

FPT Corporation (FPT)

Bright outlook fueled by IT segment

August 29, 2023

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2Q23 continued to see encouraging results

FPT Corporation (FPT) continued to record encouraging results with 2Q23 revenue of VND12,484 billion (+24% YoY), bolstered by global IT and education. The gross margin thus hit 37.1%, 2Q23 NPAT was VND1,856 billion (+18.8% YoY).

Bright outlook is powered by the IT segment

We reiterate our positive view over the IT segment on rising demand. Gartner forecasts global IT spending of USD4.7 billion this year and USD5.1 billion in 2024, implying a CAGR of 6.2% in 2022–2024.

2023 still sees bleak demand for domestic IT spending due to financial hardship facing numerous businesses. We expect improvements in 2024 thanks to increased IT budget of the public sector and FPT's capacity to expand its customer base.

Telecommunications and education maintained positive growth rates

FPT's broadband segment should enjoy a single-digit growth in the 2023–2025 period thanks to a steady rise in the number of customers following the market saturation. In the coming years, we assess that PayTV and Data Center will further drive telecom services as mentioned in the previous update report.

With the reputation gained regarding IT training, we believe the education segment will attract a large number of students, given robust enrollment growth.

We recommend HOLD for FPT with a target price of VND106,100/share

Based on valuation results, business outlook, and possible risks, we downgrade our rating for FPT to HOLD. The target price is VND106,100/share, equaling a total return of 13.4% against the closing price on August 29, 2023.

Hold update

Target price	VND 106,100
Upside	13.4%
Current price (Aug 29, 2023)	VND 93,600
Consensus target price	VND 93,000
Market cap (USDbn)	4.84

Trading data	
Free float	84.7%
3M avg trading value (VNDbn)	111.92
Foreign ownership	49%
Major shareholder	Truong Gia Binh (7%)

Share price performance					
(%)	1M	3M	6M	12M	
Absolute	4.6	7.0	10.4	-7.0	
Relative	-0.1	-0.4	3.7	1.1	

Forecast	earnings	&	valuation

FY-end	2021A	2022A	2023F	2024F
Revenue (VNDbn)	35,657	44,010	51,951	61,988
EBIT (VNDbn)	6,228	7,589	8,984	10,719
NPAT of parent company (VNDbn)	4,337	5,310	6,355	7,582
EPS (VND)	4,349	4,429	5,004	5,971
EPS growth (%)	6%	2%	13%	19%
P/E (x)	10.1	16.6	21.7	18.2
P/B (x)	2.0	3.4	4.3	3.8
ROE (%)	0.2	0.3	0.2	0.2
Dividend yield (%)	6%	3%	2%	2%



Source: Bloomberg, KB Securities Vietnam

Business performance

2Q23 continued to see encouraging results

FPT continued to record encouraging results with 2Q23 revenue of VND12,484 billion (+24% YoY), bolstered by global IT and education. The gross margin thus hit 37.1%. 2Q23 NPAT was VND1,856 billion (+18.8% YoY).

Halfway through the year, global IT services led growth with many large orders. In particular, signed contract value reached VND15,017 billion (+28.6% YoY), comprising 13 projects worth over USD5 million in aggregate. The remaining two segments, telecommunications and education, also performed well.

Table 1, FPT - 1H22-1H23 business results

VND bn	1H2022	1H2023	+/-%YoY	Comments
Revenue	19,826	24,166	22%	
Global IT	8,622	11,227	30%	 Global IT revenue continued to show positive growth across markets. Specifically, Japan (+39.1% YoY) and APAR (+42.5% YoY) had the strongest growth of all. Digital transformation revenue in the first half of 2023 posted VND4,886 billion (+40% YoY), focusing on new technologies such as Cloud, Al/Data Analytics, Singed contract value amounted to VND15,017 billion (+28.6% YoY).
Domestic IT	2,630	2,975	13%	- Domestic enterprises suffered from financial hardship, causing a slowdown in IT spending. Profit before tax of thi segment in 1H23 is only VND171 billion (-24,3% YoY).
Telecommunications	6,727	7,423	10%	
Online advertising	350	259	-26%	
Education, investment, others	1,498	2,281	52%	
Gross profit	7,796	9,202	18%	
Gross profit margin (%)	39%	38%		
SG&A	-4,800	-5,408	13%	
% SG&A/revenue	24%	22%		
EBIT	3,609	4,287	19%	
Financial income	922	1,300	41%	
Financial expense	-604	-784	30%	
Net other income	28	52	86%	
Profit before tax (PBT)	3,637	4,339	19%	
NPAT	3,100	3,665	18%	

Source: FPT Corporation, KB Securities Vietnam

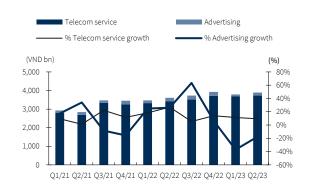
Fig 2. FPT - Global & domestic IT revenue growth (VNDbn, %)

Fig 3. FPT - Global IT revenue growth across markets (%)



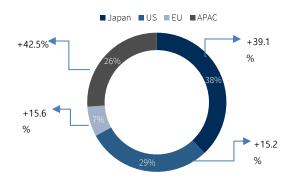
Source: FPT Corporation, KB Securities Vietnam

Fig 4. FPT - Telecommunications revenue growth (VNDbn, %)



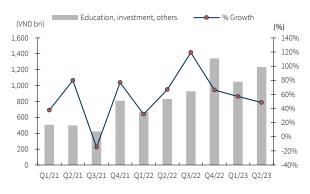
Source: FPT Corporation, KB Securities Vietnam

Bright outlook is powered by the IT segment



Source: FPT Corporation, KB Securities Vietnam

Fig 5. FPT – Education–investment revenue growth (VNDbn, %)



Source: FPT Corporation, KB Securities Vietnam

We reiterate our positive view over the IT segment on rising demand. Gartner forecasts global IT spending of USD4.7 billion this year and USD5.1 billion in 2024, implying a CAGR of 6.2% in 2022–2024. Accordingly, we keep our double-digit growth assumption for FPT's global IT in the coming years. To be more specific, global IT revenue should touch VND23,256 billion (+23% YoY) in 2023 and VND28,145 billion (+21% YoY) in 2024, driven by signed contract value of VND15,017 billion in the January-through-June period. We foresee that the APAC and Japanese markets will hold their top spots by growth, considering positive signs concerning IT spending and digital transformation in these two regions. Nevertheless, the depreciation of the Japanese yen will also be a downside risk to FPT's earnings to some extent.

After a sharp decline in 1Q23, domestic IT services PBT was back to growth track with a 13% YoY rise in 2Q23, resulting from the company promoting cooperation with the government, ministries, and sectors with good resilience amid unfavorable economic conditions. However, 2023 still sees a bleak demand for IT budget due to financial hardship facing numerous businesses. We expect improvements in 2024 thanks to increased IT budget of the public sector and FPT's capacity to expand its customer base.

Telecommunications and education maintained positive growth rates

FPT's broadband segment should enjoy a single-digit growth in the 2023–2025 period thanks to a steady rise in the number of customers following the market saturation. In the coming years, we assess that PayTV and Data center will further drive telecom services as mentioned in the previous update report. Again, the education segment achieved high revenue growth, up 42% YoY to VND2,754 billion in 1H23. With the reputation gained regarding IT training, we believe the education segment will attract a large number of students, given robust enrollment growth. Furthermore, FPT has been working with provinces and cities nationwide to establish new educational institutions. We, therefore, anticipate a high student population growth of 35% YoY in 2023.

Forecast & Valuation

Table 6. FPT - 2022A-2023F business results

(VND bn)	2022A	2023F	+/-%YoY	Comments
Revenue	44,010	51,951	18%	
Global IT	18,935	23,256	23%	Japan and APAC markets should enjoy the strongest revenue growth in 2023, up 25% and 35%, respectively, thanks to rising IT spending, especially on digital transformation. In contrast, the US and EU markets would experience slow growth due to economic recession risks as well as weaker demand. We project a growth rate of 16% in the US and 11% in the EU in 2023 to reflect the above risks.
Domestic IT	6,586	6,388	-3%	Gloomy tech spending outlook weighs on domestic IT services.
Telecommunications	13,954	15,603	12%	Broadband services should sustain a steady rise following the market saturation, led by PayTV and Data Center.
Online advertising	775	798	3%	
Education, investment, others	3,767	5,906	57%	The Education segment is expected to maintain a positive growth momentum in 2023.
Gross profit	17,167	20,001	17%	
Gross profit margin (%)	39%	39%		
SG&A	(10,373)	(11,949)	15%	
% SG&A/revenue	24%	23%		
EBIT	7,589	8,984	18%	
Financial income	1,999	1,700	-15%	
Financial expense	(1,687)	(768)	-54%	
Net other income	73	78	7%	
Profit before tax (PBT)	7,662	9,140	19%	
NPAT	6,491	7,769	20%	

Source: FPT Corporation, KB Securities Vietnam

We recommend HOLD for FPT with a target price of VND106,100/share We utilize two valuation methodologies, discounted cash flow (DCF) and P/E comparable, for IT and telecommunications. As for the IT segment, we apply a 10% discount vs the industry median P/E for the time being due to concerns about dwindling demand for technology services in 2023 in the context of macroeconomic headwinds, which will derail the valuation of selected technology businesses. For education & investment, since there is no separation between these two segments, we assume the current P/E is reasonable.

Based on the equal combination of the above two approaches, we recommend HOLD for FPT with a target price of VND106,100/share, 13.4% higher than the closing price on August 29, 2023.

Table 7. FPT - FCFF valuation

Cost of equity	13%	PV of terminal value (TV)	96,583
Risk free rate	5%	PV of 2023-2027 (PV)	50,038
Market premium	8.22%	Total present value	146,621
Beta	1	Owner equity	149,478
Terminal growth	4%	Outstanding shares (thousand)	1,269,969
		Equity/outstanding shares (VND)	105,932

Source: KB Securities Vietnam

Table 8. FPT - P/E valuation

	Target P/E	Revenue contribution	Proportion
IT	28	45%	12.6
Telecommunications	15	37%	5.6
Education & investment	16.3	19%	3.1
Total			21.2
Target price			106,318

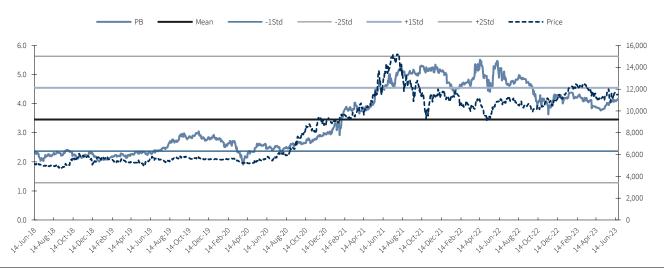
Source: KB Securities Vietnam

Table 9. FPT - Valuation results

Valuation method	Forecast price	Weighting	Fair price
FCFF	105,932	50%	52,966
P/E	106,318	50%	53,159
Target price (rounded)			106,100
Current price			93,600
Upside to target price			13.4%

Source: KB Securities Vietnam

Fig 10. FPT – Historical P/B & share performance in 2018–2023 (x)



Source: Bloomberg, KB Securities Vietnam

Table 11. Asia - P/E multiple of IT peers in developing economies

	Market cap (VND tn)	Forward PE	Weighting	Weighted PE
Persistent Systems Ltd	109	30	8.7%	2.6
Mphasis Ltd	102	20	8.1%	1.6
Beijing Ultrapower Software Co Ltd	100	38	7.9%	3.0
Isoftstone Information Technology	98	16	7.8%	1.2
Taiji Computer Corp Ltd	94	48	7.5%	3.6
DHC Software Co Ltd	85	32	6.8%	2.2
Coforge Ltd	79	26	6.3%	1.6
China TransInfo Technology Co	74	35	5.9%	2.1
Wonders Information Co Ltd	68	67	5.4%	3.6
Hyundai Autoever Corp	60	23	4.8%	1.1
CETC Digital Technology Co Ltd	59	25	4.7%	1.2
PCI Technology Group Co Ltd	54	24	4.3%	1.0
Yusys Technologies Co Ltd	48	32	3.8%	1.2
Chinasoft International Ltd	48	13	3.8%	0.5
Beijing eGOVA Co Ltd	47	37	3.8%	1.4
Richinfo Technology Co Ltd	46	40	3.7%	1.5
Fujian Boss Software Development	42	27	3.4%	0.9
Digital China Information Serv	42	28	3.4%	0.9
Average P/E Source: Bloombero, KR Securities Vietnam				31

Source: Bloomberg, KB Securities Vietnam

Table 12. Asia - P/E multiple of telecommunications peers in developing economies

	Market cap (VND tn)	Forward PE	Weighting	Weighted PE
Indosat Tbk PT	109	20.0	12%	2.3
Globe Telecom Inc	105	13.1	11%	1.5
Telekom Malaysia Bhd	97	14.2	10%	1.5
LG Uplus Corp	88	6.6	9%	0.6
GrameenPhone Ltd	87	11.1	9%	1.0
China Communications Services	84	6.7	9%	0.6
Sarana Menara Nusantara Tbk PT	83	13.3	9%	1,2
TIME dotCom Bhd	82	19.8	9%	1.7
XL Axiata Tbk PT	49	17.2	5%	0.9
Jasmine Broadband Internet Inf	41	6.5	4%	0.3
Montnets Cloud Technology Group	39	36.5	4%	1.5
Converge Information and Communications	38	9.0	4%	0.4
Route Mobile Ltd	35	26.5	4%	1.0
Average P/E				14.5

Source: Bloomberg, KB Securities Vietnam

FPT - 2021A-2024F financials

Income Statement

20214	20224	20225	20245		20214	20224	20225	2024F
				CURRENT ASSETS				69,290
				Cash and cash equivalents				46,707
13,632	17,167	20,001	23,866	Short-term investments	5,418	6,440	8,694	10,630
1,271	1,999	1,700	1,787	Accounts receivable	20,731	13,047	20,751	20,129
-1,144	-1,687	-768	-676	Inventories	6,882	8,503	9,963	11,888
-484	-646	-768	-676	LONG-TERM ASSETS	1,507	1,966	2,363	2,820
687	484	484	484	Long-term trade receivables	18,580	20,713	20,993	22,583
-3,605	-4,526	-5,195	-6,199	-		225	225	225
								14,976
				• •				0
				- · · · · · · · · · · · · · · · · · · ·				
				•				3,228
								407.9
				LIABILITIES				31,264
				Current liabilities			28,483	29,320
6,337	7,662	9,140	10,905	Trade accounts payable	2,866	3,209	4,713	5,437
-988	-1,171	-1,371	-1,636	Advances from customers	711	491	491	491
5,349	6,491	7,769	9,269	Short-term unrealized revenue	17,799	10,904	11,225	9,595
1,012	1,181	1,414	1,687	Short-term borrowings	2,519	1,773	1,845	1,945
4,337	5,310	6,355	7,582	Long-term liabilities	0	0	0	0
				•	0	0	0	0
				. ,				
				customers	95	115	115	115
2021A	2022A	2023F	2024F	Unrealized revenue	2,296	1,478	1,578	1,678
38.2%	39.0%	38.5%	38.5%	Long-term borrowings	21,418	25,356	33,476	38,025
19.2%	19.5%	18.8%	18.4%					10,970
								50
				·				16,074
				·				
				Undistributed earnings				0
15.0%	14.7%	15.0%	15.0%	Minority interests	3,477	4,310	4,310	4,310
				W				
20214	20224	20225	20245	=				
				•		100	24.7	40.0
				P/E				18.2
	-1,987	-1,987	-1,987	P/E diluted		16.6	21.7	18.2
484	646	768	676	P/B	2.0	3.4	4.3	3.8
7,053	9,042	9,676	11,562	D/C	1.1	1.8	2.7	2.2
604	1 040	1 621	1.460		2.0	2.4	12	3.8
				,				12.7
			1,504	EV/EBITDA	8.0	100	13.8	11.8
-376								
	-634	311	216	EV/EBIT	9.9	12.3	16.3	13.9
	-634	311	216	EV/EBIT				13.9
5,840	5,054	7,996	216 10,838	EV/EBIT Operating performance				13.9
	5,054	7,996	10,838		9.9	12.3	16.3	
-2,911	5,054 -3,215	7,996 -3,637	10,838 -4,339		9.9 25%	12.3 26%	23%	24%
	5,054	7,996	10,838	Operating performance	9.9	12.3	16.3	
-2,911 3	5,054 -3,215 6	7,996 -3,637 0	10,838 -4,339 0	Operating performance ROE ROA	9.9 25%	12.3 26%	23%	24%
-2,911 3 - 35,827	5,054 -3,215 6 - 32,995	7,996 -3,637 0 - 40,632	10,838 -4,339 0 - 39,937	Operating performance ROE	9.9 25% 8.1%	26% 10.3%	23% 10.0%	24% 10.9%
-2,911 3	5,054 -3,215 6	7,996 -3,637 0	10,838 -4,339 0	Operating performance ROE ROA	9.9 25% 8.1%	26% 10.3%	23% 10.0%	24% 10.9%
-2,911 3 - 35,827	5,054 -3,215 6 - 32,995	7,996 -3,637 0 - 40,632	10,838 -4,339 0 - 39,937	Operating performance ROE ROA ROIC Financial structure	9.9 25% 8.1%	26% 10.3%	23% 10.0%	24% 10.9%
-2,911 3 - 35,827 27,590	5,054 -3,215 6 - 32,995 40,669	7,996 -3,637 0 -40,632 38,838	10,838 -4,339 0 - 39,937 38,144	Operating performance ROE ROA ROIC Financial structure Cash Ratio	25% 8.1% 18.8%	26% 10.3% 26.3%	23% 10.0% 26.2%	24% 10.9% 29.7%
-2,911 3 35,827 27,590 -451 0	5,054 -3,215 6 -32,995 40,669 -557 56	7,996 -3,637 0 -40,632 38,838 0	10,838 -4,339 0 - 39,937 38,144 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio	9.9 25% 8.1% 18.8% 0.31 0.71	26% 10.3% 26.3% 0.27 0.66	23% 10.0% 26.2% 0.21 0.63	24% 10.9% 29.7% 0.21 0.77
-2,911 3 - 35,827 27,590 -451	5,054 -3,215 6 -32,995 40,669 -557 56 1,794	7,996 -3,637 0 -40,632 38,838 0 0 1,794	10,838 -4,339 0 39,937 38,144 0 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio	9.9 25% 8.1% 18.8% 0.31 0.71 1.45	12.3 26% 10.3% 26.3% 0.27 0.66 1.27	23% 10.0% 26.2% 0.21 0.63 1.18	24% 10.9% 29.7% 0.21 0.77 1.13
-2,911 3 35,827 27,590 -451 0	5,054 -3,215 6 -32,995 40,669 -557 56	7,996 -3,637 0 -40,632 38,838 0	10,838 -4,339 0 - 39,937 38,144 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio	9.9 25% 8.1% 18.8% 0.31 0.71	26% 10.3% 26.3% 0.27 0.66	23% 10.0% 26.2% 0.21 0.63	24% 10.9% 29.7% 0.21 0.77
-2,911 3 - 35,827 27,590 -451 0 1,183	5,054 -3,215 6 -32,995 40,669 -557 56 1,794	7,996 -3,637 0 -40,632 38,838 0 0 1,794	10,838 -4,339 0 39,937 38,144 0 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio	9.9 25% 8.1% 18.8% 0.31 0.71 1.45	12.3 26% 10.3% 26.3% 0.27 0.66 1.27	23% 10.0% 26.2% 0.21 0.63 1.18	24% 10.9% 29.7% 0.21 0.77 1.13
-2,911 3 - 35,827 27,590 -451 0 1,183	5,054 -3,215 6 -32,995 40,669 -557 56 1,794 5,757	7,996 -3,637 0 - 40,632 38,838 0 0 1,794 -3,637	10,838 -4,339 0 - 39,937 38,144 0 0 1,794 -4,339	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11%	26% 10.3% 26.3% 0.27 0.66 1.27 6%	23% 10.0% 26.2% 0.21 0.63 1.18 5%	24% 10.9% 29.7% 0.21 0.77 1.13 4%
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-2,911 3 -35,827 27,590 -451 0 1,183	5,054 -3,215 6 - 32,995 40,669 -557 56 1,794 5,757	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 100	10,838 -4,339 0 39,937 38,144 0 0 1,794 -4,339 0 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 4% 83% 33%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14%
-2,911 3 35,827 27,590 -451 0 1,183 - 10,413 88 0	5,054 -3,215 6 -32,995 40,669 -557 56 1,794 5,757 77 0	7,996 -3,637 0 -40,632 38,838 0 1,794 -3,637 0 0	10,838 -4,339 0 - 39,937 38,144 0 0 1,794 -4,339 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets Debt/Equity	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 4% 83%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25%
-2,911 3 35,827 27,590 -451 0 1,183 10,413 88 0 34,464	5,054 -3,215 6 -32,995 40,669 -557 56 1,794 5,757 77 0 28,120	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 100	10,838 -4,339 0 39,937 38,144 0 0 1,794 -4,339 0 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets Debt/Equity Debt/Total Assets	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 4% 83% 33%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14%
-2,911 3 35,827 27,590 -451 0 1,183 -1 10,413 88 0 34,464 -26,931 -1	5,054 -3,215 6 -32,995 40,669 -557 56 1,794 5,757 77 0 28,120 - 35,740 -8	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 0 100 0	10,838 -4,339 0 -39,937 38,144 0 0 1,794 -4,339 0 100 -1,630 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets Debt/Equity Debt/Total Assets ST Liabilities/Equity ST Liabilities/Total Assets	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 49% 83% 33% 139%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21% 97%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18% 85%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14% 77%
-2,911 3 35,827 27,590 -451 0 1,183 - 10,413 88 0 34,464 - 26,931	5,054 -3,215 6 -32,995 40,669 -557 56 1,794 5,757 77 0 28,120 - 35,740	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 0 100	10,838 -4,339 0 -39,937 38,144 0 0 1,794 -4,339 0 0 100 -1,630 0 -3,033	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets Debt/Equity Debt/Total Assets ST Liabilities/Equity ST Liabilities/Total Assets Total Liabilities/Equity	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 4% 83% 33% 139% 55% 151%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21% 97% 47%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18% 85% 45%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14% 77% 42% 82%
-2,911 3 35,827 27,590 -451 0 1,183 -10,413 88 0 34,464 -26,931 -1 -2,254 0	5,054 -3,215 6 - 32,995 40,669 -557 56 1,794 5,757 77 0 28,120 - 35,740 -8 -2,222 0	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 0 100 0 -2,542 0	10,838 -4,339 0 -39,937 38,144 0 0 1,794 -4,339 0 100 -1,630 0 -3,033 0	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets Debt/Equity Debt/Total Assets ST Liabilities/Equity ST Liabilities/Total Assets Total Liabilities/Total Assets	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 49% 83% 33% 139% 55%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21% 97% 47% 104%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18% 85% 45% 91%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14% 77% 42%
-2,911 3 35,827 27,590 -451 0 1,183 -1 10,413 88 0 34,464 -26,931 -1 -2,254 0 5,365	5,054 -3,215 6 - 32,995 40,669 -557 56 1,794 5,757 77 0 28,120 - 35,740 -8 -2,222 0 -9,773	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 0 0 -2,542 0 -2,121	10,838 -4,339 0 -39,937 38,144 0 0 1,794 -4,339 0 100 -1,630 0 -3,033 0 -4,563	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Fotal Assets Debt/Equity Debt/Total Assets ST Liabilities/Equity ST Liabilities/Total Assets Total Liabilities/Total Assets Activity ratios	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 4% 83% 33% 139% 55% 151% 60%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21% 97% 47% 104% 51%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18% 85% 45% 91% 48%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14% 77% 42% 82% 45%
-2,911 3 35,827 27,590 -451 0 1,183 - 10,413 88 0 34,464 - 26,931 -1 -2,254 0 5,365 791	5,054 -3,215 6 - 32,995 40,669 -557 56 1,794 5,757 77 0 28,120 - 35,740 -8 -2,222 0 -9,773 1,038	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 0 0 -2,542 0 -2,121 2,239	10,838 -4,339 0 -39,937 38,144 0 0 1,794 -4,339 0 100 -1,630 0 -3,033 0 -4,563 1,936	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Total Assets Debt/Equity Debt/Total Assets ST Liabilities/Equity ST Liabilities/Total Assets Total Liabilities/Total Assets Activity ratios Account Receivable Turnover	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 4% 83% 139% 55% 151% 60%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21% 97% 47% 104% 51%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18% 85% 45% 91% 48%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14% 77% 42% 82% 45%
-2,911 3 35,827 27,590 -451 0 1,183 -1 10,413 88 0 34,464 -26,931 -1 -2,254 0 5,365	5,054 -3,215 6 - 32,995 40,669 -557 56 1,794 5,757 77 0 28,120 - 35,740 -8 -2,222 0 -9,773	7,996 -3,637 0 -40,632 38,838 0 0 1,794 -3,637 0 0 0 -2,542 0 -2,121	10,838 -4,339 0 -39,937 38,144 0 0 1,794 -4,339 0 100 -1,630 0 -3,033 0 -4,563	Operating performance ROE ROA ROIC Financial structure Cash Ratio Quick Ratio Current Ratio LT Debt/Equity LT Debt/Fotal Assets Debt/Equity Debt/Total Assets ST Liabilities/Equity ST Liabilities/Total Assets Total Liabilities/Total Assets Activity ratios	9.9 25% 8.1% 18.8% 0.31 0.71 1.45 11% 4% 83% 33% 139% 55% 151% 60%	12.3 26% 10.3% 26.3% 0.27 0.66 1.27 6% 3% 43% 21% 97% 47% 104% 51%	23% 10.0% 26.2% 0.21 0.63 1.18 5% 2% 34% 18% 85% 45% 91% 48%	24% 10.9% 29.7% 0.21 0.77 1.13 4% 2% 25% 14% 77% 42% 82% 45%
	1,271 -1,144 -484 687 -3,605 -4,612 6,228 133 -25 109 0 6,337 -988 5,349 1,012 4,337 2021A 38.2% 19.2% 19.1% 17.8% 17.5% 15.0% 2021A 6,337 1,644 -1,700 484 7,053 -694 -218 1,910	35,657 44,010 22,025 26,842 13,632 17,167 1,271 1,999 -1,144 -1,687 -484 -646 687 484 -3,605 -4,526 -4,612 -5,846 6,228 7,589 133 184 -25 -111 109 73 0 0 6,337 7,662 -988 -1,171 5,349 6,491 1,012 1,181 4,337 5,310 2021A 2022A 38,2% 39,0% 19,2% 19,5% 19,1% 18,9% 17,8% 17,4% 17,5% 17,2% 15,0% 14,7% 2021A 2022A 6,337 7,662 1,644 1,833 -1,700 -1,987 484 646 7,053 9,042 -694 -1,949 -218 -498 1,910 1,300	35,657 44,010 51,951 22,025 26,842 31,950 13,632 17,167 20,001 1,271 1,999 1,700 -1,144 -1,687 -768 -484 -646 -768 687 484 484 -3,605 -4,526 -5,195 -4,612 -5,846 -6,754 6,228 7,589 8,984 133 184 208 -25 -111 -130 109 73 78 0 0 0 6,337 7,662 9,140 -988 -1,171 -1,371 5,349 6,491 7,769 1,012 1,181 1,414 4,337 5,310 6,355 2021A 2022A 2023F 38.2% 39.0% 38.5% 19.2% 19.5% 18.8% 19.1% 18.9% 19.1% 17.8% 17.4% 17.6% 17.5% 17.2% 17.3% 15.0% 14.7% 15.0% 2021A 2022A 2023F 6,337 7,662 9,140 1,644 1,833 1,755 -1,700 -1,987 -1,987 484 646 768 7,053 9,042 9,676 -694 -1,949 -1,621 -218 -498 -458	35,657 44,010 51,951 61,988 22,025 26,842 31,950 38,123 13,632 17,167 20,001 23,866 1,271 1,999 1,700 1,787 -1,144 -1,687 -768 -676 -484 -646 -768 -676 687 484 484 484 -3,605 -4,526 -5,195 -6,199 -4,612 -5,846 -6,754 -8,058 6,228 7,589 8,984 10,719 133 184 208 248 -25 -111 -130 -155 109 73 78 93 0 0 0 0 6,337 7,662 9,140 10,905 -988 -1,171 -1,371 -1,636 5,349 6,491 7,769 9,269 1,012 1,181 1,414 1,687 4,337 5,310 6,355 </td <td> 35,657</td> <td> 2021A 2022A 2023F 2024F (VND billion) 2021A </td> <td> 2021A 2022A 2023F 2024F (VND billion) 2021A 2022A 33,6567 44,010 51,951 61,988 CURRENT ASSETS 53,698 51,650 22,025 26,842 31,950 38,123 Cash and cash equivalents 35,118 30,381 13,632 17,167 20,001 23,866 Short-term investments 5,418 6,440 1,271 1,999 1,700 1,787 Accounts receivable 20,731 13,047 1,444 -1,687 -768 -676 Inventories 6,882 8,503 484 -484 -484 208 248 Investment properties 10,399 12,033 184 208 248 Investment properties 10,399 12,033 184 208 248 Investment properties 3,102 3,238 -25 -111 -130 -155 TOTAL ASSETS 466.0 407.9 40.90 40</td> <td> 2021A 2022A 2023F 2024F (VND billion) 2021A 2022A 2023F 35,657 44,010 51,951 61,988 CURRENT ASSETS 53,698 51,650 63,804 12,715 20,001 23,866 Short-term investments 5,418 6,440 8,694 12,71 1999 1,700 1,787 Accounts receivable 20,731 13,047 20,751 1,144 -1,687 -768 -676 Inventories 6,882 8,503 9,968 3,605 4,4526 -5,195 -6,199 Fixed assets 167 225 225 4,612 -5,866 -6,754 -8,058 Investment 33,102 3,238 3,228 4,622 -7,599 8,984 10,719 Long-term investments 31,02 3,238 3,228 6,283 1,635 4,612 -1,111 -130 -155 TOTAL ASSETS 46,60 407.9</td>	35,657	2021A 2022A 2023F 2024F (VND billion) 2021A	2021A 2022A 2023F 2024F (VND billion) 2021A 2022A 33,6567 44,010 51,951 61,988 CURRENT ASSETS 53,698 51,650 22,025 26,842 31,950 38,123 Cash and cash equivalents 35,118 30,381 13,632 17,167 20,001 23,866 Short-term investments 5,418 6,440 1,271 1,999 1,700 1,787 Accounts receivable 20,731 13,047 1,444 -1,687 -768 -676 Inventories 6,882 8,503 484 -484 -484 208 248 Investment properties 10,399 12,033 184 208 248 Investment properties 10,399 12,033 184 208 248 Investment properties 3,102 3,238 -25 -111 -130 -155 TOTAL ASSETS 466.0 407.9 40.90 40	2021A 2022A 2023F 2024F (VND billion) 2021A 2022A 2023F 35,657 44,010 51,951 61,988 CURRENT ASSETS 53,698 51,650 63,804 12,715 20,001 23,866 Short-term investments 5,418 6,440 8,694 12,71 1999 1,700 1,787 Accounts receivable 20,731 13,047 20,751 1,144 -1,687 -768 -676 Inventories 6,882 8,503 9,968 3,605 4,4526 -5,195 -6,199 Fixed assets 167 225 225 4,612 -5,866 -6,754 -8,058 Investment 33,102 3,238 3,228 4,622 -7,599 8,984 10,719 Long-term investments 31,02 3,238 3,228 6,283 1,635 4,612 -1,111 -130 -155 TOTAL ASSETS 46,60 407.9

Balance Sheet

Source: FPT Corporation, KB Securities Vietnam

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Investment ratings & definitions

Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

Buy:	Hold:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Undernerform the market

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