025 and revenue recognition expected in 4Q2025.
Emeria	Thu Duc City	6.1		<ul style="list-style-type: none"> The high-rise subdivision will follow, with development planned for 2026.
Pipeline projects		606.4		
The Solina	Binh Chanh, Ho Chi Minh City	16.4	Phase 1: 500 low-rise units	<ul style="list-style-type: none"> Site clearance has been completed and the 1/500 master plan for Phase 1 has been approved. Land use fees for the 13ha Phase 1 have been fully paid. The infrastructure construction permit has been secured, with development scheduled to commence in 2025.
Tan Tao Residential Area	Binh Tan, Ho Chi Minh City	330		<ul style="list-style-type: none"> Site clearance and over 85% of compensation have been completed, and the 1/500 master plan has been approved.
Le Minh Xuan Industrial Park Expansion	Binh Chanh, Ho Chi Minh City	110		<ul style="list-style-type: none"> The 1/500 master plan has been approved. Compensation has been completed and land for Phase 1 (~89ha) has been allocated. Land lease fees are being determined and the construction permit is under application.
Phong Phu 2	Binh Chanh, Ho Chi Minh City	130		<ul style="list-style-type: none"> Infrastructure construction is set to begin, with leasing expected from 2027. Compensation and site clearance have been completed, with legal procedures now being finalized.

Source: Khang Dien House Trading and Investment, KB Securities Vietnam

Forecast & Valuation

Table 8. KDH – 2024A–2026F financial results

(VNDbn)	2024	2025F	+/-%YoY	2026F	+/-%YoY	Notes
Revenue	3,279	5,458	66%	5,823	7%	In 2025, property sales are expected to come mainly from the Gladia project and the remaining units at The Privia.
Property sales	3,222	5,352	66%	5,721	7%	
Gross profit	1,740	3,172	82%	3,791	9%	Gross margin should improve, supported by higher selling prices at upcoming projects compared to The Privia, which was delivered in 2024.
Gross profit margin (GPM)	53%	58%	5pp	65%	1pp	
Financial income	37	24	-36%	46	3%	KDH is expected to continue capitalizing borrowing costs, with financial expenses on the income statement largely comprising payment discounts.
Financial expenses	-216	-223	3%	-266	19%	
SG&A	-431	-653	52%	-775	19%	
Operating income/loss	1,131	2,319	105%	2,796	5%	
PBT	1,051	2,319	121%	2,796	5%	
NPAT	803	1,800	124%	2,103	2%	
NPAT-MI	810	894	10%	1,091	4%	
NPAT margin	25%	16%	-8pp	19%	0pp	

Source: Khang Dien House Trading and Investment, KB Securities Vietnam

We recommend NEUTRAL for KDH with a target price of VND39,600/share

Using the RNAV valuation method, we arrive at a target price of VND39,800 per share for KDH, representing an 8% upside from the closing price on August 19, 2025. Projects under development or with clearly defined development plans are valued using the discounted cash flow (DCF) method, while the remaining land bank is assessed based on comparables.

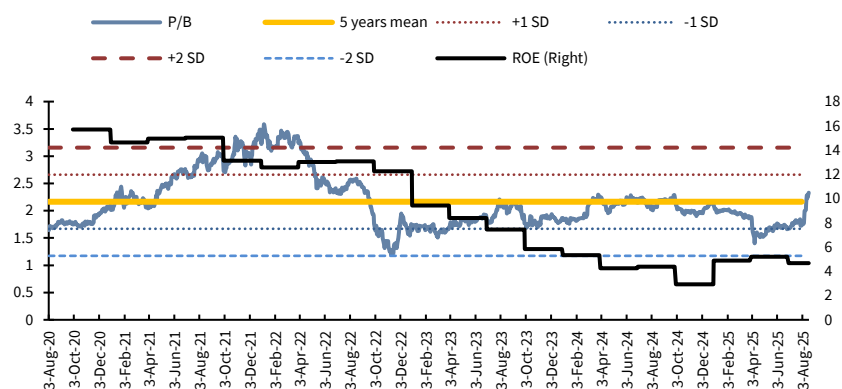
KDH is currently trading at a 2025 forward P/B of 2.06x, in line with its five-year historical average. In light of the business outlook and our valuation results, we downgrade KDH from BUY to NEUTRAL, with a revised target price of VND39,600 per share.

Table 9. Valuation results

Projects	Valuation method	Value (VNDmn)
Clarita	DCF	2,580,435
Emeria Doan Nguyen	DCF	2,235,836
Solina	DCF	3,321,741
Le Minh Xuan	DCF	2,292,083
Phong Phu 2	Comparables	4,950,000
Tan Tao	Comparables	19,800,000
Binh Trung Dong	Comparables	14,456,221
Others	Book value	1,547,432
Total NAV		51,183,748
+ Cash		2,461,198
- Total debt		9,142,401
RNAV		44,502,545
Number of shares outstanding		1,122,214,899
Value per share (VND)		39,600

Source: KB Securities Vietnam

Fig 10. KDH - P/B, ROE in 2019-2025



Source: Bloomberg, KB Securities Vietnam

KDH – 2023A–2026F summarized financials & forecasts

Income Statement (VND billion)					Balance Sheet (VND billion)				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Net sales	2,088	3,279	5,458	5,823	CURRENT ASSETS	24,737	28,840	31,640	33,080
Cost of sales	-501	-1,538	-1,975	-2,032	Cash and cash equivalents	3,730	3,096	3,331	4,812
Gross Profit	1,587	1,740	3,483	3,791	Short-term investments	9	277	277	277
Financial income	50	37	45	46	Accounts receivable	1,831	3,013	4,901	5,290
Financial expenses	-148	-216	-223	-266	Inventories	18,787	22,180	22,731	22,271
of which: interest expenses	0	0	0	0	LONG-TERM ASSETS	1,744	1,913	1,991	2,178
Gain/(loss) from joint ventures (from 2015)	0	0	0	0	Long-term trade receivables	76	69	69	69
Selling expenses	-162	-222	-301	-368	Fixed assets	81	73	248	429
General and admin expenses	-205	-209	-352	-408	Investment properties	131	233	137	143
Operating profit/(loss)	1,122	1,131	2,651	2,796	Long-term incomplete assets	933	1,027	1,027	1,027
Other incomes	-53	-80	0	0	Long-term investments	12	0	0	0
Other expenses	69	42	0	0	TOTAL ASSETS	26,481	30,753	33,632	35,258
Net other income/(expenses)	-121	-121	0	0	LIABILITIES	10,958	11,302	12,206	11,729
Income from investments in other entities	0	0	0	0	Current liabilities	5,346	4,179	5,100	5,223
Net accounting profit/(loss) before tax	1,069	1,051	2,651	2,796	Trade accounts payable	92	288	148	92
Corporate income tax expenses	477	26	-593	-693	Advances from customers	2,388	1,903	1,703	1,503
Net profit/(loss) after tax	730	803	2,058	2,103	Short-term unrealized revenue	0	0	0	0
Minority interests	14	-7	1,012	1,012	Short-term borrowings	1,444	1,100	1,155	1,213
Attributable to parent company	716	810	1,046	1,091	Long-term liabilities	5,612	7,123	7,105	6,507
					Long-term trade payables	0	0	0	0
					Long-term advances from customers	0	0	0	0
					Unrealized revenue	14	35	35	35
					Long-term borrowings	4,902	5,998	5,985	5,386
					OWNER'S EQUITY	15,523	10,594	14,039	15,315
					Paid-in capital	7,993	10,111	10,111	10,111
					Share premium	1,339	3,314	3,314	3,314
					Undistributed earnings	3,767	3,617	4,663	5,754
					Minority interests	0	0	0	0
Margin ratio					Key ratios				
	2023	2024	2025F	2026F		2023	2024	2025F	2026F
Gross profit margin	50.1%	76.0%	53.1%	63.8%	Multiple				
EBITDA margin	27.8%	58.2%	40.2%	52.4%	P/E	38.6	42.0	29.6	28.4
EBIT margin	36.6%	58.4%	39.9%	51.8%	P/E diluted	38.6	42.0	29.6	28.4
Pre-tax profit margin	48.4%	51.2%	32.1%	48.6%	P/B	2.1	2.0	1.7	1.6
Operating profit margin	34.1%	53.7%	34.5%	48.6%	P/S	13.2	10.4	5.7	5.3
Net profit margin	37.2%	34.9%	24.5%	37.7%	P/Tangible Book	1.8	1.7	1.4	1.3
					P/Cash Flow	-17.9	-8.0	79.7	13.7
					EV/EBITDA	26.6	30.4	13.2	12.0
					EV/EBIT	26.5	30.6	13.4	12.2
					Operating performance				
					ROE	5.72	5.25	5.85	5.77
					ROA	2.70	2.63	3.11	3.09
					ROIC	5.58	4.93	9.90	10.01
					Financial structure				
					Cash Ratio	0.7	0.7	0.7	0.9
					Quick Ratio	1.0	1.5	1.7	2.0
					Current Ratio	4.6	6.9	6.2	6.3
					LT Debt/Equity	0.3	0.3	0.3	0.2
					LT Debt/Total Assets	0.2	0.2	0.2	0.2
					Debt/Equity	0.3	0.2	0.2	0.2
					Debt/Total Assets	0.2	0.1	0.2	0.1
					ST Liabilities/Equity	0.3	0.2	0.2	0.2
					ST Liabilities/Total Assets	0.2	0.1	0.2	0.1
					Total Liabilities/Equity	0.7	0.6	0.6	0.5
					Total Liabilities/Total Assets	0.4	0.4	0.4	0.3
					Activity ratios				
					Account Receivable Turnover	0.6	1.4	1.4	1.1
					Inventory Turnover	0.0	0.1	0.1	0.1
					Account Payable Turnover	5.0	8.1	9.1	17.0

Source: Company report, KB Securities Vietnam

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Investment ratings & definitions

Investment Ratings for Stocks

(Based on the expectation of price gains over the next 6 months)

Buy:	Neutral:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(Based on the assessment of sector prospects over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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