

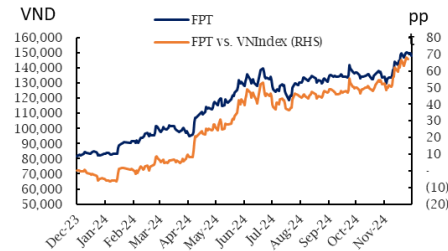
BUY

TP upside (downside) -2.3%

Close 17 Dec 2024

Price 148,000
12M Target 144,660

Share price performance relative to VNI



Market cap (USD mn)	8.561
6M ADT (USD mn)	24.5
Outstanding shares (mn)	1471
Free float (%)	85.0
FINI ownership (%)	45.8
FOL Room (%)	3.2
Major shareholders (%)	12.7
2025 Net debt/equity (%)	Net cash
2025 BVPS (VND)	27.975
2025 P/B (x)	5.3
2025 PE (x)	21.2

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 (%)	1.4	1.4	1.4	1.7

Sources: Bloomberg, Company data, Yuanta Vietnam

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Bloomberg code: YUTA

FPT Corporation (FPT VN)

A promising 2025 outlook powered by AI

Event

FPT reported a 21.1% YoY increase in 11M24 PATMI, driven by a 19.5% YoY increase in revenue. Notably, both the telecom and domestic IT businesses accelerated their growth, posting double-digit growth rates.

Details

11M24 PATMI increased by 21.1% YoY to reach VND 7.3tn. This is driven by 19.5% YoY growth in 11M24 revenue to reach VND 56.4tn (which translates to November revenue growth of 1% MoM). Specifically, technology segment revenue and PBT soared 25% YoY and 23.1% YoY, respectively, reaching VND 35 tn and VND 4.9 tn.

Expanding the cash-cow telecom business with telecommunication revenue/PBT rose by 10.6%YoY/14.9% YoY to reach VND 15.9tn/3.3tn.

Domestic IT services reached double digit growth. The domestic market finally showed clearer signs of recovery as 11M24 revenue reached VND 6.7tn, grew by +13.5% YoY (up from +8.3% in 9M2024) driven by increased technology investment demand from the banking and finance sector.

A solid short-term outlook is secured with global IT services revenue continuing to grow at a healthy pace of 17.2% YoY to VND 29.4 trillion. FPT secured 45 large deals (US\$5 million or more), up from 33 in 9M2024. This reflects the growing global demand for FPT's technology services.

Yuanta Thailand pioneered the issuance of FPT DR for Thai investors, with the first trading day on December 12th. YSTH hosted a pre-trading conference and exclusive FPT corporate access session for Thai investors.

Short-term catalysts include: 1) a 75% expansion of FPT's data center capacity to 35MW by 1Q25; and 2) the establishment of US\$225mn AI factories in Vietnam (Nvidia H100) and Japan (Nvidia H200). FPT will be the first Vietnamese company to own Nvidia GPUs and offer related services (AI/cloud), operational in 2025.

Our view: FPT continues to be our top pick due to its superior profitability, even though the share price has exceeded our target price of VND 144,660. We are in the process of revising our forecasts and recommendations. We anticipate an upward revision to account for FPT's forthcoming AI factories in Vietnam and Japan, which were not factored into our previous model.

ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES ARE LOCATED IN APPENDIX A.

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BUY: We have a positive outlook on the stock based on our expected absolute or relative return over the investment period. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile. We recommend investors add to their position.

HOLD–Outperform: In our view, the stock's fundamentals are relatively more attractive than peers at the current price. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile.

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SELL: We have a negative outlook on the stock based on our expected absolute or relative return over the investment period. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile. We recommend investors reduce their position.

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