Banking Sector

Quality, resilience come first in an uncertain macro environment

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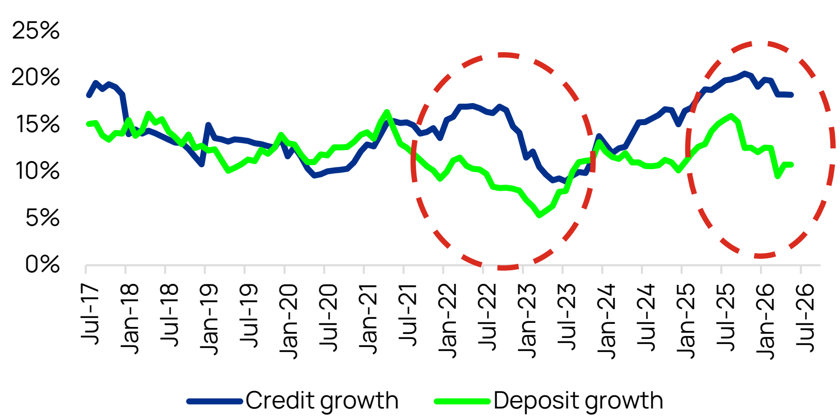
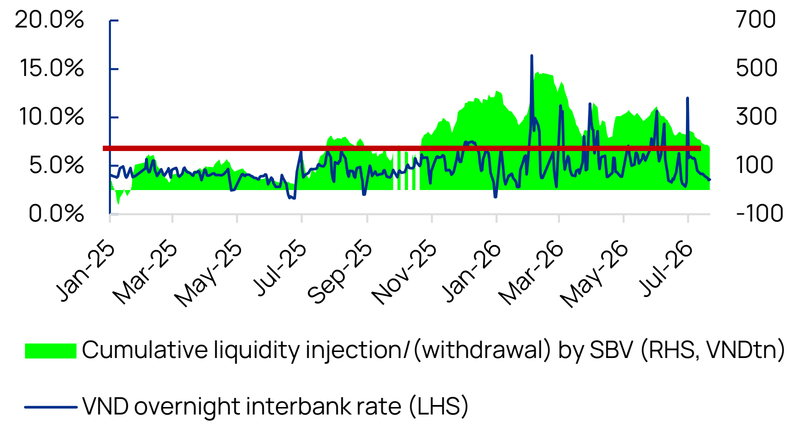
Macro recap and outlook

Credit-deposit growth gap persists, but interbank rates have recently cooled

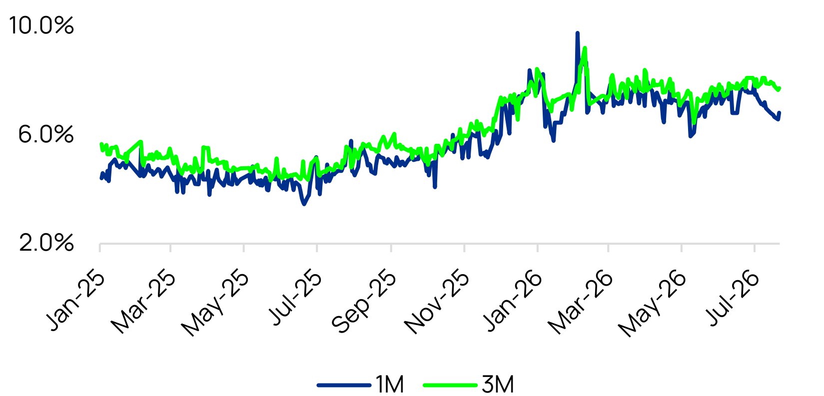
Credit growth vs deposit growth (YoY basis)*



SBV open market operations (VNDtn)



VND interbank interest rates



- In 6M 2026, system-wide credit growth of 8.5% continued to outpace deposit growth of 5.0%, intensifying competition for deposits among banks. However, the gap between credit and deposit growth narrowed slightly from its peak in May 2026.
- Short-term liquidity conditions have also shown easing signals, as reflected in the decline in interbank interest rates since early July, which we attribute to (1) seasonal moderating credit demand in July, (2) more favorable LDR treatment for State Treasury deposits that started in July, (3) strong offshore USD funding flows in June, and (4) a gradual recovery in system deposits amid higher offered rates.

Source: NSO, SBV, Vietcap.
*Note: *The deposit data series starting from the October 2025 reporting period has been revised to reflect: (1) the reclassification of certain institutional sectors in line with international statistical methodologies; and (2) updates and enhancements to statistical methodologies to better align with international standards.*

Infrastructure developments drive mid-and-long term credit demand

List of select major infrastructure projects in Vietnam (*) (USDbn)

Sector	Project	Investor(s)	CAPEX (USDbn)	Expected loan raising (USDbn)	Note	2026	2027	2028	2029	From 2030
Airport	Long Thanh Airport - Phase 1	Airports Corporation of Vietnam (ACV)	4.7	1.8	- Bank debt/ capex ~45%, the remaining is by ACV's equity. - Completed 70-80%, the remaining in H2 2026.	0.45				
Seaport	Cai Mep Ha Seaport Phase 1	Geleximco, ITC Corp, SCIC	1.9	1.6	- 15% equity, 85% other sources including credit, bond, capital market.	0.54	0.54	0.54		
Logistics	Hanoi Ring Road No. 4 - Part 3	Vietnam Expressway Corporation (VEC)	2.0	1.0		0.50	0.50			
Oil & gas	Block B gas project	PVN, PVEP, MOECO, PTTEP	5.2	1.0	- USD1bn is disclosed by VCB.	0.50				
Oil & gas	White Lion - Phase 2B gas project (*)	PVN	1.1	0.8	- USD331mn is already disclosed by TCB.	0.44				
Power	LNG power plant Quang Trach II - Phase 1	EVN	2.1	1.7	- Big 4 banks already announced to arrange a USD1.2bn credit line for Component 1 of the project	0.56	0.56	0.56		
BT project	New Administrative Center in Thu Thiem (HCMC)	SunGroup	1.1	N/A	- Unknown funding structure.					
BT project	Red River Scenic Boulevard Axis (Hanoi)	Dai Quang Minh, Thaco, Hoa Phat	27.8	23.6	- Unknown disbursement schedule, assumed equally in 12 years	1.97	1.97	1.97	1.97	15.76
BT project	Olympic Sports Urban Complex (Hanoi)	VinGroup	34.9	N/A	- Loan lead arrangers: VCB, CTG.					
BT project	Rach Chiec National Sports Complex	SunGroup	5.5	4.4	Exclude out of credit quota.	0.82	0.66	0.66	0.66	1.61
Logistics	Road linking Gia Binh Airport with Hanoi (Hanoi & Bac Ninh section)	SunGroup	2.0	1.7	Exclude out of credit quota.	0.54	0.77	0.42		
Projects serving the APEC Summit	APEC Convention Center	SunGroup	0.9	0.8	Exclude out of credit quota.	0.35	0.40			
	Expansion of Phu Quoc International Airport	SunGroup	2.2	1.9	Exclude out of credit quota.	0.87	0.85	0.19		
	Mixed-use urban area - Bai Dat Do	SunGroup	3.8	3.1	Exclude out of credit quota.	1.50	1.56			
	Mixed-use eco-tourism urban area - Nui Ong Quan	SunGroup	0.7	0.6	Exclude out of credit quota.	0.34	0.24			
	Urban metro line - Section 1	SunGroup	0.4	0.1	Exclude out of credit quota.	0.06	0.04			
Logistics	Ben Thanh - Can Gio railway	Vingroup	3.9	3.3	Exclude out of credit quota.	0.56	0.81	1.92		
Logistics	Hanoi - Quang Ninh railway	Vingroup	5.6	4.7	Exclude out of credit quota.	0.67	1.40	2.65		
Airport	Gia Binh Airport**	Masterise Group	N/A	7.8	Exclude out of credit quota.	2.22	2.48	1.22	1.28	0.64
Logistics	Hanoi 5 new metro lines	Vingroup	50.0	N/A	Unknown funding structure.					
Logistics	Ho Chi Minh metro line 2 (Ben Thanh - Thu Thiem)	Dai Quang Minh, Thaco	1.4	1.2	- Assumed 15% equity, 85% loans.	0.24	0.24	0.24	0.24	0.24
	Total		**157.4**	**61.1**		**13.13**	**13.03**	**10.37**	**4.14**	**18.25**

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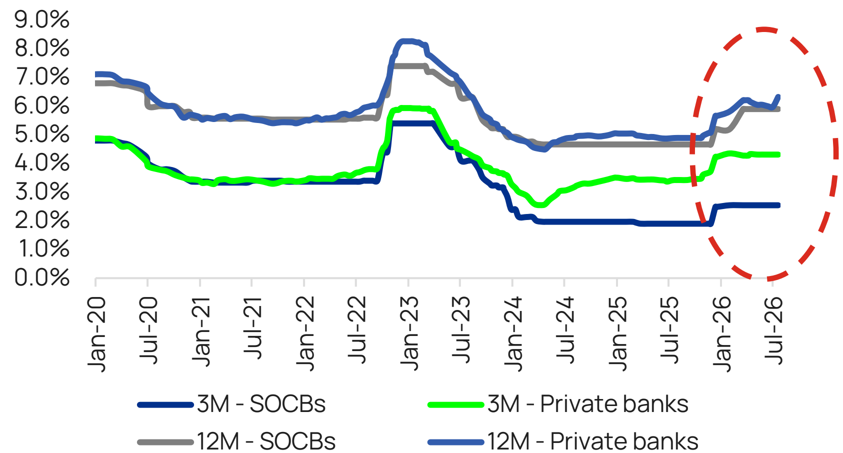
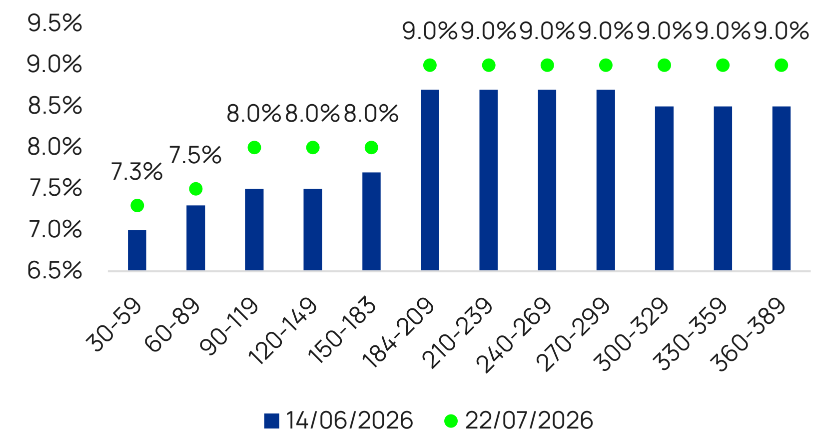
*Source: Vietcap compilation from news and project related documents; *For project with unclear disbursement timeline, the disbursement is assumed equally among project timeline ; **For Gia Binh Airport, the expected loan raising amount is based on document no.5386/NHNN-TD where the new estimated capex is unknown;*

Strong credit demand prompts upward pressure on longer tenor funding

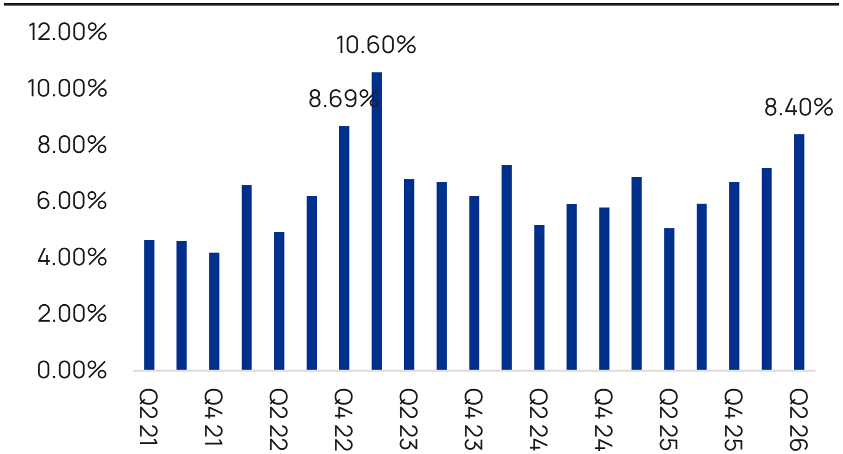
3-month and 12-month quoted deposit rates*



CD rates currently offered by a large private bank**



Average yield of FI bond issued



- Amid strong capital demand driven by the economy's robust growth momentum, interest rates showed signs of increasing again in late June to early July 2026, with CDs reaching 9-9.2% for 6-12 month tenors.
- For some small banks, the CD level can be up to 9.5% for a 12 month tenor with a large ticket size.
- FI bonds' issuing are also increasingly expensive with issuing yields increasing significantly in the last four quarters.

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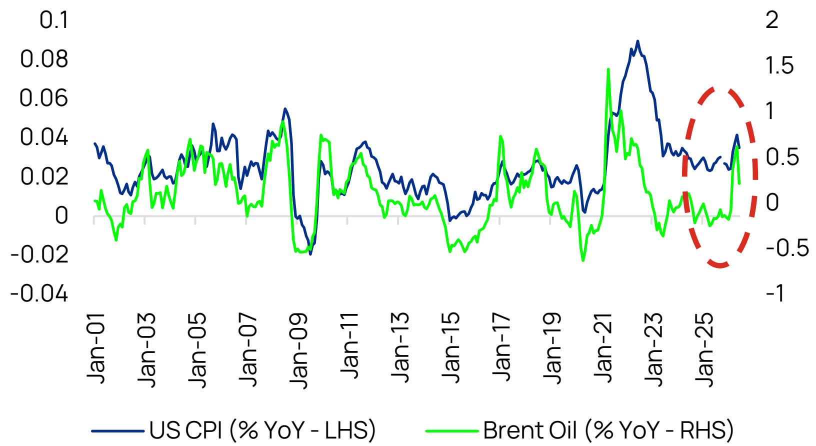
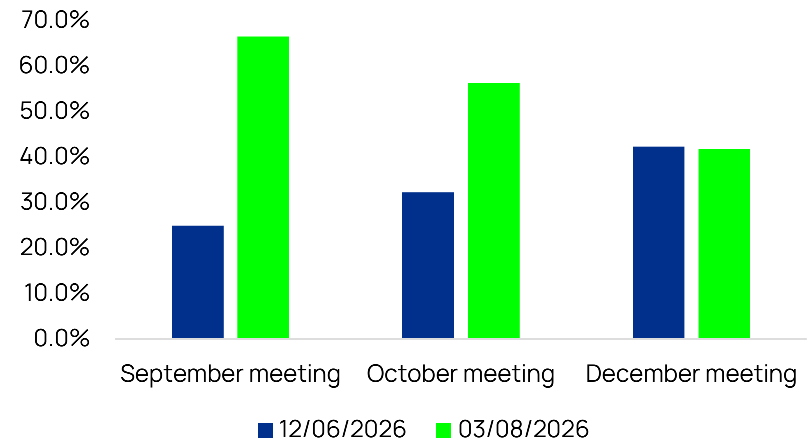
Source: SBV, Banks' websites, VBMA, Vietcap.
*Notes: * SOCBs include VCB, BID, and CTG. Private banks include MBB, VPB, LPB, SHB, ACB, STB, EIB, TCB, HDB, TPB, and VIB.*
*** Ticket size VND100mn+.*

Prolonged Middle East conflict triggers market expectation of a Fed rate hike, which indirectly affects Vietnam's macro environment

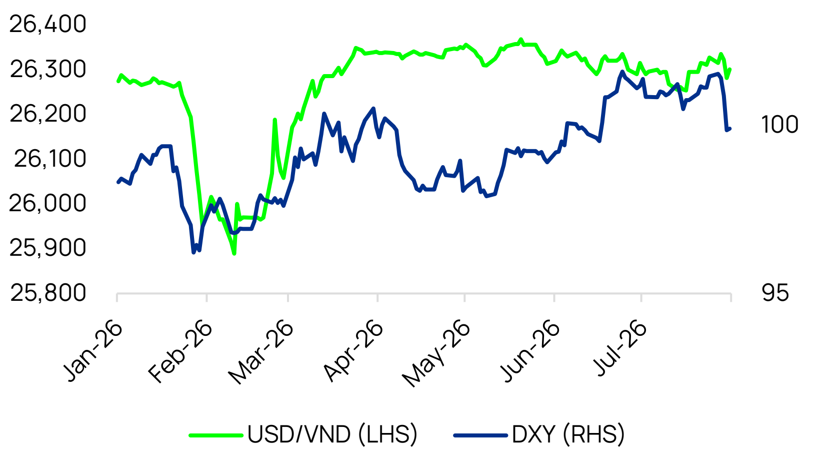
US inflation is highly correlated with changes in oil prices



Consensus shifts to an earlier rate hike as conflict returned*



DXY re-rises in July as the Middle East conflict continues**

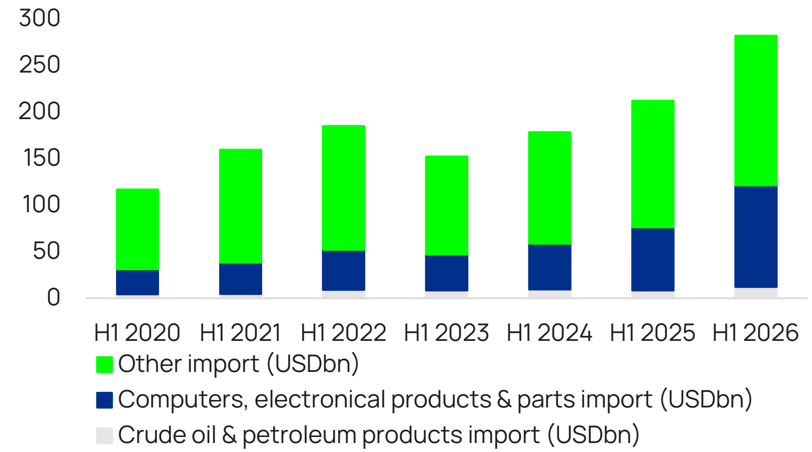


- As the Middle East conflict persists, US CPI remains elevated with market pricing an earlier rate hike for 2026, compared with the consensus 2 months ago.
- The expectation for more rate hikes strengthens the USD, which indirectly constrains Vietnam's expanding monetary policies.
- In the latest update, as the conflict shows signs of cooling down again, the USD has also relatively weakened. Nevertheless, we note that this risk persists as long as the conflict remains.

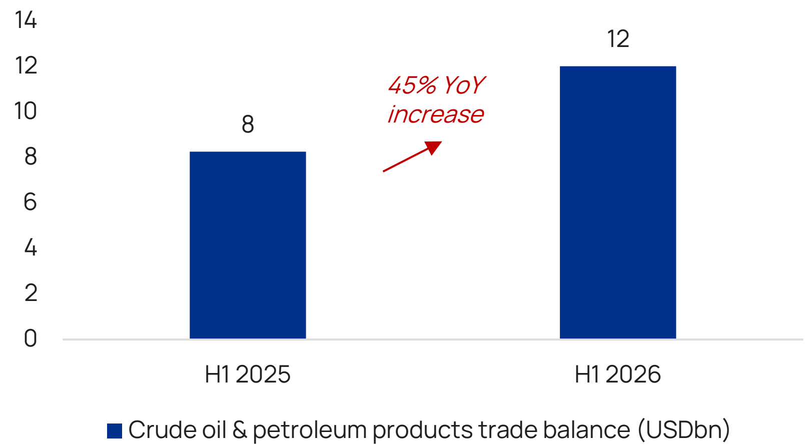
*Source: FRED, Investing, Bloomberg, Vietnam Customs, Vietcap; * This chart indicates the probability for Fed Fund Rate to hike rate by 25 bps to 3.75 – 4.00 range in future FED meetings ; **Data retrieved on August 3, 2026.*

H1 trade deficit weighs on FX, but H2 surplus should provide relief

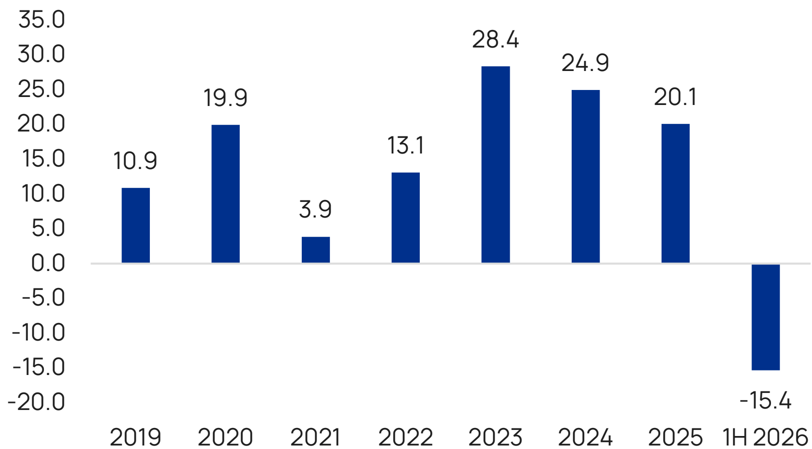
Ramping up chip & ram inventory amid AI trend causes a huge jump in imports



Despite its small size relative to total imports, the additional deficit due to oil prices still worsens the trade balance



Vietnam's trade balance (USD bn)

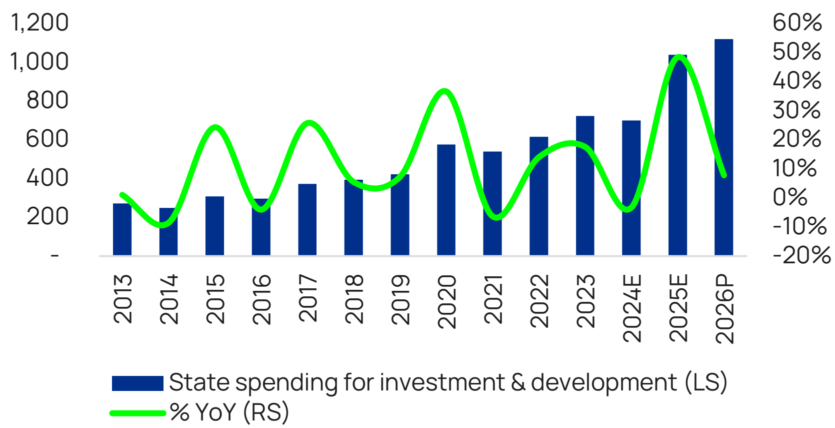


- The spike in oil prices caused by the Middle East conflict & increase in chip and RAM prices due to the AI investment trend also caused the trade balance to remain deficit in H1 2026.
- Normally, Vietnam's peak export season runs from August to November; we expect a gradual surplus in H2 2026 will partly compensate for the deficit in H1.

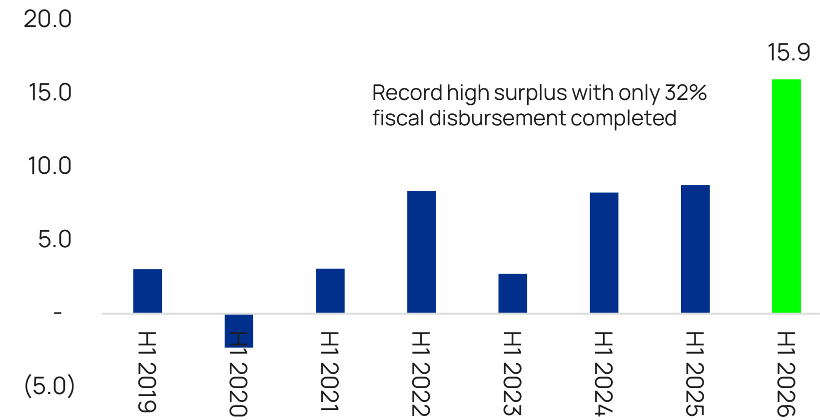
Source: FRED, Investing, Bloomberg, Vietnam Customs, Vietcap
** Data retrieved on July 23, 2026*

Fiscal disbursement provides a buffer for GDP growth and interest rates cooling down

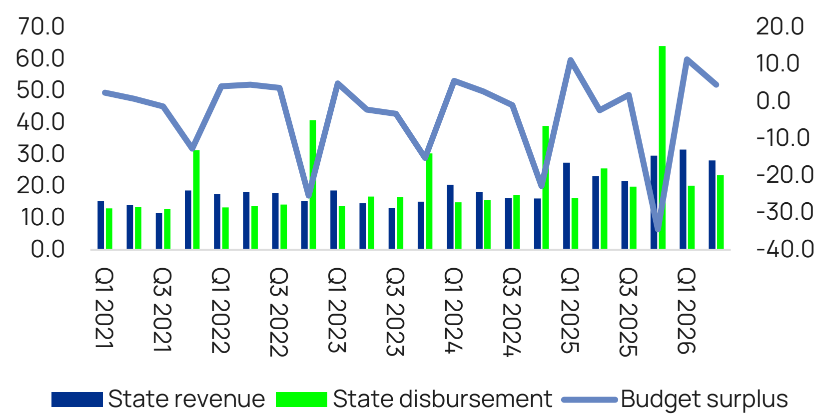
The Government could raise its public investment budget this year to boost growth



State budget surplus/(deficit) (USDbn)**



Q4 is the period of strongest disbursement (USDbn)



- The 2026 State budget expenditure plan for development investment approved by the National Assembly is projected to reach VND1,120tn (USD42.5bn), up 7.8% YoY.
- Similar to last year, we believe the Government may increase public investment disbursements beyond the initial approved plan to boost economic growth. In 2025, actual public investment disbursement was estimated to increase by 48.4% YoY and was 18.7% higher than the 2025 approved plan.
- In addition to pushing for public investments, the Government has rolled out several fiscal support packages this year including tax cuts and fee waivers to ease the impact of higher oil prices and support retail consumption.

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Source: NSO, State Treasury, Vietcap.

While the SBV maintains a flexible policy stance to support the system

Major supporting policies

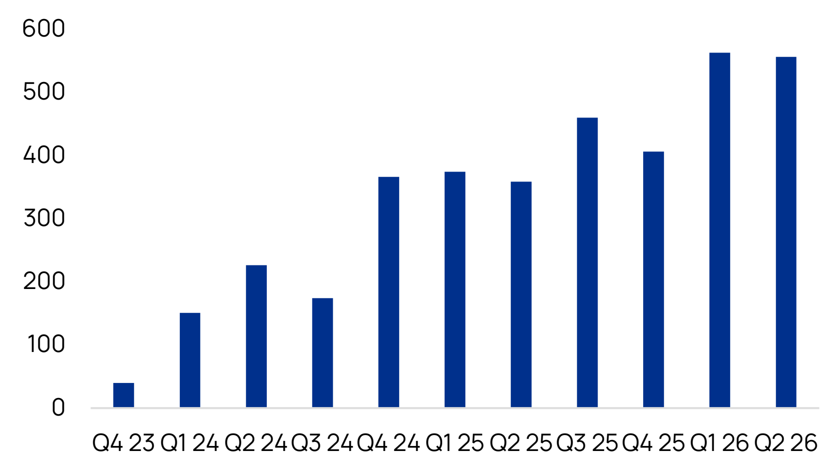
Circular 08/2026/TT-NHNN:
- Add back 20% of term deposits from the State Treasury to the regulated LDR calculation and allows the SBV to decide the % of State Treasury's term deposits in LDR in the future (effective on July 1, 2026).

Circular 25/2026/TT-NHNN:
- Extend the cap for short-term loan to medium and long-term loan ratio (SFLR) to 40% from 30%.

Decision 1743/QD-NHNN
- Increase the % of the term deposit from State Treasury to the regulated LDR calculation from 20% to 50% (effective from August 1, 2026 to August 1, 2028).

Credit quota exclusion for 18 mega projects
- To direct credit flows and avoid overheating funding competition.

Treasury deposits at listed State-owned banks (*)



- Beside the OMO channel, the SBV also utilized FX swap (allowing banks to exchange its USD holdings for VND) and treasury deposit to support liquidity for the system.
- The SBV to continue studying on an increase in the proportion of State Treasury term deposits at commercial banks that may be included in the commercial banks' mobilized funding base (LDR) to further support system liquidity.
- Under SBV guidance, the share of State Treasury deposits placed at commercial banks has risen close to the 50% cap, with the balance increasing to around VND740tn from VND250tn at the beginning of 2026. The Government is considering removing the cap and allowing more flexible allocation with expected effective timeline from January 1, 2027 if being approved.
- We expect more headroom for further easing policies if the Middle East conflict ends and the risk of the Fed raising interest rates disappears.

*Source: SBV, Vietcap. Note: *SOCBs include BID, CTG, and VCB.*

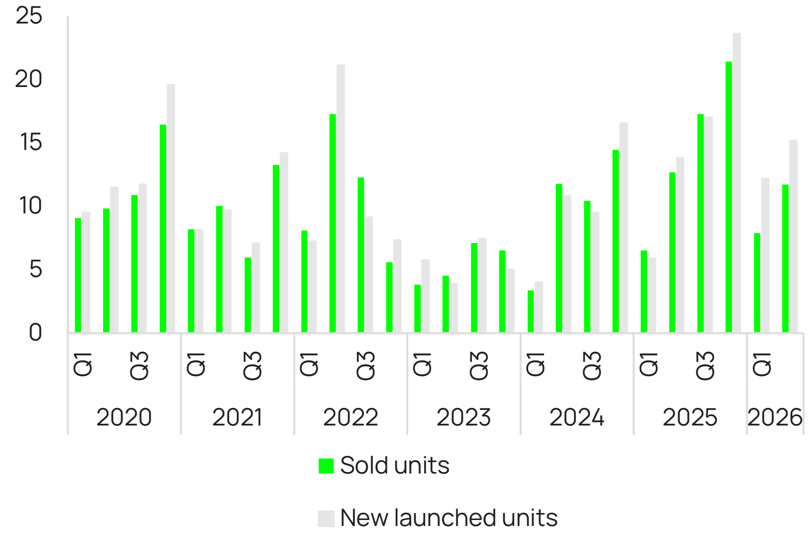
Overall, we believe there are buffers to mitigate the upward pressure and contain the interest rates level

Risks	Buffers
Crowding out effect from large infrastructure projects given limited capital	Accelerating fiscal disbursement in Q4
Prolonged Middle East conflict with Fed rate hike	SBV easing policies gradually take effect
	Trade balance returns to surplus in H2
	Attracting more foreign inflows and develop other capital markets

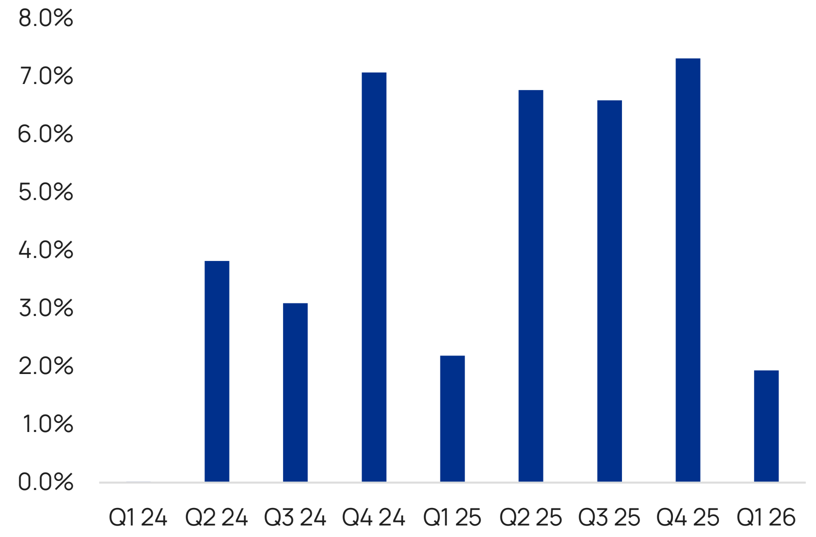
Source: Vietcap

Retail credit demand has weakened amid higher interest rates, but we expect manageable near-term NPL formation in 2026

Total condo transactions in the primary markets of Hanoi and HCMC ('000 units)*



Quarterly mortgage growth at selected banks**



- Higher rates could weaken mortgage demand this year after a strong 2025. We have seen evidence of slower mortgage & retail loan growth in Q1 & Q2 2026, and expect this trend will likely to persist in coming quarters.
- Regarding asset quality, we currently do not expect near-term pressure on NPL from higher rates yet in H2 2026, but we do see more risk in 2027 as more mortgages will turn from fixed rates to higher floating rates.

Source: CBRE, Companies' data, Vietcap compilation and estimates based on CBRE reports and charts. Note: (*) CBRE classified Vinhomes Ocean Park 2 & 3 projects (in Van Giang - Hung Yen) to Hanoi; CBRE's HCMC data refers to the new-HCMC - including Binh Duong and Ba Ria Vung Tau - and only began reporting on a quarterly basis in 2025. Therefore, for prior periods, we use historical quarterly data for the old-HCMC to illustrate the quarterly transaction volume chart. (**) Include BID, CTG, VCB, TCB, VPB, ACB, HDB, TCB

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Banking sector recap and outlook

Stronger earnings growth in 2026 given robust TOI growth and well-contained costs assuming manageable macro volatility

Indicators*	2025	2026F	H1 2026	2026 vs 2025	Comments on 2026F outlook
Credit growth	20.0%	17.6%	9.0%	↓	Credit growth sustained at a high level, driven by strong economic growth momentum and supportive fiscal/monetary policies.
NIM	3.10%	3.12%	3.09%	↑	SOE banks' higher-yield lending mix supports NIM resilience, while sector-wide pressure persists, especially for private banks facing higher funding costs.
TOI growth (YoY)	11.8%	16.0%	21.3%	↑	TOI growth to recover, driven primarily by strong credit growth (NII growth + 19% YoY).
NPL ratio plus write-off	2.6%	2.5%	2.8%	↓	Elevated interest rate environment to moderate the improvement pace of asset quality. Subpar retail credit recovery.
Credit costs	1.0%	1.0%	1.1%	↔	Credit costs to remain under control at a low level, down from an average of 1.3% during the 2022-2024 period.
CIR ratio	31.3%	30.2%	28.8%	↓	CIR continues improvement, supported by strong revenue growth and the sector's push for digitalization and optimization of headcount/physical network.
NPAT-MI growth	**16.0%**	**18.1%**	**22.5%**	↑	Stronger YoY on robust top-line growth and disciplined cost control. However, lower NIM and higher credit costs assumptions drive our lower forecast.
ROE	18.2%	18.5%*	18.2%*	↑	Stronger profitability should support multiple expansion for the banking sector.

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Source: Company data, Vietcap
Note: (*) These are our aggregate forecasts for the 12 banks under our coverage. 2026F ROE is adjusted to exclude the dilution impact from projected private placements for VCB and BID. (**) Forecasts of VIB, LPB, HDB were based on pre-Q1 2026 earnings fundamentals.

8 out of 12 banks delivered H1 2026 results in line with or beating our expectations

Stock	% H1 results vs full-year forecast	Beat/Trail/In line	Downside risk / Upside potential	Comments
VCB	TOI/PBT: 56% / 55%	Beat	Upside	Beat on NIM expansion + NOII surge; ~VND1.9tn bond-provision reversal flatters Q2, but core trends also strong.
CTG	TOI/PBT: 51% / 51%	Beat	Upside	Stellar quarter on NIM strength; remains our highest-conviction sector BUY despite deliberately modest credit growth.
BID	TOI/PBT: 42% / 44%	Trail	Downside risk	NIM recovered QoQ but still trails our full-year forecast; asset quality stable, NOII soft on weak securities gains.
MBB	TOI/PBT: 44% / 49%	Beat	Neutral; constructive	NIM recovery + lower credit costs/CIR drove the beat; NOII trailed on weaker FX and recovery-income lines.
ACB	TOI/PBT: 49% / 48%	In line	Neutral	NIM improvement offset higher provisioning; retail/SME lending showing first recovery signs in four quarters.
VPB	TOI/PBT: 49% / 48%	In line	Neutral	Strong balance-sheet growth, rising subsidiary contribution (VPBankS, OPES); FE Credit soft but not material to group.
TCB	TOI/PBT: 47% / 49%	Beat	Upside	Credit growth surprised meaningfully to the upside; NIM and fee income (LC, cards, insurance) also outperformed.
HDB	TOI/PBT: 44% / 47%	Slightly beat	Neutral	Slight beat on HD Securities' first consolidation + subsidiary contribution; Group 2 loans rising fast — key watchpoint.
TPB	TOI/PBT: 49% / 46%	In line	Neutral	Credit accelerated sharply in Q2; NOII momentum slowed but should reaccelerate in H2 as new cards monetize.
VIB	TOI/PBT: 46% / 46%	Trail	Downside risk	Core miss; headline propped up by one-off card gain (Q1) and bancassurance spike (Q2). Retail credit still contracting.
STB	TOI/PBT: 57% / 50%	Trail	Downside risk	Large NPL formation (7.54%) drove a sharp PBT decline; strong NOII a partial offset factor but does not change the trajectory.
LPB	TOI/PBT: 46% / 42%	Trail	Downside risk	OPEX and credit costs normalized off an unusually low 2025 base; weak retail credit continues to weigh on PBT growth.

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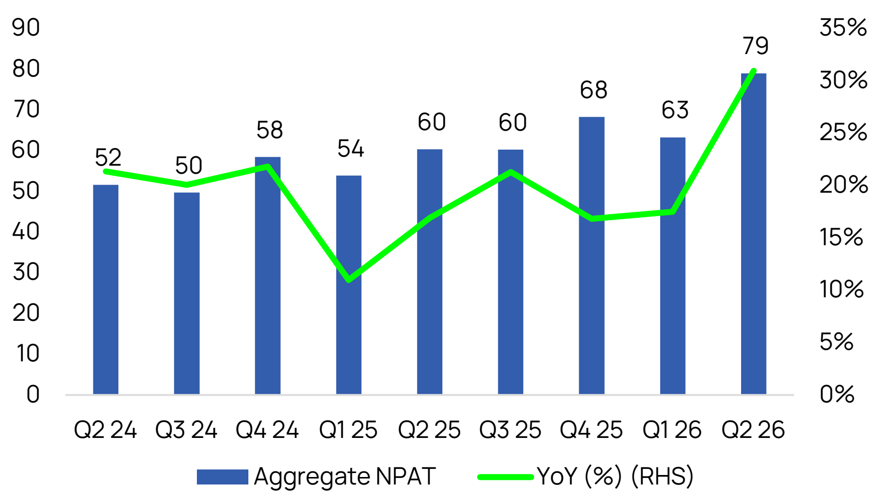
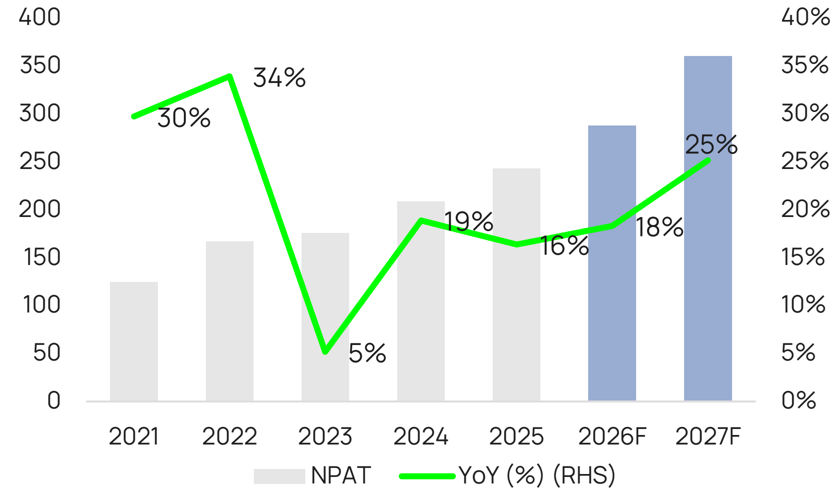
Source: Company data, Vietcap

Strong balance-sheet expansion and disciplined cost control to drive high-teens profit growth in 2026-2027F

NPAT, quarterly (VNDtn)



NPAT, yearly (VNDtn)

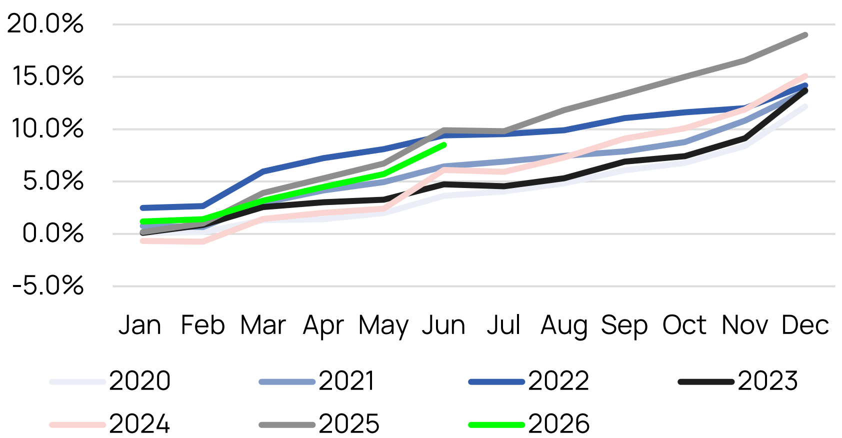


- In H1 2026, our coverage delivered strong YoY earnings growth of 22.4% and completed 49% of our 2026F NPAT growth forecast of 18%. Most banks either met or exceeded our expectations.
- 18% YoY increase in our 2026F aggregate NPAT projection to be supported by (1) a 19% YoY rise in aggregate NII, driven primarily by robust credit growth though NIM pressures persist at most banks (especially private banks), and (2) a 6% YoY increase in aggregate NOII from a high base, led by strong recovery income as the real estate market continues to recover and banks diversify their income streams to non-credit services. OPEX will be well under control with 12% YoY growth as banks continue to optimize their cost structures via digitalization. Meanwhile, we forecast 16% growth in provision expenses due to normalizing credit costs at some banks that pushed balance sheet cleaning up in 2025 (HDB, ACB, STB).

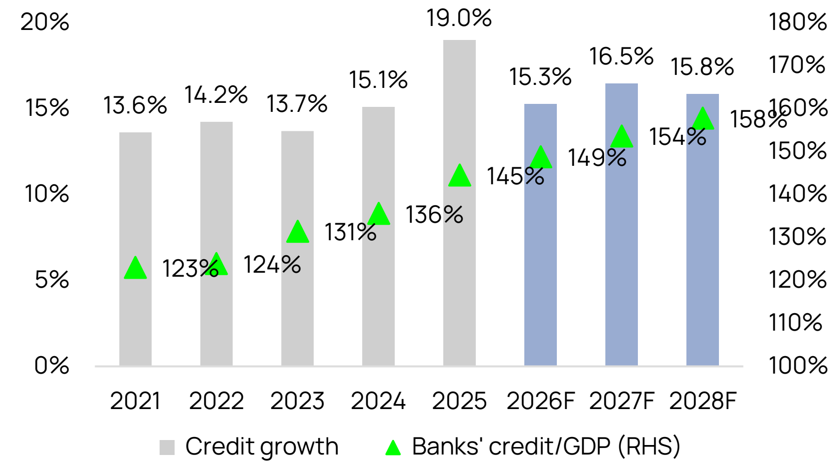
Source: Company data, Vietcap

Credit growth momentum moderated in H1 2026 after strong growth in 2025, but remains healthy

Monthly system-wide credit growth



Annual system credit growth

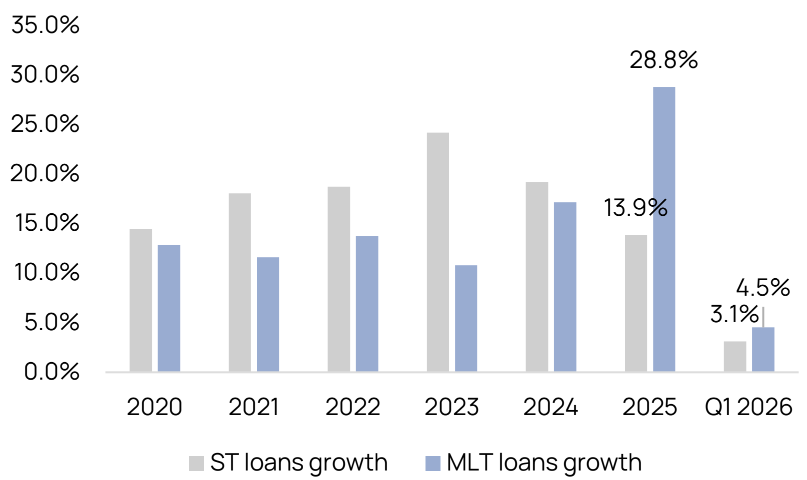


- YTD credit growth of 7.9% through July 10, 2026 (only slower vs the same periods in 2021 and 2025) indicates healthy credit demand from the economy despite recent increases in interest rates, tracking slightly ahead of our expectations in terms of growth pace.
- The SBV set initial system-wide credit growth guidance at 15% (vs 16% in 2025), with room to adjust based on macro conditions. Banks' initial quotas are ~11–13%, allocated via SBV scoring. We view this as a more prudent, calibrated stance despite a higher GDP growth target, but 2025 precedent suggests selective upside via additional quota for higher-quality banks if conditions remain stable.
- Several banks' recent comments also indicate that 15%-16% system-wide credit growth is achievable. Despite pressure on interest rates, we believe this target is achievable, supported by growth initiatives and the SBV's effort to support liquidity and contain interest rate increases while directing the credit flows into priority/productive sectors.
- We believe the credit-to-GDP ratio will remain at a manageable level over the next two years, with a gradual increase in the contribution of alternative capital markets (e.g., equity market EM upgrade, corporate bond market expansion), and improved capital efficiency driven by digitalization and process optimization.

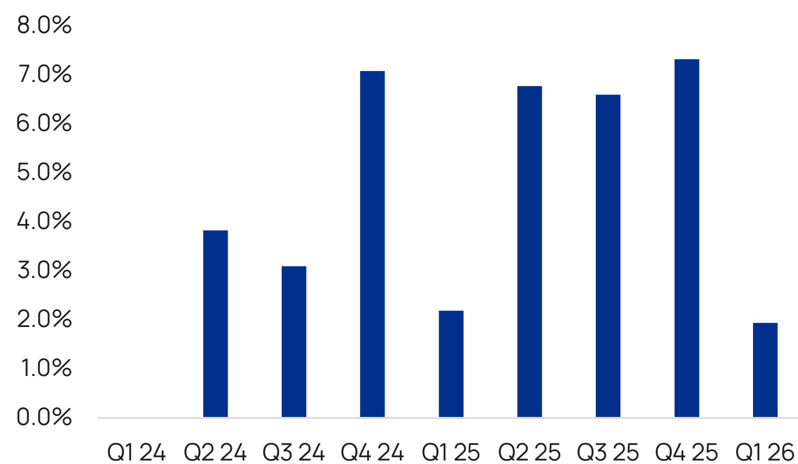
Source: SBV, NSO, Vietcap
*Note: Vietcap estimates. * 2026F-2027F represent implied system-wide credit growth, which is calculated based on our forecast for credit growth of banks in our coverage universe and our assumption that our coverage will continue to expand its lending market share moderately during this period.*

Medium–to-long-term loan growth remained the driver in Q1 2026, driven primarily by the corporate segment

Loan growth by term (*)



QoQ growth in mortgages balance (**)

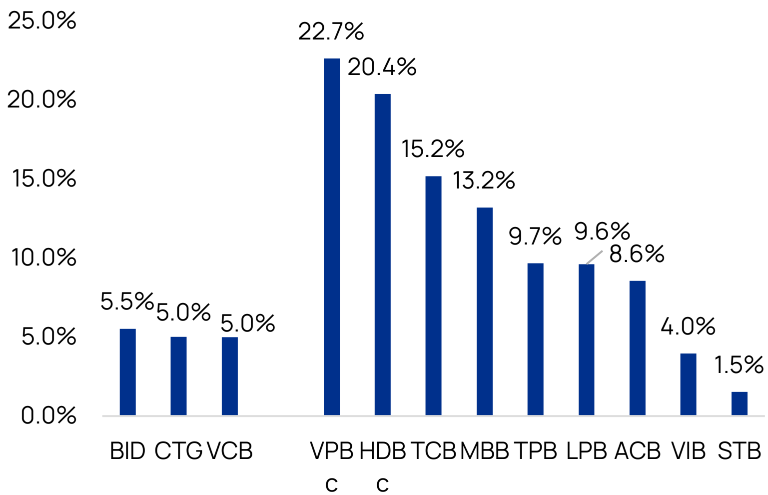


- Since 2025, the banking sector has seen stronger growth in medium–to-long-term (MLT) loans than in short-term (ST) loans, which indicates consumers and businesses are more confident in the outlook of Vietnam's economy, and as a result, are more willing to borrow at longer tenors.
- On the retail side, mortgages were the main driver of MLT loans growth in 2025, driven by highly favorable interest rates offered by banks and continued regulatory support from the Government. However, the momentum slowed down in Q1 2026 amid a more elevated interest rate level vs 2025. Meanwhile, we believe the SBV's efforts to prioritize credit flows into manufacturing/production and more prioritized sectors since the beginning of 2026, also hindered the mortgage recovery.
- On the corporate side, the real estate sector and large infrastructure projects were the main drivers of MLT loan growth, per our observations.

Source: Company data , Vietcap
Note: (*) Chart on the left includes data from the 12 banks under our coverage. (**) Chart on the right includes data from 8 banks (BID, CTG, ACB, HDB, VPB, TCB, TPB , and VIB).

Banks with preferential credit quotas continue to outperform sector growth

H1 2026 credit growth of banks under our coverage



Credit growth and CAR of banks under our coverage

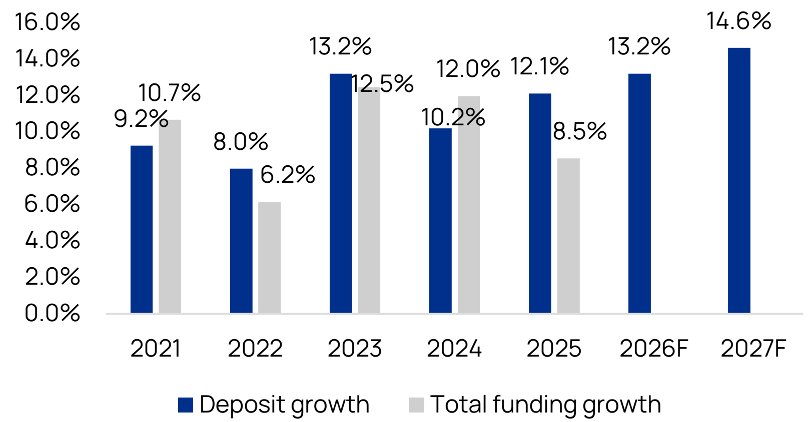
	2025 credit growth	2026F credit growth	2027F credit growth	Latest CAR Basel II
VCB	15.3%	14.0%	16.0%	11.1%
CTG	15.6%	12.1%	13.0%	9.8%
BID	15.3%	12.0%	13.0%	9.6%
VPB c	34.1%	33.3%	30.7%	14.4%
MBB	36.7%	31.9%	29.6%	10.9%
HDB c	31.0%	26.1%	26.8%	16.2%
VIB	17.7%	24.3%	18.0%	11.2%
LPB	18.1%	21.9%	20.0%	11.9%
TPB	18.6%	14.9%	16.9%	13.2%
ACB	18.5%	14.0%	15.0%	12.2%
TCB	20.7%	14.0%	16.0%	15.2%
STB	16.1%	12.0%	16.0%	8.5%

- In H1 2026, aggregate credit growth reached 9.0%, outpacing system-wide growth of 8.5%, mainly driven by large private banks including VPB, MBB, HDB, and TCB (like 2025), which have advantages in terms of scale and expertise to expand credit to both the retail and corporate segments. Credit growth was sharply skewed toward corporates/real estate/infrastructure, while retail credit was generally weak (even contracting at VIB) as the higher-rate environment dampened consumer demand.
- For 2026, we believe the SBV's guidance to curb the credit growth pace will be more contained—particularly for real estate and as the upward pressure on interest rates will decelerate credit growth at many banks under our coverage vs 2025. However, we expect VCB, MBB, VPB, HDB, and TCB to continue outperforming peers on credit growth, supported by preferential quota allocations or their expertise/advantages in financial large-scale projects.

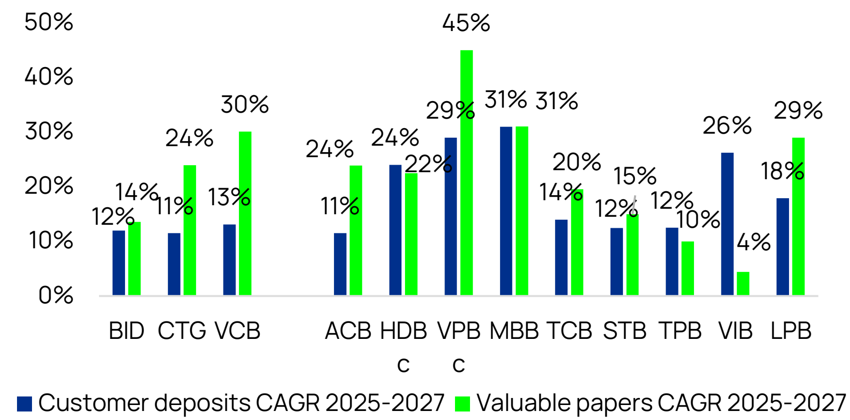
*Source: Company data, Vietcap; ('c' denotes consolidated). ** CAR of STB, LPB , TPB, VIB are as of Q4 2025, and the remainder is as of Q1 2026 (*) VCB & ACB's CAR follows the Basel III Standard Approach.*

Manageable pressure from credit-funding gap with banks diversifying their funding sources and the SBV's liquidity support

Annual system-wide deposit growth and funding growth*



2025-2027F CAGR deposit of banks under our coverage



- As of July 10, YTD funding growth was 6.1%, lagging YTD credit growth of 7.9%. We expect that funding growth in H2 2026 will be supported further by (1) the elevated interest rate environment, (2) improving fiscal spending, (3) the seasonal improvement of exports, and (4) the continued improvement of banking penetration in the retail/SME segments. Additionally, the SBV's proactive policy in terms of credit quota control and flexible liquidity support (i.e. relaxation of LDR and SMFR ratio) should also help to reduce compliance pressure and maintain the system's stability.
- We forecast system-wide deposit growth to be stronger in 2026F at 13.2%, which is slightly below our credit growth forecast of 15.3%. Given weak deposit growth, banks have tapped into other funding sources in recent quarters such as deposits from the State Treasury and valuable papers to bridge their financing gaps. Valuable papers have grown to be a critical medium-to-long term source of funding for banks, and we expect valuable papers growth to outpace customer deposit growth of most banks under our coverage in 2026-2027F.
- Apart from valuable papers, banks with better credit ratings are reaching out to other funding sources like offshore funding, which should be more stable though more costly as well. We estimate that commercial banks could raise at least USD8bn of offshore funding in 2026.

Vietcap

*Source: SBV, Vietcap estimates. *System-wide funding growth including valuable papers not held by other credit institutions. The SBV changed its reporting method for total funding since October 2025.*
Note: 2026-2027F growth represent implied system-wide deposit growth, which is calculated based on our forecast for deposit growth of banks in our coverage universe. Chart on the right includes data from the 12 banks under our coverage.

Many large banks have strong funding optionality profiles

	State-linked profiles				Large private banks				Mid-size private banks			
	BID	**CTG**	**VCB**	**MBB**	**TCB**	**VPB**	**HDB**	**ACB**	**STB**	**VIB**	**TPB**	**LPB**
Q1 2026 CASA ratio	20.2%	24.9%	34.2%	33.1%	37.9%	13.9%	10.4%	23.1%	16.2%	14.2%	20.0%	6.6%
Special policy benefit Mandatory-transfer support (e.g. 50% required reserve relief); 49% FOL; 20% treasury deposits inclusion for LDR calculation)	Yes	Yes	Yes	Yes	_	Yes	Yes	_	_	_	_	_
FOL	30%	30%	30%	23.2%	22.5%	30%	27%	30%	30%	5%	30%	5%
Latest CAR*	9.6%	9.8%	11.1%	10.9%	15.2%	14.4%	16.2%	12.2%	8.5%	11.2%	13.2%	11.9%
Anchor/strategic foreign shareholder	KEB Hana 14.2%	MUFG 19.7%	Mizuho 15.0%	N.A.	N.A.	SMBC 15.0% (potential increase to 20%)	N.A.	N.A.	N.A.	N.A.	SoftBank related parties (~20%)	N.A.
2026F ROE / internal capital generation	18%	21%	17%	21%	16%	16%	25%	18%	11%	18%	16%	23%
Offshore fundraising	Less active	Less active	Less active	Less active	Active	Active	Active	Less active	Less active	Active	Active	Less active
New equity raising plan	Yes	_	Yes	Yes	_	Yes	Yes	_	_	_	_	_
Moody's latest Long-term Issuer/Deposit Rating & outlook	Ba2 / Positive	Ba2 / Positive	Ba2 / Positive	Ba2 / Stable	Ba3 / Positive	Ba3 / Positive	B1 / Positive.	Ba3 / Positive	B1 / Stable	Ba3 / Stable	B1 / Stable	Ba3 / Stable

Note: This table reflects funding optionality across specific dimensions, not an overall credit or quality ranking .

CAR/ROE/CASA (relative comparison between peers)

Very high | High | Medium | Low

Vietcap

*Source: Company data, Vietcap's forecasts and compilation. *CAR of STB, LPB , TPB, VIB are as of Q4 2025, and the remainder is as of Q1 2026 (*) VCB & ACB's CAR follows the Basel III Standard Approach.*

BID, VCB, VPB, HDB, MBB have specific capital raising plans in 2026-2027

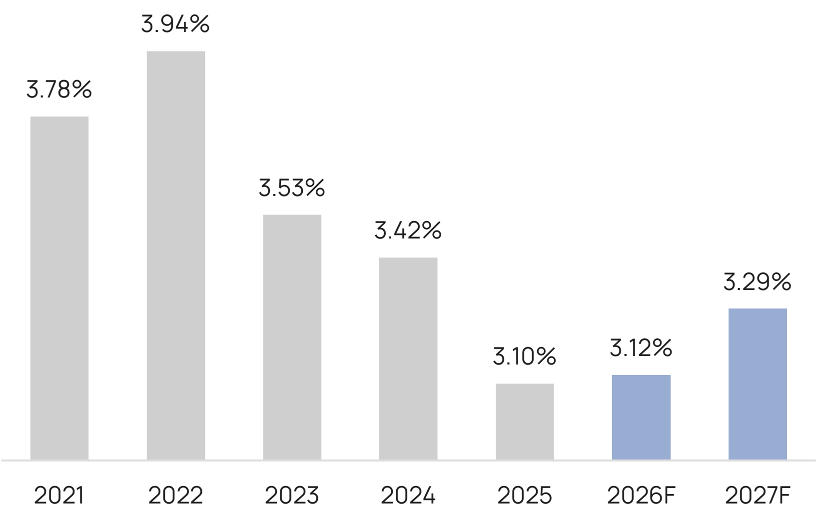
Capital raising plan	Yes/No	% of shares in issue, post money	Target investors	Transaction method	Latest CAR Basel II
BID	Yes	9.7%	Under private placement: professional investors, domestic & international institutions	Private placement and/or public offering	9.6%
CTG	No				9.8%
VCB	Yes	6.1%	Institutional investors	Private placement	11.1% (*)
ACB	No				12.2%
HDB	Yes	12.27% (700mn shares, assuming execution in H2 2026) Conversion of USD165mn convertible bonds	Professional investors	Private placement	16.2%
VPB	Yes	5.9%	Strategic international investor	Private placement	14.4%
MBB	Yes	11.1% (8.9% from rights offering and 2.2% from private placement)	Rights offering for current shareholder (10:1) and private placement for professional investors	Public offering & Private placement	10.9%
TCB	TCB is not raising capital in 2026 but is open to selling a stake to the right strategic investor, which would likely involve a divestment by PE fund Warburg Pincus (owning a 7.9% stake)				15.2%
STB	No				8.5%
TPB	No				13.2%
VIB	No				11.2%
LPB	No				11.9%

Vietcap

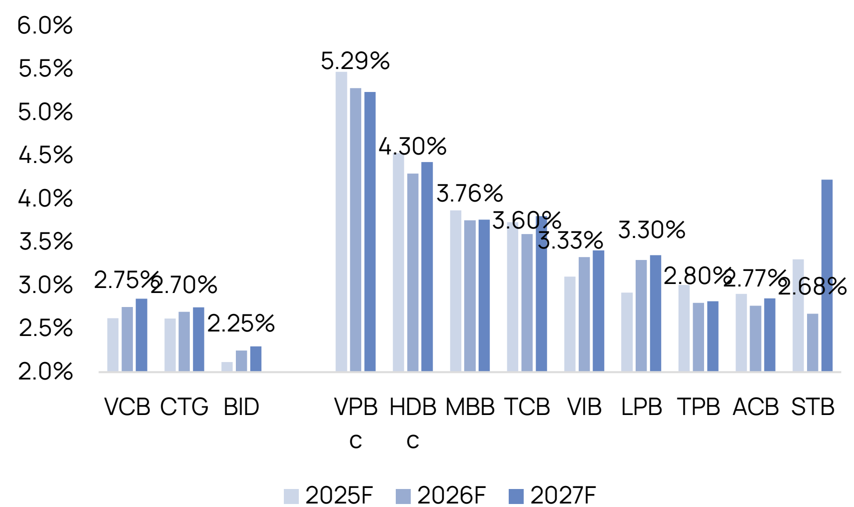
Source: Company data, Vietcap compilation and estimation. CAR of STB, LPB , TPB, VIB are as of Q4 2025, and the remainder is as of Q1 2026 (*) VCB & ACB's CAR follows the Basel III Standard Approach.

Upward pressure on interest rates persists, but Q2 NIM improvement supports our expectations for 2026 NIM to stabilize YoY

Aggregate NIM, yearly



NIM by bank, yearly

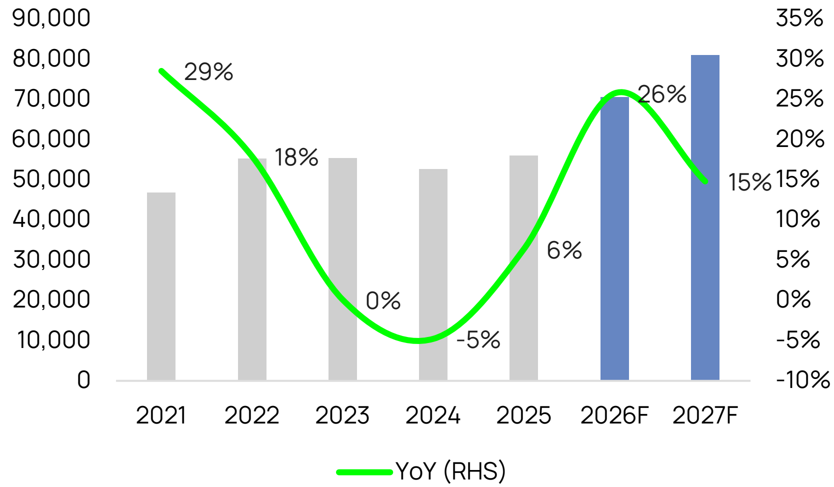


- Aggregate NIM rebounded in Q2 2026 to 3.18% (+17 bps QoQ, +2 bps YoY) as improvement in yields, driven by asset re-pricing and banks' continued efforts to restructure their portfolios toward higher-yield segments (e.g. unsecured lending, medium –to-long-term lending), outweighed COF pressure. 10 out 12 banks under our coverage delivered QoQ improvement in NIM. Only VPB reported a slight decline and LPB reported flat NIM.
- We currently forecast that NIM will be broadly stable with a 2-bps YoY increase (SOCBs + 11 bps YoY; private banks -11 bps YoY) rather than a meaningful rebound across the sector. We believe that during an increasing interest rate environment, State-owned profile banks should demonstrate a more resilient funding base compared with the private banks. Additionally, more constrained supply leading to a more rational pricing environment and stronger MLT credit demand should also support the SOCB's NIM. Meanwhile, private banks, especially the retail-focused banks, will likely bear more NIM pressure due to subpar retail performance and funding competition given less flexibility. Assuming manageable macro volatility, we expect interest rates to stabilize and even have headroom to ease in 2027F, fueling a more significant NIM improvement of 17 bps YoY (10 bps YoY if we exclude STB).

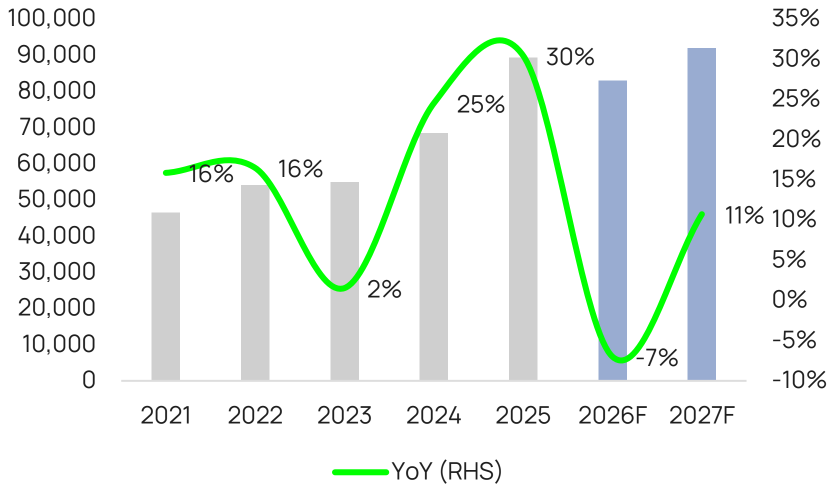
Source: Company data, Vietcap; 'c' denotes consolidated

Strong pure fee income to drive NOII growth while other NOII moderates from a high base in 2025

Aggregate pure NFI (VND bn)



Aggregate other NOII (VND bn)

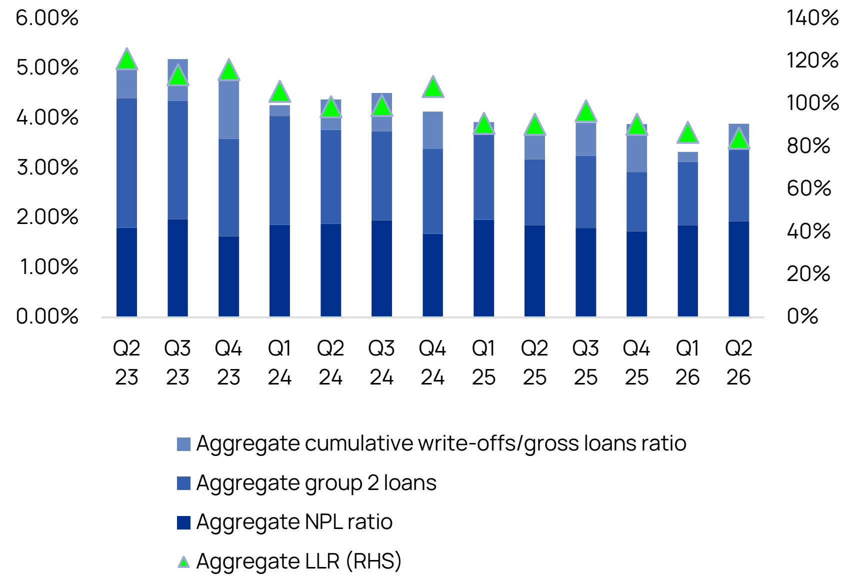


- Net fee income (NFI) continued to gain momentum in Q2 2026, up 68% YoY, driven by strengths in LC, international settlements, card fees, and insurance-related activities. For H1 2026, NFI growth reached 56% YoY. This reaffirms our expectation for strong pure NFI growth in 2026F (+26% YoY). In addition, more aggressive expansion in brokerage services and a favorable outlook for Vietnam's equity and bond markets will bolster NFI growth for banks. We forecast pure NFI to account for 9.3% of total TOI in 2026F.
- Meanwhile, we expect 2026F other NOII (including FX gains, securities trading gains, recovery income, and other income) to moderate from a high base in 2025 as most banks are still in the early phase of enhancing their ecosystem and bundling their non-credit product offerings to leverage customer demand. Additionally, many banks had accelerated their balance-sheet cleanup in 2025 (i.e., ACB, STB, and HDB, among others) which should provide further potential for bad debt recovery though recovery in 2026F could be more limited because of the elevated interest rates. We forecast other NOII to account for 9.9% of total TOI in 2026F.

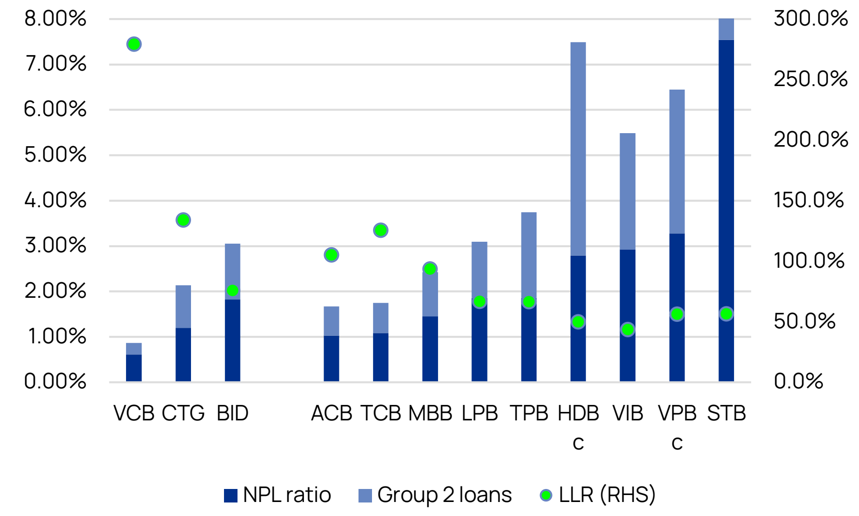
Source: Company data, Vietcap

Q2 2026 asset quality indicates pressures from higher rates but broadly moderate at most banks, except STB and HDB

Asset quality of Vietcap's banking coverage



Asset quality of banks as of Q2 2026

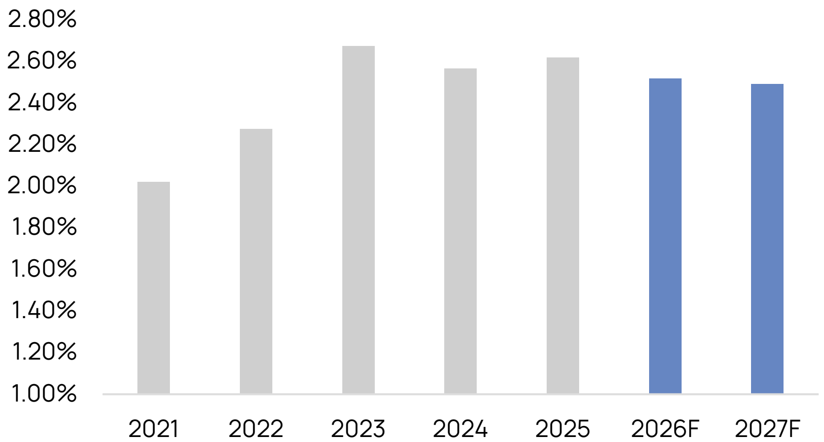


- Asset quality of our coverage weakened slightly in Q2 2026 with an aggregate NPL ratio of 1.93% (+7 bps QoQ, +7 bps YoY) and LLR of 84% (-3 ppts QoQ, -6 ppts YoY). The Group 2 loan ratio increased to 1.43% (+16 bps QoQ, +11 bps YoY).
- From a segment perspective, the retail and SME segments are still facing the most challenges given the relative lack of competitiveness and financial resources. Meanwhile, the large corporate segment remains relatively more resilient.
- Asset quality also diverged sharply among banks: the SOCB group (VCB, CTG, BID) plus TCB, ACB, and MBB kept their NPL ratios broadly stable; STB (NPL spiked to 7.54%) and HDB (Group 2 loans rising fast QoQ) are the two key watchpoints heading into H2 2026. STB's bad debt metrics remained the highest among our coverage, signaling substantial time needed to clean up its balance sheet and complete its restructuring program.

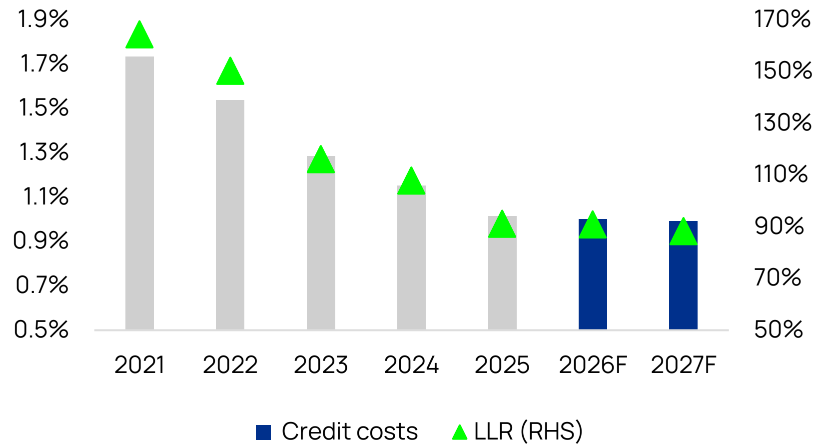
Source: Company data, Vietcap ('c' denotes consolidated)

We expect challenges arising from macro headwinds to be manageable in 2026F

NPL ratio grossed up for write-offs



Aggregate credit costs and LLR for our coverage



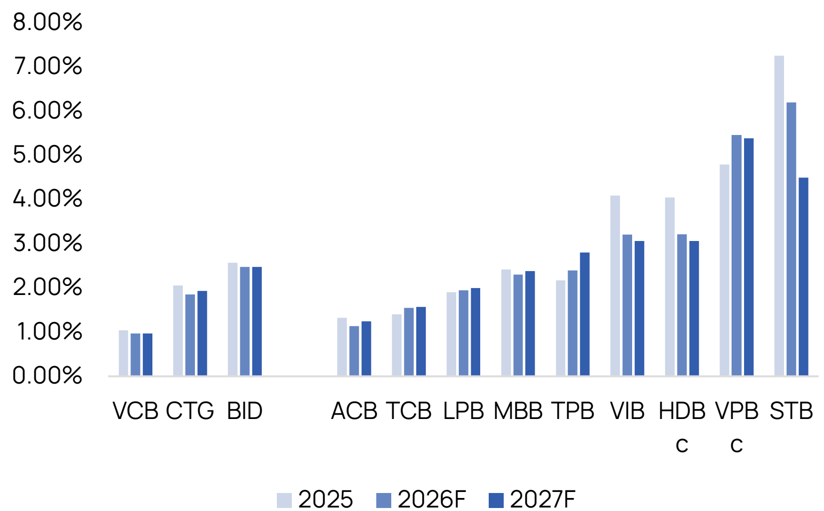
- **We expect asset-quality pressures to remain manageable under our base case:** Higher interest rates are expected to weigh on sector asset quality, but these risks have largely been anticipated and incorporated into banks' 2026 financial plans. Resilient economic growth—supported by strong FDI inflows, fiscal stimulus, and accommodative monetary policy—should help banks absorb the pressure while maintaining solid earnings growth.
- Nevertheless, we do acknowledge that the longer the Middle East conflict persists, the more that negative impacts will be reflected into the banks' balance sheets and thus could prompt downside risk to our forecasts.
- The SBV's flexible policy stance should provide additional support by easing upward pressure on interest rates and helping banks mitigate potential asset-quality shocks to their balance sheets under more adverse conditions, such as those experienced during the COVID-19 pandemic and in 2022–2023.

Vietcap

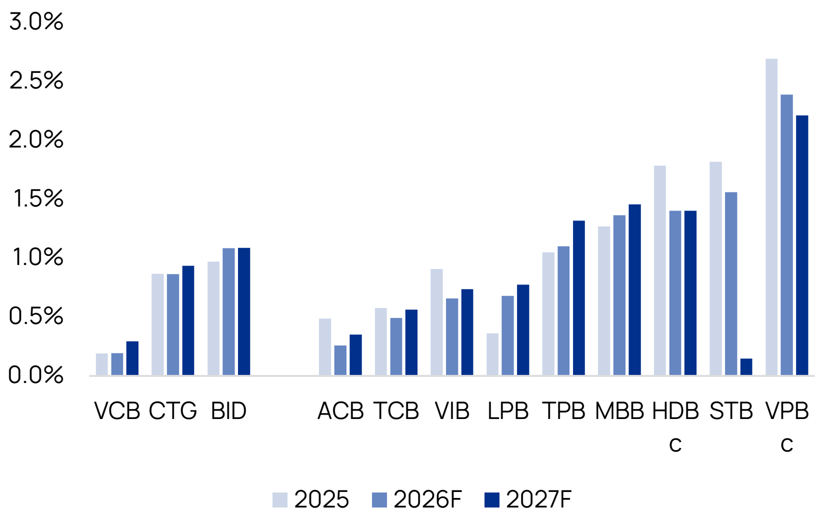
Source: Company data, Vietcap

Amid the uncertainties, top-tier asset quality names emerge with stronger buffers to counteract negative impacts

NPL ratio grossed up for write-offs



Credit costs of banks under coverage



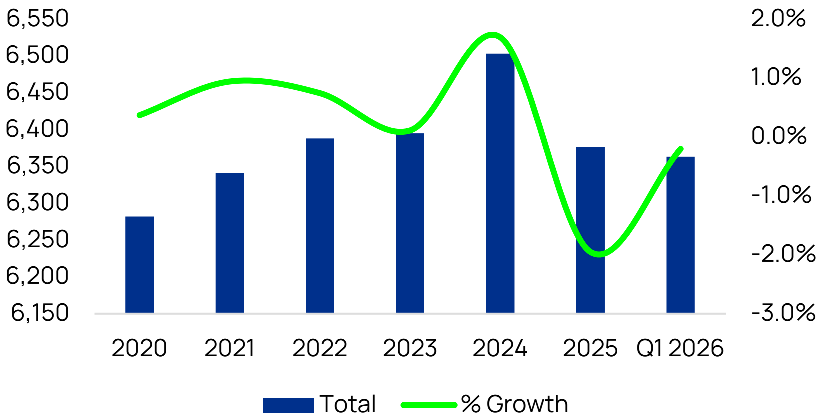
- For the outlook, we expect VCB, CTG, and the top-tier private banks (ACB, TCB) to sit at the low end for both the NPL ratio and credit costs (under 1%), reflecting clean books and conservative provisioning, while consumer/retail-heavy lenders like VIB, TPB, HDB, and VPB carry higher bad debt metrics vs their peers' average.
- We also expect BID, MBB, and LPB to have their credit costs normalized from a low level while VPB will see the most noticeable improvement in credit costs from a high base in 2025 though the pace of normalization/improvement may slow down if macro conditions deteriorate further than our base case. For MBB, despite gaining strong credit growth for many years on a large balance sheet, we expect the bank can contain its asset quality while credit costs increase along with a stronger provisioning buffer to prepare for any uncertainties.
- STB remains an outlier due to large amounts of NPLs revealed since late 2025 in association with the legacy problem from previous credit downturns. However, we expect STB to handle this issue in 2026F and approach the end of its restructuring plan together with finalizing recovery proceeds from selling collaterals in 2027F.

Vietcap

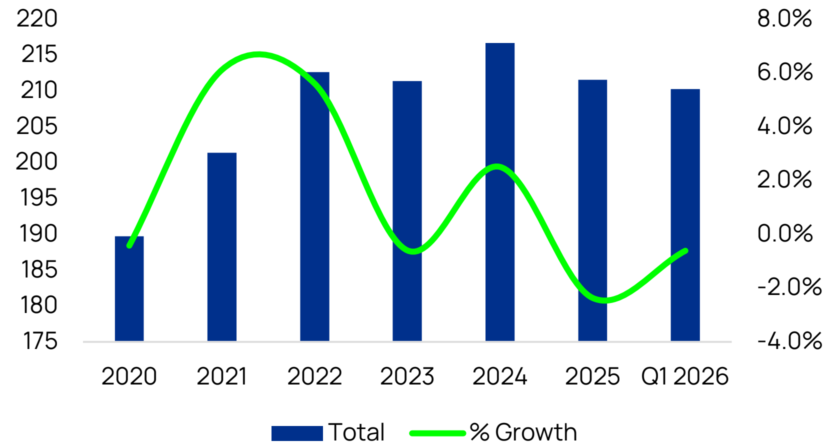
Source: Company data, Vietcap ('c' denotes consolidated)

Q1 2026 better-than-expected CIR improvement indicates additional buffer for earnings

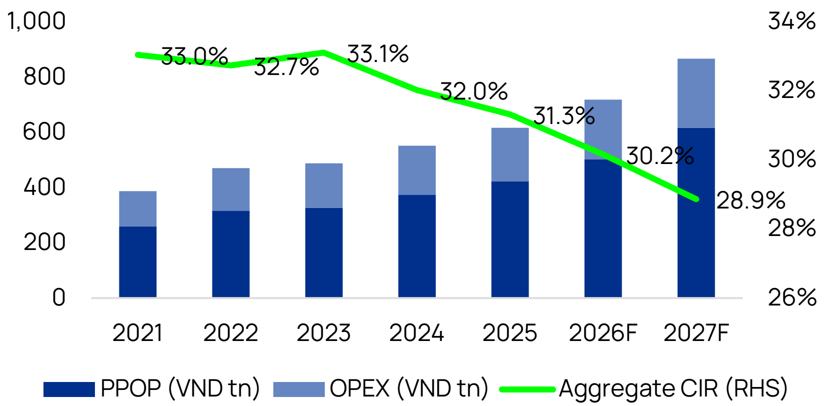
Number of branches & transaction offices (*)



Staff headcount (thousand) (*)



Aggregate CIR, PPOP & OPEX, yearly



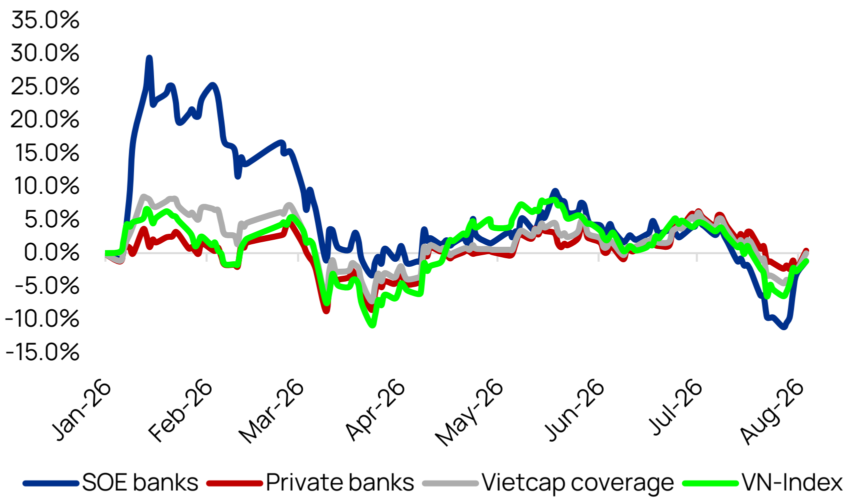
- Aggregate CIR of our coverage was 28.8% in H1 2026 (-2.0 ppts YoY).
- 2026–2027F: We expect operating leverage, branch-to-digital migration, and broader tech/AI adoption to lift productivity, driving aggregate CIR to sub-30%.
- Despite strong credit/revenue growth, branch/transaction networks, and headcount have barely expanded (and have started to decline) as banking shifts structurally to digital, including lending processes.
- Leaders vs laggards: We believe TCB/MBB are more advanced in tech-enabled cost optimization, while laggards (e.g., STB) still have meaningful scope to cut redundancies.

Source: Company data, Vietcap. Note: (*) The two charts include aggregate data from the 12 banks under our coverage.

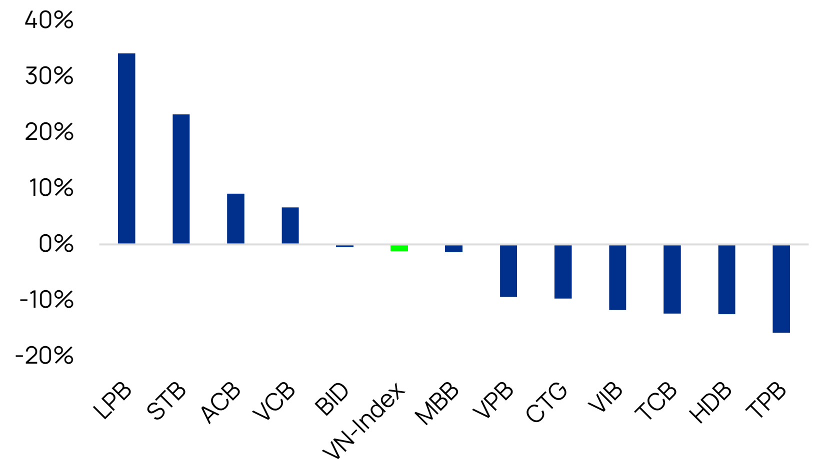
Stock performance recap and top picks for 2026

After a strong performance in 2025, banking stocks' average return has been modest in 2026 YTD

YTD share price performance*



YTD share price performance by bank



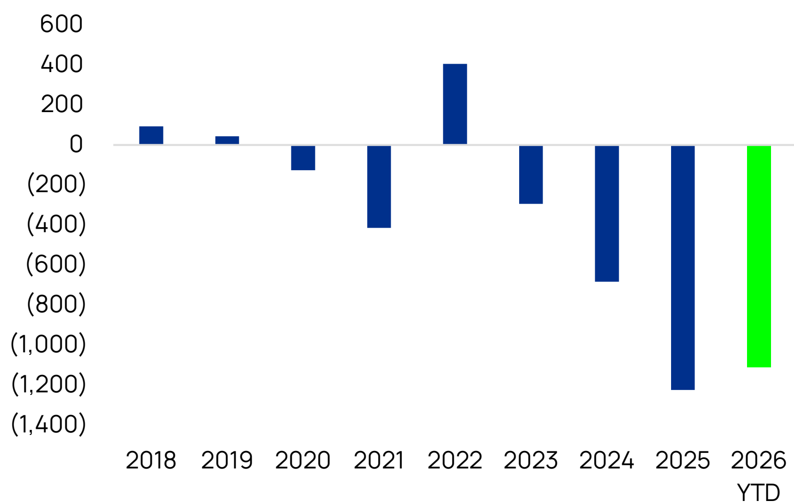
- On a YTD basis through August 3, 2026, the average return for the 12 banks under our coverage was 0% vs VN-Index -1%. We believe the investors have been more cautious investors have been more cautious due to higher rates and the uncertainties from Middle East war.
- Within the group of State-owned banks, only VCB generated a positive return, which we believe due to its top-tier asset quality and significantly better-than-expected results in Q2.
- Within the group of private banks, LPB, STB, and ACB delivered positive returns. Regarding STB, we believe it was supported by investor positive sentiment with the involvement of the new Vice Chairman, Mr. Thuy, which might accelerate the restructuring process of the bank. For LPB, a high cash dividend payout ration and IPO of related securities company LPBS also supported investor sentiment despite slower earnings growth.

Vietcap

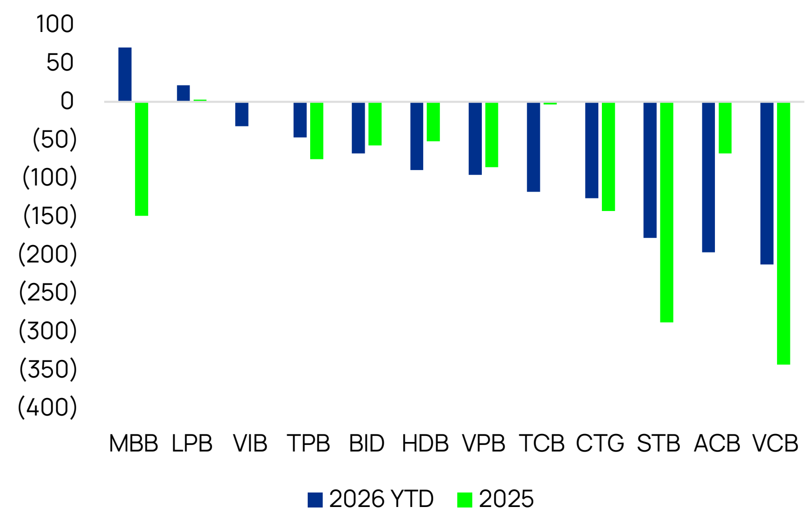
Source: Vietcap, FiinX as of August 3, 2026.
*Note: *YTD performance is based on simple average.*

Foreign investors continued to be major net sellers of banks in 7M 2026 given rising macro headwinds

Net foreign flows for our coverage banks (USDmn)



Net foreign flows by bank (USDmn)



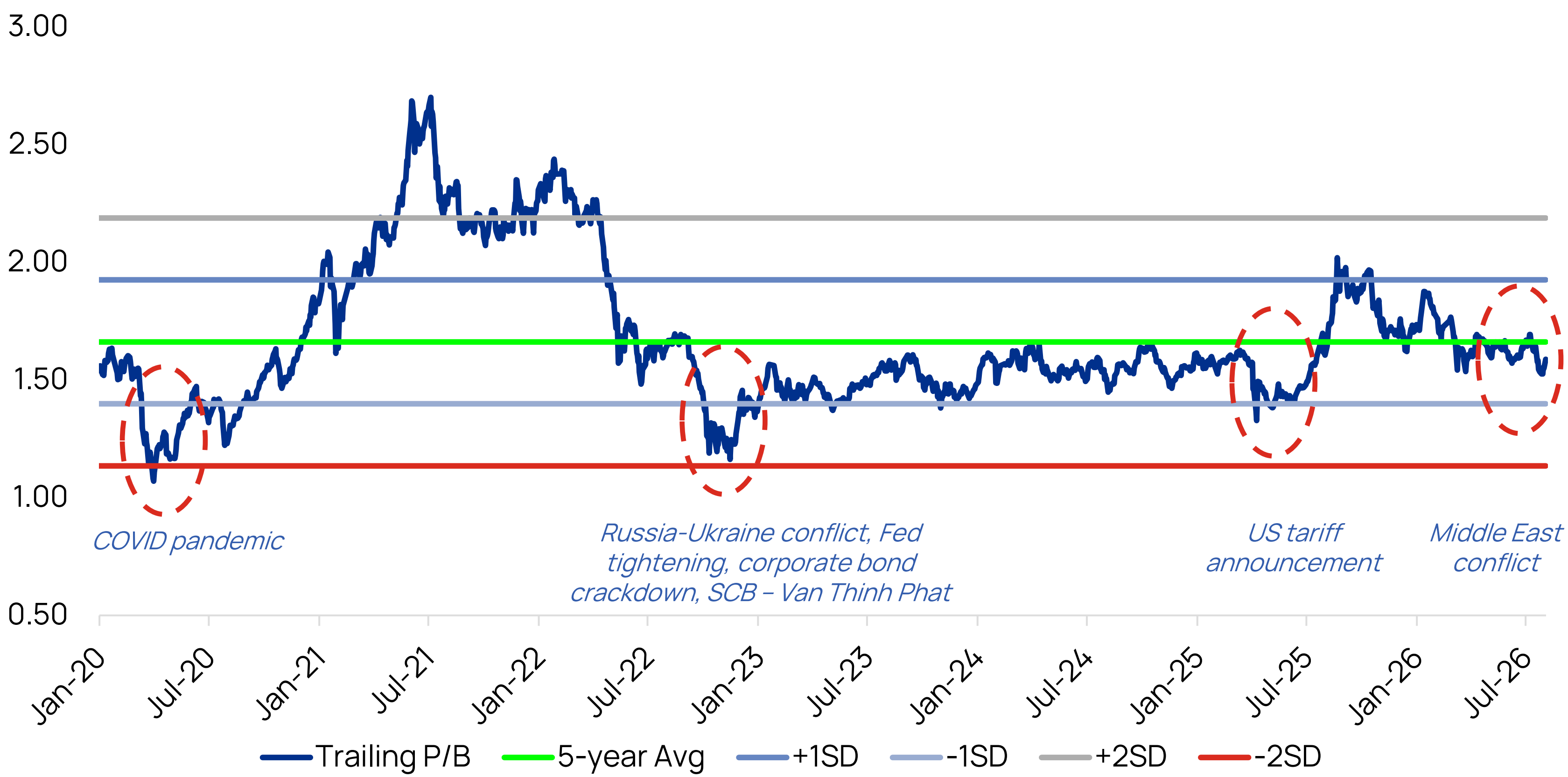
- Foreign selling pressure on our covered banks continued this year, which we attribute to (1) concerns around liquidity tightness/higher interest rates and (2) rising macro risks due to the Middle East conflict.
- Banks that were sold the most by foreign investors YTD include those that have performed well relative to both the sector average and the VN-Index such as VCB and STB.
- Only a handful bank stocks did not suffer from heavy outflows in 2026 YTD, including MBB and LPB.
- We expect foreign flows to improve once there are clear signals of de-escalation in the Middle East conflict. Also, the upgrade of Vietnam to secondary emerging market status by FTSE is expected to drive passive foreign inflows in certain banking names including VCB, BID, STB, and SHB.

Vietcap

Source: Vietcap, FiinX as of August 3, 2026

Current valuation looks somewhat attractive but not at a significant discount yet when compared to the historical range

Our coverage currently trades at an average trailing P/B of 1.59x, which is 0.3 standard deviations below the 5-year average



Vietcap

Source: FiinX, Vietcap. Data through August 3, 2026

We favor large-scale banks with defensive qualities in a more uncertain macro environment

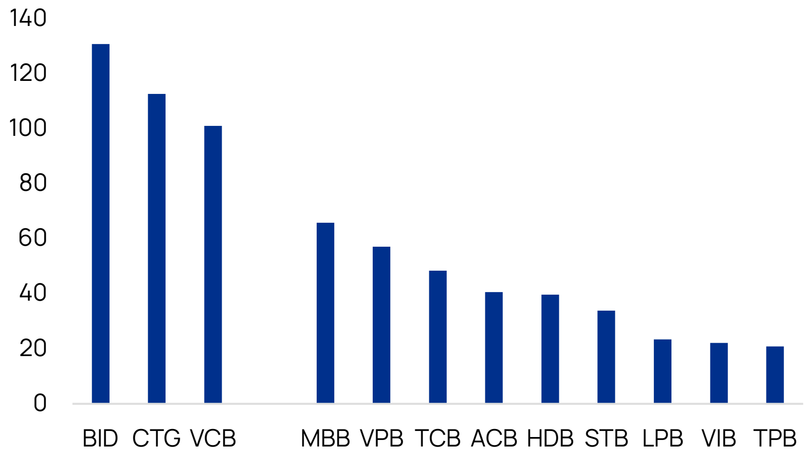
- Amid continued volatility in the macro environment, **MBB** and **CTG** remain our top picks, supported by their top-tier fundamentals and highly attractive valuations.
- Under a pessimistic scenario in which elevated oil prices persist for longer, we prefer defensive names **VCB** and **ACB**. If the Middle East conflict is resolved quickly, easing oil prices and global bond yields, we favor **TCB** and **VPB**.

Macro Scenario	Pessimistic Case		Base Case		Optimistic Case	
Main assumptions	Middle East conflict prolongs, leading to higher oil prices, inflation, and interest rates.		2026F assumptions: • Avg. Brent oil price - USD75 • GDP growth - 8.5% • Inflation - 4.5%		Middle East conflict ends soon, driving oil prices to fall quickly. Impact on inflation contained.	
Stock picks	**VCB**	**ACB**	**CTG**	**MBB**	**TCB**	**VPB**
Scale (Total assets)	USD97bn	USD39bn	USD111bn	USD61bn	USD45bn	USD52bn
Credit mix diversification	High	Low	High	High	Low	Low
Exposure to real estate sector	Low	Low	Low	Medium	High	High
Asset quality *NPL + Group 2 ratio* *LLR buffer*	*0.9%* *279%*	*1.7%* *105%*	*2.1%* *134%*	*2.4%* *94%*	*1.7%* *126%*	*6.4%* *56%*
Funding capabilities *CASA ratio* *COF*	*34%* *2.8%*	*23%* *5.0%*	*24%* *3.7%*	*35%* *4.4%*	*35%* *4.4%*	*14%* *5.3%*
2026F EPS growth	19%	14%	17%	20%	15%	29%
2026F P/B	1.9x	1.1x	1.2x	1.2x	1.1x	1.0x
2026F ROE	17.0%	17.6%	20.6%	21.4%	16.0%	16.0%

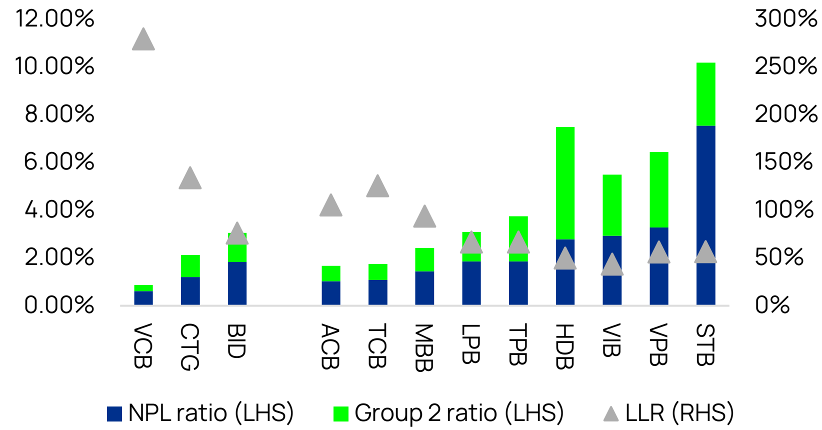
Source: Vietcap
Note: Total assets, asset quality metrics, CASA ratio as of H1 2026. COF data is H1/2026. For VPB, asset quality, CASA ratio, and COF data are parent bank only. For VCB, NPL and LLR data include corporate bonds. Valuation data as of August 3, 2026.

VCB, CTG, MBB, and ACB stand out in terms of defensive qualities vs peers

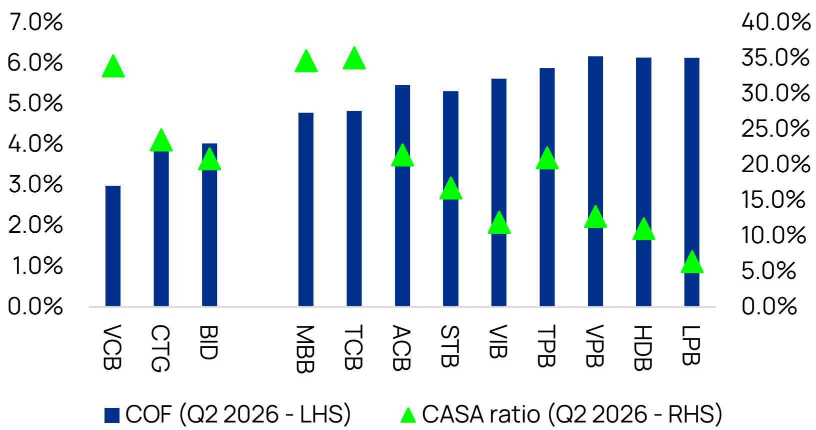
Total assets as of Q2 2026 (USDbn)



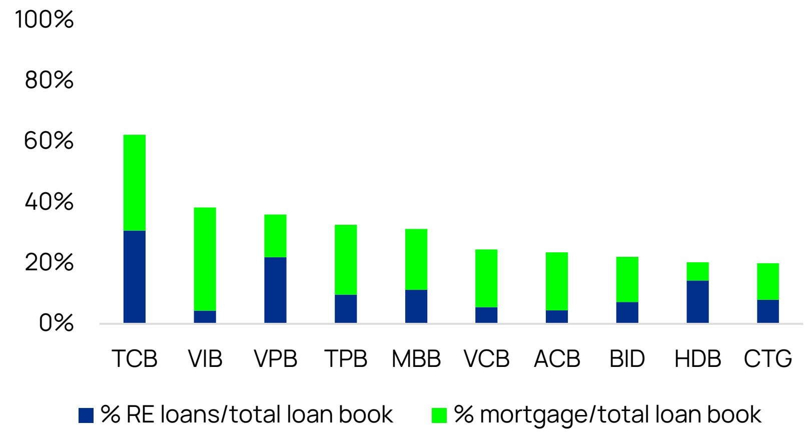
NPL ratio, Group 2 ratio, and LLR as of Q2 2026



Q2 2026 funding costs and CASA ratio



Credit exposure to the real estate market as of Q4 2025



Vietcap

Source: Company data, Vietcap

Key data and summary valuations

Banking sector: Key data

Code	Rating	Market Cap USD mn	State O'ship %	For. Limit %	For. Avail USD mn	ADTV 30D USD mn	Share Price VND ps	Target Price VND ps	Target price updated	Upside %	Div. Yield %	TSR %
CTG	BUY	9,391	64.5%	30%	514	10.6	31,800	50,000	05/15/26	57.2%	0.0%	57.2%
VCB	BUY	19,317	74.8%	30%	985	10.0	60,800	78,500	05/18/26	29.1%	0.0%	29.1%
BID	BUY	10,588	76.7%	30%	1,141	6.1	38,250	50,500	05/21/26	32.0%	0.0%	32.0%
MBB	BUY	7,351	48.3%	23%	90	12.9	24,000	36,000	05/21/26	50.0%	2.1%	52.1%
VPB	BUY	7,693	0.0%	30%	513	15.1	25,500	38,000	05/18/26	49.0%	2.0%	51.0%
TCB	BUY	8,070	0.0%	22%	116	15.2	29,950	42,600	05/11/26	42.2%	2.3%	44.6%
HDB	BUY	4,948	0.0%	27%	272	14.3	26,000	33,000	03/06/26	26.9%	1.9%	28.8%
ACB	BUY	4,977	0.0%	30%	283	14.6	22,550	27,100	05/21/26	20.2%	3.1%	23.3%
TPB	BUY	1,519	0.0%	30%	120	5.8	14,400	18,600	05/20/26	29.2%	3.5%	32.6%
VIB	O-PF	1,922	0.0%	5%	30	4.8	14,850	18,500	05/23/25	24.6%	6.7%	31.3%
STB	M-PF	5,125	0.0%	30%	965	10.7	71,500	73,500	05/18/26	2.8%	0.0%	2.8%
LPB	U-PF	6,020	0.0%	5%	235	5.9	53,000	39,300	11/18/25	-25.8%	1.9%	-24.0%

Banking sector: Summary valuations

Code	Share Price VND ps	EPS g 2025F %	EPS g 2026F %	EPS g 2027F %	P/B 2025F x	P/B 2026F x	P/B 2027F x	P/E 2025F x	P/E 2026F x	P/E 2027F x	ROE 2026F%	Finan. Lever. LQ x
CTG	31,800	36.3%	16.8%	13.7%	1.4	1.2	1.0	8.2	7.0	6.1	20.6%	15.5
VCB	60,800	4.2%	19.0%	19.0%	2.2	1.9	1.6	15.7	13.2	11.1	17.0%	10.9
BID	38,250	18.3%	8.6%	9.4%	1.6	1.3	1.2	10.1	9.3	8.5	17.9%	17.8
MBB	24,000	18.3%	20.3%	20.1%	1.4	1.2	1.0	7.2	6.0	5.0	21.4%	10.8
VPB	25,500	52.0%	28.9%	20.1%	1.2	1.0	0.9	8.4	6.5	5.4	16.0%	7.4
TCB	29,950	17.2%	14.8%	18.6%	1.2	1.1	1.0	8.4	7.3	6.2	16.0%	6.4
HDB	26,000	27.7%	16.6%	26.1%	1.7	1.4	1.1	7.2	6.2	4.9	24.8%	11.8
ACB	22,550	-7.0%	14.7%	12.0%	1.2	1.1	0.9	7.5	6.5	5.8	17.6%	10.4
TPB	14,400	21.9%	4.9%	5.8%	0.9	0.8	0.7	5.4	5.1	4.9	15.8%	11.0
VIB	14,850	2.3%	22.0%	12.6%	1.1	1.0	0.9	6.9	5.7	5.0	18.2%	11.3
STB	71,500	-34.9%	0.7%	359.3%	2.3	2.0	1.4	22.7	22.5	4.9	10.5%	14.0
LPB	53,000	22.8%	-4.4%	15.8%	3.4	2.9	2.5	14.0	14.6	12.6	22.9%	11.7

Source: Vietcap (Share prices as of August 3, 2026)

Appendix

Most banks reaffirmed 2026 targets in May but are more cautious due to external pressures

Stock	PBT guidance	NIM guidance	Credit quota/ growth guidance	Asset quality guidance	Further comments on outlook
VCB	5%-10%	Slightly improve YoY	13%	Flat YoY	ROE of 17%-18% is feasible and sustained. FX & NFI to grow 5-10% YoY, provision expenses of VND3-4tn, bad debt recovery of ~VND3tn.
CTG	5%-10% (conservative)	Slightly improve YoY	11%	~1.5%	Provision expenses of VND17-18tn (~stable YoY), LLR maintained at ~150 – 180%, VND10tn of recovery income (flat YoY).
BID	Min 10%	Flat YoY	11%	<= 1.6%	CIR of 32%-33%.
MBB	15% - 20%	Broadly stable YoY	~30% (*)	<=1.5% (consolidated) and <=1% for parent bank	CIR below 28%, ROE around 20-21%, ROA ~2%
HDB	41%	Flat/ slightly decrease YoY	35% (*)	<2%	Credit growth of 35%. Funding growth of 25%. LLR >75%; ROE >25%; ROA >2%. Considering potential IPOs of some companies in its ecosystem (HDSaison, HD Securities).
VPB	35%	~20bps YoY	34% (*)	Moderate NPL increase	40% funding growth; robust subsidiaries' earnings at +30%-93% YoY.
TCB	8-15%	Slightly decrease YoY	12%	<=1.5%	Double-digit fee income growth. Credit cost of 0.6%-0.7%.
VIB	27%	Slightly improve YoY	15% (*)	NPL <3%	Funding growth 26%, VIB expects NIM to recover (however, VIB's actual results trailed its guidance in the past three years).
ACB	14%	Flat YoY	12%	NPL ~1%	Fee income growth of 25%. Credit costs normalize to around 0.2% but LLR maintained above 100%. LROE to improve from 18% to 20% in 2027F.
STB	6%	Slightly decrease YoY	11.5%	NPL <=5%	Provision expenses remain high, LLR of 80-100%, CIR to improve due to cost optimization and higher top-line growth.

Vietcap

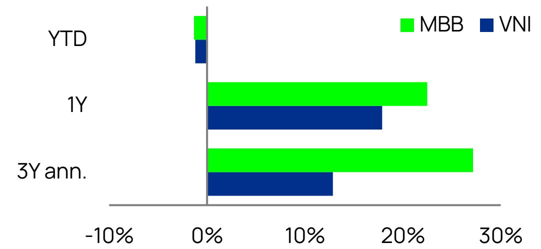
Source: Company data, Vietcap; (*) Banks' guidance

MBB - BUY, target price (TP) of VND36,000/share

Rating*	**BUY**
Share Price (Aug 03)	VND24,000
Target Price (TP)*	**VND36,000**
Upside to TP	50.0%
Dividend Yield	2.1%
TSR	**52.1%**
Industry	Banking
Market Cap	USD6.9bn
Foreign Room	USD90mn
ADTV30D	USD13.5mn
State Ownership	48.3%
Outstanding Shares	8.055 bn
Fully Diluted Shares	8.055 bn

		2025	**2026F**	**2027F**	**2028F**
PPOP (VND bn)		48,012	60,668	76,427	92,785
	% YoY	25.0%	26.4%	26.0%	21.4%
NPAT-MI (VND bn)		26,779	32,206	38,691	45,049
	% YoY	18.3%	20.3%	20.1%	16.4%
EPS	% YoY	17.3%	20.3%	20.1%	16.4%
NIM		3.87%	3.76%	3.76%	3.74%
CASA ratio		37.8%	34.0%	34.5%	35.0%
NPLs/gross loans		1.29%	1.15%	1.20%	1.30%
Credit costs		1.27%	1.37%	1.46%	1.59%
CIR		29.1%	29.5%	30.0%	30.0%
P/B		1.5x	1.2x	1.0x	0.9x
P/E		7.6x	6.4x	5.3x	4.5x
ROE		21.6%	21.4%	21.3%	20.5%
ROA		2.0%	1.7%	1.7%	1.6%

* TP and rating last updated May 21, 2026



Company Overview
Founded in 1994, MBB is the fourth largest bank in our coverage universe as calculated by total assets as of December 31, 2025. The bank had its IPO in 2004 and has listed shares since November 2011.

MBB has the most diversified ecosystem among our coverage. MBB's six subsidiaries in insurance, consumer finance, securities, and asset management create strong cross-selling opportunities.

NIM pressure persists, but MBB's superior growth and contained credit costs should more than offset near-term headwinds. MBB's Q1 2026 NIM fell 26 bps QoQ to 3.80% amid rising funding costs, but it remained the second highest in our coverage after VPB. We expect NIM pressure to continue, with 2026F NIM forecast at 3.76%, though further contraction should be moderate, supported by MBB's strong CASA franchise and ability to gain lending market share without materially sacrificing margin. We also expect the pace of interest-rate increases in H2 2026 to be milder than in H1, as current rates are already elevated, and macro conditions should improve on stronger exports and fiscal disbursement. MBB's earnings growth remains well supported by sector-leading credit expansion as we forecast a credit CAGR of 28% over 2025-2028F, while credit costs should stay contained below 1.6% on average over the same period.

Early Basel III adoption and ample funding headroom should help MBB absorb potential liquidity-rule tightening. In June 2024, MBB announced its compliance with Basel III LCR and NSFR in terms of measurement standards. Together with its large ecosystem of 36.2mn customers, MBB has multiple funding levers, including offshore funding access supported by Moody's May 2026 upgrade to Ba2, in line with Vietnam's sovereign rating, and future capital-raising potential, with the current FOL locked at 23.2%. We believe MBB's increasing convergence toward SOE banks in scale and funding resilience as well as strong ROE profile should also provide the bank with greater funding flexibility.

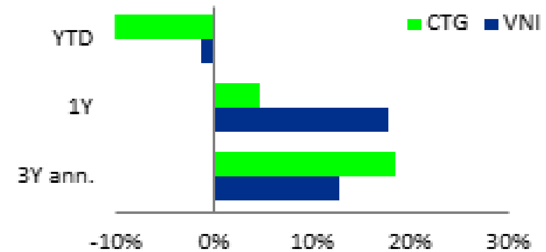
Attractive valuation: MBB is currently trading at a 2026F P/B of 1.24x, which is a 3% discount to our peer median 2026F P/B of 1.28x with the third highest 2026F ROE of 21.4% (after HDB and LPB) vs the peer median of 17.6%, per our forecast. **Downside risks:** Higher-than-expected interest rate pressure/credit costs; lower NIM.

CTG - BUY, TP of VND50,000

Rating*	**BUY**
Share Price (Aug 03)	VND31,800
Target Price (TP)*	**VND50,000**
Upside to TP	+57.2%
Dividend Yield	0.0%
TSR	**+57.2%**
Industry	Banking
Market Cap	USD9.09bn
Foreign Room	USD514mn
ADTV30D	USD11.9mn
State Ownership	64.5%
Outstanding Shares	7.767 bn
Fully Diluted Shares	7.767 bn

		2025	2026F	2027F	2028F
PPOP (VND bn)		60,744	70,004	81,154	91,916
	% YoY	2.3%	15.2%	15.9%	13.3%
NPAT-MI (VND bn)		34,591	40,411	45,935	50,889
	% YoY	36.5%	16.8%	13.7%	10.8%
EPS	% YoY	36.3%	16.8%	13.7%	10.8%
NIM		2.62%	2.70%	2.75%	2.80%
CASA ratio		25.5%	26.5%	27.5%	28.5%
NPLs/gross loans		1.10%	1.15%	1.18%	1.20%
Credit costs		0.87%	0.86%	0.93%	0.98%
CIR		30.4%	30.2%	29.3%	28.9%
P/B		1.5x	1.3x	1.1x	0.9x
P/E		9.1x	7.8x	6.8x	6.2x
ROE		21.1%	20.6%	19.6%	18.4%
ROA		1.3%	1.4%	1.4%	1.3%

* TP and rating last updated May 15, 2026



Company Overview

Founded in 1988, CTG is the second-largest bank in our coverage universe as calculated by total assets as of December 31, 2025. CTG has one of the largest branch networks in Vietnam. The bank had its IPO in 2008 and has listed shares since July 16, 2009.

Strong market share gain in CASA substantiated the growing competitiveness of CTG's product offerings across the Retail and Corporate segments. Based on data for 27 listed banks, CTG's CASA market share grew from 14.5% to 16.6% over the past three years from end-Q1 2023 through end-Q1 2026. During this period, its CASA ratio increased 6.8 ppts from 18.1% to 24.9%, driven by improvement in both the Retail CASA ratio (from 11.3% to 19.5%) and Corporate CASA ratio (from 25.5% to 29.7%). These achievements showcase CTG's ability to gain CASA market share sustainably through product differentiation, which we view as a key for any bank to become sector leader in the long run.

Strong asset quality provides an important buffer to earnings amid rising macro risks: CTG's asset quality remained among the strongest in the sector with a combined NPL and Group 2 ratio of only 2.1% as of end-Q2 2026. The bank's LLR of 134% as of end-Q2 2026 is the second highest in our coverage, well above BID's 76% and private peers' median of 67%. In our view, the strong buffer should allow CTG to deliver strong earnings growth even in the pessimistic scenario that the Middle East conflict prolongs.

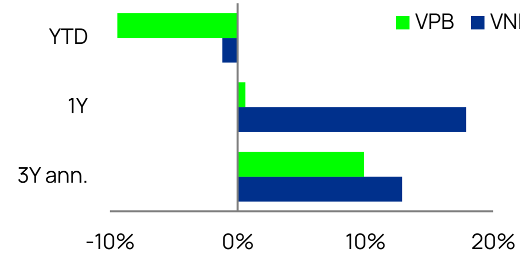
CTG deserves to re-rate higher given the bank's outperformance across key fundamentals and its strong earnings growth outlook. CTG deserves to re-rate higher given the bank's outperformance across key fundamentals and its strong earnings growth outlook. On a 2026F P/B basis, CTG is trading at 1.16x, which is 15%/36% below where BID/VCB are trading, respectively. However, we forecast CTG to deliver an ROE of 20.6% in 2026, which is stronger than our forecasts for BID/VCB at 17.9%/17.0%, respectively. In another comparison, we forecast CTG will generate NPAT-MI of VND40.4tn in 2026, equivalent to 97% of our forecast for VCB at VND41.9tn. However, CTG's market cap is only equivalent to 49% of VCB's market cap. Therefore, we believe CTG is attractively valued when compared to peers.

VPB - BUY, TP of VND38,000

Rating*	**BUY**
Share Price (Aug 03)	VND25,500
Target Price (TP)*	**VND38,000**
Upside to TP	49.0%
Dividend Yield	2.0%
TSR	**51.0%**
Industry	Banking
Market Cap	USD7.5bn
Foreign Room	USD513mn
ADTV30D	USD15.9mn
State Ownership	0%
Outstanding Shares	7.934 bn
Fully Diluted Shares	7.934 bn

		2025	**2026F**	**2027F**	**2028F**
PPOP (VND bn)		56,023	69,313	83,937	101,770
	% YoY	16.9%	23.7%	21.1%	21.2%
NPAT-MI (VND bn)		23,990	30,913	37,142	43,687
	% YoY	52.0%	28.9%	20.1%	17.6%
EPS	% YoY	52.0%	28.9%	20.1%	17.6%
NIM		5.47%	5.29%	5.24%	4.98%
CASA ratio		14.4%	14.9%	15.4%	15.4%
NPLs/gross loans		3.33%	3.51%	3.70%	3.80%
Credit costs		2.7%	2.4%	2.2%	2.2%
CIR		25.0%	22.5%	23.0%	23.0%
P/B		1.3x	1.2x	1.0x	0.9x
P/E		9.2x	7.2x	6.0x	5.1x
ROE		14.6%	16.0%	16.8%	17.0%
ROA		2.2%	2.2%	2.0%	1.9%

* TP and rating last updated May 18, 2026



Company Overview

Vietnam Prosperity Joint Stock Commercial Bank is a Vietnam-based private commercial bank that owns an asset management company (VPBank AMC), a consumer finance company (FE Credit), a brokerage firm (VPBank Securities), and an insurance company (OPES).

Despite near-term NIM pressure, VPB retains sector-leading growth with regulatory tailwinds. VPB's preferential credit quota of up to 35% for 2025-27 and 25% for 2028 provides a multi-year, above-system growth path, paving the way to become the second largest private bank after MBB by total assets. We view the NIM pressure as manageable, supported by a 50% reserve-ratio cut from February 2026, improving lending mix, and a supportive SBV stance. We lower our consolidated NIM assumptions to 5.29%/5.24%/4.98% for 2026F/2027F/2028F, but believe VPB's regulatory growth advantage, strong capital/funding position, and diversified ecosystem remain key supports. Bad debts remain a key watch point though they have improved to a multi-year low; however, we believe upward pressure is manageable if macro volatility remains contained.

VPB has ample headroom to further strengthen its capital and liquidity position. While the draft liquidity regulation, if implemented, could pressure most banks, including VPB, to improve funding quality, the bank has been preparing for Basel III liquidity compliance for several years and is confident in meeting the roadmap. VPB is well positioned given its solid medium-and long-term funding base, sizeable retail deposit franchise, large ecosystem, headroom for new capital raising, and active offshore funding capability with support from SMBC.

Ecosystem expansion adds optionality beyond core banking: VPB is building new growth pillars across crypto-asset exchange, asset management, life insurance, and gold trading, positioning the group to capture broader financial-services flows and deepen fee-income optionality. Key initiatives include CAEX, which has raised capital to VND10tn (~USD378mn) and targets final approval around June 2026, an asset management company with its license expected in Q2 2026, and a potential life insurance platform via M&A or a new license.

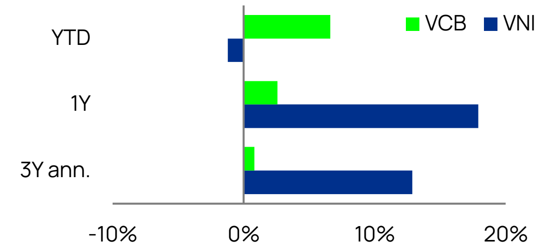
Upside potential: Potential capital raising plans. **Downside risks:** Lower-than-expected NIM; challenges to contain credit costs; potential termination fee for an exclusive banca partner if VPB owns a life insurance company.

VCB - BUY, TP of VND78,500

Rating*	**BUY**
Share Price (Aug 03)	VND60,800
Target Price (TP)*	**VND78,500**
Upside to TP	+29.1%
Dividend Yield	0.0%
TSR	**+29.1%**
Industry	Banking
Market Cap	USD18.8bn
Foreign Room	USD985mn
ADTV30D	USD11.9mn
State Ownership	74.8%
Outstanding Shares	8.356 bn
Fully Diluted Shares	8.356 bn

		2025	2026F	2027F	2028F
PPOP (VND bn)		47,205	56,057	68,818	82,768
	% YoY	3.6%	18.8%	22.8%	20.3%
NPAT-MI (VND bn)		35,178	41,866	49,808	57,452
	% YoY	4.0%	19.0%	19.0%	15.3%
EPS	% YoY	4.2%	19.0%	19.0%	15.3%
NIM		2.62%	2.75%	2.85%	2.90%
CASA ratio		35.4%	36.4%	37.4%	38.4%
NPLs/gross loans		0.58%	0.65%	0.65%	0.70%
Credit costs		0.19%	0.19%	0.29%	0.42%
CIR		34.8%	34.0%	32.0%	29.5%
P/B		2.4x	2.0x	1.7x	1.5x
P/E		16.5x	13.9x	11.7x	10.1x
ROE		16.5%	17.0%	17.2%	17.0%
ROA		1.6%	1.6%	1.6%	1.6%

* TP and rating last updated May 18, 2026



Company Overview

Founded in 1963, VCB is the third largest bank in our coverage universe as calculated by total assets as of December 31, 2025, and most profitable in terms of total net profit. The bank had its IPO in 2008 and has listed shares since June 30, 2009.

Amid rising macro uncertainty, VCB remains best positioned in the sector to deliver resilient credit and earnings growth given its robust funding/capital positions and best-in-class customer base. On the corporate side, the bank is focused on serving large corporates (51% of its loan book), ranging from FDI, major State-owned groups (e.g. PVN, EVN), to leading private enterprises (e.g. Sun Group, Hoa Phat Group). These customers are diversified across economic sectors and most are leaders in their respective fields. In our view, they will continue to be a main driver of Vietnam's economic growth both in (1) the near term given their wide competitive moats & financial strengths will help them withstand ongoing macro headwinds, and (2) in the long run given their central roles in executing the Government's strategic push for infrastructure development and FDI attraction. VCB, as the main bank for this group of corporates, will benefit accordingly. Regarding the bank's retail exposure (43%), VCB serves very high-quality customers as demonstrated by its low retail NPL ratio through the cycle in the range of 0.7-1.0%.

NIM outperformance supports our thesis for a gradual recovery of NIM: VCB's NIM continued to improve in H1 2026 while most peers saw compression due to COF pressure. Top-tier CASA, continued mix shift to medium- to-long-term loans, and strong pricing power all contributed to the bank's strong NIM performance. Notably, our analysis indicates VCB will be a relative winner from the SBV's new Draft Circular replacing Circular 22/2019 with stricter liquidity/funding requirements given the bank's superior CASA and capital base as well as a solid balance of HQLAs.

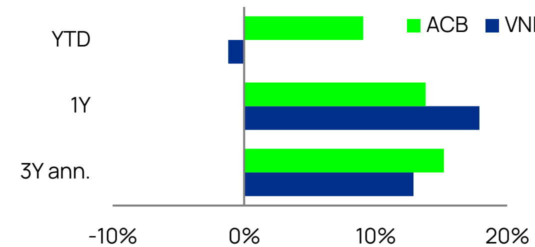
Acceleration in earnings growth should re-ignite investor interest in the stock: In our view, the key drivers of VCB's earnings, including credit growth, NIM, fee income, and asset quality are all trending in a positive direction this year. Therefore, we expect the bank's earnings growth to accelerate to double digits, which should trigger a positive market response considering low investor expectations. Strong H1 2026 results with YoY PBT growth of nearly 34% are positive signals for our bullish thesis.

ACB - BUY, TP of VND27,100

Rating*	**BUY**
Share Price (Aug 03)	VND22,500
Target Price (TP)*	**VND27,100**
Upside to TP	+20.2%
Dividend Yield	3.1%
TSR	**+23.3%**
Industry	Banking
Market Cap	USD5.0bn
Foreign Room	USD283mn
ADTV30D	USD15.3mn
State Ownership	0.0%
Outstanding Shares	5.804 bn
Fully Diluted Shares	5.804 bn

		2025	2026F	2027F	2028F
PPOP (VND bn)		22,872	24,433	28,266	33,024
	% YoY	1.2%	6.8%	15.7%	16.8%
NPAT-MI (VND bn)		15,623	17,921	20,077	23,213
	% YoY	-6.9%	14.7%	12.0%	15.6%
EPS	% YoY	-6.9%	14.7%	12.0%	15.6%
NIM		2.90%	2.77%	2.85%	2.95%
CASA ratio		22.8%	23.3%	24.5%	25.1%
NPLs/gross loans		0.97%	1.00%	1.10%	1.05%
Credit costs		0.49%	0.26%	0.35%	0.38%
CIR		32.3%	34.2%	34.2%	33.4%
P/B		1.6x	1.4x	1.2x	1.1x
P/E		6.9x	8.4x	7.4x	6.6x
ROE		17.6%	17.6%	17.1%	17.2%
ROA		1.65%	1.64%	1.61%	1.63%

* TP and rating last updated May 21, 2026



Company Overview

Founded in 1993, ACB is the seventh largest bank among our coverage banks by total assets as of December 31, 2025. ACB primarily focuses on the retail and SME segments. ACB listed shares on HNX in November 2006 and moved to HSX in December 2020.

ACB's ongoing transformation is critical to the bank's LT growth potential. In 2025, the bank announced its 2025-2030 development strategy to become an efficient financial services group delivering (1) comprehensive personalized solutions to each customer through (2) seamless experiences on an integrated data platform, driven by (3) technology, data, and AI. Since then, ACB has launched several strategic initiatives such as redesigning the value proposition of key customers and digitizing the experience for retail and MSME customer journeys. We expect the transformation to consume time and financial resources with higher CIRs in the near term (2026-2027) before it can yield concrete benefits. However, amid an increasingly competitive environment and shifting consumer behaviors, an overhaul of the bank's strategy and business processes is vital for ACB to be able to maintain its competitive positioning and regain earnings growth momentum after two years of tepid performance. Overall, we believe ACB is on the right path in terms of strategy, and management execution will be the deciding factor from here.

ACB's strategic push into the major and multinational large corporates (MMLC) space will help expand the bank's credit growth opportunity set. As of end-Q2 2026, MMLCs accounted for 15% of ACB's total credit, and the bank has targeted to bring this proportion up over time. According to management, ACB is focusing on medium-sized corporates, particularly FDI-related businesses, import-export companies, and subcontractors involved in major public investment projects.

ACB's lending portfolio restructuring, combined with the recovery in the retail and SME segments, has supported a notable improvement in NIM. In Q2 2026, retail and SME credit grew around 4% and 5% QoQ, respectively — the strongest pace in four quarters — while ACB continued to shift toward higher-yield loans, with the short-term funding for medium- and long-term lending ratio rising to 30% from around 19% at the beginning of 2025. These trends give us confidence that ACB has room to improve NIM in 2026 despite the tight liquidity environment.

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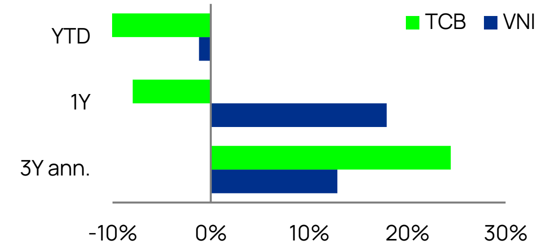
TCB - BUY, TP of VND42,600

				2025	2026F	2027F	2028F
Rating*	**BUY**						
Share Price (Aug 03)	VND29,950	PPOP (VND bn)		36,959	42,373	51,204	60,882
Target Price (TP)*	**VND42,600**		% YoY	16.9%	14.6%	20.8%	18.9%
		NPAT-MI (VND bn)		25,290	29,124	34,664	41,251
			% YoY	17.5%	15.2%	19.0%	19.0%
Upside to TP	+42.2%	EPS	% YoY	17.2%	14.8%	18.7%	18.6%
Dividend Yield	2.3%	NIM		3.73%	3.60%	3.80%	3.90%
TSR	**+44.6%**	CASA ratio		35.9%	36.4%	36.9%	37.4%
		NPLs/gross loans		1.13%	1.13%	1.13%	1.13%
Industry	Banking	Credit costs		0.58%	0.49%	0.56%	0.57%
Market Cap	USD8.1bn	CIR		30.8%	30.8%	29.8%	29.1%
Foreign Room	USD116mn	P/B		1.4x	1.2x	1.1x	1.0x
ADTV30D	USD17.2mn	P/E		9.4x	8.2x	6.9x	5.8x
State Ownership	0.0%	ROE		16.0%	16.0%	16.8%	17.6%
Outstanding Shares	7.086 bn	ROA		2.3%	2.3%	2.4%	2.4%
Fully Diluted Shares	7.086 bn						

* TP and rating last updated May 11, 2026



Company Overview

Established in 1993, Techcombank is the fifth largest bank in our coverage universe as calculated by total assets; The bank's mortgages/gross loans are among the highest in the sector. The bank listed shares in June 2018.

Ongoing credit diversification away from real estate (RE) and development of new fee income capabilities will help TCB sustain a high growth rate and improve the resilience of its earnings through economic cycles. Since 2025, the bank has embarked upon multiple strategies to expand into non-real estate areas such as unsecured/merchant lending, infrastructure project financing, and insurance (life & non-life). In the last couple of quarters, TCB made steady progress in bringing down the weight of loans to RE developers in its credit portfolio. In another example, the bank's new launched life insurance business Techcom Life achieved the #1 position in sales via banca channel in H1 2026. These strong results demonstrate the bank's top-tier execution capabilities.

Leading technology capabilities have empowered TCB to develop pioneering products and scale up operations efficiently. The bank was the first to develop and roll out the "Auto-earning" product, which helped TCB attract significant CASA from retail customers and contributed to the bank's market-leading CASA ratio of 38.3% as of end-Q2 2026. Many banks followed suit to offer a similar product, but none have achieved the same level of success as TCB. Regarding productivity, the bank doubled its TOI and net profit from 2020 to 2025, but its employee count only grew 8%. As a result, TCB has achieved best-in-class productivity based on net profit per employee according to our calculations.

Resilient asset quality will provide a critical buffer to TCB's earnings should macro conditions continue to deteriorate. The bank's NPL and Group 2 ratios edged up slightly in H1 2026 and remained among the lowest in the sector while its LLR stayed at a robust level of 126%. These metrics demonstrate (1) TCB's high-quality customer base with a focus on leading corporates in Vietnam and the affluent retail segment, and (2) the bank's prudent lending approach even though TCB's lending book is heavily weighted in the real estate sector.

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