

# Initiation Report

## FPT · FPT Corporation (FPT)

HOSE listed · IPO 13/12/2006 · Information Technology · www.fpt.com.vn

### INVESTMENT SUMMARY

FPT is Vietnam's largest private technology and telecommunications group, with a market capitalisation of roughly VND 129,637 billion. In 2025, consolidated revenue reached VND 70,113 billion (+11.6%) and NPAT VND 11,232 billion (+19.1%), with ROE holding at 28.3% on a healthy balance sheet (net debt/equity of 0.5x; cash and short-term financial investments of ~VND 40,153 billion). The core growth engine is FPT Software, where export revenue rose to VND 35,382 billion (+14.3%) and new signings exceeded USD 1.5 billion (+23.2%). From FY2026, FPT will deconsolidate FPT Telecom (FOX) and move it to the equity method, reshaping the consolidated revenue base. The stock has corrected roughly 30% from its 52-week high (VND 109,437) amid a wave of foreign net selling. On balance, we view FPT as Vietnam's premier technology franchise – with regionally leading software-export capability and a robust balance sheet, a rare blue-chip profile on the listed market – currently trading at a multi-year valuation low.

### INVESTMENT THESIS

#### 01 FPT Software: the export engine

Export revenue VND 35,382bn (+14.3%); Japan +25.4% (largest market, first >USD 100m contract), APAC +36.3% (record USD 256m deal). New signings >USD 1.5bn (+23.2%), with 26 projects above USD 10m.

#### 02 AI – Cloud – Semiconductors

Two AI factories (Top500 #36 & #38); recognised AI/Cloud revenue VND 913bn (+48.4%). Delivered its first power-chip batch to Restar (Japan); targets 10 million chips shipped to APAC over three years.

#### 03 Telecom, Education & ecosystem

FOX broadband VND 10,007bn (+13.7%), four Tier III data centres, EPL rights 2025–2031. FPT Education across 19 provinces; listed stakes in FRT/FOC/FTS/TPB.

#### 04 A healthy balance sheet

ROE 28.3%, net debt/equity 0.5x, cash & short-term investments ~VND 40,153bn, FCF VND 8,821bn. A steady cash dividend of VND 2,000/share per year (20% of par) sustained over many years.

### KEY RISKS

#### 01 Flat US market & currency risk

US revenue grew only +0.8% (23.1% of exports). JPY volatility weighs on the translated value of the Japanese market (43.7% of exports); both are macro variables beyond the company's control.

#### 02 AI-driven sector re-rating

US peers (Accenture, Cognizant) have de-rated to 11–13x P/E amid fears that AI will displace traditional IT services. This sentiment could spill over into the valuation of IT-services names, FPT included.

#### 03 FOX deconsolidation & dilution risk

From FY2026, FOX becomes an associate → the consolidated revenue base shifts, reducing period-on-period comparability. A track record of 15–20% stock dividends could dilute EPS if sustained.

#### 04 Prolonged foreign net selling

Cumulative foreign net selling peaked at ~89.4 million shares during the year; the price has corrected roughly 30% from its 52-week high. Liquidity and sentiment may stay under pressure until foreign flows reverse.

### TRADING INFORMATION

Price (04/06/2026)	VND 76,100/sh
Market cap	VND 129,637bn
Shares outstanding	1,703.5m shares
52-week high / low	109,437 / 69,048
P/E · P/B (TTM)	13.4x / 3.3x

### OWNERSHIP STRUCTURE

Truong Gia Binh (Chairman)	6.89%
SCIC (State)	5.67%
Other founders & management	~10.3%
Other shareholders (free float)	~77.1%
Foreign ownership / room	29.4% / 49%

### FINANCIAL HIGHLIGHTS

Revenue 2025A	VND 70,113bn
NPAT 2025A	VND 11,232bn
Basic EPS 2025A	VND 5,216
ROE 2025A	28.3%
EPS 2026F (TCBS)	VND 6,342

# Executive Summary

<b>MARKET CAPITALISATION</b> <b>129,637</b> <small>VND bn · ~06/2026</small>	<b>P/E (TTM)</b> <b>13.4x</b> <small>forward P/E ~12.0x</small>	<b>ROE 2025</b> <b>28.3%</b> <small>held &gt;28% since 2023</small>	<b>FOREIGN ROOM</b> <b>29.4%</b> <small>used / 49% cap</small>
<b>REVENUE 2025</b> <b>70,113</b> <small>VND bn · +11.6% YoY</small>	<b>NPAT TO PARENT 2025</b> <b>9,376</b> <small>VND bn · +19.3% YoY</small>	<b>EPS 2025</b> <b>5,504</b> <small>VND/share</small>	<b>CASH DIVIDEND</b> <b>2,000 VND</b> <small>/share · yield ~2.6%</small>

Key metrics	2023	2024	2025	2026F
Consolidated revenue (VND bn)	52,618	62,849	70,113	58,580
NPAT to parent (VND bn)	6,465	7,857	9,376	10,803
EPS (VND)	3,795	4,612	5,504	6,342
ROE (%)	28.1	28.7	28.3	n/a
Period-end P/E (x)	18.3	27.8	17.2	~12.0
Cash dividend (VND/share)	2,000	2,000	2,000	n/a

Source: FPT consolidated financial statements 2023–2025. EPS computed as NPAT to parent divided by shares outstanding (1,703.5m); audited basic EPS per the 2025 annual report is VND 5,216 (on a weighted-average share count).

## Investment highlights

### 1 · The export engine

FPT Software posted export revenue of VND 35,382bn (~24.9% 4-year CAGR); new signings of >USD 1.5bn (+23.2%) underpin a solid backlog. Japan & APAC lead the way.

### 2 · Profitability & balance sheet

ROE >28% for three straight years; net debt/equity of just 0.5x; cash & short-term investments of ~VND 40,153bn (~31% of market cap) provide a large liquidity buffer.

### 3 · Repositioning around AI – Cloud – Semiconductors

Operating two Top500 AI factories; AI & Cloud revenue +48.4%; delivered its first power-chip batch to Restar (Japan), marking a shift from being “disrupted by” AI to being a “solutions provider” for it.

### 4 · Valuation back to historical lows

Forward P/E of ~12x against a historical 12–28x range (median ~17x) and global peers at ~16x – back to the low end of the five-year cycle.

## What to watch

### Supportive drivers

New-signing backlog >USD 1.5bn; Japan (+25.4%) & APAC (+36.3%) accelerating; commercialisation of the AI Factory & semiconductors (10-million-chip target); improving digital-transformation (DX) margins.

### Risks to monitor

Flat US market (+0.8%); JPY volatility (Japan is 43.7% of exports); generative-AI re-rating fears across IT services; cumulative foreign net selling peaking at ~89.4m shares; dilution from stock dividends.

# 1. Company Profile

## 1.1. Overview

*Vietnam's largest private technology and telecommunications group, built on a three-pillar ecosystem of Technology, Telecommunications and Education & Investment.*

FPT Corporation (HOSE: FPT) traces its roots to The Food Processing Technology Company, founded on 13 September 1988, equitised in 2002 and listed on HOSE from 13 December 2006. Over nearly four decades, FPT has grown into Vietnam's largest private technology and telecommunications group, with charter capital of VND 17,035 billion, more than 54,110 employees across over 30 countries (including 4,124 foreign staff), and a market capitalisation of roughly VND 129,637 billion as of June 2026.

FPT's business is organised into three strategic pillars: (i) Technology, comprising IT services for overseas markets (FPT Software, the export engine), domestic IT services (FPT IS and the Made by FPT ecosystem) and AI – Cloud – Semiconductor products; (ii) Telecommunications, comprising FPT Telecom (FOX) with broadband, Pay-TV, data centres and digital content; and (iii) Education, Investment & Others, comprising FPT Education and strategic investments. The Technology pillar contributes 63.4% of revenue and is the long-term growth backbone.

#### REVENUE 2025

**70,113**

VND bn · +11.6% YoY

#### NPAT 2025

**11,232**

VND bn · +19.1% YoY

#### TOTAL ASSETS

**88,142**

VND bn · +22.4% YoY

#### ROE 2025

**28.3%**

held >28% since 2023

### Technology pillar

FPT Software (software exports), FPT IS, Made by FPT, AI – Cloud – Semiconductors. Revenue VND 44,475bn (63.4%), PBT VND 5,907bn.

### Telecommunications pillar

FPT Telecom (FOX): broadband, Pay-TV, data centres, digital content. Revenue VND 19,507bn (27.8%), PBT VND 4,364bn.

### Education, Investment & Others

FPT Education + strategic investments. Revenue VND 6,132bn (8.8%), PBT VND 2,773bn.

Source: FPT 2025 Annual Report (p8/p59/p61); TCBS

Company information	Detail	Company information	Detail
Company name	FPT Corporation	Ticker	FPT (HOSE)
Listing date	13/12/2006	ICB sector	Information Technology
Charter capital	VND 17,035bn	Par value	VND 10,000/sh
Shares outstanding	1,703.5m	Employees	54,110
Shareholders	58,429	Auditor	PwC Vietnam

## 1.2. History & development

FPT's journey has been one of continuous moves up the value chain: from domestic distribution and systems integration, to software exports, and now to AI – Cloud – Semiconductors and global digital-transformation services.

<b>1988</b>	<b>Founded</b>	Established as The Food Processing Technology Company; pivoted early to IT, distribution and systems integration.
<b>1999</b>	<b>Going global</b>	Launched its software-export strategy and founded FPT Software, laying the foundation for long-term growth.
<b>2002 – 2006</b>	<b>Equitisation &amp; listing</b>	Equitised in 2002; listed on HOSE on 13 December 2006, becoming one of the market's leading technology stocks.
<b>2014</b>	<b>First international M&amp;A</b>	Acquired RWE IT Slovakia (renamed FPT Slovakia), the first overseas M&A by a Vietnamese IT company.
<b>2018 – 2020</b>	<b>Restructuring around technology</b>	Divested distribution and retail (FPT Trading, FPT Retail) to concentrate resources on Technology, Telecommunications and Education.
<b>2023 – 2024</b>	<b>AI &amp; semiconductor breakthrough</b>	Founded FPT Semiconductor; partnered with NVIDIA to build the AI Factory; export revenue surpassed USD 1 billion and kept accelerating.
<b>2025 – 2026</b>	<b>An AI-First group</b>	Operating two AI factories (Japan & Vietnam, Top500); new signings >USD 1.5bn; FOX moves to the equity method from FY2026.

Source: FPT 2025 Annual Report

## 1.3. Ownership & management

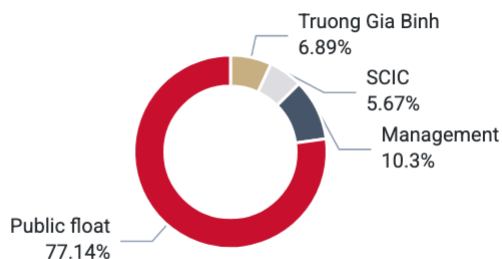
*Diffuse ownership on a stable founder base; SCIC is the only State institutional shareholder above 5%.*

FPT's ownership is diffuse and transparent: Chairman Truong Gia Binh holds 6.89%, while the State Capital Investment Corporation (SCIC) holds 5.67%, the only State institutional shareholder above 5%. The founder-management group (Bui Quang Ngoc, Do Cao Bao, Truong Thi Thanh Thanh, Hoang Minh Chau, Nguyen Thanh Nam and others) together hold around 10.3%, with the remaining ~77.1% in public hands. Foreign ownership stands at 29.4%, leaving headroom against the 49% cap.

FPT's management team combines deep experience with strong succession. Alongside the founders, a younger generation of leaders (CEO Nguyen Van Khoa, Deputy CEOs Pham Minh Tuan and Nguyen The Phuong) ensures continuity in the globalisation and AI-First strategies. The generational handover has been deliberate: Nguyen Van Khoa was appointed CEO in March 2019, taking over executive duties from the founding generation while the founders continue to set strategic direction at board level. A long-running ESOP for key staff aligns management's long-term interests with shareholders. This multi-layered governance supports operational stability through cycles.

**FPT ownership structure**

% of charter capital, as of 06/2026



**Foreign ownership**

% of room used vs remaining (49% cap)



Key management	Position	Ownership
Truong Gia Binh	Chairman of the Board	6.89%
Bui Quang Ngoc	Vice Chairman	1.48%
Do Cao Bao	Board member	0.93%
Nguyen Van Khoa	Chief Executive Officer	0.32%
Nguyen The Phuong	Deputy CEO	0.36%
Pham Minh Tuan	Deputy CEO	0.17%

Source: TCBS

On governance, FPT is well regarded for transparency and continuity: its financial statements are audited by PwC Vietnam, and the group maintains a tradition of full, regular disclosure and frequent investor dialogue. A stable founder shareholder base (Chairman Truong Gia Binh and his co-founders) combined with an early-empowered successor management layer has allowed the globalisation and AI-First strategies to be executed consistently across cycles. SCIC's presence as a major State shareholder adds a further layer of governance oversight.

**1.4. Group structure & subsidiaries**

FPT operates a holding-company model with wholly owned subsidiaries in its core lines, alongside a portfolio of associates and listed investments. FPT Software, FPT IS, FPT Smart Cloud and FPT Education are 100%-owned, while FPT Telecom (45.7%), FPT Retail (46.5%) and the listed stakes in FOC/FTS/TPB are accounted for under the equity or investment method.

Source: TCBS

This holding structure matters when reading the consolidated accounts: wholly owned subsidiaries (FPT Software, FPT IS, FPT Smart Cloud, FPT Education) are fully consolidated, so their revenue and profit flow directly into group results; whereas partially controlled or associate stakes (FPT Telecom, FPT Retail) affect profit through different mechanisms. Ownership percentage therefore determines how each member enters the consolidated statements. This is precisely why FPT Telecom's move to the equity method from 2026 (analysed in detail in Section 3.6) materially reshapes the look of consolidated revenue, even though the economic substance of the investment is unchanged.

Subsidiary	Business	Ownership
FPT Software Co., Ltd (FPT Software)	Software exports	100%
FPT IS Co., Ltd	Domestic systems integration	100%
FPT Smart Cloud Co., Ltd	AI & Cloud	100%
FPT Education Co., Ltd	Education	100%
FPT Telecom JSC (FOX)	Telecommunications (associate from FY2026)	45.7%
FPT Digital Retail JSC (FRT)	Retail (HOSE listed)	46.5%
FPT Online Service JSC (FOC)	Online advertising (UPCoM)	23.9%
FPT Securities JSC (FTS)	Securities (HOSE listed)	17.6%
Tien Phong Commercial Bank (TPB)	Banking (HOSE listed)	6.8%

## 1.5. The three-pillar business model

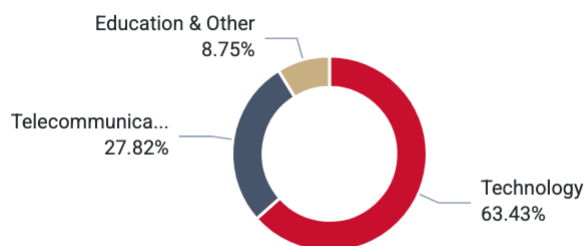
*Technology leads revenue, while Telecommunications and Education & Investment add high margins and steady cash flow.*

In 2025 (on a fully consolidated basis), the split of revenue and pre-tax profit clearly reflects each pillar's role. Technology is the largest revenue contributor (63.4%), but Telecommunications carries higher margins, contributing 33.5% of PBT on just 27.8% of revenue. Education, Investment & Others is small in scale yet superior in margin, with PBT growth of +23.1%.

The complementarity of the three pillars creates a “growth-with-cash-flow” model: Technology delivers scale and export-led growth, Telecommunications contributes steady cash flow and high margins from recurring subscriptions, and Education is both highly profitable and a captive talent supply. This multi-pillar structure reduces dependence on any single industry cycle and sustains stable profit growth over the years.

### ■ 2025 revenue mix

*By pillar, fully consolidated basis (VND bn)*

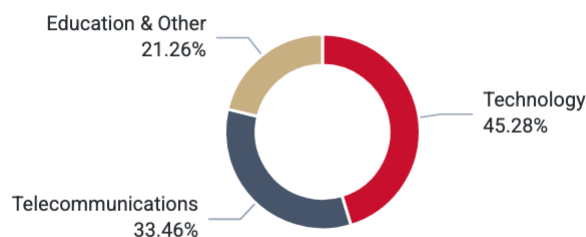


Source: FPT 2025 Annual Report (p61)

Source: FPT 2025 Annual Report (p59/p61/p77)

### ■ 2025 PBT mix

*By pillar, fully consolidated basis (VND bn)*



Source: FPT 2025 Annual Report (p61)

Business pillar	Rev 2025	% rev	+/- YoY	PBT 2025	% PBT
Technology	44,475	63.4%	+13.7%	5,907	45.3%
Telecommunications	19,507	27.8%	+10.8%	4,364	33.5%
Education, Investment & Others	6,132	8.8%	+0.1%	2,773	21.2%
Total consolidated	70,113	100%	+11.6%	13,044	100%

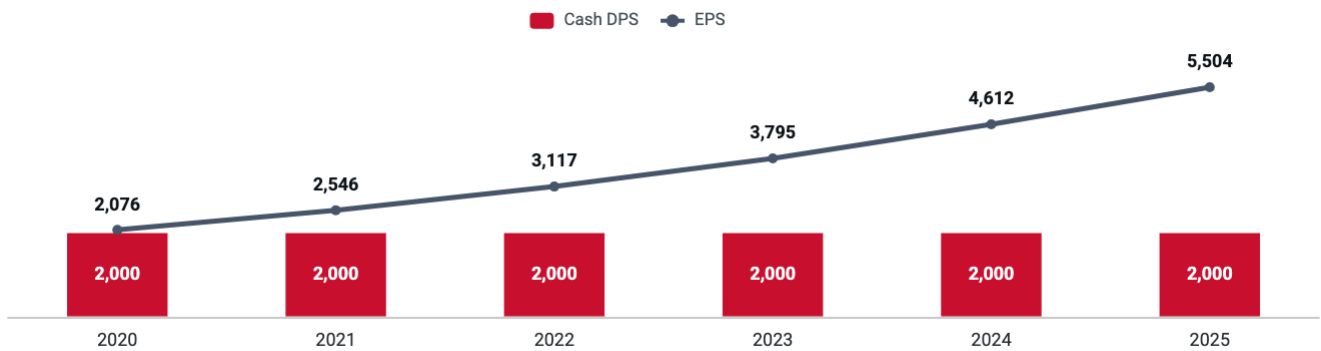
## 1.6. Dividend policy

FPT maintains a stable, transparent dividend policy: a steady cash dividend of VND 2,000/share per year (equivalent to 20% of par, paid in two 10% tranches), combined with 15–20% stock dividends in capital-raising years. In 2025, total cash dividends paid reached VND 3,185 billion (+16.2%), a payout ratio of ~34% of NPAT to parent, balancing reinvestment for growth against distribution to shareholders.

The ~34% payout reflects a growth-stock positioning: retained earnings primarily fund the AI & semiconductor investment cycle.

### ■ Cash dividend per share & EPS

VND/share · cash dividend (bars) vs EPS (line), 2020–2025



Source: FPT 2025 Annual Report (p59)

<b>CASH DIVIDEND 2025</b> <b>2,000 VND</b> /share · 20% of par	<b>TOTAL PAID 2025</b> <b>3,185</b> VND bn · +16.2%	<b>PAYOUT RATIO</b> <b>~34%</b> of NPAT to parent · stable for years
--	---	--

## 1.7. People & technology capability

For a knowledge-intensive services business, human capital is the core competitive advantage. FPT has more than 54,110 employees across over 30 countries, including 4,124 foreign staff; its scale and global footprint enable the group to win and deliver large cross-border contracts. Crucially, FPT commands a force of ~25,000 AI specialists, the foundation for its shift from traditional outsourcing toward high-value AI solutions.

Equally important is its ability to self-supply talent through the FPT Education system: this reduces reliance on the external labour market while building a long-term talent “funnel” for its semiconductor ambitions (a target of 10,000 trained staff). It is a closed loop that is rare in the industry: train → supply internally → deliver projects.

<p>TOTAL HEADCOUNT</p> <p><b>54,110</b></p> <p>people · &gt;30 countries</p>	<p>FOREIGN STAFF</p> <p><b>4,124</b></p> <p>people · ~7.6%</p>	<p>AI SPECIALISTS</p> <p><b>25,000</b></p> <p>people</p>	<p>SEMICONDUCTOR TALENT TARGET</p> <p><b>10,000</b></p> <p>people · long term</p>
--	--	--	---

<p><b>Scale &amp; globalisation</b></p> <p>54,110 staff across more than 30 countries; 4,124 foreign staff, enabling large-scale cross-border project delivery.</p>	<p><b>Leading-edge AI capability</b></p> <p>~25,000 AI specialists; operating two Top500 AI factories; developing 25 large language models (LLMs).</p>	<p><b>Self-sufficient supply</b></p> <p>FPT Education across 19 provinces; 3,700 AI &amp; semiconductor students; a 10,000 semiconductor-talent target builds a long-term funnel.</p>
---	--	---

Source: FPT 2025 Annual Report (p8/p70/p74/p75); TCBS

Taken together, the three resource pillars (global headcount scale, depth of AI capability, and a self-trained talent funnel via FPT Education) form a synergistic advantage that is hard to replicate in Vietnam's IT industry, allowing FPT to expand growth while controlling labour costs in a competitive talent market.

## 2. Industry Analysis & Competitive Position

### 2.1. The global IT-services landscape

*The multi-trillion-dollar global IT-services and outsourcing market is being reshaped by generative AI and a wave of cost optimisation.*

The global IT-services industry (spanning software outsourcing, systems integration and digital transformation) is estimated at over USD 1,500 billion and continues to expand on demand for core-system modernisation, cloud migration and enterprise AI. Since late 2024, however, the industry has entered a phase of clear divergence: Western service majors (Accenture, Cognizant) have reported slowing growth and face market fears that generative AI will erode traditional workloads, driving de-rating to 11–13x P/E. Asian cost-optimised providers, by contrast, have sustained their bookings momentum thanks to price advantages and scale.

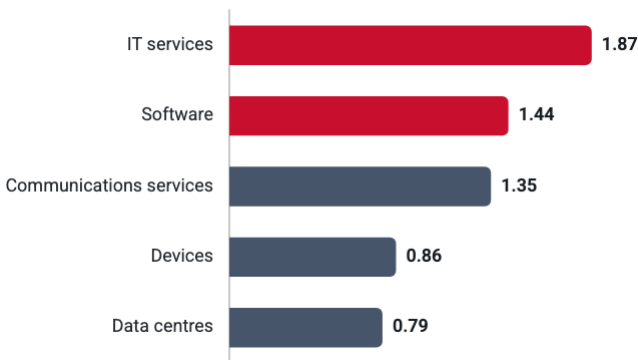
Against this backdrop, FPT Software is differentiated on three fronts: (i) a focus on Japan, where a severe IT talent shortage and the language barrier create a durable competitive moat; (ii) proactive investment in AI factories and semiconductor capability to shift from being “disrupted by” AI to being a “solutions provider” for it; and (iii) a labour-cost advantage over Indian and Western peers that keeps margins stable even when service pricing comes under pressure.

<p>EXPORT REVENUE 2025</p> <p><b>35,382</b></p> <p>VND bn · +14.3% YoY</p>	<p>NEW SIGNINGS</p> <p><b>&gt;1.5</b></p> <p>USD bn · +23.2% YoY</p>	<p>DEALS &gt;USD 10M</p> <p><b>26</b></p> <p>projects · double YoY</p>	<p>EXPORT CAGR</p> <p><b>24.9%</b></p> <p>2021–2025 (4 years)</p>
--	--	--	---

In the broader industry context, the scale and pace of global IT spending is the foundational tailwind for FPT's export model. Drawing on consensus global IT forecasts, worldwide IT spending in 2026 is estimated at USD 6.31 trillion (+13.5% YoY), of which the two segments FPT directly serves – IT Services (~USD 1.87 trillion) and Software (~USD 1.44 trillion, +15.1%) – carry the largest weights; data-centre infrastructure alone is set to surge +55.8% on the AI investment wave, aligning with FPT's AI-factory and semiconductor strategy.

**■ 2026F global IT spending by segment**

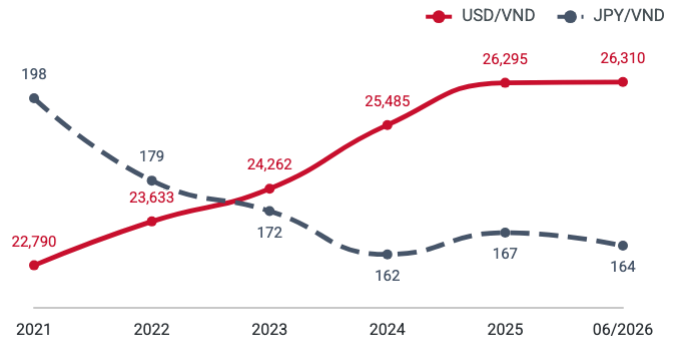
USD trillion · total USD 6.31tn (+13.5% YoY) · red = segments FPT serves



Source: Consensus global IT-spending forecasts 2026

**■ USD/VND & JPY/VND exchange rates**

USD/VND (left axis) · JPY/VND (right axis) · period-end, 2026 ~06/2026



Source: Public FX data (exchange-rates.org), period-end

The two FX variables cut in opposite directions for translated export revenue: a steadily rising USD/VND (~22,800 in 2021 to ~26,300 by mid-2026) supports USD-denominated revenue, while a sharply weaker JPY/VND (~198 down to ~164) is a headwind for the Japanese market, which accounts for 43.7% of exports, though it has stabilised since 2025. This is precisely why JPY/VND volatility is flagged among the risks to monitor in Section 4.4.

**2.2. Mapping global megatrends onto FPT's drivers**

Setting FPT's growth drivers against the global total addressable market (TAM) highlights the runway left in each segment. All industry figures below are forecasts from independent market-research bodies (WSTS and industry organisations), provided as directional reference rather than as assumptions in FPT's projection model.

Global driver	2026F size	Growth	FPT pillar that benefits
Total global IT spending	USD 6,310bn	+13.5%	FPT Software (IT exports)
AI spending	USD 2,590bn	+47%	AI Factory, AI & Cloud, DX
Enterprise services & software	~USD 2,230bn	+11–14%	Digital transformation (DX), SI
Semiconductor market (WSTS)	~USD 800bn	+11%	FPT Semiconductor (power chips)
Vietnam data-centre market	20.5% CAGR	to 2031	FPT Telecom (4 Tier III DCs)

Source: WSTS; consensus global IT-industry forecasts; Vietnam data-centre market estimates.

Vietnam is positioning digital technology as a national growth engine: Resolution 57-NQ/TW (12/2024) targets the digital economy at 30% of GDP by 2030, creating a favourable policy backdrop for industry leaders such as FPT. With more than 54,000 technology staff across over 30 countries and the foreign IT-services share of Software revenue rising from ~30% to ~50% over six years, FPT is one of the few Vietnamese companies able to capture all three megatrends at once: global IT services, the AI wave, and the semiconductor cycle.

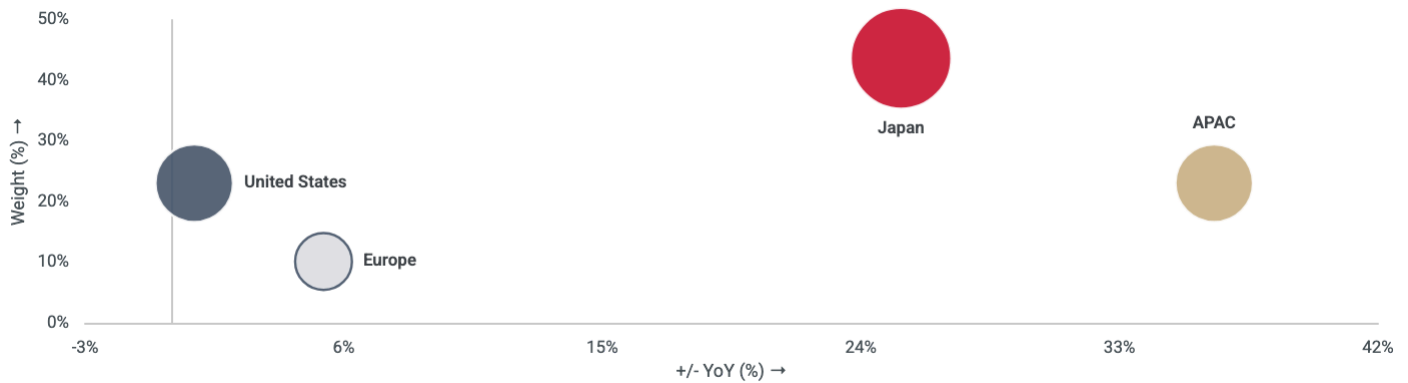
These three megatrends are not abstractions for FPT but have already translated into concrete revenue streams and capabilities. The table below maps each global trend onto the group's actual 2025 footprint, with key figures evidencing the degree of realisation.

Source: FPT 2025 Annual Report (p8/p69/p70/p74/p75).

Global megatrend	FPT's footprint (2025)	Key figures
Global IT services & digital transformation	FPT Software (exports, DX, SI)	Export revenue VND 35,382bn (+14.3%); DX VND 16,751bn (+16.8%)
AI & cloud computing wave	2 AI factories (Japan + VN); AI & Cloud	Recognised revenue VND 913bn (+48.4%); >111bn tokens/6 months
Semiconductor cycle	FPT Semiconductor (power chips)	First batch delivered to Restar (Japan); 10m-chip/3-year target
Digital infrastructure & data centres	FPT Telecom (DCs, broadband)	4 Tier III DCs; 6,800 Gbps international; broadband VND 10,007bn (+13.7%)
High-quality digital talent	FPT Education	3,700 AI & semiconductor students; 10,000 semiconductor-engineer training target

**Export-market map: growth × size (2025)**

X-axis: +/- YoY (%) · Y-axis: share of exports (%) · bubble ~ revenue (VND bn)



Source: FPT 2025 Annual Report (p63/p64)

The map places each export market on a growth × size plane, clarifying their complementary roles: Japan is the large-scale pillar still growing in double digits, APAC is the fastest-growing driver, the US is a large but flat revenue base, and Europe is expansion runway. It is this complementary portfolio structure (rather than any single product or market) that makes export growth less dependent on any one market's cycle.

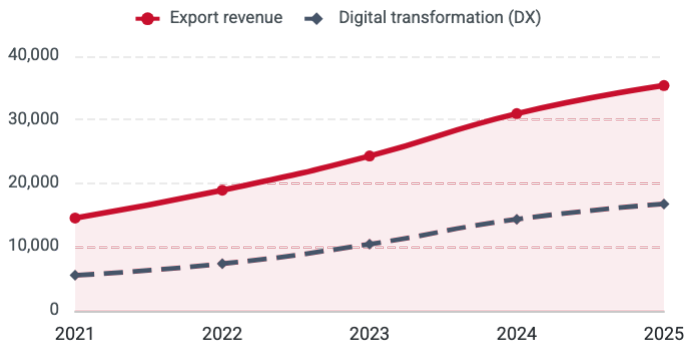
**2.3. FPT Software: the export engine**

IT services for overseas markets (FPT Software) are the group's growth backbone. Export revenue rose from VND 14,541bn (2021) to VND 35,382bn (2025), a compound annual growth rate of ~24.9%. Within this, digital-transformation (DX) services – the high-value segment spanning Cloud, AI & Data and RPA – reached VND 16,751bn (+16.8%), 47.3% of export revenue and the key driver of margin expansion.

By service type, the mix shift is notable: digital-transformation (DX) services – the high-value segment of Cloud, AI & Data and RPA – reached VND 16,751bn, 47.3% of export revenue and now rivalling traditional IT services. A rising DX share is the main driver of margin improvement in the Technology pillar. Within DX, Cloud accounts for 36.6% and AI & Data grew more than 41%.

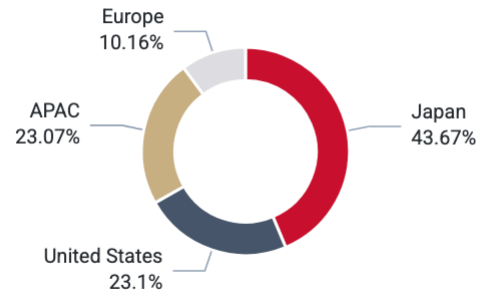
**Export & digital-transformation revenue**

VND bn, 2021–2025



**2025 export mix by market**

% of export revenue

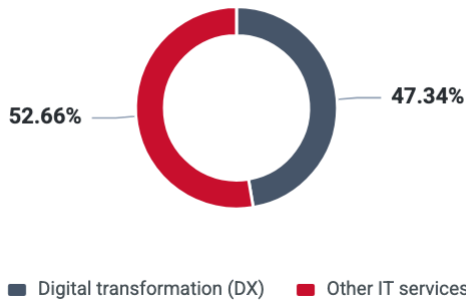


Source: FPT 2025 Annual Report (p64)

Source: FPT 2025 Annual Report (p63)

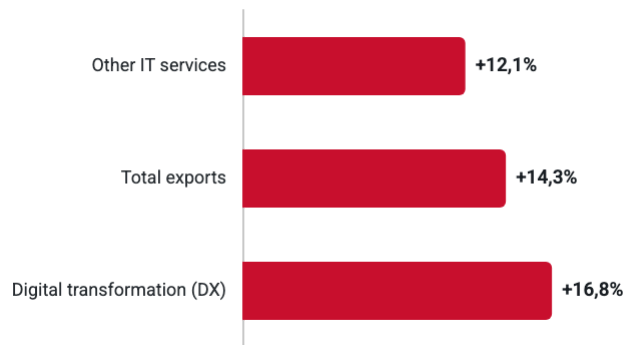
**2025 export revenue by service type**

Digital transformation (DX) vs other IT services (VND bn), total VND 35,382bn



**2025 export growth by service type**

% YoY · DX grows faster than the average, lifting its share



Source: FPT 2025 Annual Report (p8/p59/p63/p64).

The two charts complement each other: the left shows DX already at 47.3% of export revenue, nearly level with traditional IT services; the right explains why this share keeps rising – DX grew +16.8% YoY, faster than the +14.3% blended rate and well ahead of other IT services (~+12.1%). As long as this growth gap persists, the export mix will keep tilting toward the high-value segment, supporting the Technology pillar's margins.

**2.4. Market drivers & new signings**

*Japan and Asia–Pacific lead growth; a flat US market is the key item to watch.*

A market-level analysis shows uneven growth drivers. Japan (43.7% of exports) grew +25.4% and signed its first contract above USD 100 million, reflecting booming IT-outsourcing demand amid a talent shortage and a weak yen pushing Japanese firms to optimise costs. APAC (23.1%) surged +36.3% with a record USD 256 million contract with an Asian energy group. By contrast, the US market (23.1%) grew just +0.8%, flat amid cautious IT spending – a macro variable to watch in 2026.

■ **2025 export revenue growth by market**

% YoY growth · revenue size (VND bn) noted in labels



Source: FPT 2025 Annual Report (p8/p63)

Market	Rev 2025 (VND bn)	% of exports	+/- YoY	Note
Japan	15,452	43.7%	+25.4%	First >USD 100m contract
United States	8,173	23.1%	+0.8%	Flat, one to watch
APAC	8,163	23.1%	+36.3%	Record USD 256m deal
Europe	3,593	10.2%	+5.3%	Small, stable

The export mix is heavily concentrated in Japan (43.7%), at once a long-standing relationship advantage and a concentration risk; +36.3% growth in APAC is gradually rebalancing the mix, while a flat US market (+0.8%) is the item to watch. Notably, total new signings across exports exceeded USD 1.5 billion (+23.2% YoY), building a backlog cushion deep enough to underwrite 2026 growth even if the US has yet to recover. Qualitatively, Japan's momentum stems from a persistent IT labour shortage and cost-optimisation pressure from a weak yen – structural factors that are slow to reverse.

**2.5. AI – Cloud – Semiconductors: repositioning the value chain**

FPT is investing proactively to turn AI from a risk into an opportunity. The group operates two AI factories (Japan & Vietnam) ranked in the global Top500 of supercomputers (#36 & #38), processing more than 111 billion tokens in six months and developing 25 large language models. Recognised AI & Cloud revenue reached VND 913 billion (+48.4%) with new signings above VND 1,540 billion. In semiconductors, FPT delivered its first power-chip batch to Restar (Japan) and targets 10 million chips shipped to APAC over three years.

**AI factories**

2 AI factories (Japan + VN), Top500 #36 & #38; >111bn tokens/6 months; 25 LLMs; 25,000 AI specialists.

**AI & Cloud recognised**

VND 913bn (+48.4%); new signings >VND 1,540bn. Cloud is 36.6% of DX services; AI & Data +41% YoY.

**Semiconductors**

First power-chip batch delivered to Restar (Japan); 10m-chip/3-year APAC target; a “FPT chip inside” ecosystem.

Source: FPT 2025 Annual Report (p8/p69); WSTS & consensus industry forecasts

The size of the target market reinforces this strategy: industry forecasts point to global AI spending of ~USD 2,590 billion in 2026 (+47% YoY), while the semiconductor market (per WSTS) is heading toward ~USD 800–1,000 billion on an AI-driven super-cycle.

By betting early on AI infrastructure (two Top500 AI factories) and power chips, FPT shifts from being an “outsourcer” to a “capability owner” in the value chain – a move backed by Resolution 57-NQ/TW (12/2024), which designates science, technology and digital transformation as national strategic breakthroughs. In practice, FPT has partnered with NVIDIA to build the AI Factory and is among the few Asian companies owning large-scale AI compute, an infrastructure advantage that is hard to replicate near-term and a clear barrier to entry versus domestic rivals.

## 2.6. Telecommunications & digital infrastructure

*FPT Telecom holds a Top 3 broadband ISP position and is expanding into data centres and premium licensed digital content.*

The Telecommunications pillar (FPT Telecom – FOX) posted revenue of VND 19,507 billion (+10.8%), of which fixed broadband (the main driver) reached VND 10,007 billion (+13.7%) on upgrades to XGS-PON technology and symmetric 10 Gbps Wi-Fi 7. FOX covers all 63 provinces, operates four Uptime Tier III data centres with 6,800 Gbps of international connectivity, and holds the English Premier League (EPL) rights in Vietnam through the 2030–31 season, reinforcing the FPT Play platform's mind-share leadership in sports entertainment.

<p><b>BROADBAND REVENUE</b> 2025</p> <p><b>10,007</b></p> <p>VND bn · +13.7%</p>	<p><b>TIER III DATA CENTRES</b></p> <p><b>4</b></p> <p>centres · 6,800 Gbps</p>	<p><b>COVERAGE</b></p> <p><b>63</b></p> <p>provinces · Top 3 ISP</p>	<p><b>EPL RIGHTS</b></p> <p><b>2025–31</b></p> <p>exclusive in Vietnam</p>
--	---	--	--

An important note on the consolidation basis: from financial year 2026, FPT Telecom (FOX) moves to the equity method after the State transferred its stake to the Ministry of Public Security, so FOX no longer consolidates revenue into the group accounts. This is the technical reason 2026F consolidated revenue “falls” on a reported basis even though the business has not weakened; details are analysed in Section 3.6. On a comparable basis (excluding FOX from both years), Telecommunications still maintains double-digit growth in broadband and data centres. In essence, the change is one of accounting presentation, not intrinsic value; from 2026, the pillar is best viewed through equity-accounted profit rather than consolidated revenue. In practice, the economic value of the FOX investment is unchanged by this transaction.

## 2.7. Private education & talent supply

FPT Education is both a high-margin business and a strategic talent supply for the technology ecosystem. The system operates across 19 provinces, partners with 180 international institutions, trains 3,700 students in AI & semiconductor chip design, and attracts more than 2,000 international students from 22 countries. Its long-term goal is to train 10,000 semiconductor professionals, directly addressing the talent bottleneck for the group's chip ambitions.

<p><b>System scale</b></p> <p>Across 19 provinces; 180 international partners; collaboration with 200 education institutions in 34 countries; &gt;88,000 m<sup>2</sup> of new floor space in 2025.</p>	<p><b>Specialist talent</b></p> <p>3,700 AI &amp; semiconductor students; &gt;2,000 international students from 22 countries; 100% of grade 1–12 pupils exposed to AI.</p>	<p><b>International standards</b></p> <p>FSB: Vietnam's first ACBSP-accredited (US) MBA; FPT University in the 301–400 band of THE Impact Rankings; 10,000 semiconductor-talent goal.</p>
--	--	---

Source: FPT 2025 Annual Report (p70/p71/p74/p75)

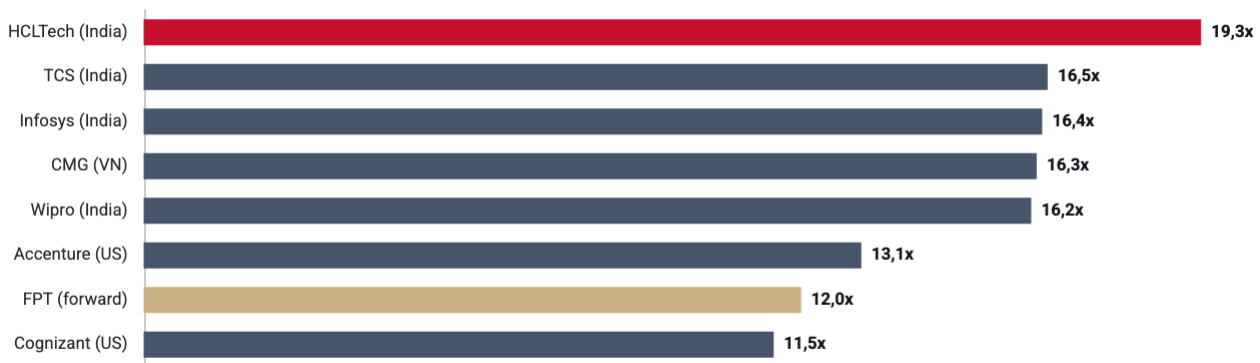
## 2.8. Competitive position & valuation comparison

Domestically, FPT has no peer of comparable scale: the largest domestic peer, CMG, has a market cap of ~VND 6,579 billion – only ~5% of FPT's (~VND 129,637 billion) – and a different business model. A more appropriate reference group is therefore the global IT-services majors. At current levels, FPT trades around 13.4x TTM P/E and ~12x forward P/E, below Indian peers (TCS, Infosys, Wipro at ~16x) and in line with the de-rated levels of Accenture (13.1x) and Cognizant (11.5x), despite FPT's superior profit growth.

This valuation gap is all the more striking against the growth backdrop: while many Indian and US peers grow revenue only in single digits (Wipro +0.3%, TCS +4.6%, Cognizant +5.8%), FPT still delivers +11.6% with margins and ROE among the leaders. The market valuing a faster-growing company at a lower multiple largely reflects industry-wide AI fears across IT services rather than anything specific to FPT.

### ■ P/E comparison: FPT vs global & domestic IT-services peers

x · FPT on ~12x forward P/E; peers on TTM P/E



Source: FPT: TCBS; global peers: web data

Company	Market	P/E	Note
HCLTech	India	19.3x	Global IT services
TCS	India	16.5x	Near a decade low
Infosys	India	16.4x	Global IT services
CMG	Vietnam	16.3x	Largest domestic peer
Wipro	India	16.2x	Global IT services
Accenture	US	13.1x	De-rated on AI fears
FPT (forward)	Vietnam	~12.0x	Double-digit profit growth
Cognizant	US	11.5x	De-rated on AI fears

The cross-sectional comparison shows FPT trading at a lower multiple than the global leaders despite higher profit growth, reflecting an emerging-market and liquidity risk premium rather than any gap in franchise quality. That a name like Cognizant has already de-rated on AI fears shows the entire sector's valuation is being reset.

## 2.9. SWOT analysis

*Durable competitive advantages (market position, profitability, ecosystem) offset the risks of market concentration and the AI wave reshaping the industry.*

Drawing together the analysis above, FPT's competitive profile can be summarised through a SWOT framework. Its strengths stem from market leadership and a highly profitable base; the principal weakness is its degree of concentration in the Japanese market; opportunities open up from the enterprise-AI and semiconductor waves; and the greatest challenge is the risk of generative AI eroding traditional outsourcing volumes.

### Strengths

No.1 private-sector player in IT-telecommunications; FPT Software export CAGR ~24.9%; sustained ROE >28%; net-cash balance sheet (debt/equity 0.5x; ~VND 40,153 billion in cash & financial investments); a closed-loop Technology – Telecommunications – Education ecosystem.

### Weaknesses

High concentration in Japan (43.7% of exports) → sensitive to JPY swings; flat US market (+0.8%); gross margin narrowing slightly (39.6%→36.9%); EPS dilution from successive stock-dividend issues.

### Opportunities

Enterprise-AI wave & core-system modernisation; IT talent shortage in Japan; semiconductors (target of 10 million chips/APAC); public-sector digital transformation in Vietnam; demand for domestic data centres & cloud.

### Threats

Generative AI may erode traditional outsourcing; competition from large-scale Indian peers; JPY/VND exchange-rate volatility; macro risks slowing IT spending (especially the US market).

Net assessment: the SWOT balance tilts to the positive. The strengths are structural and hard to replicate (market leadership, net-cash balance sheet, closed-loop ecosystem), while most weaknesses and challenges already have mitigation roadmaps underway. Put differently, FPT's risk leans toward “execution” risk (the pace of moving up into higher-value services) rather than “existential” risk. This is the profile typically seen in a company actively reinventing itself, one to be monitored continuously through the specific execution indicators set out below.

### ■ Risk map → mitigation in progress → indicator to track

*Each material weakness/challenge is paired with a lever already in motion and a quantitative indicator to monitor progress.*

RISK / WEAKNESS	MITIGATION IN PROGRESS	INDICATOR TO TRACK
<b>Japan concentration</b> 43.7% of export revenue, sensitive to JPY swings	→ <b>Market diversification</b> APAC +36.3%; US & Europe expansion	→ <b>Non-Japan revenue share</b> & non-Japan new signings
<b>Generative AI</b> erodes traditional outsourcing volumes	→ <b>Move up to high-value services</b> AI, digital transformation (DX), semiconductors	→ <b>AI &amp; Cloud revenue share</b> +48.4% YoY in 2025
<b>Gross margin</b> slight narrowing 39.6% → 36.9%	→ <b>AI automation &amp; productivity</b> turns AI from risk into a productivity lever	→ <b>Technology-pillar margin</b> & revenue per employee

## 2.10. Five competitive forces (Porter)

Through Michael Porter's five-forces lens, the IT-services industry FPT competes in is moderately to highly competitive, yet FPT is relatively protected by scale barriers, long-term client relationships and self-sufficient talent supply via FPT Education. The most notable pressure comes from substitute products/technologies (generative AI), at once a challenge and a repositioning opportunity.

Competitive force	Intensity	Analysis
Industry rivalry	Medium – High	Large Indian peers (TCS, Infosys, Wipro); FPT differentiated by the Japan market & cost advantage.
Threat of new entrants	Low	High barriers in scale, client relationships and specialist talent; hard to build capability near-term.
Supplier power	Low – Medium	The main input is talent; FPT self-supplies via FPT Education (10,000 semiconductor-talent target).
Buyer power	Medium	Large enterprise clients have pricing leverage; offset by high-value, deeply embedded DX services.
Substitute products / technologies	Medium – High	Generative AI & automation threaten traditional outsourcing; FPT proactively shifting to AI solutions.

Source: Porter framework; TCBS qualitative assessment

## 2.11. Competitive-position summary & implications

To close the industry analysis, FPT's competitive position can be distilled into the five observations below.

- Domestic leader, global benchmark: with no comparable domestic rival (CMG is only ~5% of FPT's market cap), the appropriate peer set is the global IT-services majors, where FPT stands out on profit growth and ROE even though its revenue base is many times smaller than names like Accenture or TCS.
- Japan & cost moat: the advantage in Japan (talent shortage, language barrier) plus competitive labour costs is a durable economic moat, while also creating concentration risk (43.7% of exports) and JPY sensitivity; APAC expansion (+36.3%) is gradually diluting that concentration risk.
- AI, the decisive mid-term variable: at once a risk (eroding traditional outsourcing) and an opportunity (repositioning as an AI-solutions and semiconductor provider). The pace of AI-Factory commercialisation will be the key metric to watch.
- Valuation at historical lows: forward P/E of ~12x, below the historical range (12–28x) and the global peer average (~16x); the gap reflects AI and FX risk premia rather than any deterioration in franchise quality.
- Consolidation-basis change from 2026: moving FPT Telecom to the equity method makes the 2026 consolidated revenue base non-comparable with 2025; growth should be read through NPAT to parent rather than revenue to avoid misreading.

### ANALYTICAL IMPLICATION

FPT's competitive position rests on solid foundations (leadership, high profitability, a closed-loop ecosystem), but its mid-term growth profile hinges on two key variables: (i) the ability to sustain new-signing momentum in Japan/APAC while the US stays flat, and (ii) the pace at which AI is converted from risk into a revenue source; these are the two variables investors should track closely each quarter.

## 3. Financial Analysis

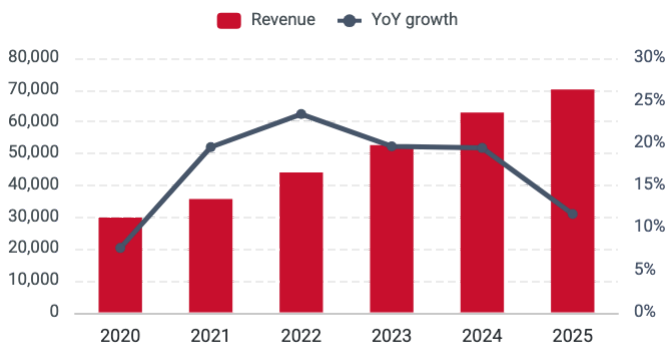
### 3.1. Revenue & profit growth

Resilient compound growth over five years: revenue CAGR ~18.6%, NPAT CAGR ~20.5% (2020–2025, fully consolidated basis).

Over 2020–2025, FPT maintained a steady double-digit growth trajectory. Consolidated revenue rose from VND 29,830 billion to VND 70,113 billion (CAGR ~18.6%), while NPAT grew from VND 4,424 billion to VND 11,232 billion (CAGR ~20.5%) – profit outpacing revenue, reflecting the mix shift toward higher-value services. In 2025, revenue growth slowed to +11.6% (versus ~19% in prior years), mainly on a high base effect and FX swings, yet NPAT to parent still grew +19.3%.

#### ■ Revenue & growth

Revenue (bars, VND bn) · YoY growth (line, %)



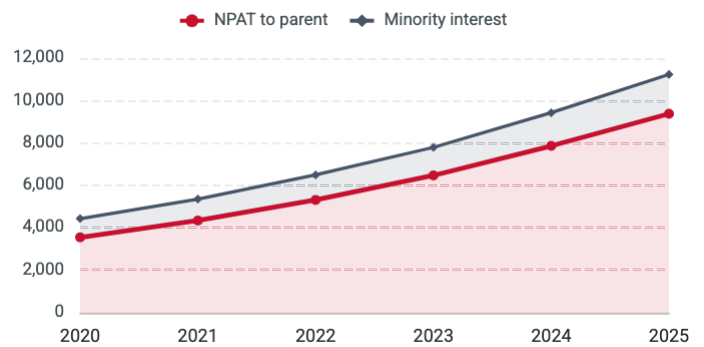
Source: FPT consolidated financial statements 2020–2025

The core of the growth story is profit persistently outpacing revenue: over 2021–2025, NPAT to parent rose from VND 4,337 billion to VND 9,376 billion (CAGR ~21.3%), ahead of net revenue (CAGR ~18.4% over the same period). The positive gap between these two rates reflects operating leverage and the mix shift toward higher-margin services (software exports, digital transformation, cloud), rather than pure growth in scale. This is the hallmark of quality growth, where each incremental revenue dollar generates more than a dollar of profit at the margin.

Notably, EPS rose from VND 2,546 (2021) to VND 5,504 (2025), a CAGR of ~21.3%, almost in step with NPAT to parent even though FPT regularly pays stock dividends that dilute the share count. This shows per-share earnings power continuing to strengthen even after dilution. The slowdown in 2025 revenue (+11.6%) should be read in context: it largely stems from a high base after three years of ~19% growth and FX translation swings, while NPAT to parent held its +19.3% pace – evidence that core earnings momentum has not weakened.

#### ■ NPAT & NPAT to parent

VND bn · stacked = NPAT (parent + minority interest), 2020–2025



Source: FPT consolidated financial statements 2020–2025

Metric (VND bn)	2021	2022	2023	2024	2025
Net revenue	35,657	44,010	52,618	62,849	70,113
Gross profit	13,632	17,167	20,320	23,698	25,889
Pre-tax profit	6,337	7,662	9,203	11,070	13,044
NPAT	5,349	6,491	7,788	9,427	11,232
NPAT to parent	4,337	5,310	6,465	7,857	9,376
EPS (VND)	2,546	3,117	3,795	4,612	5,504

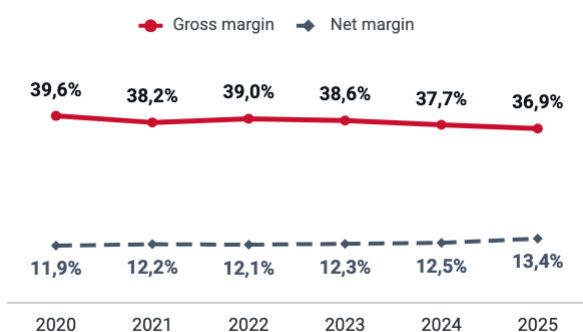
### 3.2. Margins & profitability

*Net margin has improved steadily to 13.4%; ROE holds above 28%, among the highest in the market.*

The quality of FPT's earnings shows in a rising net margin: from 11.9% (2020) to 13.4% (2025), despite a slight narrowing in gross margin (from 39.6% to 36.9%) on a changing revenue mix. This reflects effective cost control and operating leverage. More importantly, ROE held steady around 28% for three straight years – among the highest returns on equity among Vietnam's industry leaders – while ROA improved from 9.4% to 11.7%.

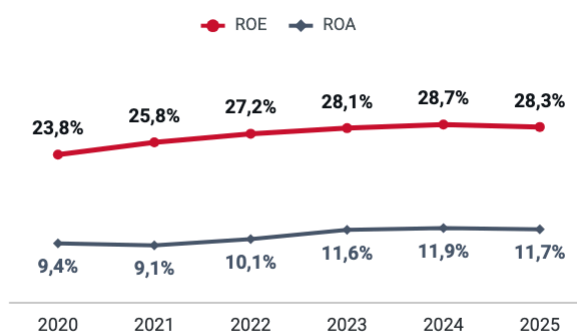
#### ■ Gross & net margin

%, 2020–2025



#### ■ ROE & ROA

%, 2020–2025



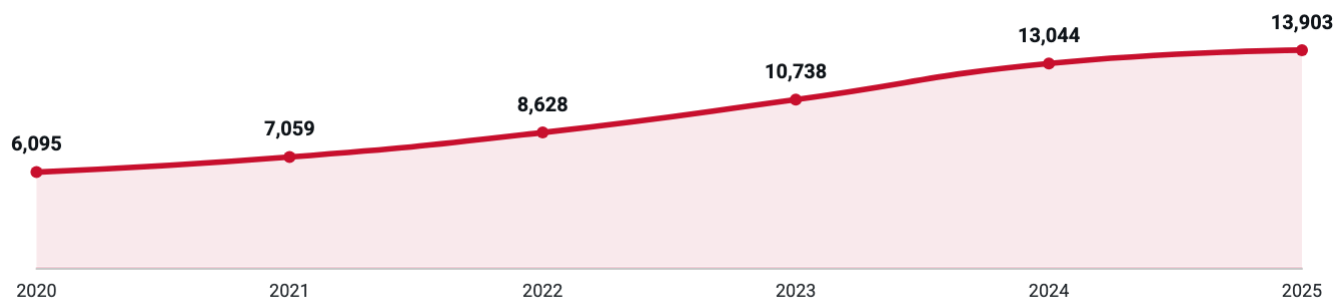
### 3.3. EBITDA & profit structure

EBITDA grew steadily from VND 6,095 billion (2020) to VND 13,903 billion (2025), a CAGR of ~17.9%, tracking revenue growth and reflecting strong operating cash generation before depreciation and interest. The EBITDA margin held stable around 19–20% of revenue.

FPT's profit structure is high-quality and sustainable: most EBITDA comes from core operations rather than one-offs, while rising depreciation reflects an expansionary investment cycle (AI factories, data centres, education infrastructure) rather than declining efficiency. The EBITDA margin held stable around 19–20% throughout 2020–2025 – notable because it was preserved even as the revenue mix shifted and gross margin narrowed slightly, evidence of operating leverage and cost discipline. The ability to generate stable EBITDA at scale also underpins the steady cash-dividend policy and the capacity to self-fund capex without adding leverage, a healthy financial loop rarely seen in a company in a heavy investment phase.

## ■ EBITDA

VND bn, 2020–2025



Source: FPT consolidated financial statements 2020–2025; TCBS

The gap between EBITDA (VND 13,903 billion in 2025) and NPAT mainly reflects rising depreciation through the investment cycle, interest, tax, and the profit attributable to minority interests at less-than-wholly-owned subsidiaries – notably FPT Telecom and FPT Retail. Hence, when FPT Telecom moves to the equity method from 2026, the relationship between consolidated EBITDA and profit attributable to the parent will change technically (analysed in Section 3.6) – one reason investors should track earnings quality through NPAT to parent rather than headline consolidated EBITDA.

### 3.4. Balance sheet & financial health

*A healthy balance sheet: total assets VND 88,142bn, equity VND 43,748bn, net debt/equity of just 0.5x; cash & short-term financial investments of ~VND 40,153bn.*

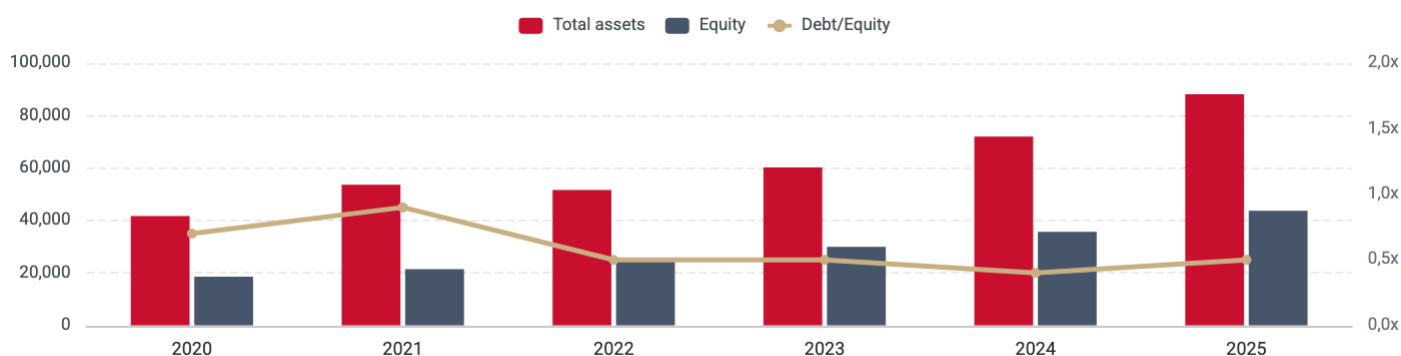
At end-2025, total assets reached VND 88,142 billion (+22.4%) and equity VND 43,748 billion. The capital structure is exceptionally sound: net debt/equity of just 0.5x and a current ratio of 1.4x. Notably, FPT holds cash & equivalents of VND 10,522 billion and short-term financial investments of VND 29,631 billion, totalling ~VND 40,153 billion (~31% of market cap), providing a large liquidity buffer and a stable financial-income stream. Interest coverage stands at 13.6x.

The balance-sheet highlight is a positive net-cash position: with ~VND 40,153 billion of cash and short-term financial investments, well above total borrowings (~0.5x equity, or ~VND 21,900 billion), FPT effectively holds net cash of around VND 18,000 billion. This both generates steady financial income and serves as a reserve to fund the AI, data-centre and semiconductor investment cycle without dilutive fundraising, while preserving flexibility to seize capacity-expansion opportunities when needed.

The quality of leverage is also notable: net debt/equity of just 0.5x and interest coverage of 13.6x point to negligible financial risk, even if interest rates move. Maintaining a conservative capital structure alongside double-digit profit growth reflects a consistent financial philosophy: prioritise self-funding from internal cash flow and treat debt capacity as a backstop rather than a growth driver, thereby protecting earnings quality and cash dividends through cycles.

**Balance-sheet size**

VND bn (bars) · net debt/equity (line, x), 2020–2025



Source: FPT consolidated financial statements 2020–2025

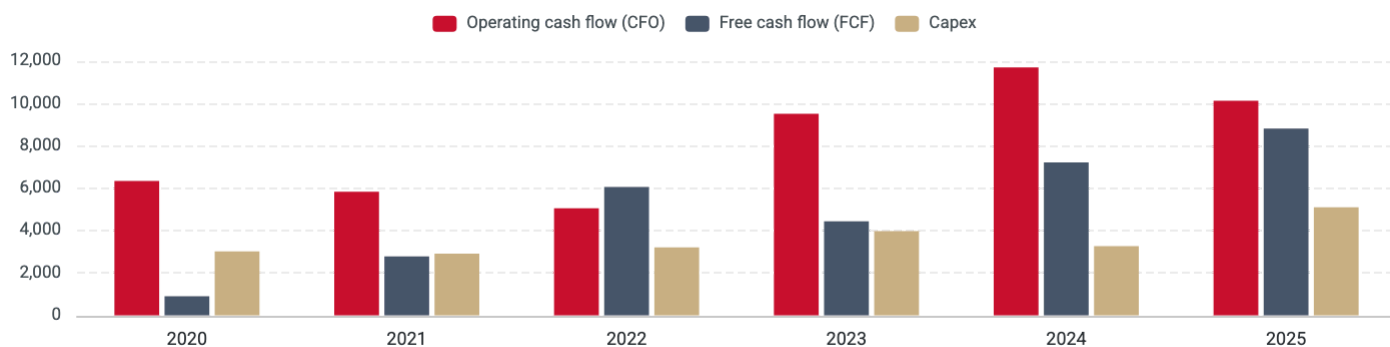
<p><b>TOTAL ASSETS</b></p> <p><b>88,142</b></p> <p>VND bn · +22.4%</p>	<p><b>NET DEBT / EQUITY</b></p> <p><b>0.5x</b></p> <p>low leverage</p>	<p><b>CASH &amp; ST INVESTMENTS</b></p> <p><b>40,153</b></p> <p>VND bn · ~31% of market cap</p>	<p><b>CURRENT RATIO</b></p> <p><b>1.4x</b></p> <p>solid liquidity</p>
--	--	---	---

**3.5. Cash flow & investment**

Operating cash flow (CFO) has stayed above VND 10,000 billion a year, reaching VND 10,136 billion (2025). Free cash flow (FCF, TCBS definition) reached VND 8,821 billion, growing steadily and comfortably covering the VND 3,185 billion cash dividend. Capex rose to VND 5,098 billion (2025), reflecting expansion of AI factories, data centres and education infrastructure.

**Operating cash flow, FCF & capex**

VND bn, 2020–2025



Source: FPT consolidated financial statements 2020–2025

Notably, FCF has always been in surplus after covering the cash dividend, even as capex rose for the AI & data-centre investment cycle, showing a self-funded growth model with little reliance on borrowing.

### 3.6. FPT Telecom (FOX) deconsolidation: a deep dive

From FY2026, FOX moves from a consolidated subsidiary to an equity-method associate, creating two revenue bases that cannot be compared directly.

This is the single most important accounting change to grasp when analysing FPT in 2026. Tied to the transfer of the State's stake in FOX from SCIC to the Ministry of Public Security, FPT deconsolidates FPT Telecom to the equity method from FY2026 onward. The consequence: the entire Telecommunications pillar revenue (~VND 19,507 billion in 2025) no longer sits within consolidated revenue; instead, FPT's pro-rata share of FOX's profit is recognised as income from an associate.

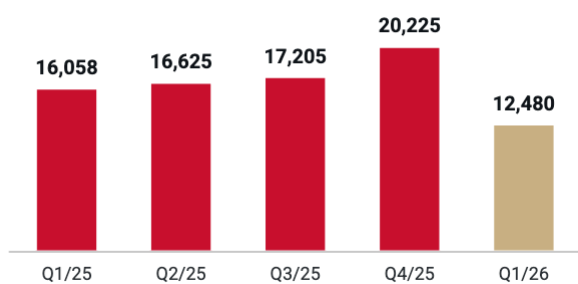
#### WHY Q1/2026 REVENUE "FELL 22.3%" YET PROFIT STILL ROSE

In Q1/2026, reported consolidated revenue came in at VND 12,480 billion, -22.3% YoY against VND 16,058 billion a year earlier – at first glance a sharp contraction. But this is purely the technical effect of stripping FOX revenue out of the consolidation; it does NOT reflect any business deterioration. The proof: Q1/2026 NPAT to parent reached VND 2,487 billion, up +14.4% from VND 2,174 billion in Q1/2025, because FOX's profit is still recognised (via the equity method) – only its revenue is not. It is therefore absolutely NOT meaningful to compare 2025 revenue of VND 70,113 billion with the 2026F plan of VND 58,580 billion: two different accounting bases.

Analytically, this change shifts FOX's contribution from the revenue line to the "share of profit/loss in associates" line on the income statement: consolidated revenue scale narrows, yet the consolidated net margin is arithmetically lifted, because the lower-margin telecom revenue is no longer added to the denominator alongside the higher-margin IT-export services. The practical implication: from 2026 onward, every growth comparison must be framed on the profit axis rather than revenue, and any revenue reconciliation between 2025 and 2026F is fundamentally apples-to-oranges. The two quarterly charts below illustrate that decoupling: the reported-revenue line breaks downward in Q1/2026 on the base change, while the NPAT-to-parent line continues its uninterrupted upward trajectory.

#### ■ Quarterly revenue

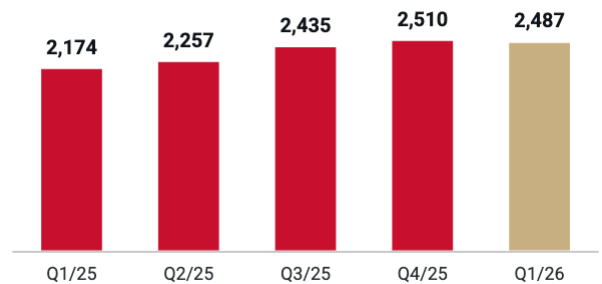
VND billion · Q1/2026 reflects the new basis (FOX excluded)



Source: FPT quarterly financial statements

#### ■ Quarterly NPAT to parent

VND billion · genuine growth is sustained



Source: FPT quarterly financial statements; TCBS

Metric	Q1/2025	Q1/2026	+/- YoY	Interpretation
Net revenue (VND bn)	16,058	12,480	-22.3%	Base-change artifact (FOX excluded)
NPAT to parent (VND bn)	2,174	2,487	+14.4%	Genuine business growth

Source: FPT consolidated financial statements Q1/2026

### 3.7. Asset structure & working capital

Assets are heavily skewed toward cash & short-term financial investments (45.6% of total assets); working-capital turnover is tightly managed with very low inventory days.

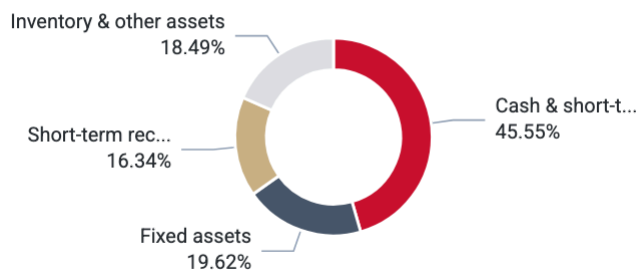
FPT’s asset structure reflects the characteristics of a knowledge-intensive, capital-light services business. At end-2025, cash & short-term financial investments stood at ~VND 40,153 billion, or 45.6% of total assets, providing a steady stream of financial income and ample investment headroom. Fixed assets of VND 17,289 billion (19.6%) rose sharply on investment in AI factories, data centres and education infrastructure. Short-term receivables of VND 14,402 billion (16.3%) track the export expansion, while inventory was just VND 2,194 billion (2.5%), typical of a services model.

Working capital is tightly managed: inventory days are almost negligible, and the large cash balance serves both as a liquidity buffer and a stable source of financial income, easing the need for short-term borrowing.

This “asset-light” profile is a structural advantage: it lets FPT scale revenue without heavy capital intensity, freeing up cash flow for cash dividends and strategic investment in new capabilities such as AI and semiconductors.

#### ■ 2025 asset structure

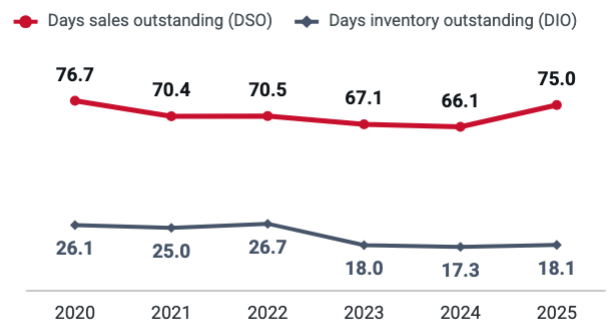
By line-item group (VND billion), total VND 88,142 billion



Source: FPT consolidated financial statements 2025

#### ■ Days sales outstanding & inventory days

Days · DSO (red line) & DIO (grey line), 2020–2025



Source: Internal estimates from consolidated statements

Working capital is managed efficiently: days sales outstanding (DSO) holds in the 66–77 day range, edging up to ~75 days in 2025 as the export mix (with longer payment terms from international clients) increased; inventory days (DIO) are very low at ~18 days, down clearly from ~26 days in the prior period as the mix shifts toward services. On balance, the cash-conversion cycle is short, supporting strong operating cash flow.

Line item (VND billion)	2024	2025	% of total assets 2025
Cash & ST financial investments	31,100	40,153	45.6%
Short-term receivables	11,382	14,402	16.3%
Inventory	1,857	2,194	2.5%
Fixed assets	14,816	17,289	19.6%
Other assets	12,845	14,104	16.0%
Total assets	72,000	88,142	100%

Source: FPT consolidated financial statements 2024–2025

### 3.8. Financial comparison vs the peer group

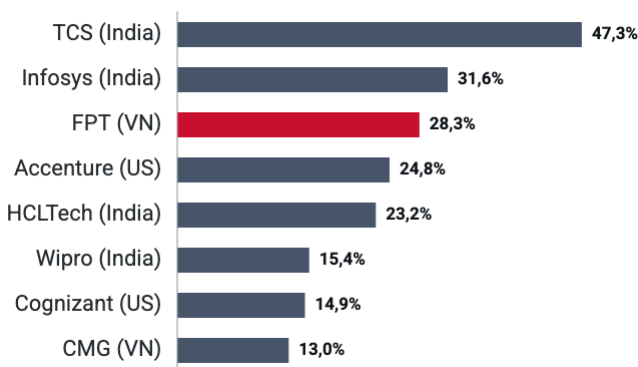
On profitability, FPT's 28.3% ROE ranks among the leaders, ahead of most global IT-services peers and behind only TCS and Infosys.

With no domestic rival of comparable scale, the appropriate peer set is the global IT-services majors. On profitability (ROE), FPT delivers 28.3%, ahead of Accenture (24.8%), HCLTech (23.2%), Wipro (15.4%), Cognizant (14.9%) and domestic peer CMG (13.0%), trailing only TCS (47.3%) and Infosys (31.6%) – two Indian names with high-payout dividend models and distinctive equity leverage. At the same time, FPT's +11.6% revenue growth ranks near the top of the group, while its P/E of 13.4x sits at the low end.

The combination of high growth and a low valuation is FPT's core point of differentiation versus the peer group. Put differently, the market appears to be pricing FPT on a geographic and liquidity risk premium rather than on its earnings-growth trajectory. The Indian peers post high ROEs thanks to large-payout models and distinctive equity leverage, but their revenue growth has slowed materially (TCS +4.6%, Wipro +0.3%); by contrast, FPT remains in a double-digit growth phase on its export headroom and the digital-transformation wave. That said, the direct comparison has limits: FPT is a multi-pillar group (including telecom and education), whereas the peers are pure IT-services firms, so the multiples serve only as a directional reference.

#### ■ ROE: FPT vs peer group

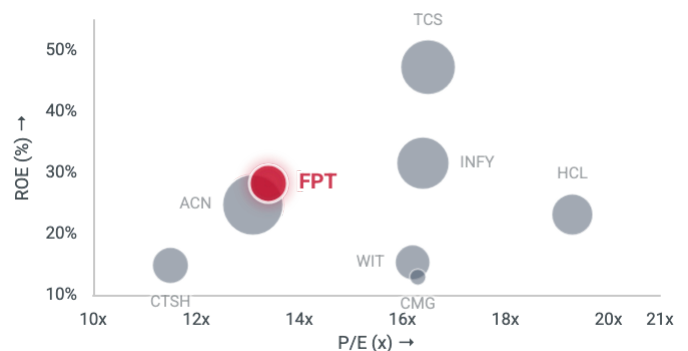
% · FPT in red; peers ~06/2026



Source: Market multiples ~06/2026

#### ■ Valuation x quality map

P/E (x) x ROE (%) · bubble ~ market cap; FPT in red



Source: TCBS; peers: web data

Company	Market cap	P/E	EV/EBITDA	Revenue growth	ROE
TCS (India)	84.7 bn\$	16.5x	11.7x	+4.6%	47.3%
Accenture (US)	110.4 bn\$	13.1x	7.9x	+7.0%	24.8%
Infosys (India)	75.0 bn\$	16.4x	9.8x	n/a	31.6%
HCLTech (India)	37.5 bn\$	19.3x	13.1x	+11.2%	23.2%
Cognizant (US)	24.8 bn\$	11.5x	n/a	+5.8%	14.9%
Wipro (India)	22.0 bn\$	16.2x	10.1x	+0.3%	15.4%
CMG (Vietnam)	0.26 bn\$	16.3x	n/a	n/a	13.0%
FPT (Vietnam)	~5.1 bn\$	13.4x	10.6x	+11.6%	28.3%

Source: FPT & CMG: TCBS; global peers: web data.

Plotting valuation and profitability on a single plane (chart at right) makes FPT's position intuitive: the company sits in the “below-median P/E but above-median ROE” quadrant of the peer group – combining above-average profitability quality with a below-average valuation. Specifically, FPT trades at 13.4x trailing P/E (~12.0x forward 2026F), clearly below the global IT-services median (~16.3x) and only on par with names already de-rated on AI fears, such as Accenture (13.1x) or Cognizant (11.5x), while its 28.3% ROE ranks among the highest, behind only the two Indian leaders supported by large-payout models (TCS 47.3%, Infosys 31.6%).

This low valuation also comes alongside +11.6% YoY revenue growth, among the highest in the table. The combination of “higher growth, higher profitability, lower valuation” largely reflects an emerging-market risk premium and more limited liquidity rather than any gap in the quality of the underlying franchise.

### 3.9. Pillar structure & growth of key metrics

*The Technology pillar leads on scale (63.4% of revenue) with a PBT margin of ~13.3%; NPAT to parent has grown steadily in double digits (~19–23% per year) throughout 2021–2025.*

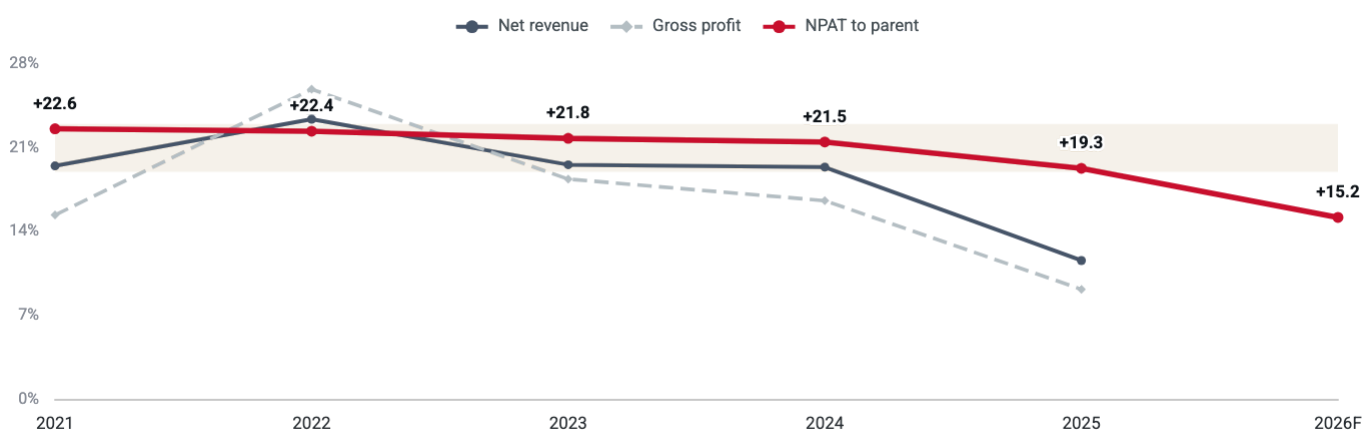
The table below details the three pillars' contributions on a fully consolidated 2025 basis, adding each pillar's pre-tax margin: Education, Investment & Other carries the highest margin (~45.2%) but is small and volatile; Telecommunications runs at ~22.4%; Technology at ~13.3% but leads on scale.

Pillar	Rev (VND bn)	% rev	+/- YoY	PBT (VND bn)	% PBT	PBT margin
Technology	44,475	63.4%	+13.7%	5,907	45.3%	13.3%
Telecommunications	19,507	27.8%	+10.8%	4,364	33.5%	22.4%
Education, Inv. & Other	6,132	8.8%	+0.1%	2,773	21.2%	45.2%
Total consolidated	70,113	100%	+11.6%	13,044	100%	18.6%

Source: FPT 2025 Annual Report (p59/p61/p77)

#### ■ Growth of core metrics, 2021–2026F

% YoY · gold band = NPAT-to-parent stability zone 19–23%/year; 2026F revenue broken on the base change



Source: TCBS internal estimates from consolidated statements 2021–2025 & projections.

The chart above visualises the year-on-year growth of core metrics and highlights the stability of the earnings engine. Over 2021–2025 (fully consolidated basis), NPAT to parent grew steadily in double digits (~19–23% per year), more stable than either net revenue or gross profit; EPS moves in lockstep with NPAT to parent and is omitted from the chart to avoid duplication.

Into 2026F, revenue growth shows as negative on a consolidated basis (due to FOX exclusion) and is therefore meaningless for comparison and broken out of the plotted line; conversely, NPAT to parent still grows +15.2%, confirming that genuine growth momentum is uninterrupted.

Across the full window, the most striking feature is the stability of NPAT to parent: it oscillates within a narrow +19% to +23% band even as revenue cooled in 2025 (+11.6%) and gross profit decelerated to +9.2%. The decoupling between slowing revenue and flat-to-rising profit reflects a structural improvement: the share of high-margin services (IT exports, DX, AI) rises steadily, lifting the profit margin and offsetting the slower revenue growth. Negative 2026F revenue is purely the technical effect of excluding FOX, so NPAT to parent remains the primary comparison axis for this pivotal year.

## 4. Outlook & Projection

### 4.1. Earnings projection 2026F–2028F

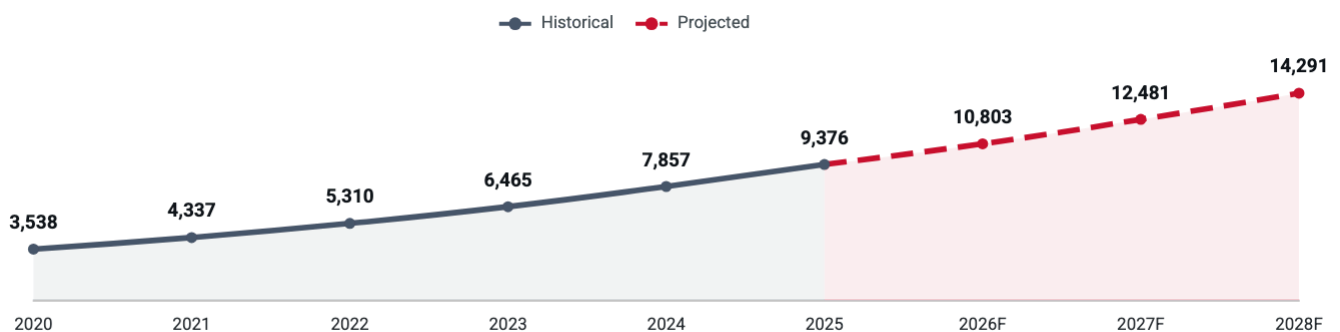
*Projected on the equity-method basis (post FOX deconsolidation): consolidated revenue of VND 58,580 billion (2026F) → VND 77,201 billion (2028F); EPS of VND 6,342 → 8,389.*

On the new accounting basis (FOX recognised under the equity method), we project consolidated revenue of VND 58,580 billion in 2026F, rising to VND 77,201 billion by 2028F (CAGR ~14.8%), led by the Technology pillar (~90% of revenue on the new basis). Consolidated pre-tax profit is expected to grow from VND 11,629 billion (2026F) to VND 15,383 billion (2028F), corresponding to EPS of VND 6,342 → 8,389. To be emphasised: the VND 58,580 billion figure is NOT comparable with 2025 revenue of VND 70,113 billion (fully consolidated basis).

To see through the change in consolidation basis, NPAT to parent is the most consistent yardstick: because FOX is recognised under the equity method, FPT's share of FOX's profit remains within NPAT to parent on both accounting bases. The trajectory below shows NPAT to parent rising continuously and without a break through the FOX restructuring milestone: from VND 3,538 billion (2020) to VND 9,376 billion (2025), a CAGR of ~21.5%, and projected to reach VND 14,291 billion by 2028F. This is quantitative evidence that the 2026 “revenue decline” is merely a technical effect of the change in consolidation basis, not a deterioration in genuine earnings power.

#### ■ NPAT-to-parent trajectory 2020–2028F

*VND billion · comparable across the FOX deconsolidation (grey: history 2020–2025; red: projection 2026F–2028F)*



Source: TCBS (2020–2025)

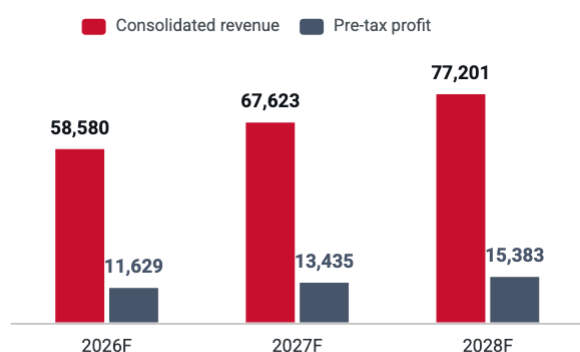
The two charts below visualise the projection table above: at left, the scale of consolidated revenue and pre-tax profit on the equity-method basis (FOX excluded); at right, EPS and its corresponding growth rate. Both show a steady upward trajectory over 2026F–2028F once the comparison base is normalised to a single accounting basis.

Metric	2025A	2026F	2027F	2028F
Consolidated revenue (VND bn)	70,113	58,580	67,623	77,201
Pre-tax profit (VND bn)	13,044	11,629	13,435	15,383
NPAT to parent (VND bn)	9,376	10,803	12,481	14,291
EPS (VND)	5,504	6,342	7,327	8,389

Source: TCBS.

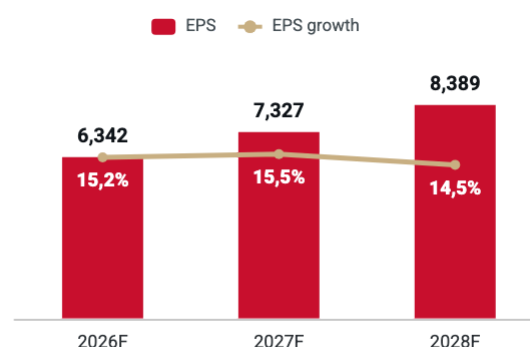
## ■ Revenue & PBT projection

VND billion · equity-method basis (FOX excluded), 2026F–2028F



## ■ EPS projection

EPS (bars, VND) · growth (line, %)



## Core projection assumptions

To keep the projection verifiable rather than a “black box”, the table below systematises the core assumptions behind the model. Every output figure in the table above is consistent with this set of assumptions; investors can vary each line to recalibrate the results to their own view.

Projection variable	2026F	2027F	2028F
Consolidated revenue, equity basis (VND bn)	58,580	67,623	77,201
Revenue growth (comparable basis) <sup>1</sup>	n/a	+15.4%	+14.2%
Consolidated pre-tax margin	19.9%	19.9%	19.9%
NPAT to parent / pre-tax profit <sup>2</sup>	92.9%	92.9%	92.9%
FOX contribution (equity method, VND bn)	1,854	~2,000	~2,150
Average shares outstanding (million) <sup>3</sup>	1,703	1,703	1,703
Average USD/VND rate (assumed)	26,300	26,800	27,300
Average JPY/VND rate (assumed)	165	165	165

Source: TCBS; FX assumptions compiled from public data. <sup>1</sup>2026F is not comparable with 2025 due to FOX exclusion from consolidation. <sup>2</sup>The blended ratio includes FPT’s share of FOX profit (equity method) and a small minority interest on the new basis. <sup>3</sup>Held fixed in the model; does not yet reflect dilution from stock dividends.

The key to reading the projection table correctly: the 2026F consolidated revenue figure (VND 58,580 billion) is lower than 2025A (VND 70,113 billion) entirely because of the technical change in consolidation basis (FOX exclusion), not any operating decline.

The evidence is that NPAT to parent (the metric comparable throughout) still rises from VND 9,376 to 10,803 billion (+15.2%), and continues to grow in double digits through 2028F (VND 14,291 billion). On a comparable basis (FOX excluded from both years), the core revenue of the remaining pillars sustains its growth momentum, with the Technology pillar remaining the locomotive. The question, then, is not whether the projected trajectory is reasonable, but whether it will materialise; the following section lays out verifiable catalysts and scenarios to track exactly that.

## 4.2. Catalyst roadmap

*Verifiable milestones that help investors track whether the fundamentals are following the projected trajectory, over the next 12–24 months.*

<b>2026 · H1</b>	<b>New-basis confirmation</b>	First half-year results on the equity-method basis (FOX excluded); verify the NPAT-to-parent trajectory and FOX's contribution via the equity method.
<b>2026 · H2</b>	<b>AI commercialisation &amp; new signings</b>	Progress on AI Factory & data-centre revenue; export new-signing value (especially Japan & APAC) underpinning the 2027 backlog.
<b>2027</b>	<b>Semiconductor expansion</b>	Progress toward the 10-million-chip target into APAC over three years; improving digital-transformation (DX) margins as the Cloud/AI mix rises.
<b>2027 – 2028</b>	<b>Steady FOX contribution</b>	FOX contributing steadily via the equity method; FPT Education's semiconductor-talent training scale supports long-term capability.
<b>Ongoing monitoring</b>	Macro variables: JPY/VND rate; the pace of US corporate IT spending; foreign capital flows; the global IT-services valuation level.	

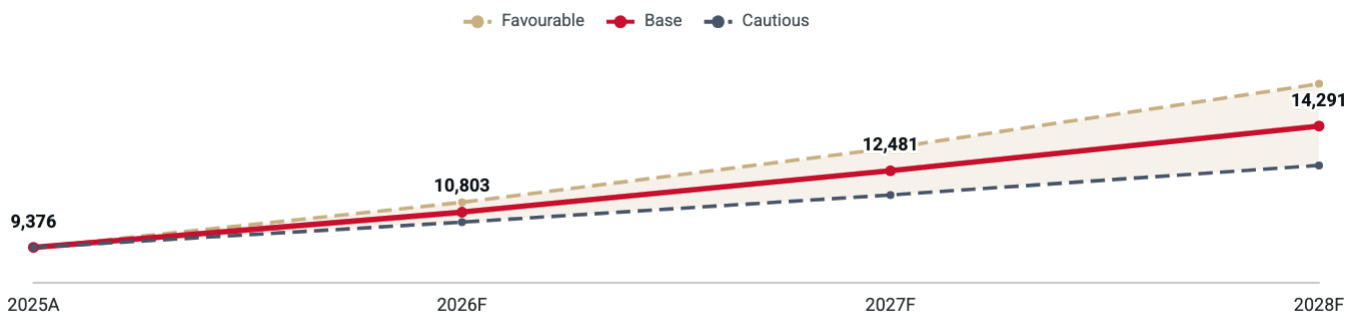
*Source: Compiled from FPT's plan & strategic direction (2025 Annual Report).*

## 4.3. Scenarios to watch (qualitative)

We describe three scenarios framed by the earnings drivers, for investors to benchmark against as new data emerges. The base case reflects the projection in Section 4.1 (EPS of VND 6,342 in 2026F).

### ■ NPAT-to-parent scenario framework (illustrative)

*VND billion · three monitoring paths 2025A–2028F; only the Base case matches the Section 4.1 projection, shaded = scenario band*



*Source: Illustrative TCBS scenario framework around the Section 4.1 base projection*

The crux of the three scenarios lies not in the EPS figure but in the observable variables: the pace of new signings outside Japan, JPY/VND moves, and the speed of AI Factory & semiconductor commercialisation. When these indicators diverge from the base-case assumptions, investors can recalibrate their expectations without waiting for a model revision.

<p><b>Cautious</b></p> <p>US flat &amp; JPY depreciates sharply; Technology PBT margin below assumption. NPAT to parent slows below the base case.</p>	<p><b>Base</b></p> <p>Japan &amp; APAC exports sustain momentum; DX margins improve. 2026F EPS ~VND 6,342 (+15.2%), matching the 4.1 projection.</p>	<p><b>Favourable</b></p> <p>AI Factory &amp; semiconductors commercialise quickly; new signings beat expectations. NPAT to parent above the base case.</p>
--	--	--

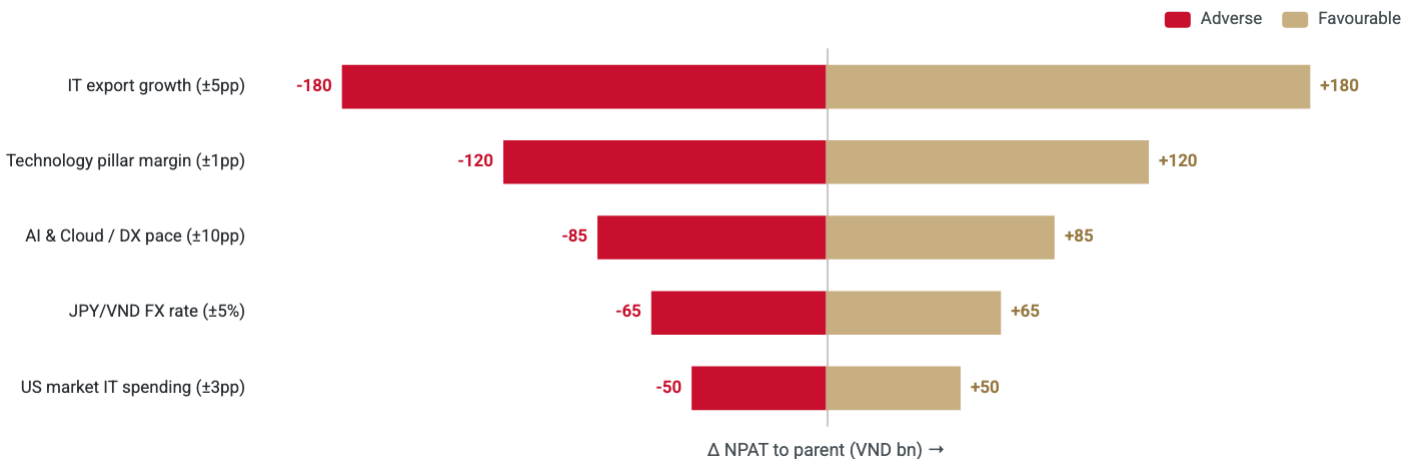
## 4.4. Risk matrix & mitigants

Only one risk rates “High” (generative AI reshaping IT services); the rest are Medium/Low and all carry clear mitigants.

Before systematising the risks into a matrix, the sensitivity chart below quantifies – illustratively – the relative importance of each factor: it estimates the swing in 2026F NPAT to parent when each key operating variable moves independently around the base case (other factors held constant). This is a directional sensitivity test meant to rank monitoring priority, not a point forecast; the wider a bar, the more closely the factor warrants tracking.

### ■ 2026F NPAT-to-parent sensitivity to key variables

*Δ NPAT to parent (VND billion) as each variable moves independently around the base case · red = adverse, gold = favourable*



Source: TCBS

The ordering of bar widths points to a clear monitoring priority: IT-export growth and the Technology pillar's profit margin are the two variables that most dominate NPAT to parent, followed by the pace of AI & Cloud commercialisation, then the JPY/VND rate and the cadence of US IT spending. In other words, most of the room for earnings variation comes from internal variables the company can influence (new signings, high-margin services mix) rather than uncontrollable macro factors.

<p>TOTAL RISKS</p> <p><b>7</b></p> <p>systematised</p>	<p>“HIGH” LEVEL</p> <p><b>1</b></p> <p>AI reshaping IT services</p>	<p>“MEDIUM” LEVEL</p> <p><b>3</b></p> <p>Japan · JPY/VND · US</p>	<p>“LOW” LEVEL</p> <p><b>3</b></p> <p>dilution · foreign flows · other</p>
--	---	---	--

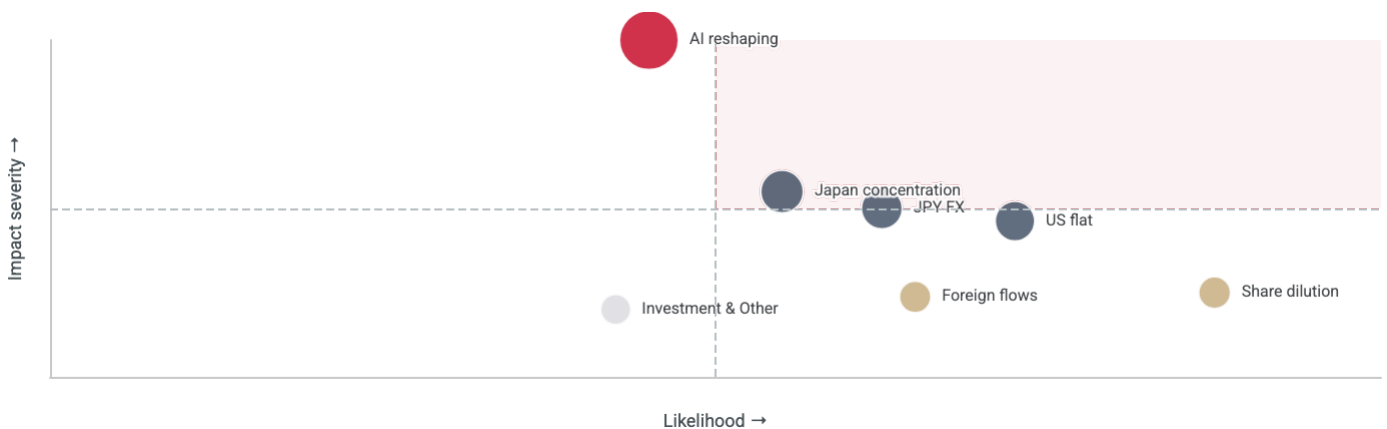
From those quantitative variables, the matrix below consolidates the material risks mentioned in passing above into a single unified table, adding the “mitigant / monitor” dimension not yet presented in one place. Impact severity is assessed qualitatively (High / Medium / Low) based on the weight of the affected segment and the sensitivity of NPAT to parent; this is estimated impact severity, not probability of occurrence.

Risk	Nature & transmission channel	Severity	Mitigant / monitor
Generative AI reshaping IT services	Erodes traditional outsourcing volume (~most of Technology revenue); industry-wide re-rating risk.	High	FPT proactively shifting to AI/Cloud solutions (AI&Cloud revenue +48.4%); 2 Top500 AI factories; monitor AI revenue as a share of total DX.
Japan market concentration	Japan accounts for 43.7% of export revenue, sensitive to Japan's spending cycle & demographics.	Medium	Diversification into APAC & US; language/cost advantage; monitor new-signing value outside Japan.
JPY/VND exchange-rate volatility	Translated export revenue falls when the JPY weakens; direct impact on the Technology pillar margin.	Medium	Cost base largely in VND; monitor JPY/VND quarterly; partial natural hedge.
US IT spending flat-lining	US growing slowly (+0.8%); slows the pace of new signings & DX growth in the cautious scenario.	Medium	US weighting below Japan/APAC; signing backlog provides support; monitor US clients' disbursement cadence.
Dilution from stock dividends	Stock-dividend rounds of 15–20% raise the share count, diluting EPS if profit does not keep pace.	Low	NPAT to parent grows ~19–22%/year, outpacing issuance; monitor post-dilution EPS.
Foreign capital-flow volatility	Cumulative foreign net selling peaked at ~89.4 million shares during the year, creating supply pressure – a price impact, not a fundamental one.	Low	Foreign ownership of 29.4% leaves headroom versus the 49% room; stable founding-shareholder base.
Uneven Investment & Other profit	The Education, Investment & Other pillar has uneven profit, lowering the reliability of projecting this component.	Low	Small pillar within total PBT; segregate when analysing components; monitor one-off investment items.

Source: TCBS qualitative assessment from the 2025 Annual Report & TCBS-TCA data.

**■ Risk map: likelihood × impact severity**

Qualitative assessment (1–5 scale) · bubble size ~ impact severity; red upper-right zone = monitor closely



Source: TCBS qualitative assessment from the Section 4.4 risk matrix

Reading the full matrix, only one risk rates “High” (the generative-AI wave reshaping IT services); the rest are Medium/Low and all carry clear mitigants.

The common feature: most risks are execution- or market-re-rating-related, not existential to the business franchise.

## 4.5. Outlook & projection wrap-up

Closing the outlook and projection section, the picture is of a company growing earnings in double digits, supported by three verifiable drivers – software exports, digital transformation (DX) and emerging AI–semiconductor initiatives – but coupled with a technically distorted 2026 owing to the FOX consolidation-basis change. The projection is therefore presented as a conditional central case, with a reasonable 2026F EPS range of roughly VND 6,040–6,600 depending on assumptions, rather than a single figure implying false precision. The valuation level consistent with this earnings trajectory is analysed in detail in Section 5.

The key point for investors: most of FPT's risks fall into the “execution” bucket (the pace of AI commercialisation, DX margins, JPY/VND volatility) rather than the “existential” one. The catalysts in Section 4.2 and the risk matrix in Section 4.4 can therefore serve as a set of indicators for updating the thesis quarter by quarter as new data emerges.

# 5. Valuation

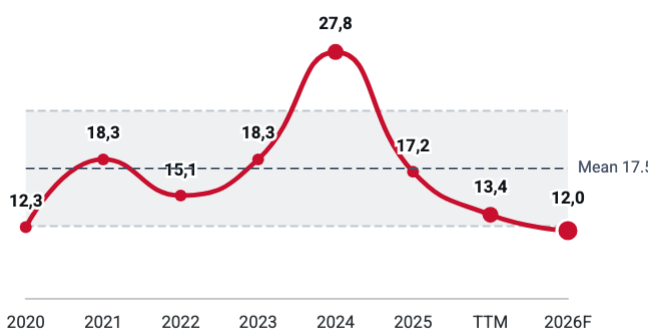
## 5.1. Historical valuation analysis

*Forward P/E of ~12x, in the low end of the 2020–2024 historical range (12–28x) and below the global IT-services peer level (~16x).*

After correcting roughly 30% from its 52-week high, FPT trades at 13.4x trailing P/E and ~12.0x forward 2026F P/E, the lowest since 2020 and at the bottom of its 2020–2024 historical valuation range (12–28x, median around 17x). Likewise, EV/EBITDA has compressed to 10.2x (2025) from a 16.5x peak (2021). Against the global IT-services group (~16x) and domestic peer CMG (16.3x), FPT is now valued lower despite superior earnings growth.

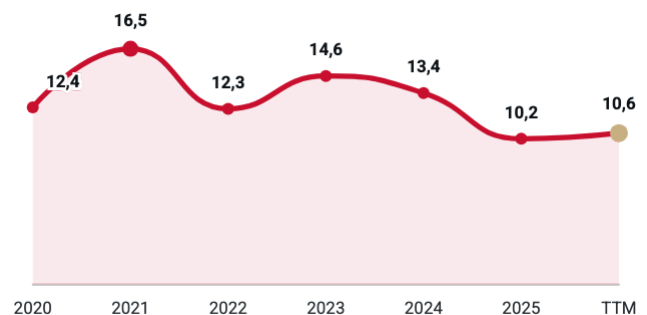
### ■ Historical P/E & ±1σ band

*x · 2020–2025, TTM, 2026F · shaded = mean ±1σ (12.4–22.6x),  
dashed = mean ~17.5x*



### ■ Historical EV/EBITDA

*x · 2020–2025 & TTM*



Multiple	2021	2022	2023	2024	2025	TTM	Fwd 2026F
P/E (x)	18.3	15.1	18.3	27.8	17.2	13.4	~12.0
P/B (x)	4.4	3.8	4.7	7.3	4.4	3.3	n/a
EV/EBITDA (x)	16.5	12.3	14.6	13.4	10.2	10.6	n/a

Source: TCBS

The multiple's path reflects two distinct sentiment phases: a “growth re-rating” phase in 2023–2024 pushed P/E to a 27.8x peak (end-2024) as expectations for AI and software exports ran high, followed by a “de-rating” phase that brought P/E back to 13.4x TTM under the combined effect of the interest-rate level, foreign capital flows and concerns around the FOX consolidation-basis change. Notably, the multiple compression occurred while profit was still rising; most of the price decline therefore came from a narrowing valuation rather than any deterioration in the fundamentals.

Within its own statistical distribution, the 2026F forward P/E (~12.0x) sits about 1.1 standard deviations below the 2020–TTM historical mean (~17.5x), i.e. close to the lower bound of the mean ±1σ band (~12.4x), reflecting the current valuation's position within the stock's own historical range.

Note that multiples are a function of market price and change continuously; the figures here reflect the valuation level at the time of publication (~06/2026) and will shift with the share price.

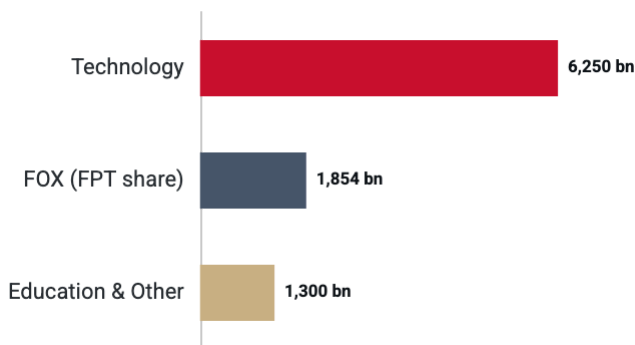
## 5.2. Sum-of-the-parts valuation framework

*FPT is a multi-segment group, so value is viewed by component: the earnings of the three pillars plus the listed-equity portfolio at market value.*

Given the multi-segment holding structure, a useful reference framework is to view FPT's value by component: (i) earnings attributable to the parent from the three business pillars; plus (ii) the market value of listed investments. In 2026F, NPAT to parent allocated by pillar is estimated at: Technology ~VND 6,250 billion, FPT's share of FOX ~VND 1,854 billion (via the equity method), and Education & Other ~VND 1,300 billion. Separately, the listed-equity portfolio (FRT, TPB, FTS, FOC) has a market value of ~VND 14,986 billion. This is a component-analysis framework for visualising FPT's value by contributing segment.

### ■ NPAT to parent by pillar (2026F)

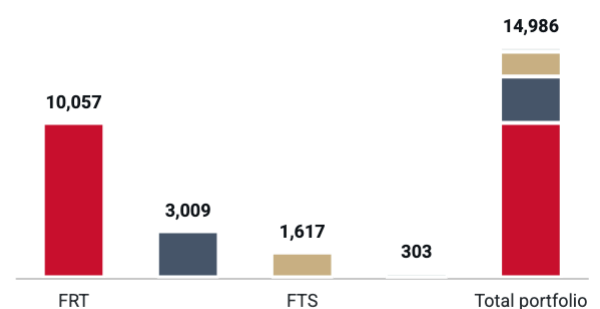
*VND billion · value-creating components (excl. financial & other income)*



Source: TCBS

### ■ Listed-portfolio value components

*VND billion · value per holding; the Total column stacks the 4 components by matching colour*



Source: Market cap ~06/2026

Listed equity	FPT ownership	Market cap (VND bn)	FPT stake value (VND bn)
FPT Retail (FRT)	46.5%	21,628	10,057
TPBank (TPB)	6.8%	44,250	3,009
FPT Securities (FTS)	17.6%	9,186	1,617
FPT Online (FOC)	23.9%	1,266	303
<b>Total listed portfolio</b>	<b>n/a</b>	<b>n/a</b>	<b>14,986</b>

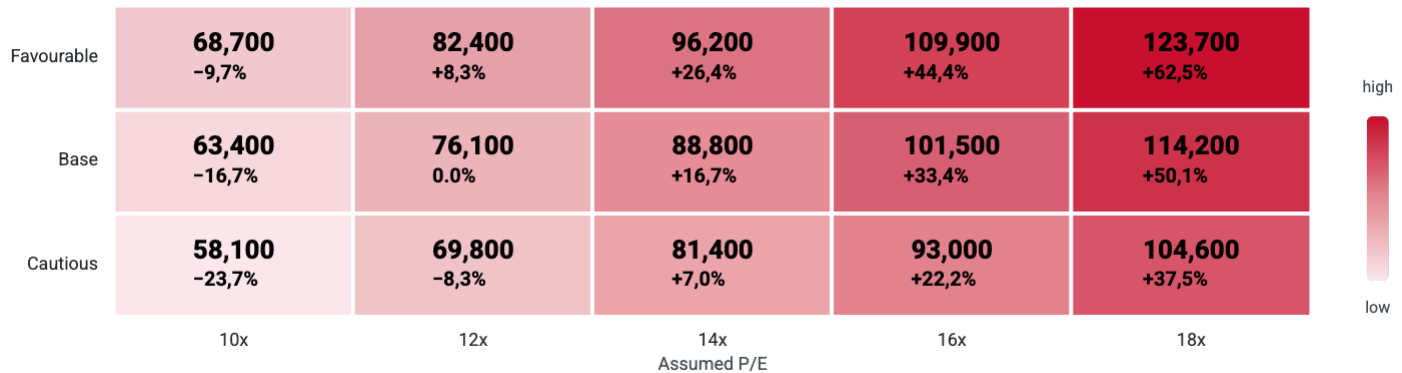
Source: Ownership per FPT 2025 consolidated statements; market cap ~06/2026.

### 5.3. Implied-price sensitivity to P/E × earnings

As a cross-check on the sum-of-the-parts framework, the heatmap below illustrates the implied price per share if a range of P/E multiples (10–18x) is applied to 2026F NPAT to parent under three scenarios (Cautious ~VND 9,900 billion · Base ~VND 10,803 billion · Favourable ~VND 11,700 billion). The purpose is to show how the implied price varies with these two inputs; the chosen multiple range is illustrative only.

■ **Heatmap: implied price by P/E × 2026F earnings (illustrative)**

VND/share · columns = assumed P/E multiple, rows = 2026F NPAT-to-parent scenario; in brackets = difference vs current price ~VND 76,100; darker cell = higher implied price



Source: TCBS

How to read it correctly: at a ~12x multiple (the current trading zone per Section 5.1) and the base scenario, the implied price is around VND 76,100 per share (in line with the current price); each step-change in the multiple or the earnings scenario shifts this figure systematically. The heatmap is therefore a tool for visualising the implied price's sensitivity to two inputs, so investors can set their own assumptions.

### 5.4. Cross-reference of valuation methods

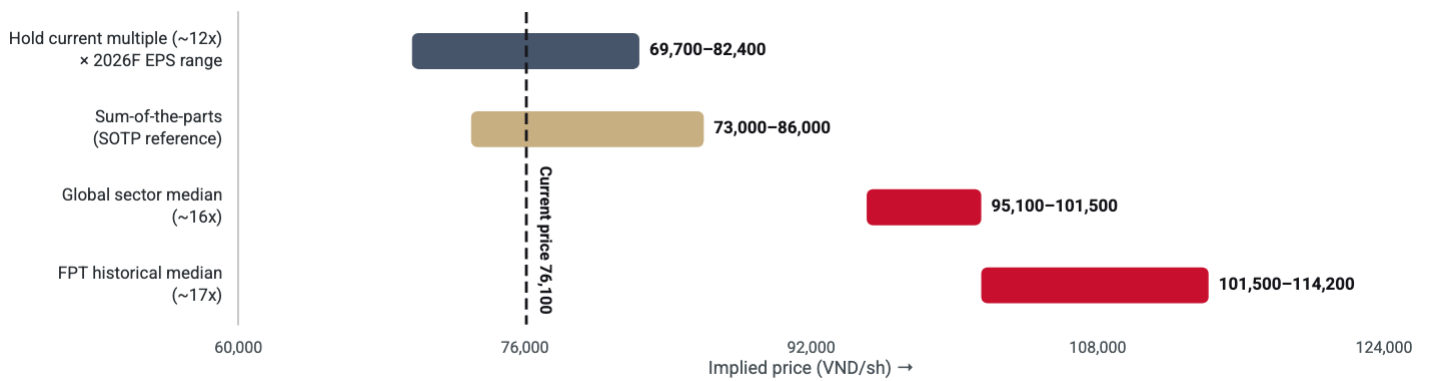
Set side by side, the four reference valuation lenses place the current price (~VND 76,100) in the “hold the current multiple” zone, while the mean-reversion methods imply greater valuation headroom.

To consolidate the separate perspectives above into a single picture, the chart below sets side by side the implied price-per-share ranges from four different reference valuation methods, taking the current market price (~VND 76,100) as the benchmark. These are entirely illustrative reference ranges for visualising the valuation band, NOT target prices or recommendations; this report does not set a target price.

The four methods read as follows: (i) **holding the current ~12x multiple** times the three-scenario 2026F EPS range gives ~VND 69,700–82,400, i.e. bracketing the current market price itself; (ii) the **sum-of-the-parts framework (reference SOTP)** sums the three pillars' earnings at industry multiples plus the listed portfolio's market value, giving ~VND 73,000–86,000; (iii) **reverting to the global peer median ~16x** gives ~VND 95,100–101,500; and (iv) **reverting to FPT's own historical valuation median ~17x** gives ~VND 101,500–114,200. The gap between the first two methods (anchored to the current level) and the latter two (assuming a re-rating) is precisely the “valuation discount” the market is applying to the stock – consistent with the thesis that valuation has fallen to a multi-year low.

■ **Implied-price ranges by reference valuation method (illustrative)**

VND/share · each bar = the implied-price range of one method; vertical line = current price VND 76,100



Source: TCBS · 2026F EPS & reference multiples; illustrative, not a target price

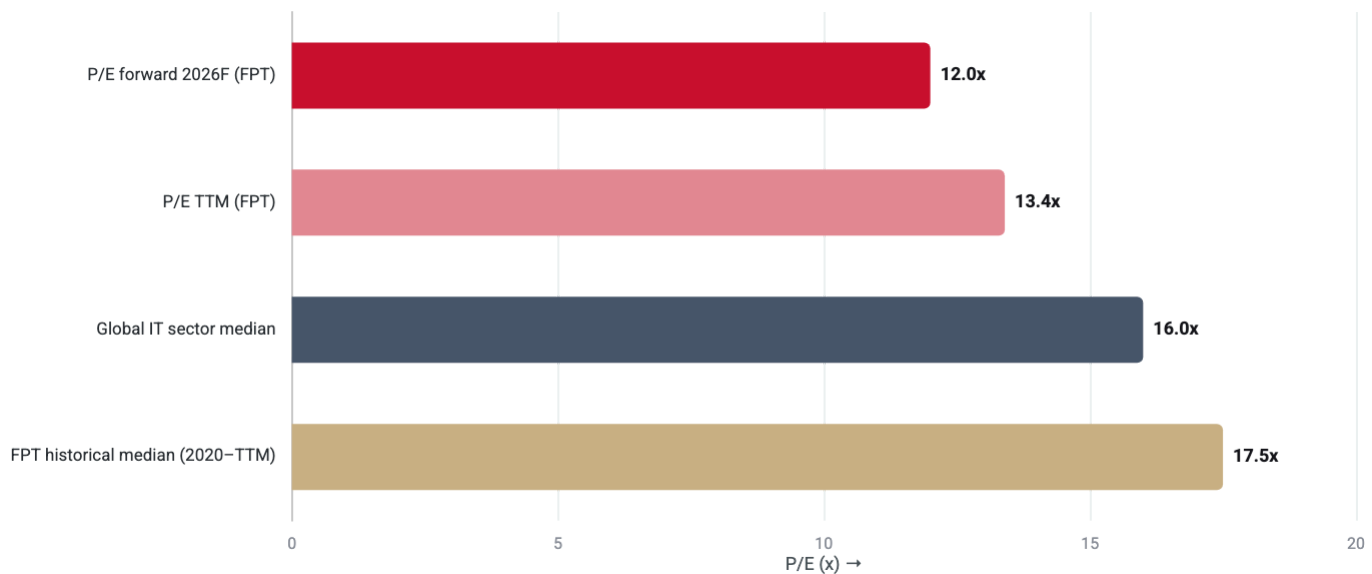
This chart should be read cautiously: each range depends on multiple and earnings-scenario assumptions, and the mean-reversion methods materialise only if the market re-rates the stock back to its historical level or in line with peers – a condition that is not guaranteed. The value of the consolidated framework lies in clarifying the width of the valuation band and the variables that drive it, so investors can set their own assumptions rather than rely on a single figure.

**5.5. Valuation wrap-up**

Taking all the lenses together, FPT is a high-quality company (ROE 28.3%, a healthy balance sheet) trading at the low end of a five-year cycle: trailing P/E of 13.4x (forward ~12.0x) versus a historical median of ~17x and the global IT-services group at ~16x. To be emphasised: this is an initiation report that systematises the facts; it does NOT set a target price, a buy–sell recommendation or a rating; all valuation ranges are illustrative references only. The chart below shows FPT's current multiple cluster sitting clearly below the two reference mean-reversion benchmarks, a gap equivalent to a valuation discount of roughly 25–30% versus the median; this gap largely reflects an emerging-market and liquidity risk premium rather than any deterioration in franchise quality.

■ **FPT is trading below the reference multiple benchmarks**

P/E (x) · red cluster = FPT's current multiple; grey/gold = reference mean-reversion benchmarks



Source: TCBS; peer & FPT historical medians from market data ~06/2026. Illustrative, not a target price.

**■ Thesis synthesis: key facts and implications for investors**

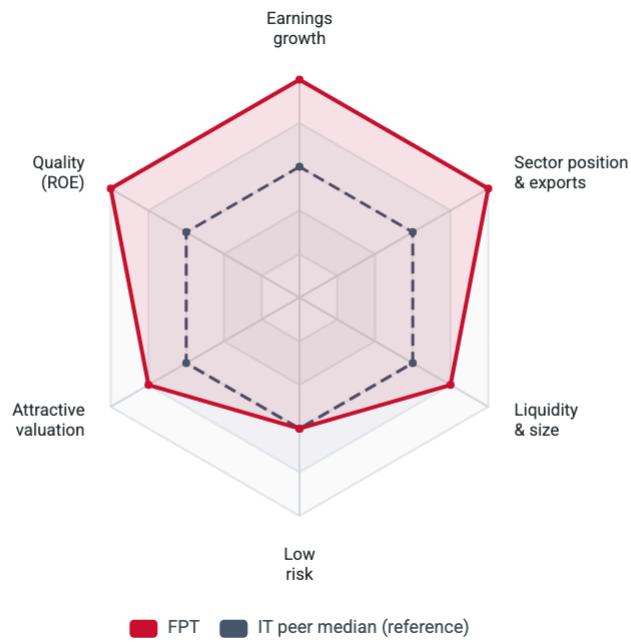
Aspect	Key facts (presented above)	Implication for investors
Growth	NPAT to parent sustained in double digits; three pillars of software exports, DX and AI-semiconductors; AI & Cloud revenue +48.4%.	A driver verifiable through new-signing value outside Japan and the share of AI/Cloud revenue each quarter.
Valuation	Trailing P/E 13.4x (forward ~12.0x), below the global IT-services median of ~16.3x; ROE 28.3%.	No longer absolutely cheap, but still at a discount to the peer group; the gap is largely an emerging-market risk premium.
2026 basis	FOX moves to the equity method, so the 2026 revenue base is not on the same comparison footing as 2025.	Read growth on an adjusted basis to avoid mistaking a technical “slowdown” for a real one.
Portfolio & assets	Listed-portfolio value (FRT, TPB, FTS, FOC) ~VND 14,986 billion; foreign ownership 29.4% versus the 49% room.	SOTP is a reference data point for the listed-asset portion; foreign ownership still has headroom versus the room.
Risk	One “High” risk (generative AI reshaping IT services); the rest Medium/Low and all with mitigants.	Monitor via the Section 4.2 indicator set and the Section 4.4 matrix to update risk priorities quarter by quarter.

*Source: TCBS synthesis of Sections 4 & 5; figures from the 2025 Annual Report & TCBS-TCA data.*

Closing the report, the chart below summarises FPT’s investment profile across six qualitative dimensions, set against the IT-services group reference level: the company stands out on earnings growth, profitability quality and export positioning; sits at the reference level on valuation and liquidity; and scores its clearest negative on the AI-driven industry-reshaping risk. Once again, this is an initiation report that systematises the facts: it carries no target price or recommendation, and every profile assessment below is qualitative and illustrative, for investors to form their own view.

**FPT investment profile: qualitative synthesis (illustrative)**

1–5 scale · red = FPT; grey = IT-services group reference level (assumed = 3)



Source: TCBS qualitative assessment synthesised from Sections 1–5; illustrative scoring, not a recommendation.

## 6. Appendix – Financial statements

### 6.1. Income statement

Unit: VND billion · Presented in full per the audited consolidated financial statements (PwC Vietnam) · Source: FPT audited financial statements, compiled by TCBS

Item (VND billion)	2023	2024	2025
Revenue from sales of goods and services	52,625	62,963	70,208
Revenue deductions	(7)	(114)	(95)
Net revenue from sales of goods and services	52,618	62,849	70,113
Cost of goods sold and services rendered	(32,298)	(39,150)	(44,224)
Gross profit from sales of goods and services	20,320	23,698	25,889
Financial income	2,336	1,936	2,977
Financial expenses	(1,718)	(1,812)	(1,672)
<i>Of which: interest expense</i>	(833)	(552)	(810)
Share of profit in joint ventures & associates	42	393	658
Selling expenses	(5,243)	(6,116)	(7,563)
General & administrative expenses	(6,625)	(7,074)	(7,337)
Net profit from operating activities	9,112	11,025	12,952
Other income	201	175	143
Other expenses	(110)	(131)	(51)
Other profit	91	45	92
Total accounting profit before tax	9,203	11,070	13,044
Current corporate income tax expense	(1,424)	(1,923)	(1,917)
Deferred corporate income tax benefit	9	281	106
Net profit after corporate income tax	7,788	9,427	11,232
Non-controlling interests	1,323	1,571	1,856
Net profit attributable to parent shareholders	6,465	7,857	9,376
Basic earnings per share (VND/share)	4,052	4,944	5,216

Source: FPT audited consolidated financial statements – 2023 figures taken from the 2024 audit report; 2024–2025 figures taken from the 2025 audit report (PwC Vietnam), signed 11/03/2025 and 18/03/2026. Figures converted to VND billion (rounded). Basic earnings per share is presented as published in each year, not retrospectively adjusted for subsequent bonus-share issuances (unlike the adjusted EPS used in earlier sections of this report).

## 6.2. Balance sheet

Unit: VND billion · Presented per the audited consolidated financial statements (PwC Vietnam) · Source: FPT audited financial statements, compiled by TCBS

Item (VND billion)	2023	2024	2025
<b>A. CURRENT ASSETS</b>	<b>36,706</b>	<b>45,536</b>	<b>58,137</b>
Cash and cash equivalents	8,279	9,315	10,522
Short-term financial investments	16,104	21,785	29,631
Short-term receivables	9,674	11,382	14,402
Inventory	1,593	1,857	2,194
Other current assets	1,055	1,197	1,389
<b>B. NON-CURRENT ASSETS</b>	<b>23,577</b>	<b>26,464</b>	<b>30,005</b>
Long-term receivables	247	332	564
Fixed assets	13,643	14,816	17,289
Construction in progress	1,315	2,560	1,605
Long-term financial investments	3,335	3,318	4,738
Other non-current assets	5,036	5,438	5,809
<b>TOTAL ASSETS</b>	<b>60,283</b>	<b>72,000</b>	<b>88,142</b>
<b>C. LIABILITIES</b>	<b>30,350</b>	<b>36,272</b>	<b>44,394</b>
Current liabilities	29,652	34,836	41,525
Short-term trade payables	2,603	4,424	3,837
Short-term advances from customers	602	562	735
Taxes and amounts payable to the State	1,432	2,299	2,199
Payables to employees	3,734	4,341	5,725
Short-term accrued expenses	848	1,241	1,765
Short-term unearned revenue	3,620	4,225	4,234
Other short-term payables	1,015	874	1,015
Short-term borrowings and finance leases	13,838	14,446	19,170
Bonus and welfare fund	1,463	1,835	2,160
Long-term liabilities	698	1,436	2,869
Long-term borrowings and finance leases	208	501	1,904
<b>D. OWNERS' EQUITY</b>	<b>29,933</b>	<b>35,728</b>	<b>43,748</b>
Contributed charter capital	12,700	14,711	17,035
Share premium	50	50	50
Development investment fund	1,550	2,033	1,575
Undistributed post-tax profit	8,674	11,031	14,302
Non-controlling interests	4,959	5,933	7,265
<b>TOTAL RESOURCES</b>	<b>60,283</b>	<b>72,000</b>	<b>88,142</b>

Source: FPT audited consolidated financial statements – 2023 figures taken from the 2024 audit report; 2024–2025 figures taken from the 2025 audit report (PwC Vietnam). Figures converted to VND billion (rounded). Subtotal lines (in bold) are taken as reported in the audit report; the table lists material line items, so the sum of detail lines may differ slightly from the subtotals because some minor items are omitted.

## 6.3. Cash flow statement

Unit: VND billion · Indirect method, audited consolidated financial statements (PwC Vietnam) · Source: FPT audited financial statements, compiled by TCBS

Item (VND billion)	2023	2024	2025
Accounting profit before tax	9,203	11,070	13,044
Depreciation of fixed assets & goodwill amortisation	2,287	2,535	2,914
Provisions	678	1,149	651
Unrealised FX gains/losses	(34)	46	(28)
Gains from investing activities	(1,976)	(1,725)	(2,576)
Interest expense	833	552	810
Operating profit before working-capital changes	10,990	13,627	14,815
Change in receivables	(1,163)	(1,914)	(2,875)
Change in inventory	396	(265)	(335)
Change in payables	1,380	2,876	2,556
Change in prepaid expenses	65	(394)	(596)
Interest paid	(832)	(607)	(812)
Corporate income tax paid	(971)	(1,210)	(2,238)
Other cash outflows from operating activities	(348)	(409)	(380)
Net cash flow from operating activities	9,517	11,704	10,136
Purchase & construction of fixed and long-term assets	(3,978)	(3,275)	(5,098)
Proceeds from disposal of fixed assets	29	14	7
Loans granted & purchase of debt instruments of others	(33,536)	(41,957)	(57,013)
Loans recovered & sale of debt instruments of others	30,458	36,284	49,165
Equity investments in other entities	(1,754)	(1,106)	(711)
Recovery of equity investments in other entities	95	48	24
Interest, dividends and profit shares received	2,137	1,530	2,001
Net cash flow from investing activities	(6,548)	(8,462)	(11,625)
Proceeds from share issuance	73	163	1,196
Proceeds from borrowings	34,271	30,946	43,071
Repayment of borrowing principal	(32,552)	(30,013)	(36,891)
Dividends and profit paid to owners	(2,931)	(3,292)	(4,574)
Net cash flow from financing activities	(1,168)	(2,198)	2,801
Net change in cash during the period	1,800	1,044	1,313
Cash and cash equivalents at beginning of period	6,440	8,279	9,315
Effect of exchange-rate changes	39	(8)	(106)
Cash and cash equivalents at end of period	8,279	9,315	10,522

Source: FPT audited consolidated financial statements 2024 & 2025 (PwC Vietnam), cash flow statement prepared under the indirect method; 2023 figures taken from the 2024 audit report. Figures converted to VND billion (rounded). Some minor items (finance-lease principal repayments, etc.) are omitted, so the sum of detail lines may differ slightly from the bold subtotal lines – which are kept as reported in the audit report.

---

© Techcom Securities | 27th, 28th and 29th Floors, C5 D'Capitale Tower, 119 Tran Duy Hung, Yen Hoa Ward, Hanoi City | Hotline: 1900 23 23 66 | [www.tcbs.com.vn](http://www.tcbs.com.vn)

## Disclaimer:

*All information used in this report is obtained from sources that TCBS considers reliable at the time of publication. However, TCBS makes no representations or warranties, express or implied, regarding the accuracy, truthfulness, completeness, or timeliness of such information. Readers are advised to conduct their own independent verification and assessment before relying on or utilizing this information.*

*The information, assessments, and views presented in this report reflect TCBS's judgment at the time of publication and are subject to change without prior notice. TCBS is under no obligation to update, modify, or supplement this report, nor to notify readers of any changes in information or assessments following its publication. The contents of this report are intended for informational purposes only and do not constitute investment advice, nor are they an offer to sell or a solicitation of an offer to buy any securities. This report does NOT set a target price or any buy/sell recommendation. Readers should consider the suitability of the assessments in this report with their own personal investment needs and objectives, and should consult with professional advisors (including tax advisors, if necessary) and proactively gather adequate relevant information before making any investment decisions. The price and value of the mentioned securities or companies, as well as the income derived from them, may fluctuate due to market conditions, tax regulations, and various other factors. Past performance is not indicative of future results, and the risk of capital loss is ever-present.*

*To the extent permitted by law, TCBS and its affiliates shall not assume legal liability in any form for any losses or damages arising from or related to the use of, or reliance on, the information and views presented in this report.*

*This report is the property of TCBS and is issued exclusively to specific recipients identified by TCBS in the accompanying notice, email, or letter. Any form of disclosure, reproduction, citation, transfer, or redistribution of this report, in whole or in part, requires the prior written consent of TCBS.*