FPT FPT CORPORATION

BUY

Market price **72,200**

Stock info

Code	**FPT**
Current outstanding shares	1,714mil
Market cap (VNDbn)	121,203
High|Low 52 weeks	62,200|104,700
Average trading vol (52w)	9,644,760
Beta	0.79
Foreign ownership (%)	27.4

Major shareholders

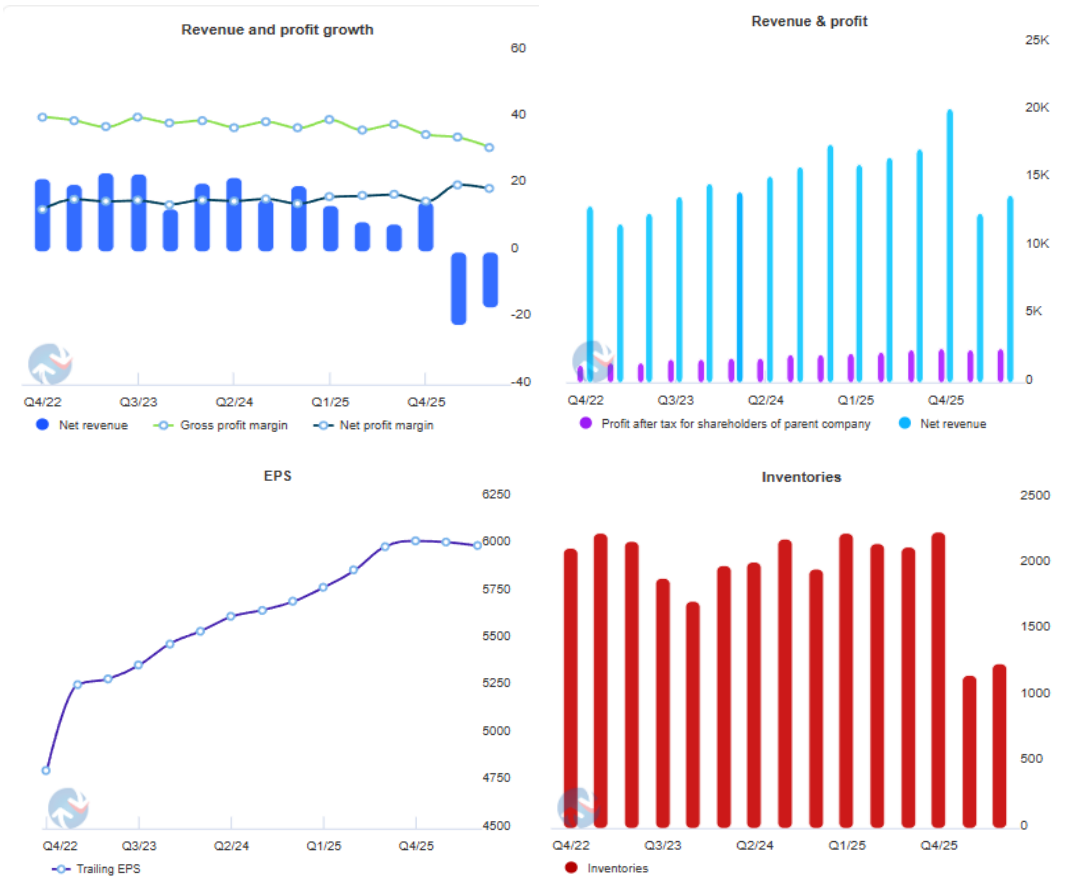
Trương Gia Bình	6.85%
SCIC	4.9%
Macquarie Bank Limited OBU	4.48%
MACQUANE BANK LIMITED	3.95%
GIC Private Limited	3.85%S

Company Overview

- Established in 1988, FPT is the leading information technology (IT) enterprise in Vietnam and a global IT services and technology conglomerate. It pioneers in providing services, products, and solutions based on core technologies such as AI, cloud computing, big data, and automation. FPT is continuously expanding its scale with 54,110 employees and operations across more than 30 countries and territories.
- As the first IT company listed on the Vietnam stock market (IPO in 2006), FPT's market capitalization has increased nearly sixfold since its listing.
- In parallel with its core business operations, FPT steadfastly pursues an ESG strategy, focusing on developing technology for humanity, cultivating a digital workforce, promoting green transformation, ensuring transparent corporate governance, and creating long-term value for the community and society.
- FPT's core business segments encompass: Technology, Telecommunications, Education, and Investments.

Financial Performance in Q2/2026

- In Q2/2026, FPT's consolidated net revenue reached VND 13,789 billion. This marks a 16.4% year-over-year (YoY) growth on a comparable basis (excluding the consolidation of FOX).
- Profit before tax (PBT) in Q2 reached VND 2,911 billion, reflecting a 3.8% quarter-over-quarter (QoQ) increase.
- Net profit after tax and minority interest (NPATMI) achieved a record high of VND 2,568 billion, registering a 13.7% YoY increase. This growth was primarily driven by the Technology segment, which posted a revenue of VND 12,296 billion (+18.7% YoY). The Technology segment's PBT stood at VND 1,748 billion (+23.3% YoY), bolstered by a PBT margin expansion to 14.2%.
- For the first half (1H) of 2026 cumulatively, the Group's total PBT reached VND 5,714 billion, surging 18.1% YoY (on a comparable basis) and fulfilling 49.1% of the full-year guidance.

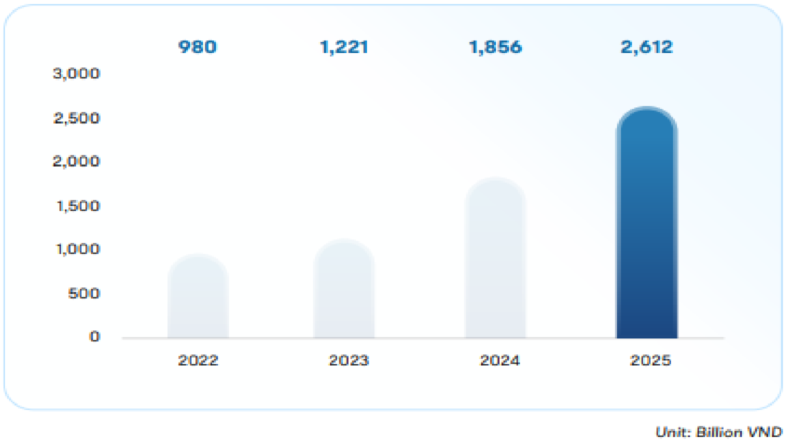


Source: Vietstock.vn

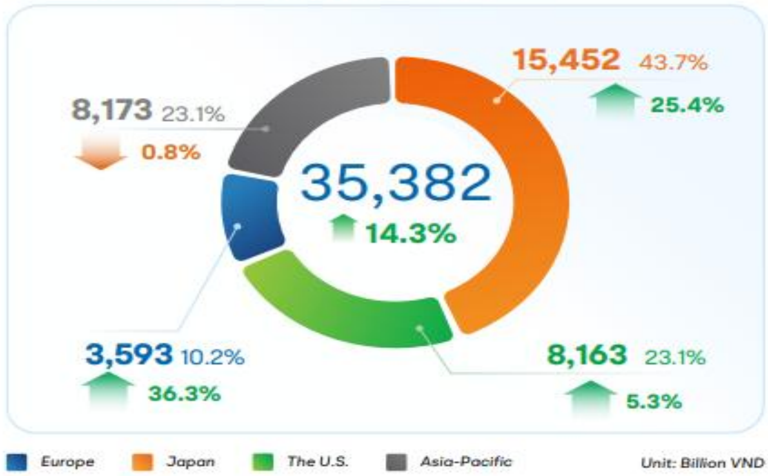
Growth Drivers

- Global IT Services: This remains the primary growth engine for the enterprise. Revenue from this segment experienced robust growth, spearheaded by breakthroughs in the Japanese market (+22-25% YoY) and the European market (+36-40% YoY).

Revenue from AI/Data analytics services

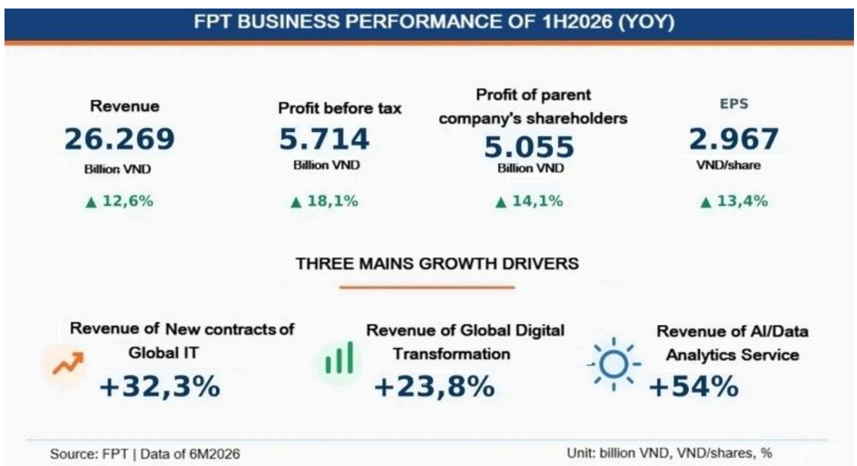


Revenue structure of IT services for foreign markets



Source: FPT's Annual report 2025

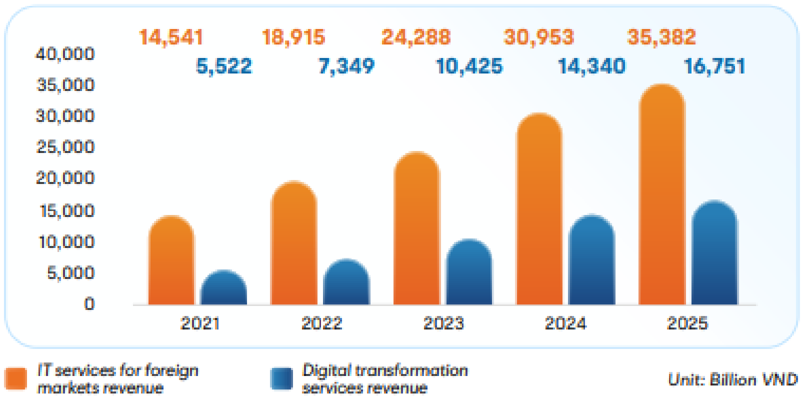
- New Bookings / Contracts: Total new contract value for Global IT Services in 1H2026 reached VND 26,338 billion, up 32.3% YoY. FPT successfully secured 14 large deals worth over USD 10 million each, highlighted by an energy sector contract worth USD 256 million (the largest in Asia) and a USD 100 million digital transformation contract in the US.



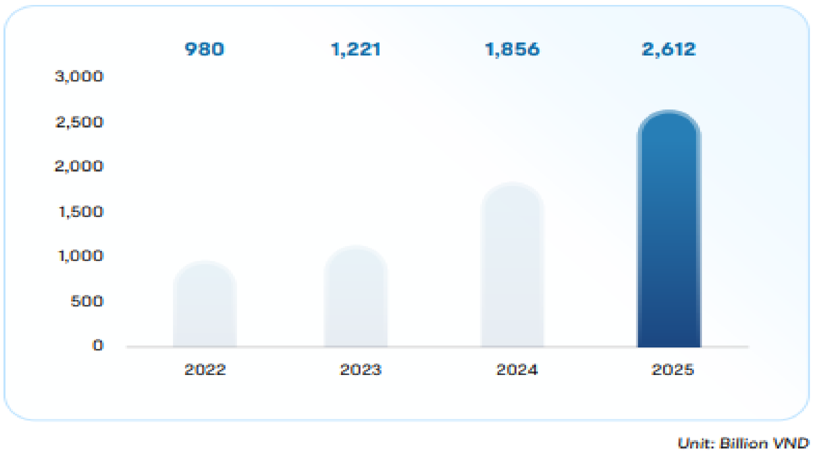
- Catalysts from AI and Digital Transformation (DX): FPT has been investing in AI since 2013, launching its first AI platform in 2017, and building the first

AI Factory in Vietnam during the 2024-2025 period. Within the framework of the Vietnam–Korea Business Forum, FPT Corporation participated in and carried out multiple cooperation activities in technology and artificial intelligence (AI). The Group continues to reinforce its position as a strategic technology and AI partner for Korean enterprises. DX revenue in 1H2026 reached VND 9,610 billion (+23.8% YoY). Notably, revenue from AI and data analytics alone skyrocketed by 54% YoY to VND 1,842 billion. The two FPT AI Factory clusters in Vietnam and Japan are operating at over 90% capacity, contributing more than USD 12 million in revenue and turning profitable starting Q2/2026.

Digital transformation services revenue in 2021-2025 period



Revenue from AI/Data analytics services



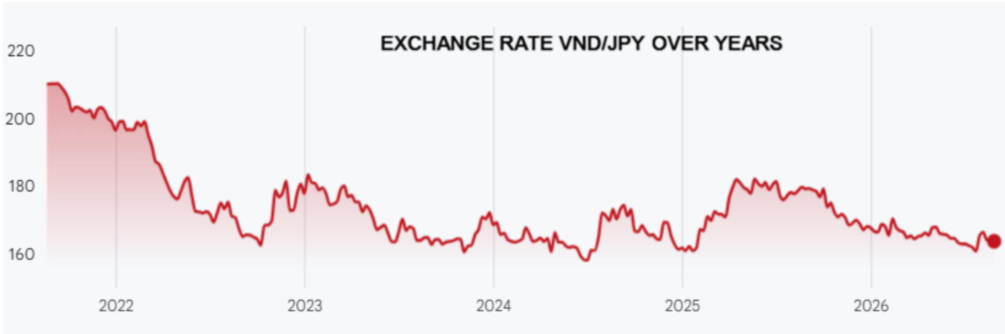
Source: FPT's Annual report 2025

- Semiconductor Sector: FPT Semiconductor is a pioneering IC design company in Vietnam, aiming to become the leading semiconductor design firm in Southeast Asia, with a target of USD 7billion by 2023. The semiconductor segment is accelerating its progress, with the first export order of Power Management ICs (PMIC) expected in December 2025, alongside plans to launch a chip testing and packaging facility in early 2026. On January 28, 2026, FPT Corporation officially announced the establishment of the FPT Advanced Semiconductor Testing and Packaging

Plant, aiming to strengthen connectivity across the semiconductor value chain and to realize Vietnam's major national orientations on mastering core and sovereign technologies

Investment Risks

- Foreign Exchange (FX) Risk: The sharp depreciation of the JPY (from approximately 198 to 164 VND/JPY) has exerted downward pressure on the profit margin of the Global IT Services segment, compressing it to 16.0% compared to 16.4% in the same period last year.

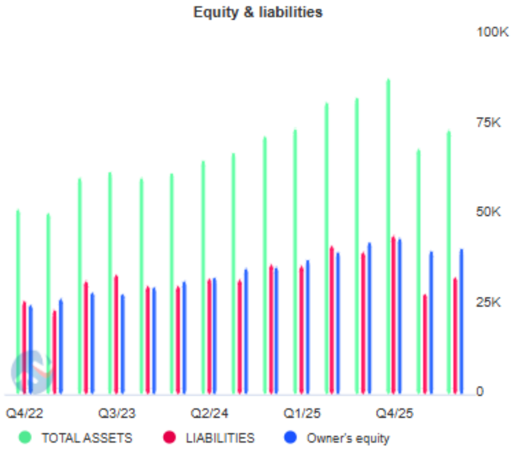


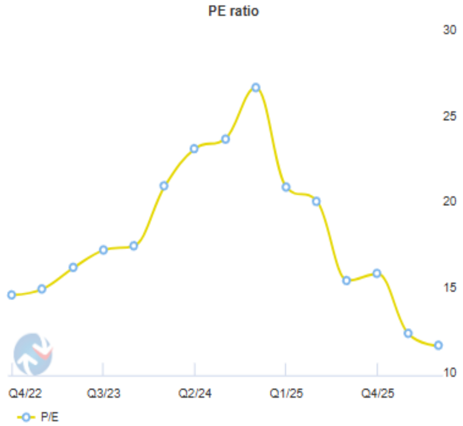
Source: Google Finance

- Slower Backlog Conversion: The pace of converting new contract value into realized revenue is decelerating compared to the pre-2025 period due to global macroeconomic uncertainties, and this trend is highly likely to persist for the remainder of the year.
- Macroeconomic and Geopolitical Volatility: Prolonged global instability and tariff policies could negatively impact corporate IT spending demand, thereby slowing the recovery momentum in the Americas market.
- Intensifying Competition in the Education Segment: Fierce competition from public universities could affect new enrollment activities, dampening the growth trajectory of the education segment.

Valuation and Recommendation

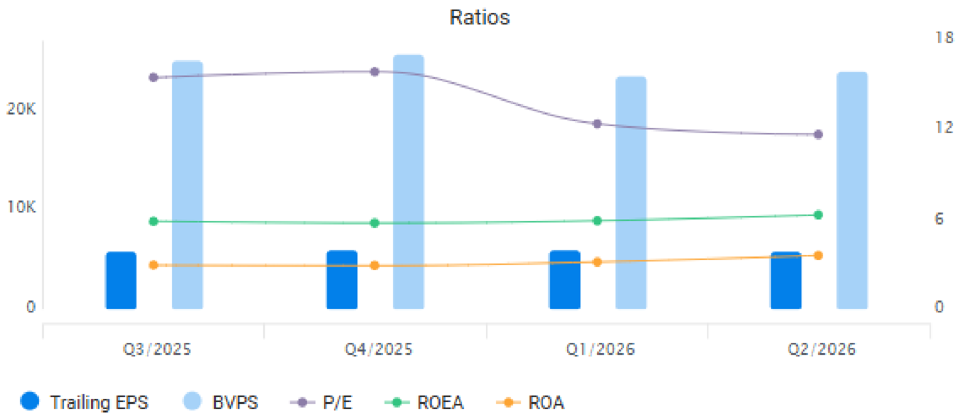
- FPT stock is currently trading at an attractive valuation range, with a trailing P/E multiple hovering around 11.9x - 12.1x.
- This P/E ratio is significantly lower than its 5-year historical average (approximately 20.0x) and trades at a discount compared to global technology peers.

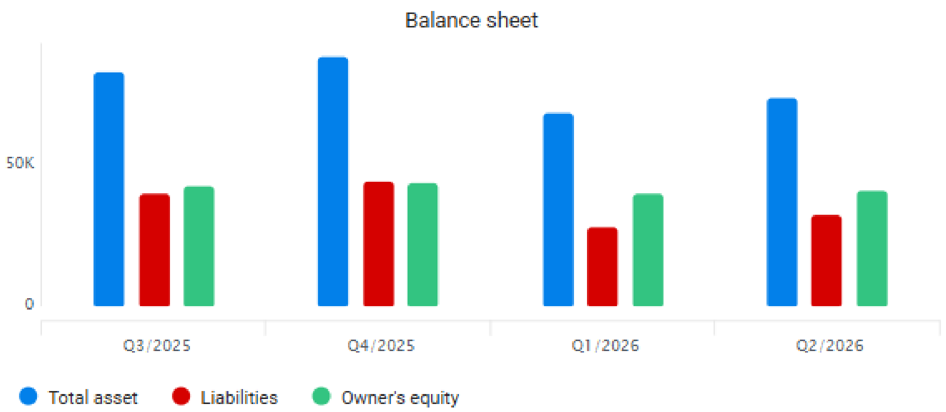




Source: Vietstock.vn

- Based on FPT's planned FY2026 PBT of VND 11,629 billion, the forward EPS for 2026 is projected at approximately VND 5,400/share. Applying a sector average P/E of 15.8x (under a conservative approach), the target price for FPT stock is estimated at VND 85,000/share, representing a roughly 20% upside from the closing price on August 25, 2026. Therefore, SBS recommends a BUY rating for FPT.





Source: Vietstock.vn

BUY

MARKET PRICE:72,200VND

SECTOR: INFORMATION TECHNOLOGY

Conclusion

- In summary, FPT continues to maintain resilient growth quality, underpinned by its core competencies in IT outsourcing and a robust strategic pivot towards the AI and semiconductor ecosystems.
- Financially, FPT's balance sheet remains highly robust, consistently maintaining a net cash position (cash and deposits standing at VND 28,972 billion versus VND 18,448 billion in interest-bearing debt).
- Despite headwinds from FX risks and the global macroeconomic landscape, the breakthrough growth in new contract bookings, combined with a historically low P/E valuation, presents an attractive disbursement opportunity for medium- and long-term investors.

FPTs financial indicators

Indicators	3Q2025	4Q2025	1Q2026	2Q2026
Profitability ratios (%)				
ROE	7.99	7.97	6.67	7.16
ROA	2.96	2.93	3.17	3.61
Gross profit margin	37.89	34.88	34.01	31.03
Net profit margin	16.87	14.77	19.85	18.64
Growth rates (%)				
Profit before tax	16.03	18.2	-7.3	-7.34
Profit after tax for shareholders of the parent company	16.56	19.92	14.4	13.74
Total assets	22.43	22.32	-7.31	-9.64
Owner's equity	21.11	22.22	5.88	2.81

Source: Vietstock.vn

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