April, 2021

ASIA COMMERCIAL JOINT STOCK BANK (HSX: ACB)

Quality of growth and asset pays off

(VND Bn)	4Q-FY20	3Q-FY20	+/- QoQ	4Q-FY19	+/- YoY
Total operating income	5,195	4,486	15.8%	4,810	8.0%
PBT and provision	3,432	2,754	24.6%	2,067	66.0%
PBT	3,185	2,592	22.9%	1,955	62.9%
NPAT	2,550	2,075	22.9%	1,549	64.6%

Source: ACB, Rong Viet Securities

4Q 2020: NIM and CIR were highlights, concealing surging credit costs

- NII led TOI in 4Q as service income shrank. The +33% YoY growth of NII was attributed to robust credit growth (+16% YoY) and quarterly NIM expanding even under pressure from interest rates cut (annualized 3.7%). Service income decreased -16% YoY in 4Q, translating to a -11% growth in 2020 due to reclassification. TOI expanded +8% in 4Q and +13% in 2020.
- PPOP grew +66% YoY in 4Q as OPEX dropped strongly (-35.7% YoY). CIR was the spotlight, reaching 34% compared to 57% in 4Q2019. This costs reduction offset the surging provision expenses (+121% YoY). 2020 PBT was at VND 9,596 bn (USD 417 mn, +28%), exceeding the guidance by 25%. 4Q2020 PBT was VND 3,185 bn (USD 138 mn, +34% YoY).

2021 outlook

The rapid expansion of credit in 4Q2020 will pay off in 1Q2021. ACB is expected to reach the credit limit guidance in 1Q (+3.5% YTD, +16.9% YoY). Combined with a stable NIM, NII is expected to grow +19% YoY. Impressive bancassurance fee income will lead the growth of net service income (+25% YoY), while CIR is forecasted to be the spotlight as OPEX decreases -7% YoY. Provision expenses are likely to surge by +80% YoY, resulting in a 1Q2021 PBT of VND 2,661 bn (USD 116 mn, +38% YoY).

For the whole year, we expect a firm credit growth (+14%) in our base case. We think that CASA improvement and loan demand's recovery will lead to a divergence between average lending and deposit rates, resulting in an expanded NIM. NII is expected to grow +18%, while that of service income is +26%. The upfront fee will cover the weak bad debt collection income in other non-II (+50%). TOI is expected to see robust growth (+22%), while CIR is sustained. Provision expenses may keep rising at lower pace (+27%) due to the amended Circular 01. NPL should stay low despite the lag from the pandemic's impact resulting in higher net NPL formation rate. 2021 PBT is projected at VND 11,601 bn (USD 504 mn, +21%).

Valuation and recommendation

We maintain a positive long-term view on ACB based on the healthy, efficient lending, a loyal customer base, strong liquidity, and sufficient capital. Service income is expected to have higher growth in the medium term due to higher contribution of bancassurance fee income with a rising market, recovery of settlement owing to a surging payment demand, high penetration of payroll account and expanded customer base. In weaker cycles, prudent and effective core business is expected to help ACB outperform peers. However, the low risk appetite might be a double-edge sword, as we would not count on ACB to be a leading growth bank in a credit expansion cycle. Thus, the premium on the average valuation multiples should not be too significant.

*Given the sustainable ROE and NIM with controlled credit costs, on the basis of prudent asset growth and sufficient capital, and the potential ROA due to higher PBT margin, we estimate the stock fair value at **VND 42,400/share.** With no cash dividend over the next 12 months, total upside should be **23%** based on the closing price on April 08th 2021. We raise our recommendation to **BUY**.*

BUY	**+23%**
Target price (VND)	42,400
Current market price (VND)	34,400
Cash dividend (VND)*	-

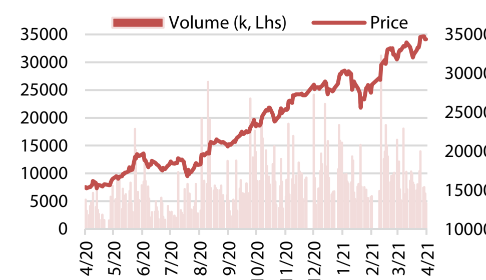
**Expected in the next 12 months*

Stock Info

Sector	Banks
Market Cap (VND bn)	75,114.2
Current Shares O/S (mn)	2,161.6
Beta	0.97
Free float (%)	81
52 weeks High	35,300
52 weeks Low	12,384.6
Avg. Daily Volume (in 20 sessions)	8,439,000

	FY2019	Current
EPS	3,632	4,974
EPS Growth (%)	-9.2	36.9
Diluted EPS	2,779	3,485
P/E	8.2	9.4
P/B	1.8	2.0
Cash dividend (%)	0	0
ROE (%)	24.6	24.3

Price performance



Major Shareholders (%)

Dragon Financial Holdings Limited	6.9%
Whistler Investments Limited	4.0%
Tran Hung Huy	3.4%
Foreign ownership room left (%)	*0%*

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Exhibit 1: 4Q 2020 Results

(VND Bn)	4Q-FY20	3Q-FY20	+/-(QoQ)	4Q-FY19	+/-(YoY)
Interest and Similar Income	8,462	7,931	6.7%	7,685	10.1%
Interest and Similar Expenses	-4,046	-4,296	-5.8%	-4,355	-7.1%
Net Interest Income	**4,416**	**3,635**	**21.5%**	**3,330**	**32.6%**
Non-interest Income	780	851	-8.3%	1,480	-47.3%
Net fee and commission Income	406	492	-17.5%	486	-16.5%
Net gain/(loss) from foreign currency and gold dealings	199	193	3.0%	139	43.0%
Net gain/(loss) from trading of securities	64	17	264.4%	1	5077.2%
Net gain/(loss) from disposal of investment securities	32	38	-13.6%	51	-
Net other income/expenses	66	111	-40.7%	803	-91.8%
Income from capital contribution	13	0	-	0	-
Total operating income	**5,195**	**4,486**	**15.8%**	**4,810**	**8.0%**
Operating expenses	-1,764	-1,732	1.8%	-2,743	-35.7%
Operating profit before provision	3,432	2,754	24.6%	2,067	66.0%
Provision expenses	-247	-162	52.4%	-112	120.8%
Profit before tax	**3,185**	**2,592**	**22.9%**	**1,955**	**62.9%**
Corporate income tax	-635	-517	22.9%	-406	56.6%
NPAT	**2,550**	**2,075**	**22.9%**	**1,549**	**64.6%**
Attributable to parent company	**2,550**	**2,075**	**22.9%**	**1,549**	**64.6%**

Source: ACB, Rong Viet Securities

Exhibit 2: 4Q 2020 Performance Analysis

(%)	4Q-FY20	3Q-FY20	+/-(QoQ)	4Q-FY19	+/-(YoY)
Profitability (TTM)					
NIM	3.7	3.6	6 bps	3.6	11 bps
CIR	42.0	48.4	-642 bps	51.6	-963 bps
ROAE	24.3	22.9	138 bps	24.6	-28 bps
ROAA	1.9	1.7	14 bps	1.7	17 bps
Asset Quality					
NPLs ratio	0.6	0.8	-24 bps	0.5	5 bps
Bad debt coverage ratio	160.3	117.5	4283 bps	175.0	-1464 bps
Equity-to-assets ratio	8.0	7.9	11 bps	7.2	74 bps
Operating Safety Ratio					
Customer loans-to-total assets ratio	76.5	77.4	-92 bps	77.3	-78 bps
Customer LDR	90.2	92.0	-173 bps	90.6	-35 bps
Adjusted LDR	83.0	83.2	-15 bps	81.7	132 bps

Source: ACB, Rong Viet Securities

Exhibit 3: 1Q 2021 Performance Forecast

Particulars (VND Bn)	1Q-FY21	+/- (QoQ)	+/- (YoY)
Net interest income	4,057	-8.1%	18.6%
Total operating income	5,019	-3.4%	14.6%
Profit before tax and provision	2,828	-17.6%	40.1%
NPAT	2,125	-16.7%	38.2%

Source: ACB, Rong Viet Securities

Update

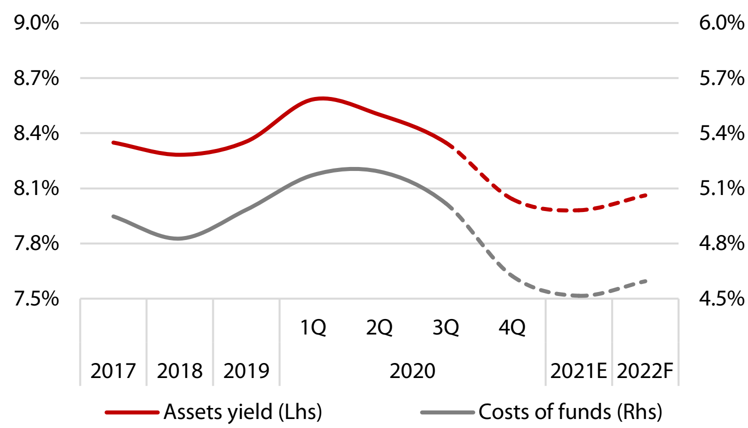
Looking forward to stable and higher NIM due to CASA enhancement

In 2020, despite the impact of the pandemic and interest rates reduction, ACB managed to increase NIM by +11 bps due to the reclassification of a part of service income to interest income. If it was not for the reclassification, 2020 NIM would have been sustained at 3.6%, equalled to that of 2019. This is a result of funding costs dropping sharply (-36 bps YoY), matching the pace of fallen assets yield (-31 bps YoY) to some extent, and a higher LDR. The 2020 NIM matched our forecast (3.7%), but the assets yield and funding costs fell sharper than our expectations.

Both the reduction in the deposit rate and growth of CASA contributed to the drop of costs of funds. We estimate that average interest on term deposits fell -46 bps YoY, significantly higher than the decline of the average lending rate. The reduction followed the general movement of deposit rates at commercial banks. On the other hand, the CASA ratio increased strongly to 21.6% at the end of 2020 from 19.1%. Most of the increase occurred in the last quarter of 2020, as 4Q2020 witnessed a 19.3% increase QoQ. The preferential fee package and payroll banking were attributed to the surge of CASA. Among the severe fees competition between banks, ACB did not cut transactional fees to zero to compete. However, the bank did have preferential fee programs for several customer segments. This was also supported by the potential structural shift in deposit of the banking sector, as the retail CASA of the banking system is estimated to have increased from 10.3% in 2019 to 12.3% in 2020, and the rising payment market. Besides, ACB experienced impressive increase in payroll accounts. This came from the initiatives "employee banking" and the shift towards younger individuals, which dragged white-collar customers in the last quarter of 2020. We think that the large, loyal and highly active customer base of payroll banking including individual (a few hundreds thousand accounts) and SME (over a hundred thousand accounts) accounted for the rise in CASA in 4Q2020.

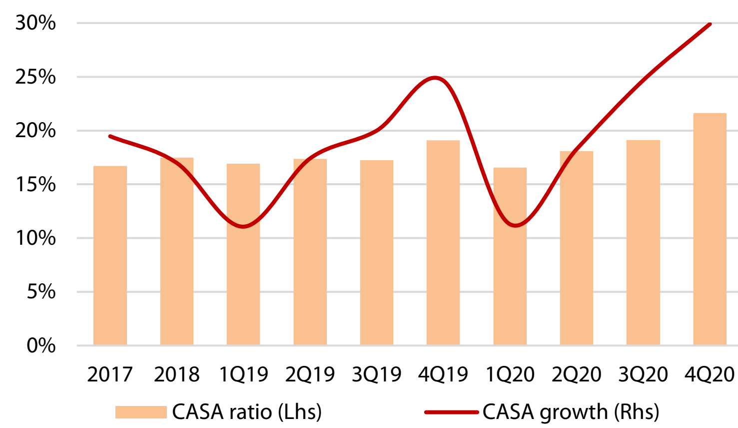
Despite lower assets yield, ACB maintained a robust growth in interest income (+20% YoY) due to the reclassification of a part of service income and resilient credit growth. We estimate that without the reclassification, normalized interest income growth (+16% YoY) would have been contributed by credit growth (+16% YoY) and expansion of investment portfolio (mostly government bond, +18% YoY) offsetting the drop in overall yield (-4% YoY). ACB's low exposure to affected and vulnerable businesses supported the lending yield.

Figure 1. Assets yield and funding costs (TTM, %)



Source: ACB, Rong Viet Securities

Figure 2. CASA ratio and CASA growth (%, YoY)



Source: ACB, Rong Viet Securities

For 2021, ACB is expected to expand NIM due to CASA improvement and recovery of lending rates, despite a slight increase in term deposit rate and lower government bond yields. We estimate that the current pace of CASA growth is in line with the 25% target at the end of 2021. Given the recovery of payment demand and recently launched application for corporate customers, we expect the CASA ratio to nearly reach 26% in 2021, led by retail. Therefore, we predict a divergence of average lending yields and deposit rates for ACB. Recovery of affected firms and restructured debts leading to counting in accrual interest, and higher loan demand following the bounce back of the economy form a reasonable basis for the expectation of increase in lending yields.

Regarding the pressure of a potential pullback in the deposit rate, we think that the recent increase at some banks only reflects temporary and idiosyncratic issues, as several private commercial banks were anticipating outstanding credit growth and preparing a liquidity buffer. In terms of the slump in bond yields, we share the view of the management team about the difficulty in finding alternative investments. ACB has been holding a significant amount of government bonds (15-17% of total assets) to ensure liquidity. In the short-term, ACB will not witness any change in the weight of liquid assets although expanding the government bonds book might affect the overall yield. We also anticipate an increase in bond trading in 2021 to take advantage of low interest rates that will support operating income. We expect the negative effect of lower interest on debt securities to have moderate impact on assets yield and overall NIM, which are forecasted at 8.0% (-6 bps YoY) and 3.8% (+9 bps YoY) in 2021.

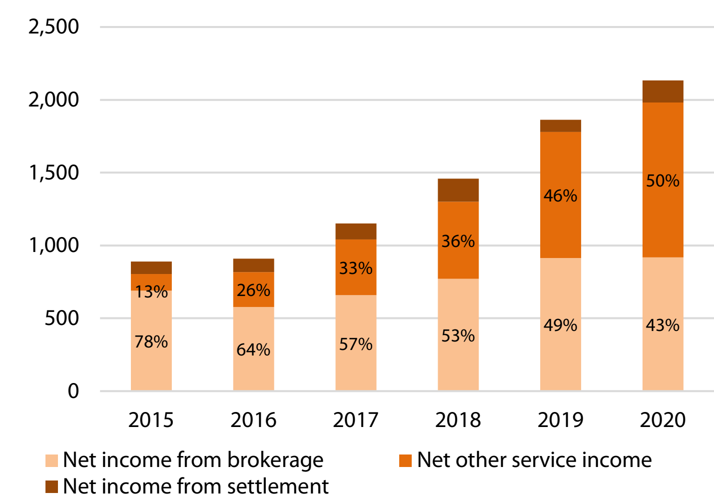
Overall, ACB is predicted to see strong NII growth in 2021 (+18%) in our base case, as credit expansion will be higher than the industry's average (+14%) and NIM will pick up.

Growth divergence across non-interest income sources

ACB recorded VND 1,695 bn (USD 73 mn) in net service income in 2020 (-11% YoY), almost matching our last forecast (VND 1,707 bn, USD 74 mn). Compared to the average net service income growth of the industry (+22% YoY), ACB experienced lower performance even before reclassification (+14% YoY). Bancassurance fees income grew +16% YoY in 2020. Income from card also saw positive growth (+10%), contributed by growth of card issuance (+12%) and card usage (+28%). On the other hand, settlement income had the lowest growth in many years (+5%). Combined with a pressured margin which decreased by three percentage points, net settlement income did not grow. Growth of normalized net service income was mostly driven by brokerage (+85%) and other service income (+23%).

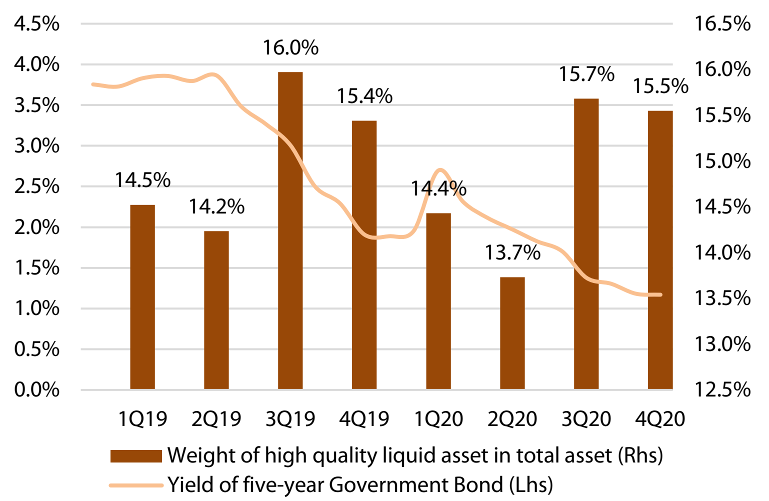
Other non-interest income also had poor result (-10%), in spite of impressive growth of profit from trading activities (+183% YoY). Those include income from FX and gold, and securities trading. Profit from foreign currency and gold dealings benefited from an increase in demand and margin. Uptrend of gold and widening bid ask spreads supported the increase in sales and margin. FX trading experienced the same, thus, net income from spot transaction rose +48% YoY. ACB was active in bond trading as income from this business grew almost 600%. However, ACB could not cover the missing of income from bad debt collection, which was one of the main income drivers. In 2020, it was only equivalent to 15% of that of 2019. The ratio of net bad debt written off to total loans also dropped to the lowest level in the last six years.

Figure 3. Contribution to net service income (VND bn)



Source: ACB, Rong Viet Securities

Figure 4. Bond yield and ACB's weight of government bond (%)



Source: VBMA, ACB, Rong Viet Securities

In the last few years, bad debt collection played a vital role in contributing to total operating income. There were times when profit from that activity was larger than net service income, accounting for a significant part of ROE. We estimate that the dependence on this source of income will be reduced in the future, as the ratio of bad debt written off to loans stays at a low level. We predict a surge in income from bad debt in 2021, mostly due to the low base. Income from trading activities will suffer from a high base. As a result, we think that FX and gold trading might increase at a slower pace, and bond trading is expected to see negative growth. Non-interest income will be supported by the allocation of upfront fees, largely contributing to +50% growth of other non-II in 2021. However, this is a downward revision from our last forecast, mainly due to the change of bancassurance upfront fees allocation.

On the contrary, we raise our forecast for net service income. The CAGR of net service income for the 2022-2024 period is also revised to 21% from 18% due to a larger contribution of fast-growing bancassurance fees income. ACB was believed to have a low penetration rate on the bancassurance product when it signed the exclusive deal with Sun Life. We expected that fee income in 2021 will slow down due to the impact of the transition phase. However, bancassurance fees income witnessed robust growth in 2M2021 after it launched the new partner's product since the beginning of 2021. We estimate that ACB experienced a strong increase in bancassurance ranking. For the 2021-2022 period, we forecast an annual growth of 30% for bancassurance fees income. Combined with the recovery of net settlement income growth (+21% YoY) and sustained brokerage income growth following the higher turnover in the stock market, this translate into a VND 2,136 bn net service income (USD 93 mn, +26% YoY).

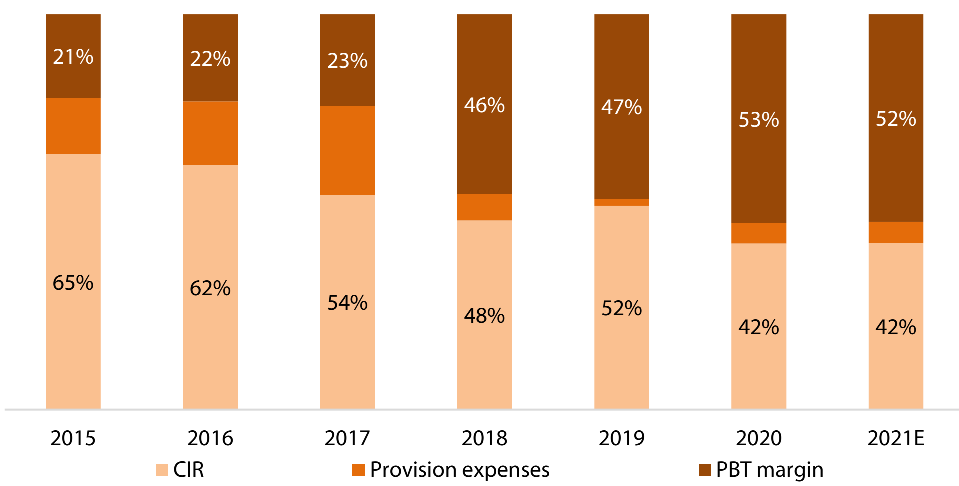
Therefore, we think that there will be divergence of growth of non-II contributors in the next few years. Net service income will be the main driver, as its ratio to total assets is expected to reach 0.5%, driven by bancassurance, card, service related to lending and settlement. Bad debt collection will no longer contribute significantly to ACB's income.

CIR reduction may be supported by plenty of factors

2020 CIR was lower than our forecast. The reasons include the reduction in management expenses (-21% YoY), weak increase of assets expenses (+7%), and a reversal of provision. We estimated a normalized CIR of 46.6% in 2020, while the actual CIR without the reversal was 45.5%. The employee base continued to slow down its growth. The improvement in CIR is estimated to account for 84% of the 2020 PBT growth.

ACB expects an improvement in CIR in the next five years, mostly driven by higher growth of TOI than that of OPEX. We forecast that CIR will reach the target of 40% in 2024. The predicted enhancement in CIR will be supported by a slower pace of expansion in staff numbers, controlled management costs and potential reversal of provisions. As a result, the PBT margin is expected to reach 55% in 2024. This improvement in efficiency is one of the keys to a higher ROA, which is forecasted to be 2.0% in 2021, from 1.9% in 2020.

Figure 5. TOI breakdown (%)



Source: ACB, Rong Viet Securities

Asset quality is the key to combat the pandemic

ACB maintained a low NPL ratio (group 3-5) throughout the pandemic period, reaching 0.6% at the end of last year. The 2020 results beat our forecast of NPL and LLR mainly due to weak net NPL formation rate. LLR was at 160% at the end of 2020, higher than our projection (140%). This led to a lower-than-expected credit costs (0.3% compared to the forecast of 0.4%), followed by an under-estimated provision expenses (VND 941 bn, or USD 41 mn, compared to the projection of VND 1,258 bn, or USD 55 mn).

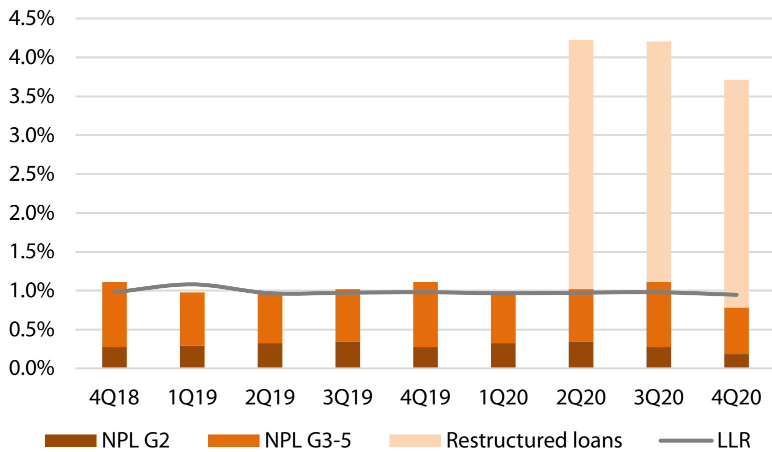
The net NPL formation rate surged to 0.2% compared to approximately zero in 2019, but this level was still by far the historical average. The Circular 01 and the bank's low exposure to affected sector were the reasons. Maintaining debt group helped prevented a degradation of bad loans to non-performing groups, while healthy lending brought about a controlled formation of new non-performing loans. This was also a result of the government's effort in managing the pandemic.

ACB reported VND 9,000 bn (about USD 391 mn) of debt under restructuring according to Circular 01 at the end of 2020. This implies a slight decrease since 3Q2020. In comparison to outstanding loans, the ratio of debt under restructuring to total loans decreased from 3.1% in

9M2020 to 2.9% at the end of 2020. In 2M2021, the amount did not change much. However, ACB only restructured about VND 1,700 bn (USD 74 mn), equivalent to about 0.5% of total loans. We believe this is a result of prudent and healthy credit expansion, suiting the low risk appetite of ACB, along with an exposure to the rising middle-and-high income class.

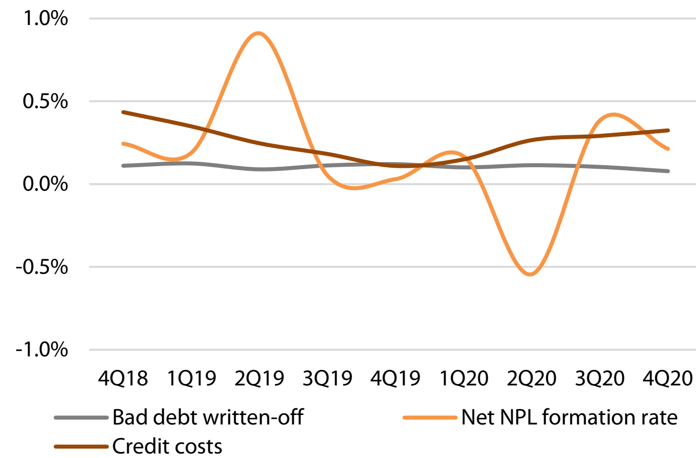
Based on the expectation of the amended Circular 01 and the recovery of the economy following the controlled pandemic, we revise down our forecast for the NPL ratio to 0.5% in 2021 from 0.7%. It will be the outcome of a slightly higher net NPL formation rate being offset by the increase in bad debt written-off. The lag from the impact of the pandemic, which we already anticipated in our 2021 Strategy Report, is expected to affect the net NPL formation as well. Given that, we also think that the amount of restructured debt will pick up. However, the negative effect will not be severe in our base case. Credit costs is expected to rise to 0.4% as ACB starts making provisions for restructured debt. The management team expected a full provision of VND 900 billion for the restructured debt according to Circular 02, while the amended Circular 01 will help allocate these provision expenses to three years. Therefore, we maintain our last projection that ACB's credit costs will be in a range of 0.3-0.4% in the 2021-2024 period. The 2021 LLR will be revised down moderately from 173% to 163%.

Figure 6. NPL (group 3-5), group 2 debt, debt under restructuring according to Circular 01, and LLR (%)



Source: ACB, Rong Viet Securities

Figure 7. Net NPL formation rate, bad debt written off to loans and credit costs (TTM, %)



Source: ACB, Rong Viet Securities

2021 outlook

Table 1: ACB's annual plan and our projection

	2020 Plan	2020 Actual	2021 Plan	2021 Forecast
Profit before tax	VND 7,636 bn	VND 9,596 bn	VND 10,062 bn	VND 11,601 bn
Credit growth	11.75%	15.9%	9.5%	14.0%
Deposit growth	12.0%	14.6%	9.0%	13.5%
Total asset growth	12.0%	15.9%	10.0%	13.9%

Source: ACB, Rong Viet Securities

At the AGM, ACB proposed a modest target for its annual plan, despite the actual 2020 results and brighter economic prospect in 2021. We think that the bank maintains a conservative view on the development of the pandemic, and also contemplates further interest rates cut and higher provision. Its 2021 PBT is planned at VND 10,062 bn, translating into a +4.9% YoY growth. Our projection is based on the base case of the pandemic, thus, will exceed the annual plan.

We expect ACB to achieve strong growth in 1Q2021 due to a high base of CIR and robust income growth. PBT is expected at VND 2,125 bn (+38% YoY). Quarterly CIR will pick up slightly from 4Q2020 as a result of no provisions reversal. However, OPEX is expected to decrease -7% YoY due to significantly lower quarterly CIR compared to that of 1Q2020. TOI is forecasted to grow +14.6% YoY, following a strong credit expansion (+16.9% YoY, +3.5% YTD). Service income will be the highlight, as it advances +25% YoY as the bancassurance fee income surges, the reclassification effect is neutralized and settlement income recovers. Provision expenses will witness huge growth (+80% YoY), but the impact on PBT is expected to be insignificant.

In 2021, we anticipate a better performance for the whole sector. We sustain our projection of credit growth (+14% YoY) and lower our forecast for mobilization growth (+13% YoY), matching a slightly higher LDR and strong liquidity. We look forward to a growth in CASA ratio as mentioned. Combined with the recovery in lending rates, NIM is projected to expand. We expect the upfront fee of the bancassurance deal to be booked. Our projected NII remains at about VND 17,156 bn (USD 746 mn, +18% YoY). 2021 TOI is revised down about VND 300 bn to VND 22,117 bn (USD 961 mn, +22% YoY), due to lower contribution of bad debt collection income. CIR for the whole year will be equaled to that of 2020 (42%), lower than our last projection due to better 2020 results. Overall, our projection for 2021 PBT growth is maintained at +21%, while the absolute number will be up about VND 600 bn, at VND 11,601 bn (USD 504 mn).

Unit: VND Bn

INCOME STATEMENT	FY2019A	FY2020A	FY2021E	FY2022F
Interest and Similar Income	28,318	31,856	36,344	41,868
Interest and Similar Expenses	-16,205	-17,274	-19,188	-22,155
Net Interest Income	**12,112**	**14,582**	**17,156**	**19,713**
Non-interest Income	3,985	3,579	4,961	5,741
Net fee and commission Income	1,896	1,695	2,136	2,690
Net gain/(loss) from foreign currency and gold dealing	430	687	796	805
Net gain/(loss) from trading of securities	75	167	121	121
Net gain/(loss) from disposal of investment securities	54	732	390	336
Net other income/expenses	1,500	280	1,493	1,764
Income from capital contribution	29	19	26	25
Total operating income	**16,097**	**18,161**	**22,117**	**25,454**
Operating expenses	-8,308	-7,624	-9,324	-10,568
Operating profit before provision	7,790	10,537	12,793	14,886
Provision expenses	**-274**	**-941**	**-1,192**	**-1,503**
Profit before tax	**7,516**	**9,596**	**11,601**	**13,383**
Corporate income tax	-1,506	-1,913	-2,303	-2,669
NPAT	**6,010**	**7,683**	**9,298**	**10,714**
Attributable to parent company	**6,010**	**7,683**	**9,298**	**10,714**

Unit: %

FINANCIAL RATIO	FY2019A	FY2020A	FY2021E	FY2022F
Growth				
Customer loans	16.7	15.9	14.1	14.8
Customer deposit	14.1	14.6	13.5	14.0
Net interest income	16.9	20.4	17.6	14.9
Operating income	14.7	12.8	21.8	15.1
NPAT	17.0	27.8	21.0	15.2
Total Assets	16.5	15.9	13.9	14.6
Equity	32.1	27.7	26.2	20.6
Profitability				
NIM	3.6	3.7	3.8	3.8
CIR	51.6	42.0	42.2	41.5
ROAE	24.6	24.3	23.2	21.7
ROAA	1.7	1.9	2.0	2.0
Asset Quality				
NPL ratio	0.5	0.6	0.5	0.7
Bad debt coverage ratio	175.0	160.3	163.3	153.6
Equity-to-Assets ratio	7.2	8.0	8.8	9.3
Operating Safety Ratio				
Customer Loans-to-Total Assets ratio	77.3	76.5	76.9	77.1
Customer LDR	87.2	88.2	88.6	89.4

Unit: VND Bn

BALANCE SHEET	FY2019A	FY2020A	FY2021E	FY2022F
Cash and precious metals	6,438	6,968	8,337	10,285
Balances with the SBV	10,420	16,617	17,238	18,280
Placements with and loans to other credit institutions	30,342	31,671	37,372	43,352
Trading securities, net	2,985	6,168	6,933	6,935
Derivatives and other financial assets	88	54	54	54
Loans and advances to customers, net	266,165	308,529	351,938	404,092
Investment securities	55,956	63,399	70,898	81,598
Investment in other entities and long-term investments	98	99	99	99
Fixed assets	3,770	3,783	5,064	5,804
Investment properties	362	349	349	349
Other assets	6,891	6,893	8,134	9,517
TOTAL ASSETS	**383,514**	**444,530**	**506,416**	**580,365**
Due to Gov and borrowings from SBV	0	0	0	0
Deposits and borrowings from other credit institutions	19,249	23,875	27,792	32,351
Deposits from customers	308,129	353,196	400,877	457,000
Derivatives and other financial liabilities	0	0	0	0
Funds received from Gov, international & other institutions	156	117	128	128
Convertible bonds/CDs and other valuable papers issued	20,831	22,050	22,050	24,255
Other liabilities	3,873	4,645	5,427	6,388
Total liabilities	**355,749**	**409,082**	**461,670**	**526,418**
Shareholder's equity	**27,765**	**35,448**	**44,746**	**53,947**
Capital	16,799	21,887	21,887	21,887
Reserves	4,596	5,742	7,153	8,780
Foreign currency difference reserve	0	0	0	0
Difference on assets revaluation	0	0	0	0
Retained Earnings	6,370	7,819	15,705	23,279
Minority interest	0	0	0	0
LIABILITIES AND SHAREHOLDER'S EQUITY	**383,514**	**444,530**	**506,416**	**580,365**

Unit: VND Bn

FOOTNOTES	FY2019A	FY2020A	FY2021E	FY2022F
Interest Income	**28,318**	**31,856**	**36,344**	**41,868**
From customers	24,425	27,685	31,966	36,795
From other Cis	608	297	377	554
From fixed-income investment	2,934	2,916	3,262	3,684
From guarantee	0	0	0	0
From other activities	272	859	639	736
Interest Expenses	**-16,205**	**-17,274**	**-19,188**	**-22,155**
To customers	-15,062	-15,569	-17,397	-20,188
To other Cis	-103	-67	-88	-164
To fixed-income investment	-994	-1,547	-1,607	-1,704
To other activities	-47	-91	-96	-99
Operating expenses	**-8,308**	**-7,624**	**-9,324**	**-10,568**
Provision expenses	**-274**	**-941**	**-1,192**	**-1,503**

RESULT UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process. The report comprises analyses and projections that are based on the most up-to-date information with the objective that is to determine the reasonable value of the stock at the time such analyses are performed. Through this report. We strive to convey the complete assessment and opinions of the analyst relevant to the discussed company. To send us feedbacks and/or receive more information. Investors may contact the assigned analyst or our client support department.

RATING GUIDANCE

Ratings	BUY	ACCUMULATE	REDUCE	SELL
Total Return including Dividends in 12-month horizon	>20%	5% to 20%	-20% to -5%	<-20%

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