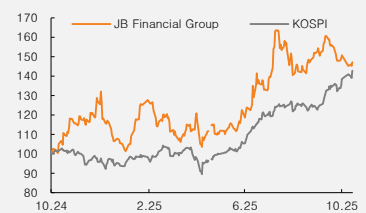


(Downgrade)	Hold
Target price	▲ W25,000
Current price (10/15/25)	W22,800
Upside	9.6%

NP (25F, Wbn)	693
Consensus NP (25F, Wbn)	700
EPS growth (25F, %)	4.5
Market EPS growth (25F, %)	24.7
P/E (25F, x)	6.3
Market P/E (25F, x)	13.1
KOSPI	3,657.28

Market cap (Wbn)	4,359
Shares outstanding (mn)	191
Free float (%)	82.1
Foreign ownership (%)	35.4
Beta (12M)	0.97
52-week low (W)	15,700
52-week high (W)	25,350

(%)	1M	6M	12M
Absolute	-7.3	33.6	38.2
Relative	-13.7	-9.5	-0.5



Mirae Asset Securities Co., Ltd.

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JB Financial Group

Limited upside

Downgrade to Hold from Trading Buy; raise TP to W25,000

We downgrade our rating on JB Financial Group to Hold (from Trading Buy) while raising our target price to W25,000 (from W19,000). We derive our target price by applying a target P/B of 0.8x to our 2025F BPS. The 0.8x multiple reflects: 1) the company's plan to raise its shareholder return ratio to 50% by 2027 (as part of its value-enhancement plan); and 2) its solid capital ratios, which should allow it to achieve this goal. However, with upside limited to just 9.6%, we lower our rating to Hold.

Shadow of ownership cap regulations

A key feature of JB Financial is that it has multiple major shareholders with stakes approaching 15%. As the company carries out share buybacks and cancellations, these large shareholders may be compelled to sell shares in order to comply with ownership limits imposed on local financial holding companies. Until now, only the largest shareholder (Samyangsa) has sold down its stake, but starting next year, Align Partners (the second-largest shareholder) is also expected to approach the 15% threshold. As a result, selling pressure from major shareholders is likely to intensify.

3Q25 earnings preview

We forecast controlling interest net profit at W192.5bn, in line with consensus. Net interest income should reflect a 2bp QoQ decline in NIM and 0.8% QoQ loan growth (+0.2% YoY). Credit cost ratio is projected at around 80bps, similar to the prior quarter. CET1 ratio should improve to 12.66% (+26bps QoQ), helped by the group's relatively limited exposure to FX volatility (a common trait among regional financial holding companies).

(Dec.)	2023	2024	2025F	2026F	2027F
Net operating revenue (Wbn)	2,016	2,215	2,255	2,340	2,471
OP (Wbn)	800	906	923	990	1,077
NP (Wbn)	586	678	693	736	803
EPS (W)	2,975	3,471	3,626	3,960	4,502
BPS (W)	26,120	29,348	31,429	34,604	38,431
P/E (x)	3.8	4.7	6.3	5.8	5.1
P/B (x)	0.44	0.55	0.73	0.66	0.59
ROE (%)	12.2	12.8	12.1	12.2	12.4
Shareholder return yield (%)	7.5	4.7	7.1	7.8	9.8
CET1 ratio (%)	12.2	12.2	12.6	13.0	13.3

Notes: Under consolidated K-IFRS; NP is attributable to owners of the parent
Source: Company data, Mirae Asset Securities Research estimates

Mirae Asset Research AI translation

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Table 1. JBFG: TP calculation

(W, x, %)

	Value	Notes
Previous TP	19,000	
2025F ROE	12.2	Mirae Asset Securities est.
Adj. discount rate	18.9	
Target P/B	0.65	
2025F BPS	30,967	Mirae Asset Securities est.
Revised TP	25,000	
2025F ROE	12.1	Mirae Asset Securities est.
Adj. discount rate	15.2	
Target P/B	0.80	
2025F BPS	31,429	Mirae Asset Securities est.
Current price	22,800	
Upside	9.6	
Rating	Hold	~10% upside

Source: Company data, Mirae Asset Securities Research

Table 2. JBFG: Earnings and forecasts

(Wbn)

	1Q25	2Q25	3Q25F	4Q25F	2024	2025F	2026F
Net operating revenue	562	579	572	542	2,215	2,255	2,340
Interest income	491	502	503	504	1,976	1,999	2,086
Bank	322	324	323	322	1,313	1,290	1,341
Non-bank	170	178	180	182	663	709	745
Non-interest income	70	77	70	38	239	255	254
SG&A expenses	206	202	200	244	830	852	876
PPOP	355	377	372	298	1,385	1,402	1,464
Provisioning	138	110	108	123	479	479	474
OP	217	267	263	175	906	923	990
Non-OP	2	12	-1	-1	2	11	1
Pretax profit	219	279	262	174	908	934	991
Taxes	52	65	61	41	215	219	231
Consolidated NP	167	214	201	134	693	715	760
NP attr. to owners of the parent	163	208	195	127	678	693	736

Source: Company data, Mirae Asset Securities Research

JB Financial Group (175330 KS)

Income statement

(Wbn)	2024	2025F	2026F	2027F
Net operating revenue	2,215	2,255	2,340	2,471
Interest income	1,976	1,999	2,086	2,207
Bank	1,313	1,290	1,341	1,432
Non-bank	663	709	745	775
Non-interest income	239	255	254	263
SG&A expenses	830	852	876	925
PPOP	1,385	1,402	1,464	1,546
Provisioning	479	479	474	468
OP	906	923	990	1,077
Non-OP	2	11	1	1
Pretax profit	908	934	991	1,078
Taxes	215	219	231	252
NP	693	715	760	827
Attr. to owners of the parent	678	693	736	803
Minority interests	15	22	24	24

Growth (%)	2024	2025F	2026F	2027F
Net operating revenue	9.9	1.8	3.8	5.6
Interest income	3.6	1.2	4.3	5.8
Bank	-1.8	-1.7	3.9	6.8
Non-bank	16.4	6.9	5.0	4.1
Non-interest income	119.3	6.8	-0.4	3.6
SG&A expenses	7.5	2.7	2.8	5.6
PPOP	11.4	1.3	4.4	5.6
Provisioning	8.0	0.1	-1.1	-1.2
OP	13.3	1.9	7.2	8.8
Non-OP	-481.6	515.4	-91.1	0.0
Pretax profit	13.6	2.9	6.1	8.8
Taxes	9.9	2.0	5.5	8.8
NP	14.7	3.2	6.2	8.8
Attr. to owners of the parent	15.6	2.3	6.2	9.1
Minority interests	-13.7	43.4	8.4	0.0

Performance indicators

(%, Wbn)	2024	2025F	2026F	2027F
NIM	2.68	2.55	2.53	2.58
NIS	2.64	2.52	2.52	2.56
Cost-to-income ratio	37.5	37.8	37.4	37.4
Credit cost ratio	0.93	0.88	0.83	0.78
Asset growth	5.2	6.6	5.1	5.1
Equity growth (attr. to owners)	11.5	4.7	6.9	6.4
BIS capital	5,331	5,645	6,050	6,453
Tier 1 capital	5,088	5,426	5,831	6,234
CET1 capital	4,555	4,894	5,299	5,702
Tier 2 capital	243	218	218	218
Risk-weighted assets	37,314	38,933	40,914	42,996
BIS capital adequacy ratio	14.3	14.5	14.8	15.0
Tier 1 capital	13.6	13.9	14.3	14.5
CET1 capital	12.2	12.6	13.0	13.3
Tier 2 capital	0.7	0.6	0.5	0.5

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet

(Wbn)	2024	2025F	2026F	2027F
Assets	66,722	71,103	74,721	78,523
Cash/cash equivalents	1,622	1,886	1,982	2,083
Securities	10,717	11,103	11,668	12,262
Loans	52,123	55,340	58,156	61,115
Won-denominated bank loans	50,528	53,630	56,358	59,226
Tangible assets	829	829	829	829
Other	1,432	1,945	2,086	2,234
Liabilities	60,997	65,118	68,330	71,729
Deposits	44,141	47,371	49,781	52,314
Won-denominated bank deposits	416,527	445,819	468,503	492,341
Borrowings	14,867	15,756	16,533	17,356
Other	1,989	1,991	2,016	2,059
Equity	5,725	5,986	6,391	6,794
Attr. to owners of the parent	5,581	5,843	6,248	6,651
Capital stock	985	985	985	985
Capital surplus	703	709	709	709
Capital adj.	-56	-78	-78	-78
AOCI	4	-27	-27	-27
Retained earnings	3,425	3,734	4,138	4,541
Other	520	520	520	520
Minority interests	144	143	143	143

Investment indicators

(x, %, W)	2024	2025F	2026F	2027F
Valuation				
P/E	4.7	6.3	5.8	5.1
P/B	0.55	0.73	0.66	0.59
Dividend yield	6.1	4.5	5.0	5.6
Per-share indicators				
EPS	3,471	3,626	3,960	4,502
BPS	29,348	31,429	34,604	38,431
DPS	995	1,025	1,130	1,280
Growth				
EPS	12.4	7.1	10.1	11.1
BPS	12.4	7.1	10.1	11.1
Profitability				
ROE	12.8	12.1	12.2	12.4
ROA	1.04	1.01	1.01	1.05
PPOP margin	62.5	62.2	62.6	62.6
OP margin	40.9	40.9	42.3	43.6
Pretax margin	41.0	41.4	42.4	43.6
Net margin	30.6	30.7	31.4	32.5

No. of shares & dividend payout ratio

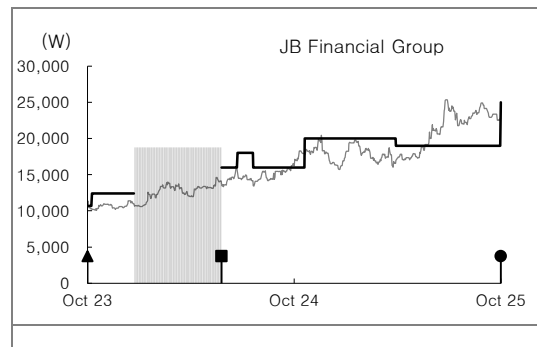
('000, %)	2024	2025F	2026F	2027F
Issued shares (year-end)	195,083	191,124	185,771	178,276
Common	195,083	191,124	185,771	178,276
Preferred	0	0	0	0
Dividend payout ratio	28.0	27.8	28.0	28.0
Common	28.0	27.8	28.0	28.0
Preferred	0.0	0.0	0.0	0.0

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
JB Financial Group (175330)	10/16/25	Hold	25,000
	04/14/25	Trading Buy	19,000
	11/04/24	Trading Buy	20,000
	08/05/24	Trading Buy	16,000
	07/08/24	Trading Buy	18,000
	06/10/24	Trading Buy	16,000
	01/08/24	No Coverage	
	10/25/23	Buy	12,400
	04/10/23	Buy	10,700



Stock ratings

Buy	Expected 12-month return: +20% or greater
Hold	Expected 12-month return: Greater than -10% and less than +10%
Sell	Expected 12-month return: -10% or less

Sector ratings

Overweight	Expected to outperform the market over 12 months
Neutral	Expected to perform in line with the market over 12 months
Underweight	Expected to underperform the market over 12 months

As of May 12, 2025, the Trading Buy rating category has been removed from our investment rating system.

Stocks expected to deliver a 12-month return between +10% and less than +20% may be rated either Buy or Hold at the discretion of the research analyst.

Rating and TP history: Share price (—), TP (—), Not Rated (■), Buy (▲), Trading Buy (■), Hold (●), Sell (◆)

* Our investment rating is a guide to the expected return of the stock over the next 12 months.

* Outside of the official ratings of Mirae Asset Securities Co., Ltd., analysts may call trading opportunities should technical or short-term material developments arise.

* The TP was determined by the research analyst through valuation methods discussed in this report, in part based on estimates of future earnings.

* TP achievement may be impeded by risks related to the subject securities and companies, as well as general market and economic conditions.

Ratings distribution and investment banking services

	Buy	Trading Buy	Hold	Sell
Ratings distribution	78.61%	1.73%	19.08%	0.58%
Investment banking services	84.62%	0%	15.38%	0%

* Based on recommendations in the last 12-months (as of September 30, 2025)

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