

6 Mar 2026

HCM Development (HDB)

Ambitious growth

Business results in 4Q25

- 4Q25 PBT surged sharply by +60.0%yoy to VND6,519bn thanks to robust growth in net interest incomes (18.9%yoy) and non-interest income (+106%yoy), and manageable expenses on operation and risks provision. The 2025 PBT rose by +27%yoy to VND21,322bn, completing 101% of the 2025 target.
- 4Q25 total credit grew by + 25.7% YTD to VND564,096bn, higher than the industry's rate of 19%YTD. This growth was primarily fueled by corporate loans (+34% YTD), HDSaison (+21% YTD), and a surge in corporate bonds (+176% YTD). Meanwhile, retail loans edged up 3% YTD, driven by a recovery in mortgages and consumer lending.
- Net interest margin in 4Q25 improve quarterly from 4.48% in 3Q25 to 5.1% in 4Q25.
- Deposits from customers, valuable papers, and other credit institutions rose by +32.2%. LDR remained healthy at the end of 2025, changing from 68.5% in 2024 to 67.0% in 2025.
- 4Q25 non-interest incomes were driven by services incomes (+106.6%yoy), FX (+34.9%yoy), and investment activities (4.77x). Similarly, non-interest incomes in 2025 also rose sharply by +150%yoy. Service fee resulted from transaction fees, investment banking services, and digital initiatives.
- Operating expenses and risks provision expenses in 4Q25 rose moderately by +7.7%yoy and +8.7%yoy, respectively. CIR fell from 37.5% in 4Q24 to 31.0% in 4Q25.
- Non-performing loans declined from both the parent bank and Hdsaison. Consolidated NPL (3-5)/(2-5) declined from 2.9%/7.5% in 3Q25 to 2.4%/5.9% in 4Q25. Of which, NPL (3-5)/ (2-5) from parent banks were down from 2.7%/7.2% in 3Q25 to 2.3%/5.5% in 4Q25.
- **HDSaison:** witnessed a strong 2025 PBT growth of 14.5%yoy to VND1,390bn, NPL declining from 7.4% in 2024 to 6.9% in 2025.

	2021A	2022A	2023A	2024A	2025A
TOI (VND bn)	16,758	21,967	26,414	34,032	42,687
chg. (YoY)	21.6	31.1	20.2	28.8	25.4
PPE (VND bn)	10,375	13,336	17,284	22,051	31,073
Net profit (VND bn)	6,054	7,750	10,071	12,763	16,503
EPS (VND)	3,011	3,063	3,464	3,636	3,297
chg. (YoY)	14.3	1.7	13.1	5.0	(9.3)
PB (x)	1.2	1.5	1.5	1.8	1.7
PE (x)	5.5	7.1	6.5	7.7	7.9
P/PPE (x)	12.5	9.7	7.5	5.9	4.2
NIM (%)	4.3	5.0	4.8	5.2	4.5
ROE (%)	20.2	23.3	23.5	24.7	25.8
ROA (%)	1.6	1.8	2.0	2.0	2.0
Dividend yield (%)	0	4.58	4.42	0	0
CAR (%)	14.40	13.40	12.60	14.03	16.7

Note: Net profit, EPS and ROE are based on figures attributed to controlling interest

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12M rating **NON-RATED**

12M TP

Up/Downside

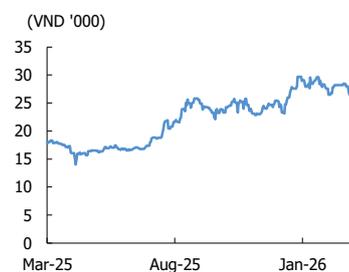
Stock Data

VNIndex (06 Mar, pt)	1,768
Stock price (06 Mar, VND)	25,900
Market cap (USD mn)	4,944
Shares outstanding (mn)	5,005
52-Week high/low (VND)	29700,/14034
6M avg. daily turnover (USD mn)	20.36
Free float / Foreign ownership (%)	75/23
Major shareholders (%)	
Sovico	14.48
Pyn Elite Fund	1.85

Performance

	1M	6M	12M
Absolute (%)	(12.8)	4.0	45.7
Relative to VNIndex (%p)	(12.0)	(2.8)	9.3

Stock price trend



Source: Bloomberg

Research Dep

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2026F: Consistent earnings growth

- According to the management, Credit growth in 2026 could keep the growth momentum with a target of 35%, driven by corporate expansions and retail segment recovery. Corporate lending operations are diversifying beyond SMEs to encompass medium-sized enterprises and FDI corporations. NIM in 2026 could maintain or even improve, thanks to funding optimization and a recovery in the retail segment.
- Non-interest incomes in 2026 could keep a high growth rate, resulting from payments, recovery in bancassurance, and banking services.
- Non-performing loans in 2026 could remain stable, at the same level as the previous year, amidst heightened global geopolitical tensions.
- Regarding the dividend policy in 2026, the management continues to maintain a high dividend payout ratio, consistent with the previous year, and will present it at the AGM.
- HD Securities (HDS) is planning for its IPO in 2026. The financial institution recently reported a record profit of over VND1tn and is targeting a future profit of over VND4tn, with a capital scale exceeding VND10tn in the coming period.

Recommendation and Ratings

- HDB is trading at PB of 1.72x, compared to the five-year average of 1.6x.

Table 1: Snapshot of income statement

Units: VNDbn, %

	4Q24	3Q25	4Q25	q/q	n/n	2024	2025	n/n
Net interest income	8,203	7,763	9,756	25.7	18.9	30,857	34,746	12.6
Total operating income	9,452	9,516	12,330	29.6	30.4	34,032	42,687	25.4
Profit before provision expense	5,907	7,029	8,510	21.1	44.1	22,051	31,073	40.9
PBT	4,075	4,735	6,519	37.7	60.0	16,730	21,322	27.4

Source: FiinproX, company data

Table 2: 2026 Plannings

Units: VNDtn, %

	2025	2026F
Total assets	931	Up > 28%
Deposit	832	Up >27%
Credit	588	Up ~ 35%
PBT	21.3	Up > 30%
ROAE	25.3	>25
ROAA	2.1	>2.1

Source: FiinproX, company data

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