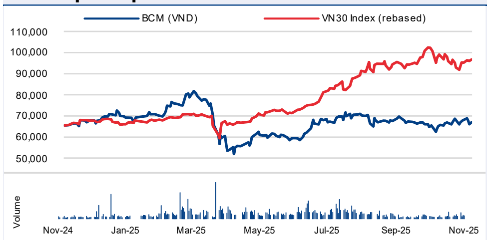
Upgrade to Add on valuation

Add *(from Hold)*
Target price: VND72,600 *(from VND69,000)*
Up/downside: 8.4%

Share price (VND) (as of 21 Nov 2025)	67,000
Bloomberg code	BCM VN
52-week range (VND)	52,000-81,800
Trading value (5D) (VNDmn)	24,421
Market cap. (VNDbn)	69,345
Market cap. (USDmn)	2,631
Shares outstanding (mn)	1,035
Total FOL share room (mn)	352
Current FOL share room (mn)	20.3
Foreign ownership limit	34.0%
Foreign owned ratio	1.96%
Free float	3.84%
Major shareholder	People's Committee (95.4%)

Source: Company, HSC Research estimates

Share price performance



Share price (%)	-1 mth	-3 mth	-12 mth
Ordinary shares	4.69	(4.15)	2.29
Relative to index	5.57	(5.41)	(30.7)
Relative to sector	-	-	-

Source: Company, FactSet

HSC vs. consensus

EPS adj. (VND)	HSC	Cons	% diff
2025F	2,511	1,802	39.3
2026F	2,223	1,829	21.5
2027F	2,567	2,240	14.6

Source: Bloomberg, HSC Research estimates

Company description

BCM is a leading industrial park developer here, with over 6,000 ha of industrial land. Apart from land leasing, BCM has developed an ecosystem to enhance the overall value of its core IPs.

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- With an 8.4% upside to our 5.2% revised up TP of VND72,600, we upgrade BCM to Add (from Hold), reflecting higher FY25 earnings estimates and rolling forward our valuation to end-FY26 (from mid-FY26).
- We raise our FY25 net profit forecasts by 19.5% to VND2.6tn (up 23.4% y/y) on higher contributions from VSIP following higher than expected deliveries in 3Q25, while keeping our FY26-27 estimates largely unchanged.
- BCM has increased 5% over the past 1M. The shares now trade on a 1Y rolling fwd P/E of 30.9x vs. its 3Y average of 33.5x, and on a 26.1% discount to RNAV (vs. an avg. of 23.5% since our initiation in mid March).

Event: In-depth 9M25 results review

We review our estimates and outlook for BCM following 3Q25 beat on better-than-expected contributions from associates/JVs (mostly VSIP).

Impact: Increasing FY25, maintaining FY26-27 estimates

We raise our FY25 net profit forecasts by 19.5% to VND2.6tn (up 23.4% y/y) on unchanged revenue of VND8.0tn (up 53.6% y/y) on higher contributions from VSIP following higher than expected deliveries in 3Q25. We expect VSIP to lease out 280 ha/250 ha/318 ha (compared to previous forecasts of 240 ha/250 ha/318 ha). We maintain our respective FY26-27 net profit of VND2.3tn (up 11.5% y/y) and VND2.7tn (up 15.5% y/y) on respective revenue forecasts of VND8.4tn (up 5.8% y/y), and VND8.9tn (up 5.1% y/y). We expect Cay Truong and Bau Bang Expansion IPs projects to be launched in FY25, which are BCM's FY25-27 earnings driver for the IPs segment. Specifically, we expect BCM to lease out 45 ha/70 ha/79 ha, respectively. Overall, our new forecasts suggest a net profit CAGR of 8.1% over the FY24A-27F period.

Valuation and recommendation

We upgrade BCM to Add (from Hold) with an 8.4% upside to our new TP of VND72,600 (up 5.2%) on higher FY25 earnings forecasts and rolling forward our valuation to end-FY26 from (Mid-FY26).

We believe the negative sentiment stemming from the failed equity issuance earlier this year has largely been priced in. Meanwhile, sector sentiment should improve as tariff uncertainties fade, leaving Vietnam in no way disadvantaged relative to key competitors such as Thailand, Indonesia, India, and China. Vietnam continues to remain an attractive destination for FDI. However, concerns remain, with high leverage and cashflow pressure in the short-term before sales at two new IPs Cay Truong and Bau Bang start to kick-in.

BCM has increased 5% over the past 1M. The shares now trade on a 1Y rolling fwd P/E of 30.9x vs. its 3Y average of 33.5x, and on a 26.1% discount to RNAV (vs. an avg. of 23.5% since our initiation in mid March).

Year end: December	12-23A	12-24A	12-25F	12-26F	12-27F
EBITDA adj. (VNDbn)	2,942	1,901	2,691	2,948	3,041
Reported net profit (VNDbn)	2,425	2,106	2,599 ▲	2,301	2,657
EPS adj. (VND)	2,343	2,034	2,511 ▲	2,223	2,567
DPS (VND)	800	994	-	-	-
BVPS (VND)	18,814	19,787	22,315	24,880	28,100
EV/EBITDA adj. (x)	29.8	47.6	34.1	31.1	30.1
P/E adj. (x)	28.6	32.9	26.7	30.1	26.1
Dividend yield (%)	1.19	1.48	-	-	-
P/B (x)	3.56	3.39	3.00	2.69	2.38
EPS adj. growth (%)	42.8	(13.2)	23.4	(11.5)	15.5
Ret. on avg. equity (%)	13.0	10.5	11.9	9.42	9.69

Note: Use of ▲ ▼ indicates that the item has changed by at least 5%.
Source: Bloomberg, HSC Research estimates

Earnings up slightly for FY25

With an 8.4% upside to our 5.2% revised up TP of VND72,600, we upgrade BCM to Add (from Hold), reflecting higher FY25 earnings estimates and rolling forward our valuation to end-FY26 (from mid-FY26). We raise our FY25 net profit forecasts by 19.5% to VND2.6tn (up 23.4% y/y) on higher contributions from its JV - while keeping our FY26-27 estimates largely unchanged. Despite slightly higher earnings, we are still concerned about cash flow pressure due to slow IP land sales and its high debt levels.

Increasing FY25, maintaining FY26-27 estimates

We raise our FY25 net profit forecasts by 19.5% to VND2.6tn (up 23.4% y/y) on unchanged revenue of VND8.0tn (up 53.6% y/y) on higher contributions from VSIP following higher than expected deliveries in 3Q25. We expect VSIP to lease out 280 ha/250 ha/318 ha (previously 240 ha/250 ha/318 ha).

We maintain our respective FY26-27 revenue forecasts at VND8.4tn (up 5.8% y/y), and VND8.9tn (up 5.1% y/y) and net profit of VND2.3tn (up 11.5% y/y) and VND2.7tn (up 15.5% y/y). We expect Cay Truong and Bau Bang Expansion IPs projects to be launched in FY25, which are BCM's FY25-27 earnings driver for its IP segment. Specifically, we expect BCM to lease out 45 ha/70 ha/79 ha, respectively.

Overall, our new forecasts suggest a net profit CAGR of 8.1% over the FY24A-27F period.

Figure 1: Earnings revisions, BCM

VNDbn	FY24A	New FY25F	Revision	Growth y/y	New FY26F	Revision	Growth y/y	New FY27F	Revision	Growth y/y
Total revenue	**5,195**	**7,979**	**0.0%**	**53.6%**	**8,443**	**0.0%**	**5.8%**	**8,872**	**0.0%**	**5.1%**
IP land leasing	*3,327**	*1,344*	*0.0%*	*90.0%*	*2,122*	*0.0%*	*58.0%*	*2,578*	*0.0%*	*21.5%*
Property sales	*-*	*4,979*	*0.0%*	*-*	*4,618*	*0.0%*	*-7.3%*	*4,497*	*0.0%*	*-2.6%*
Services	*1,181*	*796*	*0.0%*	*-32.6%*	*804*	*0.0%*	*1.0%*	*840*	*0.0%*	*4.5%*
Others	*687*	*860*	*0.0%*	*-14.0%*	*898*	*0.0%*	*4.4%*	*957*	*0.0%*	*6.5%*
Gross profit	**3,392**	**4,117**	**0.0%**	**21.4%**	**4,447**	**0.0%**	**8.0%**	**4,840**	**0.0%**	**8.8%**
Profit shared in associates	1,955	1,619	9.1%	-17.2%	1,551	0.0%	-4.2%	2,038	0.0%	31.3%
Profit after tax	2,310	2,617	4.7%	13.3%	2,655	0.0%	1.5%	3,333	0.0%	25.5%
Net profit	**2,106**	**2,599**	**19.5%**	**23.4%**	**2,301**	**0.0%**	**-11.5%**	**2,657**	**0.0%**	**15.5%**

Note: (*) We use the total figure as BCM does not provide a detailed breakdown of IPs and property revenue.
Source: HSC Research estimates

Valuation and recommendation

Conclusions and methodology

We upgrade BCM to Add (from Hold) with 8.4% upside with a new TP of VND72,600 (up 5.2%) on higher FY25 earnings forecasts and our roll forward valuation to end-FY26 from (Mid-FY26). We believe the negative sentiment stemming from the failed equity issuance earlier this year has largely been priced in. Meanwhile, sector sentiment should improve as tariff uncertainties have been resolved, leaving Vietnam in no way disadvantaged relative to key competitors such as Thailand, Indonesia, India, and China. Vietnam continues to remain an attractive destination for FDI. However, concerns remain, with high leverage and cashflow pressure in the short-term before sales at two new IPs Cay Truong and Bau Bang start to kick-in.

We continue to use the SOTP method to establish our intrinsic value (RNAV) per share of VND90,700, up 5.2% on higher FY25 earnings forecasts and our roll forward valuation to end-FY26 from (Mid-FY26).

We use a WACC of 11.4% (unchanged) in our DCF models, used to value IPs and residential projects. To derive our WACC, we continue to use a 4.0% risk-free rate and beta of 1.0 (based on Bloomberg). We use our adjusted ERP of 10.25% (unchanged), based on an unchanged 1.5ppt premium to our new 'house' ERP of 8.75% (unchanged).

We continue to apply our assumed discount to RNAVPS of 20% (unchanged). Details of our valuation are presented in Figure 3. Meanwhile, we show valuation sensitivities to our choices of risk-free rate and adjusted ERP in Figure 4 and discount to RNAV in Figure 5.

Figure 2: Valuation, BCM

VNDbn	Methodology	BCM stake	Effective valuation (End-FY26)
Industrial property			**46,817**
BCM	DCF	100%	19,911
VSIP	DCF	42-67%	21,120
Becamex Binh Phuoc	DCF	56%	5,786
Residential property			**34,658**
Binh Duong New City	DCF	100%	28,023
Bau Bang, Thoi Hoa	DCF	100%	6,636
Others			**25,177**
TDC	DCF	61%	407
IJC	DCF	50%	973
BW Industrial	DCF	24%	21,433
BWE	DCF	19%	2,364
Investment property	BV		707
Other investments	BV		8,449
Gross asset value			**115,808**
Net (debt)/cash			(21,939)
RNAV			**93,869**
Share o/s (mn)			1,035.0
RNAV/share (VND)			**90,700**
Assumed discount			20%
Target price (VND)			**72,600**

Source: HSC Research estimates

Figure 3: Target price sensitivity to key valuation inputs (VND), BCM

Our base case uses a 4.0% risk-free rate and a 10.25% adjusted equity risk premium

		Adjusted equity risk premium				
		9.25%	**9.75%**	**10.25%**	**10.75%**	**11.25%**
Risk-free-rate	**3.0%**	84,600	81,600	75,000	75,700	73,000
	3.5%	83,300	80,000	73,700	74,200	71,700
	4.0%	81,700	78,700	**72,600**	73,100	70,600
	4.5%	80,100	77,200	71,200	71,800	69,400
	5.0%	78,800	76,100	70,200	70,700	68,200

Source: HSC Research

Figure 4: TP sensitivity to discount to RNAV assumption, BCM

Discount to RNAV assumption:	0%	10%	20%	30%	40%
Target price (VND/share)	82,600	74,300	**72,600**	57,800	49,600
Upside from current price	23.3%	10.9%	**8.4%**	-13.7%	-26.0%

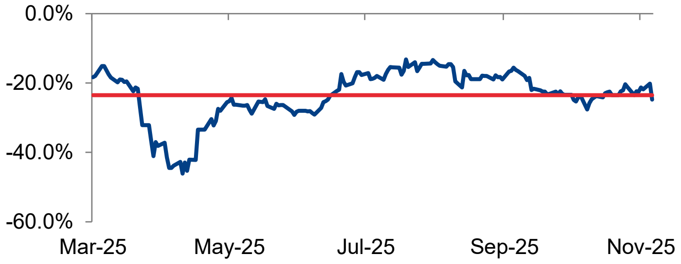
Source: HSC Research estimates

Valuation context

BCM has increased 5% over the past 1M. The shares now trade on a 1Y rolling fwd P/E of 30.9x vs. its 3Y average of 33.5x, and on a 26.1% discount to RNAV (vs. an avg. of 23.5% since our initiation in mid-March).

Figure 5: Discount to RNAV, BCM

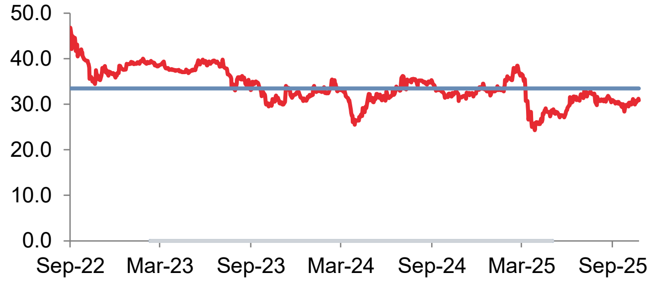
BCM is trading at 26.1% discount to RNAV (vs. an avg. of 23.5 since our initiation in mid-March).



Source: HSC Research estimates

Figure 6: 1Y rolling forward P/E, BCM

BCM is trading at 1Y P/E of 30.9x vs. its 3Y average of 33.5x



Source: HSC Research estimates

Financial statements and key data

Income statements (VNDbn)	12-23A	12-24A	12-25F	12-26F	12-27F
Sales	7,883	5,195	7,979	8,443	8,872
Gross profit	4,248	3,392	4,117	4,447	4,840
SG&A	(1,465)	(1,737)	(1,562)	(1,683)	(1,984)
Other income	18.7	27.2	0	0	0
Other expenses	(127)	(43.5)	0	0	0
EBIT	**2,674**	**1,638**	**2,555**	**2,764**	**2,857**
Net interest	(775)	(1,142)	(1,203)	(1,301)	(1,111)
Associates/affiliates	798	1,955	1,619	1,551	2,038
Other non-operational	-	-	-	-	-
Exceptional items	-	-	-	-	-
Pre-tax profit	**2,697**	**2,451**	**2,970**	**3,014**	**3,783**
Taxation	(416)	(142)	(354)	(359)	(450)
Minority interests	143	(204)	(17.8)	(354)	(676)
Exceptional items after tax	-	-	-	-	-
Net profit	**2,425**	**2,106**	**2,599**	**2,301**	**2,657**
Net profit adj'd	**2,425**	**2,106**	**2,599**	**2,301**	**2,657**
EBITDA adj.	**2,942**	**1,901**	**2,691**	**2,948**	**3,041**
EPS (VND)	2,343	2,034	2,511	2,223	2,567
EPS adj. (VND)	2,343	2,034	2,511	2,223	2,567
DPS (VND)	800	994	-	-	-
Basic shares, average (mn)	1,035	1,035	1,035	1,035	1,035
Basic shares, period end (mn)	1,035	1,035	1,035	1,035	1,035
Fully diluted shares, period end (mn)	1,035	1,035	1,035	1,035	1,035

Cash flow statements (VNDbn)	12-23A	12-24A	12-25F	12-26F	12-27F
EBIT	2,674	1,638	2,555	2,764	2,857
Depreciation & amortisation	(267)	(262)	(136)	(184)	(184)
Net interest	(775)	(1,142)	(1,203)	(1,301)	(1,111)
Tax paid	(416)	(142)	(354)	(359)	(450)
Changes in working capital	(3,815)	(911)	(2,538)	(1,227)	(1,571)
Others	(1,086)	(483)	310	335	380
Cash flow from operations	**(3,151)**	**(777)**	**(1,094)**	**396**	**288**
Capex	(115)	(261)	(246)	(220)	(220)
Acquisitions & investments	(859)	(1,286)	0	0	0
Disposals	351	(226)	0	0	0
Others	1,095	614	0	0	0
Cash flow from investing	**472**	**(1,158)**	**(246)**	**(220)**	**(220)**
Dividends	(828)	(1,029)	0	0	0
Issue of shares	-	-	-	-	-
Change in debt	3,768	3,842	660	537	537
Other financing cash flow	-	-	-	-	-
Cash flow from financing	**2,940**	**2,814**	**660**	**537**	**537**
Cash, beginning of period	1,071	1,332	2,210	1,530	2,243
Change in cash	**262**	**878**	**(680)**	**713**	**605**
Exchange rate effects	-	-	-	-	-
Cash, end of period	**1,332**	**2,210**	**1,530**	**2,243**	**2,848**
Free cash flow	**(3,265)**	**(1,038)**	**(1,340)**	**176**	**68.4**

Balance sheets (VNDbn)	12-23A	12-24A	12-25F	12-26F	12-27F
Cash	1,332	2,210	1,530	2,243	2,848
Short-term investments	87.3	295	295	295	295
Accounts receivable	7,024	8,066	8,624	8,968	9,524
Inventory	19,834	21,206	22,755	24,144	25,265
Other current assets	164	55.9	55.9	55.9	55.9
Total current assets	**28,441**	**31,833**	**33,260**	**35,707**	**37,988**
PP&E	4,210	3,968	3,975	3,954	3,933
Intangible assets	141	129	114	106	97.9
Investment properties	2,535	2,674	2,792	2,857	2,922
Long-term investments	592	592	592	592	592
Associates/JVs	16,634	18,896	20,205	21,421	23,078
Other long-term assets	870	684	684	684	684
Total long-term assets	**24,982**	**26,943**	**28,362**	**29,615**	**31,308**
Total assets	**53,423**	**58,777**	**61,623**	**65,321**	**69,296**
Short-term debt	9,385	7,903	8,980	9,184	9,389
Accounts payable	747	574	632	695	764
Other current liabilities	11,210	10,765	10,792	11,205	11,205
Total current liabilities	**22,998**	**21,453**	**22,099**	**22,810**	**23,120**
Long-term debt	10,331	15,725	15,309	15,640	15,972
Deferred tax	0	0	0	0	0
Other long-term liabilities	621	1,120	1,120	1,120	1,120
Long-term liabilities	**10,953**	**16,844**	**16,428**	**16,760**	**17,092**
Total liabilities	**33,950**	**38,298**	**38,527**	**39,570**	**40,212**
Shareholders' funds	19,473	20,479	23,096	25,751	29,084
Minority interests	0	0	0	0	0
Total equity	**19,473**	**20,479**	**23,096**	**25,751**	**29,084**
Total liabilities and equity	**53,423**	**58,777**	**61,623**	**65,321**	**69,296**
BVPS (VND)	18,814	19,787	22,315	24,880	28,100
Net debt/(cash)*	18,297	21,123	22,463	22,287	22,218

Financial ratios and other	12-23A	12-24A	12-25F	12-26F	12-27F
Operating ratios					
Gross margin (%)	53.9	65.3	51.6	52.7	54.6
EBITDA adj. margin (%)	37.3	36.6	33.7	34.9	34.3
Net profit margin (%)	30.8	40.5	32.6	27.3	29.9
Effective tax rate (%)	15.4	5.78	11.9	11.9	11.9
Sales growth (%)	20.1	(34.1)	53.6	5.81	5.08
EBITDA adj. growth (%)	63.0	(35.4)	41.6	9.55	3.15
Net profit adj. growth (%)	42.8	(13.2)	23.4	(11.5)	15.5
EPS growth (%)	42.8	(13.2)	23.4	(11.5)	15.5
EPS adj. growth (%)	42.8	(13.2)	23.4	(11.5)	15.5
DPS growth (%)	14.3	24.3	-	-	-
Dividend payout ratio (%)	34.1	48.9	-	-	-
Efficiency ratios					
Return on avg. equity (%)	13.0	10.5	11.9	9.42	9.69
Return on avg. CE (%)	8.93	4.84	6.65	6.74	6.44
Asset turnover (x)	0.15	0.09	0.13	0.13	0.13
Operating cash/EBIT (x)	(1.18)	(0.47)	(0.43)	0.14	0.10
Inventory days	1,992	4,293	2,151	2,206	2,288
Accounts receivable days	705	1,633	815	819	862
Accounts payable days	75.0	116	59.7	63.5	69.2
Leverage ratios					
Net debt*/equity (%)	101	114	105	93.5	82.7
Debt/capital (%)	39.4	43.6	41.8	40.3	38.8
Interest coverage (x)	3.45	1.44	2.12	2.12	2.57
Debt/EBITDA (x)	7.15	13.5	9.57	8.93	8.84
Current ratio (x)	1.24	1.48	1.51	1.57	1.64
Valuation					
EV/sales (x)	11.1	17.4	11.5	10.9	10.3
EV/EBITDA adj. (x)	29.8	47.6	34.1	31.1	30.1
P/E (x)	28.6	32.9	26.7	30.1	26.1
P/E adj. (x)	28.6	32.9	26.7	30.1	26.1
P/B (x)	3.56	3.39	3.00	2.69	2.38
Dividend yield (%)	1.19	1.48	-	-	-

*Note: *Excluding short-term investments.*
Source: Company, HSC Research estimates