

Delivery: VTP ranks top in service quality assessment

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- The Ministry of Science and Technology has recently published an assessment of service quality for 10 biggest delivery players, with criteria on delivery time, losses/damages and price.
- With the withdrawal of Ninja Van in Sep-25 (the one offering the lowest price but among the worst in terms of quality), the sector seems to have seen a structural change where price is no longer the key selling point, but service quality is.
- VTP (Rating/TP under review) was among the top ranked for quality, while average in terms of price. Its focus on quality improvement seems to have paid off, given its continuous market share expansion over the past few years.

VTP was among the top ranks in terms of quality

The Ministry of Science and Technology (MST) published an assessment on delivery players for the first time, with four criteria including (i) the percentage of parcels meeting end-to-end delivery time commitment, (ii) the percentage of lost/damaged parcels, (iii) average end-to-end delivery time, and (iv) average price.

VTP was among the top ranked for the first three criteria, while average for the fourth, a well-deserved result considering its focus on quality improvement over the past few years, instead of being pulled to a price war. Its strategy seems to be going in the right direction, as its market share has continuously expanded from 9.8% in FY22 to 15.1% in FY25.

In the meantime, Ninja Van, BEST and GHN seemed to offer low prices at the expense of their service quality.

Delivery sector: Structural change to a more sustainable mode

VTP's strategy seems to be going in the right direction, as its market share has continuously expanded from 9.8% in FY22 to 15.1% in FY25. Meanwhile, with the withdrawal of Ninja Van from Vietnam in Sep-25, it proves that competing on price will eventually unsustainable.

Therefore, we expect the sector to have a structural change where prices are no longer the key selling point, but service quality is. This will be beneficial for those who anchoring their key competence as competitive edge like VTP.

Positive view on VTP maintained but rating/TP under review

VTP is up 30% over the past 1M, as the market reacted positively to the Ministry of Defense's draft Decree on special mechanisms for military companies. Though we maintain a positive view on VTP, our rating/TP is under review following the share price rally.

At its current level, VTP trades on a 1-yr rolling fwd. EV/adj. EBITDA of 18.9x, vs. its 4Y historical average of 16.8x.

Ticker	Price (VND)	Rating		TP (VND)		Up/(down) side (%)	P/E (x)		EV/EBITDA (x)		Div. yield (%)	
		New	Old	New	Chg (%)		2024F	2025F	2024F	2025F	2024F	2025F
Viettel Post	VTP 128,900	Add	-	128,000	-	(0.70)	41.0	39.2	28.6	23.9	0.84	1.16

Share prices as of 15 January 2026.
 Source: Companies, FactSet, HSC Research

Methodology

The Ministry of Science and Technology (MST) published an assessment of service quality by delivery players for the first time. The assessment was conducted using the following samples:

- 10 biggest delivery players that account for an accumulated market share of more than 80% in terms of both volume and revenue. Those include five Vietnamese-owned companies - VTP, VNPost, EMS (VNPost and EMS are both owned by VNPT, Vietnam's second largest telco, with stakes of 100% and 84%, respectively), GHTK (Giaohangtietkiem, 100% private-owned), GHN (Giao Hang Nhanh, 100% private-owned) and five foreign-owned companies - SPX (Shopee Express), LEX (Lazada Express), J&T, BEST, Ninja Van. We note that the assessment was conducted in FY25 before Ninja Van's withdrawal from Vietnam in Sep-25

We note that SPX and LEX are the logistics arms of e-commerce platforms Shopee and Lazada, while J&T is the strategic partner of e-commerce platform Tiktok Shop. According to the data aggregation and analytics platform Metric.vn which collects data from four biggest e-commerce platforms in Vietnam (Shopee, Tiktok Shop, Lazada and Tiki), Shopee and Tiktok Shop are now the dominant platforms, aggregatey accounting for 97% of the market share in FY25 (Shopee: 56%, Tiktok Shop: 41%). Meanwhile, Lazada, once the second biggest, now sees its market share shrinking to just 3%. In FY25, GMV (Gross Merchandise Value) of these four platforms rose 35% y/y to VND430tn, accounting for c.60% of Vietnam's total B2C e-commerce revenue.

- 10 inter-city routes with high volume including five from Hanoi (Hanoi – Hai Phong, Hanoi – Thanh Hoa, Hanoi – Da Nang, Hanoi – HCMC, Hanoi – Binh Duong) and five from HCMC (HCMC – Binh Duong, HCMC – Dong Nai, HCMC – Long An, HCMC – Da Nang, HCMC – Hanoi).
- Parcels weighing up to 2 kg.
- Data collection in three days: The total number of parcels being assessed was 4.2mn (0.1% of the total volume of Vietnam's delivery sector in FY25), of which the number of successfully delivered parcels was 4.1mn (97.3%) and the number of cancelled/returned parcels was 0.1mn (2.7%).

The assessment was done on four key criteria, with three focusing on quality and the fourth one in price.

Results: VTP was among the top ranked for quality

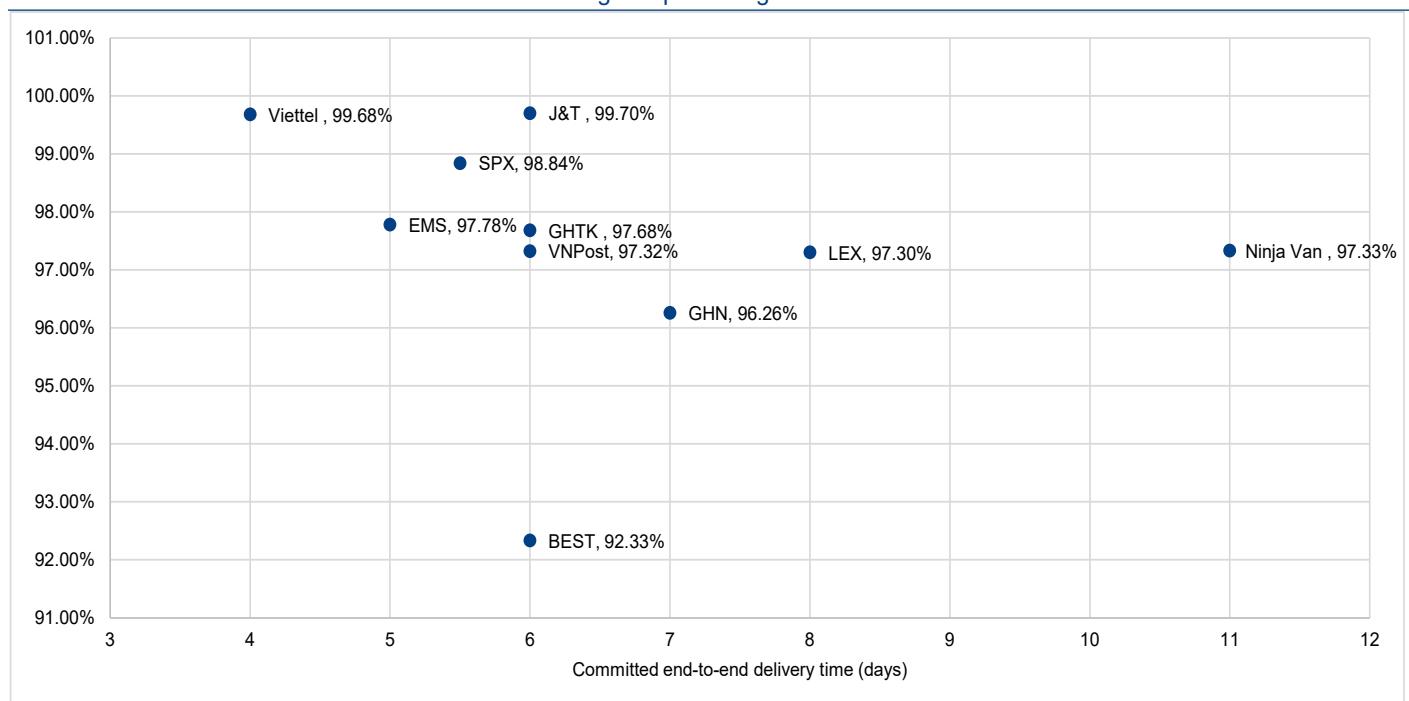
Criterion 1: The percentage of parcels meeting end-to-end delivery time commitment

For this criterion, VTP had the shortest end-to-end committed time (four days), followed by EMS (five days) and SPX (5.5 days). Six players had end-to-end committed time between six to eight days, while Ninja Van had the longest committed time of 11 days.

In terms of commitment fulfilling, eight out of 10 players had more than 97% of total parcels meeting the committed end-to-end delivery time. VTP and J&T were the two best with the highest percentages (99.7%), while GHN and BEST were the two worst with the lowest percentages of 96.26% and 92.33%, respectively.

Figure 1: % of parcels meeting end-to-end delivery time commitment

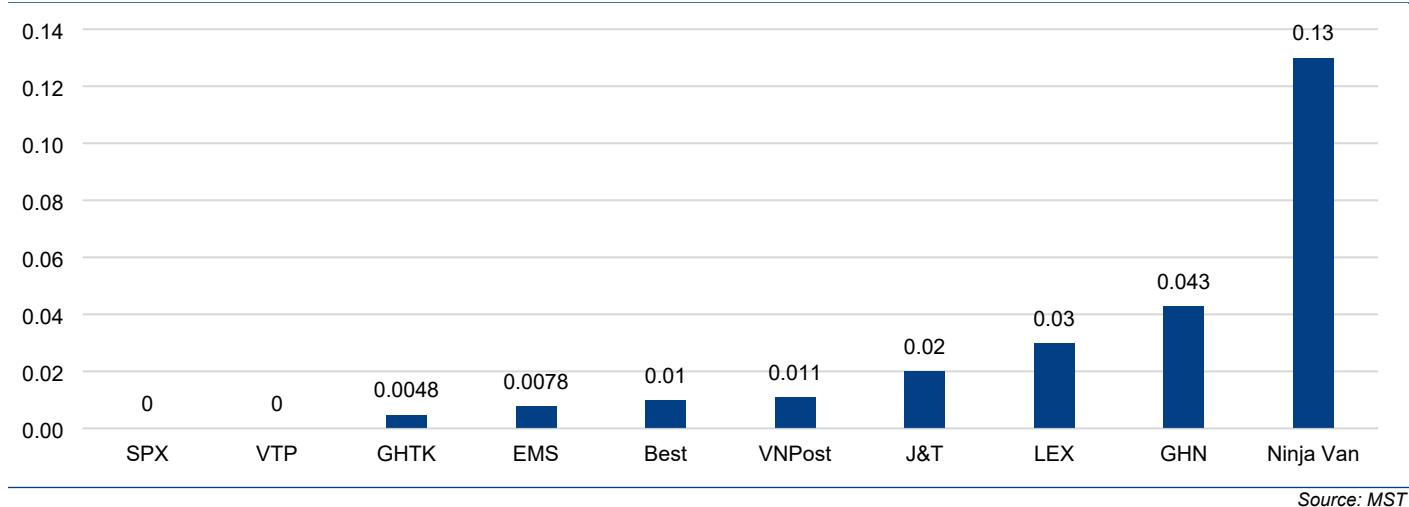
VTP had the shortest end-to-end committed time and highest percentage of fulfilled commitment



Source: MST

Figure 2: % of lost/damaged parcels

VTP and SPX had 0 lost/damaged parcels during the assessment



Source: MST

Criterion 2: The percentage of losses/damages

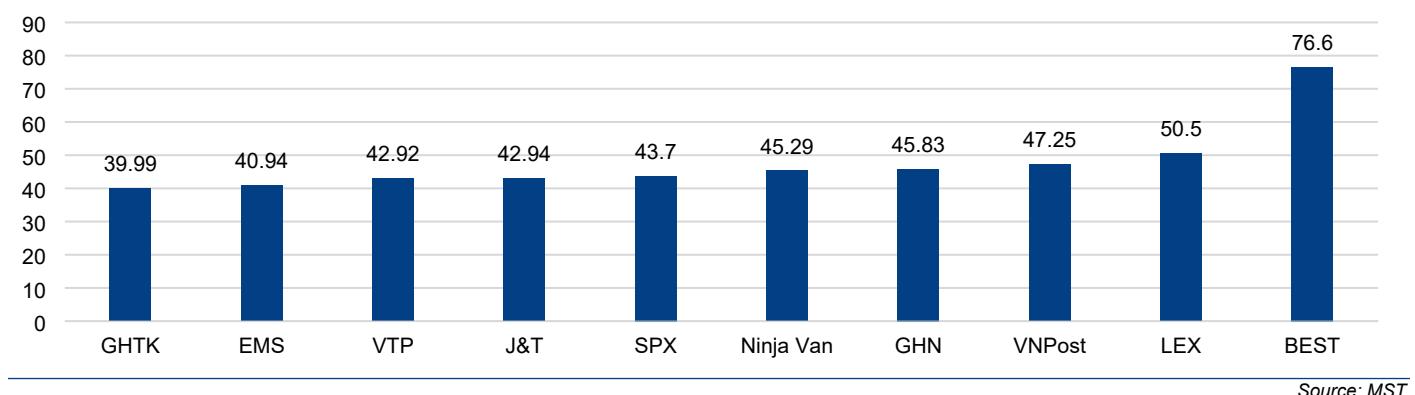
For this criterion, VTP and SPX had 0% of lost/damaged parcels. J&T, LEX, GHN and Ninja Van saw 0.02% or higher. While the number seems small, it translates to 200 lost/damaged parcels per 1mn delivered parcels, a number handled daily by J&T. This leads to not only rising costs as delivery players have to compensate their clients for the lost/damaged parcels, but also client dissatisfaction should these issues be repeated.

Criterion 3: Average end-to-end delivery time

The average end-to-end delivery time ranged between 40-50 hours for nine out of ten players, with GHTK, EMS and VTP being the top three fastest. BEST had the longest average time of 76.6 hours.

Figure 3: Average end-to-end delivery time (hours)

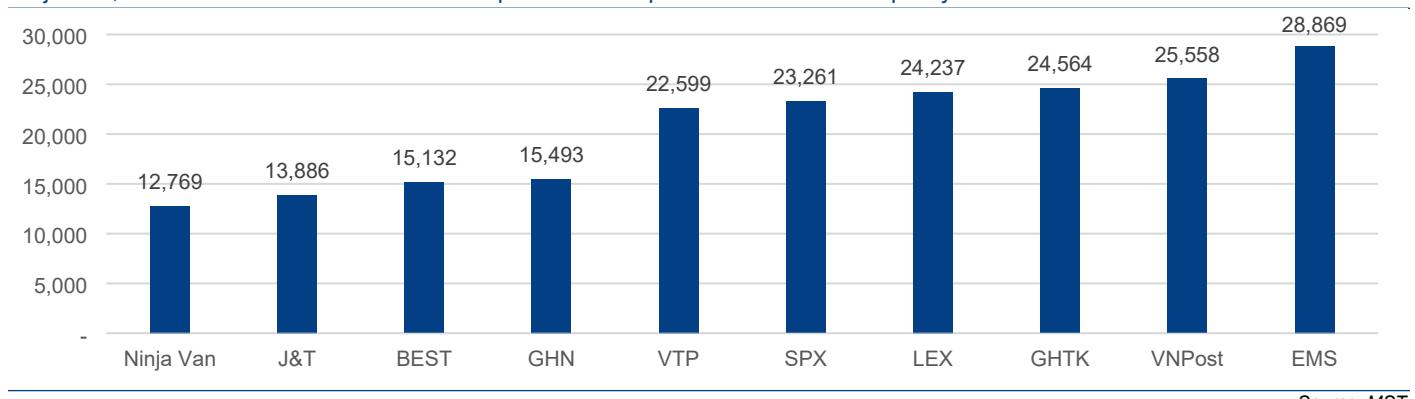
GHTK, EMS and VTP offered the fastest service



Source: MST

Figure 4: Average price per parcel (VND)

Ninja Van, BEST and GHN offered the lowest price at the expense of their service quality



Source: MST

Criterion 4: Average price

For this criterion, Ninja Van, J&T, BEST and GHN offered the lowest price (less than VND15,500 per parcel), while VNPost and EMS offered the highest price (more than VND25,500 per parcel).

Conclusion

It appears that VTP offered outstanding service quality given its leading ranks in the first three criteria. Ninja Van, BEST and GHN seemed to offer low price at the expense of their service quality. J&T was strong in terms of delivery time but not so in handling parcels.

In Sep-25, Ninja Van announced it would withdraw from Vietnam after nearly 10 years of operation, a move showing us that competing on price is eventually sustainable. With the withdrawal of Ninja Van, we expect that the competition in the sector will focus less on price and more on quality, especially should the MST regularly conduct and publish such assessment on delivery players.

Indeed, VTP's strategy to focus on service quality and not participate in the price war seems to have paid off, as its market share has continuously expanded over the past few years. In FY25, VTP's core revenue (delivery and logistics) jumped by 34% y/y to 13.1VND, outpacing the sector's revenue growth of 22% (to VND87tn). As a result, VTP's market share expanded to 15.1% in FY25, from 13.8% in FY24. We provide data regarding Vietnam's delivery sector in Figures 2-5.

Maintaining a positive view on VTP but rating/TP under review

We continue to take a positive view on VTP, and expect strong net profit growth of 24% y/y in FY26 (to VND499bn) and 18% y/y in FY27 (to VND590bn), following a modest net profit growth in FY25 (up 5% y/y to VND401bn), helped by strong top line growth. Over the longer term (from FY28 onwards), VTP's Lang Son Logistics Park (LSP) will act as an additional growth driver. With strategic location and unrivaled scale, VTP's LSP is well positioned to benefit from the smart border gate project of Lang Son province. The project, approved by the prime minister in Aug-24, will help increase customs clearance capacity by 2-3x by FY27 and 4-5x by FY30. We expect meaningful contribution from LSP to net profit from FY28, which will help VTP to sustain 20-30% net profit growth over FY28-30.

VTP's shares have risen by c.30% over the past 1M amid strong market sentiment towards the Ministry of Defence's draft Decree on special mechanisms for military enterprises. Our rating/TP is under review.

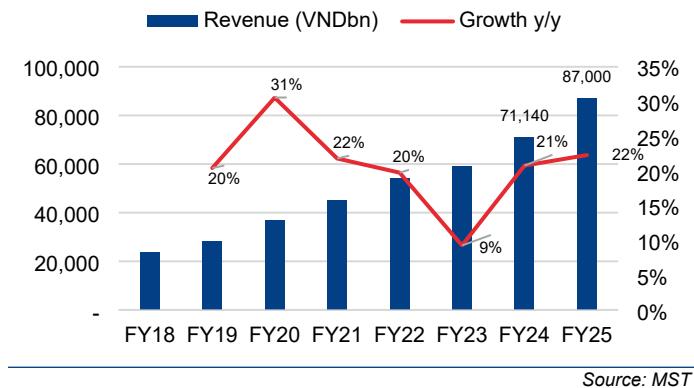
Figure 1: FY26-27 earnings forecasts, VTP

We expect net profit growth to accelerate to 24%/18% in FY26/27 following a modest 5% growth in FY25

VNDbn	FY24	FY25	FY26F	Forecasts		FY25	FY26F	Growth y/y
				FY27F	FY25			
Core revenue	9,814	13,082	16,339	19,532	33.3%	24.9%	24.4%	19.5%
Net profit	383	401	499	590	4.7%	24.4%	24.4%	18.3%

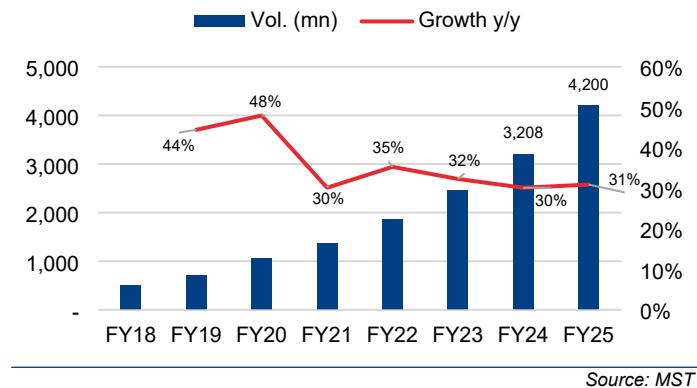
Source: HSC Research

Figure 2: Revenue of the delivery sector (VNDbn), Vietnam
Rev. of the delivery sector rose 22% y/y in FY25 to VND87tn...



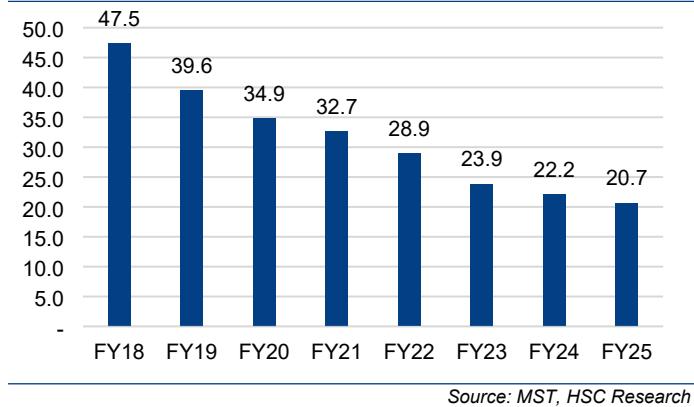
Source: MST

Figure 3: Volume of the delivery sector (mn), Vietnam
... helped by a 31% y/y growth of parcel volume



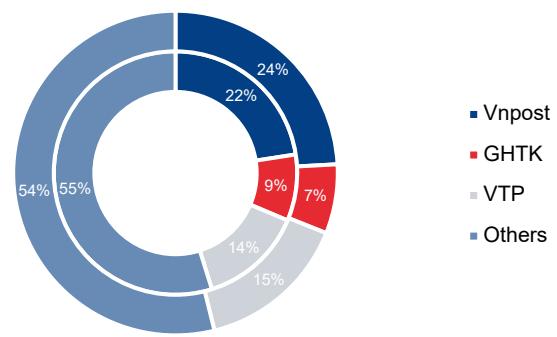
Source: MST

Figure 4: ASP of the delivery sector (VND'000), Vietnam
ASP of the sector fell 7% y/y in FY25 to VND20,700



Source: MST, HSC Research

Figure 5: Market share of the delivery sector, Vietnam
VTP's m/s expanded to 15.1% in FY25, from 13.8% in FY24



Source: MST

*Inner circle: FY24, outer circle: FY25

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