



## Company Report:

### Vietnam Military Joint Stock Bank (MBB)

Research Department  
06/08/2025

## First-Half 2025 Business Results Update

### UPDATE ON BUSINESS OPERATIONS

In the first half of 2025, MBB recorded credit growth of 12% YTD, deposit growth of 13% YTD (including valuable papers). TOI reached VND 32.6 trillion, up 25% YoY, of which net interest income grew 23% YoY and non-interest income grew 37% YoY (ecosystem subsidiaries were highly active). Consolidated profit before tax grew 18% YoY.

Amid an industry-wide trend of NIM contraction in recent quarters, MBB was no exception; however, it managed its NIM better, maintaining it at a high 4.1%, down just 0.1% from the prior period.

Regarding asset-quality control, the bank's NPL ratio remained flat at 1.6% (post-CIC). The CAR was maintained at around 11%.

### GTJA COMMENT AND RECOMMENDATION

MBB continues to affirm its position as a top-5 bank in the system with a comprehensive product ecosystem (the earliest to complete a full financial ecosystem among its peers).

During 2025–2027, MBB will benefit from SBV support by participating in the restructuring of weak banks (MBV), driving its credit growth to one of the highest in the industry (projected at 30–35% per annum). In 2025, MBB has set a credit-growth target of 25.3%.

With the results delivered by both the parent bank and its subsidiary ecosystem, we believe MBB will meet its 2025 profit target. NIM is expected to remain stable at around 4.1% (or edge up by 10 bps in a positive scenario).

In August, MBB will pay a 32% stock dividend as previously approved. The bank also plans a private placement for strategic investors. Regarding the earlier plan to repurchase 100 million treasury shares, the bank has indicated it will not proceed in the near term.

Although MBB possesses superior advantages, its share price has surged sharply in recent periods; we therefore recommend a **"WATCHLIST"** rating on MBB shares with a target price of **VND 33,000 per share**.

### Recommendation:

### WATCHLIST

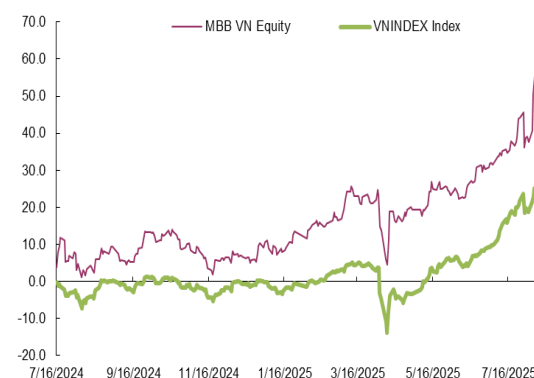
6-18m TP:

**33,000**

Current price:

VND30,600

### 1-Year Share Return performance



Price change	1 M	3 M	1Y
Price change %	14.2%	27.7%	43.5%
Vs VNindex	25.8%	51.5%	68.6%
Avg Price (VND)	27,420	25,792	23,008

Source: Bloomberg, Guotai Junan (VN)

Shares Outstanding (million shares)	6,102.27	Major shareholder (%)	Viettel 14.7%
Market Capitalization (VND billion)	186,729.54	Free float (%)	68.7%
3-Month Average Trading Volume ('000)	23,336.65	LDR (%)	89%
52w highest/lowest price (VND)	30950 / 19450	CAR (%)	11.6%

Source: the Company, Guotai Junan (VN).

## FIRST-HALF 2025 BUSINESS RESULTS UPDATE

### 1. Credit and Funding Growth

At end-Q2, MBB's total credit stood at VND 910 trillion, up 12% YTD. Of this, customer loans reached VND 880 trillion (+13% YTD; +10.3% QoQ), while corporate-bond exposure totaled VND 30 trillion (–10% YTD, marking five consecutive quarters of decline).

- **By customer:** Retail and corporate loans grew 12.8% YTD and 13.6% YTD, respectively.
- **By sector:** Manufacturing & processing loans rose 20% YTD; wholesale & retail loans +15% YTD; real-estate loans +39% YTD.
- **By maturity:** Short-term loans expanded 17% YTD versus 9.1% YTD for long-term facilities.

On the funding side, total customer deposits plus bonds/CDs climbed 13% YTD. Customer deposits alone increased 9.7% YTD—term deposits +12.2% YTD and CASA +5.8% YTD—driven higher funding costs amid rising rates. Bonds and CDs issuance surged 32% YTD from VND 129 trillion to VND 170 trillion, supporting planned credit growth over the next three years.

Corporate deposits rose more slowly (+5.8% YTD) than retail deposits (+12.2% YTD), in line with sector trends. Despite a modest CASA increase of 5.8%, MBB leads the system in CASA ratio, reaching 38.6% at end-Q2—its highest level since Q1 2025.

### 2. Operational Efficiency & Profitability

Profit before tax for 1H 2025 reached VND 15,889 billion, up 18.3% YoY, driven by:

- **Net Interest Income (NII):** VND 24,064 billion (+23% YoY), owing to a 28% YoY surge in loan volume despite a compressed NIM versus the prior-year period (reflecting sharply lower lending rates amid rising funding costs). During the period, MBB's efforts to optimize its loan mix and funding base—by expanding higher-yielding retail lending and maintaining elevated CASA balances—helped contain funding expenses.
- **Non-Interest Income (NFI):** NFI grew 37% YoY, with payments & treasury services up 10% and insurance up 15%. Other fee-based services—such as advisory and debt-recovery—rose an impressive 44% YoY. MBB's ecosystem subsidiaries are delivering strong results: MIC ranks fourth in insurance-premium revenue; MB's bancassurance partner leads the banking sector and MBAL ranks fourth industry-wide; Mcredit is the third-largest consumer-finance firm; and MBS holds the seventh-largest securities-brokerage market share. Together, these affiliates contribute roughly 10% of group profit today, with expectations to increase their earnings contribution over time.
- **Operating Expenses (OPEX):** Despite continued technology investments, OPEX grew just 11.3% YoY—well below TOI growth of 25%—driving the cost-to-income ratio down sharply to 27.4%, markedly below the industry average.
- **Return Metrics:** MBB remains among the system leaders in both ROA and ROE.

### 3. Asset quality

Alongside its accelerated lending activities, MBB also increased its provisioning, with total provisions rising 65% YoY. Specific provisions remain the largest component of total provisioning expenses. Notably, provisioning charges doubled in Q2 YoY, which was the primary reason for the bank's lower profit in Q2 compared to the same period last year.

The bank's consolidated NPL ratio stands at 1.6%, continuing its downward trend thanks to disciplined lending and intensified NPL resolution efforts. Accordingly, the loan loss coverage ratio improved from the prior quarter to 89%.

The capital adequacy ratio (CAR) was maintained at 11.6%. The bank plans further capital-raising measures, including private placements, to bolster its capital buffer.

### GTJA ASSESSMENT & 2025 OUTLOOK

MBB's 1H 2025 results contrast favorably with broader industry trends across both net interest income and non-interest income streams. This performance underscores MBB's strengths: maintaining the system's highest CASA ratio, a loyal customer base, and a comprehensive, pioneering ecosystem of subsidiaries.

### Business Outlook:

- **Restructuring Benefit:** Through its participation in MBV's restructuring, MBB will enjoy a special SBV framework, driving annual credit growth of 30–35%.
- **Aligned Credit Strategy:** The bank's loan-allocation plan mirrors Vietnam's economic growth agenda, emphasizing production and trade finance, exports, private enterprise, and consumer lending. MBB adopts a cautious, quota-based approach to real-estate lending—even as that portfolio soared 39% in 1H 2025 to represent 10% of total loans.
- **H2 2025 Projections:** MBB intends to accelerate disbursements of medium- and long-term loans (which yield higher margins) to bolster NIM. Its subsidiaries are also expected to contribute strongly: MCredit has restructured effectively, with loans up 11% YTD and NPLs below 7%; MBS remains a top-10 brokerage, with margin lending aiding system-wide NIM; insurance operations grow at 15–20% annually, increasingly supporting non-interest income.

Thanks to these drivers, MBB is on track to meet its full-year 2025 targets of 25.3% credit growth and a 10% increase in pre-tax profit versus 2024.

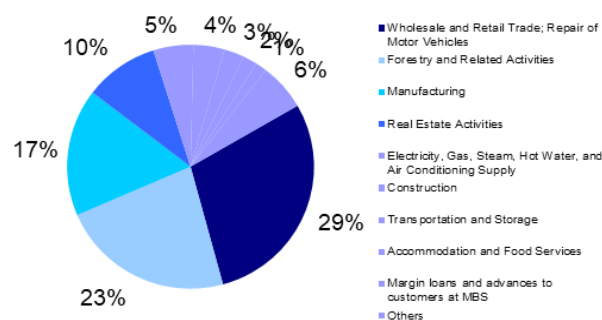
**Capital Raising Plan:** In August, MBB will distribute a 32% stock dividend. A private placement of 62 million shares is also planned to further strengthen the bank's capital buffer.

Figure-1: Credit segments by customer



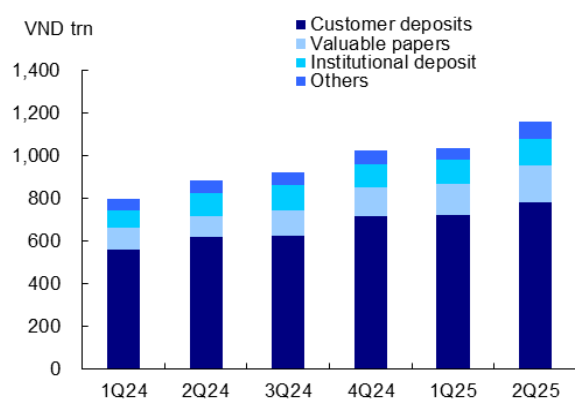
Source: MBB, Guotai Junan (VN).

Figure-2: Credit segments by sector Q2/2025



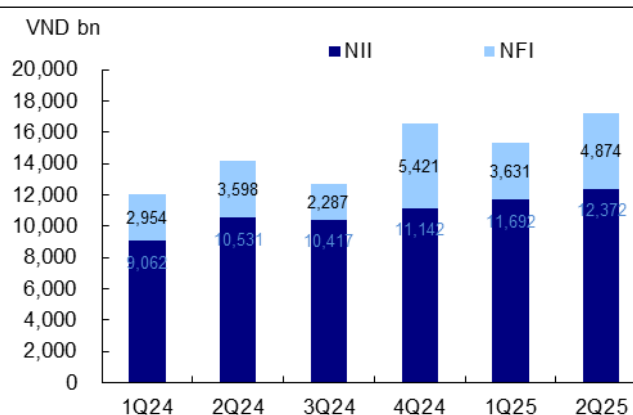
Source: MBB, Guotai Junan (VN).

Figure-3: Deposit and Funding structure



Source: MBB, Guotai Junan (VN).

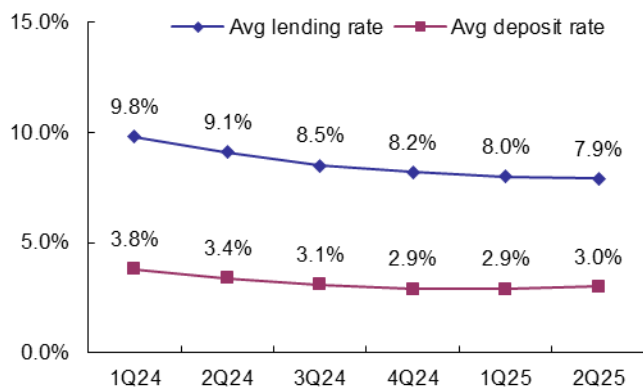
Figure-4: TOI Breakdown



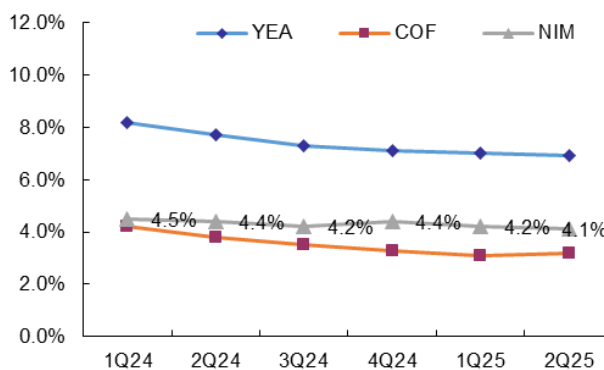
Source: MBB, Guotai Junan (VN).

Figure-5: Average lending rate and Average deposit rate

Figure-6: COF and NIM

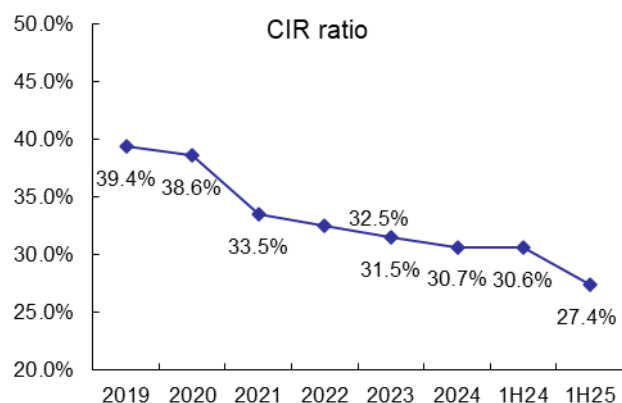


Source: MBB, Guotai Junan (VN).



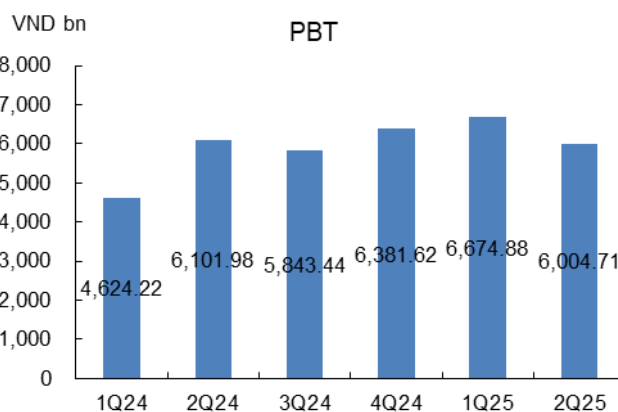
Source: MBB, Guotai Junan (VN).

Figure-7: CIR Ratio



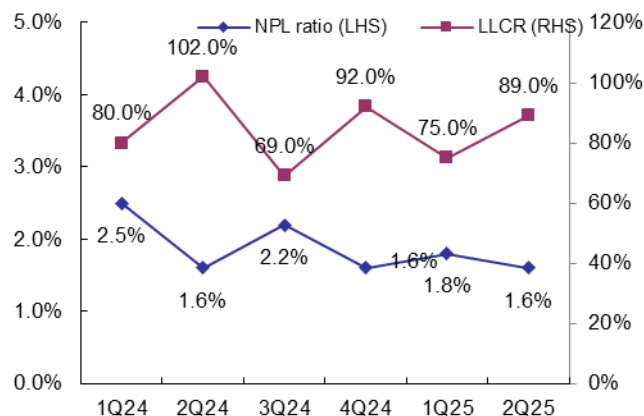
Source: MBB, Guotai Junan (VN).

Figure-8: PBT



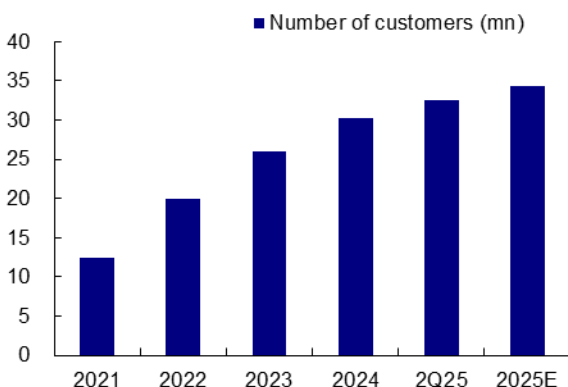
Source: MBB, Guotai Junan (VN)

Figure-9: NPL ratio and LLC ratio



Source: MBB, Guotai Junan (VN).

Figure-10: Number of customers



Source: MBB, Guotai Junan (VN)

### COMPANY RATING DEFINITION

Benchmark: VN – Index.

Time Horizon: 6 to 18 months

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

### DISCLAIMER

The views expressed in this report accurately reflect personal views on securities codes or the issuer of the analyst(s) in charge of the preparation of the report. Investors should consider this report as reference and should not consider this report as securities investment consulting content for making decisions on investments and Investors shall be responsible for the investment decisions. Guotai Junan Securities (Vietnam) Corp. may not be responsible for the whole or any damages, or an event(s) considered as damage(s) incurred from or in relation to the act of using all or part of the information or opinions stated in this report.

The analyst(s) responsible for the preparation of this report receive(s) remuneration based upon various factors, including the quality and accuracy of the research, clients' feedbacks, competitive factors and the revenue of the company. Guotai Junan Securities (Vietnam) Corp. and/or its members and/or its General Director and/or its staffs may have positions in any securities mentioned in this report (or in any related investments).

The analyst(s) responsible for the preparation of this report endeavours to prepare the report based on information believed to be reliable at the time of publication. Guotai Junan Securities (Vietnam) Corp. makes no representations, warranties and covenants on the completeness and accuracy of the information. Opinions and estimates expressed in this report represent views of the analyst responsible for the preparation of the report at the date of publication only and shall not be considered as Guotai Junan Securities (Vietnam) Corp.'s views and may be subject to change without notice.

This report is provided, for information providing purposes only, to Investor including institutional investors and individual clients of Guotai Junan Securities (Vietnam) Corp. in Vietnam and overseas in accordance with laws and regulations explicit and related in the country where this report is distributed, and may not constitute an offer or any specified recommendations to buy, sell or holding securities in any jurisdiction. Opinions and recommendations expressed in this report are made without taking differences regarding goals, needs, strategies and specified situations of each and every Investor(s) into consideration. Investors acknowledge that there may be conflicts of interests affecting the objectiveness of this report.

The content of this report, including but not limited to this recommendation shall not be the basis for Investors or any third party to refer to with the aim to requiring Guotai Junan Securities (Vietnam) Corp. and/or the analyst responsible for the preparation of this report to perform any obligations towards Investors or the third party in relation to the investment decisions of Investors and/or the content of this report.

This report may not be copied, reproduced, published or redistributed by any person(s) for any purposes unless upon a written acceptance by a competent representative of Guotai Junan Securities (Vietnam) Corp. Please cite sources when quoting.



**GUOTAI JUNAN VIETNAM RESEARCH DEPARTMENT**

**Trần Thị Hồng Nhung**

Deputy Director

[nhungtth@gtjas.com.vn](mailto:nhungtth@gtjas.com.vn)

(024) 35.730.073 – ext:703

**Trịnh Khánh Linh**

Equity Analyst

[linhtk@gtjas.com.vn](mailto:linhtk@gtjas.com.vn)

(024) 35.730.073 – ext:707

Aug 06, 2025



CHỨNG KHOÁN GUOTAI JUNAN (VIỆT NAM)  
GUOTAI JUNAN SECURITIES (VIETNAM)

LIÊN HỆ	TRỤ SỞ CHÍNH HÀ NỘI	CHI NHÁNH TP.HCM
Điện thoại tư vấn: (024) 35.730.073	R9-10, 1 <sup>st</sup> Floor, Charmvit Tower, 117 Trần Duy Hưng, Hà Nội	3 <sup>rd</sup> Floor, No. 2 BIS, Công Trường Quốc Tế, P. 6, Q.3, Tp.HCM
Điện thoại đặt lệnh: (024) 35.779.999	Tel: (024) 35.730.073	Tel: (028) 38.239.966
Email: <a href="mailto:info@gtjas.com.vn">info@gtjas.com.vn</a> Website: <a href="http://www.gtjai.com.vn">www.gtjai.com.vn</a>	Fax: (024) 35.730.088	Fax: (028) 38.239.696

MBBank (MBB)

Company Report