true friend KIS Viet Nam Securities Corporation

Sector Note

Financials

07 Aug 2025

Securities

Strong 2Q25 earnings driven by a robust market

Non-Rated

Aggregated 2Q25 NPAT significantly increased yoy

2Q25 total operating income increased 23.3% yoy, +34.7% qoq driven by rising investment income (+39.9% yoy, +42.9% qoq) and lending income (+24.3% yoy, +12.1% qoq) (Fig 1). The biggest growth went to VIX's operating income of VND1,976.2bn (+421.6% yoy, +101.7% qoq) (Fig2). SSI's operating income grew the most in the TOP5 at VND2,909.1bn (+26.1% yoy, +38.1% qoq). Besides, 2Q25 total net operating income (after deducting the cost of goods sold) jumped 42.1% yoy, +42.3% qoq (Fig 3). 2Q25 NPAT came in at VND8,076.2bn (+23.2% yoy, +29% qoq), although the net margin went slightly down to 31.4% (-1.4%p qoq) (Fig 4). The strongest growth was VIX (VND1,301.6bn, +951.5% yoy, +249.6% qoq), CTS (VND175.7bn, +741.4% yoy, +65.8% qoq). On the other hand, ORS and VDS saw their NPAT plunge 204.9% yoy and 105.8% yoy, respectively (Fig 5).

The margin loan hit new record amid the favorable market

The 2Q25 investor deposit came in at VND107,377.8bn (+12.4% yoy, +16.1% qoq) (Fig11). VPS, TCBS, SSI, VND together hold nearly 50% of the investor deposit market share, highlighting the competitive advantage in the industry (Fig 12). Margin loan balance hit the new record to VND291,050bn (+32.6 yoy) amid favorable market conditions and that boosted huge margin lending income (Fig 13). The margin lending rate rebounded more strongly at domestic-owned companies than at foreign-owned players (Fig 15).

Valuation surge amid strong earning and investor interest

Securities industry is trading at 2.16 PB, exceeding 5- year average +1 STD of 2.07x (Fig 19). VIX (2.45x PB, 12.4% ROE) attracted investor driven by its extremely high growth of NPAT. The market also highly favors SSI (2.43x PB, 11.4% ROE), VCI (2.70x PB, 7.8% ROE) and HCM (2.99x PB, 8.5% ROE) thanks to their significant exposure to the foreign clients (Fig 20). Those companies could ride on the tailwinds of upgrading market from frontier to emerging, facilitating the billions of fund flow from abroad to Vietnam.

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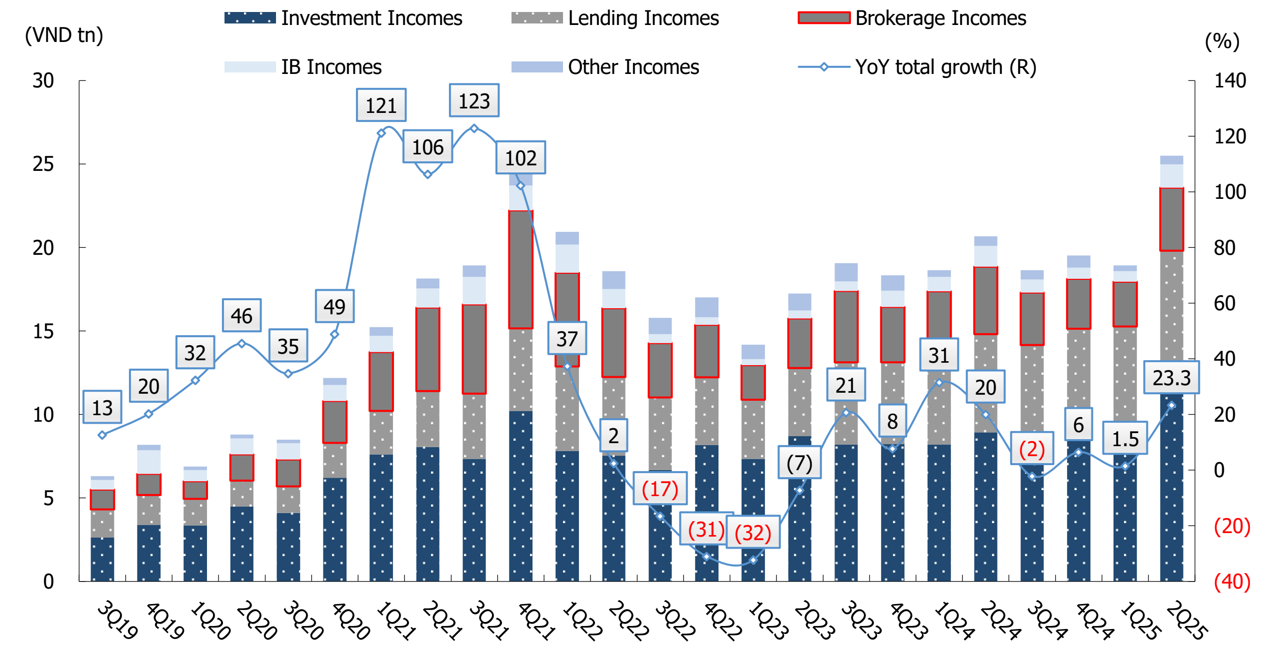
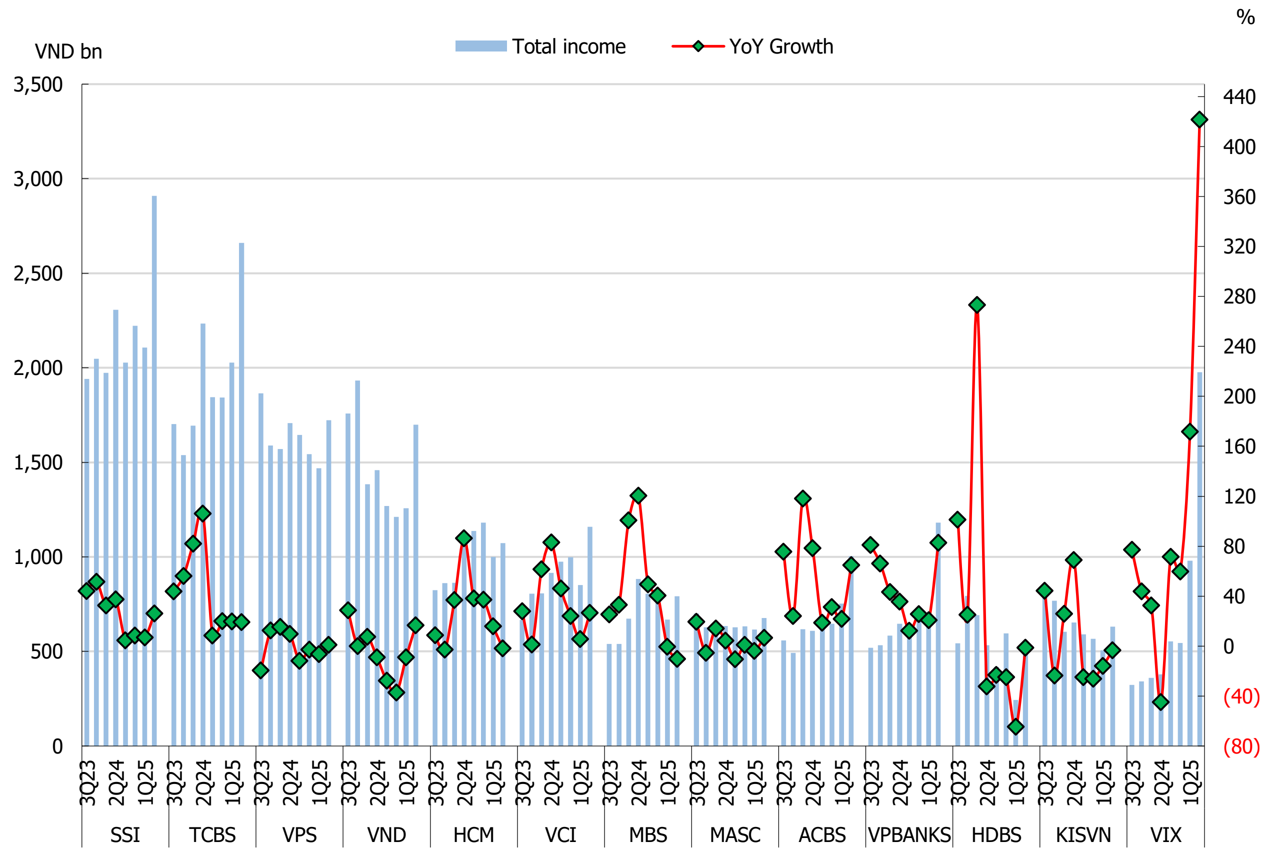
Figure 1. Quarterly aggregated income by type : 2Q25 total income increased to 23.3% yoy, +34.7% qoq driven by increasing investment income (+39.9% yoy, +42.9% qoq)



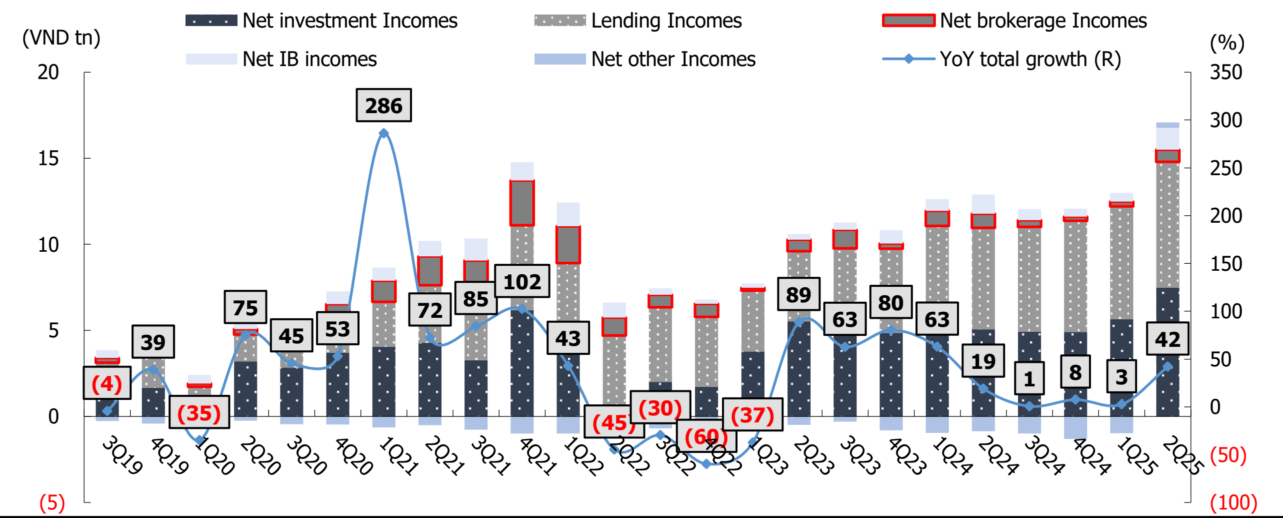
Source: FiinproX, KIS Research
Note: Income is abbreviated as total operating income; Investment incomes include the income from assets held as FVTPL, AFS and HTM; Lending incomes consists of income from the margin lending and advance payment; Brokerage incomes are derived from the commission/fee of trading/transactions; IB incomes contain the consulting, underwriting and guarantee of investment banking business; Other incomes sum the custody business…

Figure 2. Quarter income by player: SSI had a highest income growth among 5 biggest players in 2Q25 and VIX recorded a significant growth



Source: FiinproX, KIS Research

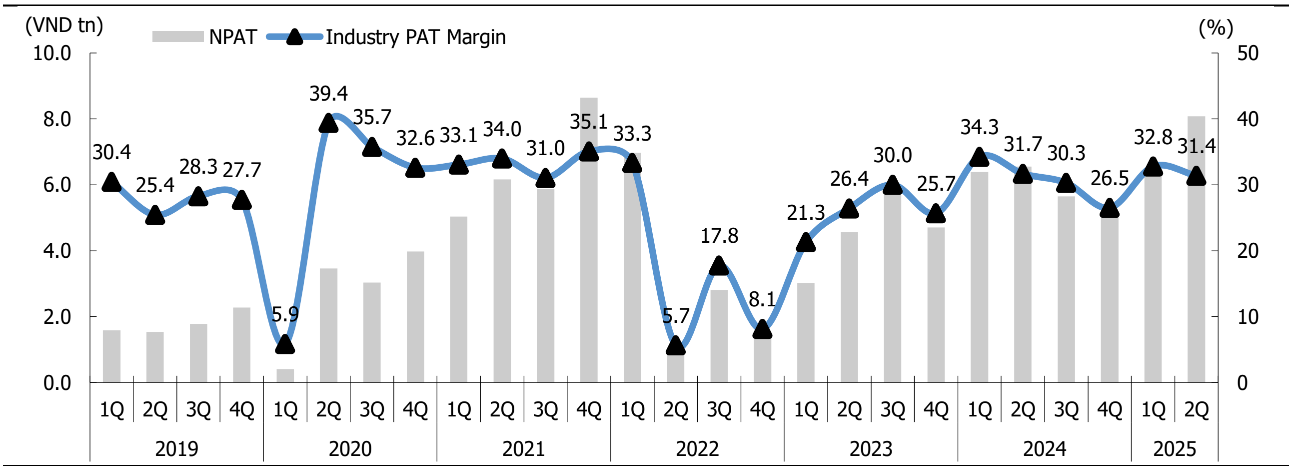
Figure 3. Quarterly aggregated net income by type: 2Q25 total net income growth 42.1% yoy, +42.3% qoq



Source: FiinproX, KIS Research

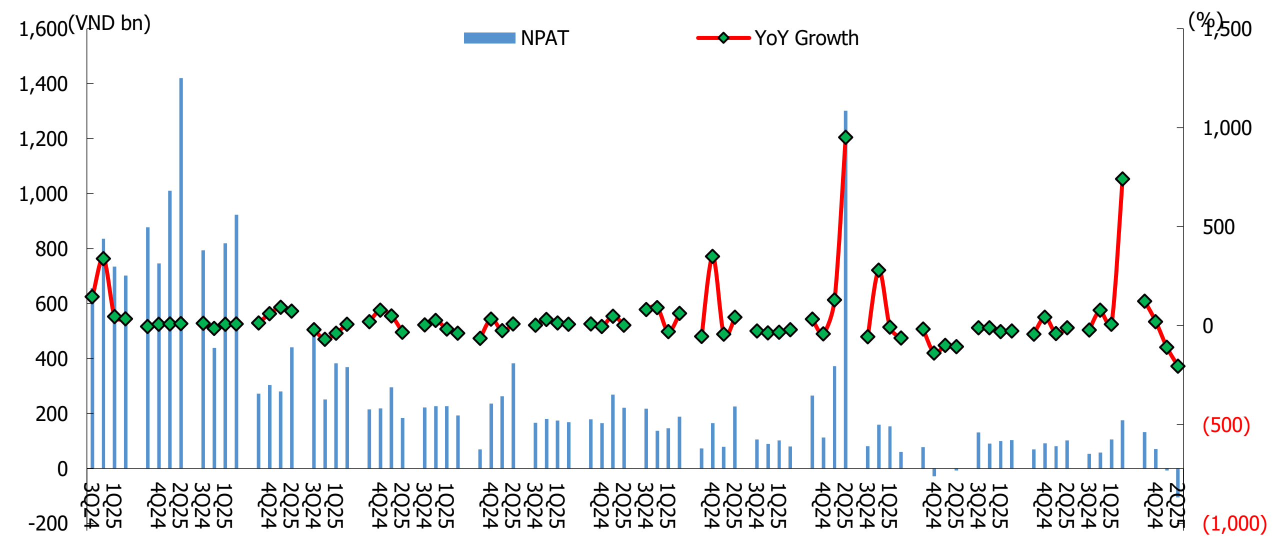
Note: Net Income is abbreviated as total operating income after deducted the bearing cost; Investment net incomes include the income from assets held as FVTPL, AFS and HTM and deducted the cost of goods sold; Lending incomes consists of income from the margin lending and advance payment; Brokerage incomes are derived from the commission/fee of trading/transactions after subtracting the relevant cost (commission/salary paid to the broker forces), IB incomes contain the consulting, underwriting and guarantee of investment banking business after deducting the relevant cost; Other incomes sum the custody business…

Figure 4. NPAT came in at VND8.0tn (+23.2% yoy, +29% qoq). PAT margin edged down to 31.4% (-1.4%p qoq)



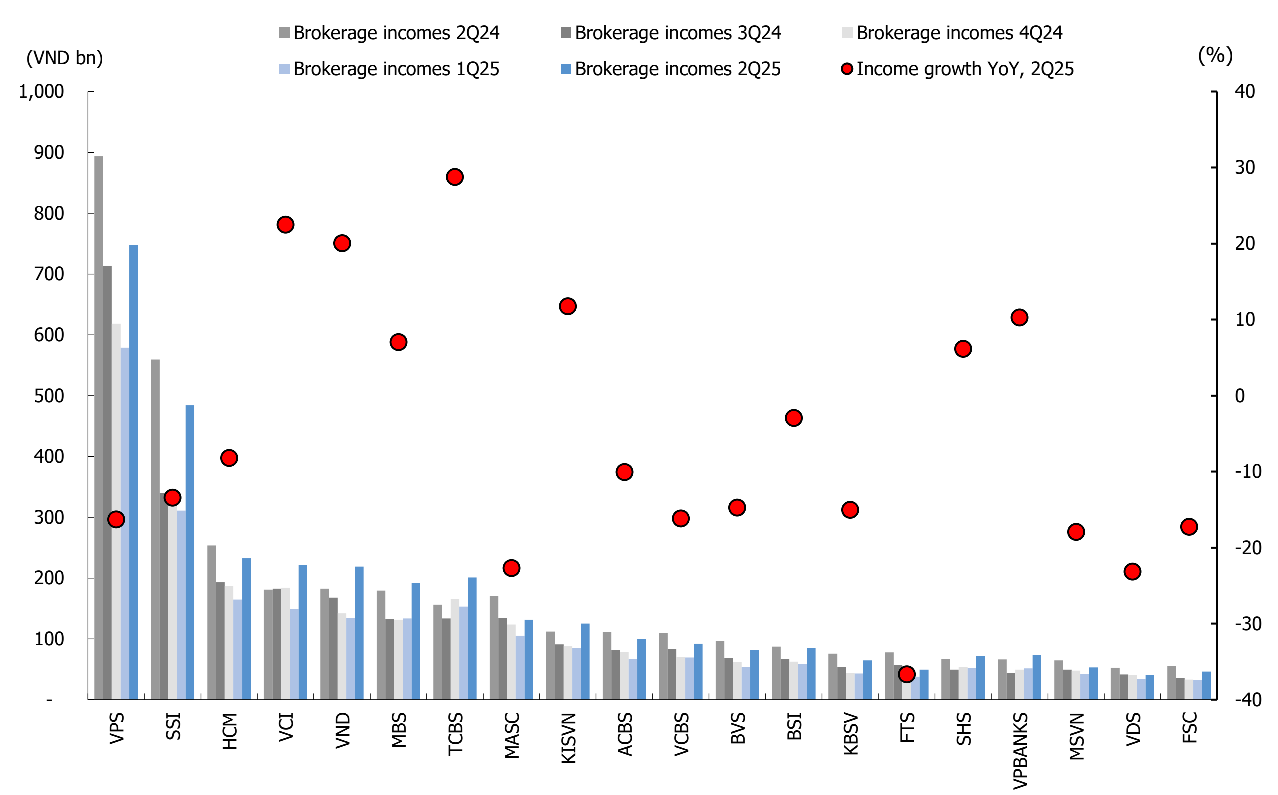
Source: FiinproX, KIS Research

Figure 5. Quarterly NPAT by company: VIX, CTS led the 2Q25 NPAT growth (+951.5%/741.4% yoy) while the ORS and VDS plunged by 204.9/105.8% yoy



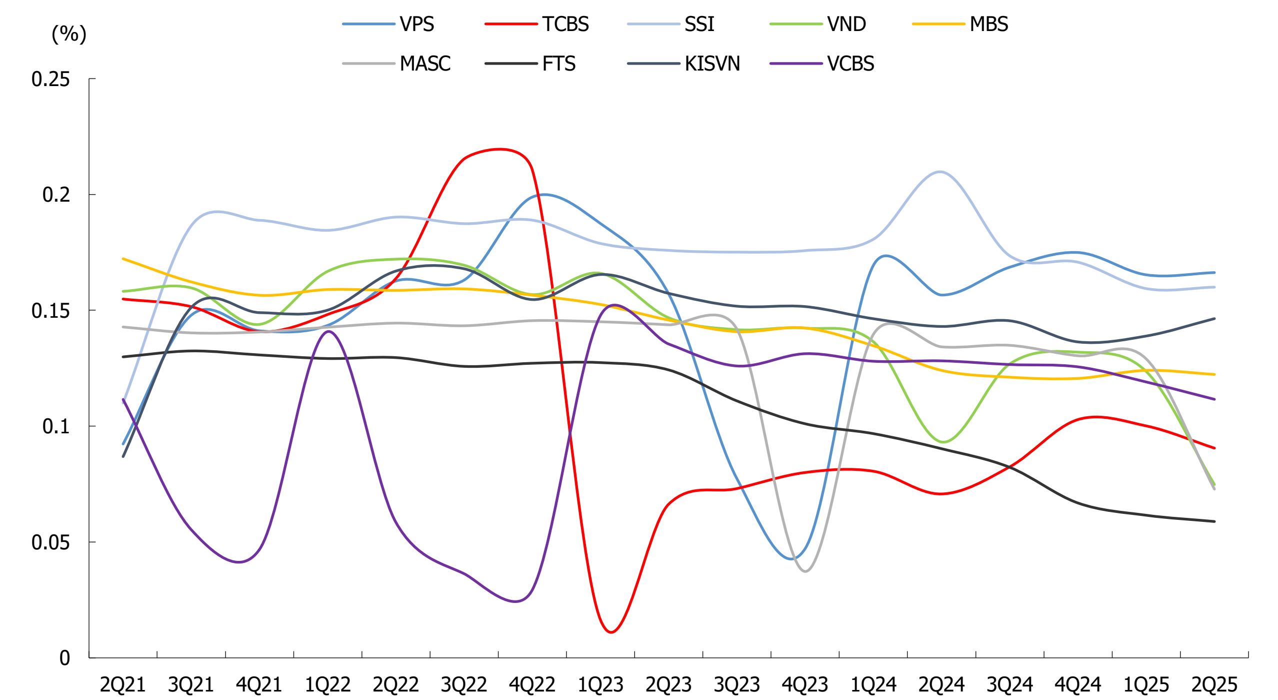
Source: FiinproX, KIS Research

Figure 6. Brokerage income recovered



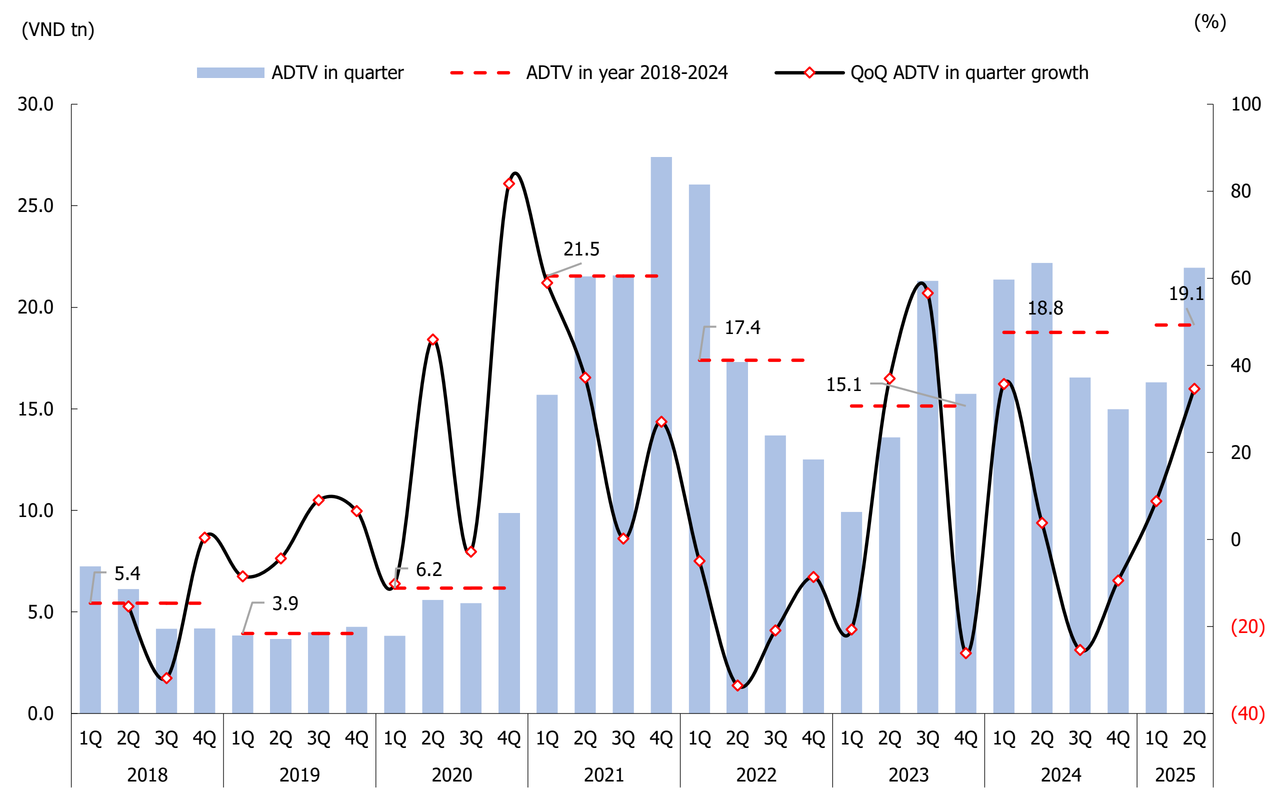
Source: FiinproX, KIS Research

Figure 7. Commission rate converged to 0.13%



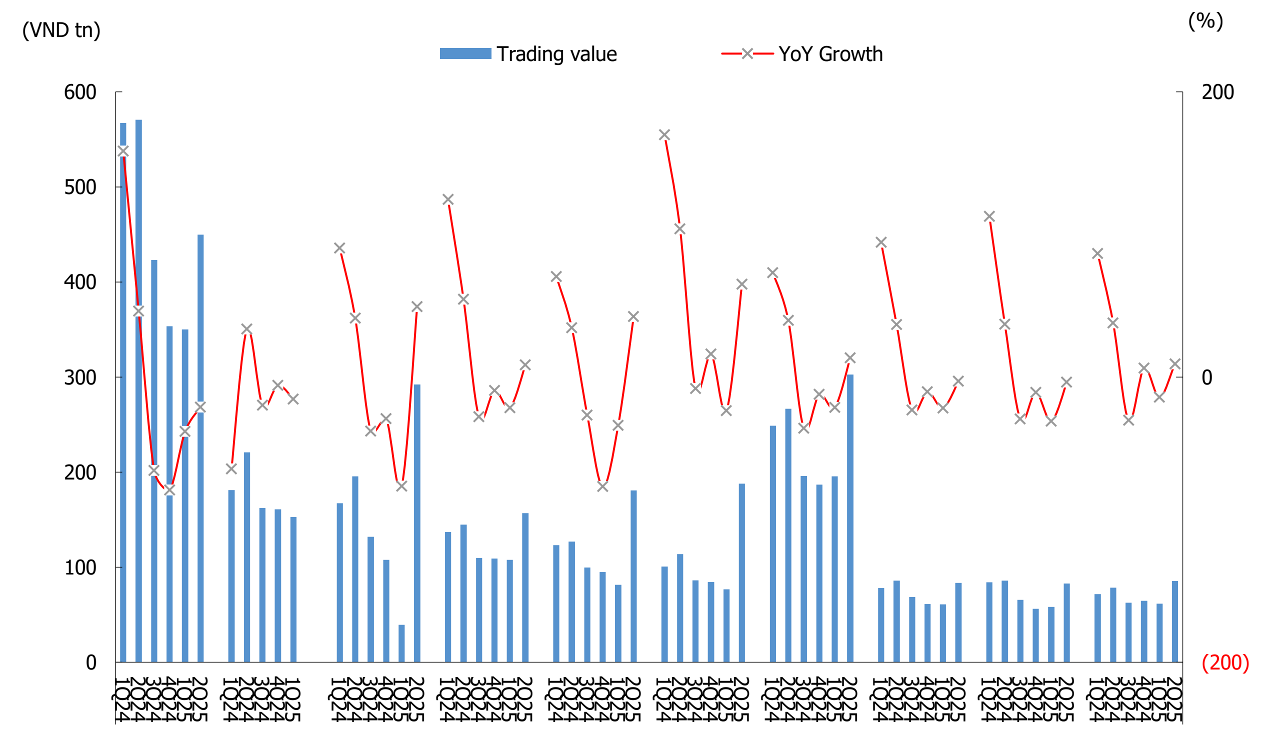
Source: FiinproX, KIS Research
Note: Commission is calculated by dividing the brokerage income by the share trading value in each quarter.

Figure 8. Average trading value came in at VND21.9tn in 2Q25 (+35% qoq)



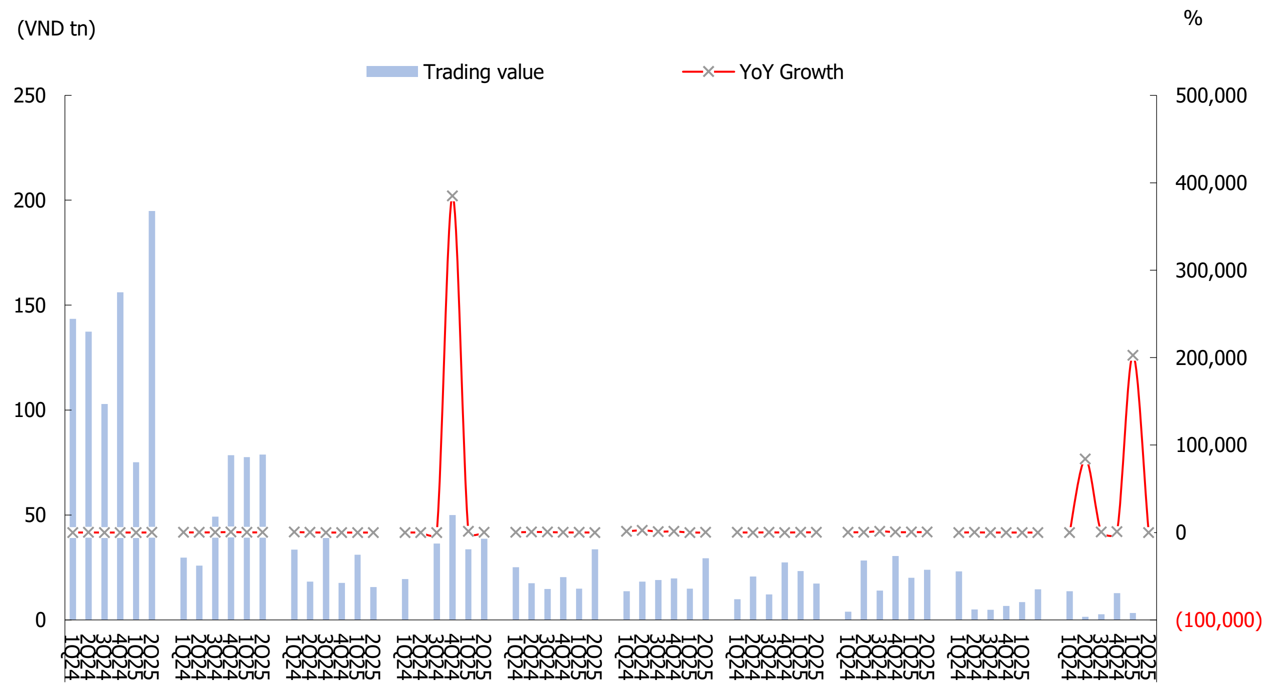
Source: FiinproX, KIS Research
Note: ADTV stands for average daily trading volume

Figure 9. Aggregated stock trading value of investors: the trading value increased yoy



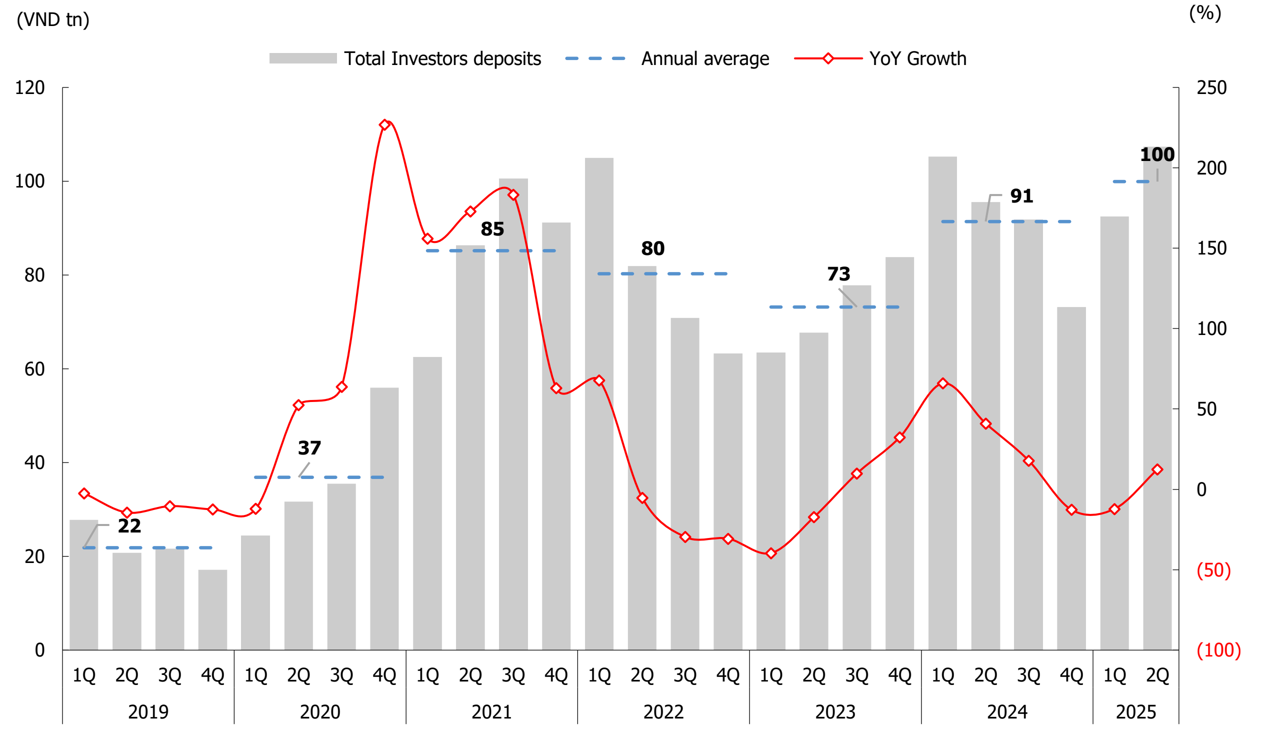
Source: FiinproX, KIS Research
Note:The trading value consists of investors only

Figure 10. Aggregated bond trading value of investors: TCBS, SHS, and HDBS ranked as the top 3



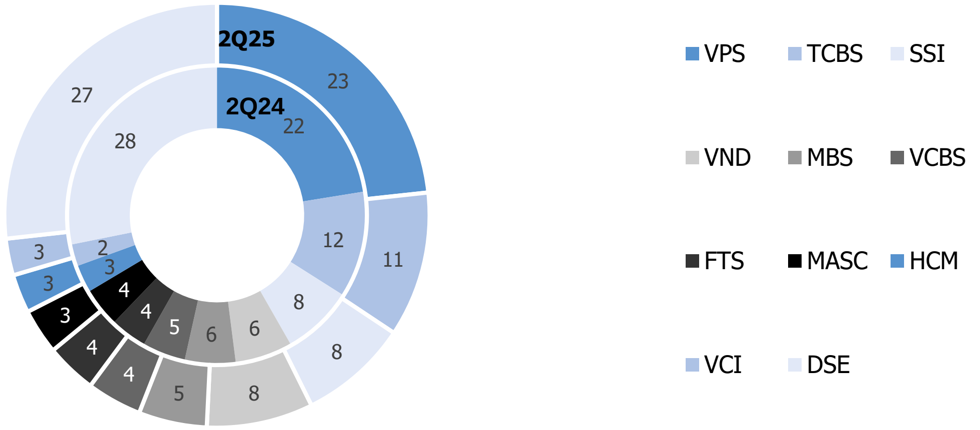
Source: FiinproX, KIS Research
The trading value consists of investors only

Figure 11. Investor deposits by quarter: deposit balance hit new record in 2Q25.



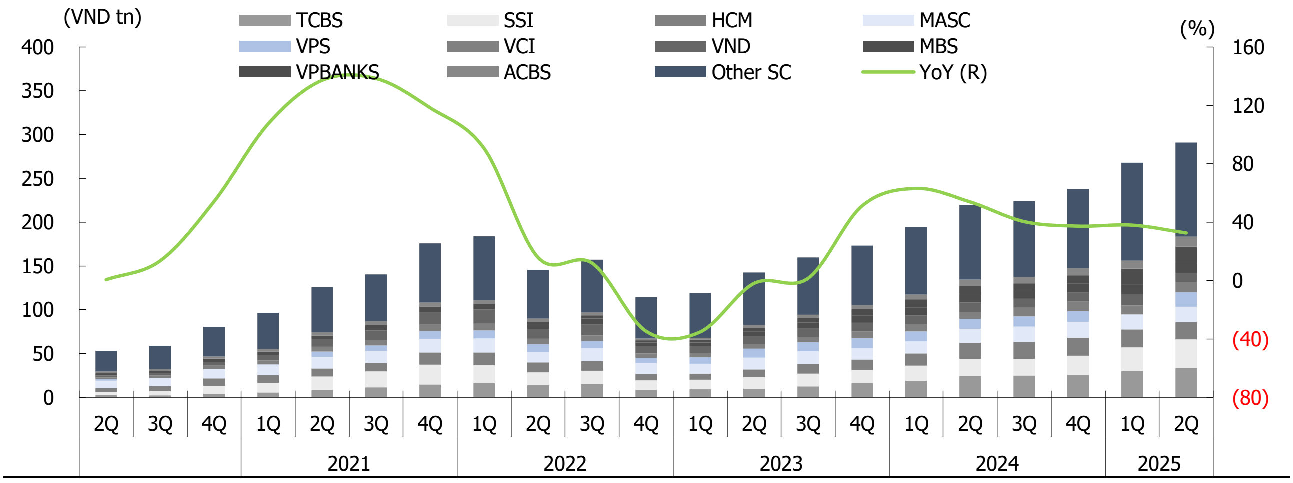
Source: FiinproX, KIS Research

Figure 12. Investor deposit share by player: There is a notable increase in VND.



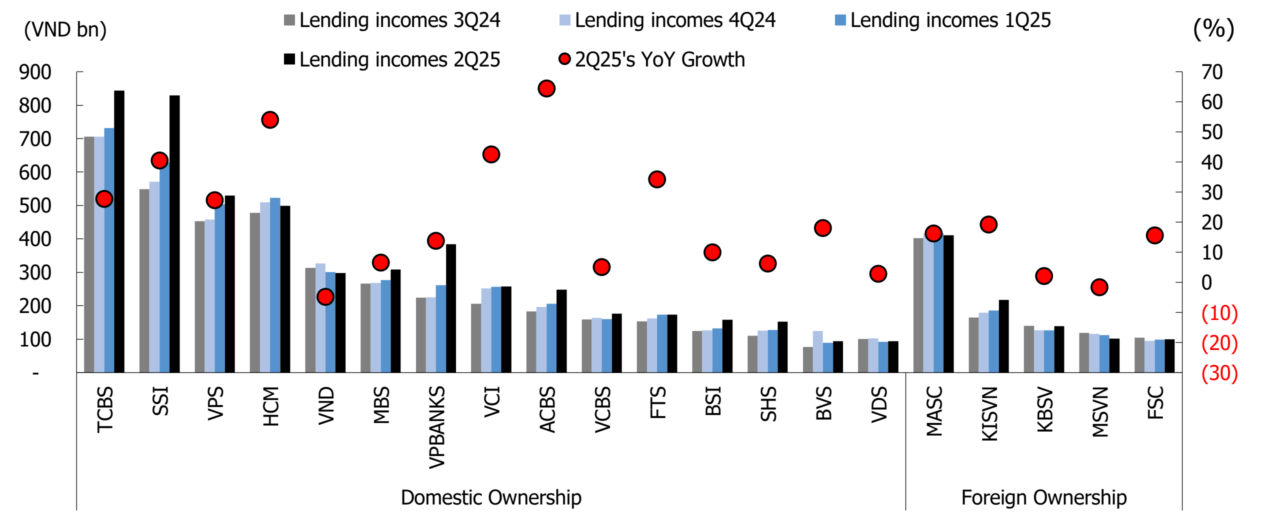
Source: FiinproX, KIS Research

Figure 13. Margin Debt hit new record high



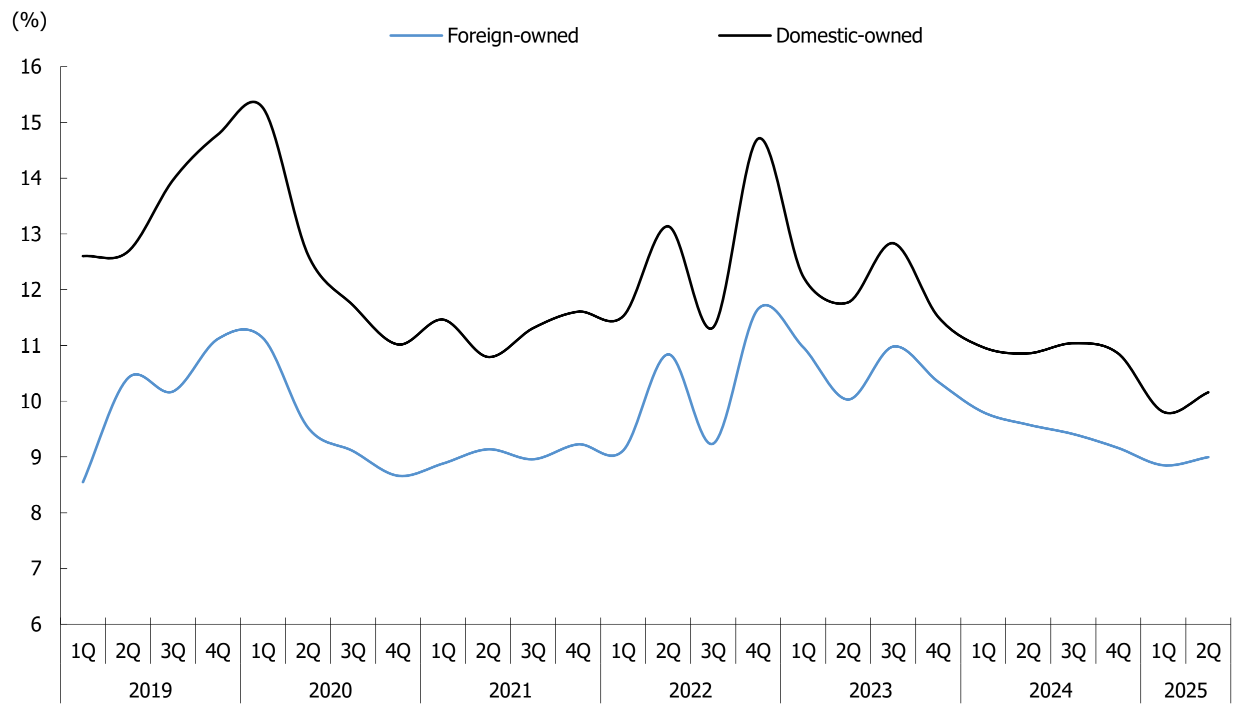
Source: FiinproX, KIS Research

Figure 14. Lending income growth, group by ownerships



Source: FiinproX, KIS Research

Figure 15. Margin lending rates recovered strongly among domestic-owned companies

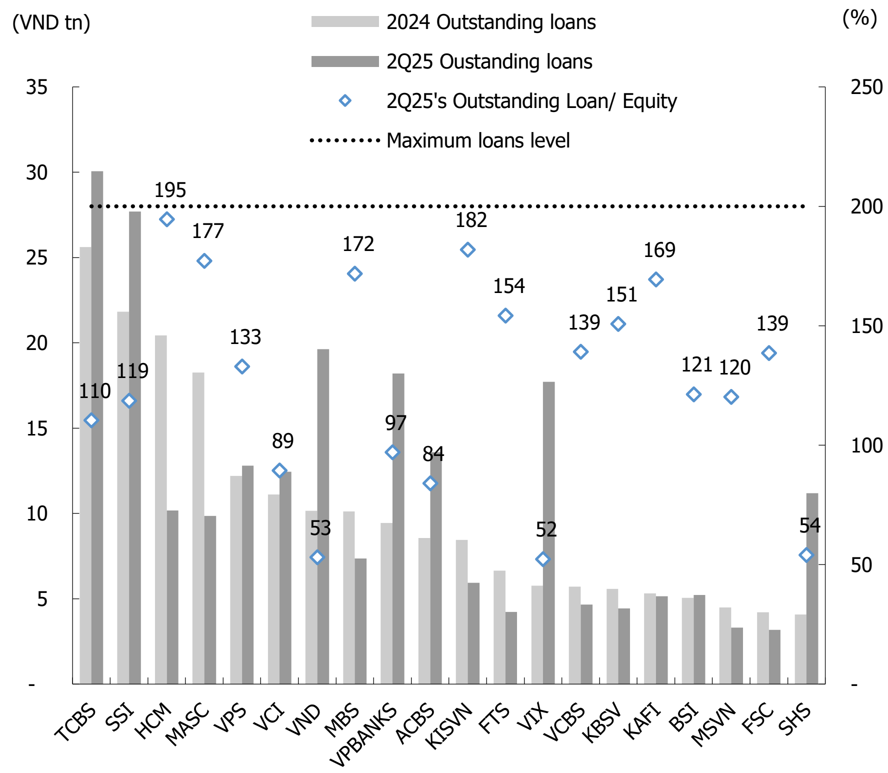


Source: FiinproX, KIS Research

Stock portfolio by company

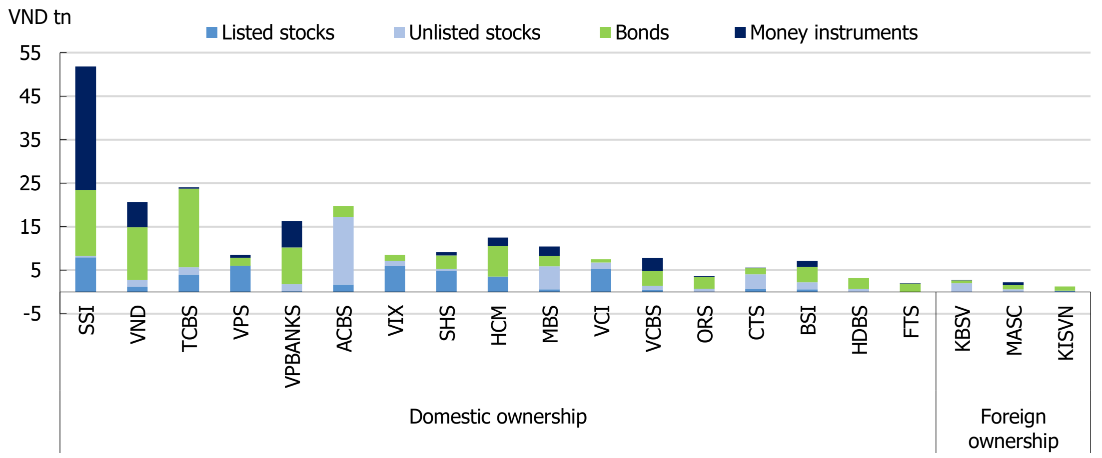
	SSI	VND	SHS	HCM
FPT	0	0	253	897
HPG	35	0	98	259
MWG	0	0	0	386
VPB	495	471	288	67
SHB	0	0	767	0
TCD	0	0	27	0
MBB	0	0	0	157
STB	0	0	0	376
TCB	0	0	115	1220
CTG	0	0	80	0
GEX	0	0	427	0
HSG	0	445	0	0
MSN	42	0	0	0
ACB	18	0	0	0
VIB				81

Figure 16. HCM and Mirae securities expose to equity fund raising challenge



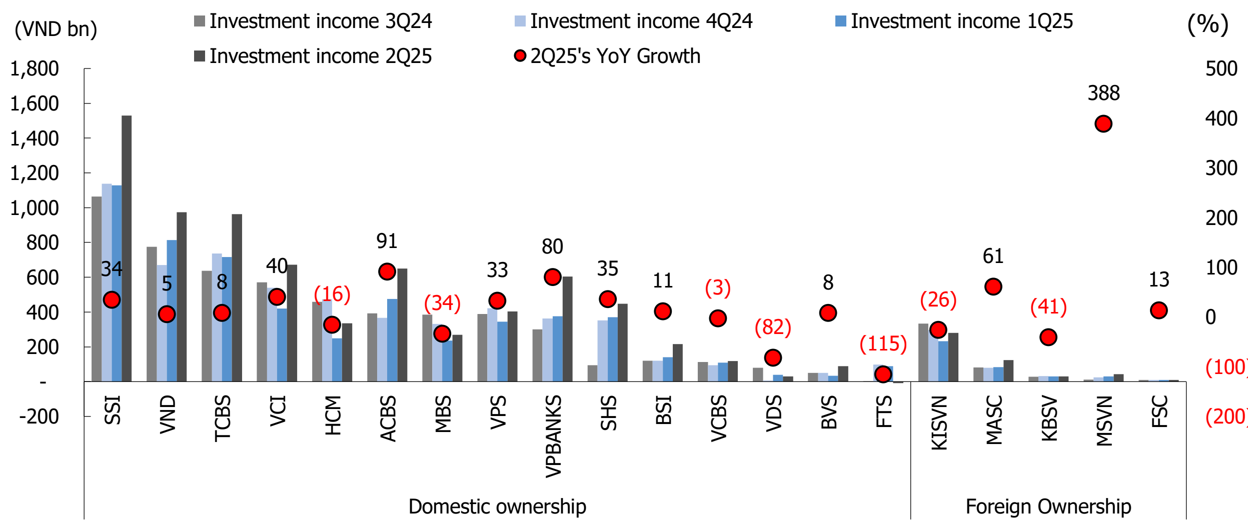
Source: FiinproX, KIS Research

Figure 17. Asset type by company: Bond asset made up a significant share



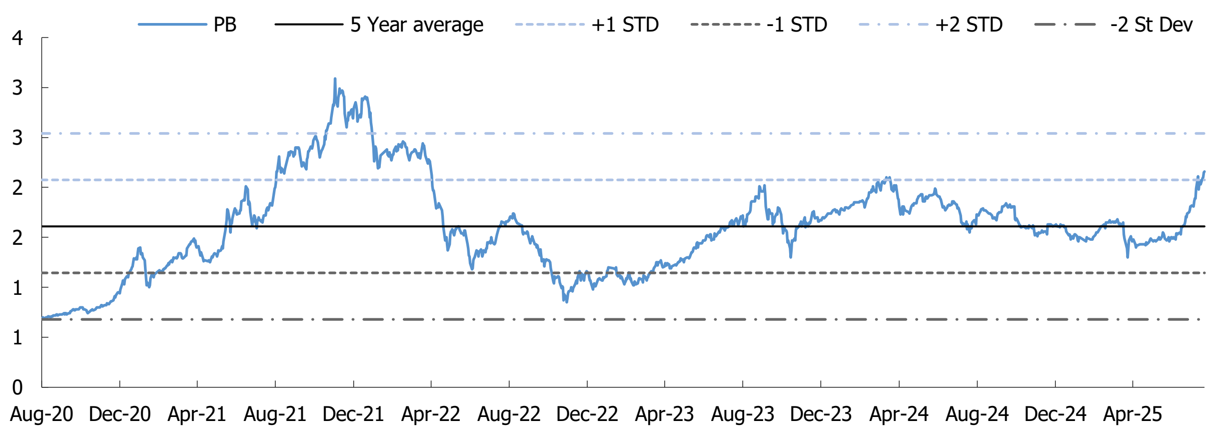
Source: FiinproX, KIS Research

Figure 18. Investment Income growth



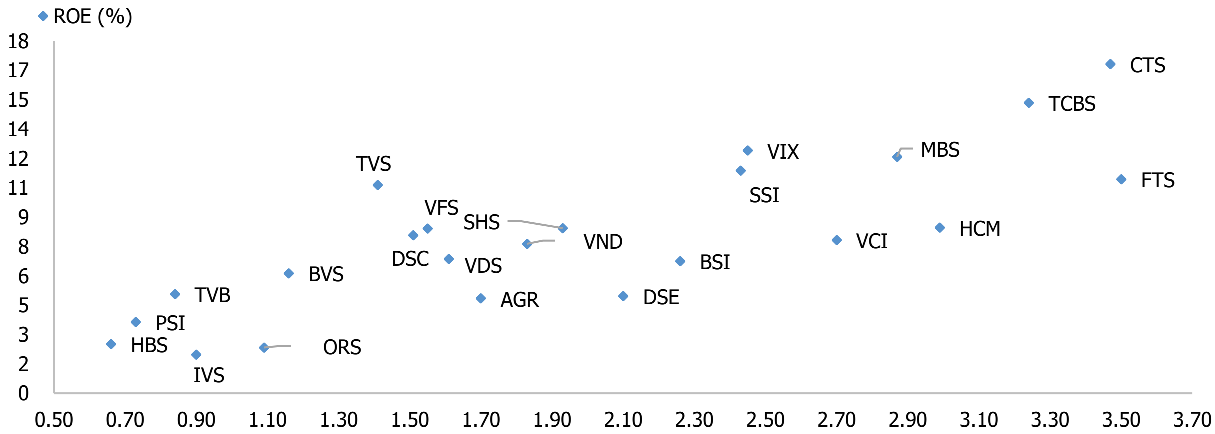
Source: FiinproX, KIS Research
Note: Investment net incomes include the income from assets held as FVTPL, AFS and HTM and deducted the cost of goods sold

Figure 19. Industry PB: the brokerage is trading at its 5Y PB + 1 standard deviation



Source: FiinproX, KIS Research
Data as of Aug 7 2025

Figure 20. The matrix of PB and ROE



Source: FiinproX, KIS Research
Data as of Aug 7 2025

Table 1. Top 10 PBT Guidance

Company	2024 Actual	2024 Guidance	2025 Guidance	2024 Actual/2024 Guidance	2025 Guidance/2024 Actual
TCBS	4,802	3,700	5,765	130%	120%
SSI	3,544	3,398	4,252	104%	120%
VPS	3,154	1,500	3,500	210%	111%
VND	2,088	2,525	2,300	83%	110%
HCM	1,296	1,450	1,602	89%	124%
SHS	1,239	1,035	2,520	120%	203%
VPBANKS	1,220	1,932	2,003	63%	164%
VCI	1,089	700	1,420	156%	130%
MBS	931	930	1,300	100%	140%
MASC	822	913	911	90%	111%

Source: FiinproX, KIS Research

Table 2. Top 10 Revenue Guidance

Company	2024 Actual	2024 Guidance	2025 Guidance	2024 Actual/2024 Guidance	2025 Guidance/2024 Actual
SSI	8,529	8,112	9,695	105%	114%
TCBS	7,615	6,420	9,323	119%	122%
VPS	6,466		8,500		131%
VND	5,325	3,982	4,412	134%	83%
HCM	4,276	3,182	4,438	134%	104%
VCI	3,696	2,511	4,325	147%	117%
MBS	3,120	2,786	3,370	112%	108%
VPBANKS	2,483	3,509	4,553	71%	183%
SHS	1,991	1,844	1,600	108%	80%
MASC	2,535	2,730	2,641	93%	104%

Source: FiinproX, KIS Research

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  - Hold: Expected total return will be between -5% and 15%
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  - KIS Vietnam Securities Corp. does not offer target prices for stocks with Hold or Sell ratings.

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  - Neutral: Recommend maintaining the sector's weighting in the portfolio in line with its respective weighting in the VNIndex based on market capitalization.
  - Underweight: Recommend reducing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.

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