

05/08/2024

RECOMMENDATION	BUY
Fair price	17,300
Current price	13,350
Upside/downside	29.5%

STOCK INFORMATION

Outstanding shares (mil)	377.7
Free float (%)	67%
Market cap. (billion VND)	5,213
3m avg. volume (shares)	4,059,581
Foreign ownership (%)	4.429
First listing date	19/04/2010

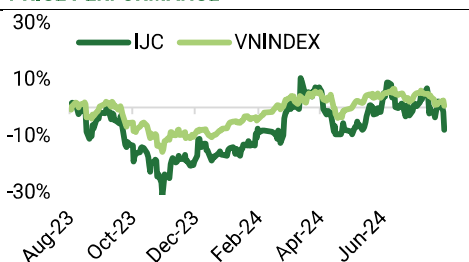
SHAREHOLDER STRUCTURE

Becamex IDC Corp	49.76%
Bao Viet Fund Management Co Ltd	4.32%
Others	45.92%

KEY ATTRIBUTES

TTM EPS (VND)	1,054
BVPS (VND)	14,275
Debt/Equity (%)	23.88%
ROA (%)	4.88%
ROE (%)	7.15%
P/E	13.09
P/B	0.97
Dividend yield (%)	8.21%

PRICE PERFORMANCE



COMPANY PROFILE

IJC currently manages toll collection on National route No. 13 in Binh Duong province. Additionally, the company is involved in real estate development and investment in Binh Duong province. On April 19, 2010, IJC was officially listed and began trading on the HOSE

RESEACH DIVISION

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THE THREE PILLARS

- With the robust infrastructure development in Binh Duong and the strategic advantage of being backed by the giant Becamex, we are optimistic about the prospects of IJC's residential real estate and BOT toll collection segments. Additionally, the investment in Becamex Binh Phuoc (industrial and residential real estate project) is expected to serve as a long-term growth driver for IJC.
- Looking ahead to 2024, we anticipate a recovery in IJC's two core business segments, supported by signs of a rebound in the real estate market and an increase in vehicle traffic through toll stations. We project IJC's 2024 revenue and net profit to reach VND 1,931 billion (+63% YoY) and VND 538 billion (+36% YoY), respectively.
- We recommend **BUY** with a potential price increase of **29.5%**.

Investment thesis:

- 1) Toll collection operations provide IJC with a stable cash flow.** The consistent income from toll activities ensures that IJC can: **i)** maintain a steady financial stream amidst the current sluggish conditions in the real estate market, and **ii)** sustain its ability to pay annual dividends to shareholders. IJC stands out as one of the few real estate companies with low debt levels and positive operating cash flow during the challenging period of 2022-2023, which has been one of the most difficult periods for the real estate market in recent years.
- 2) Comprehensive infrastructure in Binh Duong province and a large land bank are poised to drive IJC's long-term growth:**
The real estate market in this region is expected to recover soon, driven by increasing housing demand, as **i)** a growing demand for housing when population in Binh Duong witness a CAGR ~4.5% from the period 11A-23A; **ii)** Upcoming transportation infrastructure projects will facilitate movement and further boost economic development in this region.
IJC currently holds ~49 ha of clean land bank, with around 30 ha located in Binh Duong New City. IJC's key projects include: 5C Bà Bằng Residential Area, IJC Hoa Loi Residential Area (9.33 ha), Hoa Loi Resettlement Area (10.9 ha), Sunflower Villa expansion (5.3 ha), and Prince Town Ext. (3.6 ha). These projects are expected to be the primary drivers of IJC's long-term growth.
- 3) Additional funds issuance provides IJC the resources to invest & seize opportunities:** In 2024, IJC issued shares to existing shareholders at a 2:1 ratio, aiming to raise over VND 1,200 billion. The funds are expected to be allocated to developing infrastructure projects and investing in Becamex Binh Phuoc project. This investment strategy is forecasted to boost IJC's revenue from the infrastructure sector. Moreover, the cash inflow from this issuance will help the company further reduce debt, enhancing profitability.