KB Securities VIETNAM

KBSV RESEARCH

STOCK PITCH REPORT

October 30, 2025

BCM Infrastructure (IJC)

Many commercial real estate projects started

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Buy

Target price	VND15,500
Support/Entry 1	11,600 - 12,100
Upside 1	30%
Support/Entry 2	9,600 - 10,600
Upside 2	55%

Note:

Investors need to combine the assessment of market trend, the attractiveness of investment catalysts and risk appetite to manage the stock exposure at each entry level accordingly.

Since the determination of each support/entry level is based on different time frames, we do not provide a fixed Stop Loss. In general, Stop Loss levels should be set tighter for near supports/entries (5-7%) and wider for far supports/entries (10-15%).

INVESTMENT CATALYSTS

Becamex Infrastructure Development (IJC) owns a large commercial real estate land bank (51ha), mainly in the new center of Binh Duong. With the advantage of low cost of capital and complete legal status, the developer can directly benefit from the expansion of industrial parks in Binh Duong such as VSIP 3 (1,000ha), Cay Truong (700ha), and NTU3 (385ha) as they will help increase demand for IJC's commercial real estate projects.

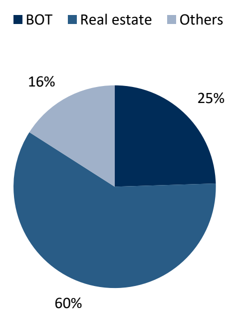
Commercial real estate presales have recovered. KBSV forecasts 2025/2026F presales will reach VND713/996 billion (+1.16x YoY/+39.6% YoY) respectively, mainly from Sunflower 2 project. In addition, we expect two other projects, Prince Town 2 and IJC Aroma, to be implemented between 2026 and 2027.

BOT toll collection will bring stable income. We expect that traffic through BOT stations will record CAGR of about 4.5-5%, contributing VND300-350 billion to annual revenue, with a gross margin maintained at 75%.

Business operation

IJC has two main business sectors, residential real estate and BOT toll. It currently owns about 51ha of land, which was mainly transferred from Becamex IDC (HSX: BCM; holds 49.96% of IJC shares). In addition, the company also participates in a number of key traffic projects, mainly important routes in Binh Duong and Ho Chi Minh City.

Revenue composition in 9M25

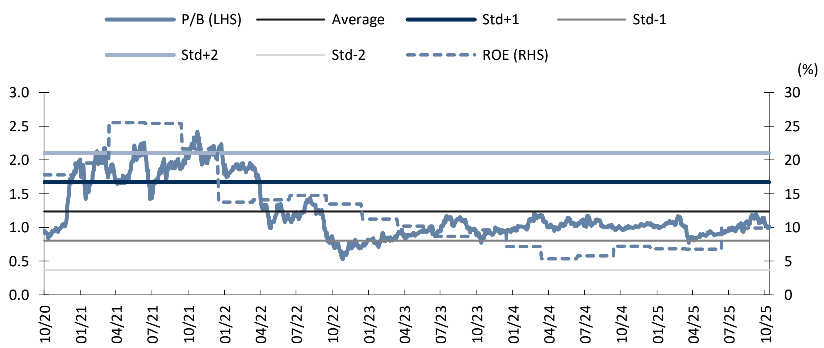


Source: Becamex Infrastructure Development, KB Securities Vietnam

Stock price relative comparison

IJC is currently trading at PBR at 1.0x (below the five-year average). We expect that with the launch of Sunflower 2 and the steady growth of BOT toll collection, 2025/2026F ROE will rebound to 9.7%/11.7%. As a result, the company's P/B is expected to be revalued to be equal to its historical mean of 1.2x.

P/B and ROE (x, %)



Source: Bloomberg, KB Securities Vietnam

1. Long-term potential underpinned with industrial park expansion projects

IJC boasts large land bank with low capital cost and complete legal procedures

The land bank of IJC is concentrated in the center of Binh Duong, providing high-end properties as the main product. The remaining commercial area is about 51ha, most of which most was transferred from BCM. Therefore, IJC has an advantage over its competitors in terms of (1) shorter time to complete legal procedures and site clearance and (2) much lower costs compared to neighboring projects (VND8 – 15 million/m^2 vs VND18 – 26 million/m^2).

Long-term prospects are strengthened by the potential of industrial park expansion

Most high-end projects (villas and townhouses) serve the needs of experts and residents in industrial parks. Therefore, the long-term prospects of IJC not only depend on the general developments of the real estate market but are also closely linked to the expansion speed of industrial parks and the ability to attract FDI capital flows in Binh Duong.

The lack of high-end housing products in industrial parks makes room for IJC's development

We maintain a positive view on FDI flows into Vietnam in the long term *(See also Vietnam Macro Outlook 4Q25 Report).* On that basis, KBSV believes that the expansion of industrial parks will boost the housing demand in Binh Duong area, which has attracted the second largest FDI inflows in the Southern region, after Ho Chi Minh City. In the period of 2022-2025, the province has supplemented the supply of industrial parks with a number of large projects such as VSIP 3 (1,000ha), Bau Bang Expansion (380ha), Cay Truong (700ha), and NTU3 (345ha).

In addition, the is a lack of supply of high-end products targeting experts and managers in industrial parks. Currently, the whole province has about 45,000 experts and senior managers working in industrial parks, equivalent to about 13% of the population of Thu Dau Mot. However, the supply of high-end housing products for this group is still limited, only meeting about 15-25% of actual demand (according to a survey by Batdongsan.vn).

We believe that the gap between the development speed of industrial parks and the supply of high-quality properties will create long-term growth potential for the target segment of IJC. In addition, this also helps offset some of IJC's limitations as its investment capacity, brand awareness, and marketing strategy can hardly compete with major competitors that have just entered the Binh Duong housing market like Capital Land, Tokyu, and Gamuda.

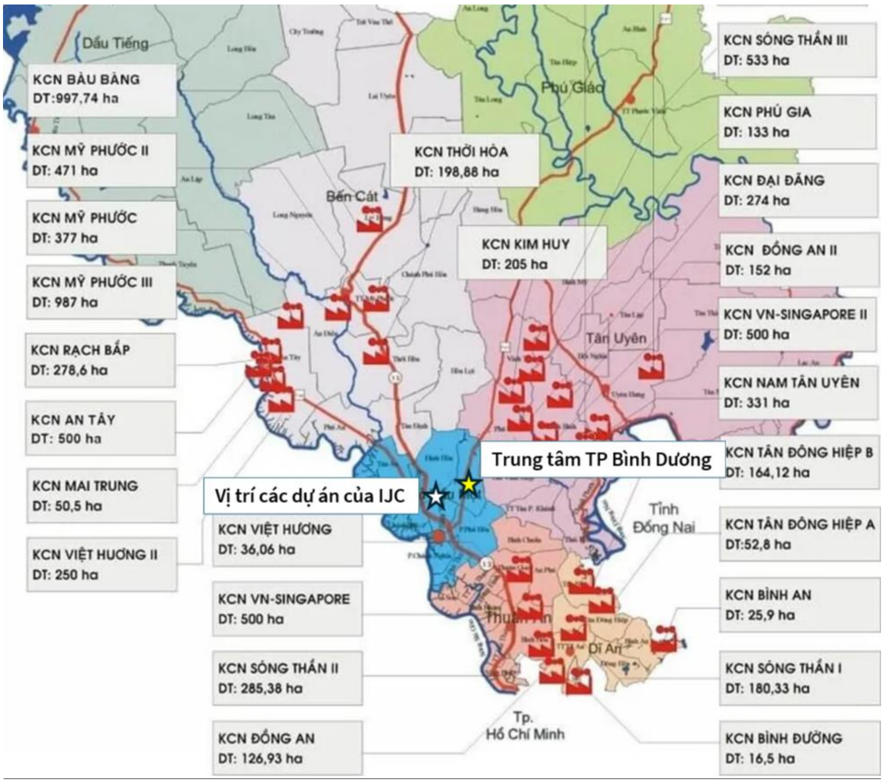
Table 1. IJC – Project portfolio

Projects	IJC ownership	Location	Area (m2)	Remaining commercial area (m2)	Site clearance	Occupancy rate	Progress
Housing projects				513,738			
IJC Aroma	100%	Thu Dau Mot, Binh Duong	21,338	9,838	100%	54%	- Legal procedures completed - Completed two apartment buildings (A & B) consisting of 384 units - Expected to build and sell the remaining 232 units in 2025 - 2027
Sunflower 2	100%	Thu Dau Mot, Binh Duong	494,574	49,574	100%	0%	- Legal procedures completed - Project scale: 100 villas and 2,488 apartments - 2025 - 2026 phase: launch/build the villa segment, opened for sale from July 2025
Prince Town 2	100%	Thu Dau Mot, Binh Duong	36,354	36,354	100%	0%	- Legal procedures completed - Project scale: 314 villas, available for trade in 2025 - 2027
IJC Urban Area	100%	Thu Dau Mot, Binh Duong	11,268	2,484	100%	78%	- Legal procedures completed
5C Lai Uyen (Bau Bang)	100%	Bau Bang, Binh Duong	143,424	143,424	100%	0%	- VND362 billion invested by IJC, mainly in land use fees - Temporarily suspended - Project scale: 916 land plots
IJC Hoa Loi (F1 - F16)	100%	Thu Dau Mot, Binh Duong	149,409	67,712	100%	55%	- Legal procedures completed - Project scale: 905 plots land, 410 plots available for sale
IJC Hoa Loi Expansion	100%	Thu Dau Mot, Binh Duong	82,846	82,846	100%	0%	- Project scale: 590 land plots
Hoa Loi Resettlement Area	100%	Thu Dau Mot, Binh Duong	121,506	121,506	100%	0%	- VND280 billion invested by IJC, mainly in land use fees - Temporarily suspended - Project scale: 400 land plots
Industrial parks							
Becamex Binh Phuoc Industrial Park	32%	Chon Thanh, Binh Phuoc Province	24,482,732	20,802,732	60%	15%	- Legal procedures completed - Started construction and leasing from 2015 - 2016

Source: Becamex Infrastructure Development, KB Securities Vietnam

Binh Duong is oriented to be the industrial park capital of Southern Vietnam. According to the 2025-2030 plan, the province will invest in 10 new industrial parks. Of these, two industrial parks in Bac Tan Uyen and Tan Uyen will be invested in the next two years, with a total area of 1,000ha. The remaining eight industrial parks located in Bac Tan Uyen, Dau Tieng and Phu Giao districts will be invested until the end of 2030, covering a total area of over 6,000ha. With a vision to 2050, Binh Duong aims to have 41 - 42 industrial parks with a total area of about 25,000ha, nearly doubling the total area of current industrial parks in this province (about 12,500 - 13,500ha).

Fig 2. Binh Duong – Industrial park location



Source: Savills

2. A series of new commercial real estate projects started

In May 2025, the Management approved investment resolutions for three projects in the period 2025 – 2028, including Sunflower 2 (49,574 m^2), Prince Town 2 (36,354 m^2), and IJC Aroma (9,806 m^2).

Sunflower 2 project will be the main driving force in 2025-2026F

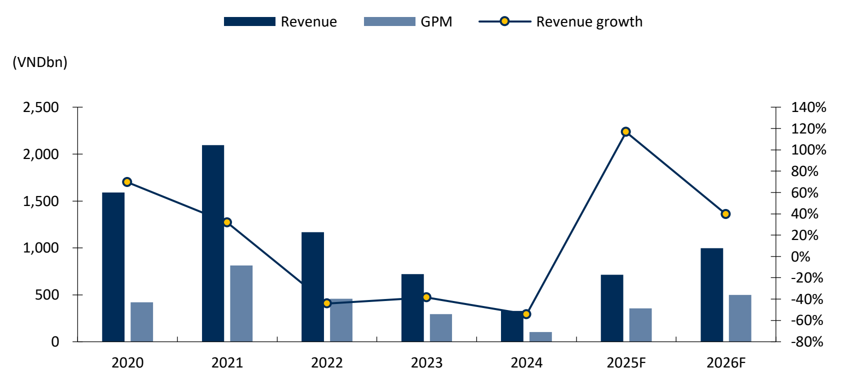
KBSV forecasts that in 2025/2026F, IJC's real estate revenue will reach VND713/996 billion (+1.16x YoY/+39.6% YoY), mainly contributed by the Sunflower 2 project. In 3Q25, the company launched 100 villas at Sunflower 2. According to our survey, the absorption rate was quite good with 82 units sold at prices ranging from VND45 – 50 million/m^2. This is thanks to: (1) the location next to the new center of Binh Duong, which attracts housing needs from experts/managers in industrial parks; (2) the recovery of real estate market when Binh Duong expanded its investment in transport infrastructure connecting with Ho Chi Minh City and seaports (Figure 5); and (3) much lower average selling price compared to neighboring projects (Figure 4). Therefore, we expect IJC to complete the sale of the remaining 18 units in 2026 and hand over the entire project in 4Q26.

Prince Town and Aroma Apartment projects should be deployed in 2026-2027

We expect that the successful sale of Sunflower 2 will be the foundation for the company to develop other projects such as Prince Town 2 and IJC Aroma in 2026-2027. However, the expansion of these two projects will face competitive pressure from BCM's Green City project (20ha), which is expected to be available for sale in early 2026. However, we expect that the development of the main infrastructure route connecting Binh Duong and Ho Chi Minh City (Figure 4) will be a factor that helps relieve competitive pressure from higher supply.

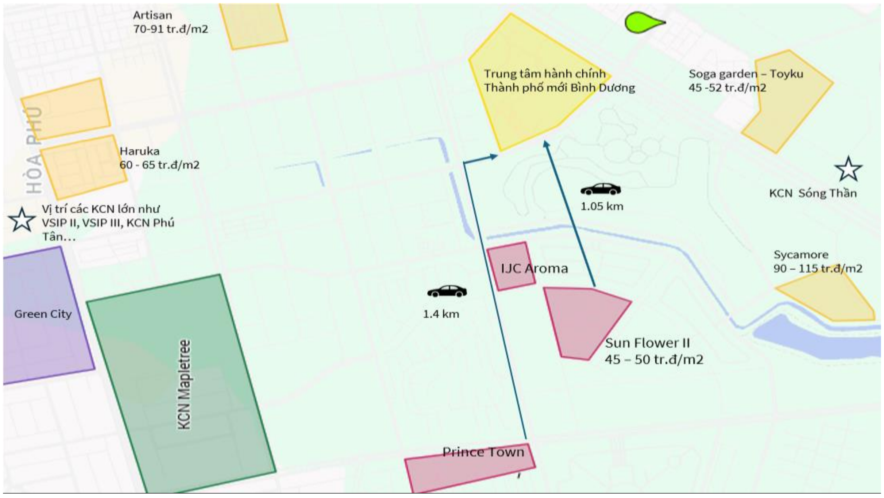
In addition, in 2025, IJC plans to offer 251.8 million shares to existing shareholders, expected to bring in VND2,518 billion in proceeds to supplement capital for PPP infrastructure packages connecting Binh Duong – Ho Chi Minh City and the company's real estate projects (Table 6). We believe that participating in PPP packages does not bring much profit to the company, when the construction segment's GPM is relatively low (~5%). However, these are vital routes to promote IJC's land bank expansion and ASP in the long term.

Fig 3. IJC – Real estate presales in 2021-2026F (VNDbn)



Source: Becamex Infrastructure Development, KB Securities Vietnam

Fig 4. IJC – Location of real estate projects



Source: Becamex Infrastructure Development, KB Securities Vietnam

Fig 5. Binh Duong – Some transport infrastructure projects

Source: Becamex Infrastructure Development, KB Securities Vietnam

Table 6. IJC – Capital allocation plan for 2025

	Purpose	Plan to use capital from the issuance (VNDbn)
Sunflower 2	Project investment	200
Prince Town 2	Project investment	224.96
Investment in Ho Chi Minh City – Thu Dau Mot – Chon Thanh Expressway JSC	Building the Ho Chi Minh City – Thu Dau Mot – Chon Thanh Expressway	265
Investment in BCM Binh Phuoc	Becamex Binh Phuoc Industrial Park	714.879
Investment in Ho Chi Minh City Ring Road 4 JSC	Building the Ho Chi Minh City Ring Road 4 from Thu Bien – Saigon River	738.97
Payment of principal and interest of bonds		156.97
Payment of principal of bank		217.5

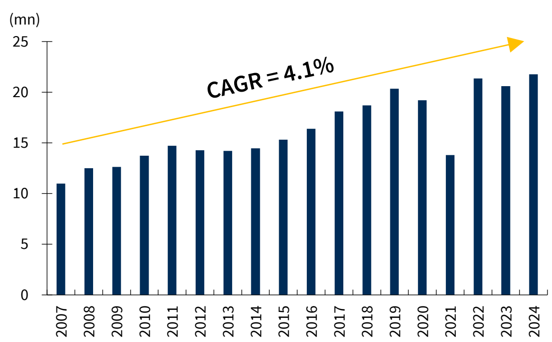
Source: Becamex Infrastructure Development, KB Securities Vietnam

3. Stable income from BOT fee collection

Fee collection at BOT projects has contributed to revenue and gross profit an average of 17% and 32% respectively in 2020-2025. Currently, IJC is managing and collecting tolls at two BOT stations on National Highway 13, Vinh Phu station in Thuan An and Suoi Giua station in Thu Dau Mot. The toll collection period is until 2037, the traffic through the station is growing steadily with a CAGR of 4.1% in the period 2007-2025. In 2025, IJC plans to participate in the project to upgrade and expand National Highway 13, thereby increasing the toll collection period to 2047. At the same time, it will expand the National Highway 13 BOT toll station from six lanes to eight lanes to minimize traffic congestion through the station.

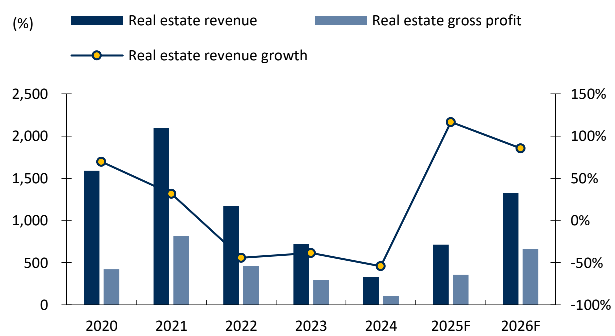
We expect that with the development speed of industrial parks in Binh Duong and the expansion of two more toll lanes, traffic through the station will record a CAGR of 4.5 - 5% in the period 2025-2030, equivalent to a stable annual revenue contribution of VND300-350 billion and with a GPM maintained at 75%.

Fig 7. IJC – Traffic through BOT stations (million arrivals)



Source: Becamex Infrastructure Development, KB Securities Vietnam

Fig 8. IJC – Revenue & gross profit from BOT fee collection (VNDbn)



Source: Becamex Infrastructure Development, KB Securities Vietnam

Risks

Sales strategy limits access to investors/customer groups in Binh Duong

Although IJC owns a large land bank with strategic location in Binh Duong, the company's brand and marketing activities are not as strong as many competitors in the region such as Capital Land, Gamuda, and Tokyu. This may cause difficulties for the company in accessing foreign customers – international experts and investors in Binh Duong, which is a segment with strong housing demand and high payment capacity.

Liquidity risks of real estate projects

Furthermore, the high-end housing segment that IJC targets has low liquidity and depends heavily on the real estate industry cycle and the ability to attract FDI of industrial parks in Binh Duong.

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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