



IDICO Corporation JSC

[Vietnam / Industrial real estate]

Bloomberg Code (IDC VN) | Reuters Code (IDC.HM)

BUY

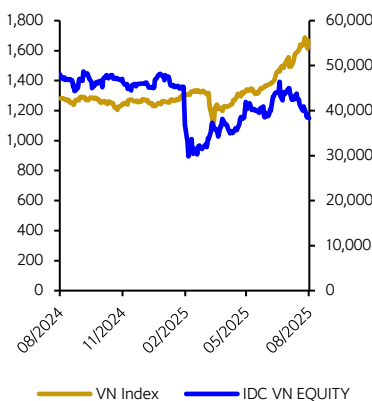
Initiation Coverage

Target price (12 months) **51,500 VND**
Current price (10/10/25) **38,100 VND**
Upside/downside (%) **35%**

VNINDEX	1,747
HNINDEX	273
Market Cap (bn VND)	14,458
Outstanding shares (mn)	379
Free-Floating (mn)	248
52-Wk High/Low (VND)	51,391/27,304
90-day avg trading volume (mn)	14,535
90-day avg turnover (bn VND)	379

	SSG Group JSC	22.50%
	Bach Viet	
Major shareholders (%)	Production and Trading Company Limited	11.93%

Performance	3T	6T	12T
Absolute (%)	10.4	-7.3	36.3
Relative to VN-Index (%)	7.5	-7.7	22.0



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Growth prospects with large land fund

Initiate coverage with BUY call and target price of VND 51,500

IDC Corporation (IDC), formerly known as the Vietnam Urban and Industrial Zone Development Investment Corporation, was established in 2000. IDC operates primarily in industrial park (IP) real estate, residential and commercial real estate, energy, and other related services. With foreign direct investment (FDI) inflows expected to remain robust, demand for industrial land leasing is projected to continue its upward trend in the coming years. With more than 700 hectares of industrial park land licensed in 2025, bringing the total available area for lease to more than 1,400 hectares, we expect IDC's business results to grow strongly in 2026. We initiate coverage on IDC with a target price of VND 51,500, implying an upside potential of 35%. Our valuation is based on the RNAV methodology.

Increasing FDI inflows continue to drive demand for industrial park leasing

According to the General Statistics Office, realized FDI in the first nine months of 2025 was estimated at USD 18.80 billion (+8.5% YoY), marking the highest level in the past five years. Total registered capital reached USD 28.54 billion (+15.23% YoY). IDC owns industrial parks in both the North and the South, concentrated in major cities and provinces such as Ba Ria Vung Tau, Bac Ninh, Hai Phong, Long An, etc. Thereby, IDC has the advantage of attracting FDI capital from a variety of countries and is less affected by tenants from China, which are mainly concentrated in the North.

Stable Cash Flow from the Power Segment

The electricity business segment currently accounts for 38% of net revenue and 10% of gross profit. IDC currently operates two hydropower plants with a total installed capacity of 114 MW, along with two transformer stations totaling 418 MVA. The company plans to build an additional two transformer stations during 2025–2029, which will raise the total capacity to 607 MVA. The power segment is expected to generate stable cash flows, with an anticipated growth rate of around 10% per year, supported by the expansion of IDC's industrial parks.

Expansion of Ready-to-lease Land Bank Drives Growth

In 2025, IDC accelerated the expansion of more than 700 hectares of industrial park (IP) land across Tan Phuoc 1 (Tien Giang), My Xuan B1 MR (Ba Ria – Vung Tau), Vinh Quang (Hai Phong), and Phu Long (Ninh Binh). This expansion increased IDC's total ready-to-lease IP land bank to over 1,400 hectares, strengthening its foundation for sustainable long-term growth. We expect IDC's revenue in 2025 and 2026 to reach VND 8,744 billion (–1% YoY), and VND 10,855 billion (+24% YoY) respectively, with total leased industrial park land area reaching 110 hectares and 170 hectares, respectively, with estimated after-tax profit reaching VND 2,280 billion (–5% YoY) in 2025 and VND 2,724 billion (+19% YoY) in 2026.

Risks: (1) Risk of weakening FDI capital flows; (2) Risk of real estate market decline; (3) Risk of slow project implementation; (4) Legal risks.

Year to Dec.	2024	2025F	2026F	2027F	2028F
Revenue (bn VND)	8,846	8,744	10,855	11,539	11,417
OP (bn VND)	2,939	2,813	3,419	3,656	3,170
NP (bn VND)	2,392	2,280	2,724	2,905	2,506
EPS (VND)	5,976	5,013	5,989	6,387	5,509
BPS (VND)	16,813	17,115	19,105	21,492	23,001
OPM (%)	33.23	32.17	31.49	31.68	27.77
NPM (%)	27.04	26.08	25.10	25.18	21.95
ROE (%)	35.54	29.29	31.35	29.72	23.95
PER (x)	9.21	7.70	6.44	6.04	7.01
PBR (x)	2.55	2.26	2.02	1.80	1.68
EV/EBITDA (x)	4.67	3.95	3.33	3.09	3.38

Source: Company data, Shinhan Securities Vietnam

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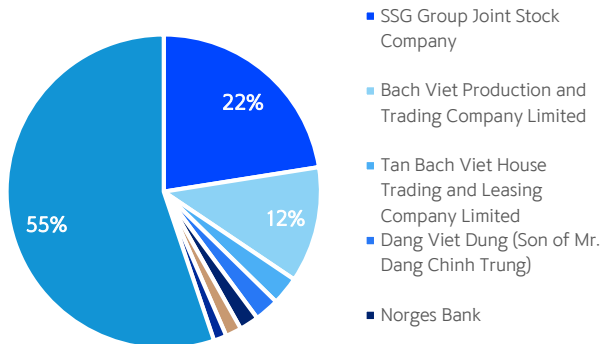
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Company background

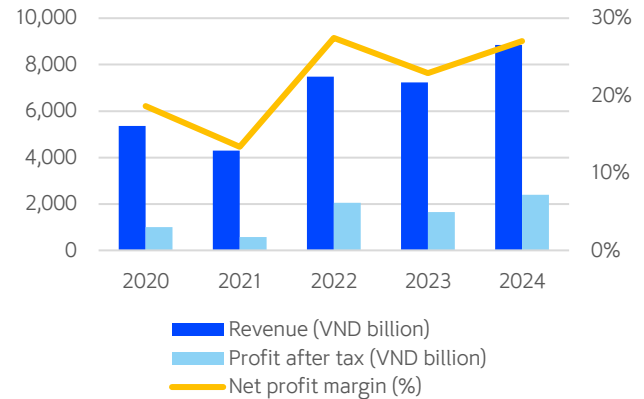
Company history

IDICO Corporation (HOSE: IDC), formerly known as the Vietnam Urban and Industrial Zone Development Investment Corporation, was established in 2000. IDC operates primarily in industrial park (IP) real estate, residential and commercial real estate, energy, and other related services, including road toll collection (BOT projects), construction activities, and industrial park services.

IDC's shareholder structure in Q2/2025 (%)



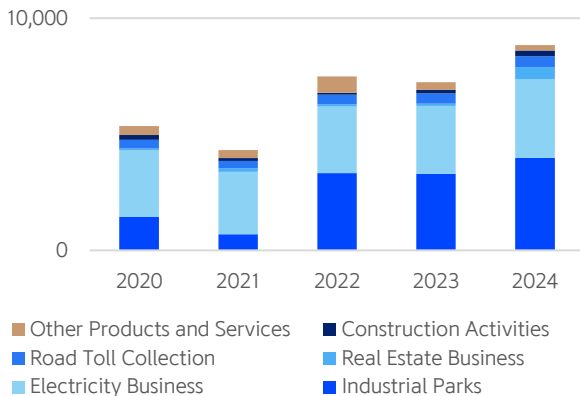
IDC's business results from 2020 - 2024 (billion VND)



Source: Company report, Shinhan Securities Vietnam

IDC is majority owned by SSG Group Joint Stock Company, accounting for 22.5% of the shareholder structure, in which Mr. Dang Chinh Trung (General Director and member of the Board of Directors of IDICO Corporation) represents 20.45% of SSG's IDICO shares. Of which, institutional investors account for 42% of the shareholder structure.

IDC's revenue structure from 2020 - 2024 (billion VND)



IDC's gross profit structure from 2020 - 2024 (billion VND)



Source: Company report, Shinhan Securities Vietnam

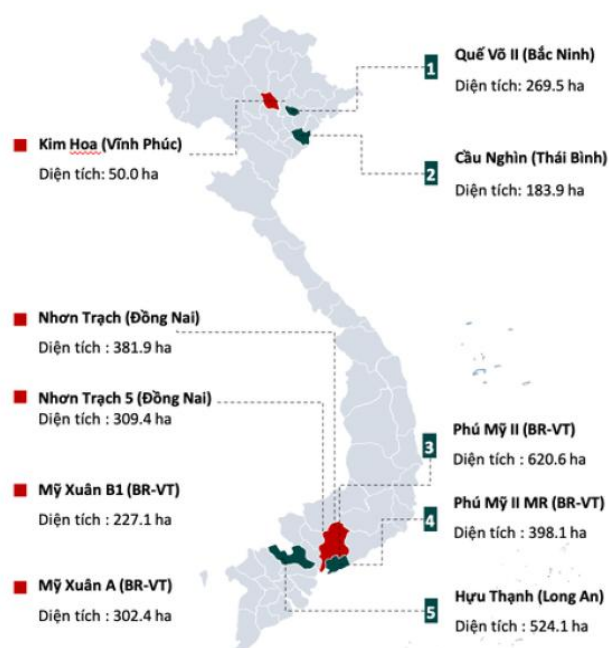
In 2024, IDICO's revenue was primarily derived from industrial park (IP) leasing, which accounted for 45% of total revenue and contributed 73% of gross profit. The power business represented 38% of revenue and contributed 10% of gross profit. Meanwhile, the real estate segment, although contributing only 6% of revenue, generated 11% of gross profit for IDC.

Industrial park leasing sector

Some of IDICO's outstanding customers



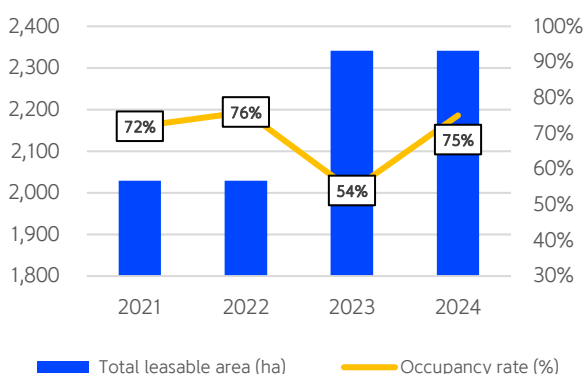
Geographical location of IDICO Industrial Parks



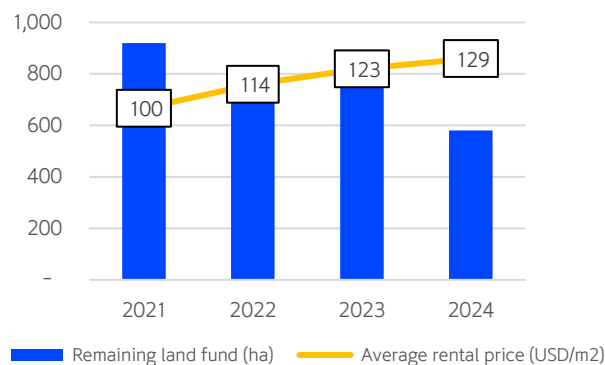
Source: Company report, Shinhan Securities Vietnam

IDICO owns 13 industrial parks (IPs) across multiple provinces in Vietnam with a total area of 4,073 hectares, of which approximately 2,341 hectares are designated as leasable industrial land. The current average occupancy rate across IDC's IPs stands at around 75%, leaving about 580 hectares of available land for future leasing. Among these, nine IPs are located in the South, and four IPs are located in the North. Most of the remaining vacant land is concentrated in provinces with high industrial demand such as Long An, Ba Rịa – Vũng Tàu, Bắc Ninh, and Thái Bình, providing significant room for medium- to long-term rental income growth.

IDC's leasable area and occupancy rate from 2021 - 2024 (billion VND)

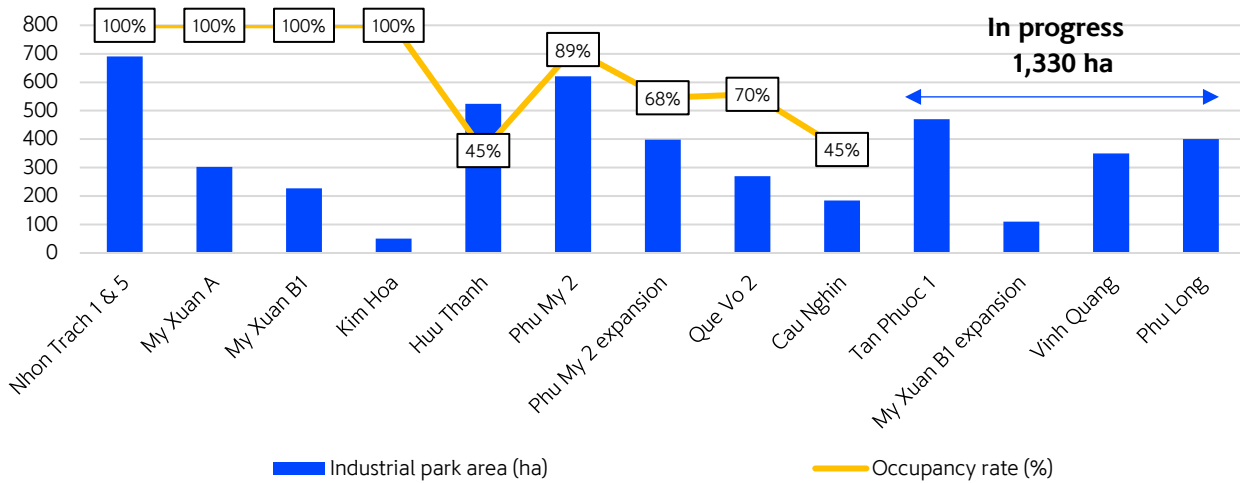


Remaining land fund and average rental price 2021 - 2024



Source: Company report, Shinhan Securities Vietnam

Area and occupancy rate at IDC industrial parks



Source: Company report, Shinhan Securities Vietnam

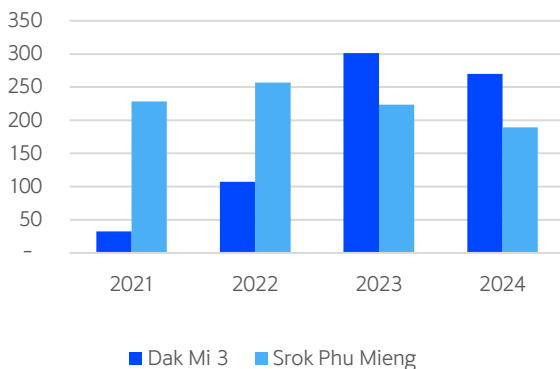
IDC's industrial parks are strategically located within Vietnam's key economic regions, offering excellent connectivity to airports, seaports, and major consumption markets. With advantages in investment environment, synchronized infrastructure, and professional, flexible management services, IDC has successfully attracted more than 280 tenants, the majority being FDI enterprises, with a total registered investment of nearly USD 8 billion.

In 2025, IDC expanded its industrial land bank by over 700 hectares, raising its total ready-to-lease land area to approximately 1,428 hectares. This land is concentrated in provinces with strong FDI attraction potential such as Long An, Ba Ria – Vung Tau, Bac Ninh, Hai Phong, and Ninh Binh. The expansion further enhances IDC's competitive advantage and strengthens its ability to generate stable long-term cash flows from the industrial park leasing business.

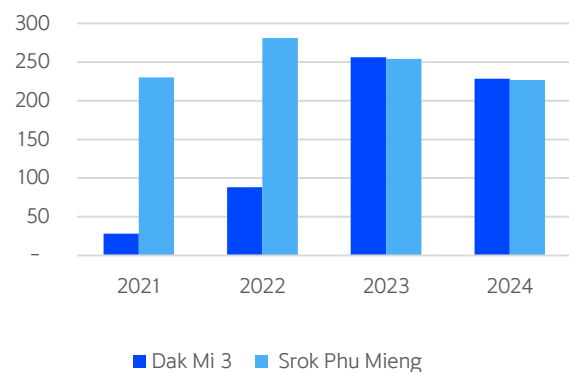
Electricity business sector

Hydropower business segment

IDC's hydropower revenue 2021 – 2024 (billion VND)



IDC's hydropower output 2021 – 2024 (million kWh)



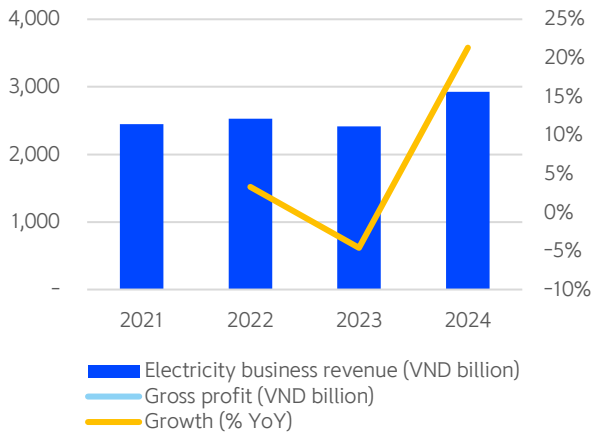
Source: Company report, Shinhan Securities Vietnam

IDC owns two hydropower plants with a total designed capacity of 114 MW, serving as a stable source of revenue and long-term cash flow for the company:

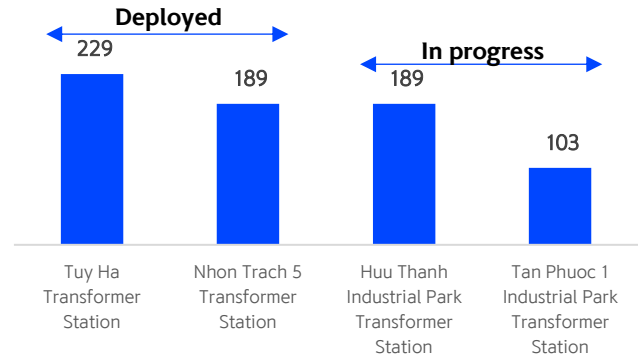
- Srok Phu Mieng Hydropower Plant – located in Binh Phuoc Province, construction commenced in 2003, and the plant officially began commercial operation in 2006. The project has an installed capacity of 51 MW.
- Dak Mi 3 Hydropower Plant – located in Quang Nam Province (Central Vietnam), construction began in 2014. The plant has a designed capacity of 63 MW and was developed to optimize hydropower potential from the Vu Gia – Thu Bon river system.

Power distribution sector

Revenue and gross profit of electricity business segment 2021 – 2024 (ha)



Substation distribution capacity (MVA)



Source: Company report, Shinhan Securities Vietnam

To execute its strategy of securing self-sufficient power supply and enhancing service quality within its industrial parks (IPs), IDC has been actively investing in transformer stations and internal distribution grids. These facilities serve both secondary tenants in IDC's IPs and the surrounding areas, ensuring reliable power infrastructure for manufacturing activities.

Specifically, IDC has completed and commissioned the 110/22kV Tuy Ha substation (located in Nhon Trach 1 IP) and the Nhon Trach 5 substation (within Nhon Trach 5 IP) in Dong Nai Province. These substations play a critical role in providing a stable electricity supply and meeting the rising power demand from secondary investors in the IPs.

In addition, IDC is currently developing two more 110/22kV substations at Huu Thanh IP (Long An Province) and Tan Phuoc 1 IP (Tien Giang Province). Once completed, these projects will expand IDC's power business footprint in Southern Vietnam, while enhancing the company's service value proposition and strengthening its competitive position in the industrial park development sector.

Real estate business

In 2024, IDC's real estate segment accounted for approximately 6% of total net revenue, yet contributed up to 11% of gross profit, highlighting its high-margin nature and positive role in supporting the company's overall profitability structure.

Currently, IDC holds a land bank of around 78.7 hectares, primarily located in Dong Nai, Long An, Can Tho, and Ha Nam. This land reserve is designated for the development of social housing and residential projects, allowing IDC to diversify its revenue streams and capitalize on the growing demand for affordable housing in Vietnam's satellite cities.

IDC's civil real estate projects

No	Projects in progress	Location	Company	IDICO Ownership (%)	Land area (m ²)	Implementation status
1	Worker housing in Nhon Trach Industrial Park (No. 1)	Dong Nai	IDICO-URBIZ	100%	100,284	Completed adjustment and approved by the Department of Construction for the construction planning of 2 9-storey buildings. Submitting the 1:500 planning adjustment dossier.
2	Worker housing in Nhon Trach Industrial Park (No. 2)	Dong Nai	IDICO-URBIZ	100%	100,000	
3	Vinh Cuu social housing	Dong Nai	IDICO-URBIZ	100%	79,400	Participated in bidding to become the project investor.
4	Hoa An project	Dong Nai	IDICO-URBIZ	100%	38,886	Adjusted construction planning.
5	Nhon Trach 1 resettlement area and Hiep Phuoc apartment building	Dong Nai	IDICO-UDICO	67%	48,676	Resolved legal issues, adjusted investment certificate.
6	QL 1K complex apartment building	Dong Nai	IDICO-UDICO	67%	70,350	Adjusted investment certificate.
7	Huu Thanh residential area and worker housing (In Home)	Long An	IDICO-LINCO	51%	470,939	Received the Decision on land handover & periodic investment disbursement. Determined the land price of Phase 1 (37,958m ²).
8	Expanded residential area in Long An	Long An	IDICO-LINCO	51%	30,500	Handed over 1.7 hectares of land to AEON to implement the project.
9	IDICO-INC010 Headquarters	Can Tho	IDICO-INC010	98%	6,427	Sold out Phase 1 and 2 of the project
10	Bac Chau Giang residential area project	Ha Nam	IDICO-CONAC	51%	56,527	Leveling and site clearance phase; planned to start construction in the next 3 months.

Source: Company report, Shinhan Securities Vietnam

Some other business segments

BOT Segment: IDICO is currently the main investor in several key transport infrastructure projects at the gateways to Ho Chi Minh City and the Southern Key Economic Zone, playing a vital role in connecting dynamic economic regions in the Southeast and the Mekong Delta. The company's total investment in current BOT projects amounts to about VND 2,455 billion, with toll collection extending until 2033.

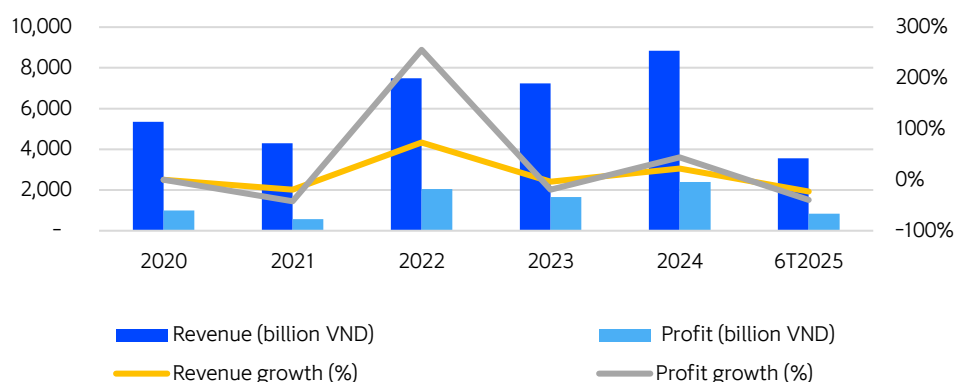
Notable projects include:

- BOT project for upgrading and renovating National Highway 1A, An Suong – An Lac section (Ho Chi Minh City)
- BOT project for expanding National Highway 51 (Dong Nai – Ba Ria Vung Tau)

In 2024, the toll collection segment continued to record stable revenue of VND 464 billion, primarily supported by a traffic volume of around 20 million vehicles per year. The BOT segment remains a stable source of income, ensuring steady cash flow for the company in the context of other business segments being more cyclical and market-dependent.

Industrial Park Services Segment: Service activities associated with industrial park projects—such as clean water supply, wastewater treatment, and industrial park management—also provide a stable source of revenue for IDICO.

Update business results

Business results in 6M/2025 decreased due to slow area handover**IDICO Corporation's revenue and profit 2020 – 6M/2025 (billion VND)**

Source: Company report, Shinhan Securities Vietnam

IDICO Corporation recorded Q2/2025 net revenue of VND 1,763 billion (-18% YoY), with net profit after tax of VND 416 billion (-29% YoY). For the first six months of the year, cumulative revenue reached VND 3,556 billion (-23% YoY), and net profit after tax stood at VND 833 billion (-39% YoY), including:

Industrial Park Land Leasing Segment: Revenue from land leasing activities reached VND 833 billion (-61% YoY). Total leased area signed in the first half of the year was 47.8 ha (+10% YoY), however, the delivered area was only 28 ha compared to 65 ha in the same period last year. Consequently, land leasing revenue declined sharply versus the previous year. The primary reason was investors postponing handovers pending tariff outcomes in Q2/2025.

Power Business Segment: Revenue from power business activities reached VND 1,738 billion (+18% YoY), with a gross profit margin of 8.8%, higher than 4.8% in the same period last year. Of this, revenue from electricity distribution reached VND 1,536 billion (+15% YoY), accounting for 88% of total power business revenue. Distributed electricity volume was 794 million kWh (+7.7% YoY). Hydropower revenue was approximately VND 200 billion (+49% YoY), with Dak Mi 3 and Srok Phu Mieng hydropower plants recording revenue growth of 84% and 8%, respectively.

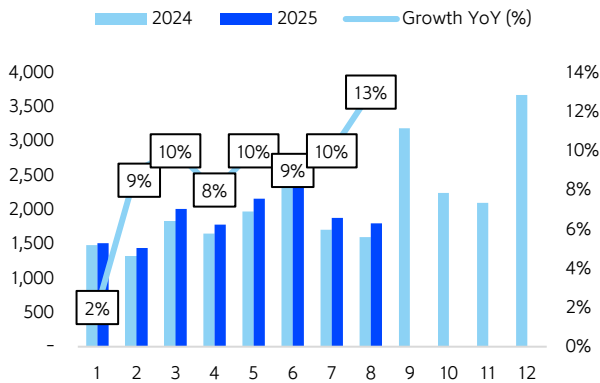
Real Estate Business Segment: Revenue from real estate business declined compared to the same period last year, reaching VND 266 billion (-28% YoY). The main reason is that in the same period last year, IDICO – LINCO (51% owned by IDC) transferred 1.45 ha of commercial land (Residential Project in Ward 6, Tan An, Long An) to Aeon Vietnam. Excluding this one-off land transfer revenue, real estate business revenue from other projects showed positive growth, mainly contributed by the Osaka-Garden project (Bac Chau Giang Urban Area – commercial center, services, and residential complex).

Other Business Segments: Other businesses of IDICO maintained stable growth, with revenue from industrial park services reaching VND 249 billion (+10% YoY), and revenue from toll collection reaching VND 232 billion (+3% YoY). Total other revenue was VND 236 billion (+19% YoY).

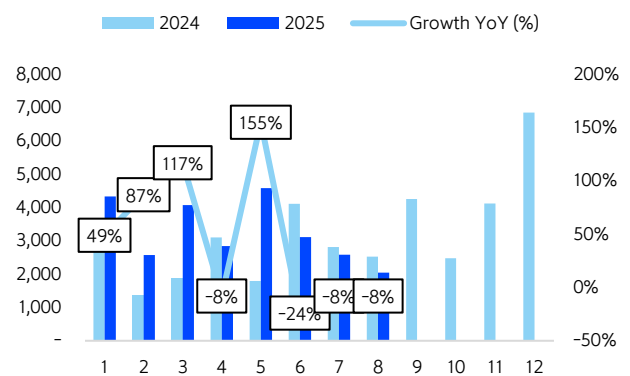
Investment Catalysts & Theses

Prospects for FDI capital sources to continue to remain stable

FDI capital disbursed in 2024 and 9M2025 (million USD)



Registered FDI capital in 2024 and 9M2025 (million USD)



Source: Company report, Shinhan Securities Vietnam

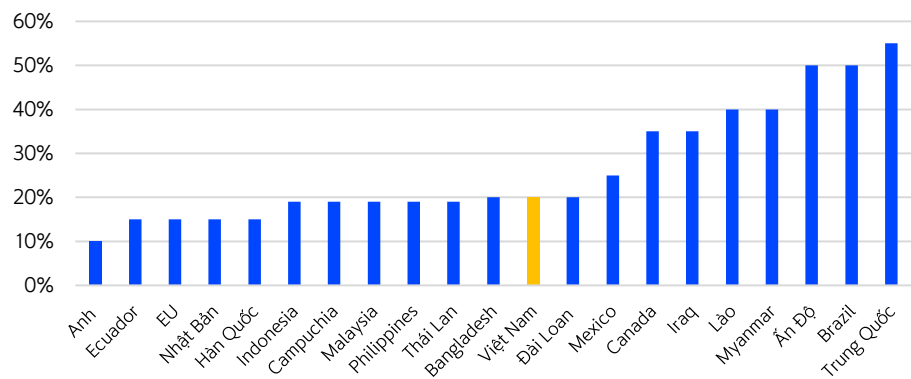
According to data from the General Statistics Office, realized foreign direct investment (FDI) in the first nine months of 2025 reached USD 18.80 billion, up 8.5% YoY and marking the highest level in the past five years. In addition, total newly registered, adjusted capital, and capital contributions/share purchases reached more than USD 28.54 billion, a sharp increase of 15.23% YoY.

We assess the key drivers behind this FDI breakthrough, including:

- Flexible and stable diplomatic policies with a series of FTAs signed, strengthening Vietnam's position amid global geopolitical competition. At the same time, Vietnam maintains a soft diplomatic approach in dialogues with the U.S. on tariff issues, reinforcing investor confidence.
- Production cost advantages such as lower electricity, land lease, and factory rental costs, along with a competitive, skilled workforce at relatively low labor costs.
- Strategic geographical location, integrated within the ASEAN regional supply chain and the Asia-Pacific maritime routes, and in proximity to major manufacturing hubs like China.
- Improved investment environment, supported by administrative reforms, infrastructure and industrial park development, and attractive incentive policies to draw foreign enterprises—particularly in the technology sector.

Outlook: The positive growth of FDI inflows in 8M2025 reflects international investors' confidence in Vietnam's business environment. Realized FDI continued to increase compared to the same period last year, underscoring Vietnam's appeal as a destination for multinational corporations, especially in manufacturing, high technology, and industrial real estate. We expect FDI inflows to remain robust going forward, supported by Vietnam's unique competitive advantages, thereby driving sustained growth in industrial park land leasing demand.

The tax rate that the US applies to countries (%)



Source: Shinhan Securities Vietnam, Whitehouse.gov, updated to August 1, 2025

According to President Donald Trump's announcement in early July, Vietnam is expected to face a 20% tariff on goods directly originating from Vietnam, and a 40% tariff on "transshipment" orders—i.e., goods re-routed from other countries. Subsequently, in a White House update on August 1, President Trump announced a new tariff framework ranging from 10% to 55% applied across multiple countries.

Compared with the regional average, the tariff level imposed on Vietnam is considered relatively competitive and does not create excessive pressure on exporters. Notably, some countries directly competing with Vietnam in attracting FDI, such as India and Brazil, are facing higher tariffs of up to 50%. This allows Vietnam to maintain a relative advantage while creating additional incentives for multinational corporations to consider Vietnam as an alternative manufacturing hub.

We believe the new tariff policy could further reinforce the "China +1" trend, especially as Vietnam continues to hold clear competitive advantages such as geographical proximity to China, reasonable labor costs, and low production expenses. These factors could enable IDC to continue attracting FDI inflows, particularly from East Asia, in the coming period.

Industrial Park	Province	Average Rental Price (USD/m ²)	Commercial Land Area (ha)	Occupancy Rate	Available for lease (ha)
Huu Thanh Industrial Park	Long An	152	395	45%	217
Phu My 2 Industrial Park	Ba Ria – Vung Tau	130	425	89%	45
Phu My 2 Industrial Park Expansion	Ba Ria – Vung Tau	132	251	68%	80
Que Vo 2 Industrial Park	Bac Ninh	125	188	70%	57
Cau Nghin Industrial Park	Thai Binh	85	103	45%	57
Tan Phuoc 1 Industrial Park	Tien Giang	100	363	0%	363
My Xuan B1 Industrial Park Expansion	Ba Ria – Vung Tau	140	82	0%	82
Vinh Quang Industrial Park	Hai Phong	125	226	0%	226
Phu Long Industrial Park	Ninh Binh	60	301	0%	301
Total			2,334		1,428

Source: Company report, Shinhan Securities Vietnam

IDICO Corporation has received investment approval for four new industrial parks, including: Tan Phuoc 1 Industrial Park (Tien Giang), My Xuan B1 MR Industrial Park (Ba Ria – Vung Tau), Vinh Quang Eco-Industrial Park (Hai Phong), and Phu Long Industrial Park (Ninh Binh).

With these four projects, IDICO's total ready-for-leased industrial park area has increased to 1,428 hectares. This marks an important milestone, strengthening the company's position in the industrial infrastructure development sector.

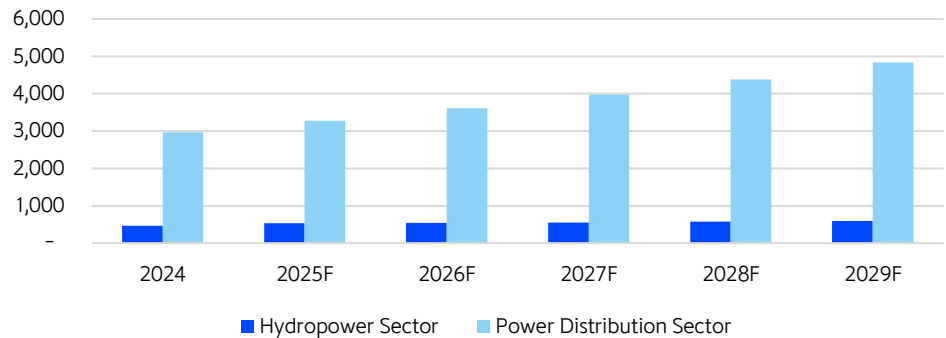
IDICO continues to accelerate its strategy of expanding industrial land reserves, focusing on researching and implementing new projects in high-potential localities such as Ninh Binh, Can Tho, and other regions. The company targets the development of at least 1,000 hectares of industrial land in the medium to long term. This plan is expected to reinforce IDICO's position in industrial infrastructure investment and development nationwide.

For 2025, IDICO has set a target to lease 123.5 hectares of industrial land, reflecting a clear direction in effectively utilizing its existing land bank. With an expanded portfolio of industrial parks across key economic regions in both the North and the South, IDICO holds significant potential for sustainable growth in the medium and long term.

Electricity revenue segment maintains stable growth with expanded electricity

distribution segment

IDC's hydropower and power distribution revenue in 2024 – 2029F



Source: Company report, Shinhan Securities Vietnam

Revenue from IDC's power business is expected to maintain a stable growth trajectory, serving as a sustainable source of income within the company's overall revenue structure. Within this, the hydropower segment is projected to remain stable in both output and revenue in the coming years.

For the electricity distribution segment, IDC is forecast to achieve an average annual growth rate of around 10% in 2025 – 2029 period. The main growth drivers come from the commissioning of new technical infrastructure projects, such as the 110/22kV substation at Huu Thanh Industrial Park and the 110/22kV substation at Tan Phuoc 1 Industrial Park. These projects not only enhance the company's ability to provide a stable electricity supply to industrial park tenants but also create long-term revenue growth potential for IDC.

Long-term development prospects of civil real estate sector

IDICO Urban and Industrial Zone Development Co., Ltd. (IDICO-URBIZ, 100% owned by IDC) has registered a plan to commence construction of approximately 5,000 social housing units in Q3/2025.

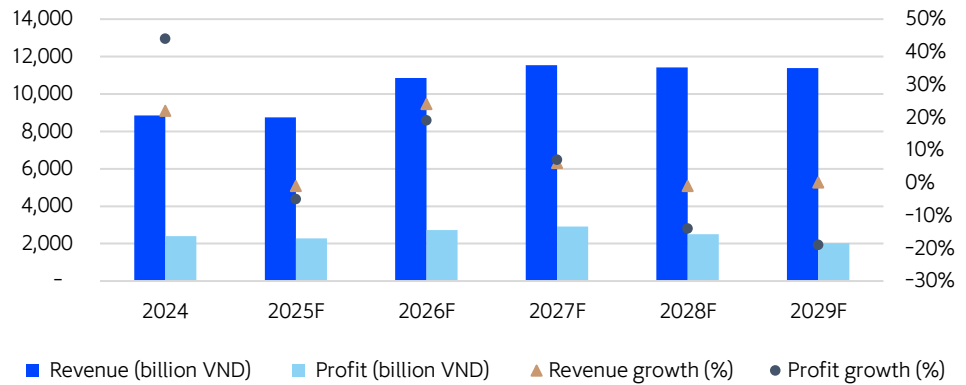
In the long term, IDC's subsidiaries are oriented towards developing social housing projects linked to industrial parks, with land reserves including: 60 ha at Tan Phuoc IP – Tien Giang (estimated 30,000 units), 10 ha at Vinh Quang IP – Hai Phong (estimated 5,000 units), and 14 ha at Phu Long IP – Ninh Binh (estimated 7,000 units).

These projects are expected to both meet housing demand for the industrial park workforce and create a sustainable growth driver for IDC in the medium to long term.

Earnings estimates

Sustainable revenue growth with the contribution of industrial park real estate

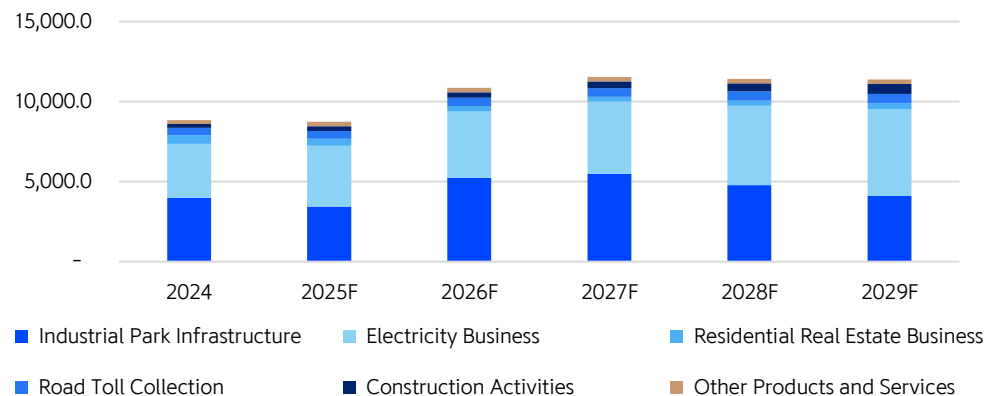
Projected net revenue and profit after tax of IDICO Corporation 2024 – 2029F



Source: Company report, Shinhan Securities Vietnam

We forecast IDICO Corporation's net revenue to reach approximately VND 8,744 billion (-1% YoY) in 2025 and VND 10,855 billion (+24% YoY) in 2026. Net profit after tax is projected at VND 2,280 billion (-5% YoY) for 2025 and VND 2,724 billion (+19% YoY) for 2026.

IDICO Corporation's revenue structure 2024 – 2029F (billion VND)



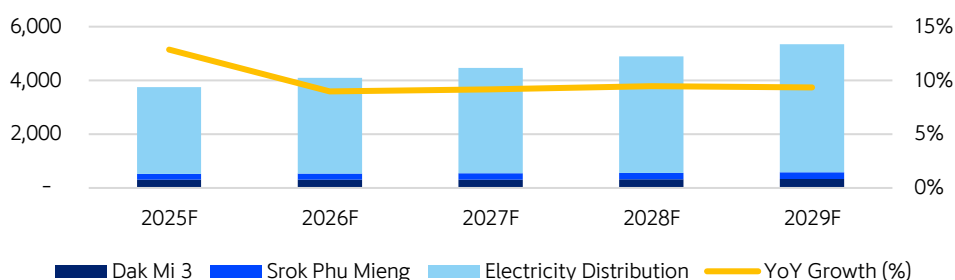
Source: Company report, Shinhan Securities Vietnam

In 2025, IDC's revenue and profit are expected to be driven mainly by the power business segment (accounting for 44% of revenue and 12% of gross profit) and the industrial park land leasing segment (accounting for 33% of revenue and 71% of gross profit).

Moving into 2026, IDICO's business performance is anticipated to recover, supported by the expansion of over 700 hectares of leasable land from industrial park projects including Tan Phuoc 1, My Xuan B1 MR, Vinh Quang Eco-IP, and Phu Long.

The electricity business segment is expected to grow steadily with momentum from the electricity distribution segment.

Forecast of electricity business revenue 2025F – 2029F

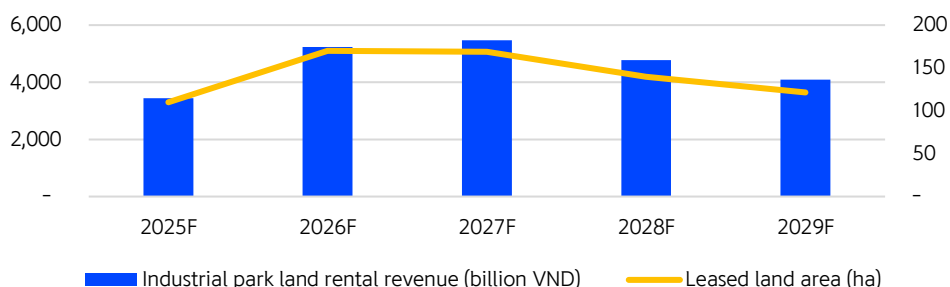


Source: Company report, Shinhan Securities Vietnam

We expect revenue from the power segment to reach VND 3,807 billion (+13% YoY) in 2025 and VND 4,148 billion (+9% YoY) in 2026. We forecast the power business segment to deliver an average growth rate of around 9% during 2025–2029, driven primarily by electricity distribution for industrial parks.

Industrial park land area for lease remains stable with improved rental prices

Forecast of revenue and land lease area of industrial parks of IDICO Corporation 2025F – 2029F

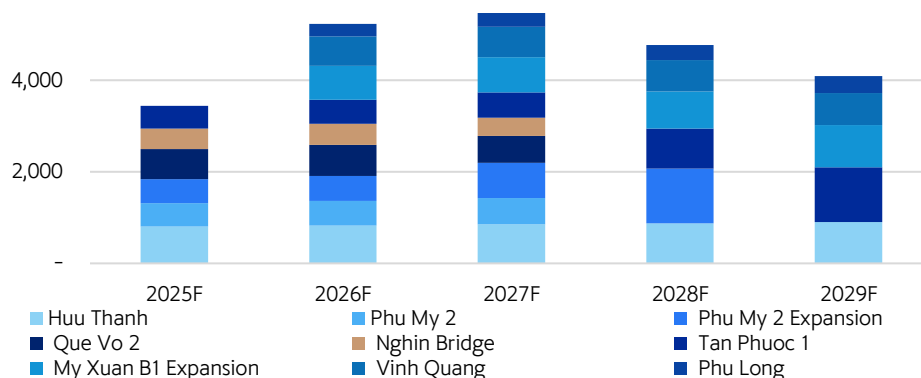


Source: Company report, Shinhan Securities Vietnam

We expect revenue from the industrial park land leasing segment to reach VND 3,444 billion (-14% YoY) in 2025, with an estimated leased area of 110 hectares. The decline in 2025 revenue compared to the same period last year is mainly due to lower leased area at key industrial parks with higher rental prices, such as Huu Thanh IP.

Looking ahead to 2026, we project industrial park land leasing revenue of VND 5,235 billion (+52% YoY) with a total leased area of 170 hectares. The strong growth will be primarily driven by contributions from new industrial parks, including Tan Phuoc 1, My Xuan B1 Expansion, Vinh Quang, and Phu Long.

Forecast of land rental revenue by Industrial Park of IDICO Corporation 2025F – 2029F



Source: Company report, Shinhan Securities Vietnam

Valuation and Recommendation

Initial valuation with BUY recommendation, target price VND 51,500

We offer an initial valuation of IDICO Corporation JSC (IDC) with a buy recommendation and a target price of VND 51,500, representing a 35% increase from the current price. With a strong outlook from both industrial park and real estate business segments, we expect growth for IDC with the following views:

- 1) Rising FDI inflows continue to drive industrial park land leasing demand
- 2) Stable cash flow growth from the power business segment
- 3) Expansion of leasable land bank supports growth

Valuation method

We apply the revalued net asset value (RNAV) method to value IDICO Corporation JSC (IDC). Based on the RNAV method, we estimate the value of IDC shares at VND 51,500.

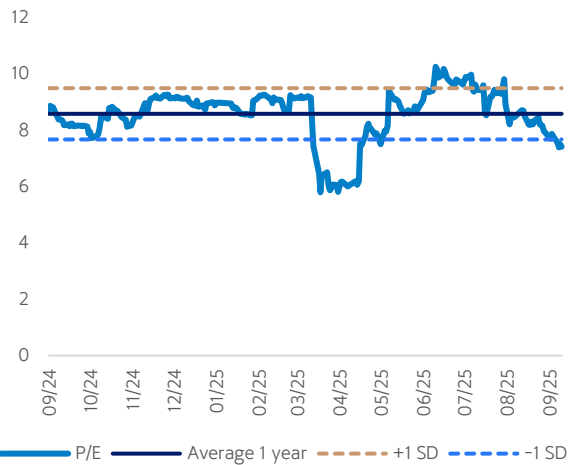
The RNAV method

Project Name	Ownership Ratio	Valuation Method	Discount (%)	Value (VND billion)
- Industrial Park				13,444
Huu Thanh Industrial Park	100%	RNAV		4,279
Phu My 2 Industrial Park	100%	RNAV		1,313
Phu My 2 Industrial Park Expansion	100%	RNAV		2,063
Que Vo 2 Industrial Park	51%	RNAV		722
Cau Nghin Industrial Park	100%	RNAV		828
Tan Phuoc 1 Industrial Park	65%	RNAV		1,453
My Xuan B1 Industrial Park Expansion	51%	RNAV		314
Vinh Quang Industrial Park	99%	RNAV		1,925
Phu Long Industrial Park	100%	RNAV		546
				0
- Urban Area, Investment Real Estate				3,181
- Energy				2,602
- BOT Service Fees				603
Total				19,830
+ Cash and Short-term Investments				4,453
- Debt				3,136
- Minority Interests				1,592
Equity Value (VND Billion)				19,555
Number of Shares				379,498,823
Target Price (VND)				51,500
Current Price (VND)				38,100
Upside (%)				35%

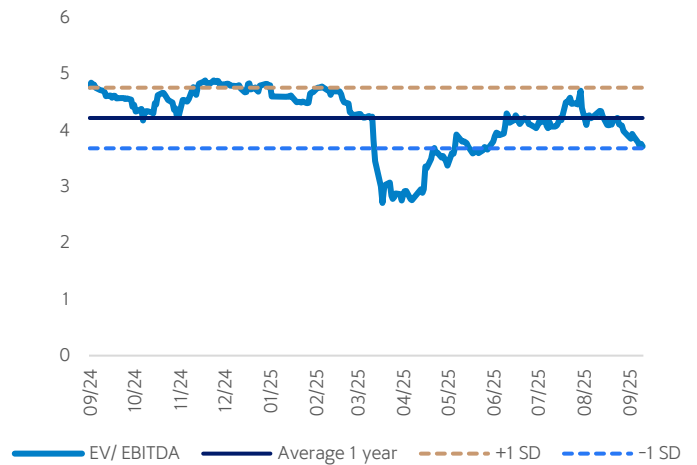
Variable	Value
D/E	0.21
Beta	1.2
Risk-free rate	3.6%
Cost of equity	17.4%
Cost of debt	6.7%
WACC	15.3%

For the Weighted average cost of capital (WACC), we use the 10-year Vietnamese government bond yield at 3.6% as the risk-free rate. Beta is calculated based on historical data of the last 5 years of IDC and VNINDEX.

P/E 1 year



EV/EBITDA 1 year



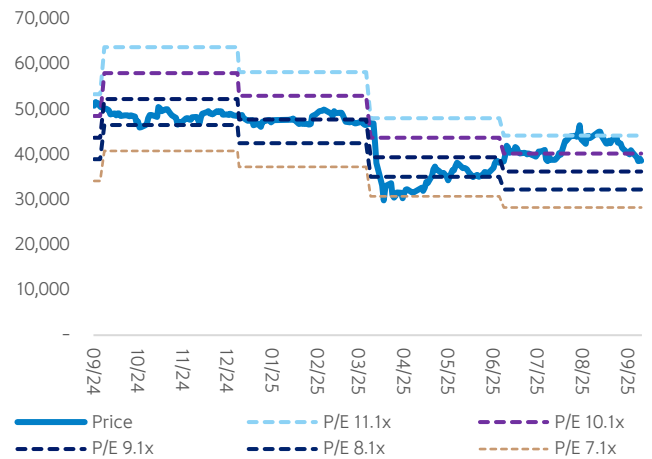
Source: Bloomberg data, Shinhan Securities Vietnam

P/B 1 year

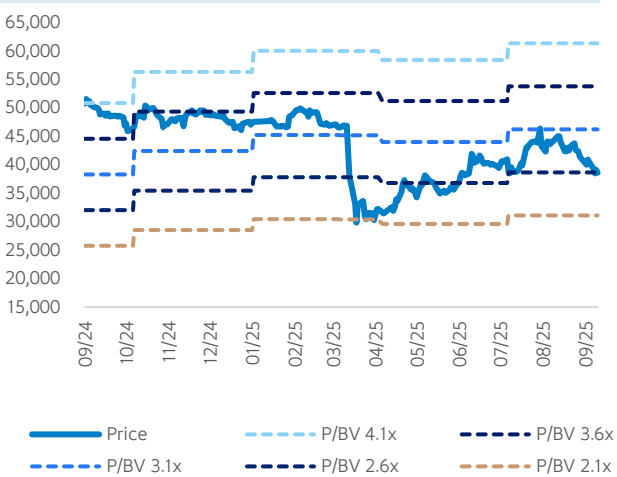


Source: Bloomberg data, Shinhan Securities Vietnam

P/E band

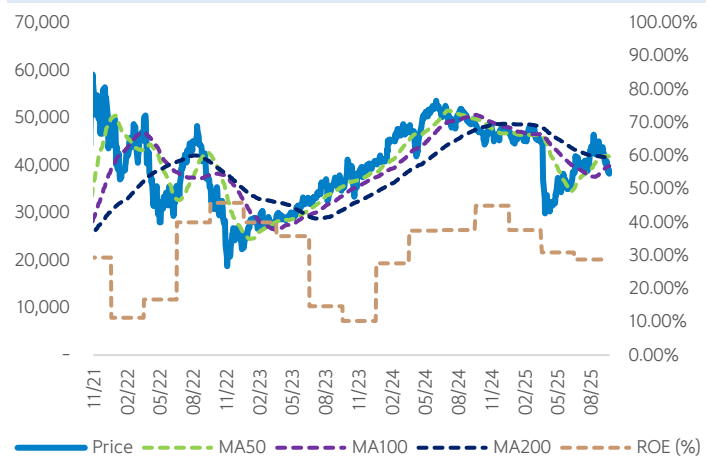


P/B band

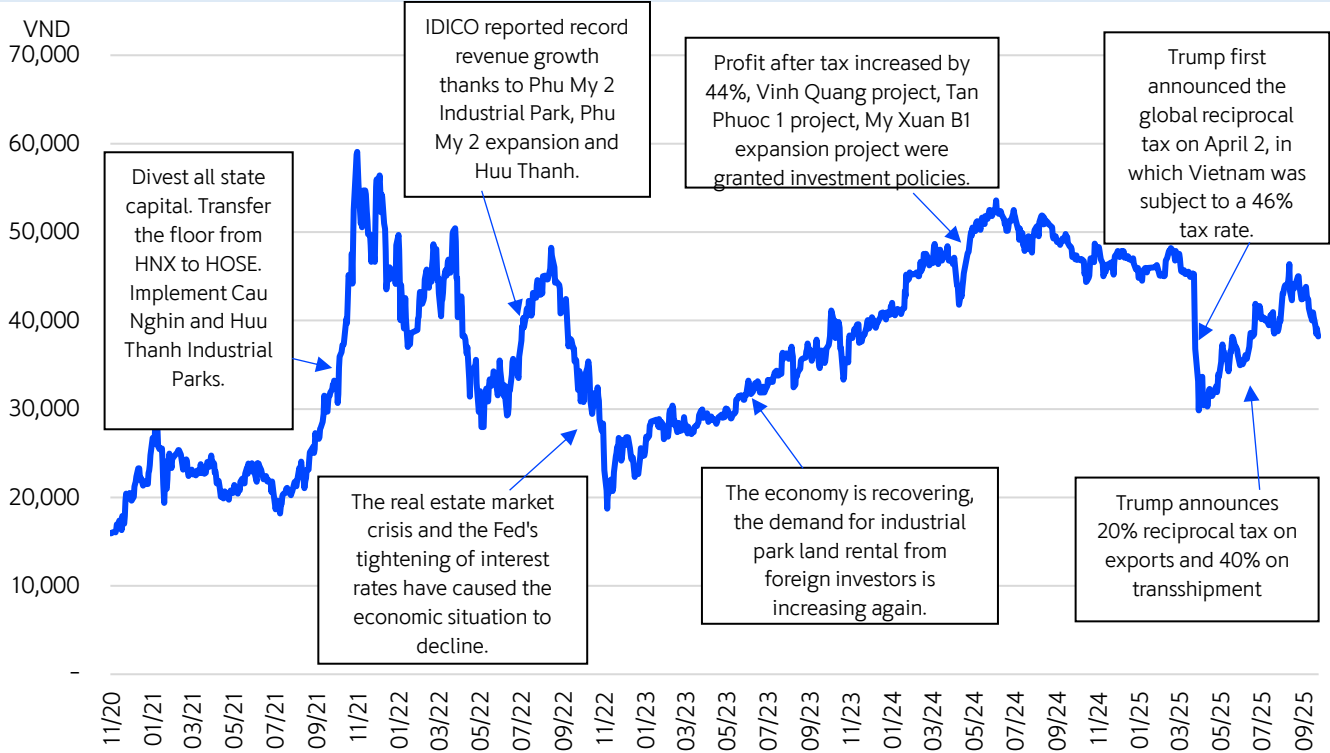


Source: Bloomberg data, Shinhan Securities Vietnam

ROE and MA



Key event chart of IDC



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Risks

Risk of weakening FDI inflow

The unstable global economic situation is directly affecting FDI capital inflows into Vietnam. In addition, changes in tax incentive policies of countries, along with the application of the “Global Minimum Tax,” are likely to reduce Vietnam’s competitiveness in attracting FDI capital. Changes in US reciprocal tax policies directly impact global FDI flows.

Risk of real estate market decline

Market conditions in the real estate sector have a direct impact on IDICO Corporation Joint Stock Company's project sales. Low demand may lead to challenges in project handovers, which, in turn, could negatively influence the company's cash flow and profitability.

Risk of slow project implementation progress

Key factors, including licensing duration, site clearance, and construction progress, have a direct impact on the timing of real estate handovers and revenue recognition for IDICO Corporation JSC (IDC). These elements can significantly influence the profitability of the projects.

Appendix: Financial statements

Statement of financial position

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Total assets	18,800	20,233	21,589	23,155	24,424
Current assets	7,422	7,767	8,342	9,108	9,990
Cash & equivalents	2,188	2,445	2,002	2,160	2,440
Short-term financial asset	2,264	2,264	2,264	2,264	2,264
Accounts receivable	1,569	1,877	2,610	3,126	3,744
Inventories	1,401	1,180	1,465	1,558	1,541
Non-current assets	11,378	12,466	13,247	14,047	14,434
Net fixed assets	3,069	2,908	2,779	2,653	2,512
Investment assets	32	32	32	32	32
Other long-term assets	8,277	9,526	10,435	11,362	11,891
Total liabilities	11,593	12,146	12,747	13,407	14,103
Current liabilities	4,533	4,778	5,041	5,333	5,624
Accounts payable	302	319	312	311	314
Short-term borrowings	1,144	1,360	1,621	1,902	2,178
Others	3,088	3,098	3,109	3,120	3,132
Non-current liabilities	7,059	7,369	7,706	8,075	8,480
Long-term borrowings	1,992	1,992	1,992	1,992	1,992
Other financial liabilities	5,067	5,376	5,713	6,082	6,487
Total shareholders' equity	7,208	8,087	8,842	9,748	10,321
Charter capital	3,300	3,795	3,795	3,795	3,795
Capital surplus	44	44	44	44	44
Retained earnings	1,478	1,862	2,617	3,523	4,096
Other capital	794	794	794	794	794
Non-controlling interest equity	1,592	1,592	1,592	1,592	1,592
*Total debt	3,136	3,352	3,613	3,894	4,170
*Net debt (cash)	948	907	1,611	1,734	1,730

Statement of comprehensive income

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Revenue	8,846	8,744	10,855	11,539	11,417
Growth (%)	22.2	(1.2)	24.1	6.3	(1.1)
COGS	(5,509)	(5,519)	(6,925)	(7,340)	(7,709)
Gross profit	3,337	3,224	3,930	4,199	3,707
GPM (%)	37.7	36.9	36.2	36.4	32.5
SG&A	(398)	(412)	(511)	(543)	(538)
Operating profit	2,939	2,813	3,419	3,656	3,170
Growth (%)	42.6	(4.3)	21.5	6.9	(13.3)
OPM (%)	33.2	32.2	31.5	31.7	27.8
Non-operating profit	54	38	(13)	(25)	(38)
Financial income	168	168	168	168	168
Financial expense	(136)	(149)	(160)	(173)	(186)
In which: interest expenses	(130)	(149)	(160)	(173)	(186)
Net other non-operating profit	22	19	(21)	(20)	(20)
Pre-tax profit	2,993	2,850	3,405	3,631	3,132
Income tax	(601)	(570)	(681)	(726)	(626)
Net profit	2,392	2,280	2,724	2,905	2,506
Growth (%)	44.5	(4.7)	19.5	6.6	(13.7)
NPM (%)	27.0	26.1	25.1	25.2	21.9
Controlling interest	1,996	1,902	2,273	2,424	2,091
Non-controlling interest	396	378	451	481	415
EBIT	3,124	3,000	3,565	3,804	3,318
Growth (%)	39.3	(4.0)	18.9	6.7	(12.8)
EBIT Margin (%)	35.3	34.3	32.8	33.0	29.1
EBITDA	4,476	3,708	4,393	4,743	4,339
Growth (%)	24.5	(17.2)	18.5	8.0	(8.5)
EBITDA margin (%)	50.6	42.4	40.5	41.1	38.0

Statement of cash flow

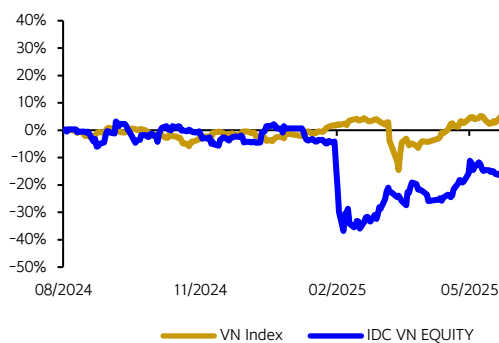
Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Cash flow from operations	4,085	2,695	2,489	3,083	2,936
Net profit	2,993	2,850	3,405	3,631	3,132
Depreciation expense	1,353	709	828	939	1,022
(Gain) from investing activities	(173)	-	-	-	-
Interest expense/ income	(9)	-	-	-	-
Change in working capital	407	244	(683)	(235)	(188)
Others	(485)	(730)	(609)	(772)	(614)
Cash flow from investments	(1,476)	(1,631)	(1,674)	(1,688)	(1,414)
Change in fixed assets	(794)	(1,631)	(1,674)	(1,688)	(1,414)
Change in investment assets	4	-	-	-	-
Others	(685)	-	-	-	-
Cash flow from financing	(1,755)	(1,302)	(1,257)	(1,237)	(1,242)
Change in equity	188	-	-	-	-
Net borrowing	(386)	216	261	281	276
Dividends	(1,556)	(1,518)	(1,518)	(1,518)	(1,518)
Change in total cash	854	(238)	(443)	158	280
Beginning cash	1,334	2,188	2,445	2,002	2,160
Change in FX rates	0	-	-	-	-
Ending cash	2,188	1,950	2,002	2,160	2,440

Key ratios

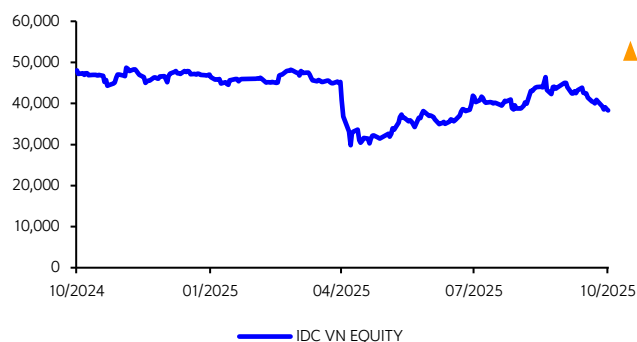
Year to Dec.	2024	2025F	2026F	2027F	2028F
EPS (VND)	5,976	5,013	5,989	6,387	5,509
BPS (VND)	16,813	17,115	19,105	21,492	23,001
DPS (VND)	4,660	4,000	4,000	4,000	4,000
PER (x)	9.2	7.7	6.4	6.0	7.0
PBR (x)	2.6	2.3	2.0	1.8	1.7
EV/EBITDA (x)	4.7	4.0	3.3	3.1	3.4
Dividend payout ratio (%)	27.7	23.4	20.9	18.6	17.4
Dividend yield (%)	8.5	10.4	10.4	10.4	10.4
Profitability					
EBITDA margin (%)	50.6	42.4	40.5	41.1	38.0
OPM (%)	33.2	32.2	31.5	31.7	27.8
NPM (%)	27.0	26.1	25.1	25.2	21.9
ROA (%)	13.1	11.7	13.0	13.0	10.5
ROE (%)	35.5	29.3	31.3	29.7	24.0
Stability					
Debt to equity ratio (%)	43.5	41.5	40.9	39.9	40.4
Net debt ratio (%)	21.2	24.5	36.7	36.6	39.9
Cash ratio (%)	48.3	51.2	39.7	40.5	43.4
Interest coverage ratio (x)	24.0	20.1	22.2	22.0	17.9
Activity (%)					
Inventory turnover (days)	55.7	53.9	44.5	47.8	49.5
Accounts receivable turnover (days)	80.8	69.6	73.3	88.5	107.4
Accounts payable turnover (days)	20.4	20.5	16.6	15.5	14.8

IDICO Corporation JSC (IDC)

Share price



Target price (VND)



Date	Rating	TP (VND)	TP gap (%)	
			TB	Max/Min
10/10/2025 (Initiate)	BUY	51,500	30	0/89

Note: Calculation of target price gap based on past 12 months

Shinhan Securities Vietnam

Stock	Sector
◆ BUY: Expected 12-month gain of 15% or more ◆ HOLD: Expected 12-month loss of 15% to gain of 15% ◆ SELL: Expected 12-month loss of 15% or more	◆ OVERWEIGHT: Based on market cap, largest share of sector stocks under coverage is rated BUY ◆ NEUTRAL: Based on market cap, largest share of sector stocks under coverage is rated HOLD ◆ UNDERWEIGHT: Based on market cap, largest share of sector stocks under coverage is rated SELL

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