

Binh Minh Plastics (BMP)

PVC resin prices expected to stay low

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Senior Analyst Nguyen Duong Nguyen
(+84) 24-7303-5333 nguyennnd@kbsec.com.vn

BMP completed 92% of its full-year guidance after 9M25

Binh Minh Plastics (BMP) posted VND967 billion in 9M25 NPAT on revenue of VND4,224 billion (+27%/+19% YoY), primarily driven by (1) recovering demand thanks to the property market and (2) an average 15% YoY drop in PVC resin prices.

Revenue for 2026/2027 is projected to increase by 7%/7% YoY

We maintain our expectation that demand for plastic pipes will further improve in 2026–2027 with increased real estate supply, especially in the Southern market (CBRE projects apartment supply in Ho Chi Minh City will grow 17% and 32% YoY in 2026/2027). In addition, we expect BMP to strengthen discount programs for distributors in the medium term to improve market share. KBSV estimates BMP's revenue growth for 2025/2026/2027 at 24%, 7%, and 7% YoY.

PVC resin ASP may stay low until 1H26 as the property market shows no signs of recovery

Chinese PVC resin prices lost 8% YTD by the end of November. KBSV estimates BMP's GPM will reach 45.9%/43.8%/41.5% in 2025/2026/2027, given (1) protracted sluggish construction activity in China and (2) prolonged oversupply creating pressure to reduce inventory, causing PVC resin prices to continue their downward and sideways trend in the near term.

BMP has offered attractive cash dividend yield

We estimate BMP's cash dividend yield at 9.8%/10% for 2026/2027, which is relatively attractive.

NEUTRAL rating – Target price VND178,200

KBSV raises the target price for BMP to VND178,200/share (corresponding to a 2% increase from the closing price on December 15, 2025).

Neutral maintain

Target price VND178,200

Upside	2%
Current price (Dec 15, 2025)	VND159,000
Consensus target price	VND180,300
Market cap (VNDtn/USDbn)	12.9/0.5

Forecast earnings & valuation

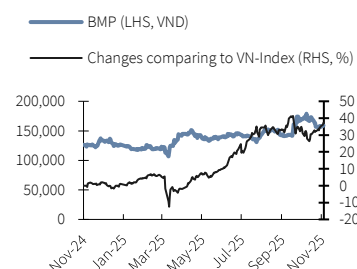
FY-end	2023A	2024A	2025F	2026F
Net revenue (VNDbn)	5,157	4,616	5,686	6,268
Operating income/loss (VNDbn)	1,304	1,229	1,639	1,687
NPAT-MI (VNDbn)	1,041	991	1,312	1,350
EPS (VND)	12,717	12,103	16,027	16,486
EPS growth (%)	49.9	-4.8	32.4	2.9
P/E (x)	8.2	10.8	9.9	9.6
P/B (x)	3.2	4.0	4.7	4.7
ROE (%)	39.2	36.8	48.2	48.7
Dividend yield (%)	11.3	9.0	9.8	10.0

Trading data

Free float	43.8%
3M avg trading value (VNDbn/USDmn)	20.3/0.8
Foreign ownership	85.7%
Major shareholder	Nawaplastic (54.9%)

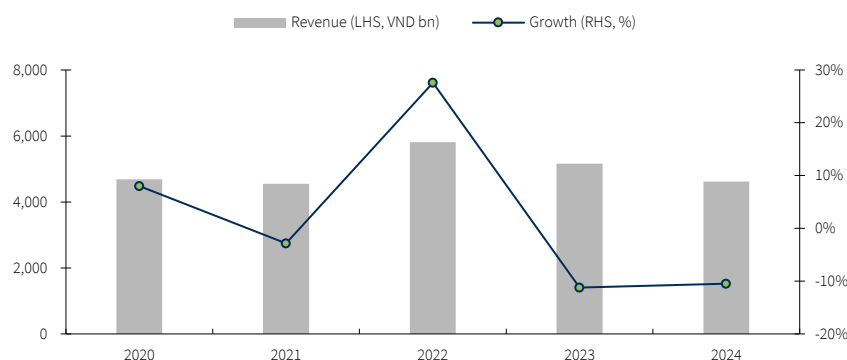
Share price performance

(%)	1M	3M	6M	12M
Absolute	-7	4	17	27
Relative	-11	2	-11	-10



Source: Bloomberg, KB Securities Vietnam

Revenue composition (2020 – 2024)



Source: Binh Minh Plastics, KB Securities Vietnam

Business operation

Binh Minh Plastics (BMP) is a leading enterprise in the plastic pipe manufacturing sector, holding a dominant 27% market share in the domestic market as of the end of 2023, with its primary market concentrated in the Southern region. BMP operates four plastics manufacturing plants with a total production capacity of 150,000 tons per year.

Investment Catalysts

Sales volume of BMP is projected to increase by 24%/7%/7% YoY in 2025/2026/2027F thanks to (1) the rebound of housing construction activity and (2) more discount programs for contributors.

GPM in 2025/2026/2027F should reach 45.9%/43.8%/41.5% as PVC resin prices may stay low until the end of 1H26.

BMP's cash dividend yield for 2026/2027F is 9.8% – 10%, which is quite attractive.

Notes

Please see more details below

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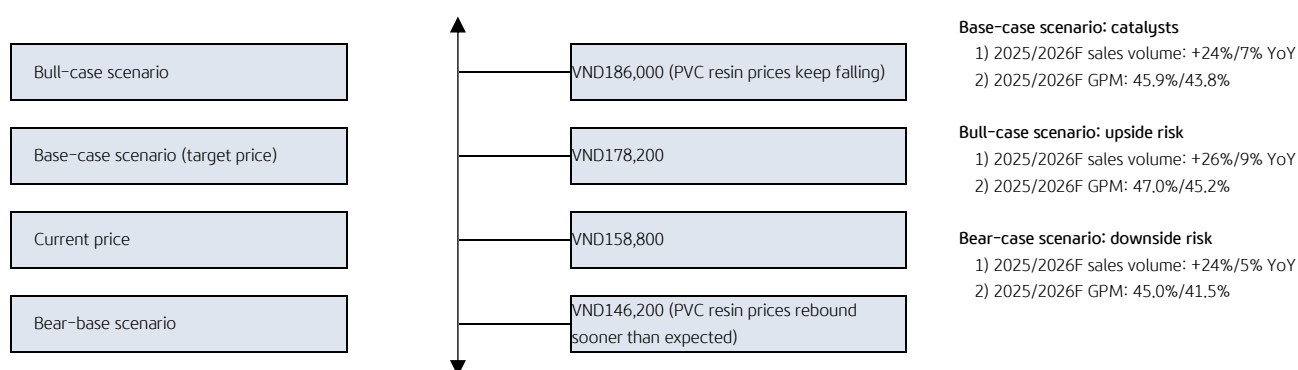
Please find more details in [2Q25 Update](#)

Revised earnings estimates

(VNDbn)	KBSV estimates		Change vs previous estimates		Consensus*		Difference	
	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E
Revenue	5,686	6,268	7%	5%	5,576	6,050	2%	4%
EBIT	1,746	1,771	15%	15%	1,731	1,820	1%	-3%
NP after MI	1,312	1,350	13%	15%	1,333	1,413	-2%	-4%

Source: Bloomberg, KB Securities Vietnam

Investment opinion & risks



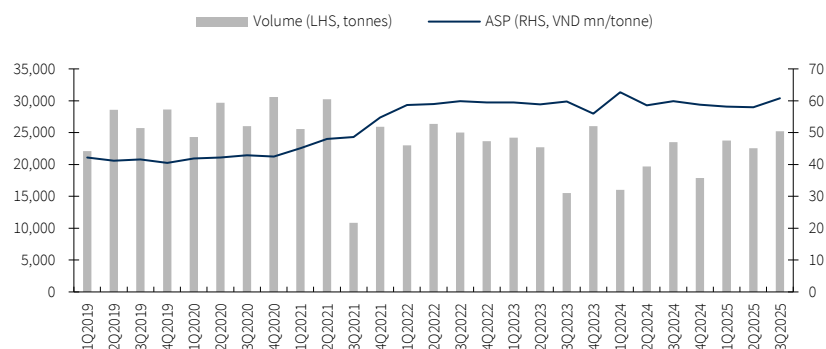
Business performance

Table 1. BMP – 1H25 updated results

(VNDbn, %)	3Q24	3Q25	+/-%YoY	9M24	9M25	+/-%YoY	Notes
Revenue	1,407	1,532	9%	3,563	4,224	19%	Sales volume in 9M25 increased by 21% YoY.
Gross profit	606	734	21%	1,537	1,935	26%	Cumulative PVC prices decreased by an average of 15% YoY.
<i>Gross profit margin</i>	<i>43.1%</i>	<i>47.9%</i>	<i>484bps</i>	<i>43.1%</i>	<i>45.8%</i>	<i>269bps</i>	
Financial income	20	27	32%	56	73	30%	
Financial expenses	-71	-80	12%	-132	-158	19%	
Shared profits from affiliates	0	0	290%	0	1	-409%	
SG&A	-200	-242	21%	-520	-643	24%	Distribution system costs in 9M25 climbed 20% YoY.
Operating income/loss	354	440	24%	940	1,209	29%	
Other income	8	0	-97%	10	2	-79%	
Profit before taxes (PBT)	362	440	22%	950	1,211	27%	
Net profit after taxes (NPAT)	290	351	21%	760	967	27%	9M25 result met 92% of full-year NPAT plan.
NPAT-MI	290	351	21%	760	967	27%	
<i>NPAT margin</i>	<i>20.6%</i>	<i>22.9%</i>	<i>229bps</i>	<i>21.3%</i>	<i>22.9%</i>	<i>158bps</i>	

Source: Binh Minh Plastics, KB Securities Vietnam

Fig 2. BMP – Sales volume & ASP (ton, VNDmn/ton)



Source: Binh Minh Plastics, KB Securities Vietnam

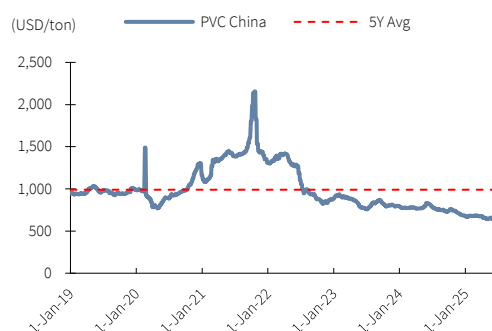
We raised our revenue forecast, based on (1) the recovery of the property supply and (2) expectations of improved market share with more discount programs

3Q sales volume of BMP are estimated at 25,200 tons (+7% YoY), bringing total sales volume for 9M25 to 71,500 tons (+21% YoY), beyond our expectations. The strong performance was attributable to (1) the recovery of the real estate market with increased supply and (2) more discount programs for distributors (five discount packages implemented in 2025 compared to only two in 2024), helping to improve market share to 27% in 3Q25. We believe BMP has shifted its focus to sales through its dealer and distribution network since the new CEO took over in early June 2026, which will boost its competitiveness and revenue compared to competitors in the long term. KBSV raises the forecast for BMP's sales volume to 95,900/102,750/109,500 tons in 2025/2026/2027 (+24%/7%/7% YoY).

PVC prices should remain low in 2026

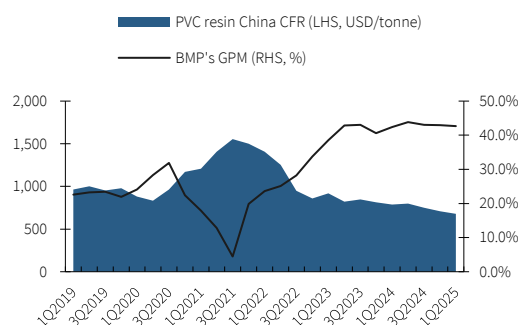
We maintain our projection that Chinese PVC resin prices will continue to remain low until 1H26 or even to the end of 2026 due to (1) muted construction activity in China amidst the lack of clear signs of recovery from the land market, and (2) prolonged oversupply leading manufacturers to continue prioritizing inventory reduction (according to Sunsirs). KBSV raises its forecast for BMP's GPM to 45.9%/43.8%/41.5% in 2025/2026/2027, reflecting caution regarding the possibility of a gradual recovery in Chinese PVC resin prices.

Fig 3. China – PVC resin prices (USD/ton)



Source: Bloomberg, KB Securities Vietnam

Fig 4. BMP – Correlation between Chinese PVC resin prices & BMP's GPM



Source: Binh Minh Plastics, Bloomberg, KB Securities Vietnam

Forecast & valuation

Table 5. BMP – 2024A–2026F financials & forecasts

(VNDbn, %)	2024A	2025F	+/-%YoY	2026F	+/-%YoY	Assumptions
Revenue	4,616	5,686	23%	6,268	10%	Sales volume increases by 25%/26% in 2025/2026F.
Gross profit	1,989	2,608	31%	2,743	5%	
<i>Gross profit margin</i>	<i>43.1%</i>	<i>45.9%</i>	<i>278bps</i>	<i>43.8%</i>	<i>-211bps</i>	PVC resin prices should maintain at low levels in 1H26.
Interest income	117	100	-15%	135	35%	
Interest expenses	0	0		0		
FX gains/losses, payment discounts	-144	-207	44%	-219	6%	BMP raises payment discounts to stimulate sales.
Shared profits from affiliates	0	0		0		
SG&A	-676	-862	28%	-972	13%	
Operating income/loss	1,229	1,639	33%	1,687	3%	
Other income	12	2	-83%	0		
Profit before taxes (PBT)	1,241	1,642	32%	1,687	3%	
Net profit after taxes (NPAT)	991	1,312	32%	1,350	3%	
NPAT-MI	991	1,312	32%	1,350	3%	
<i>NPAT margin</i>	<i>21.5%</i>	<i>23.1%</i>	<i>161bps</i>	<i>21.5%</i>	<i>-154bps</i>	

Source: Binh Minh Plastics, KB Securities Vietnam

We maintain our NEUTRAL rating to BMP with a target price of VND178,200

With expected low PVC resin prices, BMP should maintain a high GPM, which is the main driver for 2026 profit. Using the FCFF method, KBSV raises its target price for BMP to VND178,200/share, representing an expected return of 2% compared to the closing price on December 15, 2025.

The main risk that may change our forecast is the recovery of input material prices (PVC resin and/or oil prices) which may occur earlier than expected.

Table 6. BMP – Model assumptions

Assumptions	Value
Beta	0.8
Risk-free rate	4.7%
Market risk premium (MPR)	8.4%
Average interest rate	1.0%
WACC	11.2%

Fig 7. BMP – DCF model (VNDbn)

(VNDbn)	2025F	2026F	2027F	2028F
NPAT-MI	1,312	1,350	1,319	1,340
Depreciation expenses	122	140	159	180
Change in working capital	17	-72	-70	-145
CAPEX	-137	-159	-172	-186
FCF	1,314	1,258	1,236	1,190

Source: KB Securities Vietnam

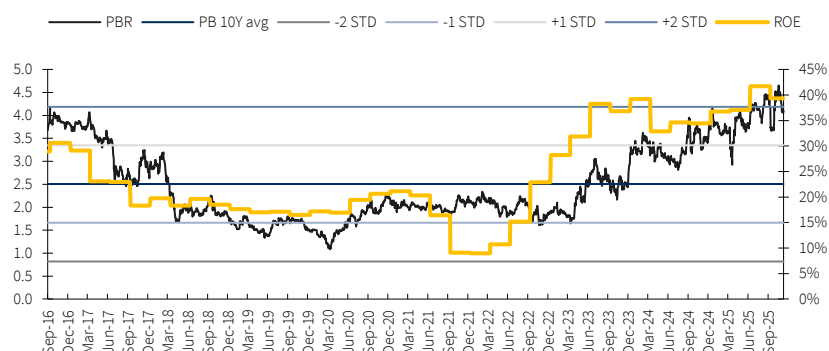
Table 8. BMP – FCFF valuation

(VNDbn)	2025F	2026F	2027F	2028F
FCF	1,314	1,258	1,236	1,190
Terminal growth				1%
Terminal value				11,781
Present value of FCF	1,303	1,122	991	8,495
Enterprise value (EV)	11,911			
Cash & equivalents	2,733			
Net debt	-55			
Owner's equity	14,589			
Number of shares outstanding	82			
Fair value	178,200			

Source: KB Securities Vietnam

BMP's current PBR is equal to its 10-year average +2Std

Fig 9. BMP – 10-year PBR & ROE (%)



Source: Bloomberg, KB Securities Vietnam

BMP – 2023A–2026F summarized financials & forecasts

Income Statement (VND billion) (Standard report)	2023	2024	2025F	2026F
Net sales	5,157	4,616	5,686	6,268
Cost of sales	-3,041	-2,627	-3,078	-3,525
Gross Profit	2,116	1,989	2,608	2,743
Financial income	117	117	100	135
Financial expenses	-144	-144	-207	-219
of which: interest expenses	0	0	0	0
Gain/(loss) from joint ventures (from 2015)	-2	0	0	0
Selling expenses	-676	-556	-710	-799
General and admin expenses	-107	-120	-153	-172
Operating profit/(loss)	1,304	1,229	1,639	1,687
Other incomes	6	12	2	0
Other expenses	-3	0	2	0
Net other income/(expenses)	3	12	2	0
Income from investments in other entities	0	0	0	0
Net accounting profit/(loss) before tax	1,307	1,241	1,642	1,687
Corporate income tax expenses	-266	-250	-330	-337
Net profit/(loss) after tax	1,041	991	1,312	1,350
Minority interests	0	0	0	0
Attributable to parent company	1,041	991	1,312	1,350

Margin ratio	2023	2024	2025F	2026F
Gross profit margin	41.0%	43.1%	45.9%	43.8%
EBITDA margin	31.4%	32.2%	34.6%	32.6%
EBIT margin	28.1%	29.7%	32.5%	30.4%
Pre-tax profit margin	25.3%	26.9%	28.9%	26.9%
Operating profit margin	25.3%	26.6%	28.8%	26.9%
Net profit margin	20.2%	21.5%	23.1%	21.5%

Cash Flow Statement (VND billion)	2023	2024	2025F	2026F
Net profit/(loss) before tax	1,307	1,241	1,642	1,687
Depreciation and amortisation	172	111	122	140
Profit/loss from investing activities	-118	-78	0	0
Interest expense	0	0	0	0
Operating profit/(loss) before changes in Working Capital	1,344	1,266	1,764	1,827
(Increase)/decrease in receivables	107	6	-31	-33
(Increase)/decrease in inventories	229	-92	48	-96
Increase/(decrease) in payables	138	-57	0	57
(Increase)/decrease in prepaid expenses	60	34	0	0
Operating cash flow	1,603	889	1,521	1,414
Purchases of fixed assets and other long term assets	-58	-98	-137	-159
Proceeds from disposal of fixed assets	3	1	0	0
Loans granted, purchases of debt instruments	-1,660	-1,130	-521	0
Collection of loans, proceeds from sales of debts instrume	1,435	910	0	0
Investments in other entities	0	0	0	0
Proceeds from divestment in other entities	0	0	0	0
Dividends and interest received	106	80	0	0
Investing cash flow	-174	-237	-658	-159
Proceeds from issue of shares	0	0	0	0
Payments for share returns and repurchases	0	0	0	0
Proceeds from borrowings	0	0	0	0
Repayment of borrowings	0	0	-14	-1
Finance lease principal payments	0	0	0	0
Dividends paid	-966	-969	-1,269	-1,302
Interests, dividends, profits received	0	0	0	0
Financing cash flow	-966	-970	-1,283	-1,303
Net increase in cash and cash equivalents	463	-317	-419	-48
Cash and cash equivalents - beginning	359	821	504	85
Cash and cash equivalents - ending	821	504	85	37

Source: Binh Minh Plastics, KB Securities Vietnam

Balance Sheet (VND billion) (Standard report)	2023	2024	2025F	2026F
TOTAL ASSET	3,255	3,200	3,290	3,391
CURRENT ASSETS	2,594	2,596	2,685	2,767
Cash and cash equivalents	821	504	85	37
Short-term investments	1,190	1,410	1,930	1,930
Accounts receivable	174	178	209	242
Inventories	364	464	416	512
LONG-TERM ASSETS	661	604	605	624
Long-term trade receivables	20	20	20	20
Fixed assets	286	265	287	306
Long-term incomplete assets	12	20	13	13
Long-term investments	64	64	65	65
Good will (before 2015)	0	0	0	0
LIABILITIES	565	499	545	598
Current liabilities	546	481	528	581
Trade accounts payable	154	172	172	229
Short-term borrowings	55	55	41	39
Other short-term liabilities	337	254	315	312
Long-term liabilities	19	18	17	17
Long-term trade payables	0	0	0	0
Long-term borrowings	0	0	0	0
Other long-term liabilities	19	18	17	17
OWNER'S EQUITY	2,690	2,702	2,745	2,793
Paid-in capital	819	819	819	819
Share premium	2	2	2	2
Other funds	1,202	1,202	1,202	1,202
Undistributed earnings	667	679	722	770
State capital	0	0	0	0
Interest of non-controlling shareholders	0	0	0	0

Key ratios (x, %, VND)	2023	2024	2025F	2026F
Multiple				
P/E	8.2	10.8	10.9	10.6
P/E diluted	8.2	10.8	10.9	10.6
P/B	3.2	4.0	5.2	5.1
P/S	0.0	0.0	0.0	0.0
P/Tangible Book	30.5	41.5	51.0	47.7
P/Cash Flow	5.3	12.1	9.4	10.1
EV/EBITDA	5.2	7.2	7.7	7.5
EV/EBIT	5.8	7.8	8.2	8.1
Operating performance				
ROE	39%	0.37	0.48	0.49
ROA	0.33	0.31	0.40	0.40
ROIC	0.38	0.36	0.47	0.48
Financial structure				
Cash Ratio	1.5	1.0	0.2	0.1
Quick Ratio	4.0	4.3	4.2	3.8
Current Ratio	4.7	5.4	5.1	4.8
LT Debt/Equity	0.0	0.0	0.0	0.0
LT Debt/Total Assets	0.0	0.0	0.0	0.0
Debt/Equity	0.0	0.0	0.0	0.0
Debt/Total Assets	0.0	0.0	0.0	0.0
ST Liabilities/Equity	0.2	0.2	0.2	0.2
ST Liabilities/Total Assets	0.2	0.1	0.1	0.2
Total Liabilities/Equity	0.2	0.2	0.2	0.2
Total Liabilities/Total Assets	0.2	0.1	0.2	0.2
Activity ratios				
Account Receivable Turnover	22.8	26.2	29.4	27.8
Inventory Turnover	6.5	6.3	7.0	7.6
Account Payable Turnover	21.4	18.8	17.9	17.5

KB SECURITIES VIETNAM (KBSV)

Head Office:

Levels 16&17, Tower 2, Capital Place, 29 Lieu Giai Street, Ngoc Ha, Hanoi, Vietnam

Tel: (+84) 24 7303 5333 – Fax: (+84) 24 3776 5928

Hanoi Branch:

Level 1&2, Office Building, 5 Dien Bien Phu Street, Ba Dinh, Hanoi, Vietnam

Tel: (+84) 24 7305 3335 – Fax: (+84) 24 3822 3131

Ho Chi Minh Branch:

Level 21, Vietinbank Tower, 93-95 Ham Nghi Street, Sai Gon, Ho Chi Minh City, Vietnam

Tel: (+84) 28 7303 5333 – Fax: (+84) 28 3914 1969

Saigon Branch:

Level 1, Saigon Trade Center, 37 Ton Duc Thang Street, Sai Gon, Ho Chi Minh City, Vietnam

Tel: (+84) 28 7306 3338 – Fax: (+84) 28 3910 1611

CONTACT INFORMATION

Hotline: 1900 1711

Email: info@kbsec.com.vn

Website: www.kbsec.com.vn

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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