# MBB Update – OUTPERFORM

10-Aug-26


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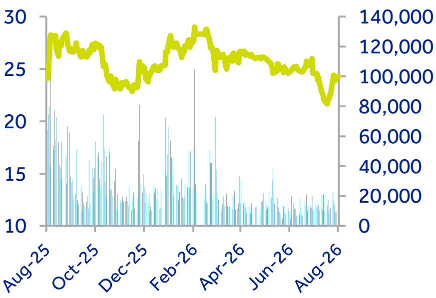
| | |
|---|---|
| **Recommendation** | **OUTPERFORM** |
| | **HOSE: MBB** |
| | **Banking** |
| **Target price (VND)** | **27,000** |
| **Market price (VND)** | **24,250** |
| Expected share price return | +11.3% |
| Expected dividend yield | 2.1% |
| **Expected total return** | **+13.4%** |

### Stock performance (%)

| | YTD | 1M | 3M | 12M |
|---|---|---|---|---|
| Absolute | -0.3 | -1.6 | -3.5 | 10.0 |
| Relative | -1.2 | 2.3 | 2.8 | -4.1 |

*Source: Bloomberg*

### Price-Volume




### Ownership

| | |
|---|---|
| Viettel | 18.4% |
| SCIC | 9.8% |
| Vietnam Helicopter | 7.0% |
| Sai Gon New Port | 6.2% |
| VCB | 3.8% |

| **Stock Statistics** | **10-Aug-26** |
|---|---|
| **Bloomberg code** | **MBB VN** |
| 52-week range (VND) | 21,350-29,500 |
| Shares O/S (m) | 8,055 |
| Mkt cap (VND bn) | 195,334 |
| Mkt cap (USD m) | 7,413 |
| Est. Foreign room left ( %) | 1.0 |
| Est. free float (%) | 69.2 |
| 3m avg daily vol (shrs) | 13,718,077 |
| VND/USD | 26,350 |
| Index: VNIndex / HNX | 1776.77/287.68 |

## MILITARY COMMERCIAL JS BANK (MBB)

**We lower our 1-year target price by 3.6% to VND27,000/share, due to (1) reducing our target P/E from 8.0x to 6.5x – in line with the historical median to reflect the high interest rate environment, and (2) rolling forward the valuation date to mid-2027F. We maintain our OUTPERFORM recommendation. In 1H2026, the bank achieved 49-51% of its PBT target (15-20% y/y growth) and 48% of our forecast. For FY2026F, we forecast PBT at VND42,407 bn, up 23.7% y/y.**

**Positive Q2/26 PBT** (+40.7% y/y and +9.7% q/q), driven by strong credit growth, while operating expenses and provision expenses remained under control.

**Credit growth maintained strong** (+37.8% y/y and +13.2% ytd), outperforming the industry (+17% y/y and +8% ytd), with real estate & construction corporate lending growing rapidly (+76.6% y/y), concentrated in residential real estate in HCMC and Hanoi and industrial real estate. However, real estate sector risks remain under control, with an NPL ratio of ~0% and a relatively modest exposure (17.1%).

**NIM recovered** by 36 bps q/q to 4.23%, back to the same level as the year-ago period, as high lending rates began to be reflected more strongly in interest-earning asset yields.

**NFI remained challenging** (-27.3% y/y and +40.7% q/q), in line with the industry trend, with weaker performance across services, FX, securities and off-balance-sheet debt recovery, due to declining liquidity in the stock and real estate markets.

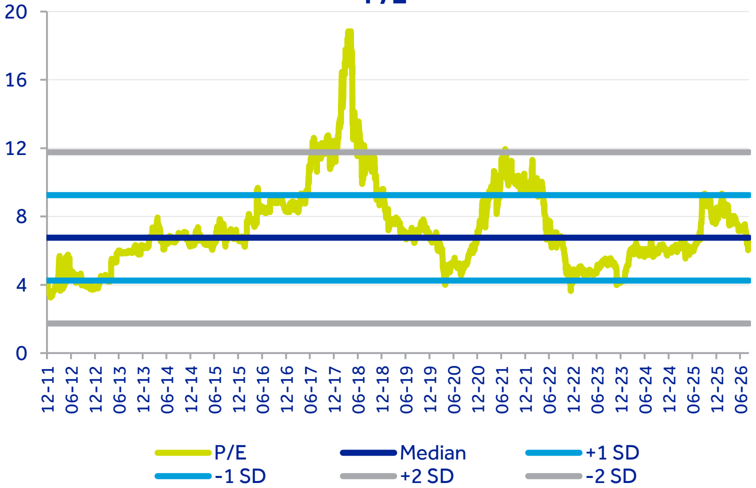
**TOI grew moderately** (+18.5% y/y and +17.2% q/q), but with operating expenses growing at a slower pace (+13.5% y/y), **CIR continued to decline**, reaching only 27.5%, thereby supporting strong profit growth.

**Asset quality remained stable**. Overdue loan formation ratio remained at 0.37%/quarter, below the historical average of 0.5%/quarter. NPL and Group 2 loan ratios were broadly flat at 1.4% and 1.0%, respectively. Accordingly, credit costs were under control at 0.36%/quarter, while NPL coverage remained stable at ~94%.

Despite the high interest rate environment, MBB's positive earnings growth outlook provides a basis for us to apply a **target P/E of 6.5x** – in line with the historical median. Accordingly, our 1-year target price is **27,000 /share**.

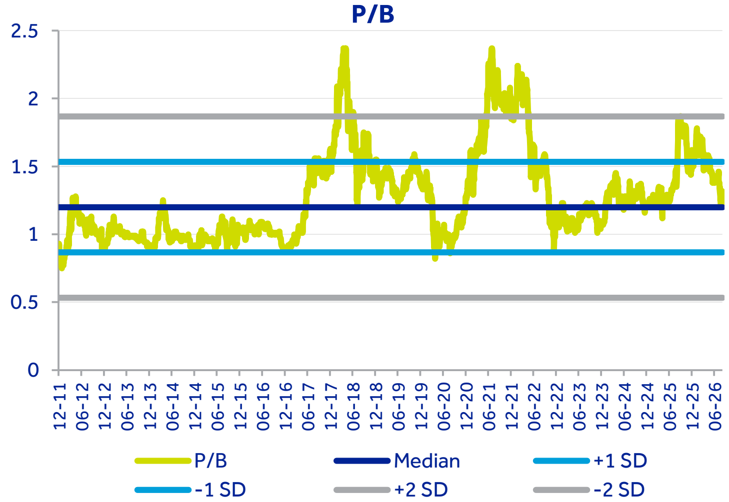
| (VND bn) | 2022 | 2023 | 2024 | 2025 | 2026F | 2027F |
|---|---|---|---|---|---|---|
| Credit growth | 24.9% | 28.0% | 24.7% | 36.7% | 35.0% | 35.0% |
| NIM | 5.76% | 4.87% | 4.13% | 3.91% | 4.01% | 3.91% |
| NFI proportion | 21.0% | 18.2% | 25.7% | 23.8% | 16.3% | 15.6% |
| TOI growth | 23.4% | 3.8% | 17.1% | 22.2% | 25.8% | 28.1% |
| CIR | 32.5% | 31.5% | 30.7% | 29.1% | 26.6% | 23.9% |
| Credit costs | 1.8% | 1.1% | 1.3% | 1.4% | 2.1% | 2.1% |
| Profit before tax | 22,729 | 26,306 | 28,829 | 34,268 | 42,407 | 55,769 |
| growth | 37.5% | 15.7% | 9.6% | 18.9% | 23.7% | 31.5% |
| Profit after tax after MI | 17,483 | 20,677 | 22,634 | 26,779 | 33,138 | 43,580 |
| Profit attributable | 16,674 | 19,372 | 21,047 | 25,003 | 30,952 | 40,875 |
| EPS (VND) | 2,070 | 2,405 | 2,613 | 3,104 | 3,493 | 4,613 |
| BVPS (VND) | 9,429 | 11,513 | 13,923 | 16,901 | 18,858 | 22,971 |
| Adjusted ROA | 2.5% | 2.3% | 2.0% | 1.8% | 1.7% | 1.7% |
| Adjusted ROE | 24.6% | 23.0% | 20.5% | 20.1% | 20.4% | 22.1% |
| CAR (Basel 2) | 11.5% | 10.8% | 11.8% | 11.0% | 10.4% | 9.4% |
| P/E | 4.3 | 4.8 | 6.0 | 7.8 | 6.3 | 4.8 |
| P/B | 0.9 | 1.0 | 1.1 | 1.4 | 1.2 | 1.0 |
| DPS (VND) | - | 500 | 500 | 300 | 1,000 | 500 |

P/E



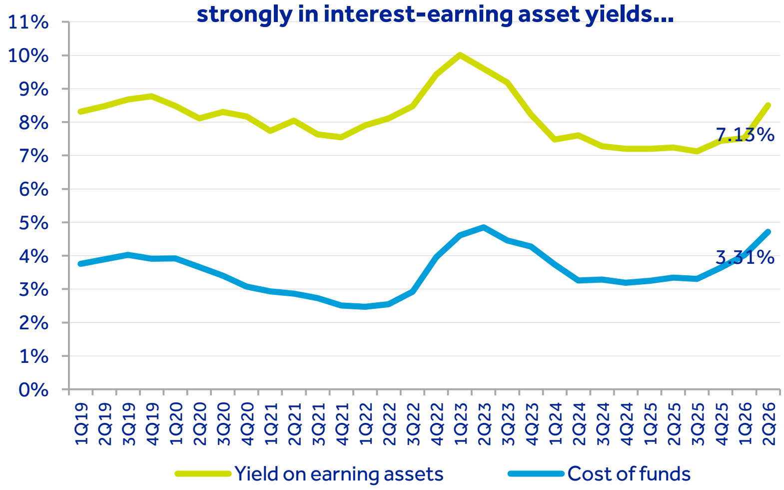

*Source: FiinPro-X, ACBS*

P/B



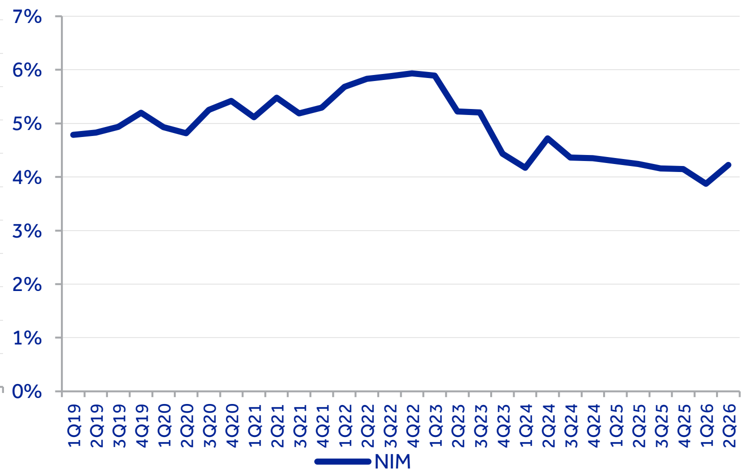

*Source: FiinPro-X, ACBS*

**High lending rates began to be reflected more strongly in interest-earning asset yields...**



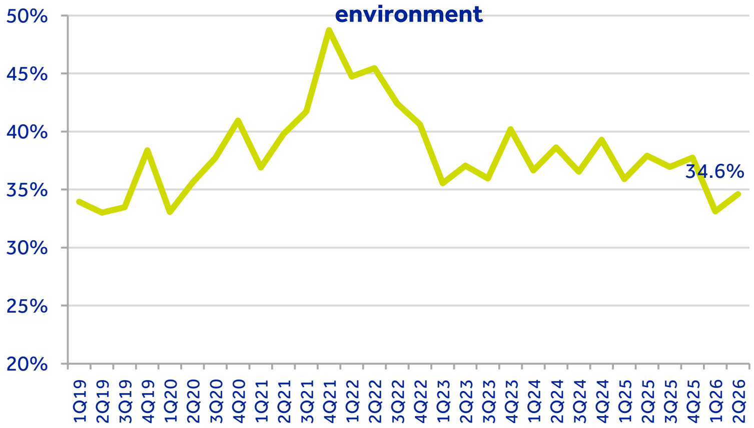

*Source: MBB, ACBS*

**... helping NIM recover**



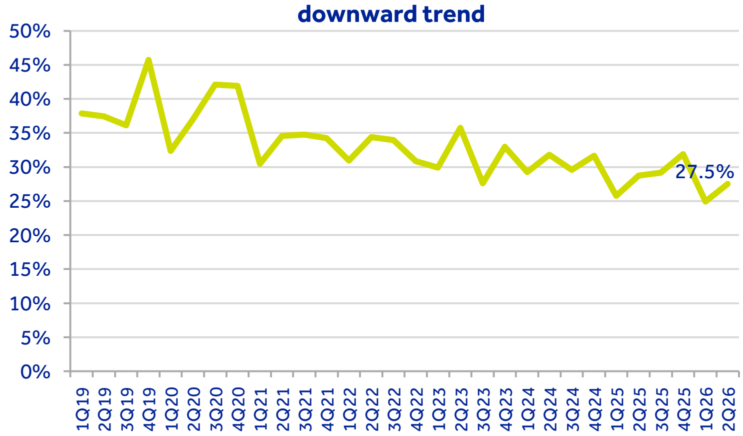

*Source: MBB, ACBS*

**CASA ratio decreased due to high interest rate environment**



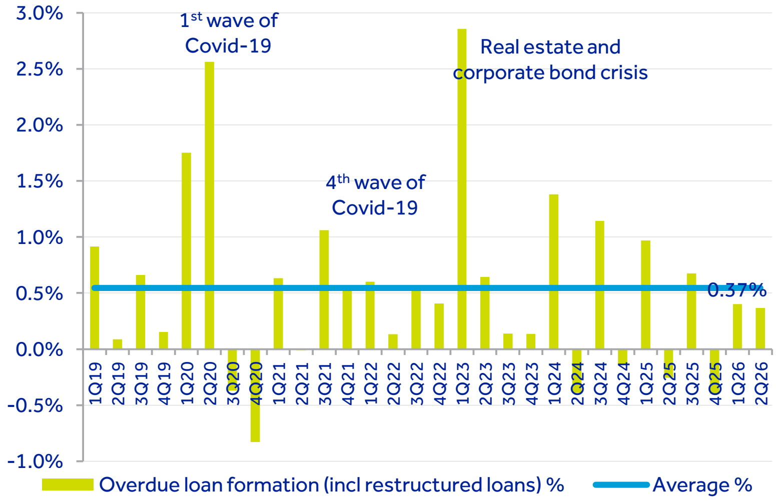

*Source: MBB, ACBS*

**CIR reached an effective level and continued downward trend**



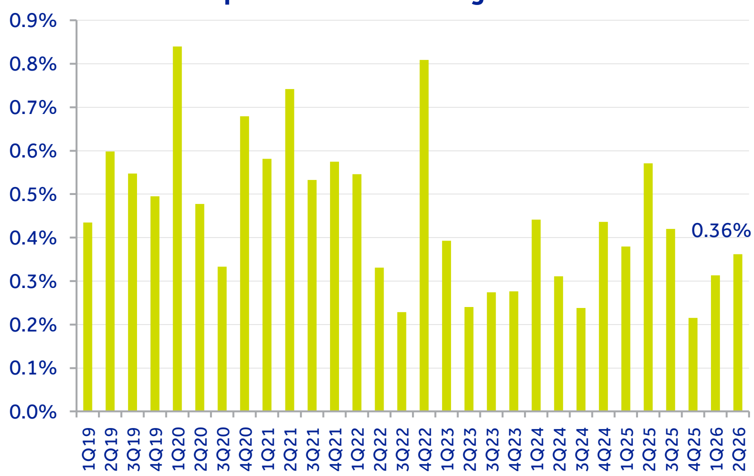

*Source: MBB, ACBS*

**Overdue loan formation was stable at low level...**



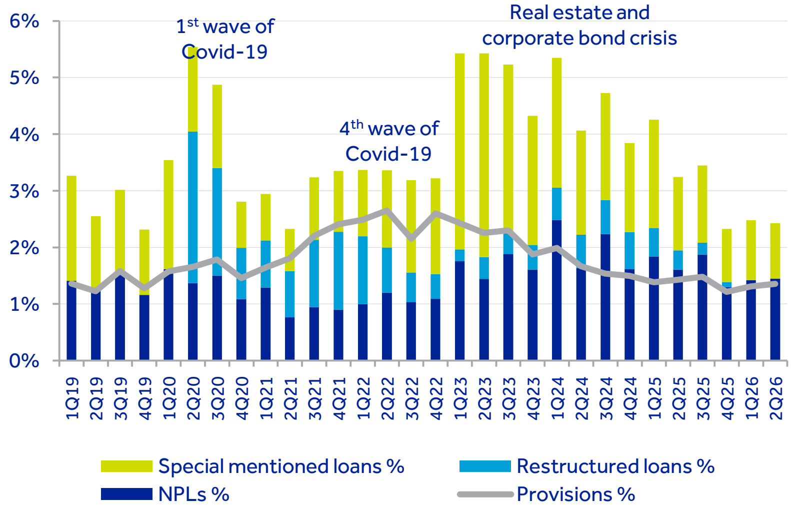

*Source: MBB, ACBS*

**... helped credit costs being controlled**



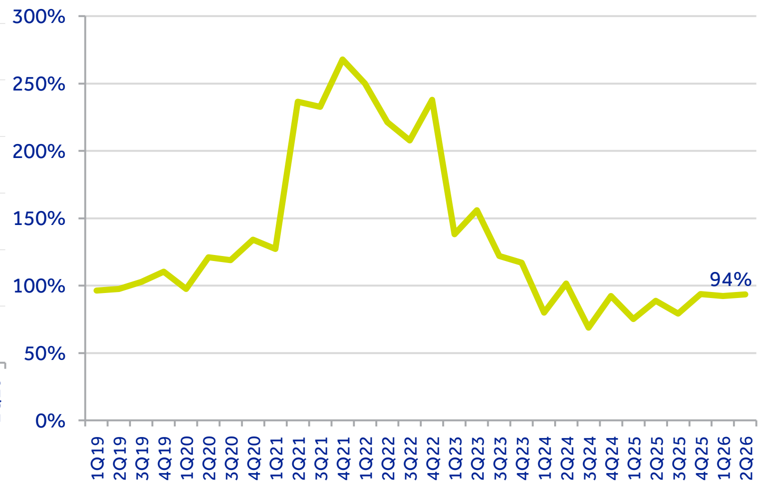

*Source: MBB, ACBS*

**Asset quality were stable**



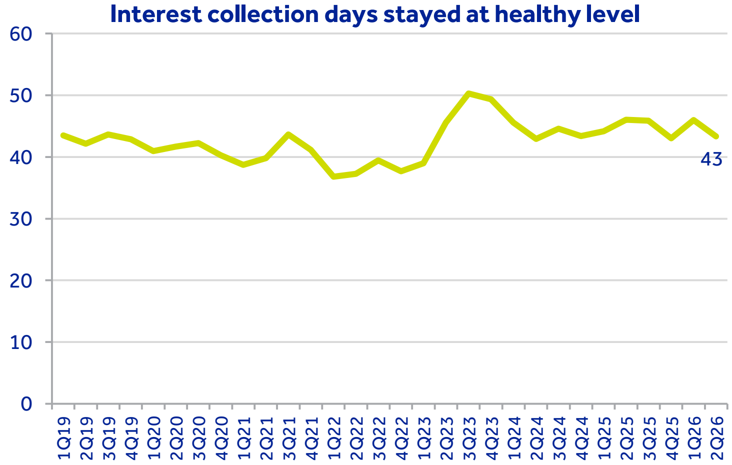

*Source: MBB, ACBS*

**NPL coverage maintained at solid level**



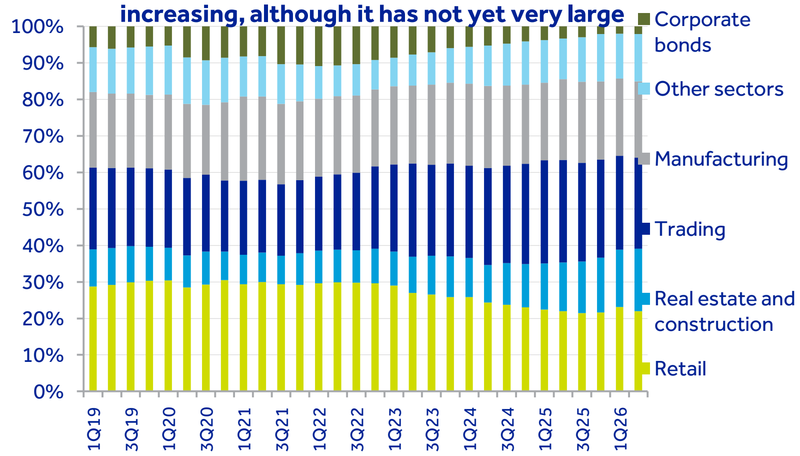

*Source: MBB, ACBS*

**Interest collection days stayed at healthy level**




*Source: MBB, ACBS*

**The proportion of real estate & construction loans was increasing, although it has not yet very large**




*Source: MBB, ACBS*

| (Unit: VND billion, unless otherwise stated) | Market price (VND): | 24,250 | Target price (VND): | 27,000 | Market cap (VND bn): | 195,334 |
|---|---|---|---|---|---|---|
| **INCOME ITEMS** | **2022** | **2023** | **2024** | **2025** | **2026F** | **2027F** |
| Net interest income | 36,023 | 38,684 | 41,152 | 51,610 | 71,311 | 92,100 |
| Net fee & commission income | 4,136 | 4,085 | 4,368 | 6,579 | 7,237 | 7,960 |
| Other non-interest income | 5,434 | 4,537 | 9,893 | 9,504 | 6,628 | 9,063 |
| **Total operating income** | **45,593** | **47,306** | **55,413** | **67,693** | **85,175** | **109,123** |
| Growth (%) | 23.4% | 3.8% | 17.1% | 22.2% | 25.8% | 28.1% |
| Operating expenses | (14,816) | (14,913) | (17,007) | (19,681) | (22,633) | (26,028) |
| **Profit before provision & tax** | **30,777** | **32,393** | **38,406** | **48,012** | **62,542** | **83,095** |
| Provision for credit losses | (8,048) | (6,087) | (9,577) | (13,744) | (20,135) | (27,326) |
| **Profit before tax** | **22,729** | **26,306** | **28,829** | **34,268** | **42,407** | **55,769** |
| Growth (%) | 37.5% | 15.7% | 9.6% | 18.9% | 23.7% | 31.5% |
| **Profit after tax after MI** | **17,483** | **20,677** | **22,634** | **26,779** | **33,138** | **43,580** |
| **Profit attributable to shareholders** | **16,674** | **19,372** | **21,047** | **25,003** | **30,952** | **40,875** |
| **Adjusted EPS (VND)** | **2,070** | **2,405** | **2,613** | **3,104** | **3,493** | **4,613** |
| | | | | | | |
| **BALANCE SHEET ITEMS** | **2022** | **2023** | **2024** | **2025** | **2026F** | **2027F** |
| Outstanding loans & corporate bonds | 507,683 | 649,795 | 810,199 | 1,107,430 | 1,495,030 | 2,018,290 |
| Growth (%) | 24.9% | 28.0% | 24.7% | 36.7% | 35.0% | 35.0% |
| Customer deposits | 443,606 | 567,533 | 714,154 | 921,368 | 1,197,779 | 1,617,001 |
| Growth (%) | 15.3% | 27.9% | 25.8% | 29.0% | 30.0% | 35.0% |
| **Total assets** | **728,532** | **944,954** | **1,128,801** | **1,615,764** | **2,098,948** | **2,822,843** |
| **Shareholder's equity** | **75,949** | **92,738** | **112,149** | **136,136** | **167,088** | **203,533** |
| BVPS (VND) | 9,429 | 11,513 | 13,923 | 16,901 | 18,858 | 22,971 |
| | | | | | | |
| **KEY RATIOS** | **2022** | **2023** | **2024** | **2025** | **2026F** | **2027F** |
| NPL (%) | 1.1% | 1.6% | 1.6% | 1.3% | 1.5% | 1.5% |
| NPL coverage (%) | 238% | 117% | 92% | 94% | 95% | 100% |
| NIM (%) | 5.8% | 4.9% | 4.1% | 3.9% | 4.0% | 3.9% |
| CIR (%) | 32% | 32% | 31% | 29% | 27% | 24% |
| ROA (%) | 2.5% | 2.3% | 2.0% | 1.8% | 1.7% | 1.7% |
| ROE (%) | 24.6% | 23.0% | 20.5% | 20.1% | 20.4% | 22.1% |
| CAR Basel 2 (%) | 11.5% | 10.8% | 11.8% | 0.0% | 0.0% | 0.0% |
| P/E (x) | 4.3 | 4.8 | 6.0 | 7.8 | 6.3 | 4.8 |
| P/B (x) | 0.9 | 1.0 | 1.1 | 1.4 | 1.2 | 1.0 |
| Dividend yield (%) | 0.0% | 3.2% | 3.2% | 1.9% | 4.1% | 2.1% |

## BANK'S FINANCIAL RATIOS

(Unit: VND billion)

| Ticker | Exchange | Mkt cap 10-08-26 | Total Assets 2Q26 | Equity 2Q26 | NPL ratio 2Q26 | Special mentioned loan 2Q26 | NPL coverage 2Q26 | ROA (TTM) | ROE (TTM) | CAR (Basel 2) 2025 | P/E | P/B |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BID | HOSE | 284,287 | 3,440,844 | 198,778 | 1.8% | 1.3% | 75.9% | 1.0% | 18.2% | 9.2% | 8.6 | 1.5 |
| CTG | HOSE | 252,426 | 2,962,004 | 200,214 | 1.2% | 1.0% | 134.0% | 1.4% | 21.9% | 9.9% | 6.3 | 1.3 |
| VCB | HOSE | 498,834 | 2,657,441 | 248,491 | 0.6% | 0.3% | 279.3% | 1.7% | 17.9% | 11.6% | 12.0 | 2.0 |
| MBB | HOSE | 194,528 | 1,733,013 | 156,763 | 1.5% | 1.0% | 93.6% | 1.9% | 21.6% | 11.0% | 6.5 | 1.3 |
| VPB | HOSE | 198,348 | 1,502,526 | 191,215 | 3.3% | 3.3% | 56.2% | 2.2% | 17.7% | 14.4% | 6.7 | 1.1 |
| TCB | HOSE | 210,461 | 1,273,077 | 188,997 | 1.1% | 0.7% | 125.6% | 2.3% | 15.7% | 14.6% | 7.8 | 1.2 |
| ACB | HOSE | 130,019 | 1,067,845 | 99,315 | 1.0% | 0.7% | 105.3% | 1.5% | 16.3% | 12.5% | 8.3 | 1.3 |
| HDB | HOSE | 132,890 | 1,045,435 | 90,226 | 2.8% | 4.8% | 50.0% | 2.0% | 24.8% | 16.7% | 6.8 | 1.6 |
| SHB | HOSE | 62,521 | 962,667 | 75,154 | 2.1% | 0.7% | 82.5% | 1.3% | 17.2% | 12.6% | 4.5 | 0.8 |
| STB | HOSE | 140,637 | 892,049 | 62,807 | 7.5% | 3.1% | 56.7% | 0.4% | 5.0% | 9.2% | - | 2.2 |
| LPB | HOSE | 158,027 | 615,502 | 43,030 | 1.9% | 1.3% | 66.8% | 1.9% | 24.7% | 11.9% | 14.0 | 3.7 |
| VIB | HOSE | 49,869 | 580,998 | 47,838 | 2.9% | 2.6% | 43.6% | 1.3% | 15.7% | - | 6.7 | 1.0 |
| TPB | HOSE | 40,501 | 547,664 | 49,566 | 1.9% | 1.9% | 66.5% | 1.5% | 17.9% | 18.9% | 5.3 | 0.9 |
| MSB | HOSE | 50,544 | 440,999 | 45,247 | 2.5% | 1.3% | 51.6% | 1.5% | 13.7% | 12.5% | 8.6 | 1.1 |
| NAB | HOSE | 25,474 | 451,517 | 25,892 | 1.5% | 0.6% | 68.3% | 1.1% | 19.5% | 11.2% | 5.2 | 1.0 |
| SSB | HOSE | 51,603 | 427,108 | 42,195 | 2.3% | 0.8% | 66.6% | 0.7% | 7.3% | 13.4% | 17.3 | 1.2 |
| OCB | HOSE | 31,850 | 351,741 | 35,822 | 3.5% | 2.5% | 59.4% | 1.3% | 13.0% | 12.3% | 7.2 | 0.9 |
| EIB | HOSE | 33,529 | 266,068 | 26,488 | 3.1% | 1.7% | 31.7% | 0.2% | 1.9% | 12.4% | - | 1.3 |
| ABB | UPCoM | 26,935 | 260,563 | 22,597 | 1.2% | 0.7% | 87.2% | 1.7% | 21.3% | 11.4% | 5.8 | 1.2 |
| BAB | HNX | 12,448 | 214,351 | 13,739 | 1.1% | 0.4% | 134.9% | 0.6% | 9.0% | 10.1% | 10.3 | 0.9 |
| VBB | HOSE | 15,637 | 204,825 | 13,154 | 1.9% | 2.0% | 69.1% | 0.8% | 13.1% | 13.4% | 9.1 | 1.2 |
| NVB | HNX | 32,756 | 198,896 | 14,320 | 6.4% | 0.6% | 18.9% | 0.2% | 2.2% | - | - | 2.3 |
| VAB | HOSE | 8,204 | 149,131 | 10,816 | 1.2% | 0.1% | 100.4% | 1.0% | 13.7% | 9.4% | 5.8 | 0.8 |
| BVB | HOSE | 7,946 | 141,974 | 7,922 | 3.2% | 1.3% | 43.6% | 0.6% | 10.3% | 13.3% | 10.2 | 1.0 |
| KLB | HOSE | 9,812 | 114,911 | 9,289 | 1.8% | 1.5% | 91.3% | 1.9% | 24.1% | 14.4% | 4.8 | 1.1 |
| PGB | UPCoM | 7,009 | 89,312 | 8,212 | 2.9% | 2.9% | 43.0% | 0.8% | 9.7% | 10.6% | 8.9 | 0.9 |
| SGB | UPCoM | 4,332 | 35,670 | 4,233 | 2.9% | 9.8% | 35.7% | 0.1% | 0.5% | 15.6% | - | 1.0 |
| | **Average** | **98,942** | **838,079** | **71,567** | **2.4%** | **1.8%** | **79.2%** | **1.2%** | **14.6%** | **12.5%** | **8.1** | **1.3** |
| | **Median** | **49,869** | **451,517** | **43,030** | **1.9%** | **1.3%** | **66.8%** | **1.3%** | **15.7%** | **12.4%** | **7.2** | **1.2** |

*Source: FiinPro-X, ACBS*

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# OUR RECOMMENDATION SYSTEM

**BUY** : Expected prospective total return (including dividends) in VND will be 20% or more within 12 months
**OUTPERFORM** : Expected prospective total return (including dividends) in VND will be from 10% to 20% within 12 months
**NEUTRAL** : Expected prospective total return (including dividends) in VND will be from -10% to 10% within 12 months
**UNDERPERFORM** : Expected prospective total return (including dividends) in VND will be from -20% to -10% within 12 months
**SELL** : Expected prospective total return (including dividends) in VND will be less than -20% within 12 months

# DISCLAIMER