

Vietnam: Technology

1 November 2024

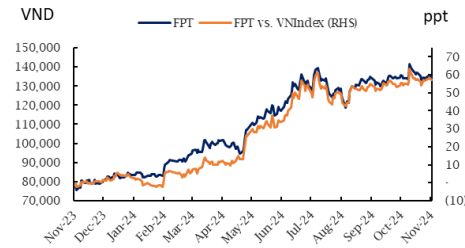
BUY

TP upside (downside) +7.5%

Close 1 Nov 2024

Price 134,600
12M Target 144,660

Share price performance relative to VNI



Market cap (USD mn)	8.247
6M ADT (USD mn)	28.1
Outstanding shares (mn)	1471
Free float (%)	85.0
FINI ownership (%)	45.9
FOL Room (%)	2.7
Major shareholders (%)	12.7
2025 Net debt/equity (%)	Net cash
2025 BVPS (VND)	27.975
2025 P/B (x)	4.8
2025 PE (x)	19.3

Financial outlook

Year to Dec	2023A	2024E	2025E	2026E
Sales (VND bn)	52,618	66,479	84,931	108,245
EPS (VND)	4,641	5,352	6,978	9,150
ROE (%)	23.4	27.1	30.1	32.0
Div. yield (%)	1.5	1.5	1.5	1.9

Sources: Bloomberg, Company data, Yuanta Vietnam

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Bloomberg code: YUTA

FPT Corporation (FPT VN) On-track to full-year profit guidance

Event

FPT reported 3Q24 PATMI growth of +11.4% QoQ / +20.1% YoY, indicating increased growth momentum in the third quarter.

Details

3Q24 revenue of VND 15.9tn was up +4.3% QoQ / +15.6% YoY. Sales were led by technology (62.1% of total revenue) with revenue growth of +18.9% YoY and telecommunication (28.6%) up +13.7% YoY. Meanwhile, 3Q24 education (10.8%) slowed down to +2.9% YoY.

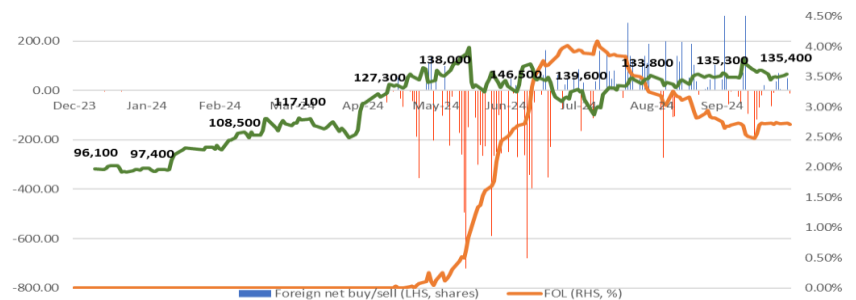
3Q24 PATMI rose by +11.4% QoQ / +20.1% YoY to VND 2,089bn despite a GPM contraction of 1.2 ppt YoY to reach 38.7%. Operating expenses were strictly under control as the SG&A to revenue ratio contracted by -1.1ppt YoY to just 21.2% in 3Q24.

9M24 revenue rose by +19.3% YoY to VND45.3tn driven by a +26.1% YoY increase in technology revenue (VND24.5tn). 9M24 PATMI reached VND5.8tn (+21.5% YoY). FPT has achieved 73% of full-year revenue guidance and 75% of its PBT target in 9M24. The company has fulfilled 68% of our 2024E revenue forecast and 67% of our 2024E PATMI forecast.

Short-term future growth outlook secured as signed revenue from global IT services continues to see strong growth of +20.1% YoY to reach VND 25.1 tn. FPT secured 33 large deals (i.e., those of +US\$5mn or more), twofold that of last year. In our view, this result reflects the increased global demand for FPT's technology services.

Education facility expansion. FPT reports the completion of FPT Education Complex in Thanh Hoa in 3Q2024, with capacity of 25,000 students from primary to highschool. Education complex in Hue is in the pipeline with the capacity of 20,000 students, operation 2025.

Our view: **BUY it while you can.** FOL room is now 39 million shares (2.7% of outstanding shares) or c.US\$212mn of foreign availability, down from the peak of 4.1% in July and 3.1% since our [previous note](#) in Sept).



Source: Bloomberg, Fiipro

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