true friend KIS Viet Nam Securities Corporation

Company Earnings review

14 Aug 2026

Military Bank (MBB)

Resilient growth

- Strong credit expansion in 2Q26
- Controlled Asset Quality in 2Q26
- Sustained momentum in 3Q26F

12M rating	**BUY**	
12M TP	**33,200**	*from **20,150***
Up/Downside	*65%*	

Stock Data

VNIndex (14 Aug , pt)	1,729
Stock price (14 Aug , VND)	20,000
Market cap (USD mn)	7,648
Shares outstanding (mn)	10,069
52-Week high/low (VND)	23,227/18,034
6M avg. daily turnover (USD mn)	17.68
Free float / Foreign ownership (%)	50.0/22.2

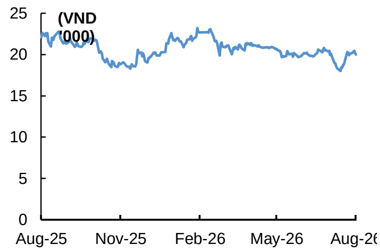
Major Shareholders

Viettel Group	14.9
SCIC	9.9

Performance

	1M	6M	12M
Absolute (%)	0.0	0.0	0.3
Relative to VNIndex (%p)	0.0	-0.1	-0.1

Stock price trend



Source: Bloomberg

Facts: Solid earnings growth in 2Q26

- 2Q26 PAT surged +40.6% YoY to VND 8,445bn, driven by robust top-line interest income together with well-controlled operating and provision expenses. This result reached 104% of KIS's forecast, bringing 1H26 earnings to VND 16,148bn (+27% YoY) and completing 51% of full-year 2026 guidance.
- Credit disbursement grew +13.2% YTD in 2Q26, outpacing both the +12.3% YTD expansion in 2Q25 and the industry average of +8.4% YTD. Retail and corporate loans grew +7.0% YTD and +18.4% YTD, respectively. Subsidiary credit expansion showed strong momentum at the Parent Bank (+14% YTD) and MBS (+12% YTD), while MCredit remained flat. Total customer deposits and valuable papers improved notably from +0.6% YTD in 1Q26 to +8.0% YTD in 2Q26.
- NIM expanded to 4.24% in 2Q26 (up from 3.9% in 1Q25, though virtually flat compared to 4.26% in 2Q25). Meanwhile, the CASA ratio rebounded to 34% in 2Q26 from 33% in 1Q26.
- Non-interest income in 2Q26 fell -27% YoY to VND 3,541bn (and -29% YoY in 1H26 to VND 6,058bn), weighed down by underperformance in FX and investment trading amid interest rate and exchange rate volatility. Conversely, net service fees changed by -5.7% YoY in 2Q26 but rose +11.5% YoY in 1H26, anchored by strong settlement activities. Bancassurance/insurance service income also showed signs of recovery.
- Operating expenses in 2Q26 increased +13.5% YoY to VND 5,627bn. Thanks to strong top-line revenue growth (+18.5% YoY), the Cost-to-Income Ratio (CIR) held stable at 28% in 2Q26 (flat YoY) and improved to 26% in 1H26 (down from 27% in 1H25).
- Consolidated NPL (Group 2–5 / Group 3–5) improved to 2.4% / 1.4% in 2Q26 (vs. 2.9% / 1.6% in 2Q25 and 2.5% / 1.4% in 1Q26). Parent bank NPL (Group 2–5 / Group 3–5) held flat QoQ at 2.0% / 1.3% in 2Q26.
- 1H26 PBT across key entities displayed solid momentum: Parent bank (+24%yoy to VND19,288bn), MBS (+22%yoy to VND745bn), MBcap (+172%yoy to VND126bn), MBlife (+151%yoy to VND288bn), MIC (+6%yoy to VND245bn) and Mcredit (+67%yoy to VND100bn), AMC (-51%yoy to VND230bn).

Pros and Cons: Sustained growth momentum in 3Q26F

- Credit expansion in 3Q26F is expected to sustain its strong momentum (compared to +18.5% YTD in 3Q25). For FY26, MBB is targeting an ambitious credit growth rate of 35%, supported by corporate loans and retails.

- Net interest margin in 3Q26F is projected to hold stable at 4.0%–4.1%, supported by improving asset yields.
- Fee income is poised to sustain its recovery and achieve double-digit growth off a low base, driven by settlement and insurance services. Both NPLs and operating expenses will remain tightly managed, with the NPL ratio targeted to stay strictly below 1.5%.

Recommendation

- We reiterate our target price of VND 33,200 per share for mid-2027, implying an upside of +65% from the current share price of VND 20,150 (as of August 13, 2026). Despite near-term margin pressure on full-year NIM, MBB's FY26 PAT is projected to grow +19% YoY to VND 32,499bn. This is backed by aggressive credit expansion (35% quota), resilient net interest income, a rebound in fee-based income, and disciplined asset quality control. We expect MBB to continue expanding its market share among top-tier industry leaders given its strong competitive moat.

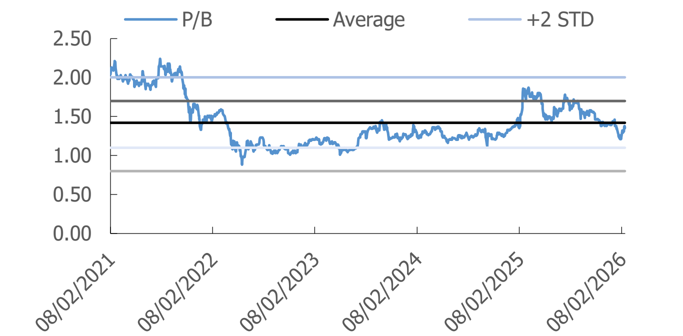
Table 1. Cost of equity

Items	%
Beta (x)	1.3
Risk free rate (%)	4.5
Equity risk premium (%)	8.1
Cost of equity (%)	15.1

Table 2. Bended valuation

Metrics	Implied price	Weight	Weight
PB	23,419	50%	11,709
Residual approach	43,079	50%	21,539
Target share price			**33,249**

Figure 1. P/B valuation in the historical trading



Source: FiinproX, KIS research

Table 3. Valuation approach

1. Residual approach	**2025**	**2026F**	**2027F**	**2028F**	**2029F**	**2030F**
Net attrib profit	26,779	31,782	37,293	49,062	60,993	76,622
Equity	136,136	168,882	193,882	240,333	297,891	370,244
ROE	22%	21%	21%	23%	23%	23%
Cost of equity		15.1%	15.1%	15.1%	15.1%	15.1%
Residual income		11,214	11,776	19,768	24,681	31,614
Discount factor		1	0.87	0.75	0.66	0.57
PV of FCF 2026-2030		70,552	68,304			
Inter – growth		7%	7%			
Perpetual growth		3%	3%			
Terminal value		196,934	226,689			
Total value		403,623	463,875			
Outstanding shares (mn)		10,069	10,069			
Price (VND/shr) (A)		40,087	46,071			
Mid-FY 27 TP		**43,079**				
2. P/B multiple approach						
BVPS (mid 2027F, VND)		18,014				
Fair PB (x)		1.3				
Price (VND/shr) (B)		**23,419**				

Table 4. Earnings trend and outlook (VNDbn, %)

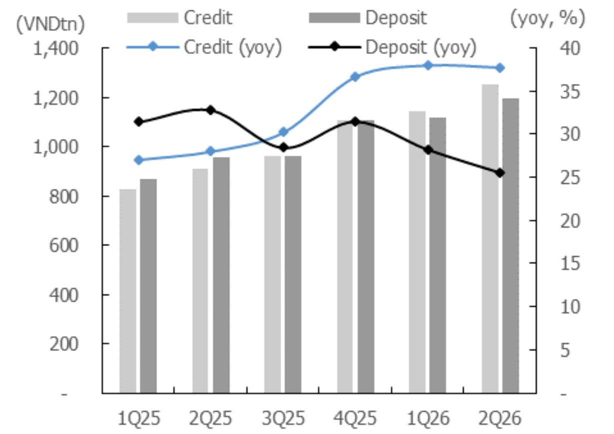
	2025				2026				2025	2026F	2Q26	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			QoQ	YoY
Loans to customers and corporate bonds	**828,620**	**910,080**	**959,738**	**1,107,430**	**1,143,689**	**1,253,837**			**1,138,818**	**1,523,705**	**9.6**	**37.8**
% growth (ytd)	2.3	12.3	18.5	36.7	3.3	13.2			37.8	33.8	-	-
Loans to customers	797,537	879,889	931,499	1,084,019	1,120,562	1,227,554			1,084,019	1,463,426	9.5	39.5
NPL (3-5 group)	14,682	14,117	17,422	14,027	15,948	17,797			14,027	17,132	11.6	26.1
NPL ratio (%, %p)	1.8	1.6	1.9	1.3	1.4	1.4			1.3	1.2	-	-
NPL (2-5 group)	29,920	25,537	30,110	24,238	27,785	29,787			24,238	32,088	7.2	16.6
NPL ratio (%, %p)	3.8	2.9	3.2	2.2	2.5	2.4			2.2	2.2	-	-
Loan loss coverage (%, %p)	75.3	88.9	79.2	93.7	92.2	93.6			93.7	124.6	-	-
VAMC	0	0	0	0	0	-			0	0	-	-
Deposit from customers and bond	**869,220**	**953,559**	**959,641**	**1,108,604**	**1,114,735**	**1,197,319**			**1,108,604**	**1,453,948**	**7.4**	**25.6**
Deposit from customers	722,622	783,292	788,030	921,368	905,918	963,815			921,368	1,182,071	6.4	23.0
% growth (ytd)	1.2	9.7	10.3	29.0	(1.7)	4.6			31.5	31.2	-	-
CASA (%)	34.8	36.9	35.9	36.8	32.3	33.6			36.8	36.8	-	-
Total assets	**1,156,917**	**1,289,644**	**1,328,560**	**1,615,764**	**1,611,223**	**1,733,013**			**1,615,764**	**2,054,358**	**7.6**	**34.4**
Total equity	**123,677**	**127,804**	**133,091**	**142,023**	**149,745**	**156,763**			**142,023**	**175,284**	**4.7**	**22.7**
Total operating income	**15,323**	**17,246**	**15,597**	**19,528**	**17,430**	**20,434**			**67,693**	**81,978**	17.2	18.5
Net interest income	11,692	12,372	12,991	14,555	14,913	16,894			51,610	67,593	13.3	36.5
NIM (%, %p)	4.32	4.26	4.16	4.16	3.88	4.24			4.22	3.98	-	-
Non-interest income	3,631	4,874	2,606	4,973	2,517	3,541			16,083	14,385	40.7	-27.3
Net commission income	1,773	2,450	1,751	2,362	1,677	1,943			8,336	8,124	15.9	-20.7
Gains on investment securities	678	1,060	-343	1,037	-250	528			2,433	905	-	-50.2
Other non-interest income	1,179	1,364	1,198	1,574	1,090	1,070			5,314	5,356	(1.9)	-21.6
Provision for credit losses	2,986	4,786	3,802	2,169	3,455	4,247			13,744	17,580	22.9	-11.3
Net operating revenue	12,336	12,459	11,795	17,359	13,975	16,187			53,950	64,398	15.8	29.9
SG&A	3,950	4,956	4,545	6,229	4,347	5,627			19,681	23,774	29.5	13.5
CIR (%)	25.8	28.7	29.1	31.9	24.9	27.5			29.1	29.00	-	-
Pre-provision earnings	**11,373**	**12,289**	**11,051**	**13,298**	**13,083**	**14,807**			**48,012**	**58,204**	**13.2**	**20.5**
EBT	**8,386**	**7,503**	**7,250**	**11,129**	**9,628**	**10,560**			**34,268**	**40,624**	**9.7**	**40.7**
Net profit	6,675	6,005	5,800	8,903	7,703	8,445			27,383	32,499	9.6	40.6
Controlling-int. NP	6,568	5,878	5,571	8,763	7,516	8,229			26,779	31,782	9.5	40.0

Source: FiinproX, Bank, KIS Research

Other Corporate Updates

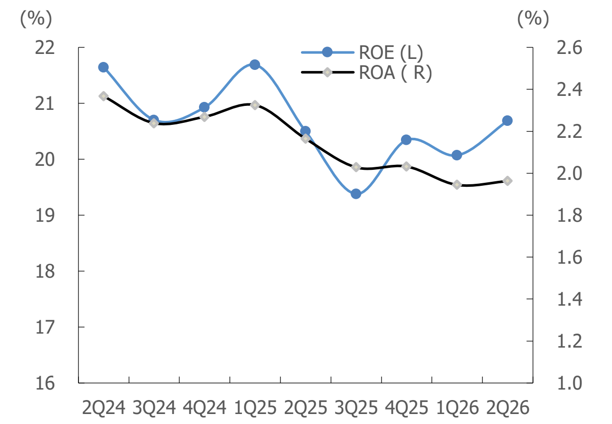
- International Business Operations: MBB plans to establish representative offices in key overseas markets—including Singapore, China, and Taiwan—to capture incoming FDI flows. Additionally, the bank established a dedicated FDI Division in 1H26 to capitalize on foreign capital shifts into Vietnam, which contributed significantly to total credit expansion (1H26 credit growth from foreign-invested enterprises surged +44.4% YTD).
- Participation in 18 Key National Projects: MBB is currently participating in Sun Group's APEC Convention Center project in Phu Quoc. The bank is evaluating financing options for major national infrastructure projects, strictly contingent upon clear commercial viability and capital recovery prospects. These 18 key projects are currently in the preparation and early implementation stages.
- Capital Raising & Offshore Funding: MBB plans to issue VND 10.0–15.0tn in Tier 2 capital bonds in 2H26 to maintain its target Capital Adequacy Ratio (CAR) of 10.5%. Furthermore, the bank is expanding its offshore borrowings this year to diversify funding sources and better serve its growing FDI client base.

Figure 1. Credit growth and deposit growth



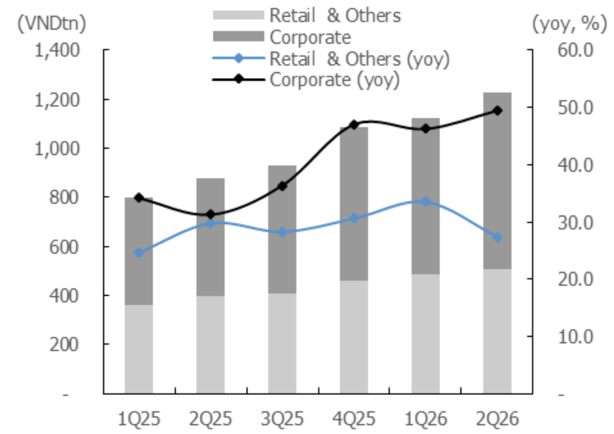
Source: Company data, KIS Research

Figure 2. ROE&ROA



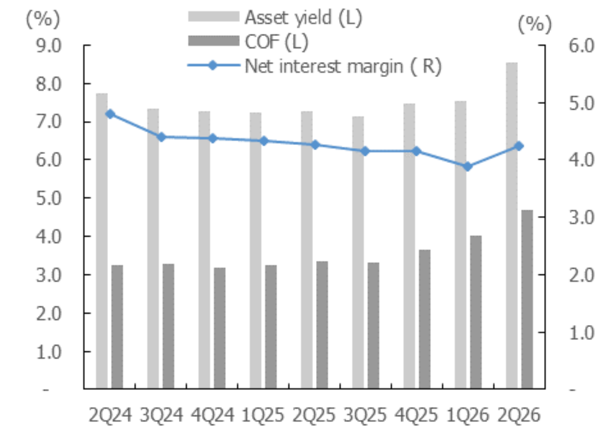
Source: Company data, KIS Research

Figure 3. Credit by segement



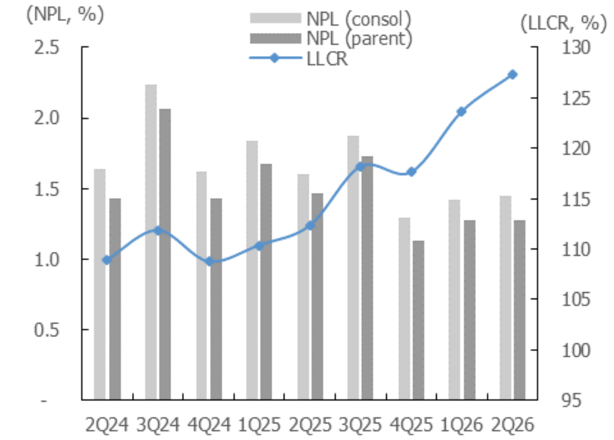
Source: Company data, KIS Research

Figure 4. Net interest margin



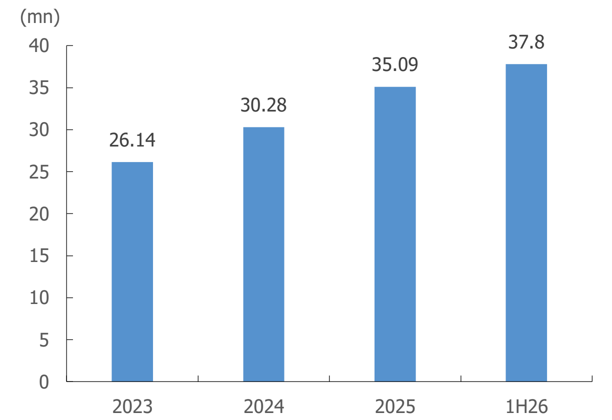
Source: Company data, KIS Research

Figure 5. NPL and LLCR



Source: Company data, KIS Research

Figure 6. The number of customers



Source: Company data, KIS Research

Balance sheet

(VND bn)

	2023A	2024A	2025A	2026F	2027F
Total assets	944,954	1,128,801	1,615,764	2,054,560	2,632,595
Gross IEAs	887,754	1,019,921	1,476,130	1,980,048	2,547,438
Loans and corp bonds	693,526	826,444	1,138,818	1,523,705	2,041,932
Household	-	-	-	-	-
Corporate	-	-	-	-	-
Dep't and loans to FIs	85,336	124,424	235,913	356,043	384,000
Dep't to SBV and G-bond	108,891	69,053	101,399	100,300	121,506
VAMC bond	-	-	-	-	-
NIEAs	69,361	121,191	153,203	97,178	119,949
Others	12,161	12,311	13,569	22,666	34,792
Total liabilities	848,242	1,011,741	1,473,741	1,879,074	2,431,269
Deposits	567,533	714,154	921,368	1,182,071	1,532,260
Debentures	126,463	128,964	187,236	271,876	367,742
Dep't and loans from FIs	102,610	112,963	251,930	326,336	423,062
Loans from Gov't and SBV	9	8,156	47,475	22,574	23,703
Other liabilities	51,628	47,504	65,732	76,217	84,501
Total equities	96,711	117,060	142,023	175,486	201,326
Controlling interests	92,738	112,149	136,136	168,882	193,882
Capital stock	52,141	53,063	80,550	100,687	100,687
Capital surplus	869	1,304	1,304	1,304	1,304
Other reserves	14,122	16,925	21,502	26,993	33,228
Retained earnings	25,560	40,718	32,577	39,696	58,460
Minority interest	3,973	4,911	5,886	6,603	7,445

Income statement

(VND bn)

	2023A	2024A	2025A	2026F	2027F
Total operating income	47,306	55,413	67,693	81,978	102,010
Net interest income	38,684	41,152	51,610	67,593	88,194
Interest income	69,143	69,062	89,088	140,316	183,318
Interest cost	30,459	27,910	37,478	72,723	95,124
Non-interest income	8,622	14,261	16,083	14,385	13,816
Net commission income	5,295	6,368	8,336	8,124	9,629
Gains on investment securities	899	4,612	2,433	905	704
Other non-interest income	2,428	3,281	5,314	5,356	3,483
Provision for credit losses	6,087	9,577	13,744	17,580	24,760
Net operating revenue	41,219	45,837	53,950	64,398	77,251
SG&A	14,913	17,007	19,681	23,774	29,583
Employee benefits	n.a	n.a	n.a	n.a	n.a
Pre-provision earnings	32,393	38,406	48,012	58,204	72,427
Earnings before tax	26,306	28,829	34,268	40,624	47,668
Tax	5,252	5,878	6,885	8,125	9,534
Tax rate (%)	20.0	20.4	20.1	20.0	20.0
Continuing operations profit	19,343	20,500	23,241	32,499	38,134
Net profit	21,054	22,951	27,383	32,499	38,134
Net profit of controlling interest	20,677	22,634	26,779	31,782	37,293

Key financial data

	2023A	2024A	2025A	2026F	2027F
Profitability and efficiency (%)					
ROE	24.5	22.1	21.6	20.8	20.6
ROA	2.5	2.2	2.0	1.8	1.6
NIM	5.16	4.43	4.22	3.98	3.96
Asset yield	9.2	7.4	7.3	8.3	8.2
Cost of fund	4.3	3.2	3.2	4.5	4.6
Cost-income ratio	31.5	30.7	29.1	29.0	29.0
Credit cost	1.0	1.3	1.4	1.3	1.4
Growth (%)					
Net profit of controlling interest	18.3	9.5	18.3	18.7	17.3
Pre-provision earnings	5.3	18.6	25.0	21.2	24.4
Credit growth	40.5	19.2	37.8	33.8	34.0
Total assets	29.7	19.5	43.1	27.2	28.1
Asset quality (%)					
NPL ratio	1.6	1.6	1.3	1.2	1.2
NPL coverage ratio	117.0	92.2	93.7	124.6	144.0
Loan to deposit	90.9	89.6	88.1	90.0	92.4
Capital adequacy (%)					
CAR ratio	10.8	11.8	10.5	10.5	10.5
CET1 ratio					
Tier 1 ratio					

Valuation

	2023A	2024A	2025A	2026F	2027F
Per share (VND, adj.)					
BPS	9,511	11,502	13,521	16,773	19,256
EPS	2,121	2,321	2,660	3,157	3,704
DPS	267	272	240	1,000	-
Valuation (x)					
PB	1.1	1.0	1.2	1.2	1.0
PE	5.1	4.7	6.0	6.4	5.4
P/PPE	6.1	5.1	4.2	3.5	2.8
Dividend yield (%)	1.3	1.4	1.2	5.0	-
Dividend payout ratio (%)	12.6	11.7	9.0	31.7	-
ROE analysis (%)					
ROE	24.5	22.1	21.6	20.8	20.6
Leverage(x)	9.8	9.6	11.4	11.7	13.1
IEAs to total assets	92.8	89.4	90.6	95.3	95.5
Net income to IEAs	2.3	2.2	1.8	1.6	1.5
Net interest income to IEAs	4.4	4.0	3.5	3.4	3.5
Non-interest income to IEAs	1.0	1.4	1.1	0.7	0.5
Credit cost to IEAs	0.7	0.9	0.9	0.9	1.0
SG&A to IEAs	1.7	1.7	1.3	1.2	1.2

- **Guide to KIS Vietnam Securities Corp. stock ratings based on 12-month forward performance**
  - BUY: Expected total return will be 15% or more
  - Hold: Expected total return will be between -5% and 15%
  - Sell: Expected total return will be -5% or less
  - KIS Vietnam Securities Corp. does not offer target prices for stocks with Hold or Sell ratings.

- **Guide to KIS Vietnam Securities Corp. sector ratings for the next 12 months**
  - Overweight: Recommend increasing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.
  - Neutral: Recommend maintaining the sector's weighting in the portfolio in line with its respective weighting in the VNIndex based on market capitalization.
  - Underweight: Recommend reducing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.

- **Analyst Certification**

  I/We, as the research analyst/analysts who prepared this report, do hereby certify that the views expressed in this research report accurately reflect my/our personal views about the subject securities and issuers discussed in this report. I/We do hereby also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

- **Important compliance notice**

  As of the end of the month immediately preceding the date of publication of the research report or the public appearance (or the end of the second most recent month if the publication date is less than 10 calendar days after the end of the most recent month), KIS Vietnam Securities Corp. or its affiliates does not own 1% or more of any class of common equity securities of the companies mentioned in this report.

  There is no actual, material conflict of interest of the research analyst or KIS Vietnam Securities Corp. or its affiliates known at the time of publication of the research report or at the time of the public appearance.

  KIS Vietnam Securities Corp. or its affiliates has not managed or co-managed a public offering of securities for the companies mentioned in this report in the past 12 months;

  KIS Vietnam Securities Corp. or its affiliates has not received compensation for investment banking services from the companies mentioned in this report in the past 12 months; KIS Vietnam Securities Corp. or its affiliates does not expect to receive or intend to seek compensation for investment banking services from the companies mentioned in this report in the next 3 months.

  KIS Vietnam Securities Corp. or its affiliates was not making a market in securities of the companies mentioned in this report at the time that the research report was published.

  KIS Vietnam Securities Corp. does not own over 1% of shares of the companies mentioned in this report as of 14 Aug 2026.
  KIS Vietnam Securities Corp. has not provided this report to various third parties.
  Neither the analyst/analysts who prepared this report nor their associates own any shares of the company/companies mentioned in this report as of 14 Aug 2026.
  KIS Vietnam Securities Corp. has not issued CW with underlying stocks of Military Bank (MBB) and is not the liquidity provider.

  Prepared by: Research Dep

Global Disclaimer

■General

This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of KIS Vietnam Securities Corp., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of KIS Vietnam Securities Corp..

This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. KIS Vietnam Securities Corp. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. KIS Vietnam Securities Corp., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or KIS Vietnam Securities Corp. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.

■Country-specific disclaimer

United States: This report is distributed in the U.S. by Korea Investment & Securities America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Korea Investment & Securities, Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Korea Investment & Securities America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.

United Kingdom: This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

Hong Kong: This research report and marketing materials may be distributed in Hong Kong to institutional clients by Korea Investment & Securities Asia Limited (KISA), a Hong Kong representative subsidiary of Korea Investment & Securities Co., Ltd., and may not otherwise be distributed to any other party. KISA provides equity sales service to institutional clients in Hong Kong for Korean securities under its sole discretion, and is thus solely responsible for provision of the aforementioned equity selling activities in Hong Kong. All requests by and correspondence with Hong Kong investors involving securities discussed in this report and marketing materials must be effected through KISA, which is registered with The Securities & Futures Commission (SFC) of Hong Kong. Korea Investment & Securities Co., Ltd. is not a registered financial institution under Hong Kong's SFC.

Singapore: This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Korea Investment & Securities Co., Ltd. has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person. Please contact Korea Investment & Securities Singapore Pte Ltd in respect of any matters arising from, or in connection with, the analysis or report (Contact Number: 65 6501 5600).