



FPT CORPORATION

(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

For the 6-month period ended 30 June 2020



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FPT CORPORATION

No.17 Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, S.R. Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of FPT Corporation and its subsidiaries (herein collectively referred to as the "Corporation") presents this report together with the Corporation's interim consolidated financial statements for the 6-month period ended 30 June 2020.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Boards of Directors and Management of the Corporation who held office during the period and to the date of this report are as follows:

Board of Directors

Mr. Truong Gia Binh	Chairman
Mr. Bui Quang Ngoc	Vice Chairman
Mr. Do Cao Bao	Member
Mr. Jean Charles Belliol	Member
Mr. Le Song Lai	Member
Mr. Tomokazu Hamaguchi	Member
Mr. Dan E Khoo	Member

Board of Management

Mr. Nguyen Van Khoa	Executive President
Mr. Nguyen The Phuong	Executive Vice President
Mr. Hoang Viet Anh	Executive Vice President

BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY

The Board of Management of the Corporation is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the financial position of the Corporation as at 30 June 2020, and its financial performance and cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting. In preparing these interim consolidated financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements;
- Prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the interim consolidated financial statements so as to minimize errors and frauds.



STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY (Continued)

The Board of Management of the Corporation is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Corporation and that the interim consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting. The Board of Management is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Corporation has complied with the above requirements in preparing these interim consolidated financial statements.

For and on behalf of the Board of Management,



Nguyen The Phuong
Executive Vice President

Power of Attorney No. 63/2019/QD-FPT-TGD
dated 29 March 2019

07 August 2020

No.: 0167 /VN1A-HN-BC

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**To: The Shareholders
The Boards of Directors and Management
FPT Corporation**

We have reviewed the accompanying interim consolidated financial statements of FPT Corporation and its subsidiaries (the "Corporation"), prepared on 07 August 2020 as set out from page 04 to page 48, which comprise the interim consolidated balance sheet as at 30 June 2020, the interim consolidated income statement and interim consolidated cash flow statement for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Interim Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting, and for such internal control as management determines is necessary to enable the preparation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the financial position of the Corporation as at 30 June 2020, and of its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting.



Tran Thi Thuy Ngoc
Deputy General Director
Audit Practising Registration Certificate
No. 0031-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

07 August 2020
Hanoi, S.R. Vietnam

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2020

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		20,974,738,294,596	18,979,176,128,930
I. Cash and cash equivalents	110	5	4,180,454,757,893	3,453,388,617,569
1. Cash	111		2,107,172,844,328	2,611,644,417,963
2. Cash equivalents	112		2,073,281,913,565	841,744,199,606
II. Short-term financial investments	120		8,823,220,085,750	6,708,978,162,325
1. Held-to-maturity investments	123	6	8,823,220,085,750	6,708,978,162,325
III. Short-term receivables	130		5,803,633,693,745	6,536,251,148,622
1. Short-term trade receivables	131		5,005,576,254,722	5,812,938,112,346
2. Short-term advances to suppliers	132		432,212,031,129	274,779,131,899
3. Receivables from contracts under percentage of completion method	134	7	276,042,606,836	318,339,389,202
4. Short-term loan receivables	135		-	394,176,861
5. Other short-term receivables	136	8	522,710,577,339	491,315,953,067
6. Provision for short-term doubtful debts	137	9	(432,907,776,281)	(361,515,614,753)
IV. Inventories	140	10	1,300,202,611,747	1,284,200,733,943
1. Inventories	141		1,375,253,714,502	1,349,958,901,393
2. Provision for devaluation of inventories	149		(75,051,102,755)	(65,758,167,450)
V. Other short-term assets	150		867,227,145,461	996,357,466,471
1. Short-term prepayments	151	11	648,377,095,553	692,500,771,861
2. Value added tax deductibles	152		176,651,765,342	175,754,512,449
3. Taxes and other receivables from the State budget	153	12	42,198,284,566	128,102,182,161

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2020

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		14,938,070,369,160	14,414,988,134,764
I. Long-term receivables	210		348,427,785,518	262,484,590,350
1. Long-term advances to suppliers	212		380,000,000	380,000,000
2. Long-term loans receivable	215		91,148,113,400	47,427,917,600
3. Other long-term receivables	216	8	311,628,845,936	269,405,846,568
4. Provision for long-term doubtful debts	219	9	(54,729,173,818)	(54,729,173,818)
II. Fixed assets	220		7,365,996,280,591	7,492,167,954,088
1. Tangible fixed assets	221	13	6,222,257,491,428	6,295,261,846,210
- Cost	222		11,608,745,950,288	11,301,061,772,211
- Accumulated depreciation	223		(5,386,488,458,860)	(5,005,799,926,001)
2. Finance lease assets	224		2,122,993,365	2,845,085,816
- Cost	225		5,410,838,484	6,057,653,223
- Accumulated depreciation	226		(3,287,845,119)	(3,212,567,407)
3. Intangible assets	227	14	1,141,615,795,798	1,194,061,022,062
- Cost	228		1,996,980,044,176	1,973,814,359,687
- Accumulated amortisation	229		(855,364,248,378)	(779,753,337,625)
III. Long-term assets in progress	240		2,233,265,003,791	1,650,470,873,492
1. Construction in progress	242	15	2,233,265,003,791	1,650,470,873,492
IV. Long-term financial investments	250		2,451,568,314,545	2,496,552,054,488
1. Investments in associates	252	16	1,890,355,276,994	1,912,712,694,571
2. Equity investments in other entities	253	6	865,250,071,864	893,623,994,517
3. Provision for impairment of long-term financial investments	254	6	(304,037,034,313)	(309,784,634,600)
V. Other long-term assets	260		2,325,398,922,216	2,287,383,247,074
1. Long-term prepayments	261	11	2,291,095,492,149	2,247,131,962,711
2. Deferred tax assets	262		34,303,430,067	40,251,284,363
VI. Goodwill	260	17	213,414,062,499	225,929,415,272
TOTAL ASSETS (270=100 + 200)	270		35,912,808,663,756	33,394,164,263,694

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2020

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		18,009,082,670,732	16,594,874,862,688
I. Current liabilities	310		16,991,794,634,833	16,102,256,902,439
1. Short-term trade payables	311		2,035,189,882,156	2,641,797,326,788
2. Short-term advances from customers	312		383,308,792,651	398,628,905,824
3. Taxes and amounts payable to the State budget	313	12	463,842,484,219	554,461,605,696
4. Payables to employees	314		1,203,886,575,748	1,278,884,909,353
5. Short-term accrued expenses	315	18	769,826,846,943	746,853,608,766
6. Payables relating to contracts under percentage of completion method	317	7	82,801,015,777	39,251,428,042
7. Short-term unearned revenue	318	19	1,614,462,947,541	1,827,319,525,947
8. Other current payables	319	20	489,247,068,777	387,440,116,553
9. Short-term loans and obligations under finance leases	320	21	9,571,890,414,760	7,513,635,654,008
10. Short-term provisions	321	22	100,526,097,313	174,566,812,252
11. Bonus and welfare funds	322		276,812,508,948	539,417,009,210
II. Long-term liabilities	330		1,017,288,035,899	492,617,960,249
1. Long-term unearned revenue	336	19	71,474,299,291	42,777,167,223
2. Other long-term payables	337	20	126,474,179,639	92,105,961,472
3. Long-term loans and obligations under finance leases	338	23	803,273,190,638	349,769,099,942
4. Deferred tax liabilities	341		8,238,522,578	-
5. Long-term provisions	342	22	7,635,747,470	7,773,635,329
6. Scientific and technological development fund	343		192,096,283	192,096,283

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2020

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
D. EQUITY	400		17,903,725,993,024	16,799,289,401,006
I. Owners' equity	410	24	17,900,975,993,024	16,796,539,401,006
1. Owners' contributed capital	411		7,839,874,860,000	6,783,586,880,000
- Ordinary shares carrying voting rights	411a		7,839,874,860,000	6,783,586,880,000
2. Share premium	412		49,794,213,509	49,941,441,360
3. Other owners' capital	414		912,977,796,599	765,332,464,859
4. Treasury shares	415		(823,760,000)	(823,760,000)
5. Foreign exchange reserve	417		(19,958,864,615)	(7,773,137,062)
6. Investment and development fund	418		342,769,607,414	307,526,573,229
7. Other reserves	420		87,203,093,024	102,985,531,790
8. Retained earnings	421		5,744,686,806,612	5,960,676,956,469
- Retained earnings accumulated to the prior year end	421a		4,118,872,215,658	3,503,602,891,815
- Retained earnings of the current period	421b		1,625,814,590,954	2,457,074,064,654
9. Non-controlling interests	429		2,944,452,240,481	2,835,086,450,361
II. Other resources and funds	430		2,750,000,000	2,750,000,000
1. Subsidised funds	431		2,750,000,000	2,750,000,000
TOTAL RESOURCES (440=300+400)	440		35,912,808,663,756	33,394,164,263,694


Tran Khuong
Preparer


Hoang Huu Chien
Chief Accountant


Nguyen The Phuong
Executive Vice President

07 August 2020

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED INCOME STATEMENT

For the 6-month period ended 30 June 2020

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	25	13,642,277,860,771	12,506,307,747,196
2. Deductions	02	25	31,710,450,996	13,909,606,534
3. Net revenue from goods sold and services rendered (10=01-02)	10	25	13,610,567,409,775	12,492,398,140,662
4. Cost of sales	11	26	8,264,434,357,298	7,634,938,298,874
5. Gross profit from goods sold and services rendered (20=10-11)	20		5,346,133,052,477	4,857,459,841,788
6. Financial income	21	27	380,581,645,161	317,692,756,323
7. Financial expenses	22	28	287,204,830,889	325,528,454,171
- In which: Interest expense	23		200,992,205,231	145,092,342,759
8. Share of net profit from associates	24		149,499,798,843	219,056,585,762
9. Selling expenses	25		1,226,598,701,672	1,055,041,546,880
10. General and administration expenses	26		1,966,831,969,363	1,911,869,571,430
11. Operating profit (30=20+(21-22)+24-(25+26))	30		2,395,578,994,557	2,101,769,611,392
12. Other income	31		47,525,252,703	43,608,531,788
13. Other expenses	32		15,321,270,430	6,382,671,265
14. Profit from other activities (40=31-32)	40		32,203,982,273	37,225,860,523
15. Accounting profit before tax (50=30+40)	50		2,427,782,976,830	2,138,995,471,915
16. Current corporate income tax expense	51	29	390,856,021,690	363,363,920,682
17. Deferred corporate tax expense/(income)	52	29	15,742,391,893	(4,458,509,773)
18. Net profit after corporate income tax (60=50-51-52)	60		2,021,184,563,247	1,780,090,061,006
18.1. Equity holders of the Holding Company	61		1,625,815,656,552	1,418,008,559,550
18.2. Non-controlling interests	62		395,368,906,695	362,081,501,456
19. Basic earnings per share	70	30	2,078	1,822
20. Diluted earnings per share	71		2,078	1,822


Tran Khuong
Preparer


Hoang Huu Chien
Chief Accountant


Nguyen The Phuong
Executive Vice President

07 August 2020

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED CASH FLOW STATEMENT

For the 6-month period ended 30 June 2020

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	2,427,782,976,830	2,138,995,471,915
2. Adjustments for:			
- Depreciation and amortisation of fixed assets	02	730,664,046,304	651,393,925,999
- Provisions	03	(35,948,906,253)	28,020,596,616
- Foreign exchange (gain)/loss arising from translating foreign currency items	04	(11,130,727,346)	49,086,760,996
- (Gain) from investing activities	05	(463,465,156,514)	(367,269,586,553)
- Interest expense	06	200,992,205,231	145,092,342,759
3. Operating profit before movements in working capital	08	2,848,894,438,252	2,645,319,511,732
- Changes in receivables	09	722,112,383,454	(135,953,857,029)
- Changes in inventories	10	133,073,265,697	(129,607,691,536)
- Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	(958,182,030,266)	(567,686,581,517)
- Changes in prepaid expenses	12	160,146,870	(142,448,288,475)
- Interest paid	14	(209,667,020,662)	(182,828,597,598)
- Corporate income tax paid	15	(332,557,258,749)	(312,018,109,846)
- Other cash outflows	17	(227,394,763,140)	(260,300,729,774)
Net cash generated by operating activities	20	1,976,439,161,456	914,475,655,957
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(1,334,502,110,035)	(1,675,531,109,810)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	654,022,465	254,896,216
3. Cash (outflow for) lending, buying debt instruments of other entities	23	(2,151,860,142,364)	(297,952,217,751)
4. Equity investments in other entities	25	(12,854,827,059)	(105,352,000,000)
5. Cash recovered from investments in other entities	26	31,000,000,000	101,389,573,200
6. Interest earned, dividends and profits received	27	509,285,526,209	279,367,046,068
Net cash (used in) investing activities	30	(2,958,277,530,784)	(1,697,823,812,077)

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the 6-month period ended 30 June 2020

Unit: VND

ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	33,770,672,149	31,782,000,000
2. Capital withdrawals, buy-back of issued shares	32	-	(269,625,000)
3. Proceeds from borrowings	33	8,557,562,004,354	5,938,475,623,676
4. Repayment of borrowings	34	(6,045,036,239,185)	(5,352,844,740,492)
5. Repayment of obligations under finance leases	35	(766,913,721)	-
6. Dividends and profits paid	36	(830,602,706,100)	(678,514,947,000)
Net cash generated by/(used in) financing activities	40	1,714,926,817,497	(61,371,688,816)
Net increase/(decrease) in cash (50=20+30+40)	50	733,088,448,169	(844,719,844,936)
Cash and cash equivalents at the beginning of the period	60	3,453,388,617,569	3,925,727,206,293
Effect of changes in foreign exchange rates	61	(6,022,307,845)	-
Cash and cash equivalents at the end of the period (70=50+60)	70	4,180,454,757,893	3,081,007,361,357

Tran Khuong
Preparer

Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

07 August 2020

The accompanying notes are an integral part of these interim consolidated financial statements

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

1. GENERAL INFORMATION

Structure of ownership

FPT Corporation (the "Company") was incorporated as a State-owned company in Vietnam and subsequently equitised in accordance with Decision No. 178/QĐ-TTg, following which the Company officially operated as a joint stock company. FPT Corporation was established under Business Registration Certificate No. 0103001041 issued for the first time by Hanoi Authority for Planning and Investment dated 13 May 2002 and its amendments.

According to the amended Business Registration Certificate dated 19 December 2008, the Company changed its name from the FPT Corporation for Financing and Promoting Technology to FPT Corporation.

According to the latest amended Enterprise Registration Certificate dated 04 June 2020, the Company's charter capital is VND 7,839,874,860,000.

Since December 2006, the FPT Corporation's shares have been listed on Ho Chi Minh City Stock Exchange.

The total number of the Corporation's employees as at 30 June 2020 was 29,007 (31 December 2019: 28,781).

Operating industry and principal activities

The principal activities of the Corporation are to provide IT and telecommunication products and services. The main products and services provided are (i) software development including software outsourcing; software solutions, software services and ERP services; (ii) system integration; (iii) informatics services including system management, BPO service, Data Center service etc.; (iv) telecommunications services including internet services and value added services; (v) digital content services including online advertising, etc.; (vi) general education, college, university and postgraduate training services.

Normal production and business cycle

The Corporation's normal production and business cycle is carried out for a time period of 12 months or less, except for some system integration projects which are carried out for a time period of more than 12 months.

The Corporation's structure:

As at 30 June 2020, FPT Corporation had 6 subsidiaries as follows:

Name of subsidiaries	Place of incorporation and operation	Proportion of direct and indirect ownership interest	Proportion of voting power held	Principal activities
FPT Information System Corporation	Floor 22, Keangnam Landmark 72, E6 Pham Hung, Me Tri, Tu Liem, Hanoi	100%	100%	Providing application software solutions, EPR services, IT service and integrate system service
FPT Software Company Limited	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	100%	100%	Providing software services and products
FPT Telecom Joint Stock Company (i)	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	45.65%	45.65%	Providing ADSL services, fixed line internet services, online advertising and other online services
FPT Education Company Limited	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	100%	100%	Providing training and technological services
FPT Online Service Joint Stock Company	Lot 29B-31B-33B, Tan Thuan Street, Tan Thuan Dong Ward, District 7, Ho Chi Minh city	49.52%	80.15%	Providing online services
FPT Investment Company Limited	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	100%	100%	Providing financial services activities (investment consulting services, excluding legal and financial consulting services)

- (i) As at 30 June 2020, FPT Corporation holds 45.65% of ownership interest (31 December 2019: 45.65%) and 45.65% of voting rights (31 December 2019: 45.65%) at FPT Telecom Joint Stock Company. However, the Corporation has the power to cast the majority of votes at meetings of the Board of Directors of FPT Telecom Joint Stock Company and thus, the Corporation has the power to control the financial and operating policies of FPT Telecom Joint Stock Company. Therefore, the Corporation has control over FPT Telecom Joint Stock Company, and thus, the interim financial statements of FPT Telecom Joint Stock Company were incorporated in the Corporation's interim consolidated financial statements.

As at 30 June 2020, FPT Corporation had 5 associates as follows:

Name of associates	Place of incorporation and operation	Proportion of ownership interest and voting power held	Principal activities
FPT Digital Retail Joint Stock Company	No.261 - 263 Khanh Hoi, Ward 5, District 4, Hochiminh City	46.53%	Retails of computers, peripheral devices, software and telecommunication equipment; telecom service agent
Synnex FPT Joint Stock Company	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	48%	Producing technological products and distributing IT devices and mobile phone; and manufacturing computers
FPT Securities Joint Stock Company	No. 52, Lac Long Quan Road, Bui Ward, Tay Ho District, Hanoi	20%	Securities proprietary trading, brokerage, investment advisory and depository services
FPT Capital Management Joint Stock Company	Floor 9, TTC Building, Lot B1A, Dich Vong Hau Ward, Cau Giay District, Hanoi	25%	Investment portfolio and fund management and other services
HOMA Technologies Joint Stock	House 5, Street 13, Quang Trung Software City, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City	30.43%	Manufacture and repair of electronic components, communication equipment, and electrical equipment

Disclosure of information comparability in the interim consolidated financial statements

The comparative figures of the interim consolidated balance sheet are the figures of the Corporation's audited consolidated financial statements for the year ended 31 December 2019. The comparative figures of the interim consolidated income statement and interim consolidated cash flow statement are the figures of the reviewed interim consolidated financial statements for the 6-month period ended 30 June 2019.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying interim consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting.

The accompanying interim consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Accounting period

The Corporation's financial year begins on 01 January and ends on 31 December. These interim consolidated financial statements have been prepared for the period from 01 January 2020 to 30 June 2020.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Corporation in the preparation of these interim consolidated financial statements, are as follows:

Estimates

The preparation of the interim consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The interim consolidated financial statements incorporate the interim financial statements of the Company and enterprises controlled by the Company (its subsidiaries) for the period from 01 January 2020 to 30 June 2020. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the interim consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the interim financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to the profit and loss in the period of acquisition.

The non-controlling interest is initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities, and contingent liabilities recognized.

Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these interim consolidated financial statements using the equity method of accounting. Interests in associates are carried in the interim consolidated balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognized.

Where a group entity transacts with an associate of the Corporation, unrealised profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Corporation's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary at the date of acquisition. After acquisition date, if the Parent company continues making investment in the subsidiary, it should determine the cost of additional investment and corresponding increase in ownership of the carrying value of the acquired net asset of the subsidiary (not applying fair value on acquisition date). The difference between the cost of additional investment and the carrying value of the acquired net asset should be recorded directly into retained earnings (similar to transactions among internal shareholders).

Goodwill arising on the acquisition date is presented separately as an asset in the interim consolidated balance sheet and is amortised on the straight-line basis in the interim consolidated income statement according to current regulation. In case where the amount of goodwill impairment loss in the period is more than the annual amortised amount on the straight-line basis, the loss amount shall be recognised.

On disposal of a subsidiary, the attributable amount of unmortised goodwill is reduced corresponding to the disposed share proportion and included in retained earnings in case where the Parent remains its control of the subsidiary, or reduced in full and included in the determination of the profit or loss in case where the Parent company loses the control.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits, bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the interim consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

Provisions for impairment of long-term investments are made when there is reliable evidence for declining in value of these investments at the interim consolidated balance sheet date.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and where applicable, direct labor costs, and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost of inventories is calculated using the first in first out (FIFO) method and inventories are accounted for under the perpetual method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the interim consolidated balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their following estimated useful lives:

	Years
Buildings and structures	08 - 25
Machinery and equipment	03 - 25
Motor vehicles	04 - 06
Office equipment	03 - 10
Other assets	03 - 05

Finance lease assets and depreciation

Finance lease assets are acquired from finance lease transactions, whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognized as assets of the Corporation at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the interim consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to interim consolidated profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Corporation's general policy on borrowing costs.

Intangible assets and amortisation

(i) Land use rights

Intangible assets represent land use rights that are stated at cost less accumulated amortisation. Definite land use rights are amortised using the straight-line method over the duration of the rights to use the land. Indefinite land use rights are not amortised.

(ii) License, copyright and patent

Purchase price of license is accounted for as intangible asset. License is amortised to the interim consolidated income statement on straight-line basis over a period of 3 to 5 years. The right to operate the high-speed internet line is amortised over 15 years.

Purchase prices of copyright and patent are capitalized and accounted for as intangible asset. Copyright and patent are amortised to the interim consolidated income statement on straight-line basis over a period of 3 to 5 years.

(iii) Customer relationships and Brand name

The assets acquired after acquisition of Intellinet company include two assets: Customer relationships and Brand name. Customer relationships and Brand name are amortized on a straight-line basis over their estimated useful lives of 20 years and 10 years, respectively.

(iv) Computer software

Purchase price of new computer software, which is not an integral part of related hardware is capitalized and accounted for as intangible asset. Computer software is amortised to the interim consolidated income statement on straight-line basis over a period of 3 to 5 years.

Construction in progress

Properties in the course of construction for production, rental, or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Corporation's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Long-term prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including land rentals, office rentals, expenses for implementing contracts with internet subscribers, expenses for fiber-optic migration and PayTV installation, and other types of long-term prepayments.

Land rentals represent rentals that have been paid in advance and other expenses incurred in relation to guarantee the use of the leased land. Land rentals and office rentals are charged to the interim consolidated income statement using the straight-line method over the lease term.

Expenses for implementing contracts with internet subscribers represent expenses for implementing contracts with internet subscribers, and are charged to the interim consolidated income statement using the straight-line method over the contract implementation duration.

Expenditures for fiber-optic migration and PayTV installation includes value of materials and equipment issued for consumption. These expenses have been capitalized as prepayments, and are allocated to the interim consolidated income statement using the straight-line method over a



period of 24 months or less.

Other types of long-term prepayments comprise costs of small tools, supplies and spare parts issued for consumption, office and furniture repair, maintenance and prepayments for systems integration contracts which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as long-term prepayments, and are allocated to the interim consolidated income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are made when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation as at the interim consolidated balance sheet date.

Provision for warranties

The provision for warranties relates mainly to goods sold. The provision is based on estimates derived from historical warranty data associated with similar products.

Bonus and welfare funds

The Corporation distributes up to 10% of net profit after tax of the Company and subsidiaries to bonus and welfare funds.

Revenue recognition

Revenue is recognized when the outcome of such transactions can be measured reliably and it is probable that the economic benefits associated with the transactions will flow to the Corporation.

Revenue from the sale of goods

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Corporation has transferred to the buyer significant risks and rewards of ownership of the goods;
- (b) the Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Corporation; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from rendering of services

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Corporation;
- (c) the percentage of completion of the transaction at the interim consolidated balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue from software solutions, system integration and informatics services

Revenue is recognised in the interim consolidated income statement by reference to the percentage of completion of transaction at the period end. The percentage of completion is assessed by performance or the percentage of the incurred expense of the completed work over the total contract cost estimate. Revenue is not recognised if there is material uncertainty related to recovery of receivables.

Revenue from processing services

Revenue from processing services is recognised in the interim consolidated income statement when the goods have been processed and accepted by the buyer. No revenue is recognised if there is material uncertainty related to recovery of receivables.

Revenue from telecommunication services

Revenue from telecommunication services is recognised on pro-rata basis over the period during which the services are actually provided to customers.

Revenue from online advertising services

Revenue from online advertising services is recognised on the basis of work completed.

Revenue from tuition fees and fees

Revenue is recognised in the period when services are rendered. Tuition fees and fees collected in advance from the students are recorded as unearned revenue on the interim consolidated balance sheet and accounted to the interim consolidated income statement in the period in which the semester falls.

Tuition fees and fees payment

Tuition and fees are fully paid in advance prior to the beginning of each semester.

Enrolment fee or application fee

A one-time fixed application fee is charged per student and collected with applications for enrolment. Proceeds from the application fees are used to defray the costs associated with all procedures relating to processing each student's enrolment, including the administration of applicable evaluation of prior school records and appropriate placement for the student. The application fee is not refundable.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the interim consolidated balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the interim consolidated income statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Translation of financial statements of foreign operations

For the purpose of presenting interim consolidated financial statements, the assets and liabilities of the Corporation's foreign operations (including comparative figures) are translated to reporting currency using exchange rates prevailing on the interim consolidated balance sheet date. Income and expense items (including comparative figures) are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Corporation's foreign exchange reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Borrowing costs

Borrowing costs are recognised in the consolidated income statement in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

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Earnings per share

The Corporation presents basic earnings per share (EPS) and diluted earnings per share (Diluted EPS) for its ordinary shares. Basic EPS is calculated by having the profit or loss attributable to the ordinary shareholders of the Corporation divided by the weighted average number of outstanding ordinary shares during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding taking into consideration the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

Related parties

Related parties include associates and key management personnel of the Corporation.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the interim consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

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4. SEGMENT REPORTING

A business segment is a distinguishable component of an enterprise that is engaged in producing or providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

The Corporation has two major segments under the management of FPT Corporation and its subsidiaries (the "Corporation") as follows:

Information Technology and Telecommunication

- **Telecommunication:** providing internet services to individuals and households, internet services to enterprises such as providing internet leased line services, domestic and international telecommunication, domain, hosting, Web Portal services, IPTV, etc.;
- **Digital content:** providing online services to enterprises and individual customers, including online newspapers (such as VnExpress.net, Ngoisao.net, iOne.net, PCWorld.com.vn, Gamethu.vn, etc.); online advertising, AdNetwork, online music, e-payment, etc.;
- **Global IT services:** Software production, providing consultancy and deployment of S.M.A.C/IoT, digital transformation solutions, IT system for enterprises, quality assurance testing, embedded software design, ERP implementation and management services;
- **Software solutions, system integration and informatics services:** providing application software solutions, providing information system integration solutions and services, supplying IT equipment, data center services, networking and security system design/development; warranty and maintenance of IT products authorized by hardware vendors;

Investment and education:

- Providing training services in IT, business management majors at general education, high education, university, and post-graduate levels;
- Managing investments in associates;
- Managing and developing real estate projects relating to the Corporation's infrastructure needs.



4.1 Segment income statement report

Current period

Unit: VND million

Items	Information Technology and Telecommunication				Investment and education	Elimination	Total
	Telecommunication	Digital content	Global IT services	Software solutions, system integration and informatics services			
Segment revenue	5,217,390	221,309	5,810,278	1,717,055	894,260	(249,725)	13,610,567
Segment expenses (i)							
Directly attributable expenses	(4,395,879)	(138,577)	(4,839,820)	(1,652,971)	(687,399)	256,781	(11,457,865)
In which:							
- Depreciation and amortisation	(530,430)	(1,301)	(136,642)	(13,949)	(50,520)	2,178	(730,664)
- Allocation of long-term prepaid expenses	(751,061)	(2,274)	(47,412)	(9,454)	(45,169)	-	(855,370)
Segment result (ii)	821,511	82,732	970,458	64,084	206,861	7,056	2,152,702
Segment profit before tax	833,280	104,927	895,610	71,172	2,243,413	(1,720,619)	2,427,783
Total expenses for acquisition of fixed assets, construction in progress and other long-term assets	1,538,133	1,881	357,077	36,975	793,394	-	2,727,460

- (i) Segment expenses are expenses incurred from operating activities of a segment that are directly attributable and allocable to that segment, including those arising from transactions with external customers and from transactions with other segments. Accordingly, segment expenses include cost of sales, selling and administration expenses.
- (ii) Segment result is the segment revenue less segment expenses.

Prior period

Unit: VND million

Items	Information Technology and Telecommunication				Investment and education	Elimination	Total
	Telecommunication	Digital content	Global IT services	Software solutions, system integration and informatics services			
Segment revenue	4,650,466	271,235	4,931,942	2,031,900	736,692	(129,837)	12,492,398
Segment expenses							
Directly attributable expenses	(3,962,867)	(148,057)	(4,146,145)	(1,915,206)	(561,558)	131,982	(10,601,851)
In which:							
- Depreciation and amortisation	(481,518)	(2,082)	(129,466)	(16,163)	(24,383)	2,146	(651,466)
- Allocation of long-term prepaid expenses	(297,403)	(2,951)	(80,552)	(14,986)	(28,687)	-	(424,579)
Segment result	687,599	123,178	785,797	116,694	175,134	2,145	1,890,547
Segment profit before tax	683,890	137,897	741,102	112,566	1,714,729	(1,251,189)	2,138,995
Total expenses for acquisition of fixed assets, construction in progress and other long-term assets	1,548,076	2,738	221,172	23,055	305,382	-	2,100,423

4.2 Segment balance sheet report

Items	Information Technology and Telecommunication				Investment and education	Elimination	Total
	Telecommunication	Digital content	Global IT services	Software solutions, system integration and informatics services			
Closing balance							
Segment assets	12,619,685	1,030,158	10,582,401	4,305,161	11,587,726	(4,212,322)	35,912,809
Segment liabilities	7,768,627	282,340	6,718,681	2,967,218	4,691,459	(4,419,242)	18,009,083
Opening balance							
Segment assets	12,825,489	1,055,955	8,363,509	4,390,989	8,140,182	(1,381,960)	33,394,164
Segment liabilities	8,157,544	319,816	4,629,918	2,989,354	2,528,211	(2,029,968)	16,594,875

5. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	3,047,095,705	3,833,056,658
Bank demand deposits	2,104,125,748,623	2,607,811,361,305
Cash equivalents (i)	2,073,281,913,565	841,744,199,606
	<u>4,180,454,757,893</u>	<u>3,453,388,617,569</u>

- (i) Cash equivalents represent bank deposits with original terms of three months or less with interest rates ranging from 4.25% to 4.75%.

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6. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost VND	Carrying amount VND	Cost VND	Carrying amount VND
a. Held-to-maturity investments	8,845,014,523,234	8,823,220,085,750	6,767,480,399,809	6,708,978,162,325
- Deposits with original term of more than 3 months and remaining term of not exceeding 12 months	8,809,739,471,458	8,809,739,471,458	6,701,205,348,033	6,701,205,348,033
- Other short-term investments	35,275,051,776	13,480,614,292	66,275,051,776	7,772,814,292

	Closing balance			Opening balance		
	Cost	Provision	Fair value VND	Cost	Provision	Fair value VND
b. Equity investments in other entities	1,495,250,071,864	(304,037,034,313)	3,476,416,337,548	1,523,623,994,517	(309,784,634,600)	5,099,805,878,855
- Other investments (*)	865,250,071,864	(304,037,034,313)	1,412,425,489,947	893,623,994,517	(309,784,634,600)	1,586,921,884,850

In accordance with Circular No.202/2014/TT-BTC dated 22 December 2014, the fair value of investments in associates and investments in other entities as at 30 June 2020 should be presented. According to assessment of Board of Management, the fair value of the investments presented above is prudently determined and minimum attainable.

(*) Fair value is determined based on book value or corresponding valuations according to market prices of these investments at the end of accounting period or fair value is determined based on the closing price on the stock exchange and the number of shares held by the Corporation at the end of accounting period.

7. RECEIVABLES/PAYABLES RELATING TO CONSTRUCTION CONTRACTS UNDER PERCENTAGE OF COMPLETION METHOD

	Closing balance	Opening balance
	VND	VND
Contracts in progress as at the balance sheet date		
Receivables from construction contracts under percentage of completion method	276,042,606,836	318,339,389,202
Payables relating to construction contracts under percentage of completion method	(82,801,015,777)	(39,251,428,042)
	193,241,591,059	279,087,961,160
Contract costs incurred plus recognised profits less recognized losses to date	1,945,012,268,903	2,564,822,594,802
Less: Progress billings	(1,751,770,677,844)	(2,285,734,633,642)
	193,241,591,059	279,087,961,160

8. OTHER RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Current		
Receivables related to maintenance service contracts	170,974,345,084	114,333,547,990
Accrued interests	143,626,029,303	141,363,073,289
Advances	32,039,753,178	15,042,429,075
Deposits	30,642,404,714	33,709,978,901
Other receivables	145,428,045,060	186,866,923,812
	522,710,577,339	491,315,953,067
b. Non-current		
Deposits	256,537,756,835	214,269,143,412
Other receivables	55,091,089,101	55,136,703,156
	311,628,845,936	269,405,846,568

9. BAD DEBTS

	Closing balance			Opening balance		
		Recoverable amount (*)	Provision		Recoverable amount (*)	Provision
	Cost		VND	Cost		VND
Total amount of receivables past due or not past due but impaired	746,089,406,208	258,452,456,109	487,636,950,099	481,110,126,440	64,865,337,869	416,244,788,571
In which:						
Provisions for short-term doubtful debts			432,907,776,281			361,515,614,753
Provisions for long-term doubtful debts			54,729,173,818			54,729,173,818

(*) Estimated recoverable amount of receivables past due or not past due but impaired is the cost of the receivable amount less provision for the same amount under current regulations.

10. INVENTORIES

	<u>Closing balance</u>		<u>Opening balance</u>	
	VND		VND	
	Cost	Provision	Cost	Provision
Goods in transit	55,207,553,781	-	105,553,294,510	-
Raw materials	184,618,034,721	(39,782,659,143)	201,087,084,424	(30,279,235,077)
Tools and supplies	26,489,391,013	-	42,977,317,149	-
Work in progress	586,836,202,487	(32,143,439,918)	538,357,210,802	(32,143,439,918)
Goods on consignment	634,827,594	-	554,636,331	-
Merchandise	521,467,704,906	(3,125,003,694)	461,429,358,177	(3,335,492,455)
Total	1,375,253,714,502	(75,051,102,755)	1,349,958,901,393	(65,758,167,450)

11. PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Expenses for implementing contracts with internet subscribers	385,829,649,089	403,755,987,720
Other current prepayments	262,547,446,464	288,744,784,141
	648,377,095,553	692,500,771,861
b. Non-current		
Expenditure for fiber-optic migration and PayTV installation	990,091,980,532	947,987,826,010
Land rentals and office rentals	428,405,470,078	522,525,094,919
Other non-current prepayments	872,598,041,539	776,619,041,782
	2,291,095,492,149	2,247,131,962,711

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

12. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

Movements of taxes and other receivables from/payables to the State budget:

Items	Opening balance	Payable/received	Paid and deducted	Closing balance
	VND	during the period	during the period	VND
Value added tax	194,796,202,522	1,590,755,714,244	1,588,688,584,169	196,863,332,597
- Output value added tax	194,794,636,361	1,483,458,700,752	1,481,378,344,500	196,874,992,613
- Value added tax on imported goods	1,566,161	107,297,013,492	107,310,239,669	(11,660,016)
Import duties	(181,397,818)	4,137,211,515	3,883,187,605	72,626,092
Corporate income tax	154,296,524,532	345,813,059,653	332,557,258,749	167,552,325,436
Personal income tax	56,133,748,776	375,440,880,917	384,835,657,869	46,738,971,824
Foreign contractor withholding tax	19,144,273,924	39,438,657,359	49,965,807,821	8,617,123,462
Other taxes and fees	2,170,071,599	3,621,415,713	3,991,667,070	1,799,820,242
Total	426,359,423,535	2,359,206,939,401	2,363,922,163,283	421,644,199,653

In which:

- Taxes and other receivables from the State budget	128,102,182,161	42,198,284,566
- Taxes and amounts payable to the State budget	554,461,605,696	463,842,484,219

The balance of taxes and other receivables from/payables to the State budget in detail:

- Taxes and other receivables from the State budget

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Value added tax	2,899,661,749	108,856,592,037
Import duties	181,397,817	181,397,817
Corporate income tax	35,115,650,431	18,995,079,902
Personal income tax	1,671,324,539	-
Other taxes and fees	2,330,250,030	69,112,405
Total	42,198,284,566	128,102,182,161

- Taxes and amounts payable to the State budget

Taxes and amounts payable to the State budget

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Value added tax	200,896,633,355	303,652,786,817
Import duties	254,023,910	-
Corporate income tax	202,667,975,901	173,291,604,434
Personal income tax	48,410,296,046	56,133,748,776
Other taxes and fees	11,613,555,007	21,383,465,669
Total	463,842,484,219	554,461,605,696

13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
COST						
Opening balance	2,244,612,256,360	8,231,582,976,860	84,914,113,852	678,498,425,870	61,453,999,269	11,301,061,772,211
Purchases	4,240,082,161	655,102,899,272	2,762,121,818	31,311,323,178	3,318,499,290	696,734,925,719
Transfer from construction in progress	-	7,650,567,908	-	910,405,597	1,258,660,000	9,819,633,505
Reclassification	(207,946,360)	(5,119,291,596)	-	5,327,237,956	-	-
Disposals	-	(6,641,426,841)	(1,625,578,562)	(2,252,339,118)	(105,215,000)	(10,624,559,521)
Other increases/(decreases) (*)	136,253,968	(360,692,386,900)	2,246,702	(27,678,644,046)	(13,291,350)	(388,245,821,626)
Closing balance	2,248,780,646,129	8,521,883,338,703	86,052,903,810	686,116,409,437	65,912,652,209	11,608,745,950,288
ACCUMULATED DEPRECIATION						
Opening balance	437,760,265,861	3,966,975,616,646	40,140,775,079	554,001,495,353	6,921,773,062	5,005,799,926,001
Charge for the period	53,076,769,635	541,584,539,857	5,394,588,197	19,016,204,930	3,000,894,088	622,072,996,707
Reclassification	(25,345,346)	(2,517,523,970)	-	2,542,869,316	-	-
Disposals	-	(5,453,054,004)	(1,625,578,562)	(2,090,934,655)	(76,513,138)	(9,246,080,359)
Other decreases (*)	(2,111,056,477)	(205,836,411,888)	(23,609,485)	(24,153,398,736)	(13,906,903)	(232,138,383,489)
Closing balance	488,700,633,673	4,294,753,166,641	43,886,175,229	549,316,236,208	9,832,247,109	5,386,488,458,860
NET BOOK VALUE						
Opening balance	1,806,851,990,499	4,264,607,360,214	44,773,338,773	124,496,930,517	54,532,226,207	6,295,261,846,210
Closing balance	1,760,080,012,456	4,227,130,172,062	42,166,728,581	136,800,173,229	56,080,405,100	6,222,257,491,428

(*) Other decreases in tangible fixed assets during the period mainly represent machinery and equipment from former telecommunications infrastructure that are no longer in use, were dismantled and returned to warehouse.

As at 30 June 2020, the cost of the Corporation's tangible fixed assets which had been fully depreciated but are still in use was approximately VND 1,980,530 million (as at 31 December 2019: approximately VND 1,846,603 million).

14. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	License, copyright and patent	Others	Total
	VND	VND	VND	VND	
COST					
Opening balance	179,681,242,218	381,977,715,513	1,028,502,051,437	383,653,350,519	1,973,814,359,687
Purchases	2,553,990,000	32,463,047,523	3,529,976,747	395,420,000	38,942,434,270
Transferred from construction in progress	-	-	614,506,040	-	614,506,040
Disposals	-	(7,956,137,662)	(95,143,140)	(777,316,419)	(8,828,597,221)
Other increases/(decreases)	-	(4,623,911,901)	(2,943,285,099)	4,538,400	(7,562,658,600)
Closing balance	182,235,232,218	401,860,713,473	1,029,608,105,985	383,275,992,500	1,996,980,044,176
ACCUMULATED AMORTISATION					
Opening balance	9,061,671,828	314,715,063,362	444,364,717,153	11,611,885,282	779,753,337,625
Charge for the period	731,667,957	24,070,962,433	68,542,024,108	60,150,878	93,404,805,376
Disposals	-	(7,956,137,662)	(95,143,140)	(777,316,419)	(8,828,597,221)
Other increases/(decreases)	-	(6,026,550,703)	(2,943,285,099)	4,538,400	(8,965,297,402)
Closing balance	9,793,339,785	324,803,337,430	509,868,313,022	10,899,258,141	855,364,248,378
NET BOOK VALUE					
Opening balance	170,619,570,390	67,262,652,151	584,137,334,284	372,041,465,237	1,194,061,022,062
Closing balance	172,441,892,433	77,057,376,043	519,739,792,963	372,376,734,359	1,141,615,795,798

As at 30 June 2020, the cost of the Corporation's intangible assets which had been fully amortised but are still in use was approximately VND 352,579 million (as at 31 December 2019: approximately VND 229,233 million).

15. CONSTRUCTION IN PROGRESS

	Current period	Prior period
	VND	VND
Opening balance	1,650,470,873,492	1,174,778,083,753
Additions	593,228,269,844	427,916,949,684
Transferred to fixed assets	(10,434,139,545)	(160,968,279,754)
Closing balance	2,233,265,003,791	1,441,726,753,683
	Closing balance	Opening balance
	VND	VND
Fixed assets acquisition	7,886,623,130	614,506,040
Constructions in progress	2,225,378,380,661	1,649,856,367,452
	2,233,265,003,791	1,650,470,873,492

In which, the detailed balance of constructions in progress are as below:

	Closing balance	Opening balance
	VND	VND
FPT Tower	1,055,641,299,584	978,819,494,856
Ftown 3	374,249,929,859	344,891,726,250
FPT Telecom Tan Thuan data center	201,503,446,316	42,947,935,296
FPT Can Tho	137,683,651,004	70,617,064,125
FPT University in Da Nang City	131,916,763,986	14,158,110,249
FPT University in Ho Chi Minh City	78,065,262,006	43,793,483,887
Other construction	246,318,027,906	154,628,552,789
	2,225,378,380,661	1,649,856,367,452

16. INVESTMENTS IN ASSOCIATES

	Current period	Prior period
	VND	VND
Opening balance	1,912,712,694,571	1,676,231,689,527
Share of net profit after corporate income tax of associates	119,549,113,210	318,095,248,544
Dividends received	(183,158,930,500)	(81,614,243,500)
Change from equity investments in other entities to investment in associates	41,252,399,713	-
Closing balance	1,890,355,276,994	1,912,712,694,571

17. GOODWILL

	<u>VND</u>
COST	
Opening balance	281,220,744,876
Increase during the period	704,200,000
Closing balance	<u>281,924,944,876</u>
AMORTISATION	
Opening balance	55,291,329,604
Charge for the period	13,219,552,773
Closing balance	<u>68,510,882,377</u>
NET BOOK VALUE	
Opening balance	<u>225,929,415,272</u>
Closing balance	<u>213,414,062,499</u>

18. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accrued expenses relating to system integration projects	335,280,168,290	381,465,970,404
Accrued interest expenses	108,087,781,811	91,767,703,259
Accruals for Public-utility Telecommunications Service Fund and licence for telecommunications services	100,618,490,860	118,211,136,695
Others	225,840,405,982	155,408,798,408
	<u>769,826,846,943</u>	<u>746,853,608,766</u>

19. UNEARNED REVENUE

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a) Current		
Unearned revenue related to telecom services	1,236,386,014,416	1,300,762,452,613
Unearned revenue related to tuition fees	294,069,516,230	451,380,452,990
Other unearned revenue	84,007,416,895	75,176,620,344
	<u>1,614,462,947,541</u>	<u>1,827,319,525,947</u>
b) Non-current		
Unearned revenue related to telecom services	35,125,549,951	5,724,987,341
Other unearned revenue	36,348,749,340	37,052,179,882
	<u>71,474,299,291</u>	<u>42,777,167,223</u>

20. OTHER PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a) Current		
Trade union fee	62,936,405,256	57,305,049,175
Social, health and unemployment insurance	20,615,350,842	75,143,289,315
Short-term deposits received	115,899,580,775	116,120,080,252
Dividends payable	145,741,983,831	9,864,253,931
Other current payables	144,053,748,073	129,007,443,880
	<u>489,247,068,777</u>	<u>387,440,116,553</u>
b) Non-current		
Long-term deposits received	122,270,453,186	75,072,699,564
Other non-current payables	4,203,726,453	17,033,261,908
	<u>126,474,179,639</u>	<u>92,105,961,472</u>



21. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount	VND Amount able to be paid off	Increase	Decrease	Amount	VND Amount able to be paid off
Short-term loans from banks (i)	7,159,532,044,820	7,159,532,044,820	7,878,625,481,182	5,867,222,402,324	9,170,935,123,678	9,170,935,123,678
Current portion of long-term loans and obligations under finance leases	354,103,609,188	354,103,609,188	225,432,432,476	178,580,750,582	400,955,291,082	400,955,291,082
- Current portion of long-term loans (see details in Note 23)	353,007,554,443	353,007,554,443	224,841,681,863	177,813,836,861	400,035,399,445	400,035,399,445
- Current portion of long-term obligations under finance leases (see details in Note 23)	1,096,054,745	1,096,054,745	590,750,613	766,913,721	919,891,637	919,891,637
Total	7,513,635,654,008	7,513,635,654,008	8,104,057,913,658	6,045,803,152,906	9,571,890,414,760	9,571,890,414,760

(i) Most of short-term loans from banks are unsecured. These loans can be withdrawn in either Vietnam Dong or United States Dollar. Interest rate is determined in respect of each specific withdrawal.

22. PROVISIONS

a) Short-term

	Short-term provisions for warranties	Others	Total
	VND	VND	VND
Opening balance	16,292,954,001	158,273,858,251	174,566,812,252
Additional provision in the period	1,978,582,939	27,000,000,000	28,978,582,939
Utilized provisions	(3,226,065,160)	(99,793,232,718)	(103,019,297,878)
Closing balance	15,045,471,780	85,480,625,533	100,526,097,313

b) Long-term

	Long-term provisions for warranties	Long-term provisions for guarantees on student loans	Total
	VND	VND	VND
Opening balance	7,760,730,329	12,905,000	7,773,635,329
Additional provision in the period	1,285,908,591	-	1,285,908,591
Utilized provisions	(1,423,796,450)	-	(1,423,796,450)
Closing balance	7,622,842,470	12,905,000	7,635,747,470

Warranties

The provisions for warranties relate mainly to goods sold. The provisions were based on estimates derived from historical warranty data associated with similar products.

23. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount	VND Amount able to be paid off	Increase	Decrease	Amount	VND Amount able to be paid off
Long-term loans	700,873,261,151	700,873,261,151	678,915,887,536	177,813,836,861	1,201,975,311,826	1,201,975,311,826
Long-term obligations under finance leases	2,999,447,979	2,999,447,979	20,635,636	766,913,721	2,253,169,894	2,253,169,894
Total	703,872,709,130	703,872,709,130	678,936,523,172	178,580,750,582	1,204,228,481,720	1,204,228,481,720
Of which:						
- Amount due for settlement within 12 months	354,103,609,188				400,955,291,082	
- Amount due for settlement after 12 months	349,769,099,942				803,273,190,638	

Details of long-term loans by term:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Long-term loans	1,201,975,311,826	700,873,261,151
- 3-year term	622,467,132,875	506,429,939,806
- 4-year term	-	51,954,791,817
- 5-year term	579,508,178,951	142,488,529,528
Long-term obligations under finance leases	2,253,169,894	2,999,447,979
Total	<u>1,204,228,481,720</u>	<u>703,872,709,130</u>
Of which:		
- Amount due for settlement within 12 months	400,955,291,082	354,103,609,188
- Amount due for settlement after 12 months	803,273,190,638	349,769,099,942

Long-term loans are repayable as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
On demand or within one year	400,035,399,445	353,007,554,443
In the second year	404,507,529,359	260,887,573,374
In the third to fifth year inclusive	397,432,383,022	86,978,133,334
	<u>1,201,975,311,826</u>	<u>700,873,261,151</u>
Less: Amount due for settlement within 12 months (shown under short-term loans)	400,035,399,445	353,007,554,443
Amount due for settlement after 12 months	<u>801,939,912,381</u>	<u>347,865,706,708</u>

24. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Other owners' capital	Treasury shares	Foreign exchange reserve	Investment and development fund	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Prior year's opening balance	6,136,367,720,000	49,465,703,201	667,035,271,273	(823,760,000)	14,965,650,460	222,962,521,203	87,230,283,704	5,293,166,046,073	12,470,369,435,914
Shares issued	30,672,000,000	-	-	-	-	-	-	-	30,672,000,000
Profit for the year	-	-	-	-	-	-	-	3,135,723,250,490	3,135,723,250,490
Appropriation of bonus and welfare funds	-	-	-	-	-	-	-	(276,493,604,433)	(276,493,604,433)
Appropriation and use of development and investment fund	-	-	-	-	-	84,545,709,935	-	(95,776,600,202)	(11,230,890,267)
Stock dividends declared	616,547,160,000	-	103,242,050,000	-	-	-	-	(719,789,210,000)	-
Cash dividends declared	-	-	-	-	-	-	-	(1,294,897,908,000)	(1,294,897,908,000)
Other movements	-	475,738,159	(4,944,856,414)	-	(22,738,787,522)	18,342,091	15,755,248,086	(81,255,017,459)	(92,689,333,059)
Current period's opening balance	6,783,586,880,000	49,941,441,360	765,332,464,859	(823,760,000)	(7,773,137,062)	307,526,573,229	102,985,531,790	5,960,676,956,469	13,961,452,950,645
Shares issued	33,917,900,000	(147,227,851)	-	-	-	-	-	-	33,770,672,149
Profit for the period	-	-	-	-	-	-	-	1,625,814,590,954	1,625,814,590,954
Appropriation of development and investment fund (ii)	-	-	-	-	-	35,209,737,120	-	-	35,209,737,120
Stock dividends declared (i)	1,022,370,080,000	-	131,859,930,515	-	-	-	-	(1,154,230,010,515)	-
Cash dividends declared	-	-	-	-	-	-	-	(681,668,102,000)	(681,668,102,000)
Other movements	-	-	15,785,401,225	-	(12,185,727,553)	33,297,065	(15,782,438,766)	(5,906,628,296)	(18,056,096,325)
Current period's closing balance	7,839,874,860,000	49,794,213,509	912,977,796,599	(823,760,000)	(19,958,864,615)	342,769,607,414	87,203,093,024	5,744,686,806,612	14,956,523,752,543
<i>In which:</i>									
Net profit in the period transferred from the interim consolidated income statement								1,625,815,656,552	1,625,815,656,552
Non-controlling interest									
- Opening balance	1,465,751,055,014	32,465,761,888	1,846,533	-	141,687,851	325,879,730,671	18,789,771,234	992,056,597,170	2,835,086,450,361
- Closing balance	1,608,178,845,014	32,465,761,888	30,103,744,793	-	197,679,671	325,846,433,607	-	947,659,775,508	2,944,452,240,481



- (i) In the period, the Company issued 102,237,008 shares for dividend payment of 2019 according to the Resolution of Company's Shareholders' Annual General Meeting of 2020.
 FPT Telecom Joint Stock Company and FPT Online Service Joint Stock Company (subsidiaries of the Corporation) also issued shares to the Corporation as dividend payment of 2019 which was recorded as other owners' capital in accordance with Circular No. 202/2014/TT-BTC dated 22 December 2014.
- (ii) In the period, FPT Education Company limited (a subsidiary of the Corporation) has appropriated development and investment fund from profit before tax to invest in developing educational activities under the Consolidated Document of the Law on Higher Education No. 42/VBHN-VPQH in 2018.

Dividends

On 09 April 2020, at the Company's Shareholders' Annual General Meeting, shareholders approved the plan of stock dividend payment of 2019 at the pay-out ratio of 15% (03 new share for every 20 shares held) and second cash dividend payment of 2019 at the pay-out ratio of 10% of par value (VND 1,000/share). Accordingly, the Company issued 102,237,008 shares for dividend payment of 2019 and paid cash dividend with amount of VND 681,668,102,000.

Number of outstanding shares

	<u>Closing balance</u>	<u>Opening balance</u>
	Shares	Shares
Authorised share capital	783,987,486	678,358,688
Issued share capital	783,987,486	678,358,688
Ordinary shares	783,987,486	678,358,688
<i>In which shares subject to restriction in ownership transfer</i>	11,642,062	10,072,368
Treasury shares	(82,376)	(82,376)
<i>In which shares subject to restriction in ownership transfer</i>	-	-
Outstanding shares in circulation	783,905,110	678,276,312
Ordinary shares	783,905,110	678,276,312
<i>In which shares subject to restriction in ownership transfer</i>	11,642,062	10,072,368

All ordinary shares have a par value of VND 10,000. Each share is entitled to one vote at shareholders' meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are re-issued.

Shares subject to restriction in ownership transfer have a par value of VND 10,000. These shares are subject to restrictions according to which shareholders are not allowed to resell their shares within specified term from the date of issue.

25. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Gross revenue from goods sold and services rendered	13,642,277,860,771	12,506,307,747,196
In which:		
- Sales of merchandise, products	1,214,344,880,540	1,552,775,153,347
- Sales of services	12,427,932,980,231	10,953,532,593,849
Deductions	31,710,450,996	13,909,606,534
Net revenue from goods sold and services rendered	13,610,567,409,775	12,492,398,140,662

The details of revenue per segment of the Corporation are disclosed in Note 4 - Segment reporting.

26. COST OF SALES

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Cost of merchandise, products sold	1,003,662,503,357	1,542,428,747,892
Cost of services rendered	7,251,478,918,636	6,081,380,920,061
Provision for inventory devaluation	9,292,935,305	11,128,630,921
	8,264,434,357,298	7,634,938,298,874

27. FINANCIAL INCOME

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Bank and loan interest	312,992,396,087	207,061,421,241
Foreign exchange gain	65,850,325,866	99,083,580,091
Other financial income	1,738,923,208	11,547,754,991
	380,581,645,161	317,692,756,323

28. FINANCIAL EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Interest expense	200,992,205,231	145,092,342,759
Foreign exchange loss	122,775,276,611	146,697,767,463
Other financial expenses	(36,562,650,953)	33,738,343,949
	287,204,830,889	325,528,454,171

29. CORPORATE INCOME TAX EXPENSE

	<u>Current period</u> VND	<u>Prior period</u> VND
Current corporate income tax expense		
- Corporate income tax based on taxable profit in the current period	327,881,541,087	364,525,584,976
- Adjustments for corporate income tax expenses in previous years to the current period	62,974,480,603	(1,161,664,294)
Total corporate income tax expense	390,856,021,690	363,363,920,682
	<u>Current period</u> VND	<u>Prior period</u> VND
Deferred corporate income tax expense/(income)		
- Deferred corporate income tax expenses arising from taxable temporary differences	15,742,391,893	-
- Deferred corporate income tax incomes arising from deductible temporary differences	-	(4,458,509,773)
Total deferred corporate income tax expense/(income)	15,742,391,893	(4,458,509,773)

Applicable tax rate

Under its Business Registration Certificates and prevailing tax regulations, the Corporation is obligated to pay CIT to the State budget at the rate of 10% of taxable profit on software production and software services supply, 10% of taxable profit on training services and 20% of taxable profit on provisions of other goods and services.

Tax rates applicable to subsidiaries of FPT Corporation are in accordance with the prevailing tax regulations.

30. BASIC EARNINGS PER SHARE

Basic earnings per share for the period from 01 January 2020 to 30 June 2020 was calculated based on the profit attributable to ordinary shareholders and a weighted average number of outstanding ordinary shares during the period, as follows:

	<u>Current period</u>	<u>Prior period</u> (Restated)
Accounting profit after corporate income tax (VND)	1,625,815,656,552	1,418,008,559,550
Weighted average number of outstanding ordinary shares (shares)	782,227,851	778,468,520
Basic earnings per share (VND/share)	2,078	1,822

Restatement of weighted average number of ordinary shares

According to applicable accounting regulations, in the period from 01 January 2020 to 30 June 2020, FPT Corporation paid stock dividends, which led to a retrospective adjustment to the weighted average number of outstanding ordinary shares of the period from 01 January 2019 to 30 June 2019, as follows:

	Weighted average number of ordinary shares	Basic earnings per share
	Shares	VND
Ordinary shares outstanding at the beginning of the period	676,231,512	2,097
Restatement as a result of stock dividend payment during the period	102,237,008	(275)
As restated	778,468,520	1,822

31. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties:

Related party	Relationship
FPT Digital Retail Joint Stock Company	Associate
Synnex FPT Joint Stock Company	Associate
FPT Capital Management Joint Stock Company	Associate
FPT Securities Joint Stock Company	Associate
HOMA Technologies Joint Stock Company	Associate

During the period, the Corporation entered into the following significant transactions with its related parties:

	Current period	Prior period
	VND	VND
Cash dividends received		
FPT Securities Joint Stock Company	12,025,139,500	10,931,945,000
Synnex FPT Joint Stock Company	171,133,791,000	28,522,298,500
FPT Digital Retail Joint Stock Company	-	31,960,000,000
Purchases of goods and services		
Synnex FPT Joint Stock Company	443,411,426,101	406,676,850,048
FPT Digital Retail Joint Stock Company	22,380,528,186	7,849,450,797
Recovery from lending		
FPT Digital Retail Joint Stock Company	345,000,000,000	20,000,000,000

As at the interim consolidated balance sheet date, the Corporation had significant outstanding balances with its related parties, as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Entrusted investments and lendings		
FPT Capital Management Joint Stock Company	41,366,081,776	72,366,081,776
Capital contribution		
FPT Capital Management Joint Stock Company	27,500,000,000	27,500,000,000
FPT Securities Joint Stock Company	110,000,000,000	110,000,000,000
FPT Digital Retail Joint Stock Company	94,000,000,000	94,000,000,000
Synnex FPT Joint Stock Company	398,500,000,000	398,500,000,000
HOMA Technologies Joint Stock Company	47,000,000,000	-
Payables		
Synnex FPT Joint Stock Company	138,845,096,413	98,861,271,404
Payables via centralized account		
FPT Digital Retail Joint Stock Company	3,759,189,707	2,993,176,666
Short-term loans		
FPT Digital Retail Joint Stock Company	60,000,000,000	220,000,000,000

32. CAPITAL COMMITMENTS

On 25 February 2015, the Corporation entered into a comprehensive cooperation agreement with Tien Phong Commercial Joint Stock Bank for supporting students who join the training courses under the 10,000 Bridge Software Engineer program organized in Japan. This program aims to teach Japanese language (under 6-12 month courses) for 10,000 students in Japan in the next few years. The students who participate in this training course in Japan will be rewarded with financial guarantee by the Corporation equivalent to 90% of their total credit obligations arising at the Bank, with a maximum credit limit of VND 500 million per person. As at 30 June 2020, the number of students participating in the program in Japan whose loans are guaranteed by the Corporation are 226 (as at 31 December 2019: 288), and the corresponding total estimated guarantee amount is VND 33.358.469.936 VND (as at 31 December 2019: 52.531.246.524 VND).



33. SUBSEQUENT EVENTS

According to the Board of Directors' Resolution No. 02/07-2020/NQ-HDQTFPT dated July 30, 2020, the Board of Directors of the Company has:

- approved of the first cash dividend advance payment of 2020 at the payout ratio of 10% on par value (VND 1,000/share). The book closure date is 18 August 2020. The expected dividend payment date is 01 September 2020;
- approved the establishment of a subsidiary, FPT Smart Cloud Co., Ltd, in the form of a one-member limited liability company with 100% ownership interest being held by the Company.

Tran Khuong
Preparer

Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

07 August 2020