Initiation Report

VCI · Vietcap Securities Joint Stock Company

HOSE · Listed 30/06/2017 · Financial Services — Securities

EXECUTIVE SUMMARY

In 2025, Vietcap (VCI) posted operating revenue of **VND 4,980 bn** (+34.8% YoY) and pre-tax profit (PBT) of **VND 1,629 bn** (+49.6% YoY). The growth momentum continued in Q1 2026, with operating revenue reaching **VND 1,406 bn** (+65.3% YoY) and PBT of **VND 404 bn** (+13.7% YoY). The Company maintains a **leading position in institutional brokerage and corporate finance advisory**, supported by a **healthy balance sheet** with a debt-to-equity ratio of approximately **1.1x**. TCBS Research believes that VCI's earnings may face near-term pressure from **weaker market liquidity**. Nevertheless, the medium to long-term outlook remains positive, supported by the Company's **leadership in the institutional client segment, expected benefits from Vietnam's market upgrade, and an attractive forward P/B valuation of approximately 1.6x**.

INVESTMENT THESIS

01 Leader in Investment Banking (IB) & Institutional Clients

The IB franchise (advisory, underwriting) and its domestic and cross-border institutional client base are a **differentiating edge** versus retail-focused brokers, supporting fee income and proprietary-book quality.

02 Earnings on a Strong Recovery Trajectory

2025 NPAT reached **VND 1,342 bn (+47.4% YoY)**, following 85.1% growth in 2024, with a net margin of 26.9%. The recovery continued in Q1/2026 as revenue rose **65.3% YoY** and NPAT **15.6% YoY**, despite margin pressure.

03 Rapidly Expanding Capital Buffer

Charter capital rose from VND 7,181 bn (12/2024) to **VND 11,476 bn (04/2026)**; equity of VND 17,319 bn — creating headroom to expand margin lending (currently 96% of equity) and the proprietary book.

04 Beneficiary of the Market-Upgrade Story

The upgrade path from Frontier to Secondary Emerging attracts additional foreign flows — brokers with a strong institutional client base like VCI are **direct beneficiaries** in brokerage and service fees.

KEY RISKS

01 Equity Market Cyclicality

Earnings depend materially on the equity-market cycle, particularly in the proprietary-trading and brokerage segments.

02 High Proprietary Weighting — Asset-Price Volatility Risk

A large financial-investment portfolio makes earnings sensitive to equity-price swings; VCI now trades **~32%** below its 12-month peak (~VND 35,800, 08/2025), reflecting the sector's high cyclicality.

03 Dilution & Relatively Low ROE

Continuous capital raising (equity up 2.8x over 2021–2025) dilutes EPS/ROE near term; Q1/2026 ROE of **~9.3%** while a P/B of 1.6x already prices in much of the upside.

04 Fee-Competition Pressure

The zero-fee wave among brokers may keep pressuring brokerage margins over the medium to long term.

TRADING INFORMATION	
Market cap	28,060 bn VND
Shares outstanding	1,147.6 tr CP
P/E · P/B	20.2x / 1.6x
EPS · BVPS	1,209 / 15,091 VND

OWNERSHIP STRUCTURE	
To Hai	17.9%
Nguyen Thanh Phuong	3.2%
Foreign ownership	18.5%
No. of shareholders	36,551

Q1/2026 FINANCIAL METRICS	
Total assets	37,097 bn VND
Shareholders' equity	17,319 bn VND
ROE · ROA	9.3% / 4.6%
Dividend yield	2.9%

1. Company Profile

1.1 Company Overview

19 years alongside Vietnam's capital markets · Charter capital 11,476 bn VND · A leading domestic investment-banking brand

Full name	Vietcap Securities JSC
English name	Vietcap Securities (VCSC)
Ticker	VCI — HOSE
Founded	06/11/2007
Listing date	30/06/2017
Sector	Financial Services — Securities
Headquarters	Capital Place Tower, Liễu Giai, Hanoi
Website	www.vietcap.com.vn

Charter capital	11,476 bn VND
Shares outstanding	1,147,631,925 shares
Foreign ownership	18.5%
Total assets	37,097 bn VND
Shareholders' equity	17,319 bn VND
Chairman	Nguyen Thanh Phuong
CEO	Ton Minh Phuong
Shareholders · Staff	36,551 shareholders · 422 staff

1.2 Business Model & Value Chain — Four Core Segments

01

Proprietary Trading & Investment

- Listed & OTC equity investments
- Assets at fair value through P&L (FVTPL), available-for-sale (AFS), held-to-maturity (HTM)
- Bonds & money-market instruments
- Proprietary portfolio management

2025 Revenue: VND 2,678 bn · 53.8% of total

02

Margin Lending

- Customer margin lending
- Cash advances on sale proceeds
- Margin portfolio risk management
- Average yield ~7.5%/year

2025 margin balance: VND 16,167 bn · Q1/2026: VND 16,613 bn

03

Brokerage & Custody

- Equity & derivatives brokerage
- Institutional & foreign client base
- Vietcap digital platform
- Securities custody

2025 brokerage revenue: VND 1,000 bn (+37%)

04

Investment Banking (IB)

- M&A & restructuring advisory
- IPO, listing & issuance advisory
- Strength in FDI & large-corporate segment
- Corporate valuation

2025 advisory revenue: VND 82 bn

1.3 Formation & Development History

19 years from 360 bn VND charter capital → industry top tier · Total assets 37,097 bn VND · Margin book 16,613 bn VND

2007

Viet Capital Securities founded

06/11/2007: Viet Capital Securities JSC (VCSC) established in HCMC; charter capital **360 bn VND**; positioned in brokerage, proprietary trading & investment banking.

2008 – 2010

Network expansion

2008: Hanoi branch opened; 2009: capital raised to **378 bn VND**; 2010: Nguyen Cong Tru transaction office opened — broadening the client base.

2014 – 2016

Cementing IB positioning

2014: Capital **500 bn VND**; 2016: Capital **1,032 bn VND** — rising into the top tier of M&A/IPO advisory for institutional & FDI clients.

30/06/2017

HOSE listing

Listed & traded on **the HCMC Stock Exchange (HOSE)**; 08/2017 capital raised to **1,200 bn VND** — enhancing transparency & broadening capital raising.

2018 – 2019

Steady capital growth

08/2018: Capital **1,630 bn VND**; 09/2019: Capital **1,644 bn VND** — reinforcing financial capacity for proprietary trading & margin.

2021

Capital doubled — peak ROE

12/07/2021: Capital doubled to **3,330 bn VND**; ROE reached its cyclical peak of **27.1%** on the market boom.

2022

Capital-scale breakout

26/09/2022: Capital **4,355 bn VND** via a 30% stock dividend & issuance — expanding the margin book & proprietary portfolio.

12/04/2023

Rebranding to Vietcap

Renamed to **Vietcap Securities JSC**; 07/2023: Capital **4,375 bn VND** — refreshing the brand toward young & digital investors.

2024

Largest capital raise on record

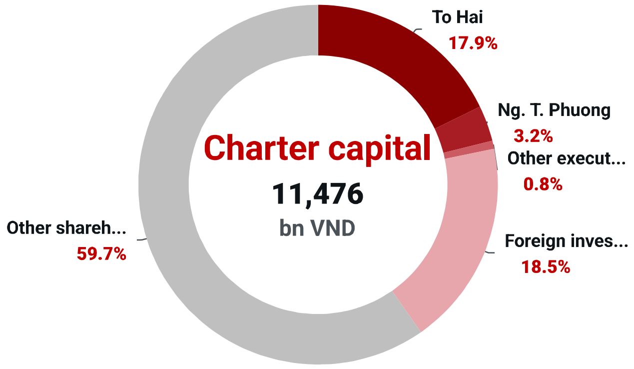
08/10/2024: Capital **5,745 bn VND**; 03/12/2024: Capital **7,181 bn VND** — a capital base for a new growth cycle.

2026

New vision — Capital 11,476 bn VND

01/2026: Capital **8,501 bn VND**; 21/04/2026: Capital **11,476 bn VND**; TTS **37,097 bn VND**; margin book **16,613 bn VND** (Q1/2026) — total assets & capital among the largest in the industry.

1.4 Shareholder Structure & Ownership



Domestic vs foreign ownership

- Concentrated around the founding group (To Hai – Nguyen Thanh Phuong) → governance stability
- Foreign ownership **18.5%**, high within the industry — a direct beneficiary of an FTSE upgrade
- Free float ~59% underpins trading liquidity

Associates & related parties

Entity	Relationship	Ownership
VCAM — Viet Capital Asset Mgmt	Related party (same founding-shareholder group · Phoenix Holdings)	—
BVBank — Viet Capital Bank	Related party	—
VietCredit	Related party	—
LOF International Dairy JSC	Financial investment	14.3%
Thu Dau Mot Water JSC	Financial investment	14.0%
Ha Do Group JSC	Financial investment	4.9%
VPBank SMBC Finance Co., Ltd	Financial investment	1.0%

Vietcap has no subsidiaries. Source: FiinX, TCBS compilation.

1.5 Board of Directors & Management

Name	Position	Ownership
Nguyen Thanh Phuong	Chairman	3.2%
Dinh Quang Hoan	Standing Vice Chairman & Chair, Remuneration Committee	0.1%
To Hai	Board Member & Chair, Investment Committee	17.9%
Ton Minh Phuong	Board Member — CEO	0.1%
Nguyen Viet Hoa	Board Member	—
Nguyen Lan Trung Anh	Board Member	—
Le Ngoc Khanh	Board Member	—
Nguyen Quang Bao	Deputy CEO (Executive Board)	0.3%

1.6 Products & Services — Investment Ecosystem

Services

Retail Client Advisory

Real-time equity/ETF/derivatives brokerage and investment advisory on the digital **Vietcap Trading** & **Mobile App** platforms: live trading, conditional orders, automated margin lending, portfolio tracking & financial analytics.

Institutional Brokerage

Comprehensive brokerage for domestic and foreign institutions (>570 foreign institutional investors) — an edge in accessing foreign investors & FIIs, putting client interests first.

Wealth Management

Comprehensive, tailored investment solutions for high-net-worth (HNW) individuals and institutions; recommended portfolios built on the research & advisory platform.

Investment Banking (IB)

M&A, IPO and equity/bond issuance advisory for large corporates & FDI firms; a bilingual research team covering **238 companies** — the largest in Vietnam.

Products

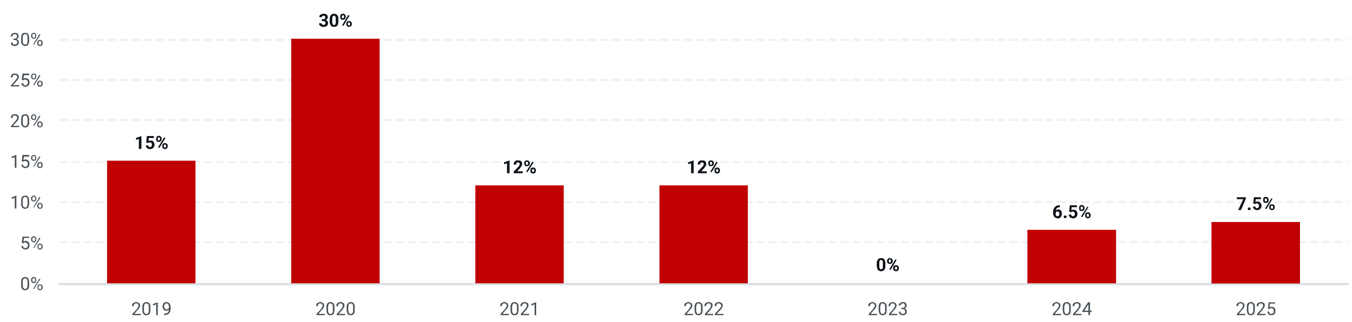
Vietcap Trading Web platform · real-time trading	**Mobile App** Invest anytime on mobile	**Vietcap Pro** Advanced desktop version
Vietcap IQ Stock analysis & screening	**AI News** AI-curated news	**SAFE Bond** Accumulating bonds
Smart Money Coming soon	**Margin product** Loan book 16,613 bn VND · Q1/2026	**Academy & Webinar** Investor education

Awards: 13 years of Alpha Southeast Asia · Vietnam M&A Forum · The Asset Asian Awards · Finance Asia · Euro Money

Source: vietcap.com.vn

1.7 Cash Dividend History

Cash Dividend by Fiscal Year (% of par)



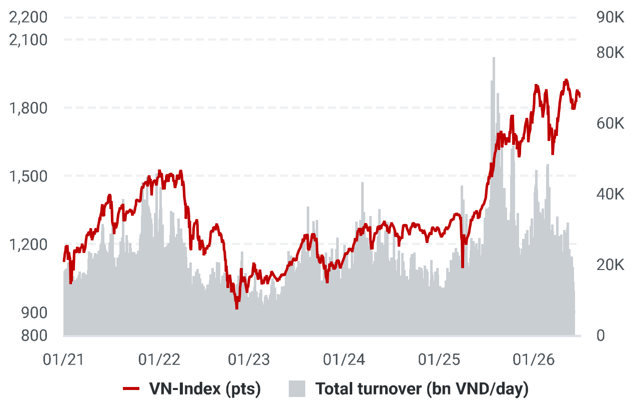
Source: FiinX, TCBS compilation and calculations

VCI maintains a flexible dividend policy tied to its earnings cycle and capital needs. The cash dividend ratio reached a high of **15%–30%** over 2019–2020, tapered in weaker market years and was suspended in 2023 to bolster capital for the business. From 2024 the company restored a cash dividend of **6.5%–7.5%**, while also paying a stock dividend of **30%** in 2022 to raise charter capital. This policy shows VCI prioritizing a balance between shareholder returns and retaining earnings to expand margin lending, investments and core business activities.

2. Securities Industry Analysis

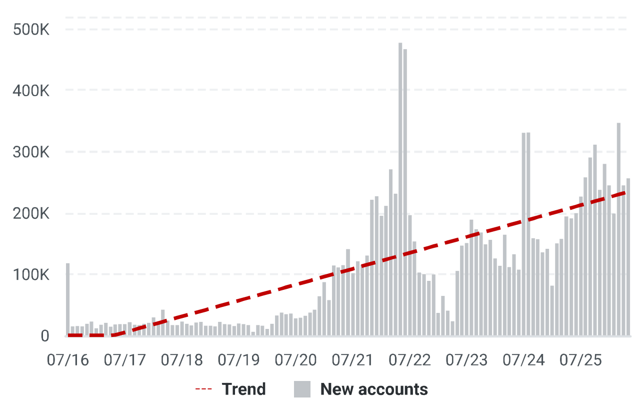
2.1 Market Overview

VN-Index & Total Trading Value



Source: FiinProX, TCBS compilation and calculations

New Securities Accounts Opened Monthly



Source: FiinX, TCBS compilation and calculations

2025 marked a historic inflection, with the **VN-Index** rising **40.9%** to **1,784 points** – its strongest performance since 2009. This rally reflected investor expectations around the **market upgrade from Frontier to Secondary Emerging** status under the FTSE Russell classification. At the latest session on 06/07/2026, the index closed at **1,843.50 points** — holding firmly above the **1,800-point** mark after a mid-year support test, lifting the 2026 YTD gain to +3.3% and entering a consolidation phase ahead of the official FTSE upgrade allocation on 21/09/2026.

The improvement in market quality is clearly reflected in the sharp rise in trading liquidity. After averaging roughly **VND 29,300 bn/session** in 2025, the market set a liquidity record of about **VND 86,100 bn/session** on 05/08/2025. In Q1/2026, market-wide trading value stayed above **VND 35,000 bn/session**, nearly double the prior-year period. This points to a materially improved capacity to absorb large capital flows, reinforcing one of the key conditions for Secondary Emerging Market status.

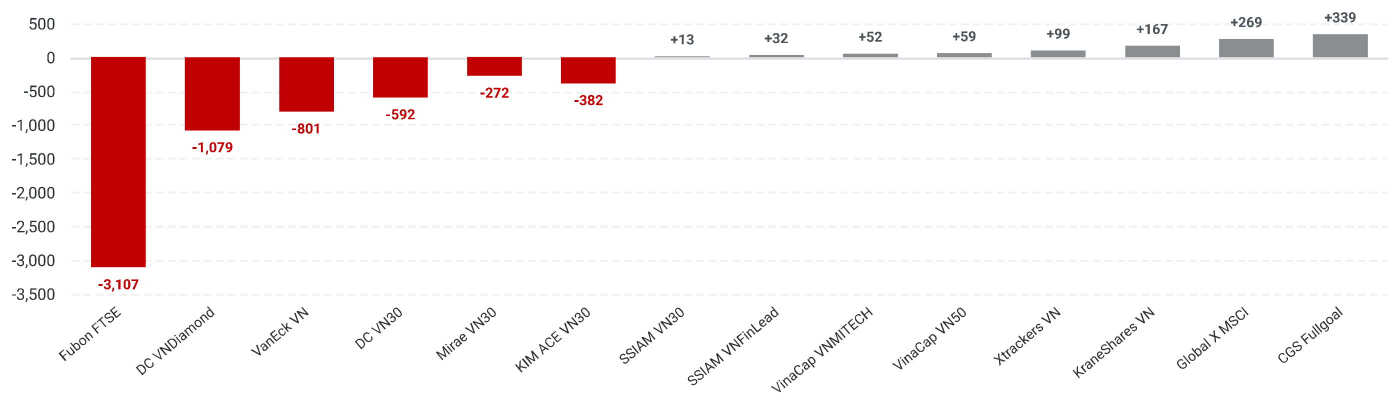
In addition, the rapid growth of the domestic investor base remains a key driver of market development. 2025 saw **2.6 million new accounts**; the momentum continued in the first five months of 2026 with nearly **1.3 million new accounts**, lifting total securities accounts to **13.2 million** by end-May 2026, or roughly **13% of the population**. This aligns with the Government's capital-market development orientation toward a stock-market capitalisation target of **120% of GDP** by 2030, while laying a supportive foundation for the market-upgrade path.

Q2/2026 update – Cooling liquidity and rising outflow pressure. After strong growth in 2025 and Q1/2026, market liquidity showed signs of correction as full-quarter Q2/2026 average trading value fell to **VND 24,084 bn/session**, well below the prior quarter's above-VND-35,000 bn/session pace. This unfolded as foreign investors net-sold about **VND 48,300 bn** market-wide (buying ~VND 156 trillion and selling ~VND 204 trillion), while foreign ETFs continued to post net outflows (details in Section 2.2 – ETF Flows and Foreign Capital). Even so, current liquidity remains materially above pre-2025 levels, indicating the market's structural improvements have not reversed.

2.2 ETF Flows & Foreign Capital

Top 10 ETFs by flows · Total ETF net outflow ~VND 5,396 bn YTD (~VND 13,446 bn over 12 months) · Foreign capital concentrating in North Asia

Vietnam ETF Net Flows — 2026 YTD (VND bn)



Source: FiinX, TCBS compilation and calculations

Table 2.2 — Net flows of Vietnam ETF funds (bn VND)

ETF fund	Fund manager	Origin	YTD	1-year
Fubon FTSE Vietnam	Fubon (Taiwan)	Foreign	-2,845	-10,091
DCVFMVN DIAMOND	Dragon Capital	Domestic	-1,075	-972
VanEck Vietnam (VNM)	VanEck (US)	Foreign	-821	-258
E1VFVN30 (DCVFMVN30)	Dragon Capital	Domestic	-502	-1,946
MAFM VN30	Mirae Asset (VN)	Domestic	-262	-507
KIM ACE Vietnam VN30	Korea Investment	Foreign	-220	-479
CGS Fullgoal VN30 Sector Cap	CGS (Singapore)	Foreign	+348	+348
Global X MSCI Vietnam	Global X	Foreign	+269	+494
KraneShares DC VN Growth	Krane Funds	Foreign	+167	+358
Xtrackers Vietnam Swap	DWS	Foreign	+155	-177
Others (remaining 27 funds)	—	—	+47	—
Total ETF flows	**—**	**—**	**-5,396**	**-13,446**

Source: FiinX, TCBS compilation

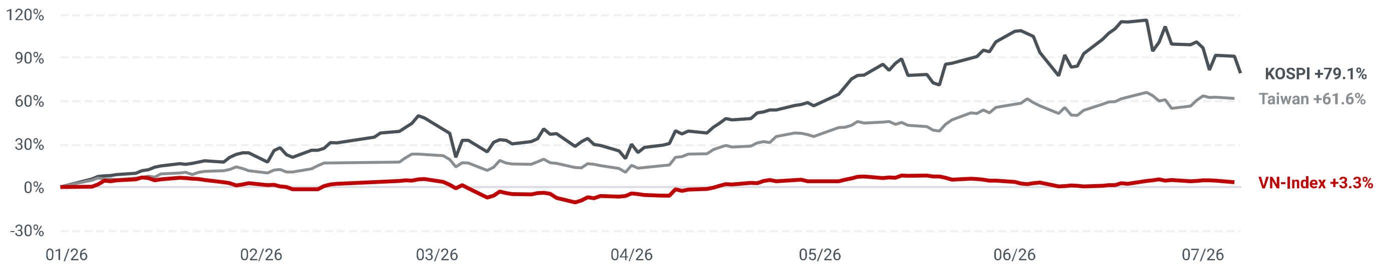
ETF flows remained in net-outflow territory in Vietnam, reflecting cautious positioning by passive investors amid a strong global reallocation of capital across regions and asset classes. Year-to-date, ETF net outflows reached about **VND 5,396 bn**, lifting the 12-month net outflow to **VND 13,446 bn**. In relative terms, ETF net outflows equal roughly **6%** of the **~VND 84,300 bn** in net foreign selling across the Vietnamese market through 06/07/2026.

Cross-Market Perspective

From a cross-market perspective, Vietnam's ETF outflows do not fully reflect domestic economic fundamentals or listed-company prospects, but largely stem from global capital rebalancing across emerging and frontier markets. Currently, the Korean and Taiwanese equity markets have outperformed sharply on the re-rating of artificial intelligence (AI), semiconductors and tech infrastructure: **KOSPI +79.1%** (after peaking at ~+116% on 22/06 then correcting more than 35 percentage points in early July as AI valuations cooled) and **TWII +61.6%** year-to-date, while the VN-Index rose just +3.3% (1,843.50 points). The trigger for the early-July correction was **Samsung's** preliminary Q2/2026 results: although operating profit is expected to be **up ~19x** year-on-year (~KRW 89 trillion) on AI-memory demand, much of the optimism was already priced in; combined with concerns that the AI wave cannot sustain its current pace and that US tech giants may cut AI-infrastructure spending, plus Samsung revenue “not as strong as expected” and slower-than-forecast DRAM growth, Samsung shares and a swathe of North Asian markets (Korea, Japan, Taiwan) sold off.

That said, the rally has come mainly from the **internal re-rating** of tech names rather than foreign buying: foreign investors in fact **net-sold a record ~USD 102 bn** on the KOSPI (Korea) from the start of the year to 03/07/2026 — despite the index still gaining ~92%, reflecting portfolio rebalancing after an overheated run — while foreign capital shifted strongly into **Japan** with a **record net purchase of ~USD 60 bn** in H1 2026, on market depth and corporate-governance reform. As Korea (24.3%) and Taiwan (32.3%) together make up **56.6%** of the Emerging Markets ex-China basket, moves in these two markets heavily drive the global EM index. Conversely, Vietnam stands out as a counter-trend destination as the **FTSE Russell upgrade (21/09/2026)** is expected to trigger a return of capital — creating room for liquidity to recover and an edge for sector leaders such as VCI. That said, FTSE upgrade flows are staggered across multiple tranches, with the bulk skewed to 2027 rather than arriving all at once in 2026.

North Asia vs Vietnam Equity Performance — 2026 YTD (%)



Source: Investing.com, FiinX, TCBS compilation and calculations · KOSPI to 07/07, TWII to 06/07, VN-Index to 06/07/2026

Korea's experience highlights the **risk when an index rally leans too heavily on a handful of large-cap stocks**. After a strong AI-driven run, profit-taking in key tech names drove a **sharp KOSPI correction in June 2026**, showing the index's sensitivity when the growth structure becomes unbalanced. When capitalisation is concentrated in a few names, their swings can **amplify both the upside and the downside** of the whole market.

A similar pattern is emerging in Vietnam, where the capitalisation weight of the **Vingroup ecosystem (VIC, VHM, VRE and VPL)** has risen significantly within the VN-Index in recent years. This has helped the index sustain strong short-term gains but also raises correction risk should the leading names weaken. As a result, the VN-Index's current rise **does not yet fully reflect the breadth of money flow** across the market and should be monitored alongside the performance of the remaining sectors.

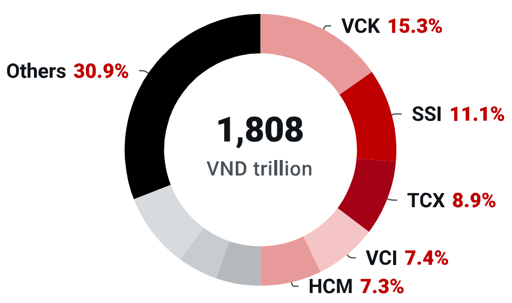
Nonetheless, Vietnam's medium- and long-term equity outlook remains supported by a stable macro backdrop, resilient corporate-earnings growth and, above all, the market-upgrade event. The **FTSE Russell official upgrade of Vietnam to Secondary Emerging Market** status, effective **21/09/2026**, is expected to spur international capital inflows, particularly from ETFs and index-tracking active funds. This is likely to be an important driver supporting market liquidity and valuation in the coming years.

For the securities industry, weaker liquidity and near-term foreign-outflow pressure could weigh on sector-wide brokerage revenue. However, as the market enters a new post-upgrade capital-attraction cycle, the advantage is expected to accrue to brokers with **large capital, full-service capabilities and a strong institutional client base**. These firms are better positioned to benefit from rising market liquidity, greater use of financial leverage and returning foreign flows, while firms reliant mainly on retail brokerage will face stiffer competitive pressure.

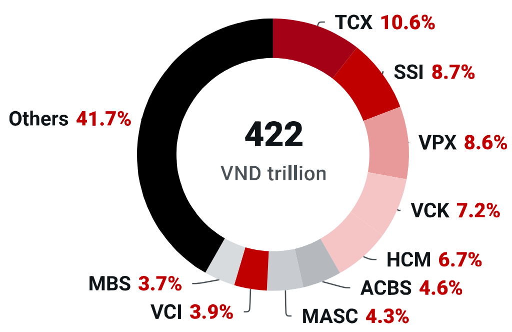
2.3 Market Share

VCI — brokerage share ~7.4% (top 4–5 on HOSE) · leading domestic strength in Investment Banking (IB)

Equity & Fund-Certificate Brokerage Market Share — HOSE



Margin Loan Market Share — Industry-Wide



Source: HOSE

The Q1/2026 competitive picture shows fragmented market share among the leading institutions. In the HOSE equity & fund-certificate brokerage segment, **VCI holds 7.4%** of market share on total trading value of **1,808 thousand bn VND**, rising into the **top 4–5** — behind VCK (15.3%), SSI (11.1%) and TCX (8.9%). The top 5 firms hold about **50% market share**, reflecting a moderate concentration. As new entrants keep arriving with fee-waiver strategies, VCI deliberately targets the **institutional & high-value client** segment rather than a zero-fee race in retail, helping preserve better-than-average brokerage margins.

2.4 Competitive Positioning

Ticker	Company	Market cap (bn VND)	Total assets (bn VND)	P/E	P/B	ROE	Brokerage share
TCX	Techcom Securities	106,795	88,665	14.8x	2.3x	19.9%	8.9%
VCK	CK VPS	81,326	53,217	19.9x	2.7x	19.3%	15.3%
SSI	CK SSI	66,014	93,114	14.5x	1.7x	13.5%	11.1%
VPX	CK VPBank	48,000	78,751	12.9x	1.4x	14.4%	2.9%
VIX	CK VIX	41,900	29,598	8.1x	1.9x	27.2%	—
HCM	HCMC Securities (HSC)	29,645	40,467	23.9x	2.1x	10.1%	7.3%
VCI	**Vietcap**	**28,060**	**37,097**	**20.2x**	**1.6x**	**9.3%**	**7.4%**
VND	VNDirect	26,336	47,965	12.1x	1.2x	10.5%	4.8%
MBS	CK MB	19,118	30,659	16.6x	2.3x	14.8%	5.3%
SHS	CK SHB	16,190	22,367	12.3x	1.3x	10.8%	—

Source: FiinX, TCBS compilation

Market cap, P/E, P/B at the 06/07/2026 close; total assets, ROE & market share as of Q1/2026.

With total assets of **37,097 bn VND** at Q1/2026, VCI ranks 7th in the industry by size — modest versus SSI, TCX or VPX, yet with capabilities **Investment Banking (IB)** among the leaders in the domestic bloc. VCI's core strengths are M&A, IPO and listing advisory for large corporates & FDI firms; in 2026 the company expects to lead the market with major deals (2025: VPBank 12,700 bn VND, Hòa Phát 12,000 bn VND; 2026 pipeline: Điện Máy Xanh, Đất Việt VAC…). VCI also maintains a margin loan book of **16,613 bn VND** and a proprietary portfolio of **~16,052 bn VND**; profitability with ROE of **9.3%** at a P/B of **1.6x** — reflecting room for improvement as ROE recovers and IB enters a busier cycle.

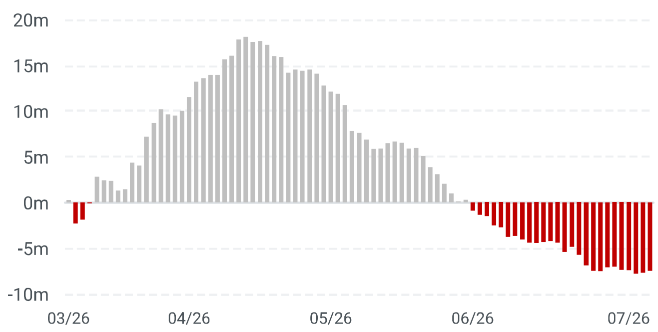
VCI Price Action & Foreign Trading 2026

CLOSE 06/07	2026 YTD	FROM 04/03/2026 PEAK	CUMULATIVE FOREIGN FLOW SINCE 09/03
24,450 VND	**−4.4%**	**−18.6%**	**−3.7tr**
−2.6% vs 03/07/2026	VN-Index same period: +3.3%	Peak VND 30,041 (adjusted)	shares · peak +18.1m sh (13/04)

VCI vs VN-Index — 2026 YTD Performance (%)

Source: TCBS compilation and calculations

VCI Foreign Flows — Cumulative Net Buy/Sell



Source: TCBS compilation and calculations

VCI shares have been performing **below the broader market**, down **4.4%** year-to-date in 2026, while the VN-Index is up about **+3.3%**. After peaking at **30,041 VND/share** (adjusted price) in early March 2026 on market-upgrade expectations and strong Q4/2025 results, VCI has since corrected by about **22%**, markedly deeper than the VN-Index over the same period. This reflects **the sensitivity of securities stocks to market liquidity**, especially as average trading value trended lower in Q2/2026.

One notable factor is **the reversal of foreign flows**. After heavy net buying in March and early April 2026, foreign investors returned to **sustained net selling from late April**, pulling foreign ownership down from **18.8% to 18.5%**. This is consistent with recent market-wide outflows from ETFs and foreign investors, adding meaningful pressure on the share price.

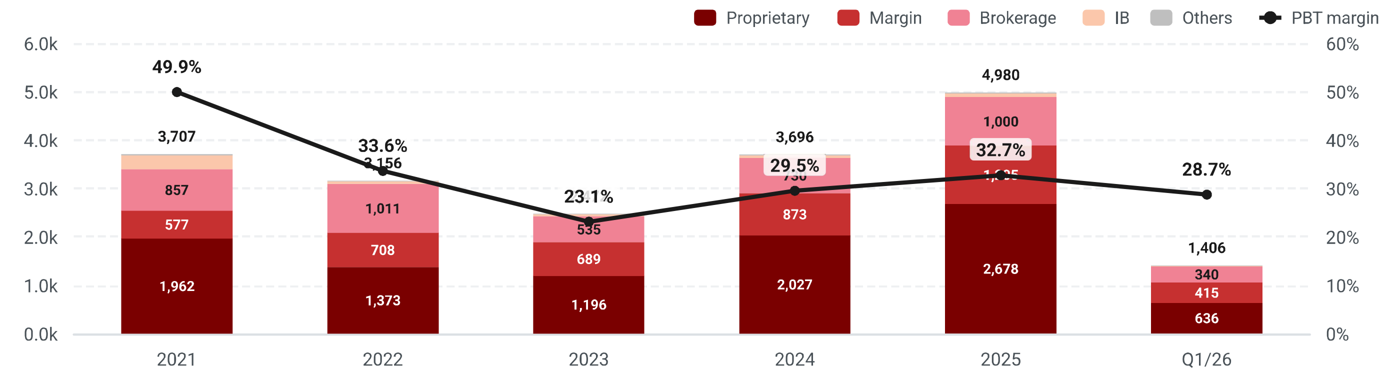
Nonetheless, VCI's medium-term outlook remains closely tied to **the market-upgrade story**. As one of the securities firms with **the largest institutional and foreign-investor client base in the market**, Vietcap is expected to benefit meaningfully as international capital returns once **FTSE Russell formally moves Vietnam into the Secondary Emerging Market category from September 2026**. Accordingly, **the trajectory of foreign flows in the coming months** will be a key factor to watch for the stock's re-rating.

3. Business Performance Analysis

2025 OPERATING REVENUE	2025 PBT	2025 PRE-TAX MARGIN	Q1/2026 REVENUE
4,980 bn VND	**1,629** bn VND	**32.7** %	**1,406** bn VND
+34.8% YoY	+49.6% YoY	Improved from 23% (2023)	+65.3% YoY

3.1 Revenue Mix by Segment — 2021 to 2025

Revenue by Segment (VND bn) & Pre-Tax Margin



Source: FiinX, TCBS compilation and calculations

Segment (bn VND)	2021	2022	2023	2024	2025	Q1/26	%2025	% Q1/26
Proprietary & investment	1,962	1,373	1,196	2,027	2,678	636	53.8%	45.2%
Margin lending interest	577	708	689	873	1,205	415	24.2%	29.5%
Brokerage	857	1,011	535	730	1,000	340	20.1%	24.2%
Advisory — IB	286	52	39	51	82	12	1.6%	0.9%
Custody & other	25	12	13	15	15	3	0.3%	0.2%
Total operating revenue	**3,707**	**3,156**	**2,472**	**3,696**	**4,980**	**1,406**	**100%**	**100%**

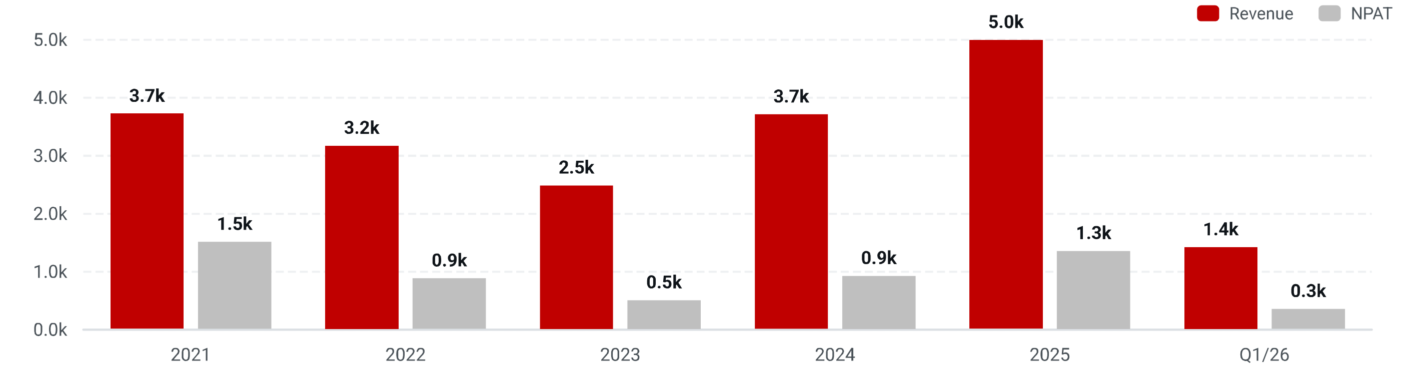
Vietcap's revenue mix remains heavily dependent on investment activity, with proprietary trading contributing **53.8%** of total 2025 revenue. This lets the company benefit strongly in favorable markets, but also makes earnings more volatile through the market cycle. The second-largest revenue source is margin-lending interest, at **24.2%** of revenue and up 38% YoY, serving as a steadier growth driver on the enlarged capital base of recent years.

Brokerage contributes about **20%** of revenue, while corporate-finance advisory is only a small share of booked revenue. Even so, advisory remains important in maintaining relationships with large corporate clients, developing institutional clients and expanding the capital-market services ecosystem. Per the 2025 Annual Report, total corporate-finance advisory deal value reached about **3,952 bn VND**.

In Q1/2026 the revenue mix changed little, with investment activity still the largest contributor at **636 bn VND**, followed by margin-lending interest (415 bn VND) and brokerage (340 bn VND). Over the long run, the growing contribution of margin lending and corporate-finance advisory could make the revenue mix more balanced, reducing dependence on the volatility of investment activity.

3.2 Revenue & Profit Trends

Revenue & NPAT by Year (2021 — Q1/2026)



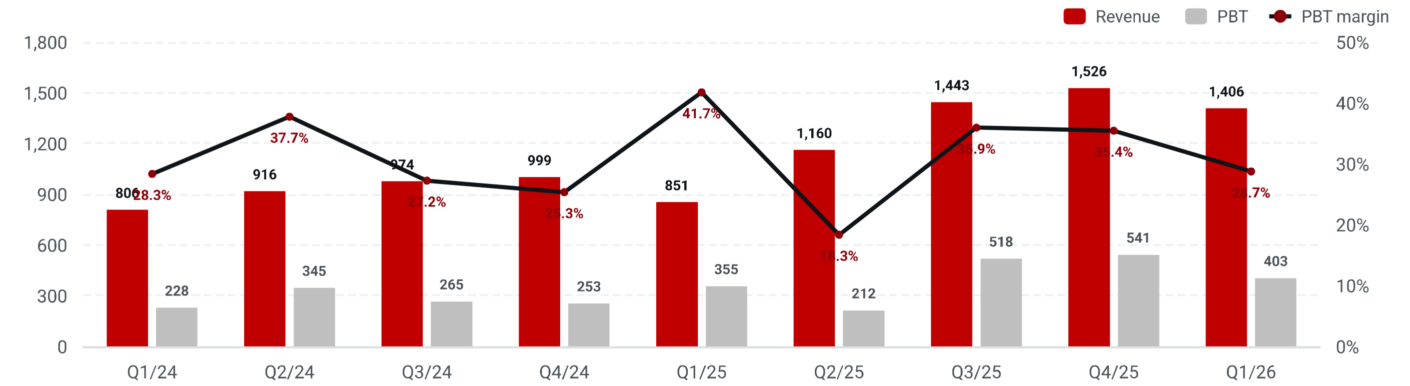
Source: FiinX, TCBS compilation and calculations

Year (bn VND)	2021	2022	2023	2024	2025	Q1/26
Operating revenue	3,707	3,156	2,472	3,696	4,980	1,406
LNST	1,499	869	492	911	1,342	341
Revenue growth YoY	+114.3%	−14.9%	−21.7%	+49.5%	+34.8%	+65.3%

Vietcap's financial picture is distinctly cyclical, heavily influenced by the weight of proprietary trading in the revenue mix. After peaking in 2021 and bottoming in 2023 (revenue 2,472 bn VND, NPAT 492 bn VND), the company has staged a recovery in phase with the VN-Index. Specifically, in 2025 revenue broke out to **4,980 bn VND (+34.8% YoY)**, driving NPAT to 1,342 bn VND. A notable bright spot is the shift toward a more sustainable earnings mix. Margin lending — by nature a steady revenue source — keeps expanding in scale and contribution. This is underpinned by the successful addition of new capital, reflecting Vietcap's effective capital-raising ability in the market.

However, moving into Q1/2026 the company faced margin-compression pressure. Although revenue grew strongly at **+65.3% YoY**, NPAT posted only a modest rise of **+15.5%**. The gap stems from operating costs and interest expense rising faster than revenue. Over the medium term, earnings stability will depend largely on the strategy of raising the weight of steadier income streams such as margin lending and investment banking, to contain and mitigate the cyclical risk of proprietary trading.

Operating Revenue & PBT by Quarter (Q1/2024 — Q1/2026)



Source: VCI financial statements, TCBS compilation and calculations

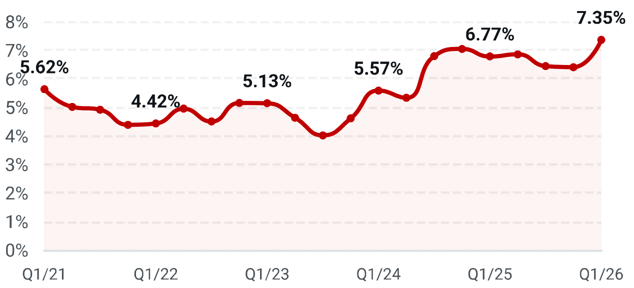
Quarterly data show Vietcap's earnings remain materially affected by proprietary-trading swings. The pre-tax margin rose to a high of 41.7% in Q1/2025 but fell sharply to 18.3% the next quarter as the equity market corrected deeply, before recovering to the 35–36% zone in the second half. The large margin swings reflect a relatively high dependence on investment results and show that earnings can vary materially with market conditions.

In addition, financial expenses are rising rapidly as the company scales up. In Q1/2026, financial expenses reached VND 346 bn, up 89% YoY and the highest on record, mainly on higher borrowings to fund margin lending and the investment portfolio. As a result, although operating revenue rose 65.3% YoY, the pre-tax margin fell to 28.7% and net profit rose only 15.5%.

Going forward, the scope to improve profitability will depend on controlling the cost of funds and enhancing the efficiency of newly raised capital. Optimising the borrowing mix — particularly foreign-currency funding priced off SOFR +/- a spread — together with the ability to expand the margin book as market liquidity improves, will be key factors determining the company's earnings growth.

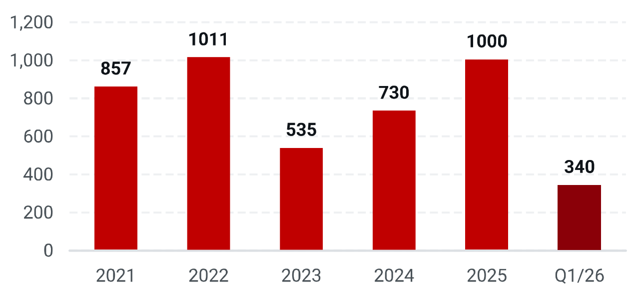
3.3 Brokerage & Custody Segment

HOSE Brokerage Market Share by Quarter (%)



Source: HOSE

Brokerage Revenue by Year (VND bn)



Source: FiinX, TCBS compilation and calculations

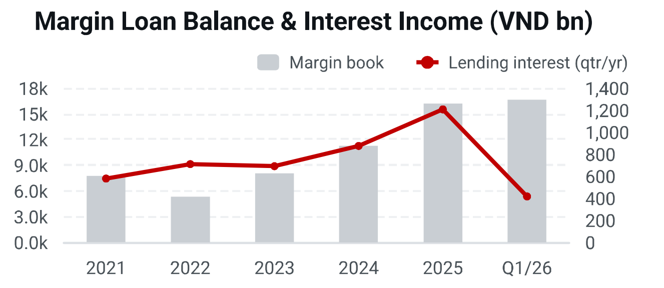
Brokerage revenue rebounded strongly from a trough of **VND 535 bn** in 2023 to **VND 1,000 bn** in 2025, reflecting improving market liquidity and Vietcap's competitive position. The company focuses on high-value clients and institutional investors rather than competing on low fees, thereby preserving revenue quality and stable operating efficiency.

By end-2025, Vietcap served roughly **235,000 client accounts**, including both retail and foreign institutional investors. This client base underpins a stable brokerage market share and positions the company to benefit as market liquidity improves.

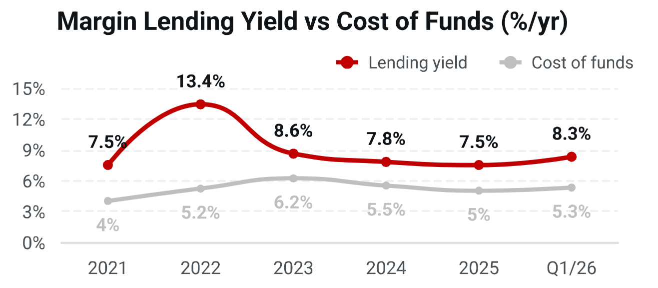
In Q1/2026, brokerage revenue reached **VND 340 bn (+128% YoY)**, supported by average daily HOSE trading value rising to roughly VND 36.3 trillion. HOSE brokerage market share climbed from **6.4%** in Q1/2025 to **7.4%** in Q1/2026, showing Vietcap continuing to improve its position amid more active trading.

The brokerage segment's growth outlook is underpinned by the expected **FTSE Russell upgrade to Secondary Emerging Market from September 2026**, which should draw additional flows from institutional funds and foreign investors. With a market-leading institutional client network — including **more than 570 foreign institutional investors** tracking and trading — Vietcap is well positioned to benefit from rising liquidity and post-upgrade foreign flows. This is expected to be a key driver supporting brokerage-revenue growth over the medium to long term.

3.4 Margin Lending & Funding Structure

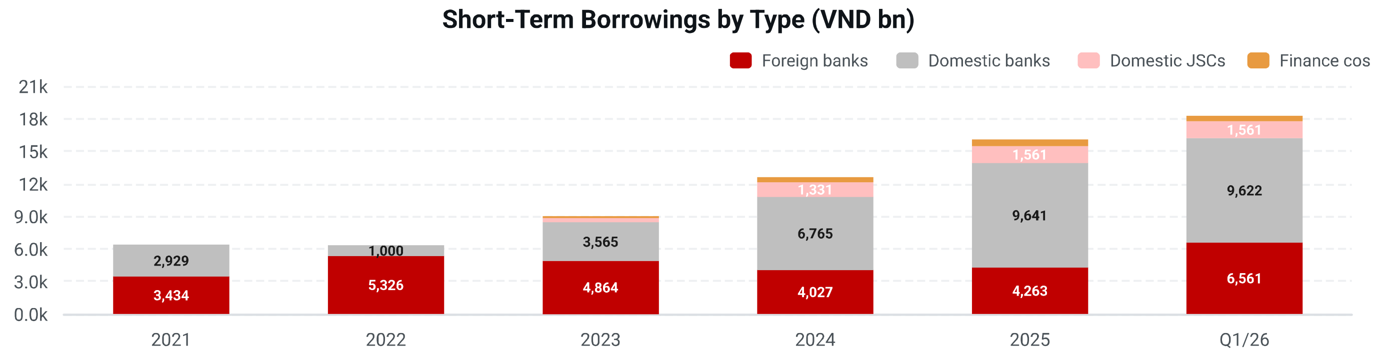


Source: FiinX, TCBS compilation and calculations



Source: FiinX, TCBS compilation and calculations

The margin book expanded sharply from **VND 7,992 bn** in 2023 to **VND 16,167 bn** in 2025, making Vietcap one of the fastest-growing lenders in the sector. However, the segment's profitability remains constrained by a relatively high cost of funds. Margin lending rates hold around **8.0–8.5%/yr** while funding costs run at roughly **5.0–5.5%/yr**, keeping the spread (NIM) around **3 percentage points** — below peers with large equity bases or cheap banking-ecosystem funding.



Source: FiinX, TCBS compilation and calculations

Funding for margin lending comes mainly from **short-term borrowings**. Notably, foreign borrowings are largely **unsecured USD loans priced off SOFR +/- a spread**, giving Vietcap access to large-scale, flexible funding to grow the book. However, this structure keeps funding costs relatively high (around **5.3%/yr**) and raises earnings sensitivity to the USD rate cycle. FX risk is largely managed via cross-currency swaps, with a hedge ratio of about **87% of foreign-currency loan balances and interest expense** at end-2025 (100% in 2024).

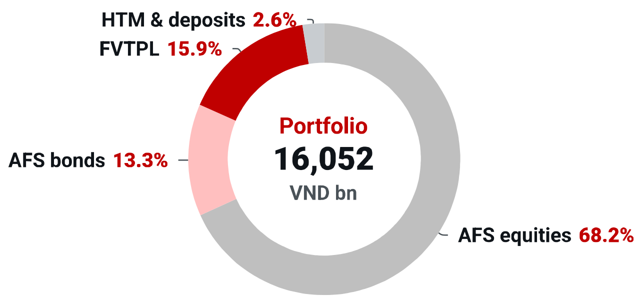
In June 2026, Vietcap signed an unsecured international syndicated loan of **USD 170 million**, with an option to increase the facility to up to **USD 370 million**. The loan was arranged and/or committed by major international financial institutions including Maybank Securities, Bank of China (Hong Kong), CTBC Bank, Cathay United Bank, First Commercial Bank, Hua Nan Commercial Bank, KGI Bank and Taipei Fubon Commercial Bank. This is Vietcap's **largest syndicated loan to date**, helping diversify funding sources and strengthen access to international capital markets.

Alongside international funding, Vietcap also raised more from domestic credit institutions, with part of these loans secured by assets worth roughly **VND 3,063 bn** at end-2025, up significantly from VND 1,400 bn at end-2024. Although the funding mix is increasingly diversified, funding cost remains a factor to watch while global rates stay high.

On the positive side, the margin-to-equity ratio in Q1/2026 was only about **96%**, well below the regulatory **200%** cap. This shows Vietcap still has considerable headroom to expand lending as market liquidity improves and institutional flows rise after the market upgrade. However, the segment's profit improvement will depend not only on book growth but also on optimising the funding mix and narrowing the gap between lending rates and funding costs in the coming years.

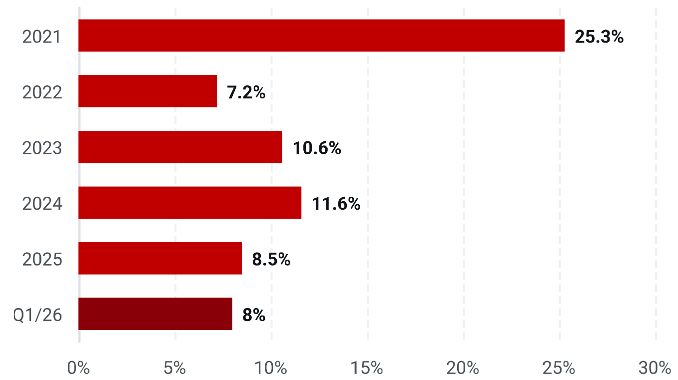
3.5 Proprietary Trading — Portfolio Mix & Revenue

Proprietary Portfolio Mix by P&L Impact — Q1/2026



Source: FiinX, TCBS compilation and calculations

Investment Portfolio Yield (%)



Source: FiinX, TCBS compilation and calculations

The proprietary portfolio stood at **VND 16,052 bn** as of 31/03/2026, of which AFS assets were the largest at **VND 13,089 bn (81.5%)**, comprising listed equities, unlisted securities and bonds. The remainder consists of FVTPL assets of **VND 2,551 bn (15.9%)** and held-to-maturity (HTM) investments of **VND 412 bn (2.6%)**.

By asset type, about **72.7%** of the portfolio is equities and fund certificates, while the remaining **27.3%** is fixed-income instruments including bonds and deposits. The relatively high fixed-income weighting helps dampen overall portfolio volatility during less favourable market phases.

Note that most of the portfolio is classified as AFS, so market-price moves are recorded in equity through other comprehensive income (OCI) rather than flowing directly through the income statement. Hence proprietary trading's impact on period earnings comes mainly from **the FVTPL portfolio, about 15.9%** of the total portfolio.

AFS proprietary holdings (bn VND)	Cost	Mkt price 31/03	Unrealized G/(L) TH 31/03	Adj. return 31/03→30/06	Est. G/(L) as of 30/06
IDP	441	2,339	+1,898	+11.5%	+2,168
MCH	1,856	2,206	+350	−6.9%	+197
KDH	914	877	−36	−16.9%	−185
TDM	648	853	+205	+6.0%	+256
MBB	521	542	+20	−4.7%	−5
FPT	659	465	−193	−4.7%	−216
MWG	482	455	−27	−4.5%	−48
AFS bonds	1,096	1,304	+208	—	—
NAP01 (unlisted)	408	596	+188	—	—
Total AFS portfolio (incl. others)	**10,744**	**13,089**	**+2,344**	**—**	**—**

Methodology: the Return and estimated Gain/(loss) columns as of 30/06 use adjusted closing prices on 31/03/2026 and 30/06/2026 (incl. dividends & splits); items without a listed price (bonds, unlisted) are temporarily set to 0.

At end-Q1/2026 the AFS portfolio shows a sizable gain over cost (market value 13,089 vs cost 10,744 — **unrealized gain +2,344 bn VND**), mainly from holdings such as IDP, MCH and TDM. These gains are recorded in equity under AFS accounting rules and not yet reflected in period earnings. This means VCI holds a relatively large pool of unrealized value that could support future results if realized. Notably, **IDP** is currently the holding with the largest unrealized gain in the portfolio and is regarded by management as a strategic investment held for the long term.

3.6 Advisory & Investment Banking (IB)

Corporate-finance advisory is one of Vietcap's high value-added activities, focused on mergers & acquisitions (M&A), initial public offerings (IPO), listings, share issuance and capital raising for domestic as well as foreign-invested firms. Given its dependence on deal timing and capital-market conditions, this segment's revenue is fairly cyclical. After peaking at **286 bn VND** in 2021, revenue fell to **39–52 bn VND** over 2022–2024 as issuance and capital raising weakened, before recovering to **82 bn VND** in 2025.

Per the 2025 Annual Report, total corporate-finance advisory deal value reached **3,952 bn VND**, with several large deals for leading firms such as VPBankS, Hòa Phát Agriculture, TCBS and Masan Consumer. Although its revenue share is still small versus other core segments, corporate-finance advisory plays an important role in building relationships with large corporate clients and creating opportunities to develop related capital-market services.

Vietcap's competitive edge comes from a market-leading institutional client network, particularly foreign investors, together with deep research capabilities. The company organizes **Vietnam Access Days** – one of the largest international investor conferences in Vietnam, and maintains a research team covering **238 listed companies** with more than 20 bilingual analysts. This institutional-client ecosystem and research capability support advisory work and provide an edge in connecting companies with domestic and foreign capital sources.

As capital raising and securities issuance gradually recover, together with expectations of **a market upgrade over 2026–2027**, demand for listing, issuance and corporate-restructuring advisory is expected to rise, creating growth headroom for corporate-finance advisory in the coming years.

IB & Advisory (bn VND)	2021	2022	2023	2024	2025
Financial advisory revenue	**286**	**52**	**39**	**51**	**82**

NOTABLE DEALS & CLIENTS

Điện máy XANH IPO · 2026	VPBank Securities 2025	HÒA PHÁT NÔNG NGHIỆP 2025	TECHCOMSECURITIES 2025	Masan consumer 2025
GELEX ELECTRIC 2024	VINHOMES 2018	TECHCOMBANK 2018	vietjet air 2017	VINCOM RETAIL 2017

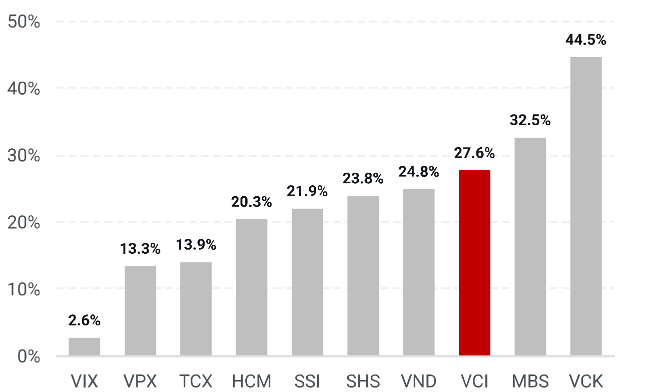
Source: Vietcap, TCBS compiled.

3.7 Operating Efficiency — CIR & Staff Productivity

12-Month Trailing CIR by Quarter (%) — VCI

Source: FiinX, TCBS compilation and calculations

CIR (TTM) — Top 10 Securities Firms by Total Assets

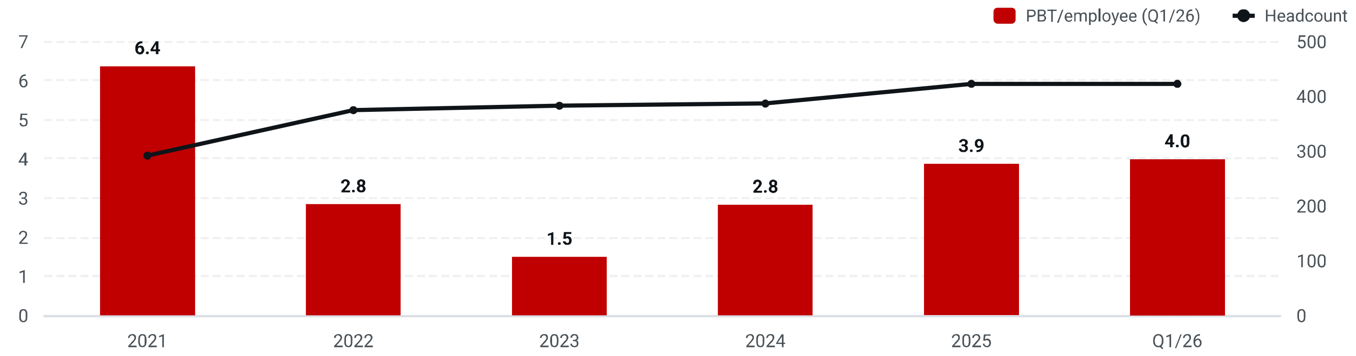


Source: FiinX, TCBS compilation and calculations

On cost efficiency, Vietcap's trailing-12-month cost-to-income ratio currently stands at **27.6%**. Against the 10 largest securities firms by total assets, its cost-efficiency ratio sits mid-table. It is lower than peers such as MBS at 32.5% or VCK at 44.5%, but considerably higher than lower-cost or lightly leveraged peers such as TCX at 13.9%, VPX at 13.3% and VIX at 2.6%.

That said, a notable bright spot is that the company's cost-to-income ratio has re-stabilized around **28%**. This is a positive improvement from the peak of **33.5%** recorded during the 2023 earnings trough, showing Vietcap gradually re-establishing balance in cost management alongside the revenue recovery.

PBT per Employee (VND bn) & Headcount



Source: FiinX, TCBS compilation and calculations

The company runs a relatively lean operation with a headcount of **422 people** as of Q1/2026. Although headcount has expanded steadily over the years, pre-tax profit generated per employee has recovered strongly. Specifically, after bottoming in 2023 at **1.5 bn VND** per employee, this metric has grown continuously to **4.0 bn VND** (trailing 12 months to Q1/2026). This positions Vietcap among the more productive firms, mid-pack in the industry ranking rather than an outright leader. Even so, the metric's steady improvement clearly evidences the quality of the workforce and the effectiveness of the company's strategy of focusing on high value-added core activities.

3.8 Four Core Capability Pillars

01

Leading IB & Advisory Franchise

The #1 domestic position in M&A/IPO advisory and underwriting for institutions & FDI corporates, with a string of billion-dollar deals (Vinhomes, Techcombank, Vietjet, Vincom Retail) and a 2025–2026 pipeline (VPBankS, Hoa Phat, Dien May Xanh IPO). Intangible assets — institutional client relationships, due-diligence capability and reputation — are hard to replicate, generating high-margin, through-the-cycle fee income while continuously expanding the domestic and foreign institutional client base.

02

Proprietary Trading & Research Capability

A ~VND 16,000 bn financial-investment portfolio is supported by a Research division covering **238 listed companies** with more than 20 bilingual analysts. Stock-selection and market-timing capability drive superior proprietary returns in favourable market phases; the deep research base is also an input for institutional brokerage and advisory, creating a value loop across the business segments.

03

Solid Balance Sheet & Large Capital

Equity of VND 17,319 bn and a debt-to-equity ratio of roughly 1.1x — within the industry's safe zone; charter capital raised to VND 11,476 bn (04/2026) creates ample headroom to expand margin lending (currently ~96% of equity) and the proprietary book while keeping a safe distance from regulatory limits. The thick capital buffer also lets the company absorb market shocks without straining capital adequacy.

04

Operating Efficiency & Productivity

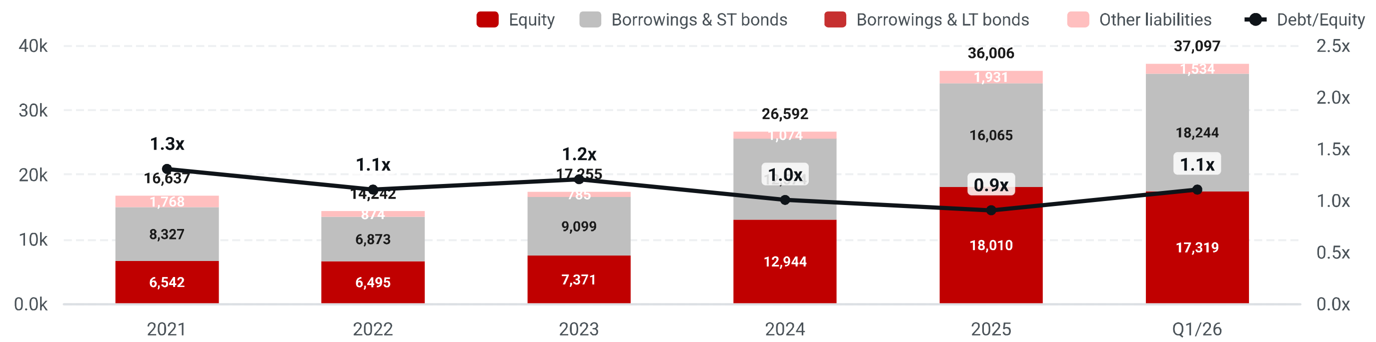
A lean 422-employee organisation, a cost-to-income ratio (CIR) of ~28% and pre-tax profit per employee of VND 3.9 bn (2025) — among the more productive in the industry. The institution-focused model delivers high revenue per head while keeping tight cost control, creating a durable cost advantage and superior margins versus larger retail-focused brokers.

4. Financial Analysis

4.1 Capital Structure

Item (bn VND)	2021	2022	2023	2024	2025
Cash & equivalents	1,132	3,424	788	4,744	3,214
Financial assets (investments)	14,998	10,562	15,097	21,073	32,123
Total assets	**16,636**	**14,243**	**17,255**	**26,592**	**36,006**
Short-term borrowings	6,363	6,326	8,979	12,574	16,065
Total liabilities	10,094	7,747	9,884	13,648	17,996
Shareholders' equity	**6,542**	**6,495**	**7,371**	**12,944**	**18,010**

Capital Structure (VND bn) & Debt-to-Equity Ratio



Source: FiinX, TCBS compilation and calculations

Vietcap's funding structure reflects a securities-firm model that is **capital-intensive yet maintains relatively prudent leverage**. The company has no long-term debt; its borrowings are mainly short-term loans from credit institutions and issuance of valuable papers to fund margin lending and the investment portfolio. This structure lets the company flexibly adjust the balance-sheet size to market conditions, but also makes its cost of funds more sensitive to short-term rate moves.

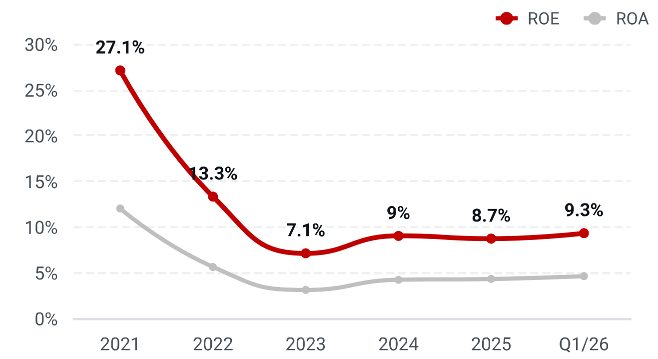
A standout is the markedly improved capital capacity in recent years. Equity rose from **6,542 bn VND** in 2021 to **18,010 bn VND** in 2025, equivalent to **2.8x** after successive capital raises. As a result, the debt/equity ratio was about **1.1x** at end-2025 and edged up only slightly to **1.1x** at Q1/2026, even as the margin loan book and investment portfolio kept expanding. This leverage remains well below the regulatory cap, leaving room to keep expanding margin lending and investments in the coming years.

In addition, operating liabilities remain low relative to the balance-sheet size, indicating fairly limited short-term liquidity pressure. Overall, the large equity base is an important foundation for Vietcap to scale the business, while financial risk stems mainly from funding costs and interest-rate moves rather than leverage pressure.

DEBT/EQUITY (BORROWINGS/EQUITY)	EQUITY/TOTAL ASSETS	MARGIN/EQUITY	CURRENT RATIO
0.9x	**50.0%**	**96%**	**2.1x**
Safe	Well-capitalized	< 200% cap	Ample

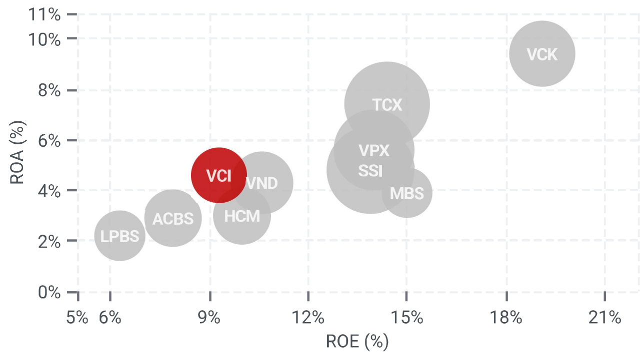
4.2 Profitability — ROE & ROA (2021–2025)

ROE & ROA by Year (%)



Source: FiinX, TCBS compilation and calculations

ROE – ROA – Total Assets · Top 10 Securities Firms (Q1/2026)



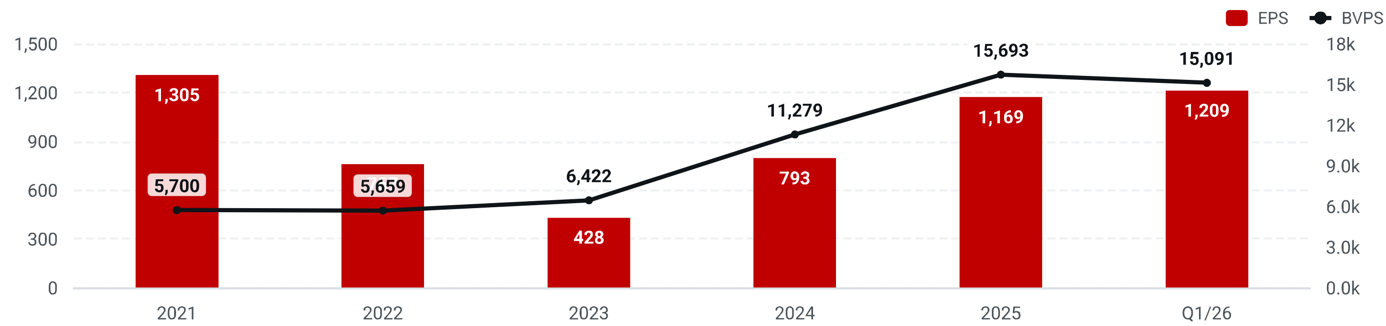
Source: FiinX, TCBS compilation and calculations

DuPont analysis shows Vietcap's ROE fluctuates mainly with operating performance rather than financial leverage. ROE peaked at **27.1%** in 2021 on a favourable market, high liquidity and strong proprietary results, before falling sharply to **7.1%** in 2023 as brokerage and investment weakened together. By 2025, ROE recovered to **8.7%** alongside improving results, but remained well below the peak.

Notably, equity rose from **VND 6,542 bn** in 2021 to **VND 18,010 bn** in 2025, or **2.8x** after capital raises. With capital growing faster than earnings, ROE was diluted, even as return on assets (ROA) stayed relatively stable. Going forward, improving ROE will hinge on converting new capital into more productive earning assets — particularly via margin-book growth, portfolio optimisation, and benefiting from improved market liquidity after the FTSE upgrade.

4.3 EPS & BVPS — Book Value and Earnings-per-Share Growth

EPS and BVPS by Year (VND/sh)



Source: FiinX, TCBS compilation and calculations

Metric	2021	2022	2023	2024	2025
EPS (VND)	1,305	757	428	793	1,169
BVPS (VND)	5,700	5,659	6,422	11,279	15,693
P/E (x)	22.5	16.6	54.7	30.1	21.9
P/B (x)	5.1	2.2	3.7	2.1	1.6

4.4 Cash Flow Summary & Capital Allocation

Cash flow (bn VND)	2021	2022	2023	2024	2025
Operating cash flow	-3,750	3,742	-4,356	-3,384	-8,791
Investing cash flow	-6	-22	-8	-31	-57
Financing cash flow	4,246	-1,428	1,728	7,371	7,318
Free Cash Flow	**1,401**	**981**	**526**	**809**	**1,143**

The large negative operating cash flow in 2025 (-VND 8,791 bn) **does not signal distress** but is typical of a securities firm: cash was deployed to expand the margin book (+VND 5,000 bn) and the investment portfolio, funded by positive financing cash flow (+VND 7,318 bn). Free cash flow remained positive (~VND 1,143 bn), indicating the core business generates cash well.

Capital Allocation Logic

Newly raised capital (charter capital up to VND 11,476 bn) is prioritised for: (i) expanding the margin book — a stable income source yielding ~7.5%; (ii) strengthening the proprietary portfolio ahead of the upgrade wave; (iii) retaining part of earnings alongside a 7.5% cash dividend (2025). The aggressive reinvestment strategy trades near-term dividends for scale growth — appropriate for an expansion phase but temporarily diluting ROE.

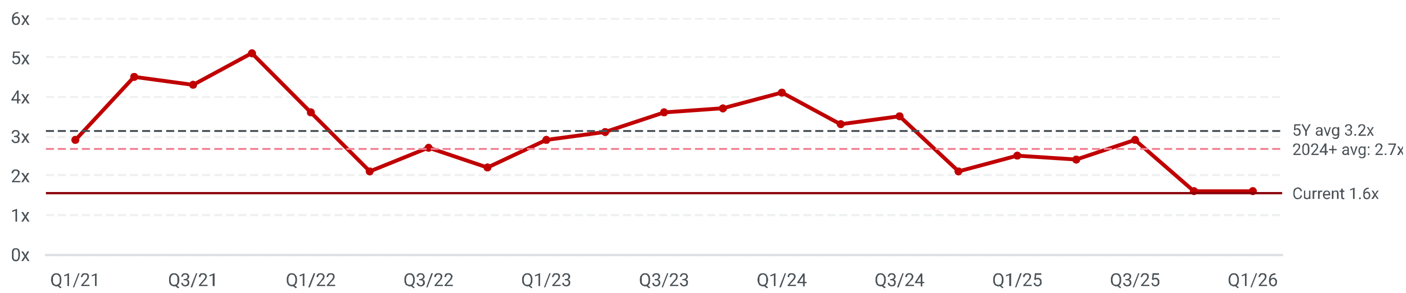
DuPont Analysis & P/B Valuation Cycle

DuPont analysis	2021	2022	2023	2024	2025
Net margin (NPAT/Revenue)	40.4%	27.5%	19.9%	24.6%	26.9%
Asset turnover (Rev/Total assets)	0.2	0.2	0.1	0.1	0.1
Leverage (Total assets/Equity)	2.5	2.2	2.3	2.1	2.0
Reported ROE	**27.1%**	**13.3%**	**7.1%**	**9.0%**	**8.7%**

Source: FiinX, TCBS compilation and calculations.

Asset turnover & leverage are computed on period-end balances, so the product of the three factors differs slightly from the reported ROE (computed on period averages).

P/B by Quarter (Q1/2021 — Q1/2026) & Reference Levels



Source: TCBS compilation and calculations

DuPont analysis shows the ROE decline **did not come from leverage** (Total assets/Equity 2.5 → 2.0) but from **asset turnover nearly halving** (0.2 → 0.1) as total assets ballooned faster than revenue after capital raises — the ~9% ROE is a "low-leverage", high-quality ROE that is structurally diluted.

On valuation, P/B has fallen from a peak of 5.1x (2021) to **1.6x** — below the 5-year average (~3.2x); the high 2021–2023 levels reflected a thin capital base & 13–27% ROE, so after equity rose 2.8x and ROE fell to single digits, a lower "new normal" is reasonable. Each percentage point of ROE improvement is direct re-rating headroom.

5. Risk Analysis

5.1 Risk Matrix — Eight Key Risk Groups

Risk category	Nature	Probability	Impact	Trend
Proprietary-revenue concentration	45.2% of revenue from proprietary trading — earnings sensitive to asset-price swings	Cao	Cao	↑
Equity-market correction	A VN-Index decline drags proprietary, brokerage & margin down together	Medium	Cao	→
Interest rates / cost of funds	Rising funding costs narrow the margin-lending spread	Medium	Medium	→
Margin risk (NPL)	Loan book 16,613 bn VND; margin calls in a sharp market drop	Low	Medium	↑
Dilution & low ROE	Repeated capital raises dilute EPS/ROE near-term	Medium	Medium	→
Fee & market-share competition	Bank-backed brokers & zero fees pressure brokerage share	Cao	Medium	↑
Investment-portfolio concentration	The AFS portfolio is concentrated in a few large stocks (FPT, MWG, MCH, MBB); price moves hit equity directly (AFS booked through OCI) and do not affect earnings until realized	Medium	Cao	↑

VCI's most material risk is its **concentration in proprietary-trading revenue** — a feature that makes earnings swing sharply with the market (e.g. Q2/2025 NPAT fell 38% as the VN-Index corrected in April). Next are systematic market risk and competitive pressure on brokerage market share. Offsetting this, a solid balance sheet (Debt/Equity 1.1x) and sound margin risk management limit capital-loss risk.

Four Key Risks — In-Depth Analysis

Assessed by Impact · Probability · Trend — the four risks with the greatest weight on the investment thesis

Risk 1 — Market correction & declining liquidity

Proprietary trading contributed 45.2% of Q1/2026 revenue, so earnings carry a high beta to the VN-Index. A deep correction (>20%) simultaneously drags proprietary, brokerage and the margin book, potentially cutting revenue 20–30% over 1–2 quarters. The offsetting support ahead is FTSE-upgrade inflows effective 21/09/2026.

Impact: **Very high** · Probability: **Cao** · Trend: **↑ Rising**

Risk 2 — High proprietary weighting & asset-price volatility

The proprietary portfolio is ~16,052 bn VND; price moves hit results directly. However, only the FVTPL bucket (~16% of the portfolio) affects earnings, with most being AFS equities revalued through equity — dampening reported-earnings volatility.

Impact: **Cao** · Probability: **Medium** · Trend: **→ Flat**

Risk 3 — High cost of funds & thin NIM

Funding is mainly short-term, with FX borrowing (USD, referencing SOFR +/- a spread) a large share — pushing the cost of funds to ~5.3%/year. Against an average margin-lending rate of ~8.3%, the net interest margin (NIM) is only ~3 ppts, sensitive to the USD rate cycle.

Impact: **Cao** · Probability: **Medium** · Trend: **→ Flat**

Risk 4 — Fee competition & capital dilution

A fee-waiver wave from tech-driven brokers pressures brokerage margins over the medium-to-long term. In addition, capital raises (equity up 2.8x over 2021–2025) dilute EPS/ROE near-term; Q1/2026 ROE ~9.3% remains low versus the historical peak.

Impact: **Medium** · Probability: **Cao** · Trend: **↑ Rising**

5.2 Risk Monitoring Dashboard & Early-Warning Indicators

Monitoring indicator	Alert threshold	Current	Status
VN-Index	< 1,500 pts	1,844	Safe
Proprietary revenue share	> 55%	45.2%	Monitor
Margin book / Equity	> 190%	96%	Safe
Debt/Equity (Borrowings/Equity)	> 2.0x	0.9x	Safe
Avg. interbank borrowing rate	> 9%	~5.0%	Safe
Proprietary yield	< 5%	8.5%	Safe
CIR	> 35%	27.6%	Safe
HOSE brokerage market share	< 3.5%	~7.4%	Safe

Most indicators are in the **safe** zone. Two points to watch closely: (i) the proprietary-revenue weighting approaching the 55% threshold — exceeding it would amplify earnings volatility; (ii) brokerage market share under fee-competition pressure. Investors should monitor the VN-Index and quarterly proprietary-portfolio performance as leading indicators of VCI's earnings.

Signals to Reverse Our View

More constructive: realised ROE above 11%, a strong IB recovery, or a price correction to the P/B < 1.3x zone.

More cautious: VN-Index breaking below 1,500, large proprietary losses, or a spike in provisions for margin-loan and other doubtful receivables.

2026 Earnings & Capital Stress Test

Impact channel	Shock assumption	Estimated impact	Accounting mechanism
FVTPL proprietary (2,551 bn VND)	Portfolio price −10%	−255 bn VND	Revalued through P&L (proprietary revenue)
AFS portfolio (13,089 bn VND)	Portfolio price −10%	−1,309 bn VND to equity	Via OCI — not through P&L; BVPS −~1,140 VND (−7.3%)
Brokerage (TTM rev Q1/26: 1,191 bn VND)	Market-wide turnover −20% over 12 months	−~240 bn VND/year	Fee revenue scales with trading value
Margin (TTM interest Q1/26: 1,362 bn VND)	Average loan book −15% (margin calls, weaker demand)	−~205 bn VND/year	Lending interest falls with the loan book
Cost of funds (borrowings 16,065 bn VND)	Funding rate +100 bps	−~161 bn VND/year	Higher financial costs compress the margin spread
Combined simultaneous adverse scenario	**VN-Index −10–15%, liquidity & margin contract**	**PBT shortfall ~800–900 bn VND**	**Vs the 2026E base (PBT ~2,040 bn VND) → NPAT ~1,000 bn VND, ROE ~5–6%**

Sensitivity is based on Q1/2026 balance-sheet figures (Note 4) and the 2026E base case; each channel is shocked independently and may reinforce or partly offset in practice. This is a sensitivity analysis, not a forecast.

UNREALIZED AFS GAIN	MARGIN / VCSH	DEBT / EQUITY	CURRENT RATIO
+2,344	**96%**	**1.1x**	**1.9x**
bn VND — a cost buffer for the portfolio	far below the 200% regulatory cap	Q1/2026 — a safe zone for the industry	ample balance-sheet liquidity

The stress-test result is **consistent with the bear case in Section 6.3** (ROE around 6%). Should adverse factors materialise simultaneously, 2026 NPAT could fall to around **VND 1,000 bn**, similar to the 2024 outturn. However, this would not pose significant pressure on capital adequacy, as unrealised gains on the AFS portfolio of about **VND 2,344 bn** act as a buffer absorbing volatility before it hits equity.

With leverage of **1.1x** and margin loans equal to **96% of equity**, Vietcap keeps a substantial safety margin versus regulations. Its most material risk is therefore one of **earnings cyclicality** rather than capital impairment.

The factor to watch most closely is **market liquidity**. A fall in trading value could simultaneously hit brokerage, margin lending and proprietary trading, putting significant pressure on the company's earnings power.

6. Outlook

6.1 Macro Pillars & Growth Drivers 2026–2028

Vietcap's 2026–2028 growth outlook is anchored on three observable macro pillars:

First, the VN-Index is expected to sustain a long-term uptrend on **the FTSE upgrade expected in 09/2026**, estimated to bring foreign inflows of **1–2.5 bn USD** — a structural catalyst (institutional capital + index-tracking ETFs). With 18.5% foreign ownership and a leading Investment-Banking brand, VCI benefits directly.

Second, the real-rate environment remains favorable for margin lending — spreads on the margin book stay stable as funding costs from credit institutions remain low. The margin book of **~16.6 thousand bn VND** (Q1/2026, margin/equity ~96%) still has ample room to expand below the 200% cap after raising charter capital to 11,476 bn VND — a steady earnings driver over 2026–2027.

Third, the ongoing expansion of investor accounts keeps feeding a positive feedback loop: more clients → higher trading value → higher brokerage & margin revenue → platform reinvestment. Together with expected T+0, a central counterparty (CCP) and non-prefunding, long-term liquidity is reinforced.

Driver — Short term (≤3 months)

Q2/2026 results are expected to keep growing on the newly added capital base, boosting margin lending & proprietary trading. Investment-Banking pipeline: **Điện Máy Xanh (DMX) IPO** & listing deals; recovering market liquidity.

Driver — Medium term (3–12 months)

FTSE upgrade 09/2026 is the key inflection for foreign flows; expectations for T+0 and a stably operating KRX system. The margin book keeps expanding as institutional capital returns to the market.

Driver — Long term (≥12 months)

A **central counterparty (CCP)** system is expected to go live in Q1/2027 — removing the pre-funding bottleneck and helping attract more institutional capital; a recovering corporate-bond market supports Investment Banking. Broadening investor participation & the digital-asset trend are structural drivers.

6.2 Medium- to Long-Term Growth Drivers

Five strategic drivers observed through real-world scenarios · not quantitative projections

Driver	Current status	Sustaining conditions	Warning signs
Margin lending	Loan book 16,613 bn VND (Q1/26); margin/equity ~96% — ample room to the 200% cap	Stable VN-Index; no rate spikes	Margin NPLs >1%; interbank rate >12%
Proprietary trading	Revenue 2,678 bn VND (2025); AFS portfolio ~13,089 bn VND	Supportive rates; no market crash	VN-Index correction >20%; counterparty credit risk
Advisory — Investment Banking	Deal value 3,952 bn VND (2025): VPBankS, Hòa Phát…	Warming capital markets; corporate-bond recovery	Tighter issuance; rising bond defaults
Brokerage & custody	HOSE market share 7.4% (Q1/26); ~235,000 accounts	Turnover >15,000 bn VND/session; retaining high-value clients	Market share <6%; a stronger zero-fee wave
Market upgrade	**FTSE EM Secondary 09/2026; inflows 1–2.5 bn USD**	**Disbursement from 21/09/2026**	**Inflows slower than expected**

6.3 Valuation Scenarios: Bull / Base / Bear for 2026

Bull case
ROE 2026
~12%
Applied P/B 1.9x
Market upgrade, foreign inflows pour in, proprietary & IB boom

Base case
ROE 2026
8.7%
Applied P/B 1.6x
Moderately positive market

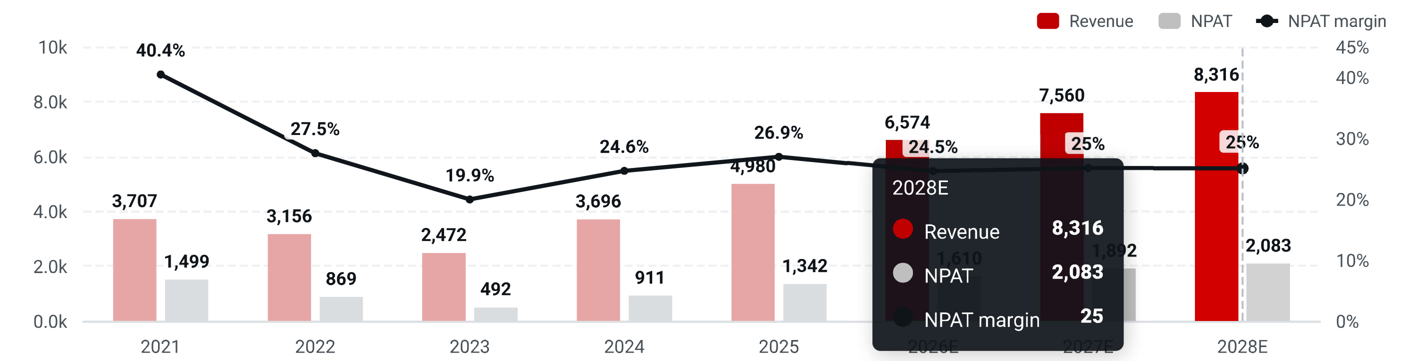
Bear case
ROE 2026
~6%
Applied P/B 1.2x
Foreign inflows below expectations, proprietary losses

Scenario	ROE 2026	Applied P/B
Bull case — smooth upgrade, proprietary & IB boom	~12%	1.9x
Base case — moderately positive market	**8.7%**	**1.6x**
Bear case — delayed upgrade, proprietary losses	~6%	1.2x

Scenario analysis shows the valuation frame tilting slightly to the upside on a multiples view. In the **base case**, ROE recovers to ~8.7%, corresponding to an applied P/B of around 1.6x; the **bull case** (ROE ~12%, P/B ~1.9x) opens meaningful re-rating room if the upgrade proceeds smoothly, while the **bear case** is bounded by a defensive P/B of ~1.2x — near the historical trough. The current P/B is deeply discounted versus prior cycles, indicating the market is pricing cautiously in line with ROE; the risk/reward balance tilts toward improvement if liquidity and foreign flows recover after the upgrade. *Pure analytical report — no target price or investment recommendation.*

6.4 Business Results — Actuals 2021–2025 & Forecasts 2026–2028 (Revenue & NPAT)

Revenue & NPAT (VND bn) · Net Margin (%)



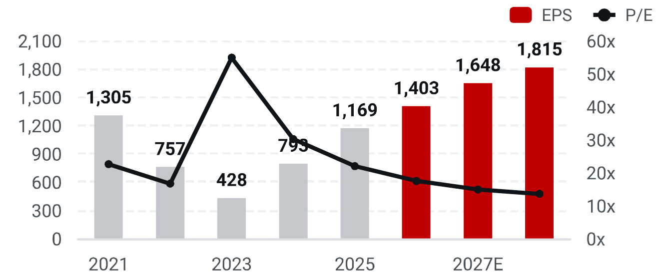
Source: FiinX, TCBS compilation and calculations

Metric (bn VND)	2021	2022	2023	2024	2025	2026E	2027E	2028E
Operating revenue	3,707	3,156	2,472	3,696	4,980	6,574	7,560	8,316
Revenue growth	—	-14.9%	-21.7%	+49.5%	+34.8%	+32.0%	+15.0%	+10.0%
NPAT to shareholders	1,499	869	492	911	1,342	1,610	1,892	2,083
NPAT growth	—	-42.0%	-43.4%	+85.1%	+47.4%	+20.0%	+17.5%	+10.1%
ROE (%)	**27.1%**	**13.3%**	**7.1%**	**9.0%**	**8.7%**	**8.7%**	**9.6%**	**9.9%**

After the 2021–2025 recovery from the 2023 trough, 2026–2028 projections show revenue and NPAT sustaining double-digit growth, led by **margin-book expansion** and a recovery in proprietary/IB. ROE gradually improves to ~9.9% by 2028.

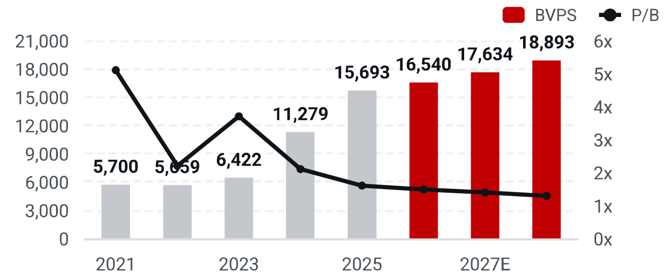
6.5 Valuation — EPS, BVPS Actuals 2021–2025 & Forecasts 2026–2028; Forward P/E, P/B

EPS Actual & Forecast (VND/sh) · P/E (trailing & forward)



Source: FiinX, TCBS compilation and calculations

BVPS Actual & Forecast (VND/sh) · P/B (trailing & forward)



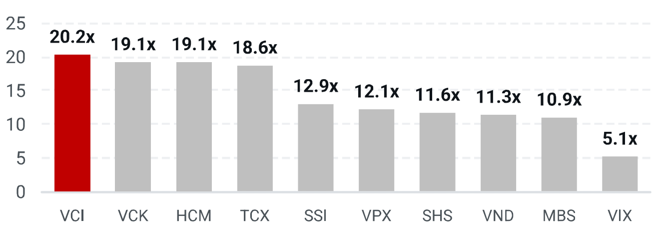
Source: FiinX, TCBS compilation and calculations

The analysis is based on **P/B** combined with an assessment relative to profitability and industry peers. With projected ROE recovering to about **9.6%** by 2027, VCI currently trades at a 2026 forward P/B of about **1.5x**, at the low end of the P/B range for large-asset securities firms.

At the 06/07/2026 closing price of **24,450 VND/share**, a correction of about **19%** since the March 2026 peak has meaningfully compressed the stock's valuation. With the market still maintaining a close P/B–ROE relationship, the pace of capital-efficiency improvement will remain the key factor driving VCI's relative trading position versus peers.

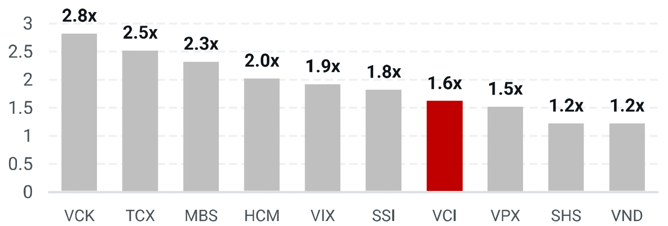
Comparison with the Top 10 securities firms by total assets

P/E (x)



Source: FiinX, TCBS compilation and calculations

P/B (x)



Source: FiinX, TCBS compilation and calculations

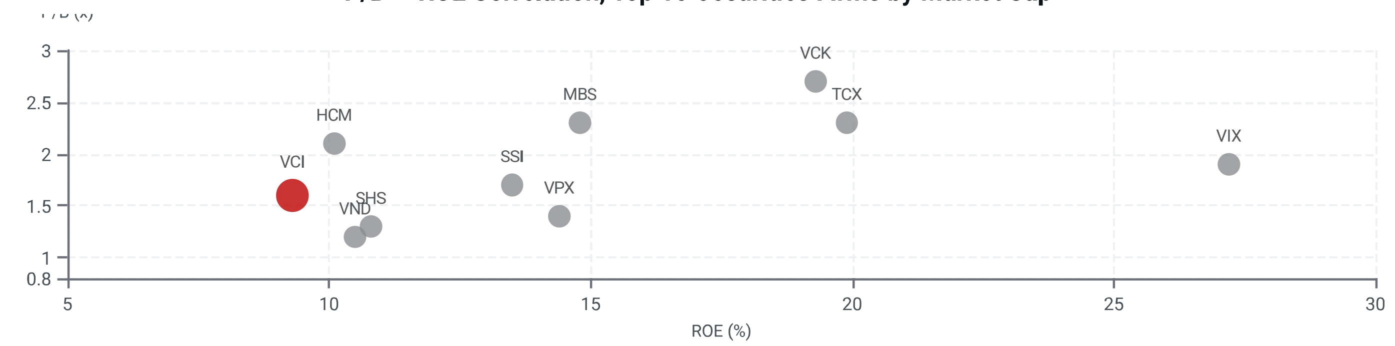
VCI currently trades at a P/E of about **20.2x** and a P/B of about **1.6x**. Against the 10 largest securities firms by total assets, VCI's P/E is in the high group, reflecting market expectations for earnings growth. Meanwhile, a P/B of 1.6x is only average and well below high-ROE peers.

This P/B partly reflects the sector-wide correction as market liquidity declined after an overheated phase, with global geopolitical risks still present. Because earnings are highly market-sensitive, securities stocks typically face sharper corrections than the broader market during periods of weakening liquidity.

Even so, Vietcap retains a standout advantage in the institutional and foreign-investor segment, with a market-leading institutional brokerage platform. After Vietnam's upgrade, the company is expected to be among the notable beneficiaries of increased foreign-flow activity. In that context, the ability to improve ROE will be the key factor determining VCI's relative trading position versus peers.

P/B–ROE Positioning vs Peers & Valuation Sensitivity Matrix

P/B — ROE Correlation, Top 10 Securities Firms by Market Cap



Source: TCBS compilation and calculations

Value matrix by valuation multiple	Level 1	Level 2	Level 3	Level 4	Level 5
Applied P/B (× BVPS 2026E 16,561 VND)	1.2x	1.4x	1.6x	1.8x	2.0x
Implied value	**19,900 VND**	**23,200 VND**	**26,500 VND**	**29,800 VND**	**33,100 VND**
Applied P/E (× EPS 2026E 1,424 VND)	12x	14x	16x	18x	20x
Implied value	**17,100 VND**	**19,900 VND**	**22,800 VND**	**25,600 VND**	**28,500 VND**

Reference price 24,450 VND (06/07/2026) corresponds to 2026E P/B ~1.5x and 2026E P/E ~17.2x. The matrix is a sensitivity-positioning tool, not a target price or recommendation.

On sector valuation, VCI currently sits among firms with **low profitability yet an average valuation**. With **a trailing-12-month ROE of 9.3%** — the lowest among the 10 largest securities firms by total assets — the stock trades at **a P/B of 1.6x**, well above similar-ROE peers such as VND (ROE 10.5%; P/B 1.2x) and SHS (ROE 10.8%; P/B 1.3x), and only below HCM (ROE 10.1%; P/B 2.1x). This shows the market still affords VCI a premium versus peers with comparable profitability.

This gap mainly reflects **the value of the business franchise**, including its leading position in corporate-finance advisory, a high-quality foreign-institutional client base and **unrealized gains of about 2,344 bn VND on the available-for-sale financial-asset portfolio** not yet recognized in earnings. In other words, the current valuation reflects not only existing earnings power but also expectations of converting these resources into future earnings growth.

That said, the valuation gap versus more profitable peers remains clear. Firms such as **TCX** and **VCK** trade at markedly higher P/B, showing the market still values the securities sector mainly on **proven capital efficiency** rather than capital size or market-share position alone. This implies VCI's re-rating headroom will depend largely on its ability to improve ROE in the coming years.

Sensitivity analysis shows the **~1.2x P/B** zone corresponds to a cautious scenario seen at prior sector-cycle troughs, while the **~1.8x P/B** zone requires ROE returning to double digits and supportive factors such as the market upgrade materialising. Results from both relative-valuation methods (P/B and P/E) converge within a relatively narrow multiple band, reinforcing the consistency of the valuation framework in Section 6.5.

Overall, **ROE remains the key variable driving VCI's relative valuation**. With the market maintaining a close link between profitability and valuation multiples, ROE improvement will determine whether the stock trades at a premium or discount to the sector.

7. Summary & Conclusion

VCI — Vietcap Securities JSC · HOSE

TOTAL ASSETS	EQUITY	MARGIN LOAN BALANCE	ROE TTM	P/B	P/E
37,097 bn VND	17,319 bn VND	16,613 bn VND	9.3 %	1.6 x	20.2 x

Investment Thesis Summary — Four Pillars

01

Leading Domestic IB & Advisory Position

Hard-to-replicate intangible assets that benefit directly as capital-market development & the upgrade trigger a wave of IPOs/M&A.

02

Four-Segment Diversification + Solid Balance Sheet

Equity of VND 17,319 bn, Debt/Equity of 1.1x and charter capital of VND 11,476 bn create headroom to safely expand margin & proprietary trading.

03

Earnings Recovery & Improving Productivity

2026E NPAT +20.0%, PBT per employee VND 3.9 bn, CIR 28% — improving versus 2025.

04

FTSE Upgrade Catalyst 09/2026

Foreign ownership of 18.5% & an institutional-franchise brand — a channel to benefit from USD 1–2.5 bn of inflows.

Watch Points — Triggers for a Change in View

VN-Index trajectory & FTSE upgrade progress; quarterly proprietary-portfolio performance; margin-book growth pace; IB recovery. Valuation becomes markedly more attractive if the price reaches the **P/B < 1.3x** zone or realised ROE beats expectations — after the ~19% correction from the March 2026 peak, the reference price of VND 24,450 (06/07/2026) sits only ~6% from this zone, leaving risk-reward far more balanced than at the report's outset. **Key Risks:** proprietary-revenue concentration (45.2%) makes earnings volatile; a P/B of 1.6x already prices in much of the upside while ROE is only ~9.3%.

Appendix — Five-Year Financial Statements

Consolidated Balance Sheet — Securities Company

Metric	2021	2022	2023	2024	2025
TOTAL ASSETS	**16,636**	**14,243**	**17,255**	**26,592**	**36,006**
Cash & cash equivalents	1,132	3,424	788	4,744	3,214
FVTPL financial assets	1,222	665	122	846	2,238
Loans (margin book)	7,701	5,279	7,992	11,222	16,167
Available-for-sale financial assets (AFS)	5,324	3,734	6,604	8,409	13,308
Held-to-maturity investments (HTM)	754	886	381	598	412
Provision for impairment of financial assets	—	—	(2)	(2)	(2)
Receivables	236	91	849	393	227
Fixed assets	13	23	23	37	75
Other assets	255	140	498	345	367
TOTAL LIABILITIES	**10,094**	**7,747**	**9,884**	**13,648**	**17,996**
Short-term borrowings & finance leases	6,363	6,326	8,979	12,574	16,065
Short-term bonds issued	1,964	547	120	—	—
Long-term borrowings & finance leases	—	—	—	—	—
Other liabilities	1,768	874	785	1,074	1,931
TOTAL EQUITY	**6,542**	**6,495**	**7,371**	**12,944**	**18,010**
Charter capital	3,330	4,355	4,375	7,181	8,501
Share premium & reserves	1,971	1,340	1,689	4,967	7,975
Retained earnings	1,241	800	1,307	797	1,534
TOTAL LIABILITIES & EQUITY	**16,636**	**14,243**	**17,255**	**26,592**	**36,006**

Source: FiinX, TCBS compilation and calculations

Consolidated Income Statement — Securities Company

Metric	2021	2022	2023	2024	2025
OPERATING REVENUE	**3,707**	**3,156**	**2,472**	**3,696**	**4,980**
Proprietary revenue (FVTPL + HTM + AFS)	1,962	1,373	1,196	2,027	2,678
Margin Interest	577	708	689	873	1,205
Brokerage & custody revenue	867	1,022	547	744	1,014
Advisory & underwriting revenue (IB)	286	52	39	51	82
Other revenue	15	—	1	1	1
Operating expenses	(1,326)	(1,399)	(1,064)	(1,717)	(2,391)
GROSS OPERATING PROFIT	**2,381**	**1,758**	**1,409**	**1,978**	**2,589**
Proprietary gross profit	1,282	454	658	984	1,097
Margin Interest	577	708	689	873	1,205
Brokerage & custody gross profit	286	573	102	131	270
Advisory & underwriting gross profit (IB)	227	23	(43)	(12)	15
Other gross profit	9	(1)	2	2	2
Financial income	26	36	24	51	23
Financial expenses	(368)	(700)	(740)	(798)	(854)
— of which: Interest expense	(331)	(477)	(563)	(764)	(802)
Securities-firm G&A expenses	(188)	(77)	(122)	(145)	(145)
Net other income	—	44	—	3	15
PROFIT BEFORE TAX	**1,851**	**1,060**	**570**	**1,089**	**1,629**
Corporate income tax expense	(352)	(191)	(78)	(179)	(287)
PROFIT AFTER TAX	**1,499**	**869**	**492**	**911**	**1,342**

Source: FiinX, TCBS compilation and calculations.

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