Shinhan Securities

Vinh Hoan JSC (VHC VN)

[Vietnam / Fisheries]

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

BUY

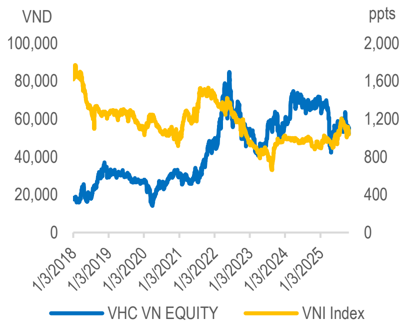
Update Report

Target price (12 months)	**67,400 VND**
Current price (11/11/2025)	**57,000** VND
Return (%)	18.7%

VNINDEX	1,593
HNXINDEX	261
Market cap (bn VND)	12,637
Outstanding shares (mn)	224
Free -Floating (mn)	112
52-week high/low (VND)	76,300/43,750
90-day avg. trading value (mn)	1.7
90-day avg. return (bn VND)	93

Major shareholder (%)	Truong Thi Le Khanh	42.32
	Mitsubishi Corporation	6.42

Performance	3M	6M	12M
Absolute (%)	-4.3	8.9	-24.9
Relative to VN-Index (%)	-3.7	-16.4	-51.9



Source: Bloomberg

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Maintain strong performance

Update recommendation BUY, target price at VND 67,400

Vinh Hoan JSC (VHC) is Vietnam's leading pangasius exporter, accounting for approximately 14% of the country's total pangasius export value. In 9M2025, VHC's revenue remained stable while net profit surged 39% YoY; core operating profit grew 22% YoY, supported by lower input costs. We expect Q4/2025 earnings to continue rising, driven by festive season demand and higher export fish prices amid tight supply of fingerlings and raw fish due to weather impacts. Looking into 2026, VHC's earnings growth is expected to remain solid, underpinned by both its pangasius and by-product segments. The pangasius segment will benefit from (1) stable demand from the U.S. market supported by cost advantages and secured supply, and (2) robust growth in the EU and CPTPP markets leveraging FTA benefits and rising demand for affordable whitefish. Meanwhile, the by-product and Sa Giang segments are expected to post sustainable growth, diversifying revenue streams and mitigating reliance on pangasius fillet exports. Based on the FCFF and P/E methods (50:50 weighting), we update our target price for VHC at VND 67,400.

Diversified revenue structure drives stable growth in 9M2025

In 9M2025, VHC recorded revenue of VND 9.3 trillion (-0.2% YoY) and net profit up 39% YoY, achieving 87% of its high-case profit target (VND 1,300 billion). In Q3/2025, revenue reached VND 3,471 billion (+5.9% YoY), with net profit up 33% YoY to VND 455 billion, mainly driven by investment provision reversal and lower financial expenses. During the quarter, pangasius revenue slowed (-8% YoY) due to weaker demand from China, slightly lower export prices (-2% YoY), and a high base in 2024. However, this was offset by strong growth in by-products, Sa Giang, and C&G segments (+29%, +5%, and +20% YoY, respectively). The EU was the fastest-growing market (+23% YoY), supported by demand for affordable food products and the ongoing supply diversification away from Russia. We expect VHC's profit margin to expand by year-end 2025 thanks to: (1) higher pangasius export prices (estimated +10-15%) amid peak consumption season and rising fingerling prices due to heavy rainfall, while (2) input costs remain stable thanks to VHC's integrated supply chain.

2026 Outlook: Steady U.S. growth, strong momentum in other key markets

In 2026, we forecast the pangasius segment to maintain steady growth across major markets:

U.S. Market: Pangasius will continue to capitalize on its cost advantage and stable supply compared to other whitefish, as (1) tilapia faces higher tariffs (47% on China and 50% on Brazil), creating substitution opportunities, and (2) Norwegian cod prices have surged to a record USD 9.2/kg (+23% YoY) and are expected to rise further in 2026 due to continued quota cuts.

EU & CPTPP Markets: These two key markets are expected to deliver the strongest growth, supported by FTA benefits, robust demand for affordable protein, and VHC's industry-leading position.

By-products and Sa Giang are projected to grow 15-20% YoY, contributing about 20% of total revenue, helping reduce dependence on pangasius fillet exports and enhancing business stability.

Risks: (1) trade barriers; (2) increasing competition from India and Bangladesh; (3) climate change and disease outbreaks; (4) rising logistics costs.

Year to Dec.	2024	2025F	2026F	2027F	2028F
Revenue (bn VND)	**12,535**	**12,445**	**12,707**	**12,270**	**12,608**
OP (bn VND)	1,253	1,403	1,521	1,067	1,189
NP (bn VND)	**1,311**	**1,425**	**1,523**	**1,020**	**1,079**
EPS (VND)	5,496	5,977	6,387	4,276	4,525
BPS (VND)	38,685	45,035	51,821	56,364	61,173
OPM (%)	10.0%	11.3%	12.0%	8.7%	9.4%
NPM (%)	10.5%	11.5%	12.0%	8.3%	8.6%
ROE (%)	**14.6%**	**13.6%**	**12.6%**	**7.7%**	**7.5%**
PER (x)	13.6	12.5	11.7	17.5	16.5
PBR (x)	1.9	1.7	1.4	1.3	1.2
EV/EBITDA (x)	6.5	5.8	5.5	7.3	6.9

Source: Company data, Shinhan Securities Vietnam

Valuation and Recommendation

We use a 50%-50% weighting of the Discounted Cash Flow (DCF) and P/E methods to value VHC. We recommend a BUY rating with a target price of VND 67,400, implying an expected return of 18.7%.

Weighted Average Cost of Capital (WACC)	
WACC (%)	**11.4**
Risk-free rate (%)	4
Equity risk premium (%)	8.66
Beta	1.02
Cost of debt (%)	3.9
Cost of equity (%)	12.8
Debt-to-equity ratio	0.19
Total debt (bn VND)	1,989

Source: Company data, Shinhan Securities Vietnam

DCF valuation					
Unit: billion VND	**2026F**	**2027F**	**2028F**	**2029F**	**2030F**
NPAT-Mi	**1,434**	**960**	**1,016**	**1,121**	**1,242**
Plus: After-tax interest expense	120	102	103	107	356
Plus: Depreciation & Amortization	428	446	465	484	524
Minus: Change in working capital	70	6	110	203	(112)
Minus: CapEx	128	134	140	145	681
Free Cash Flow to Firm (FCFF)	**1,783**	**1,368**	**1,335**	**1,364**	**1,553**
PV of FCF	5,645				
Growth rate (%)	1%				
Present value of long-term value	8,739				
Enterprise value	14,385				
Minus: Debt	(1,989)				
Plus: Cash and cash equivalents	4,377				
Owner's equity value	**16,773**				
Number of shares oustanding (million)	224.453				
Target price (VND/share)	**74,728**				

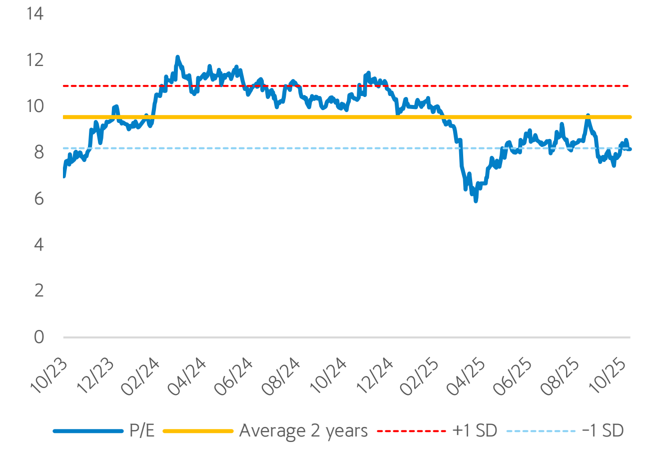
Source: Company data, Shinhan Securities Vietnam

Based on the P/E valuation method, we collected VHC's historical data over the past three years. We estimate VHC's target P/E multiple at 9.4x, reflecting expectations of slower consumption in the U.S. market as a result of the newly imposed 20% reciprocal tariff on Vietnam's pangasius industry. Combined with the projected 2026 EPS of VND 6,387, VHC's target price is valued at VND 60,038.

Peer valuation	
3 yrs average of VHC	9.4
Target P/E	9.4
EPS forward	6,387
Target price (VND/share)	**60,038**

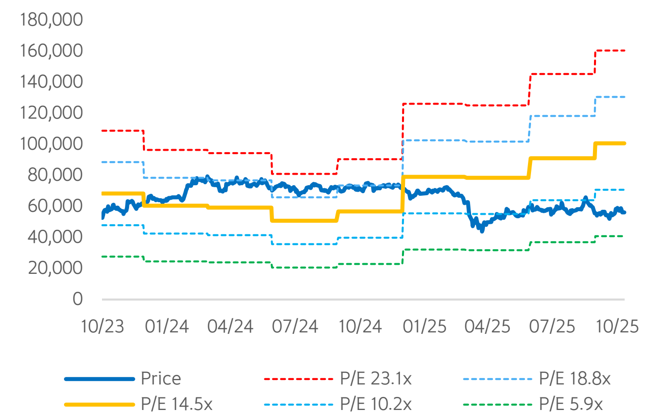
Source: Company data, Shinhan Securities Vietnam

PER of VHC



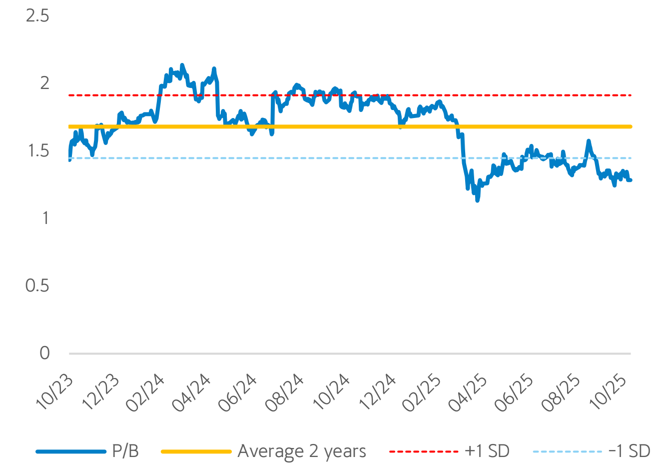
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

PER band chart of VHC



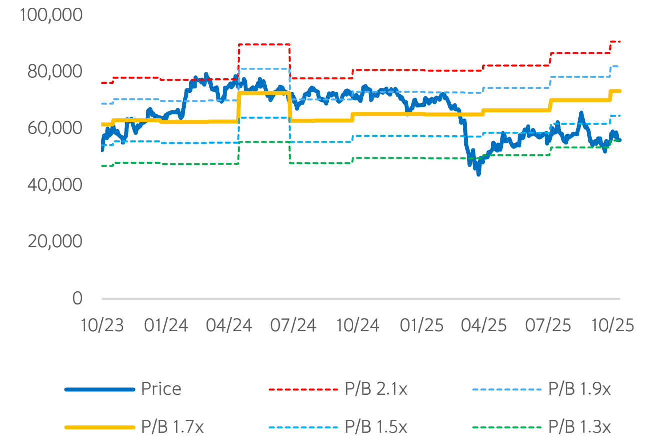
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

PBR of VHC



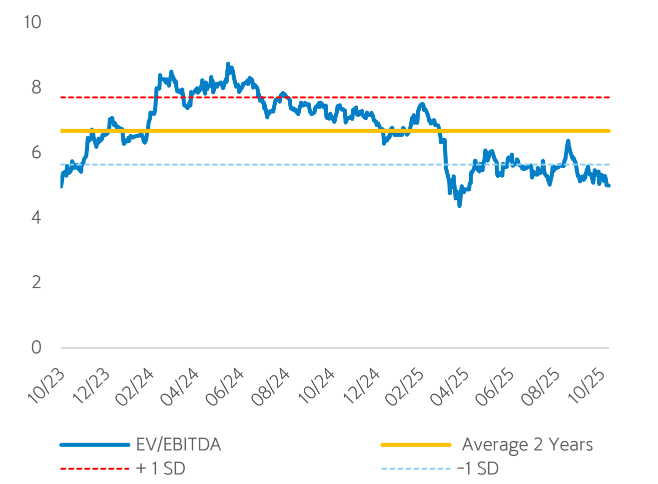
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

PBR band chart of VHC



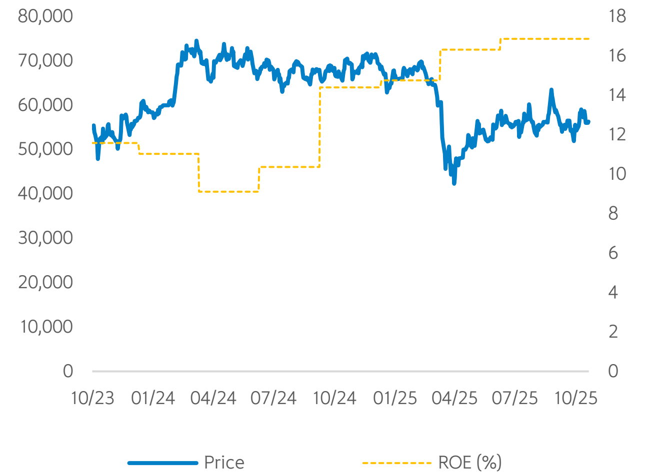
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

EV/EBITDA of VHC



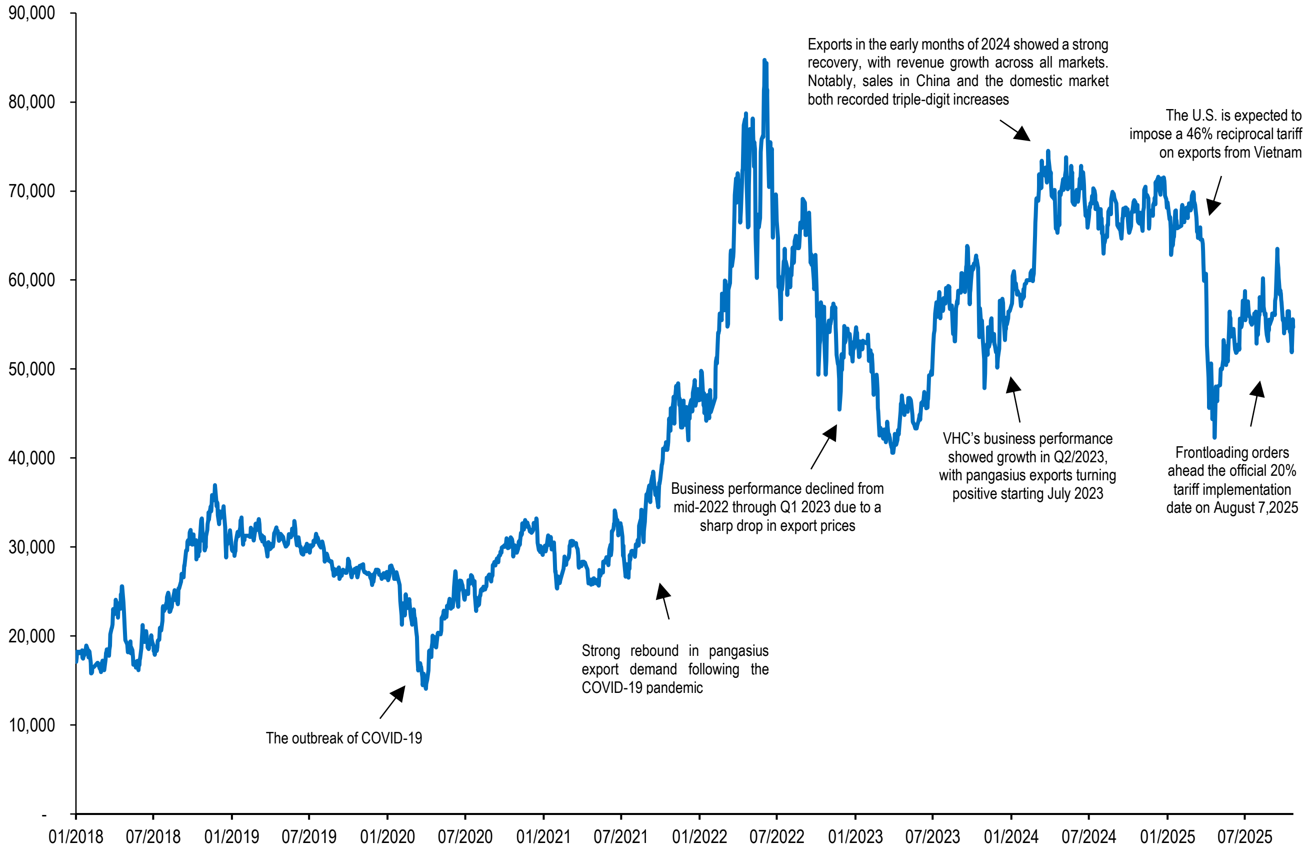
Source: Bloomberg, Company Data, Shinhan Securities Vietnam

Correlation between VHC's price and ROE



Source: Bloomberg, Company Data, Shinhan Securities Vietnam

VHC's important events



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Company background

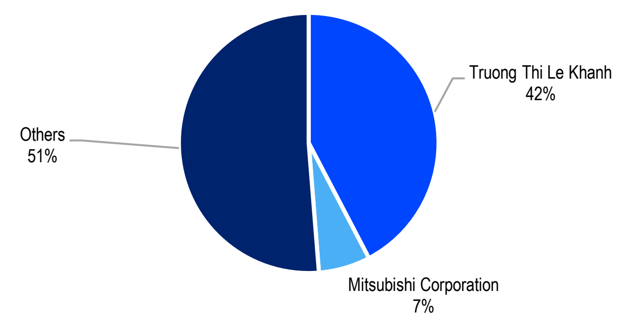
History of development

Vinh Hoan was established in 1997 in Dong Thap province, located in the Mekong Delta, specializing in farming and processing frozen pangasius products. In 2010, Vinh Hoan rose to the top of Vietnam's pangasius industry in export turnover, according to the Vietnam Association of Seafood Exporters and Producers ("VASEP"). Currently, Vinh Hoan is the enterprise with the largest export market share in the industry, accounting for 14% (in 2024), nearly three times higher than the remaining competitors. The company's chairman is Mrs. Truong Thi Le Khanh, with more than 20 years of work in the pangasius industry. Beside her are effective assistants taking on many segments from farming and processing to sales strategy, such as: Ms. Nguyen Ngo Vi Tam has been in charge of anti-dumping lawsuits in the US; at the end of last year, Mrs. Khanh's daughter, Le Ngoc Tien, became the company's strategic director with the direction of digital transformation within the next 3 years, as well as managing the company's investment activities. Therefore, in the past year, Vinh Technology has invested in two companies specializing in alternative protein aquafeeds, Entobel and Shiok Meats.

Vinh Hoan has main business activities in farming and processing pangasius products. Vinh Hoan has a diversified revenue structure, including: fillet, collagen & gelatine, and by-products. The fillet segment brought Vinh Hoan's largest revenue source, accounting for 66%, along with by-products and collagen & gelatine contributed 19% and 7% of total revenue in 2021, respectively. In 2022, Vinh Hoan has returned with an aqua feed factory project, helping mitigate risks from supply fluctuations and maintain effective control over input costs.

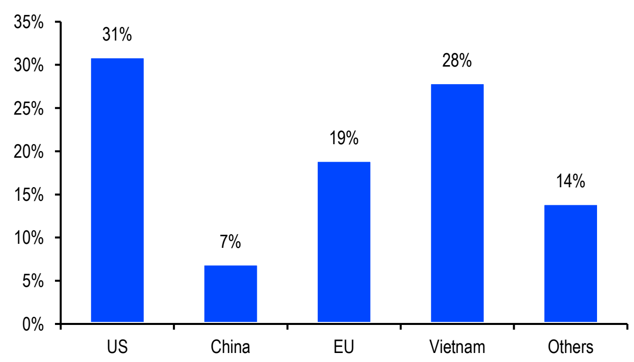
Vinh Hoan Corp. has been officially listed on the Ho Chi Minh Stock Exchange since 2007, under the ticker 'VHC'.

Shareholder's structure as of 11/11/2025



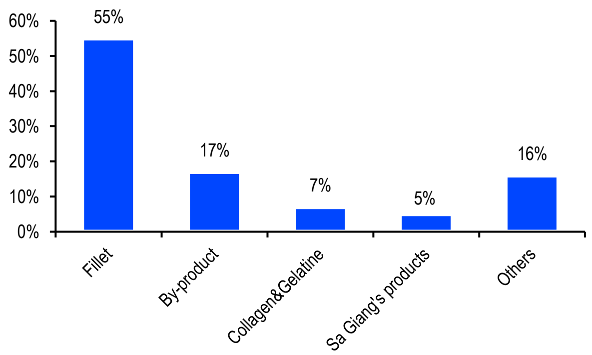
Source: Company Data, Shinhan Securities Vietnam

Revenue by market in 9M2025



Source: Company Data, Shinhan Securities Vietnam

Revenue by products in 9M2025



Source: Company Data, Shinhan Securities Vietnam

Appendix: Financial statements

Statement of financial position

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Total assets	**12,249**	**14,630**	**15,440**	**16,535**	**17,743**
Current Asset	8,241	10,298	10,916	11,945	13,366
Short-term assets	570	2,196	2,735	3,754	5,045
Short-term TC investment	2,340	2,340	2,340	2,340	2,340
Accounts receivable	2,207	2,191	2,237	2,231	2,292
Inventory	2,911	3,357	3,391	3,408	3,476
Non-current assets	4,113	3,941	3,757	3,560	3,349
Net fixed assets	3,415	3,243	3,059	2,862	2,651
Investment assets	115	115	115	115	115
Other long-term assets	583	583	583	583	583
Total liabilities	**3,247**	**4,119**	**3,316**	**3,332**	**3,397**
Current liabilities	3,193	4,017	3,262	3,278	3,343
Accounts payable	272	372	375	377	385
Short-term borrowings	2,277	3,014	2,250	2,261	2,306
Others	625	631	637	640	652
Non-current liabilities	54	102	54	54	54
Long-term borrowings	0	48	0	0	0
Others financial liabilities	54	54	54	54	54
Total shareholders' equity	**9,002**	**10,511**	**12,124**	**13,203**	**14,346**
Capital stock	2,245	2,245	2,245	2,245	2,245
Capital surplus	264	264	264	264	264
Other capital	0	0	0	0	0
Retained earnings	6,175	7,600	9,124	10,143	11,222
Non-controllin interest equity	319	403	492	552	616
*Total debt	2,277	3,062	2,250	2,261	2,306
*Net debt (cash)	-633	-1,475	-2,826	-3,833	-5,079

Statement of comprehensive income

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Revenue	**12,535**	**12,445**	**12,707**	**12,270**	**12,608**
Growth (%)	24.9%	-0.7%	2.1%	-3.4%	2.8%
COGS	**10,644**	**10,408**	**10,512**	**10,564**	**10,776**
Gross Profit	**1,891**	**2,037**	**2,195**	**1,705**	**1,832**
Gross Profit Margin (%)	15.1%	16.4%	17.3%	13.9%	14.5%
SG&A	**639**	**635**	**673**	**638**	**643**
Operating profit	**1,253**	**1,403**	**1,521**	**1,067**	**1,189**
Growth (%)	29.3%	12.0%	8.5%	-29.8%	11.4%
OPM (%)	10.0%	11.3%	12.0%	8.7%	9.4%
Non-operating profit	**207**	**201**	**194**	**70**	**16**
Financial income	428	488	481	335	283
Financial expense	222	287	286	265	267
In which: interest expenses	73	139	138	117	119
Net other non-operating profit	35	35	35	35	35
Pre-tax profit	**1,496**	**1,638**	**1,751**	**1,172**	**1,240**
Income tax	186	213	228	152	161
Net profit	**1,311**	**1,425**	**1,523**	**1,020**	**1,079**
Growth (%)	34.6%	8.7%	6.9%	-33.1%	5.8%
NPM (%)	10.5%	11.5%	12.0%	8.3%	8.6%
Controlling interest	1,234	1,342	1,434	960	1,016
Non-controlling interest	77	84	90	60	63
EBIT	**1,570**	**1,777**	**1,889**	**1,289**	**1,359**
Growth (%)	22.8%	13.2%	6.3%	-31.7%	5.4%
EBIT Margin (%)	12.5%	14.3%	14.9%	10.5%	10.8%
EBITDA	**1,956**	**2,187**	**2,317**	**1,736**	**1,824**
Growth (%)	20.6%	11.8%	5.9%	-25.1%	5.1%
EBITDA margin (%)	15.6%	17.6%	18.2%	14.1%	14.5%

Statement of cash flow

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
Cash flow from operations	**2,113**	**1,330**	**1,839**	**1,530**	**1,771**
Net profit	1,311	1,425	1,523	1,020	1,079
Depreciation expense	386	410	428	446	465
(Gain) from investing activities					
Change in working capital	-472	-343	-70	-6	-110
Others	965	-78	47	130	400
Cash flow from investments	**-863**	**-123**	**-128**	**-134**	**-140**
Change in fixed assets	-672	-123	-128	-134	-140
Change in investment assets	-169	0	0	0	0
Others	-22	0	0	0	0
Cash flow from financing	**-912**	**420**	**-1,172**	**-378**	**-340**
Change in equity	0	84	90	60	63
Net borrowing	-13	785	-812	11	45
Dividends	-899	-449	-449	-449	-449
Change in total cash	**338**	**1,626**	**539**	**1,019**	**1,291**
Beginning cash	233	570	2,196	2,735	3,754
Change in FX rates					
Ending cash	570	2,196	2,735	3,754	5,045

Source: Company data, Shinhan Securities Vietnam

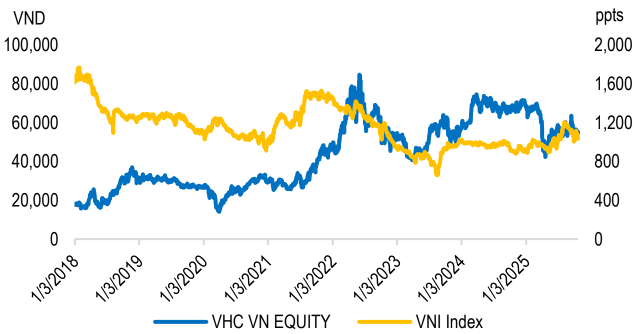
Key ratios

Year to Dec. (bn VND)	2024	2025F	2026F	2027F	2028F
EPS (VND)	5,496	5,977	6,387	4,276	4,525
BPS (VND)	38,685	45,035	51,821	56,364	61,173
DPS (VND)	4,000	2,000	2,000	2,000	2,000
PER (x)	13.6	12.5	11.7	17.5	16.5
PBR (x)	1.9	1.7	1.4	1.3	1.2
EV/EBITDA (x)	6.5	5.8	5.5	7.3	6.9
Dividend payout ratio (%)	73%	33%	31%	47%	44%
Dividend yield (%)	8.9%	4.4%	4.4%	4.4%	4.4%
Profitability					
EBITDA margin (%)	15.6%	17.6%	18.2%	14.1%	14.5%
OPM(%)	10.0%	11.3%	12.0%	8.7%	9.4%
NPM(%)	10.5%	11.5%	12.0%	8.3%	8.6%
ROA (%)	10.7%	9.7%	9.9%	6.2%	6.1%
ROE (%)	14.6%	13.6%	12.6%	7.7%	7.5%
Stability					
Debt to equity ratio (%)	26.3%	25.3%	29.1%	18.6%	17.1%
Cash ratio (%)	7.2%	17.9%	54.7%	83.8%	114.5%
Interest coverage ratio (x)	7.3	17.1	10.1	11.0	9.1
Activity (%)					
Working capital turnover (days)	155	169	169	171	171
Inventory turnover (days)	100	118	118	118	118
Receivable turnover (days)	64	64	64	66	66

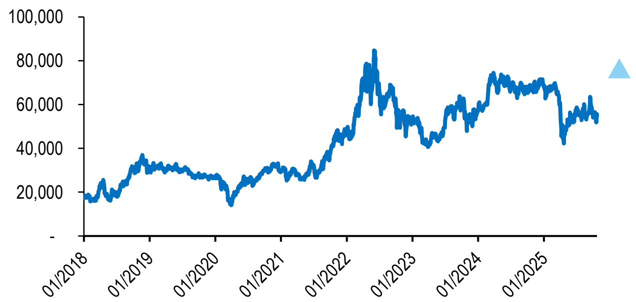
Source: Company data, Shinhan Securities Vietnam

Vinh Hoan JSC (VHC VN)

Share performance



Target price



Date	Rating	Target price (VND)	Target price gap (%) Average	Max/Min
04/08/2022 (Initiation)	BUY	84,526	39.8	-11.4/159.8
24/02/2023 (Update)	BUY	60,500	-10.7	-36.5/21.6
24/05/2023 (Update)	BUY	67,750	9.4	-31.1/52.5
07/08/2023 (Update)	BUY	85,600	49.9	11.7/92.9
20/11/2023 (Update)	BUY	88,583	57.5	26.5/99.1
21/02/2024 (Update)	HOLD	69,500	24.6	2.4/61.1
19/02/2025 (Update)	BUY	81,700	12.4	-0.6/29.5
21/08/2025 (Update)	BUY	72,150	58.95	-2.63/ 64.76
11/11/2025 (Update)	BUY	67,400	60,03	-11.67/54.06

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

Shinhan Securities Vietnam

Stock	Sector
◆ **BUY:** Expected 12-month gain of 15% or more ◆ **HOLD:** Expected 12-month loss of 15% to gain of 15% ◆ **SELL:** Expected 12-month loss of 15% or more	◆ **OVERWEIGHT:** 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 ◆ **UNDERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated SELL

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