Equity Report: Vietnam Military Joint Stock Bank (MBB)

Research Department
Feb 03, 2026

2025 business results updates

KEY BUSINESS HIGHLIGHTS

In 2025, MBB recorded exceptional growth in both scale and asset size, significantly outperforming the industry average (credit growth of 37% YoY, deposit growth of 32% YoY, and total assets increasing by 43% YoY). This also marked the first year the bank surpassed the milestone of VND 1 quadrillion in outstanding credit.

In terms of profitability, MBB reported pre-tax profit of VND 32 trillion, representing an 18.7% YoY increase, primarily driven by net interest income (+25% YoY), while non-interest income continued to improve, supported by contributions from multiple business pillars (+12.8% YoY).

NIM trends reflected the group's resilience amid rising funding costs across the sector, with the NIM base remaining stable at 4.1% by the end of 2025.

Asset quality improved notably, with the non-performing loan (NPL) ratio declining sharply to 1.29% by end-2025. The capital adequacy ratio (CAR) was maintained above 11%.

RECOMMENDATION

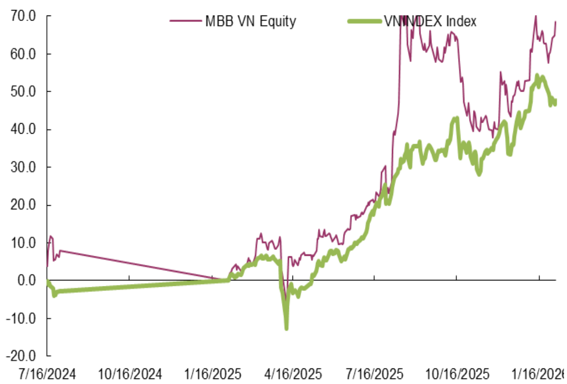
MBB's 2025 business results reflect the bank's solid and well-executed steps in entering a new growth phase, in which credit remains the core business pillar, while performance achievements stem from a flexible combination of governance enhancement, digitalization, and selective segment expansion.

Regarding the 2026 outlook, through its participation in the restructuring of MBV, MBB is expected to benefit from a special regulatory mechanism, supporting projected credit growth of approximately 35% per annum for at least the next three years. The bank's credit allocation strategy also demonstrates a consistent approach aligned with Vietnam's economic growth plan, with a focus on expanding lending to production and business activities, exports, FDI-related enterprises, as well as retail, personal, and consumer lending. In the retail segment, MBB continues to accelerate retail expansion, targeting an increase in the retail contribution to total outstanding loans by 1.5%–2% per year.

Recommendation: Accumulate, 12-month target price of **VND 29,600 per share,** implying an **upside of 8.4%** from the closing price on 02 February 2026.

Recommendation:	**ACCUMULATE**
6-18m TP:	**29,600**
Current price:	VN27,300

1Y Price performance



Stock change	1 M	3 M	1Y
Price change%	7.9%	13.8%	63.8%
Comparison with VN index	9.1%	23.1%	107.3%
Average (VND)	26,993	25,144	22,118

Sources: Bloomberg, Guotai Junan (VN)

Outstanding shares (million)	8,055.00	Major shareholder (%)	Viettel 14.7%
Market Capitalization. (VND b)	217,485.00	Free float (%)	68.7%
3-Month Average Trading Volume ('000)	28,175.22	LDR (%)	83%
Highest/Lowest Price 52w (VND)	29500 / 14735	CAR (%)	11.14%

Sources: the Company, Guotai Junan (VN).

2025 BUSINESS RESULTS UPDATES

1. Credit and deposits

In 2025, MBB marked a milestone as the first year its outstanding credit surpassed VND 1 quadrillion, equivalent to credit growth of 37% YoY. Within this, retail customer credit expanded strongly by 48.2% YoY, while corporate customer credit grew by 28.8% YoY.

Several sectors recorded notable growth rates during the year, including manufacturing (+44%), construction (+42%), wholesale and retail trade (+33%), and real estate business (+89%). Meanwhile, margin lending outstanding at MBS Securities increased by 46% and accounted for 1.39% of the bank's total outstanding loans.

On the funding side, the bank recorded deposit growth of 32% YoY, with retail customer deposits increasing by 22.4% YoY and corporate deposits rising by 38.4% YoY. Notably, deposits from the corporate segment accelerated sharply in 4Q2025, posting a 28.5% QoQ increase. Retail customer deposits also recorded solid growth of 9.1% QoQ.

With an ecosystem of eight subsidiaries, MBB continued to rank top of the market in terms of CASA ratio, reaching 37.8% in 4Q2025.

2. Profitability

Full-year 2025 pre-tax profit reached VND 34.2 trillion, representing an 18.7% YoY increase, driven by the following factors:

- Net interest income (NII) amounted to VND 51.6 trillion, up 25.4% YoY, supported by robust credit growth of 37% YoY despite a contraction in NIM compared with the same period last year (reflecting declining lending rates while cost of funds increased). During the year, MBB demonstrated efforts to rebalance its lending activities and funding structure by accelerating growth in the retail customer segment (+48% YoY), which offers more attractive yields, while maintaining a high CASA balance to help contain funding costs.
- In non-interest activities, non-interest income (NFI) recorded growth of 12.8% during the year, reaching VND 16.1 trillion (accounting for 24% of total operating income). Fee-based income posted strong growth of 51% YoY, driven by solid contributions from bancassurance (+35% YoY, reaching VND 3 trillion) and card services (+83% YoY, reaching VND 1,625 billion). Advisory services surged 257% to over VND 1 trillion, supported by the recovery of the bond market. In addition, benefiting from the legalization of Resolution 42 related to NPL resolution, recoveries from written-off loans reached VND 4,142 billion in 2025, up 69% YoY. Conversely, financial investment activities were weaker than in 2024, with net income of VND 2,258 billion, down 50% YoY.
- In 2025, MBB successfully expanded its customer base by 5 million, bringing the total number of customers to 35.09 million, supported by continued investment in digitalization and the expansion of its banking ecosystem (securities, insurance). Operating expenses were well controlled, increasing by 16% YoY, while the cost-to-income ratio (CIR) continued to decline sharply compared with the previous year.
- In terms of ROA and ROE, MBB remains among the leading banks in the system.

Regarding the business performance of its subsidiaries,

In 2025, total revenue of MBB's subsidiaries exceeded VND 30 trillion, up 32% YoY, while profit increased by 61% YoY. Notably, MBCapital recorded a 67% increase in assets under management; MCredit ranked among the top three in terms of credit market share; MB's bancassurance and MBLife ranked first and second, respectively; MBS placed in the top seven for brokerage market share; and MIC ranked among the top four non-life insurance providers by market share. Details are as follows:

- **MIC:** Revenue reached VND 5.9 trillion, up 10% YoY, with bancassurance revenue increasing by 15%. In 2025, MIC put into operation a new insurance core system, which is expected to enhance long-term operating efficiency. Profit for 2025 reached VND 410 billion, up 13% YoY.
- **MCredit:** Outstanding loans were approximately VND 30 trillion, up 16% YoY; loan disbursements reached VND 50 trillion, doubling year-on-year. As a result, revenue exceeded VND 8 trillion, up 27% YoY, while profit surged 96% YoY. The NPL ratio was maintained at around 7.5%. Regarding

the medium-term outlook, MBB's management shared plans to pursue an IPO for MCredit in the medium term, following the completion of the restructuring of its business model toward greater sustainability after a period of significant changes in the consumer finance market.

- **MBS:** Operating revenue exceeded VND 1 trillion, up 34% YoY, while net profit reached VND 308 billion, up 86% YoY.

3. Asset Quality

The bank's consolidated non-performing loan (NPL) ratio declined sharply to 1.29%, supported by tighter credit control and intensified NPL resolution efforts. The NPL coverage ratio also improved compared with the previous quarter, rising to 94%. Regarding provisioning activities, in 2025 MBB proactively increased provisions for bad loans related to the implementation of Decree 86/2024 (under which collateral in the form of real estate is no longer eligible for deduction in provisioning calculations if more than two years have elapsed since credit institutions or foreign bank branches obtained the right to enforce such collateral).

The capital adequacy ratio (CAR) was maintained at 11.14%. The bank expects to continue implementing capital strengthening measures, including private placements, to further enhance its capital buffer.

GTJA COMMENT AND 2026 OUTLOOK

MBB's 2025 business performance reflects the bank's solid execution as it enters a new growth phase, in which credit remains the core business pillar, while achievements are driven by a flexible combination of governance enhancement, digitalization, and selective segment expansion. Profitability indicators—NIM at 4.1%, ROE at 21%, and ROA at 2%—underscore MBB's strengths and efforts in maintaining a high CASA ratio (ranked No.1 in the system), a long-established and reputable customer base, and a comprehensive, pioneering subsidiary ecosystem within the industry (eight members).

Regarding the business outlook, through its participation in the restructuring of MBV, MBB is expected to benefit from a special regulatory mechanism, supporting projected credit growth of around 35% per year for at least the next three years. The bank's credit allocation plan also reflects a consistent approach aligned with Vietnam's economic growth strategy, with a focus on expanding lending to production and business activities, exports, FDI, as well as personal and consumer lending. In the retail segment, MBB will continue to accelerate retail expansion, targeting an increase in the retail contribution to total outstanding loans of 1.5%–2% per year.

In terms of net interest income, amid a prolonged upward trend in funding costs since late 2025, MBB targets maintaining NIM at a level comparable to 2025 (4.1% with a fluctuation band of ±0.1%), while cost of funds is expected to rise by 0.15%–0.2% compared with 2025. Bank management has also indicated that lending rates are not expected to increase, with the strategy focused instead on expanding scale to drive income growth.

Asset quality and system governance remain top priorities, with a target NPL ratio below 1.3%. Corporate bond investments are managed cautiously, with real estate bonds accounting for around 10%, while the remaining 70%–80% are in renewable energy. In parallel, the bank is studying the implementation of Circular 14/2025, with the objective of adopting the Standardized Approach (SA) by 2027 and the Internal Ratings-Based (IRB) approach by 2029.

In 2026, MBB also plans to roll out additional business lines, including gold trading activities. At the same time, the bank is taking a cautious approach toward participation in digital asset-related activities. Currently, MBB is in the implementation phase, with a strong focus on system development, prioritizing technological safety and security. Bank management has noted that this is a highly potential business area but one that also entails significant challenges, requiring prudent and measured steps.

VALUATION AND RECOMMENDATION

Under the assumption that MBB continues to post strong credit growth of 35% in 2026, with NIM at 4.0%, net interest income growing by 26%, and non-interest income increasing by 15% YoY.

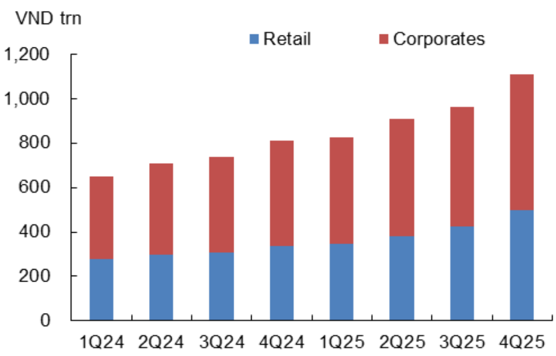
The bank's 2026 pre-tax profit is expected to reach VND 42,700 billion, representing a 24.9% YoY increase, equivalent to an EPS of VND 4,200 per share.

Using the residual income valuation approach, we derive a target price for MBB of VND 29,600 per share.

Currently, MBB shares are trading at a P/B multiple of 1.6x, broadly in line with the banking sector average. Nevertheless, the bank's competitive advantages and superior profitability relative to peers of similar scale support a favorable long-term upside for the stock.

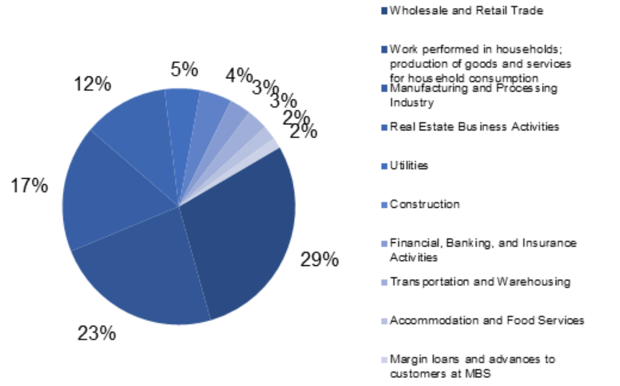
Recommendation: Accumulate, 12-month target price of **VND 29,600 per share**, implying an upside of **8.4%** from the closing price on 02 February 2026.

Figure-1: Credit breakdown by segment



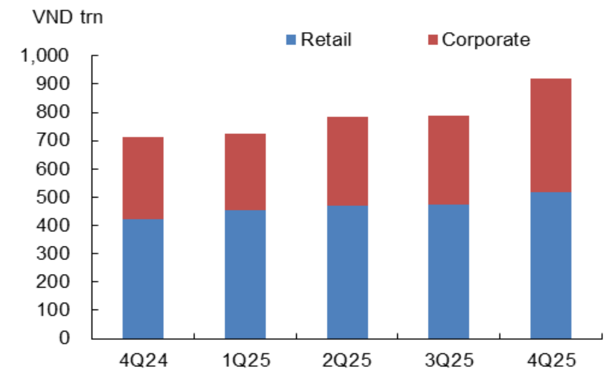
Source: MBB, Guotai Junan (VN).

Figure-2: Credit breakdown by sector 2025



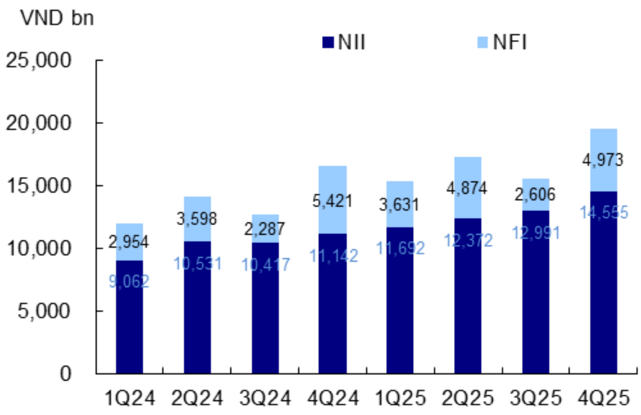
Source: MBB, Guotai Junan (VN).

Figure-3: Deposits breakdown



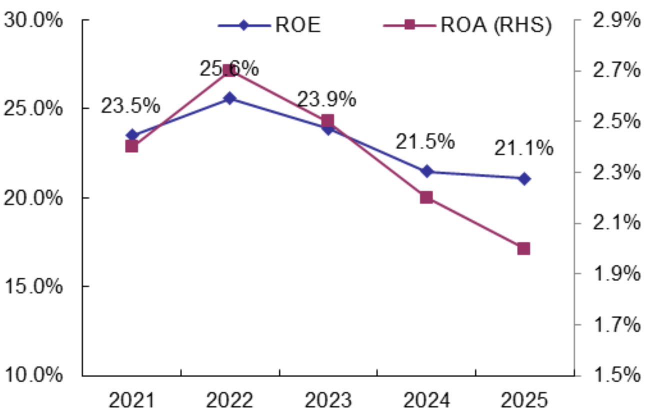
Source: MBB, Guotai Junan (VN).

Figure-4: TOI Breakdown



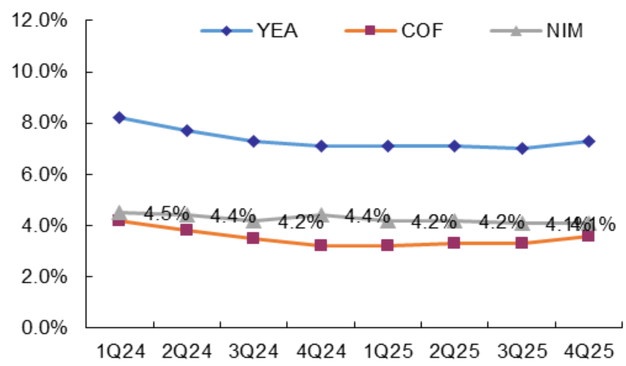
Source: MBB, Guotai Junan (VN).

Figure-5: Profitability



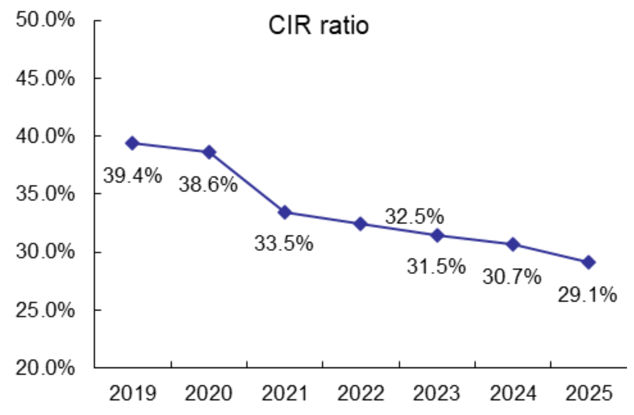
Source: MBB, Guotai Junan (VN).

Figure-6: COF và NIM



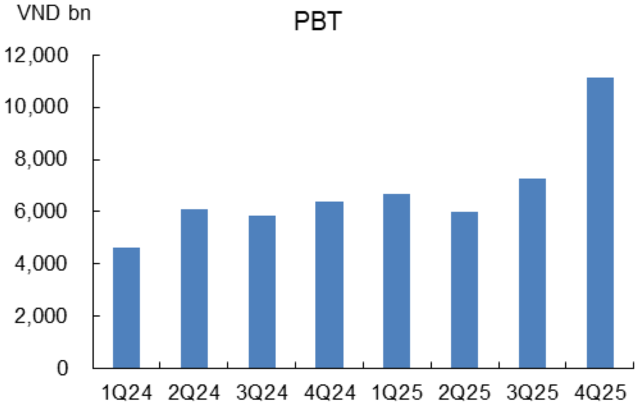
Source: MBB, Guotai Junan (VN).

Figure-7: CIR Ratio



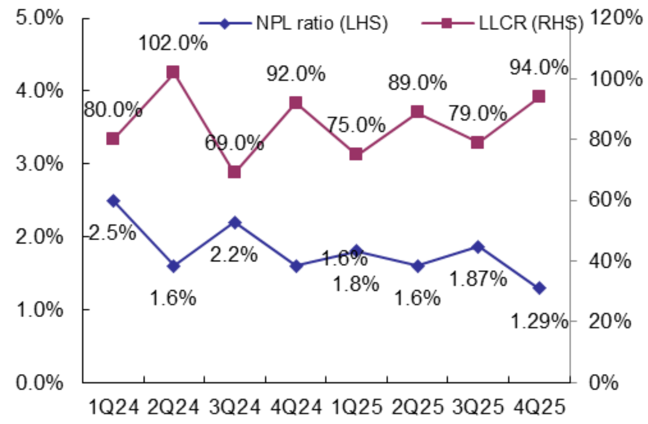
Source: MBB, Guotai Junan (VN).

Figure-8: PBT



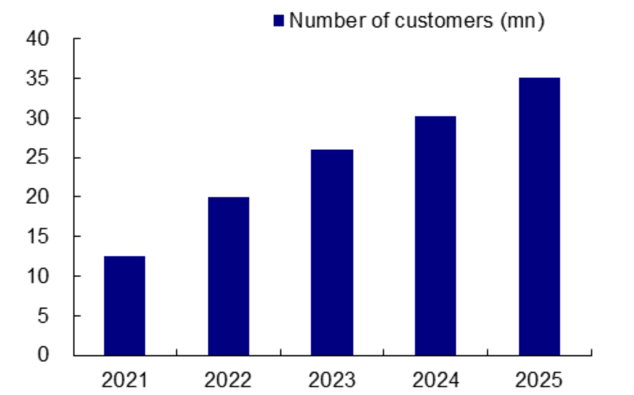
Source: MBB, Guotai Junan (VN)

Figure-9: NPL ratio and LLR



Source: MBB, Guotai Junan (VN).

Figure-10: Number of customers



Source: MBB, Guotai Junan (VN)

Feb 03, 2026

MBBank (MBB)

Company Report

COMPANY RATING DEFINITION

Benchmark: VN – Index. Time Horizon: 6 to 18 months

Rating	Definition
Buy	Relative Performance is greater than 15% Or the Fundamental outlook of the company or sector is favorable
Accumulate	Relative Performance is 5% to 15% Or the Fundamental outlook of the company or sector is favorable
Neutral	Relative Performance is -5% to 5% Or the Fundamental outlook of the company or sector is neutral
Reduce	Relative Performance is -15% to -5% Or the Fundamental outlook of the company or sector is unfavorable
Sell	Relative Performance is lower than - 15% Or the Fundamental outlook of the company or sector is unfavorable

SECTOR RATING DEFINITION

Benchmark: VN – Index Time Horizon: 6 to 18 months

Rating	Definition
Outperform	Relative Performance is greater than 5% Or the Fundamental outlook of the sector is favorable
Neutral	Relative Performance is -5% to 5% Or the Fundamental outlook of the sector is neutral
Underperform	Relative Performance is lower than -5% OrThe Fundamental outlook of the sector is unfavorable

DISCLAIMER

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