

**Vietnam: Technology**

**15 December 2023**

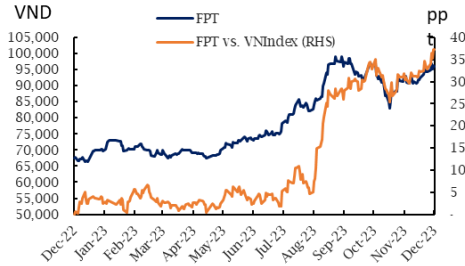
**BUY**

**TP upside (downside) +25.5%**

**Close 15 Dec 2023**

**Price 96,200**  
**12M Target 120,740**

**Share price performance relative to VNI**



<b>Market cap (USD mn)</b>	<b>5.023</b>
<b>6M ADT (USD mn)</b>	<b>7.8</b>
<b>Outstanding shares (mn)</b>	<b>1270</b>
<b>Free float (%)</b>	<b>64.2</b>
<b>FINI ownership (%)</b>	<b>49</b>
<b>FOL Room (%)</b>	<b>0</b>
<b>Major shareholders (%)</b>	<b>35.7</b>
<b>2024 Net debt/equity (%)</b>	<b>Net cash</b>
<b>2024 BVPS (VND)</b>	<b>27.049</b>
<b>2024 P/B (x)</b>	<b>3.6</b>
<b>2024 PE (x)</b>	<b>15.8</b>

**Financial outlook**

Year to Dec	2022A	2023E	2024E	2025E
Sales (VND bn)	44,010	53,609	66,726	84,764
EPS (VND)	4,657	6,080	7,930	9,996
ROE (%)	22.7	23.9	26.8	28.9
Div. yield (%)	2.1	2.1	2.1	2.1

Sources: Bloomberg, Company data, Yuanta Vietnam

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Bloomberg code: YUTA

**FPT Corporation (FPT VN)**  
**Delivering that *joie de vivre***

**Event**

Solid 11M23 interim results, with revenues up +20% YoY and PATMI rising by +19% YoY. In addition, FPT is expanding its reach in France and the broader EU by acquiring an 80% stake in AOSIS.

**Details**

**11M23 revenue increased by +20.3% YoY** to VND 47.2tn driven by the technology segment (+23.2% YoY and 59% of the total), while sales in the education and others segment grew by +52.6% YoY.

**11M23 technology revenue rose by 23.2% YoY** to reach VND 28.0tn. Global IT Services continued to see solid revenue growth of +29%, reaching VND 22.1 trillion, driven primarily by strong demand from Japan (up by +46% YoY) and APAC (+30.2% YoY). In addition, 11M23 revenue from digital transformation services rose by +47% YoY to reach VND 9.6tn.

**11M23 PBT rose by +19.2% YoY** to VND 8.5tn driven by technology segment PBT of VND 4.0tn (+21.1% YoY), while education & others recorded PBT of VND 1.7tn, up by +31.1% YoY.

**11M23 PATMI reached VND 6.0tn, up +19.0% YoY.** As of November, FPT has achieved 90.3% of full-year revenue guidance and 94.4% of PBT guidance. In addition, the company has fulfilled 88.0% of our 2023E revenue and 93% of our 2023 PATMI forecast.

**The launch of the new automotive technology subsidiary**, Texas-based FPT Automotive, indicates FPT's response to global demand for Software-Defined Vehicles (SDVs). FPT Automotive offers a comprehensive suite of engineering services encompassing in-vehicle infotainment, Electronic Control Units (ECU), functional safety, security, and digital engineering. FPT has 10 years of automotive industry experience with a proven track record servicing Ford, Volvo, Honda, and Hyundai.

**FPT announced that it has acquired an 80% stake of AOSIS**, a French consulting firm, with the intention of expanding FPT's customer base and technology in aerospace, aviation, and logistics. In addition, hundreds of experts with French language skills and EU market knowledge will join FPT in the deal. Earlier this year, FPT acquired American firms Cardinal Peak, Intertec, and Landing AI.

**FPT remains our top long-term favorite stock idea.** We [reiterate BUY](#) with TP of VND 120,740 per share. FPT remains the largest and most profitable technology company in Vietnam, with ROE consistently above 20% over the last three years.

**ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES ARE LOCATED IN APPENDIX A.**

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