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

Company Report: FPT Group JSC (FPT)

Research Department
Mail: research@gtjas.com
28/10/2025

Growth Against Headwinds

KEY HIGHLIGHTS

According to FPT Corporation's 9M2025 business results, the company recorded revenue of **VND 49,887 billion** and pre-tax profit of **VND 9,540 billion**, representing increases of 10.3% YoY and 18.6% YoY, respectively.

The Technology segment remained the key growth driver, contributing 62% of total revenue and 45% of pre-tax profit, equivalent to VND 30,949 billion and VND 4,333 billion, up 10.7% and 13.7% YoY, respectively.

The Telecom segment achieved revenue of VND 13,738 billion and pre-tax profit of VND 3,091 billion, growing 11.5% YoY and 21.3% YoY, respectively.

Meanwhile, the Education segment recorded flat revenue year over year.

Amid significant structural shifts in the global IT value chain that have affected FPT's core business areas, the company has proactively adapted and successfully maintained its key markets, thereby sustaining its **double-digit growth** trajectory.

Operational efficiency remained solid with a gross margin above 37%, ROE exceeding 27%, and a conservative leverage ratio (L/E) below 1, indicating a robust balance sheet and prudent financial management.

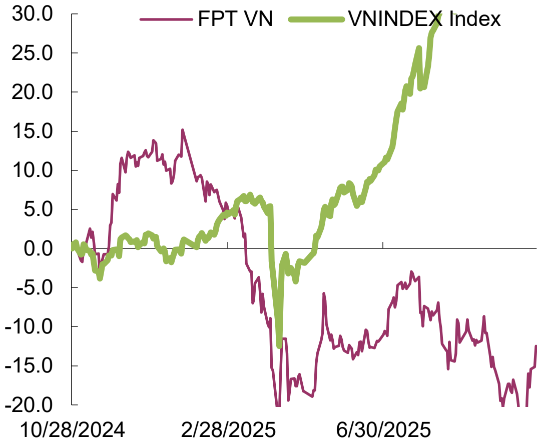
RECOMMENDATION

Compared to global peers, FPT is currently trading at a 15%–20% discount in terms of P/E valuation. This appears justified given that the company's service offerings are still positioned at relatively lower "notch" of the global IT value chain. However, this also presents potential upside should FPT successfully move up the value chain through service quality and capability enhancement.

We maintain a "Neutral" rating on FPT stock, with a target price of **VND 112,000 per share**, implying a **14.2%** expected return based on the closing price as of October 27, 2025.

Recommendation:	**Neutral**
6-18m TP:	**112,000** *(+14.2%)*
Current price:	98,000

1-Year Share Return Performance



Price change	1 M	3 M	1Y
Change %	0.5%	-7.5%	-14.8%
Vs VN index	0.0%	3.1%	16.6%
Average (VND)	93,905	99,610	110,339

Sources: Bloomberg, Guotai Junan (VN)

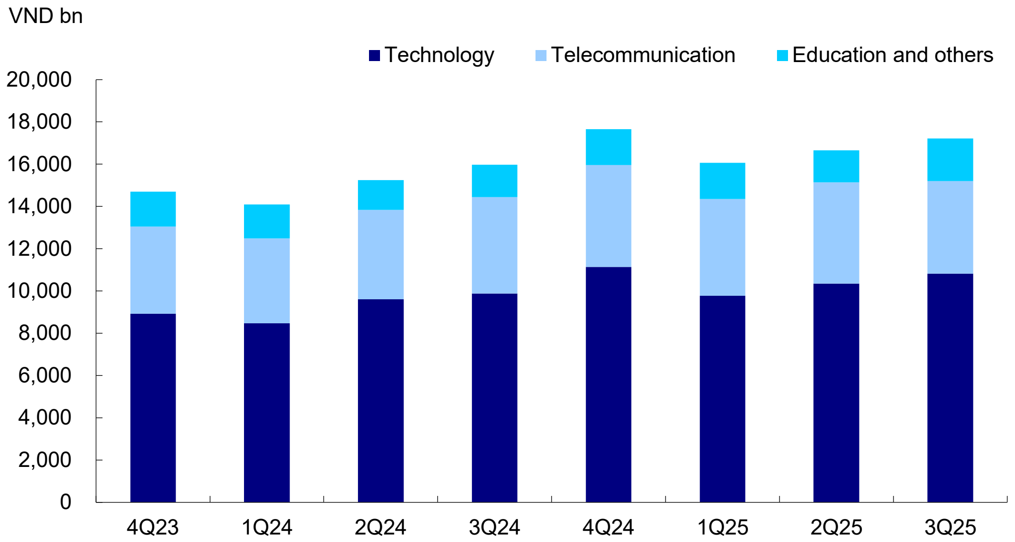
Outstanding shares (million)	1,703.51	Major shareholder (%)	Truong Gia Binh 6.89 %
Market Capitalization (VND b)	172,224.57	Free float (%)	85%
3-Month Average Trading Volume ('000)	11,169.55	Debt/Assets (%)	24%
Highest/Lowest Price 52w (VND)	135652 / 85043		

Sources: the Company, Guotai Junan (VN).

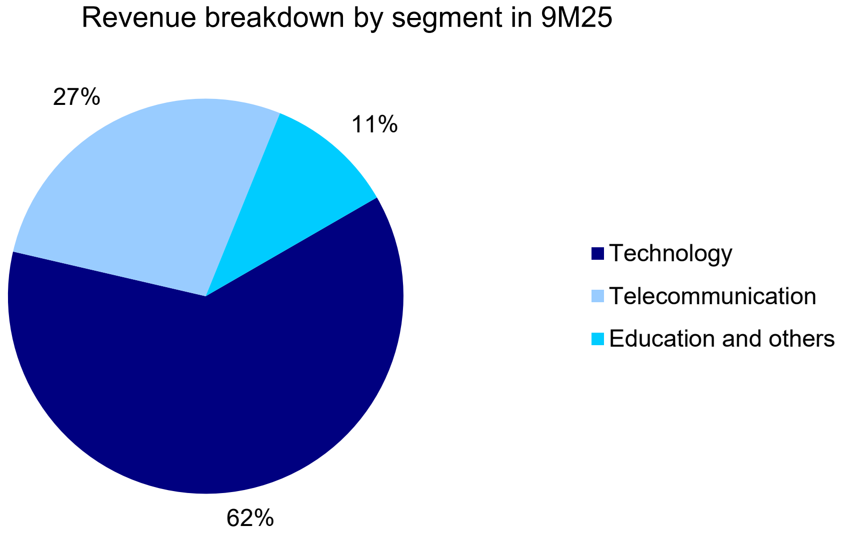
I. 9M25 EARNINGS UPDATES

According to FPT Corporation's 9M2025 business results, the company recorded revenue of **VND 49,887 billion** and pre-tax profit of **VND 9,540 billion**, representing increases of 10.3% YoY and 18.6% YoY, respectively.

Quarterly revenue breakdown by segment



Sources: FPT, Bloomberg, GTJASVN RS



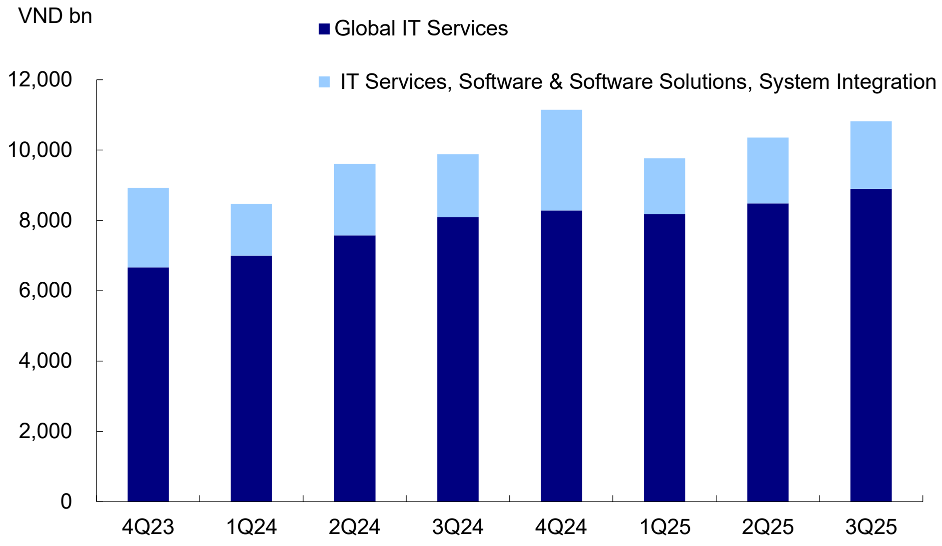
Sources: FPT, GTJASVN RS

1.1. 9M2025 business result by segment:

1.1.1 Technology segment

The Technology segment continued to play a pivotal role, contributing 62% of total revenue and 45% of the Group's pre-tax profit, equivalent to VND 30,949 billion and VND 4,333 billion, respectively, representing YoY growth of 10.7% and 13.7%.

Technology segment breakdown



Sources: FPT, GTJASVN RS

Within the Technology segment, overseas IT services recorded revenue of VND 24,574 billion and profit of VND 4,073 billion, representing YoY growth of 12.8% and 12.7%, respectively.
The key growth driver was the Japanese market, which achieved an impressive 26.3% YoY growth.
New contract value in the overseas IT services segment reached VND 29,363 billion in the first nine months, up 14.4% YoY.
Meanwhile, domestic IT services posted a modest revenue growth of 1.5% YoY, reflecting a more subdued performance compared to the overseas segment.

1.1.2. Telecom segment

The Telecom segment reported revenue of VND 13,738 billion and pre-tax profit of VND 3,091 billion, up 11.5% YoY and 21.3% YoY, respectively.

1.1.3. Education segment

The Education segment recorded revenue of VND 5,195 billion, up 1% YoY, indicating a largely flat performance during the first nine months of the year.

1.2. GTJA Assessment

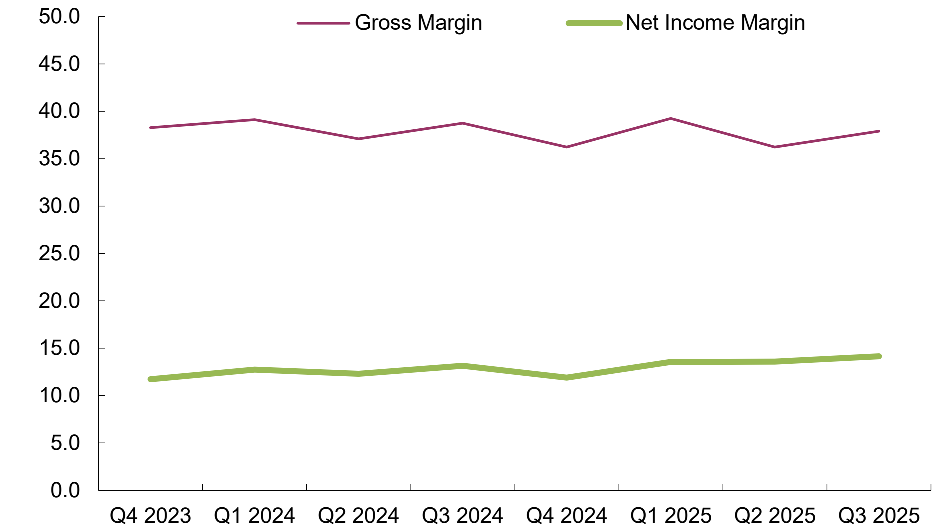
The **overseas IT services** business continues to serve as FPT's core growth pillar.
Despite significant structural shifts in the global IT value chain that have impacted the company's primary focus areas, FPT has proactively adapted and maintained stability across its key markets, thereby ensuring the Group's double-digit growth trajectory.
Notable achievements during Q3 2025 include:

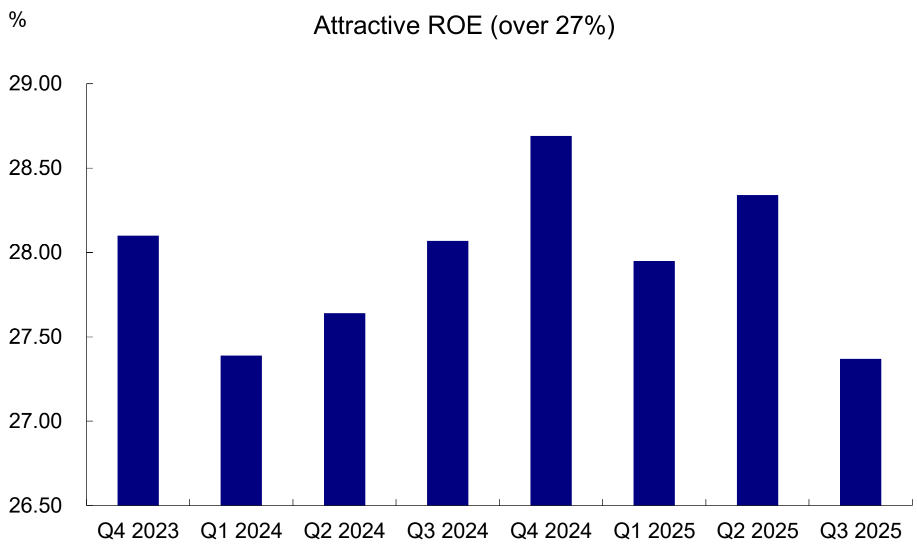
- A 5-year, USD 256 million contract with a major Asian energy conglomerate.
- A 3-year, USD 100 million digital transformation contract with a U.S.-based client.
- A strategic partnership agreement with ANA Group (Japan).

In the **Education segment**, FPT inaugurated a 20,000-student education complex in Hue, covering both K-12 and vocational training, which will play an important role in supplying IT talent for both Vietnam's technology sector and FPT's internal workforce.
In addition, FPT broke ground on a new K-12 school in Nghe An Province, designed to accommodate 2,800 students, further expanding its nationwide education network.

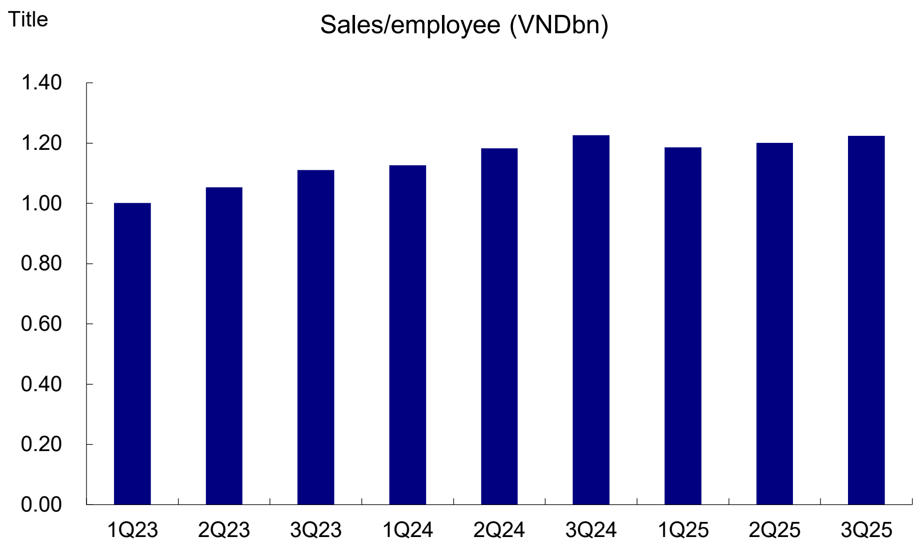
Operational Efficiency

Both gross and net profit margins remained at healthy levels, underscoring FPT's continued operational stability and profitability resilience.





Sources: Bloomberg, GTJASVN RS

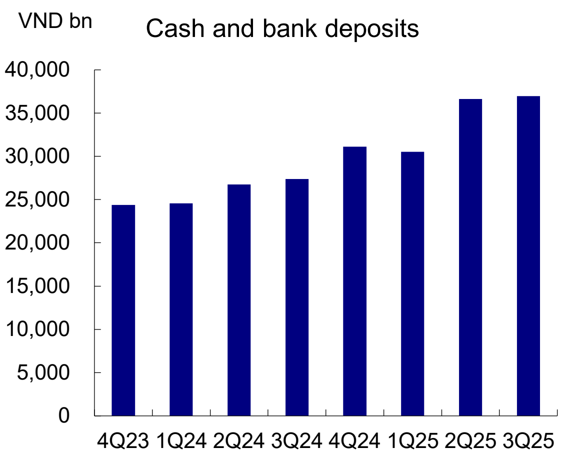


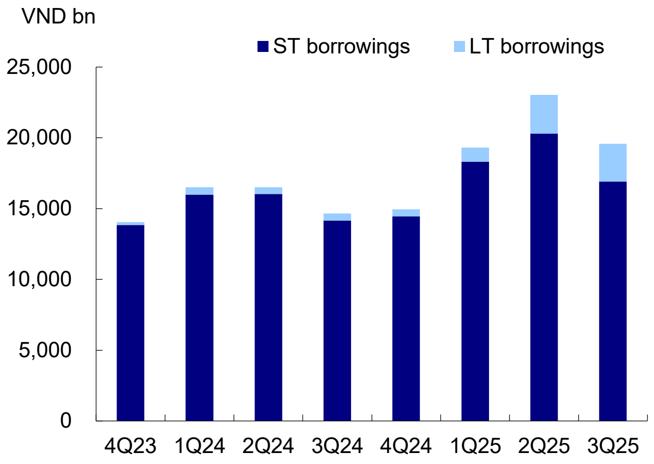
Sources: FiinproX, GTJASVN RS

Asset Quality

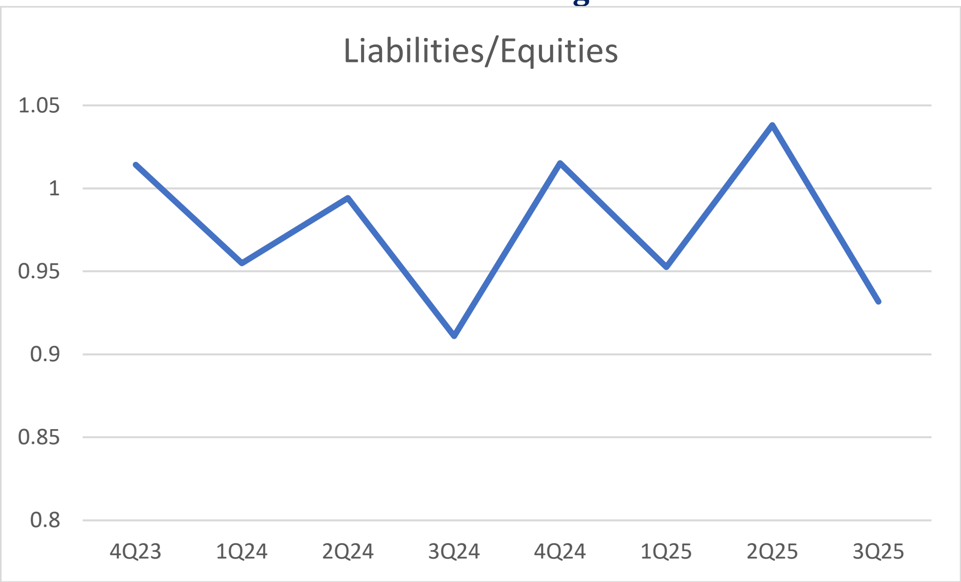
Since early 2025, FPT has adopted a more flexible approach to financial investments, marked by an increase in short-term borrowings alongside a corresponding rise in bank deposits on the asset side of the balance sheet.

This strategy has enabled the company to optimize returns from financial activities, enhancing overall asset efficiency and financial income.





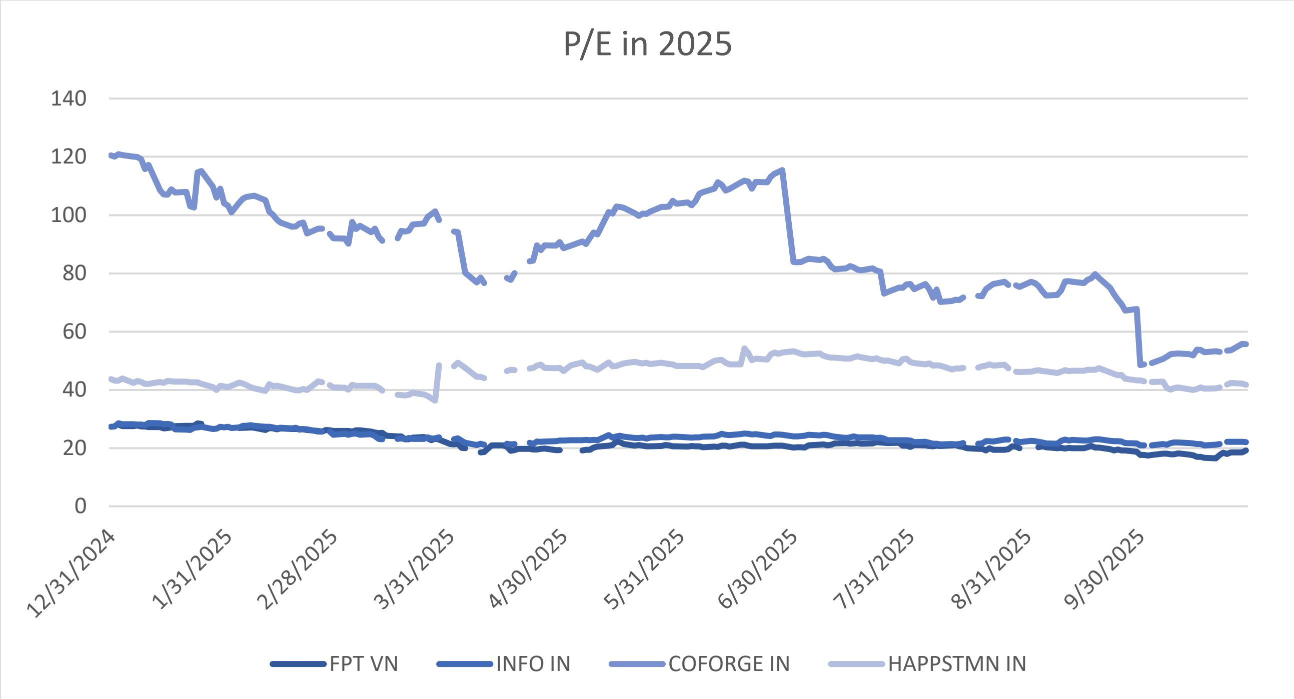
Prudent leverage



Sources: FiinproX, GTJASVN RS

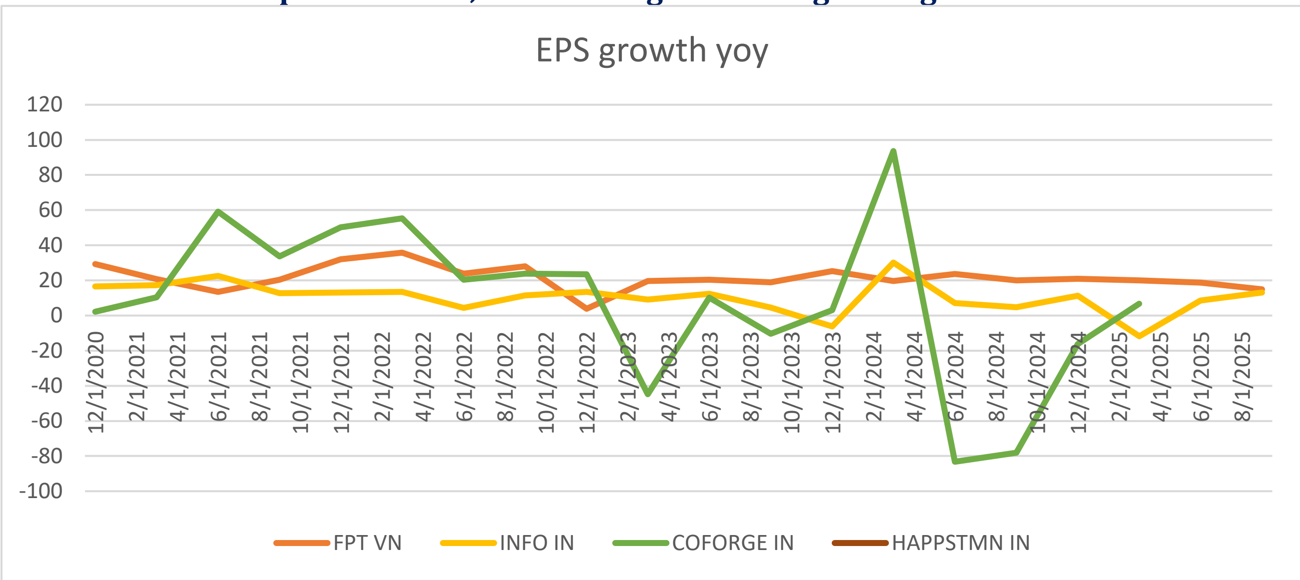
II. VALUATION AND RECOMMENDATION

Following a period of sharp correction, partly driven by the emergence of **Deepseek** earlier this year, which reshaped the **global IT value chain**, the **valuation of IT service companies**, including **FPT**, has adjusted significantly.
The sector's **P/E multiple** has declined from **above 30x** to around **20–25x**, reflecting a more **measured market outlook** amid ongoing industry transformation.



Major global IT service providers have experienced a sharp valuation shock since the beginning of 2025

Despite the challenging market environment, FPT has continued to deliver solid performance, maintaining double-digit EPS growth



Sources: Bloomberg, GTJASVN RS

Although FPT's revenue and profit growth have moderated compared to previous periods, they remain above the industry average. In the short term, FPT continues to maintain its core overseas IT services, though these markets still reflect relatively fragile competitive advantages. We **expect FPT to move further up the value chain** by expanding into **higher value-added** software service segments, thereby strengthening its long-term growth outlook.

Specifically, in relation to Vietnam's semiconductor and AI ecosystem, FPT has brought its AI Factories in Vietnam and Japan into operation. These facilities currently provide:

- FPT AI Infrastructure – GPU cloud services;
- FPT AI Studio – an advanced AI training platform powered by NVIDIA NeMo; and
- FPT AI Inference, integrated with NVIDIA NIM and NVIDIA AI Blueprints, enabling large-scale AI model deployment and scalability.

These initiatives are expected to generate approximately USD 40 million in revenue in 2025 from AI factory and GPU-as-a-service operations.

In August 2025, FPT also inaugurated a new data center in Ho Chi Minh City, expanding its total to four data centers with a combined area of 17,000 square meters and over 6,000 racks. This further demonstrates FPT's commitment to deepening its presence in the AI value chain and positioning itself to capture growth in this emerging segment.

RECOMMENDATION

Compared with global peers, **FPT is trading at a 15%–20% P/E discount**, which appears reasonable given that its current service offerings remain **at lower "notch" of the global IT value chain**. However, this also represents **potential upside**, should FPT successfully **upgrade its service capabilities** and **move toward higher-margin segments**.

We maintain a **"Neutral"** recommendation on FPT, with a **target price of VND 112,000 per share** (based on forward P/E of 21x and 2026F EPS of VND 5,346), implying an **expected total return of 14.2%** from the closing price on October 27, 2025.

COMPANY RATING DEFINITION

Benchmark: VN – Index. Time Horizon: 6 to 18 months

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

DISCLAIMER

GUOTAI JUNAN VIETNAM RESEARCH DEPARTMENT

Vũ Quỳnh Như Research Analyst nhuvq@gtjas.com.vn (024) 35.730.073- ext:702	**Ngô Diệu Linh** Research Analyst linhnd@gtjas.com.vn (024) 35.730.073- ext:705
Trịnh Khánh Linh Research Analyst linhtk@gtjas.com.vn (024) 35.730.073- ext:707	**Nguyễn Kỳ Minh** Chief Economist minhnk@gtjas.com.vn (024) 35.730.073- ext:706
	Trần Thị Hồng Nhung Deputy Director nhungtth@gtjas.com.vn (024) 35.730.073 - ext:703

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

CONTACT	Hanoi Head Office	HCMC Branch
Advising: (024) 35.730.073 Stock ordering: (024) 35.779.999 Email: gtja@gtjas.com.vn Website: www.gtjai.com.vn	R9-10, 1st Floor, Charmvit Tower, 117 Trần Duy Hưng, Hà Nội Tel: (024) 35.730.073 Fax: (024) 35.730.088	3rd Floor, No. 2 BIS, Công Trường Quốc Tế, P. 6, Q.3, Tp.HCM Tel: (028) 38.239.966 Fax: (028) 38.239.696