

HOSE · BANKING · Ngân hàng

VCB

Ngân hàng Thương mại Cổ phần Ngoại thương Việt Nam

REDUCE

RATING · CONFIDENCE **MEDIUM**

VCB: Large-state franchise, currently priced above our fair value (REDUCE)

Intrinsic ₫45,327 · Market ₫58,800 · **-22.9% downside**

AT A GLANCE

491.3T VND

MARKET CAP

15.3x

P/E (TTM)

2.4x

P/B

16.6%

ROE

1-YEAR PRICE ACTION

Low ₫51,626 · high ₫78,800



FINANCIAL SUMMARY · 3-YEAR CONDENSED

metric	2023	2024	2025e
Revenue (VND)	108.1T	93.7T	105.1T
Revenue YoY	—	-13.4%	+12.2%
PATMI (VND)	33.1T	33.8T	35.2T
PATMI YoY	—	+2.2%	+4.0%
EPS (VND)	5,922	6,053	4,210
BVPS (VND)	29,507	35,089	27,223
ROE	22.0%	18.7%	16.6%
ROA	1.8%	1.7%	1.6%
P/E	16.7x	10.3x	15.3x
P/B	3.1x	1.6x	2.4x
Dividend yield	0.0%	0.8%	0.0%

vnvalue Quantitative Research · Sector model: Banking → P/B × ROE+NIM+CIR multivariate regression

Risk gauge: Sector beta 0.97 Track record: 12y back-testing, hit rate 73% Narrative engine: gpt-5-mini Forensic risk: —

◆ Investment thesis

VCB remains Vietnam's flagship bank with scale advantages (total assets VND 2,441,928.9 bn in 2025) and a high-quality operating performance: ROE of 16.61% and NIM of 2.4028% in the latest reporting period. Its earnings are resilient — net profit rose from VND 33,101.0 bn in 2023 to VND 35,178.2 bn in 2025 — and earnings quality is relatively strong at 73.2/100. However, our PB-ROE regression (fallback, SOE tilt) produces an intrinsic value of VND 45,327 per share versus the market at VND 58,800, implying -22.9% downside. Key negatives: concentrated ownership (74.8% state), which constrains free-float and strategic flexibility; modest NPL proxy at 1.5146% which can mask asset-quality risks under VAS; and cost-to-income of 40.47% limits margin of safety for profitability should NIM compress. Given the combination of limited upside and macro/regulatory execution risks (credit quotas, SBV oversight, potential VAMC legacy exposures across the sector), we rate VCB REDUCE.

BULL CASE

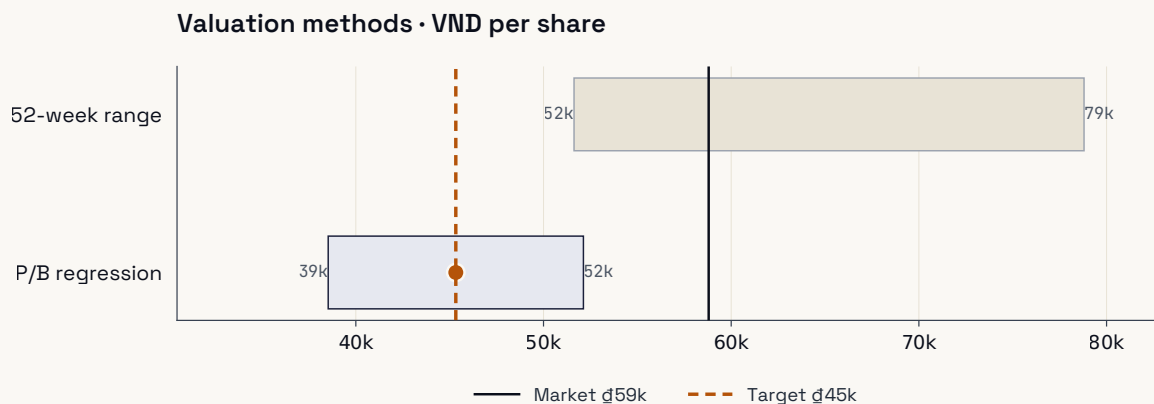
- ◆ Scale and earnings resilience: net profit increased to VND 35,178.2 bn in 2025 from VND 33,101.0 bn in 2023, supporting franchise durability.
- ◆ High ROE profile: ROE of 16.61% with average model ROE input at 18.74% suggests capacity to generate returns above many peers.
- ◆ Strong liquidity/deposit franchise: Loan-to-deposit ratio of 98.57% and market-leading asset base (VND 2,441,928.9 bn) support franchise stability and deposit funding.

BEAR CASE

- ◆ Valuation gap: model intrinsic VND 45,327 is -22.9% below market VND 58,800, limiting upside and making stock vulnerable to negative catalysts.
- ◆ Concentrated state ownership: Ngân Hàng Nhà Nước Việt Nam holds 74.8%, constraining free-float and potential for higher ROE-driven rerating.
- ◆ Model weakness and uncertainty: regression $r_squared = 0.0$ with `fallback_used = true` and only `n_obs = 3` for SOE tilt reduces confidence in the intrinsic estimate.
- ◆ Operating efficiency and margin pressure: cost-to-income of 40.47% and NIM of 2.4028% leave limited buffer if interest margins compress or loan loss provisioning increases.

◆ Valuation

PB x ROE regression with an SOE peer median tilt; model fallback was used to set fair PB.

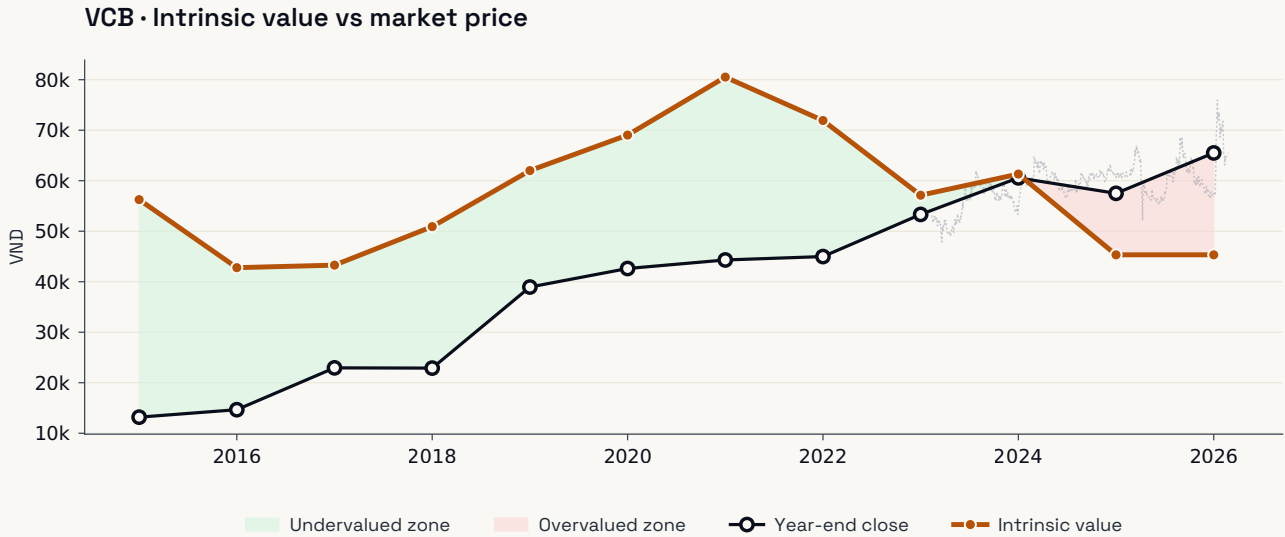


KEY DRIVERS

- Fair P/B used: 1.665 (regression fallback, SOE tilt).
- Average ROE input: 18.74% (`avg_roe = 0.1874`) and latest ROE: 16.61%.
- Latest BVPS: VND 27,222.7 per share (`BVPS = 27,222.7381`).
- Model caveats: regression $r_squared = 0.0$ and `fallback_used = true`, confidence recalibrated to medium.

The intrinsic value of VND 45,327 implies the market is pricing a premium to our fair-value PB given VCB's ROE and book. Confidence is medium because the regression provided weak explanatory power ($r_squared = 0.0$) and a fallback was required; the SOE ownership tilt and limited comparable observations ($n_obs = 3$) reduce model robustness.

◆ Track record



Model track record spans 12 years with a hit rate of 0.72727272727273 (~72.7%) and an average upside on prior calls of 79.06%. That historical performance is respectable, but past hit rate does not eliminate current model weaknesses ($r_squared = 0.0$, $fallback_used = true$). We therefore treat historical performance as informative but weigh current-model caveats heavily.

◆ Business overview

Ngân hàng Thương mại Cổ phần Ngoại thương Việt Nam (VCB) is Vietnam's largest commercial bank by assets, operating across retail, corporate, treasury and international banking. As of 2025 the bank reported total assets of VND 2,441,928.9 bn and serves a wide deposit and lending franchise with a loan-to-deposit ratio of 98.57%. The bank is majority state-owned (Ngân Hàng Nhà Nước Việt Nam holds 74.8%), which informs strategic positioning, SOE-related mandate exposure and limits on free-float/foreign ownership.

◆ Sector & industry context

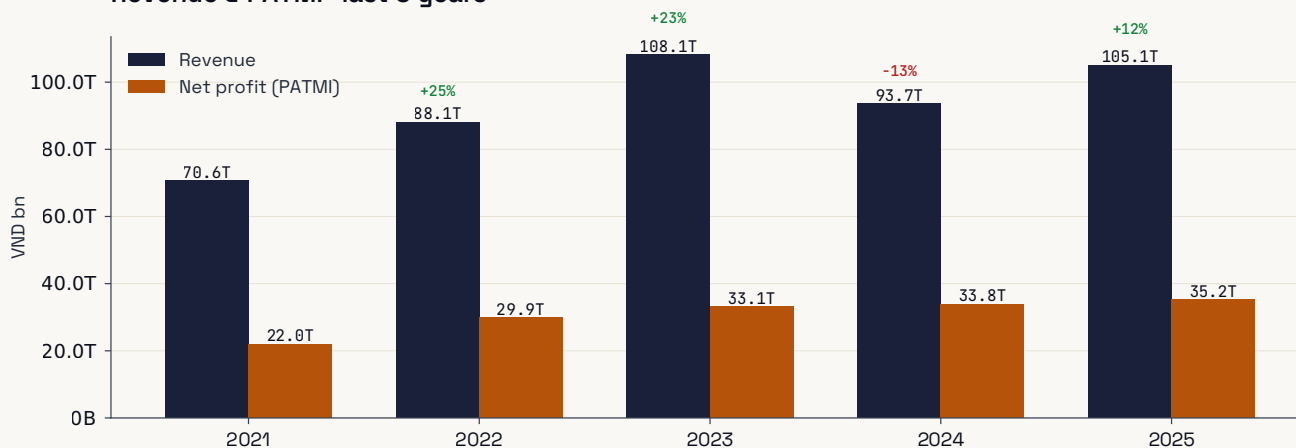
The Vietnamese banking sector is transitioning: SBV credit growth quotas and macroprudential guidance remain important constraints on lending growth and sector asset composition. Peers show heterogeneous upside — sector median upside is 4.045% and top small-cap peers have materially higher implied upside (e.g., EVF +96.15%), while several regional banks show deeply negative implied valuations (LPB -56.57%, EIB -48.78%). SOE banks like VCB receive strategic support but face constraints from state ownership and potential SOE payout/mandate requirements. Additionally, VAMC legacy bonds and differences from VAS accounting can mask real asset-quality stress; regulators' treatment of provisioning and collateral (including land-use-rights in real-estate-linked credits) affects forward visibility.

◆ Trading snapshot

MARKET PRICE	52-WEEK HIGH	52-WEEK LOW
58,800 VND	78,800 VND	51,626 VND
ADTV (2-WEEK)	FOREIGN ROOM	EPS · BVPS
6,893,642	2,506,702,528	4,210 / 27,223

◆ Financial summary

Revenue & PATMI · last 5 years



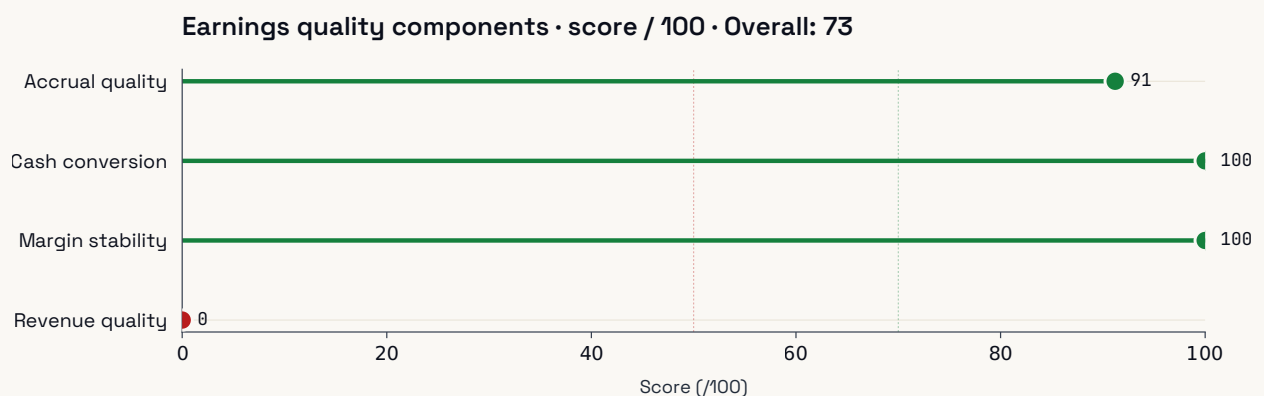
KEY RATIOS — LAST 5 YEARS

metric	2021	2022	2023	2024	2025
ROE	21.6%	24.4%	22.0%	18.7%	16.6%

metric	2021	2022	2023	2024	2025
ROA	1.6%	1.9%	1.8%	1.7%	1.6%
Net Profit Margin	52.0%	56.2%	61.7%	61.1%	60.0%
Debt/Equity	0.00	0.00	0.00	0.00	0.00
P/E	15.1×	14.3×	16.7×	10.3×	15.3×
P/B	2.7×	2.8×	3.1×	1.6×	2.4×
EPS	5,931	6,318	5,922	6,053	4,210
BVPS	29,397	28,644	29,507	35,089	27,223
Dividend yield	0.0%	0.0%	0.0%	0.8%	0.0%
NIM	3.0%	2.9%	2.9%	2.7%	2.4%
Cost-to-income	35.6%	35.4%	36.9%	38.0%	40.5%
Loan-to-deposit	82.4%	90.1%	89.0%	93.6%	98.6%
NPL (proxy)	2.8%	2.2%	2.3%	2.2%	1.5%
Credit growth 3y CAGR	+14.6%	+15.6%	+14.8%	+14.9%	+13.7%

◆ Forensic & quality

EARNINGS QUALITY BREAKDOWN



No Beneish M-Score is provided (mscore = null) and there are no red flags in the forensic summary. Earnings quality score of 73.2 suggests reasonably credible reported earnings. The principal forensic concern is not accounting manipulation but structural: very high state ownership (74.8%) and the potential for VAS/ regulatory differences to obscure the true economic loan performance. Overall, there are no explicit forensic red flags in the data provided.

◆ Ownership structure

TOP SHAREHOLDERS

shareholder	type	%
Ngân Hàng Nhà Nước Việt Nam	state	74.80
Mizuho Bank Limited	institution	15.00
Quỹ Đầu tư Chính phủ Singapore (GIC)	individual	1.01

INSIDERS / MANAGEMENT

name	position	%
Phùng Nguyễn Hải Yến	Phụ trách CBTT/Phó TGD	0.00
Nguyễn Thanh Tùng	Phó TGD	0.00
Đào Minh Tuấn	Phó TGD	0.00

shareholder	type	%
Vietnam Enterprise Investments Limited	institution	0.30
t. rowe price associates, inc	institution	0.15
Vietnam Holding Ltd	institution	0.04
Quỹ ETF SSIAM VNFIN LEAD	institution	0.03
Quỹ Đầu tư Cổ phiếu Manulife	institution	0.01

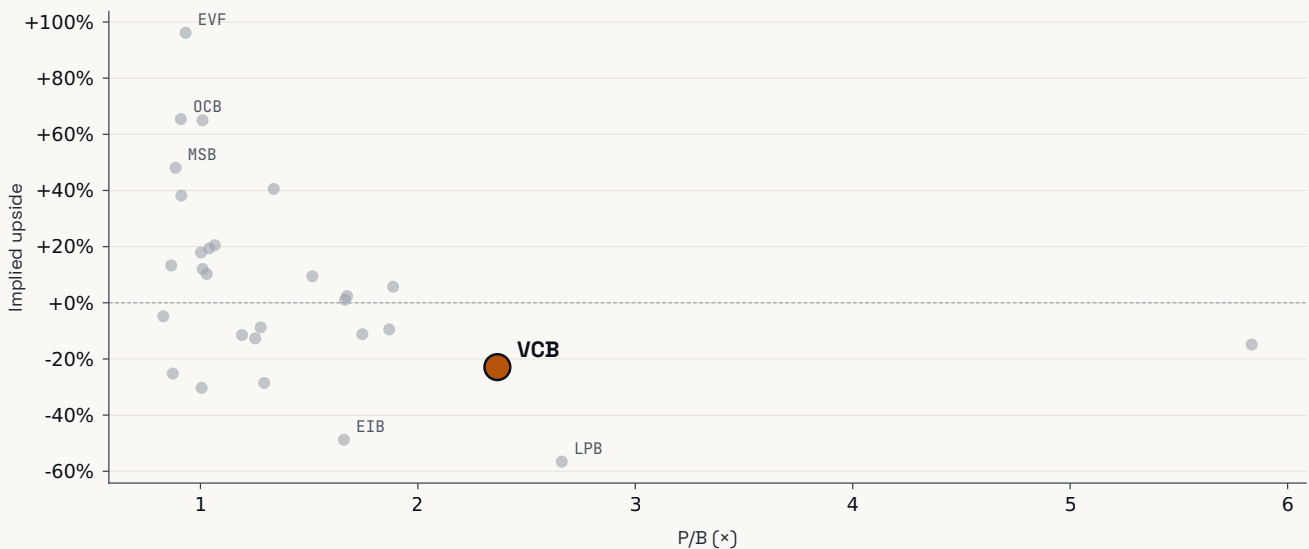
name	position	%
Nguyễn Mỹ Hào	TV HĐQT	0.00
Đỗ Thị Mai Hương	TV BKS	0.00
Lê Hoàng Tùng	Kế toán trưởng	0.00
La Thị Hồng Minh	TV BKS	0.00
Nguyễn Thị Kim Oanh	Phó TGD	0.00

RELATED PARTIES (SHARED OWNERSHIP)

symbol	company	common owner	% here	% there
BID	Ngân hàng Thương mại Cổ phần Đầu tư và Phát triển Việt Nam	Ngân Hàng Nhà Nước Việt Nam	74.80	79.56
CTG	Ngân hàng Thương mại Cổ phần Công thương Việt Nam	Ngân Hàng Nhà Nước Việt Nam	74.80	64.46
NAF	Công ty Cổ phần Nafoods Group	Nguyễn Mạnh Hùng	0.00	43.26
HCT	Công ty Cổ phần Thương mại - Dịch vụ - Vận tải Xi măng Hải Phòng	Nguyễn Tuấn Anh	0.00	24.69
ONW	Công ty Cổ phần Dịch vụ Một Thế giới	Nguyễn Tuấn Anh	0.00	24.50
GEX	Công ty Cổ phần Tập đoàn Gelex	Nguyễn Văn Tuấn	0.00	23.63

◆ Sector positioning

Peer scatter · implied upside vs P/B multiple



MOST UNDERVALUED PEERS

symbol	upside	conf
EVF	+96.2%	MEDIUM
OCB	+65.4%	LOW

MOST OVERVALUED PEERS

symbol	upside	conf
LPB	-56.6%	VERY_LOW
EIB	-48.8%	LOW

symbol	upside	conf	symbol	upside	conf
KLB	+65.0%	LOW	SGB	-30.3%	VERY_LOW
MSB	+48.1%	LOW	ACB	-28.6%	LOW
VPB	+40.6%	MEDIUM	ABB	-25.2%	VERY_LOW

◆ Risk factors

- Concentrated ownership risk: State holds 74.8%, which limits free-float and may prioritize policy over profitability.
- Valuation risk: current market price of VND 58,800 is materially above our intrinsic VND 45,327 (-22.9%), increasing downside if macro or execution issues arise.
- Model and data risk: regression had $r_squared = 0.0$, $fallback_used = true$ and only $n_obs = 3$ for SOE peer tilt, lowering confidence in stated intrinsic value.
- Margin and efficiency pressure: NIM is modest at 2.4028% with cost-to-income 40.47%; any NIM compression or rising CIR will reduce ROE.
- Asset quality transparency: reported NPL proxy is 1.5146% but VAS accounting and regulatory forbearance can understate problem loans compared with economic reality.
- Regulatory exposure: SBV credit growth quotas and macroprudential measures could limit loan growth (credit growth 3y CAGR = 13.74%) and earnings upside.

◆ Near-term catalysts

- SBV policy changes or relaxation of credit growth quotas that enable higher loan growth.
- Improvement in NIM or cost reductions that lift ROE materially above current 16.61%.
- Any change in state shareholding or foreign-room increase ($foreign_room = 2,506,702,528$ shares) that improves free-float and rerates PB multiples.

◆ IMPORTANT DISCLOSURE

This report is generated by **vnvalue**, an automated valuation engine. Intrinsic values are model-derived estimates and not analyst price targets. The model has known limitations: it relies on Vietnamese Accounting Standards (VAS) data which may differ materially from IFRS, does not capture qualitative factors (management quality, regulatory changes, geopolitical risk), and uses historical regressions which may not hold under structural shifts.

The narrative sections were generated using a large language model (gpt-5-mini) operating only on the structured data shown in this report. The LLM does not have access to current news, broker estimates, or non-public information.

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