Nov 06, 2025

Shinhan Securities



Vietnam Technological and Commercial Joint Stock Bank

[Vietnam / Banking]

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

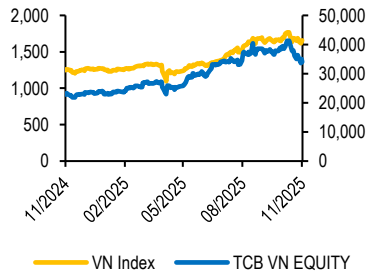
BUY

Update report

Target price (2026)	**VND 42,600**
Current price (11/05/25)	VND 34,100
Upside/downside	24.6%

VNINDEX	1,655
P/E thị trường (25F, x)	13.9
Market Cap (bn VND)	241,641
Outstanding shares (mn)	7,086
Free-Floating (mn)	5,482
Free floating (%)	77.4
52-Wk High/Low (VND)	42,500/22,500
90-day avg. trading volume (mn)	23.07
90-day avg. turnover (bn VND)	909
Foreign ownership (%)	22.54
Major shareholders (%)	Masan 14.84

Performance	3T	6T	12T
Absolute (%)	-7.8	28.7	45.4
Relative to VN-Index (%)	-14.8	-4.8	12.6



Source: Bloomberg

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Post-correction opportunity

Updated with BUY recommendation, target price VND 42,600

Techcombank (TCB) is one of Vietnam's largest joint-stock commercial banks, with a track record of significant success. The bank consistently focuses on technological development to lead the financial industry's digital transformation, which enhances customer experience and attracts new clients. TCB's strategic focus on real estate development and mortgage loans is a segment we believe has significant future growth potential. After a 19% decline from its peak, the correction occurred amid the successful TCBS IPO and the market upgrade that met investors' expectations. With the current discount, TCB shares already offer sufficient upside for investment, with a target price of 42,600 VND/share – based on the Residual Income (RI) method and the P/B comparable method.

9M 2025 Business Results

TCB's credit growth in 9M/2025 reached 16.8% Ytd (short-term loans increased by 36%), split evenly between individual and corporate customers.

The retail portfolio was driven by margin lending from TCBS (+61% Ytd) and mortgage lending (+14% Ytd).

NIM (TTM) at the end of Q3/2025 was 3.7% (down from 4.3% at the end of Q4/2024 but remaining stable over the last two quarters). Net Interest Income in 9M/2025 reached 27,367 billion VND (+1.7% YoY).

Non-interest income increased slightly (+6.6% YoY). This was mainly affected by fee income (card segment and LC Upass segment due to policy changes, technical adjustments, and revenue recognition methods). A positive point in Q3/2025 was the strong recovery of bancassurance, achieving a growth rate of 39% YoY. Additionally, other income from collateral disposal also showed improvement.

TCB's NPL ratio at the end of Q3/2025 continued to improve and stabilized at 1.16%. Credit cost significantly decreased from 0.8% at the end of Q4/2024 to 0.6% at the end of Q3/2025.

PBT reached 23,385 billion VND (+2.4% YoY), completing 75% of the annual profit plan.

Outlook for 2025-2026

We maintain the assumptions from our latest report: TCB is forecasted to achieve a credit growth rate of 19-20% for 2025-2026. NIM is expected to stabilize around 3.8% for 2025-2026 (a decrease compared to the previous forecast of approximately 4%). The NPL ratio is expected to be 1.2% and credit cost below 1% for 2025. Profit before tax for 2025 is expected to reach 30,593 billion VND (+11% YoY). Profit for 2026 is expected to reach VND 36,809 billion (+20.3% YoY). We expect that over the next two years, 2026-2028, TCB may realize the upside potential for NIM from the project portfolio applying Flexible Pricing Program. However, we have not yet quantified this increase in the valuation model due to insufficient detailed information.

Risks: (1) The banking sector continues to face pressure to reduce interest rates to support the economy, combined with the upward trend in the cost of funds; (2) Non-performing loans (NPLs) continue to face pressure from increased provisioning costs.

Year	2021	2022	2023	2024	2025F	2026F
Interest income (VNDbn)	26,699	30,290	27,691	35,508	39,269	47,383
Non-interest income (VNDbn)	10,378	10,612	12,370	11,482	13,790	17,732
Total operating income (VNDbn)	**37,076**	**40,902**	**40,061**	**46,990**	**53,059**	**65,115**
Provision and other expenses (VNDbn)	(13,838)	(15,334)	(17,173)	(19,452)	(22,467)	(28,305)
Profit before tax (VNDbn)	**23,238**	**25,568**	**22,888**	**27,538**	**30,593**	**36,809**
Credit growth (%)	26.49%	12.53%	21.58%	20.8%	20.0%	20.0%
NIM (%)	5.5%	5.2%	3.9%	4.2%	3.8%	3.8%
ROE	**21.53%**	**19.52%**	**14.85%**	**15.57%**	**15.53%**	**16.45%**

Source: Fiinpro, Company data, Shinhan Securities Vietnam

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Valuation and recommendation

Valuation

We use the Residual Income (RI) method and the P/B valuation method with respective weights of 60%-40%.

The 12-month target price for the stock is 42,600 VND.

1) We assume a P/B of 1.5x for TCB (parent) and shift the base to the end of 2026 in this report. For TCBS, we assume a P/B valuation of 2.5x (based on forward 2026 equity). Accordingly, the TCB share price is determined at **47,379 VND/share**.

2) According to the Residual Income method, we determine the TCB share price at **39,490 VND/share**. In this report, we adjust the risk-free rate up from 3.5% to 4.0% – corresponding to the change in the 10-year Vietnam government bond yield.

Cost of Equity (%)	
Cost of Equity (%)	**13.5**
Risk-free rate (%)	4.0
Equity risk premium (%)	8.66
Beta	1.1

RI Method

(Unit: VNDbn)	**9M2025F**	**2026F**	**2027F**	**2028F**	**2029F**
Cost of equity	**13.5%**	**13.5%**	**13.5%**	**13.5%**	**13.5%**
Cost of equity after 2029					**13.5%**
Net income	5,500	29,447	34,503	44,490	53,295
Residual income (RI)	170	5,228	6,831	12,553	16,078
PV of RI	**164**	**4,461**	**5,135**	**8,312**	**9,377**

Terminal value of RI (VNDbn)	**123,553**
Terminal growth (%)	2.00%
PV of terminal value (VNDbn	72,112
PV of RI (bn VND))	27,449
Beginning equity (bn VND)	179,431
Total value (bn VND)	278,991
Total outstanding shares (bn)	7.06
Target price (VND)	**39,490**

Valuation Summary

Method	**Weight**	**Price target (VND)**
Residual income	60%	39,490
P/B target (implied 1.6x)	40%	47,379
Target price (VND)	**42,645**	

Source: Shinhan Securities Vietnam

Business overview

Business history

1993 – Established with charter capital of 20 VNDbn

2005 – HSBC bought 10% of equity

2007-2008 – HSBC increased the ownership to 15%
– Launched the Techcombank Visa credit card

2009 – Increase the charter capital to VND 5,400 billion
– Partner with leading global strategic consultant McKinsey

2014-2015 – Signed a cooperation agreement with Vietnam Airlines
– Acquired Vietnam Chemical Finance JSC and changed its name to TechcomFinance

2017 – TCB ranked first in credit rating equivalent to "national credit rating ceiling" announced by S&P
– Led in Bancassurance products, strategic cooperated with Manulife
– Repurchased shares from HSBC

2018 – Listed on Ho Chi Minh City Stock Exchange – ticker TCB, with capitalisation of USD 6.5 billion
– Tripled charter capital to VND 34,966 billion
– TCB divested from TechcomFinance

2019 – Officially complied with Basel II

2020 – Strengthened capacity in digitization and data
– Implemented Agile working method
– Established Data & Analytics Department

2021 – Focused on building a banking platform on three core pillars of Talent, Digital, and Data

2022 – Raised $1 billion worth of syndicated loans
- Leader in new card issuance and payment volume

2023 – Credit rating A+, stable outlook by FiinRating

Organizational structure

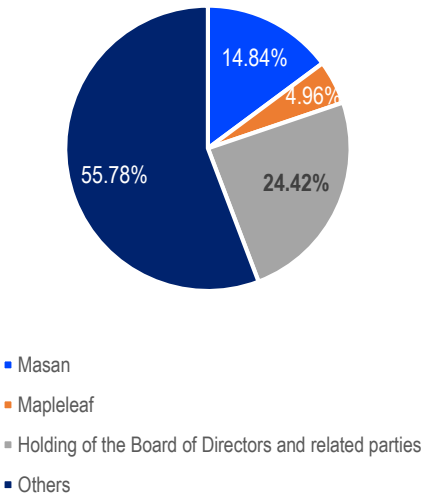
TECHCOMBANK

Techcom Securites Joint Stock Company
(Techcom Securities- TCBS)
Charter capital: 23.113 VNDbn
% owned by TCB: 79.82%

Techcom Capital Joint Stock Company (Techcom Capital – TCC)
Charter capital: 670 VNDbn
% owned by TCB: 89%

Vietnam Technological and Commercial Joint Stock Bank – Asset Management Company Limited (AMC)
Charter capital: 410 VNDbn
% owned by TCB: 100%

Shareholder ownership structure (end of Q3/2025)

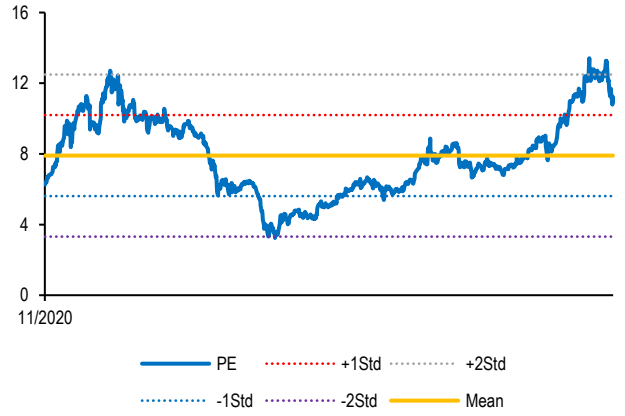


Strategy for the period 2021-2025

1. **CASA ratio** 55%
2. **ROE** 20%
3. **Market cap** 20 USDbn
4. **Net Fee Income/TOI** >30%

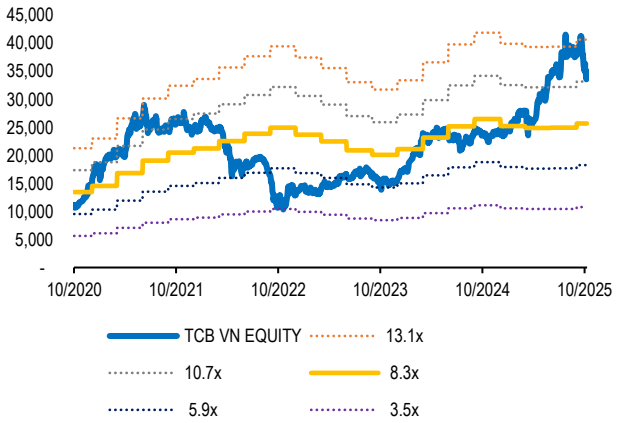
Source: Company data, Shinhan Securities Vietnam

PER of TCB



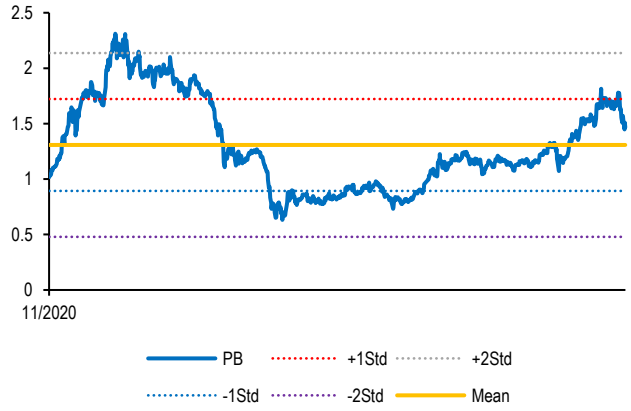
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PER band of TCB



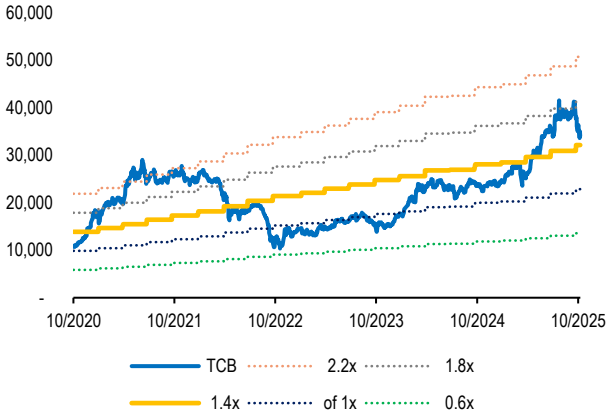
Source: Bloomberg, Company data, Shinhan Securities Vietnam

PBR of TCB



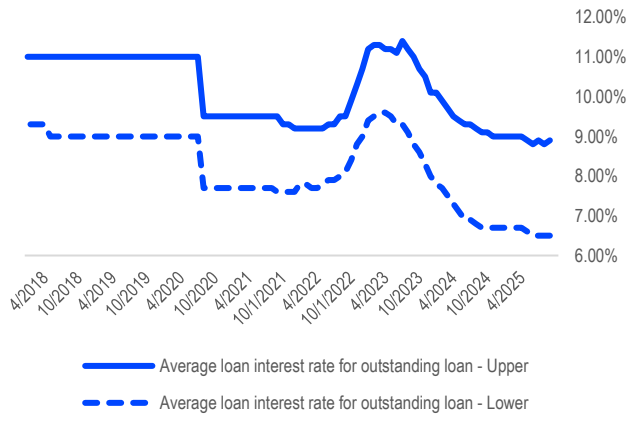
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PBR band of TCB



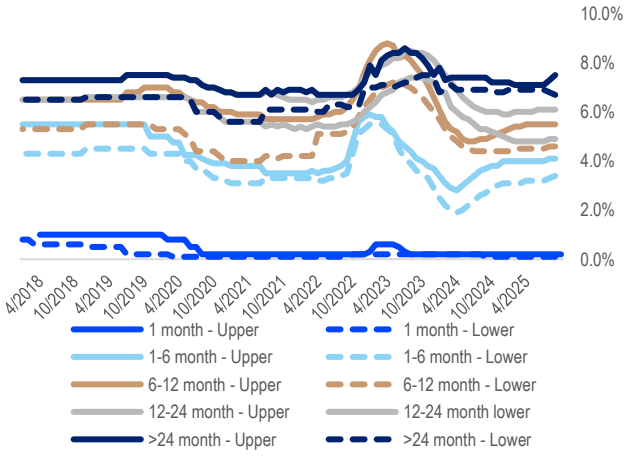
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Average loan interest rate in Vietnam



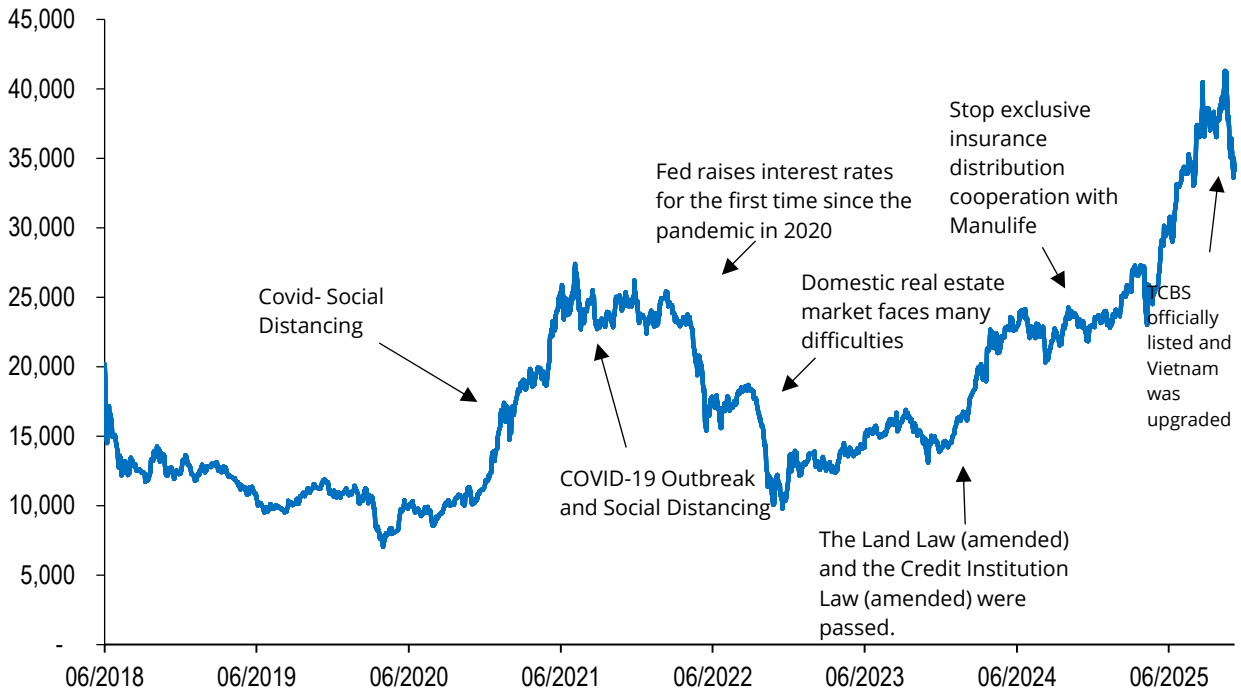
Source: SBV, Company Data, Shinhan Securities Vietnam

Average deposit interest rate in Vietnam



Source: SBV, Company Data, Shinhan Securities Vietnam

TCB important events



Source: Bloomberg, Company Data, Shinhan Securities Vietnam

Appendix: Financial statements

Balance sheet

Year (bn VND)	2022	2023	2024	2025F	2026F
Total assets	**699,033**	**849,482**	**978,799**	**1,202,309**	**1,424,141**
Cash and precious metals	4,216	3,621	3,385	4,950	5,742
Balances with the SBV	11,476	27,141	54,353	24,749	28,709
Placements with and loans to	82,874	104,072	84,590	191,161	229,514
Trading securities	961	4,433	9,001	9,001	9,001
Derivatives and other financial assets	-	144	-	-	-
Loans and advances to	415,752	512,514	623,634	749,107	898,928
Debts purchase	108	82	142	142	142
Investment securities	103,652	104,994	148,624	156,712	171,628
Long-term investments	13	3,046	3,103	3,103	3,103
Fixed assets	8,411	8,893	12,467	15,984	20,494
Investment properties	1,053	-	-	-	-
Other assets	70,517	80,543	39,501	47,401	56,881
Total liabilities	**585,608**	**717,866**	**830,859**	**1,035,002**	**1,233,326**
Due to Gov and Loans from	8	0	12	12	12
Deposits and Loans from other	167,563	153,173	132,239	197,835	235,544
Deposits from customers	358,404	454,661	533,392	618,735	717,733
Derivatives, Funds received from Gov, international and	1,851	-	931	931	931
Convertible bonds/CDs and	34,007	84,703	140,422	189,570	246,441
Other liabilities	23,775	25,329	23,862	27,919	32,665
Shareholder's equity	**113,425**	**131,616**	**147,940**	**167,307**	**190,815**
Capital	36,205	36,257	78,413	87,038	96,612
Reserves	11,609	45,029	24,787	28,418	32,787
Retained earnings	64,483	49,013	42,219	49,063	58,308
Minority interest	1,129	1,317	2,520	2,787	3,108
Total liabilities and equity	**699,033**	**849,482**	**978,799**	**1,202,309**	**1,424,141**

Income statement

Year (bn)	2022	2023	2024	2025F	2026F
Interest and Similar Income	44,753	56,708	60,089	70,148	85,369
Interest and Similar Expenses	(14,463)	(29,017)	(24,581)	(30,879)	(37,987)
Net Interest Income	**30,290**	**27,691**	**35,508**	**39,269**	**47,383**
Net Fee and Commission Income	8,527	8,715	8,042	10,423	12,508
From foreign currency and gold	(275)	196	593	695	334
From trading of trading securities	(242)	65	81	270	-
From disposal of investment	426	926	2,359	763	821
Net Fee and Commission Income	2,167	2,434	343	1,546	3,976
Dividends income	9	35	65	93	93
Total non-interest income	**10,612**	**12,370**	**11,482**	**13,790**	**17,732**
Total operating income	**40,902**	**40,061**	**46,990**	**53,059**	**65,115**
General and Admin expenses	(13,398)	(13,252)	(15,370)	(17,675)	(21,210)
Operating Profit Before Provision (PPOP)	27,504	26,809	31,621	35,384	43,904
Provision for credit losses	(1,936)	(3,921)	(4,082)	(4,791)	(7,095)
Profit before tax	**25,568**	**22,888**	**27,538**	**30,593**	**36,809**
Corporate income tax	(5,131)	(4,697)	(5,778)	(6,119)	(7,362)
Net profit after tax	**20,436**	**18,191**	**21,760**	**24,474**	**29,447**
Attributable to parent company	20,150	18,004	21,523	24,207	29,126

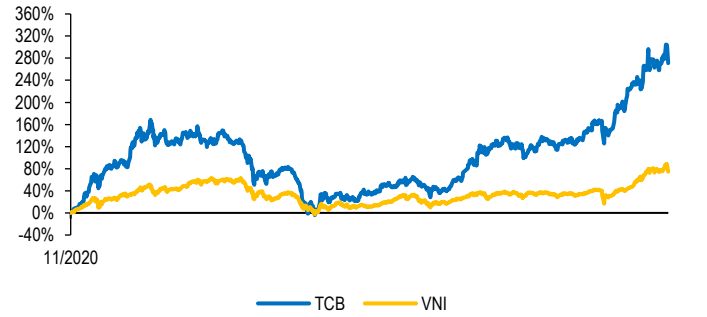
Financial indicators

Year	2022	2023	2024	2025F	2026F
Growth (% YoY)					
Loans to customers	21.07	23.33	21.80	20.00	20.00
Deposits from customers	13.87	26.86	17.32	16.00	16.00
Shareholders' equity	21.91	16.04	12.40	13.09	14.05
Total assets	22.91	21.52	15.22	22.84	18.45
Net interest income	13.45	(8.58)	28.23	10.59	20.66
Net non-interest income	2.26	16.56	(7.17)	20.10	28.58
PPOP	6.18	(2.53)	17.95	11.90	24.08
Net profit before tax	10.02	(10.48)	20.32	11.09	20.32
Net profit after tax	10.97	(10.99)	19.62	12.47	20.32
Profitability (%)					
NIM	5.29	4.02	4.21	3.80	3.80
ROA	3.2	2.3	2.4	2.2	2.2
ROE	19.8	14.8	15.6	15.5	16.4
Liquidity (%)					
Pure LDR	117.33	114.07	118.44	122.52	126.74
Asset quality					
Leverage (x)	6.16	6.45	6.62	7.19	7.46
NPL ratio (%)	0.72	1.16	1.12	1.20	1.20
LLR ratio (%)	157.34	102.15	113.94	118.54	118.54
Reverse/total credit (%)	1.03	1.09	1.18	1.10	1.11
Credit costs/total loans (%)	0.50	0.84	0.71	0.69	0.85
Credit costs/total credit (%)	0.44	0.77	0.66	0.64	0.80
Per share items (VND)					
EPS	5,810	5,164	3,080	3,464	4,168
BPS	32,248	37,364	20,940	23,682	27,009
PPOP/Share	7,820	7,611	4,476	5,008	6,214

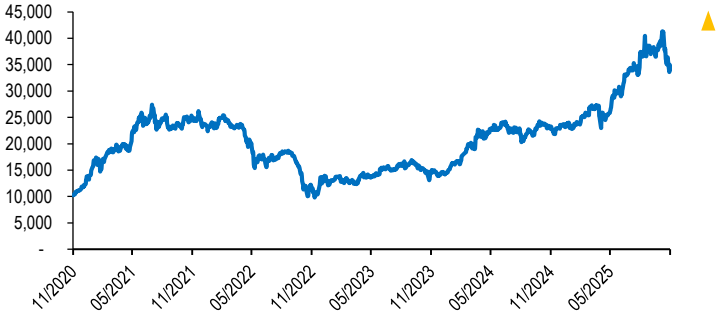
Source: Company data, Shinhan Securities Vietnam

Vietnam Technological and Commercial Joint Stock Bank (TCB VN)

Price performance



Target price (VND)



Date (dd/mm/yyyy)	Recommendation	Target price (VND)	Range of price (%)	
			Average	Max/Min
09/09/2022 (Initial)	BUY	29,350	127.5	47/208
07/03/2023 (Update)	BUY	21,850	67.9	9/164
04/08/2023 (Update)	BUY	22,000	53.6	0.1/107.3
23/10/2023 (Update)	BUY	25,025	82.0	38/159
24/01/2024 (Update)	BUY	25,170	62.0	39/95
24/04/2024 (Update)	HOLD	25,050	33.24	4.4/84.2
23/10/2024 (Update)	BUY	29,500	51.9	16.8/116.9
23/02/2025 (Update)	HOLD	29,600	31.6	12.8/58.1
15/05/2025 (Update)	HOLD	31,000	15.5	-0.1/42.7
06/08/2025 (Update)	HOLD	41,000	40.8	9/98
06/11/2025 (Update)	BUY	42,600	31.2	0.3/89

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

Shinhan Securities Vietnam

Stock	Industry
◆ **BUY:** Upside potential in 12 months more than 15% ◆ **HOLD:** Upside potential in 12 months from -15% to 15% ◆ **SELL:** Upside potential in 12 months more than -15%	◆ **POSITIVE:** Based on market cap, largest share of sector stocks under coverage is rated BUY ◆ **NEUTRAL:** Based on market cap, largest share of sector stocks under coverage is rated HOLD ◆ **NEGATIVE:** Based on market cap, largest share of sector stocks under coverage is rated SELL

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