Asia Commercial Joint Stock Bank (HNX:ACB)

Valuation turning attractive

- Although FY2025 profit before tax is projected to reach only 93% of the annual target, we believe NIM will bottom out in 2H25, paving the way for profit growth in 2026.
- Asset quality remains superior to the sector average, with NPL below 1.25%, helping ACB maintain a leading position in credit cost control.
- We upgrade our recommendation to **ADD**, raising our target P/B to 1.6x. Given ACB's outstanding ROE and asset quality, we believe the stock deserves a higher multiple than the current sector average (1.5x).

We estimate FY2025 PBT to increase slightly by 2.3% YoY

As of 9M25, ACB reported total operating income of VND 25,591 bn (+2.5% YoY), mainly due to a sharp decline in NIM to 2.9%, while credit growth remained solid (+15.2% YTD) and non-interest income surged 36.2% YoY. CIR decreased 90 bps YoY, and provisions declined slightly by 5.5% YoY, helping PBT rise 4.9% YoY to VND 16,072 bn, fulfilling 70% of the full-year target and achieving 98% of our forecast.

We forecast NIM to average 2.9% for FY2025, down 67 bps YoY. Credit growth by year-end 2025 is projected at around 20% (vs. 19.1% in 2024), resulting in a 3.8% YoY decline in net interest income. Meanwhile, non-interest income is expected to rise 23.9% YoY, mainly driven by debt recovery and FX & gold trading. Provision expenses in 4Q25 are estimated to increase 2.2x YoY, leading to a 5.6% YoY increase for the full year. As a result, FY2025 PBT is projected to reach VND 21.5 tn, fulfilling 93% of the annual plan.

FY2026 earnings recovery supported by improving NIM

We forecast NIM to slightly improve to 3.1% in 2026, supported by stronger credit growth from SME and retail segments, allowing for higher lending yields compared to 2025. ACB aims to maintain medium-term credit growth of 18–20%, together with a prudent provisioning policy to ensure sustainable expansion. At the same time, non-interest businesses will be strengthened, while new segments such as gold trading and non-life insurance are expected to be launched next year. Overall, we expect FY2026 PBT to grow 25.8% YoY, assuming LLP increases 22.8% YoY.

ADD recommendation as valuation entering an attractive range

We raise our 12-month target price, based on an upward revision of target P/B to 1.6x, applying a 25%/75% weighting for 2025/2026 BVPS. We believe ACB deserves a higher valuation than peers thanks to: (i) consistently high ROE among retail-focused banks; (ii) earnings bottoming out and likely to recover alongside improving NIM; (iii) advantages in expanding high-potential business segments such as gold trading.

Figure 1: Summary of financial indicators (VND bn)

Financial indicators	31/12/23	31/12/24	31/12/25	31/12/26
Total operating income	32,747	33,515	33,833	42,166
Net interest income	24,960	27,795	26,744	33,337
NIM	3.9%	3.6%	2.9%	3.1%
Provisioning expenses	1,804	1,606	1,697	2,073
Profit after tax	16,045	16,790	17,168	21,598
Profit after tax growth	*17.2%*	*4.6%*	*2.3%*	*25.8%*
Credit growth	17.9%	19.1%	20.4%	19.0%
Deposit growth	18.7%	20.2%	16.7%	19.0%
Book value	13,814	16,248	18,692	22,867
P/B	1.8x	1.5x	1.3x	1.1x

Source: ACB, MBS Research

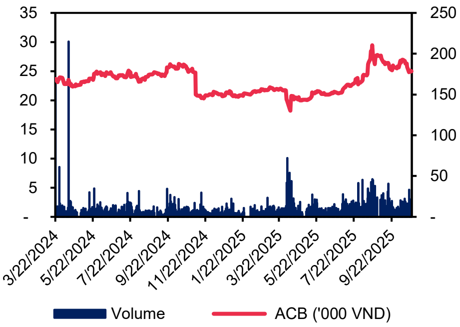
ADD

Target price	**VND 33,400 /share**
Upside potential	*+34.0%*

Material changes

Raise target P/B multiple to 1.6x, applied to the weighted average book value for 2025/2026 with respective weights of 25%/75%.

Information



Source: FiinPro, MBS Research

Market price (VND)	25,000
High 52w (VND)	29,450
Low 52w (VND)	18,213
Market cap (VND bn)	128,416
P/E (TTM)	7.4x
P/B	1.3x
Dividend yield (%)	4%
Foreign ownership ratio (%)	29.98%

Source: https://s24.mbs.com.vn/

Ownership structure (23/05/2025)

Estes Investments Ltd	6.49%
Standard Chartered Bank	5.02%
Sather Gate Investments Ltd	4.99%
Trần Hùng Huy	3.43%
Dragon Financial Holdings Ltd	3.62%

Source: FiinPro, MBS Research

Analyst

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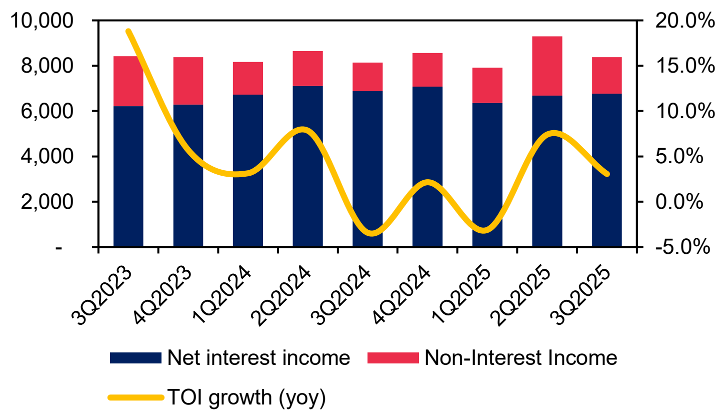
Earnings are starting to recover

Figure 2: 3Q25 and 9M25 performance update

Key indicators	3Q25	YoY (%)	9M25	YoY (%)	% MBS Forecast	Comments
Total operating income	8,385	3.1%	25,592	2.5%	75.8%	
Net interest income	6,770	-1.6%	19,812	-4.4%	74.0%	The continued NIM contraction was the main reason for the slight decline in net interest income YoY, despite resilient credit growth.
Net non-interest income	1,615	28.7%	5,779	36.2%	82.6%	Although fee income fell 5.0% YoY in 9M25, other non-interest activities posted strong growth, supporting overall income momentum. Specifically, gold & FX trading rose 92.9% YoY, securities investment increased 88.1% YoY, and recoveries of NPLs grew over 80% YoY.
Provisioning expenses	289	-19.3%	1,378	-5.5%	73.1%	
Profit before tax	5,382	11.1%	16,072	4.8%	75.6%	9M25 PBT completed 70% of the full-year target and achieved 75% of our annual forecast.
Credit growth (YTD)	15.3%	148 bps				Credit growth was mainly driven by MMLC and SME clients, while retail lending has yet to recover as expected. This also explains why NIM has not rebounded above 3%.
Deposit growth (YTD)	6.3%	18 bps				Persistently low interest rates remain the biggest challenge for system-wide deposit mobilization.
NIM	2.9%	-69 bps	3.0%	-80 bps		The decline in key lending segments forced the bank to lower lending rates to sustain credit growth. Weak retail lending also dragged down overall loan yields.
CIR	32.4%	-369 bps	31.8%	-90 bps		Remains among the best efficiency ratios in the sector.
CASA	22.4%	137 bps				Although not high in absolute terms, CASA is relatively strong compared to other retail-focused banks.
NPL	1.1%	-40 bps				Asset quality showed a positive recovery thanks to intensified efforts to resolve NPL in 9M25. The provision coverage ratio reached 2.6x, significantly higher than 78% in 2024.
LLR	84.0%	353 bps				
ROE	20.4%	-189 bps				ROE remains above 20%, outperforming peers of similar size.
ROA	2.0%	-26 bps				

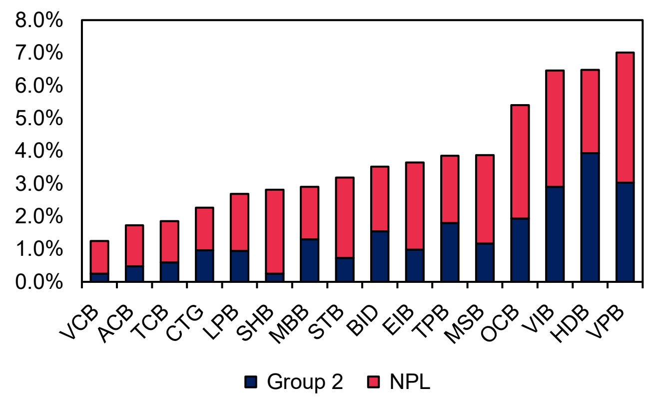
Source: ACB, MBS Research.

Figure 3: Quarterly performance of ACB (VND bn)



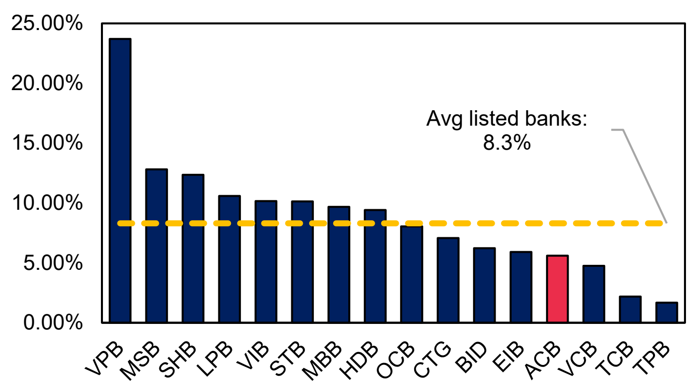
Source: ACB, MBS Research

Figure 4: Asset quality of listed banks as of end-2Q25 (%, VND bn)



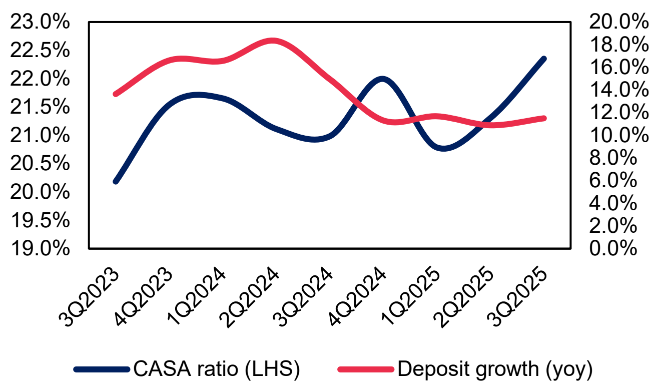
Source: Listed banks, MBS Research

Figure 5: Deposit growth of listed banks as of end-2Q25 (%)



Source: ACB, MBS Research

Figure 6: Quarterly deposit growth and CASA ratio of ACB (%)



Source: ACB, MBS Research

FY2026 earnings to recover, supported by improving NIM

Credit growth projected at 20%/19% for 2025/2026

As of end-3Q25, ACB's credit growth reached 15.2% YTD, slightly above the system average of 13.4%. Credit growth in 3Q25 maintained a similar pace to 2Q25, expanding by roughly 6% QoQ. The key growth drivers in 9M25 remained the MMLC segment (+38.3% YTD) and the retail customer segment (+16.9% YTD). Meanwhile, the SME segment has yet to recover as expected, with only 6.7% YTD growth. ACB's credit trend largely mirrored the industry pattern, focusing mainly on corporate clients, who have benefited from accelerated public investment spending - the main driver behind Vietnam's ~8% GDP growth in 9M25. We believe the sluggish SME loan recovery in 2025 stemmed from complex tariff developments, which have significantly limited expansion demand from this group. SMEs, often part of supply chains, typically have lower resilience to adverse conditions than large corporates; hence, they remain cautious about scaling up operations or increasing leverage amid the current trade environment.

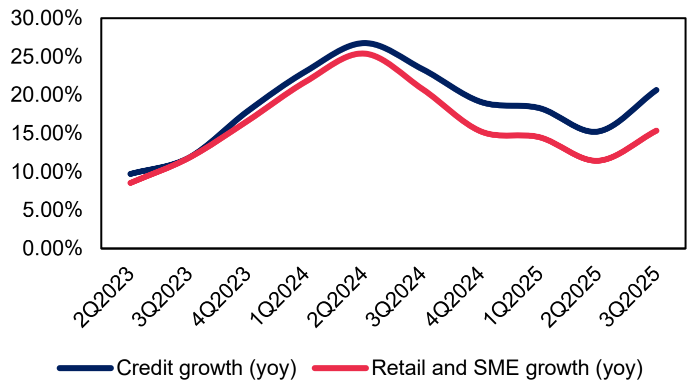
We forecast ACB's credit growth to reach 20% in 2025, mainly supported by the corporate loan book, as public investment disbursement continues to accelerate in the final quarter of the year. FY2026, we expect a low interest rate environment to persist throughout the year, supporting the government's 10% GDP growth target. In addition to sustained credit expansion among large corporates-benefiting from fiscal stimulus and low funding costs-we also anticipate credit will increasingly flow toward SMEs and retail customers, compared to 2025.

The tariff impact will gradually ease as we move into 2026, and clearer macro policies will encourage the SME corporate customer segment to accelerate production expansion, thereby increasing demand for industrial park leases and further boosting import-export activity. We believe ACB is well positioned to provide credit to this customer group not only because of its strong client base within the segment but also due to its advantage in foreign-currency lending.

Regarding retail lending in 2026, we maintain the view that mortgage lending will remain the main growth driver, with interest rate competitiveness being the key differentiator among banks. Real estate supply has improved substantially versus the past two years - though still below pre-COVID levels - thanks to government support policies and a favorable interest rate environment, which have boosted demand and enabled healthy system-wide mortgage growth. ACB also introduced the “First Home” loan package, with outstanding balance exceeding VND 7,000 bn as of end-3Q25.

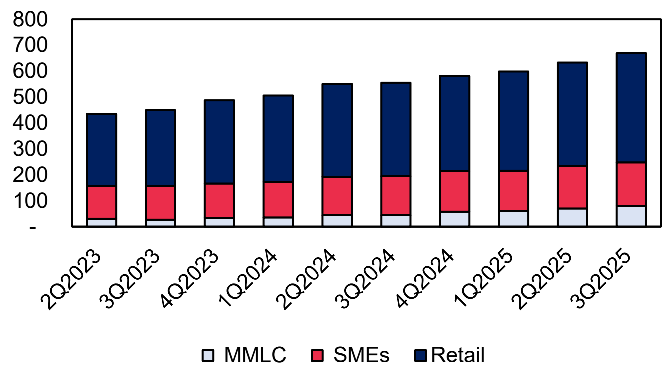
Another retail credit growth driver is margin lending. Securities companies have significantly increased their charter capital, supported by strong market liquidity - with average 3-month trading value up 107% vs. 6M25. Currently ACBS has charter capital of VND 11 trillion, placing it within the top 5. Its margin loan balance reached over VND 16,000 bn, nearly doubling since the beginning of the year.

Figure 7: Retail and SME loan growth remained below credit growth



Source: Listed banks, MBS Research

Figure 8: ACB loan breakdown by customer segment



Source: ACB, MBS Research

NIM expected to bottom out in 2025

ACB’s NIM in 3Q25 stood at 2.9%, down 69bps YoY and 4bps QoQ. For 9M25, NIM dropped sharply to 3.0% (-90bps YoY). The average lending rate fell by 80bps, while the cost of funds (COF) increased by 48bps YoY, leading to a notable compression in NIM. ACB was among the banks that experienced the sharpest NIM contraction across the sector

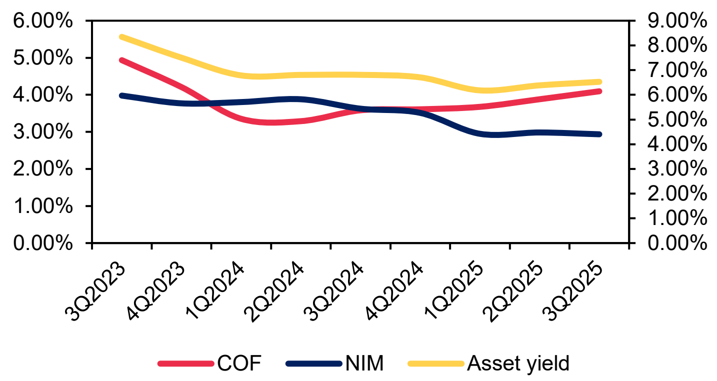
The banking sector’s strong credit push - aimed at supporting GDP growth above 8% - has been facilitated by a low interest rate environment, resulting in significant declines in lending rates. Moreover, credit has been largely directed toward corporate clients, especially large corporates, where lending rates are typically lower. Statistics show that banks with a higher retail lending ratio saw a more pronounced NIM contraction versus the system average. Retail lending during 9M25 mainly focused on mortgage loans as real estate supply improved following the government’s supportive measures. Competition in this segment has been intense, with banks offering various preferential lending packages beyond just rate discounts. State-owned and large joint-stock banks - which enjoy lower COF - have a substantial competitive edge, keeping retail lending rates unusually low.

We expect lending rates to remain anchored at current levels at least through 1H26, as the government targets GDP growth of around 10% in 2026, or at least higher than 2025.

Deposit growth at ACB remained much weaker than credit growth. As of end-3Q25, customer deposits were up 5.6% YTD, well below loan growth. We believe joint-stock banks have limited incentive to raise deposit rates amid continued NIM pressure, suggesting little change in the deposit landscape through end-2025. Consequently, sector-wide COF should remain largely stable compared with 9M25. However, interbank rates - currently elevated relative to early 2025 - could pose upward pressure on COF.

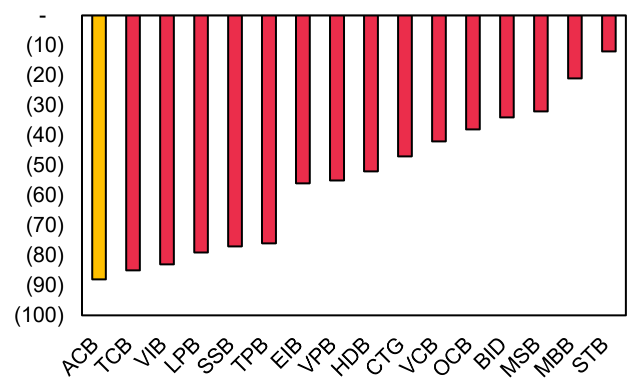
Overall, we estimate ACB's NIM to reach 2.9% for FY2025, before improving slightly to 3.1% in 2026, supported by a mild recovery in lending rates as credit demand from SMEs and retail clients strengthens. Deposit rates may edge up modestly, but still lag lending rate increases as the expansionary monetary environment persists and household deposits continue to compete with asset-market inflows.

Figure 9: Quarterly NIM, COF, and Yield of ACB (%)



Source: ACB, MBS Research

Figure 10: ACB's NIM dropped sharply vs. peers (Q2/25, bps)



Source: Các NHNY, MBS Research

Non-interest income recovered strongly despite slow fee income rebound

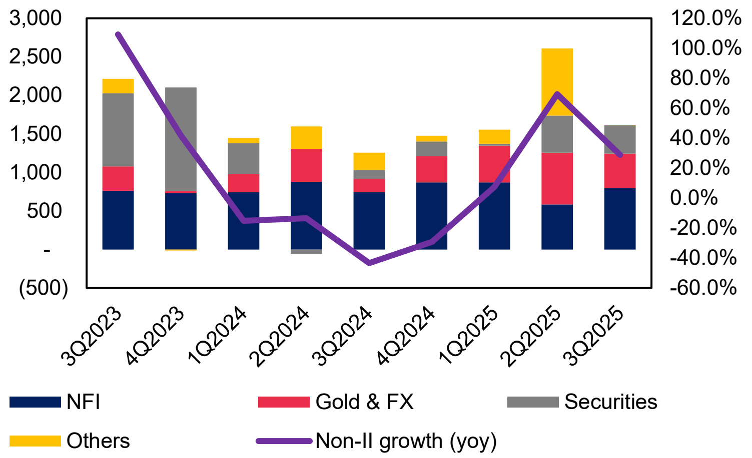
Non-interest income (Non-II) was the key bright spot in ACB's 3Q25 and 9M25 results. In 3Q25, non-interest income rose 28.7% YoY, mainly driven by strong growth in gold & FX trading (+169.5% YoY) and securities investment (+210.0% YoY) - two segments that had seen a sharp decline in 2024. Fee income increased modestly by 6.5% YoY after a slight drop of 2.1% in the same period last year. This marks the third consecutive quarter of positive Non-II growth, following a full year of contraction in 2024, indicating a sustainable recovery of ACB's non-lending income streams. For 9M25, Non-II rose 36.2% YoY (vs. -25.6% YoY in 9M24), though fee income still fell 5.0% YoY. The Non-II contribution to TOI improved to 22.6%, up from 17.0% in the same period last year.

In 9M25, ACB Securities (ACBS) recorded PBT of VND 895 bn (+34% YoY) thanks to robust performance across all business lines. Margin lending income grew 36% YoY as margin loan balance surged 87% YTD, reaching over VND 16.3 tn by end-3Q25. Proprietary trading income also posted an impressive +93% YoY increase.

We note that the bancassurance segment continues to face headwinds from subdued demand and regulatory constraints, weighing on overall non-interest income growth for the banking sector. ACB plans to launch a non-life insurance subsidiary by mid-2026, complementing its existing life insurance partnership with Sun Life to strengthen its financial ecosystem.

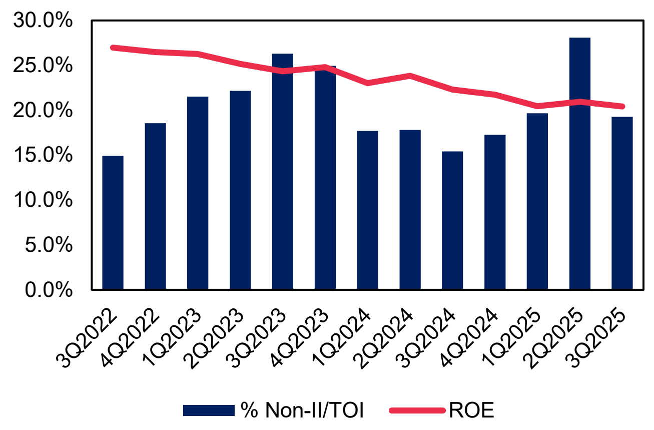
Looking ahead, most banks are expected to shift their non-interest income growth drivers toward card and payment fees, wealth management, securities brokerage, gold trading, and digital assets. The issuance of Decree 232/2025/NĐ-CP, which ends gold market monopoly and allows commercial banks with charter capital above VND 5 tn to produce gold bars, opens a new avenue for non-interest income growth. The demand for gold hoarding among the public remains substantial, and ACB is among the few banks with extensive experience in gold trading management, having previously owned two highly trusted gold bar brands. The bank has now fully restored its gold production capacity and launched an online gold trading platform, providing customers with greater convenience in buying and selling gold.

Figure 11: Fee income remains under pressure (VND bn)



Source: ACB, MBS Research

Figure 12: Decline in non-interest income weighs on ROE (%)



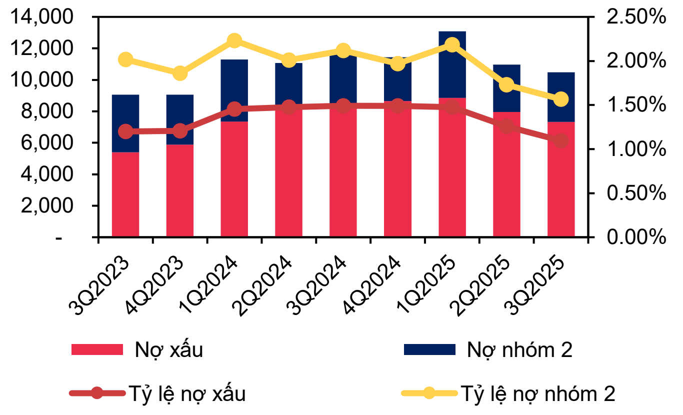
Source: Các NHNY, MBS Research

Maintaining outstanding asset quality compared to the sector

Asset quality improved significantly by end-3Q25 thanks to ACB's proactive provisioning and debt resolution efforts. The NPL and Group-2 ratios stood at 1.09% and 0.47%, down 40 bps and 1 bp respectively from end-2024. Both NPL and Group-2 ratios have declined for the third consecutive quarter since 2024. Within ACB's NPL structure, the corporate and retail NPL ratios dropped by 0.7% and 0.2% YoY to 0.8% and 1.3%, respectively. In 3Q25, ACB recorded provision expenses of VND 289bn (-19.3% YoY and -37.6% QoQ). The provision-to-credit ratio stood at 0.04%, lower than 0.06% in 3Q24 and 0.07% in 2Q25. For 9M25, total provisions reached VND 1,378 bn (-5.5% YoY). During this period, ACB utilized provisions equivalent to 2.6x specific provisioning expenses for write-offs, markedly higher than 16.5% in 9M24 and 98.5% in 9M23. This not only helped reduce the NPL ratio but also improved the LLR to 84% by end-3Q25.

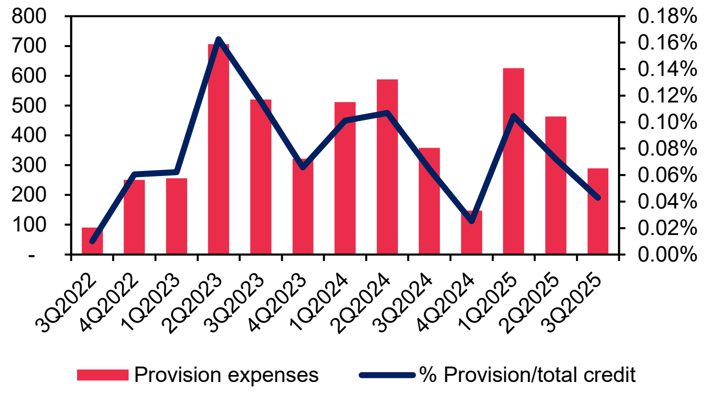
Looking ahead, we believe ACB is well-positioned to maintain NPL ratio below 1.25% by end-2025, given limited remaining credit growth room (3–5%) and a strong provisioning buffer. We estimate FY25 total provisions will reach VND 1.7tn (+5.6% YoY), implying 4Q25 provisioning to rise 2.2x YoY from a low base in 4Q24 and about 10% higher than 3Q25. The provision utilization ratio is expected to reach 200%, bringing LLR to 80% by end-2025.

Figure 13: ACB asset quality by quarter (%)



Source: ACB, MBS Research

Figure 14: Provisioning - charge and release (VND bn, %)



Source: ACB, MBS Research

Earnings forecast: Profit to recover in 2026 thanks to NIM improvement

Figure 15: Earnings Forecast 2025–2026

Key indicators	2024F	2025F	YoY (%)	2026F	YoY (%)	Comments
Total operating income	33,515	33,833	0.9%	42,166	24.6%	
Net interest income	27,795	26,744	-3.8%	33,337	24.7%	NIM is expected to stay around 2.9% in 4Q25 and for the full year 2025.
Net non-interest income	5,720	7,089	23.9%	8,830	24.6%	Non-interest income will continue the strong momentum from 9M25, driven by gold and FX trading gains as well as recoveries from NPL resolution.
Provision expenses	1,606	1,697	5.6%	2,073	22.2%	
Profit before tax	21,006	21,479	2.3%	27,022	25.8%	We estimate ACB may achieve only 93% of its full-year target, as NIM has yet to show signs of recovery in the final quarter compared to 9M25.
Credit growth (YTD)	19.1%	20.4%	135 bps	19.0%	-148 bps	Credit growth will be supported by higher loan demand from SME and retail customer segments as the bank enters a high-growth phase in 2026.
Deposit growth (YTD)	20.2%	16.7%	-344 bps	19.0%	227 bps	
NIM	3.6%	2.9%	-67 bps	3.1%	16 bps	NIM is projected to edge up slightly in 2026 due to the low base in 2025 and higher lending rates in SME and retail segments compared to large corporates.
CIR	32.5%	31.5%	-103 bps	31.0%	-50 bps	
CASA	22.0%	22.9%	87 bps	23.9%	105 bps	CASA ratio is not expected to change significantly as ACB continues prudent credit growth management.
NPL	1.5%	1.2%	-30 bps	1.1%	-7 bps	ACB does not plan aggressive credit expansion in the near term despite higher sector growth targets. Instead, the bank will focus on credit quality and boosting non-interest income to optimize leading ROE levels.
LLR	77.9%	78.5%	61 bps	84.9%	637 bps	An LLR around 80% is considered appropriate for a retail-focused bank, balancing asset quality with provisioning buffer as ACB expands into new business segments.
ROE	21.7%	19.1%	-261 bps	20.2%	110 bps	ROE is expected to decline below 20% in 2025 due to weaker earnings, then recover above 20% from 2026 onward. We believe a sustainable ROE around 20% is suitable to maintain a 19–20% CAGR in earnings over the next 5 years.
ROA	2.1%	1.8%	-28 bps	2.0%	12 bps	

Source: ACB, MBS Research

Investment Thesis

We revise our 12-month target price for ACB to **VND 33,400/share** and upgrade our rating to OUTPERFORM. Although 3Q25 and 9M25 earnings have yet to show strong improvement due to ongoing challenges in NIM recovery, ACB's current valuation appears attractive in the medium to long term, with a P/B of 1.5x. We believe ACB deserves a premium valuation thanks to:

- Stable and sustainable credit growth of around 20% - not the highest in the sector, but balancing between maintaining high credit quality and steady expansion.
- Low credit cost, allowing ACB to better withstand unfavorable macroeconomic conditions.
- Competitive advantages in emerging business segments such as gold trading and digital assets, which help sustain ROE above 20%, outperforming industry peers.
- Stable dividend policy, both in cash and stock.
- CAR remains among the highest in the sector, fully compliant with Basel III and IFRS reporting standards.

Summary of valuation assumptions

We value ACB using a blended approach combining the Residual Income (RI) model and P/B multiple method.

- P/B method: We apply a target P/B of 1.6x to the weighted average BVPS for 2025/2026, with respective weights of 25%/75%. This target multiple is slightly higher than ACB's current valuation and in line with large-sized commercial banks.
- Residual Income method: The book value component accounts for 61.4% of the total valuation, reflecting our positive earnings outlook for ACB in the coming years.

Investment risks

- NIM is the key factor determining the timing of ACB's profit bottom, as its core lending segments have been notably affected. This has led to the market price not yet reflecting ACB's intrinsic value.
- Intensifying competition in the corporate and mortgage lending segments may result in slower-than-expected NIM recovery.

Valuation

1: Residual income valuation

	2025	2026	2027	2028	2029
Risk-free rate	3.0%	3.0%	3.0%	3.0%	3.0%
Equity risk premium	9.0%	9.0%	9.0%	9.0%	9.0%
Beta	1.20	1.20	1.20	1.20	1.20
Cost of equity	13.8%	13.8%	13.8%	13.8%	13.8%
Long-term growth rate					
In VND bn					
Residual income (RI)	4,784	6,869	10,526	11,358	13,097
Present value (PV) of RI	4,784	6,036	8,128	7,707	7,809
Beginning shareholder's equity	83,462				
Total PV of 5-year RI	34,463				
PV of Terminal Value	51,439				
Ending shareholder's equity	169,364				
Shares outstanding (mn shares)	5,137				
Implied value per share (VND/share)	**33,000**				

Source: MBS Research

Figure 2: Peer Comparison – Listed Banks (Closing price as of 28 Oct 2025)

Bank	Recommendation	Target P/B (x)	P/E		P/B		PAT Growth (%)		ROE		ROA	
			2025F	2026F	2025F	2026F	2025F	2026F	2025F	2026F	2025F	2026F
ACB	ADD	1.6x	7.1x	6.6x	1.4x	1.1x	2.3%	25.8%	19.0%	19.6%	1.8%	1.9%
BID	ADD	1.8x	9.3x	7.9x	1.5x	1.3x	9.5%	18.4%	17.6%	17.7%	1.0%	1.0%
CTG	ADD	1.9x	8.6x	6.8x	1.5x	1.3x	20.2%	26.8%	19.1%	20.6%	1.2%	1.3%
EIB	HOLD	1.5x	12.2x	10.7x	1.5x	1.3x	5.1%	13.7%	13.0%	12.7%	1.4%	1.4%
HDB	ADD	1.7x	6.6x	4.9x	1.6x	1.2x	31.5%	34.3%	27.7%	28.2%	2.2%	2.3%
LPB	N/A	N/A	13.5x	11.5x	2.9x	2.3x	19.9%	17.8%	23.9%	22.6%	2.1%	2.2%
MBB	N/A	N/A	5.7x	4.3x	1.1x	0.9x	14.0%	31.5%	20.1%	21.5%	2.0%	2.2%
OCB	N/A	N/A	9.2x	7.4x	0.9x	0.8x	9.4%	24.7%	10.4%	11.6%	1.2%	1.3%
STB	N/A	N/A	9.9x	9.0x	1.6x	1.4x	12.7%	5.1%	18.8%	16.7%	1.5%	1.4%
TCB	ADD	1.7x	10.4x	8.6x	1.4x	1.2x	15.3%	18.4%	15.8%	15.9%	2.3%	2.3%
TPB	ADD	1.3x	6.6x	5.8x	1.1x	0.9x	18.3%	14.1%	18.0%	17.7%	1.7%	1.7%
VCB	ADD	2.8x	14.0x	12.6x	2.2x	1.9x	5.7%	10.8%	16.8%	16.0%	1.6%	1.6%
VIB	ADD	1.5x	7.9x	6.8x	1.4x	1.2x	14.2%	17.4%	18.4%	18.5%	1.5%	1.5%
VPB	ADD	1.8x	10.6x	8.1x	1.4x	1.2x	43.8%	31.8%	14.1%	15.7%	2.1%	2.2%
Avg - State-owned banks		**2.2x**	**10.6x**	**9.1x**	**1.7x**	**1.5x**	**11.2%**	**18.2%**	**17.8%**	**18.1%**	**1.3%**	**1.3%**
Avg - Private banks		**1.6x**	**9.1x**	**7.6x**	**1.5x**	**1.2x**	**18.3%**	**24.0%**	**18.1%**	**18.2%**	**1.8%**	**1.8%**
Average		**1.8x**	**9.4x**	**7.9x**	**1.5x**	**1.3x**	**15.5%**	**21.8%**	**18.0%**	**18.2%**	**1.7%**	**1.7%**

Source: Fiinpro, MBS Research

Figure 18: Valuation summary

Valuation Method	Target price	Weight	Weight price (VND)
Residual Value Method	33,000	50%	16,500
P/B method (P/B target = 1.6x)	33,800	50%	16,900
Target price			**33,400**

Source: MBS Research

FINANCIAL STATEMENTS

Income Statement (VND billion)	2023A	2024A	2025F	2026F
Net interest income	24,960	27,795	26,744	33,337
Net income from services	2,922	3,239	2,972	4,001
Net income from gold and forex	1,110	1,171	2,091	2,536
Gain/(loss) from trading securities	168	200	156	101
Gain/(loss) from investment securities	2,647	450	596	555
Other net income	863	624	1,234	1,596
TOTAL OPERATING INCOME	**32,747**	**33,515**	**33,833**	**42,166**
OPERATING EXPENSES	10,874	10,903	10,657	13,072
Profit before provision & tax	**21,872**	**22,612**	**23,175**	**29,095**
Credit provision expenses	1,804	1,606	1,697	2,073
Profit Before Tax	**20,068**	**21,006**	**21,479**	**27,022**
Total income tax expenses	4,023	4,216	4,311	5,424
Profit After Tax	**16,045**	**16,790**	**17,168**	**21,598**
Minority interest	-	-	-	-
Net profit for bank's shareholders	**16,045**	**16,790**	**17,168**	**21,598**

Balance Sheet	2023A	2024A	2025F	2026F
Cash & cash equivalents	6,909	5,696	6,636	5,475
Balances with the SBV	18,505	25,220	22,379	31,613
Balances with and loans to other Cis	114,874	117,882	146,784	199,173
Net Trading securities	7,177	3,881	7,693	8,319
Derivatives and other financial liabilities	-	56	56	
Loans purchase	-	-	-	-
Loans and advances to customers	487,602	580,686	699,353	831,921
Loan provision	(5,367)	(6,740)	(6,516)	(7,900)
Net Investment securities	73,463	121,090	109,971	107,850
Long-term investments	140	125	279	280
Fixed assets	4,763	5,412	5,728	6,092
Investment properties	177	177	173	168
Other assets	10,552	10,519	10,818	13,723
TOTAL ASSET	**718,795**	**864,006**	**1,003,352**	**1,196,715**
LIABILITIES	**647,839**	**780,544**	**907,339**	**1,079,309**
Deposits of Government and the SBV	0	7,955	7,955	7,955
Deposits and borrowings from other Cis	89,507	111,592	130,145	157,881
Customer deposits	482,703	537,305	641,012	772,239
Derivatives and other financial liabilities	117	-	-	-
Agent capital of Cis	42	28	-	-
Valuable certificates issued	52,410	101,650	104,903	112,309
Other liabilities	23,060	22,014	23,324	28,925
EQUITY	**70,956**	**83,462**	**96,013**	**117,461**
Common shares	38,841	44,667	51,367	61,640
Common shares surplus	272	272	272	272
Treasury shares	-	-	-	-
Other capital	-	-	-	-
Funds of bank	11,557	14,790	17,322	20,531
Retained earnings	20,286	23,734	27,052	35,019
Minorities interest	-	-	-	-
TOTAL LIABILITIES AND EQUITY	**718,795**	**864,006**	**1,003,352**	**1,196,771**

Key ratio	2023A	2024A	2025F	2026F
Growth				
Asset growth	18.2%	20.2%	16.1%	19.3%
Loan & Securities	15.9%	24.2%	16.0%	16.0%
Customer deposits	16.6%	11.3%	19.3%	20.5%
Valuable certificates	18.3%	94.0%	3.2%	7.1%
PBT	17.3%	4.7%	2.3%	25.8%
Capital Adequacy				
CAR	12.9%	12.5%	N/A	N/A
Total Equity/Total Assets	9.8%	9.8%	9.6%	9.7%
Total Assets/Total Equity	10.25	10.25	10.40	10.31
Asset Quality				
NPL ratio	1.2%	1.5%	1.2%	1.1%
Loan group 2	0.7%	0.5%	0.5%	0.5%
LLR ratio	91.2%	77.9%	78.5%	84.9%
Liquidity				
Loan-to-Deposit ratio (LDR)	78.1%	77.4%	79.8%	79.8%
Liquid asset/Total Assets	30.7%	31.7%	29.3%	29.4%
Liquid asset/Customer deposit	38.6%	41.7%	37.7%	37.6%
Profitability				
ROE	24.8%	21.7%	19.1%	20.2%
ROA	2.4%	2.1%	1.8%	2.0%
NIM	3.9%	3.6%	2.9%	3.1%
NII/ TOI	76.2%	82.9%	79.0%	79.1%
CIR ratio	33.2%	32.5%	31.5%	31.0%
Valuation				
Basic EPS (VND)	3,124	3,269	3,342	4,205
BVPS (VND)	13,814	16,248	18,692	22,867
P/E	8.1x	7.8x	7.6x	6.0x
P/B	1.8x	1.6x	1.4x	1.1x

Source: ACB FS, MBS Research

DISCLAIMER

MBS RECOMMENDATION FRAMEWORK

Stock Ratings

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

ADD	The stock's total return is expected to reach 15% or higher over the next 12 months.
HOLD	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months
REDUCE	The stock's total return is expected to fall below negative 10% over the next 12 months

Sector Ratings

POSITIVE	Industry stocks have Add recommendations on a weighted market capitalization basis
HOLD	Industry stocks have Hold recommendations on a weighted market capitalization basis
NEGATIVE	Industry stocks have Reduce recommendations on a weighted market capitalization basis

ABOUT MBS

Founded in May 2000 by the Military Commercial Joint Stock Bank (MB), MB Securities Joint Stock Company (MBS) is one of the first six securities companies in Vietnam. After years of development, MBS has grown into one of the premier brokerage houses in the country. In two consecutive years between 2009 and 2010, MBS leads the brokerage house in terms of market share on both Hanoi Stock Exchange (HNX) and HCMC Stock Exchange (HOSE) and continuously ranked among the Top 5 of market share at both stock exchanges.

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