

CÔNG TY CỔ PHẦN FPT
FPT CORPORATION

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập - Tự do - Hạnh phúc
THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Số/No.: 61/FPT-FCC

Hà Nội, ngày 05 tháng 03 năm 2020
Hanoi, March 5th, 2020

**CÔNG BỐ THÔNG TIN
TRÊN CÔNG THÔNG TIN ĐIỆN
TỬ CỦA ỦY BAN CHỨNG KHOÁN
NHÀ NƯỚC VÀ SGĐCK TP.HCM**

**DISCLOSURE OF INFORMATION
ON THE STATE SECURITIES
COMMISSION'S PORTAL AND
HOCHIMINH STOCK EXCHANGE'S
PORTAL**

Kính gửi/ To: - Ủy ban Chứng khoán Nhà nước/ *The State Securities
Commission*
- Sở Giao dịch chứng khoán TP.HCM/ *Hochiminh Stock
Exchange*

- Tên tổ chức / *Organization name*: Công ty Cổ phần FPT/ *FPT Corporation*
- Mã chứng khoán/ *Security Symbol*: FPT/ *FPT*
- Địa chỉ trụ sở chính/ *Address*: Số 17 Duy Tân, Phường Dịch Vọng Hậu, Quận Cầu Giấy, Hà Nội/ *17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay Distric, Hanoi*
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- Người thực hiện công bố thông tin/ *Submitted by*: Bà Bùi Nguyễn Phương Châu/ *Ms. Bui Nguyen Phuong Chau*
Chức vụ/ *Position*: Giám đốc Truyền thông FPT/ *FPT's Chief Communications Officer*

Loại thông tin công bố: định kỳ bất thường 24h theo yêu cầu
Information disclosure type: Periodic Irregular 24 hours On demand


Nội dung thông tin công bố (*)/ Content of Information disclosure (*): Báo cáo tài chính công ty mẹ và Báo cáo tài chính hợp nhất đã kiểm toán năm 2019/ *Audited Separate Financial Statements and Audited Consolidated Financial Statements of 2019.*

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 05/03/2020 tại đường dẫn: <http://fpt.com.vn/vi/nhadautu/cong-bo-thong-tin>.
This information was disclosed on Company/Fund's Portal on date March 5th, 2020 available at: <https://fpt.com.vn/en/ir/information-disclosure>.



Tôi cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố/ *I declare that all information provided in this paper is true and accurate; I shall be legally responsible for any misrepresentation.*

Tài liệu đính kèm/*Attachment*: Báo cáo tài chính công ty mẹ và Báo cáo tài chính hợp nhất đã kiểm toán năm 2019/*Audited Separate Financial Statements and Audited Consolidated Financial Statements of 2019.*

Đại diện tổ chức 

Organization representative

Người CBTT/*Party to disclose information*



Bùi Nguyễn Phương Châu 

Nơi nhận/Recipient:

- Nhu trên/*As above:*
- Lưu/*Archived by:* VT, FCC/*Admin, FCC*





FPT CORPORATION

(Incorporated in the Socialist Republic of Vietnam)

**AUDITED SEPARATE
FINANCIAL STATEMENTS**

For the year ended 31 December 2019

FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, Vietnam

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FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of FPT Corporation (the "Company") presents this report together with the Company's separate financial statements for the year ended 31 December 2019.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Boards of Directors and Management of the Company who held office during the year 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 (appointed on 29 March 2019)
	Executive Vice President (resigned on 29 March 2019)
Mr. Bui Quang Ngoc	Executive President (resigned on 29 March 2019)
Mr. Nguyen The Phuong	Executive Vice President
Mr. Do Cao Bao	Executive Vice President (resigned on 15 March 2019)
Mr. Hoang Viet Anh	Executive Vice President

THE BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate 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 separate financial statements;
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the separate financial statements so as to minimize errors and frauds.

FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

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

The Board of Management confirms that the Company has complied with the above requirements in preparing these separate 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

Hanoi, 03 March 2020

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No.: 0572 /VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying separate financial statements of FPT Corporation (the "Company"), prepared on 03 March 2020 as set out from page 04 to page 30, which comprise the balance sheet as at 31 December 2019, the statement of income, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the separate financial statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



Vu Duc Nguyen
Deputy General Director
Audit Practising Registration Certificate
No. 0764-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

03 March 2020
Hanoi, S.R. Vietnam

Pham Tuan Linh
Auditor
Audit Practising Registration Certificate
No. 3001-2019-001-1

FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, Vietnam

FORM B 01-DN

Issued under Circular No.200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

BALANCE SHEET

As at 31 December 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		4,283,157,223,963	3,950,524,016,425
I. Cash and cash equivalents	110	4	720,832,090,017	1,028,875,665,356
1. Cash	111		334,832,090,017	203,875,665,356
2. Cash equivalents	112		386,000,000,000	825,000,000,000
II. Short-term financial investments	120		2,526,500,000,000	1,743,000,000,000
1. Held-to-maturity investments	123	5	2,526,500,000,000	1,743,000,000,000
III. Short-term receivables	130		1,013,646,698,994	1,148,997,297,100
1. Short-term trade receivables	131	6	82,736,052,341	131,485,453,330
2. Short-term advances to suppliers	132	7	54,744,072,487	75,775,137,683
3. Short-term loan receivables	135	8	27,000,000,000	48,500,000,000
4. Other short-term receivables	136	9	860,989,278,890	904,199,706,087
5. Provision for short-term doubtful debts	137		(11,822,704,724)	(10,963,000,000)
IV. Inventories	140		37,367,253	181,147,253
1. Inventories	141		37,367,253	181,147,253
V. Other short-term assets	150		22,141,067,699	29,469,906,716
1. Short-term prepayments	151		2,119,551,836	8,407,028,221
2. Value added tax deductibles	152		19,986,713,235	21,028,075,867
3. Taxes and other receivables from the State budget	153	16	34,802,628	34,802,628
B. NON-CURRENT ASSETS	200		7,022,489,548,928	6,151,516,292,720
I. Fixed assets	220		146,855,224,517	79,901,500,337
1. Tangible fixed assets	221	10	137,675,979,566	64,758,165,082
- Cost	222		293,931,450,901	212,352,634,975
- Accumulated depreciation	223		(156,255,471,335)	(147,594,469,893)
2. Intangible assets	227	11	9,179,244,951	15,143,335,255
- Cost	228		73,932,991,892	77,789,991,892
- Accumulated amortisation	229		(64,753,746,941)	(62,646,656,637)
II. Long-term assets in progress	240		1,050,346,964,578	796,443,112,117
1. Construction in progress	242	12	1,050,346,964,578	796,443,112,117
III. Long-term financial investments	250		5,822,613,409,012	5,272,613,409,012
1. Investments in subsidiaries	251	5, 13	5,329,613,409,012	4,779,613,409,012
2. Investments in associates	252	5, 14	492,500,000,000	492,500,000,000
3. Equity investments in other entities	253	5	500,000,000	500,000,000
IV. Other long-term assets	260		2,673,950,821	2,558,271,254
1. Long-term prepayments	261		2,673,950,821	2,558,271,254
TOTAL ASSETS (270=100+200)	270		11,305,646,772,891	10,102,040,309,145

The accompanying notes are an integral part of these separate financial statements

BALANCE SHEET (Continued)


As at 31 December 2019

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		1,621,704,112,496	1,068,438,706,363
I. Current liabilities	310		1,371,611,362,496	1,068,438,706,363
1. Short-term trade payables	311	15	284,069,594,062	210,736,755,515
2. Short-term advances from customers	312		415,359,606	505,359,606
3. Taxes and amounts payable to the State budget	313	16	1,016,234,712	4,672,010,155
4. Payables to employees	314		6,616,863	2,686,194
5. Short-term accrued expenses	315	17	48,517,203,398	38,119,024,140
6. Short-term unearned revenue	318		1,037,282,677	-
7. Other current payables	319	18	354,500,401,876	241,635,921,451
8. Short-term loans and obligations under finance leases	320	20	597,000,000,000	530,000,000,000
9. Short-term provisions	321		20,368,500,000	14,217,000,000
10. Bonus and welfare funds	322		64,680,169,302	28,549,949,302
II. Long-term liabilities	330		250,092,750,000	-
1. Long-term unearned revenue	336	19	250,092,750,000	-
D. EQUITY	400		9,683,942,660,395	9,033,601,602,782
I. Owners' equity	410	21	9,683,942,660,395	9,033,601,602,782
1. Owners' contributed capital	411		6,783,586,880,000	6,136,367,720,000
- Ordinary shares carrying voting rights	411a		6,783,586,880,000	6,136,367,720,000
2. Share premium	412		49,941,441,360	49,941,441,360
3. Treasury shares	415		(823,760,000)	(823,760,000)
4. Investment and development fund	418		103,009,261	103,009,261
5. Other reserves	420		87,203,093,024	87,203,093,024
6. Retained earnings	421		2,763,931,996,750	2,760,810,099,137
- Retained earnings accumulated to the prior year end	421a		1,527,643,010,297	2,203,926,850,682
- Retained earnings of the current year	421b		1,236,288,986,453	556,883,248,455
TOTAL RESOURCES (440=300+400)	440		11,305,646,772,891	10,102,040,309,145


 Tran Khuong
 Preparer


 Hoang Huu Chien
 Chief Accountant


 Nguyen The Phuong
 Executive Vice President

03 March 2020

The accompanying notes are an integral part of these separate financial statements

FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, Vietnam

FORM B 02-DN

Issued under Circular No.200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

INCOME STATEMENT

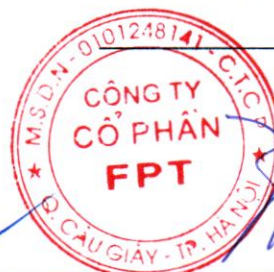
For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	22	287,216,908,624	265,724,099,691
2. Deductions	02	22	11,915,344	4,209,804,435
3. Net revenue from goods sold and services rendered (10=01-02)	10	22	287,204,993,280	261,514,295,256
4. Cost of sales from goods sold and services rendered	11	23	94,889,359,725	106,074,366,404
5. Gross profit from goods sold and services rendered (20=10-11)	20		192,315,633,555	155,439,928,852
6. Financial income	21	25	2,107,370,302,786	1,357,839,245,972
7. Financial expenses	22	26	51,489,613,035	36,439,308,955
- In which: Interest expense	23		51,462,109,416	32,537,002,190
8. Selling expenses	25		3,174,519,314	4,565,276,713
9. General and administration expenses	26	27	311,955,905,169	288,793,958,191
10. Operating profit (30=20+(21-22)-(25+26))	30		1,933,065,898,823	1,183,480,630,965
11. Other income	31		1,965,907,629	4,527,288,786
12. Other expenses	32		8,258,078,455	86,647,043
13. (Loss)/profit from other activities (40=31-32)	40		(6,292,170,826)	4,440,641,743
14. Accounting profit before tax (50=30+40)	50		1,926,773,727,997	1,187,921,272,708
15. Current corporate income tax expense	51	28	12,208,429,544	17,483,628,253
16. Net profit after corporate income tax (60=50-51)	60		1,914,565,298,453	1,170,437,644,455

Tran Khuong
Preparer

Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

03 March 2020

The accompanying notes are an integral part of these separate financial statements

FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
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Hanoi, Vietnam

FORM B 03-DN

Issued under Circular No.200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

CASH FLOW STATEMENT

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	1,926,773,727,997	1,187,921,272,708
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	19,964,873,678	15,283,602,932
Provisions	03	7,011,204,724	13,831,287,133
Foreign exchange losses arising from translating foreign currency items	04	823,406,129	1,020,732,929
(Gain) from investing activities	05	(2,100,548,849,731)	(1,342,644,405,411)
Interest expense	06	51,462,109,416	32,537,002,190
3. Operating losses before movements in working capital	08	(94,513,527,787)	(92,050,507,519)
Decreases in receivables	09	169,078,665,699	282,935,337,184
Decreases in inventories	10	143,780,000	117,400,000
Increase/(decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	441,004,502,508	(146,466,900,866)
Decrease/(increase) in prepaid expenses	12	6,171,796,818	(19,250,134,686)
Interest paid	14	(45,972,542,507)	(34,105,964,096)
Corporate income tax paid	15	(16,457,758,065)	(62,737,419,509)
Other cash inflows	16	74,204,050,000	31,200,253,000
Other cash outflows	17	(38,073,829,999)	(15,774,699,999)
Net cash generated by/(used in) operating activities	20	495,585,136,667	(56,132,636,491)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(349,033,283,112)	(394,466,758,336)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	1,764,181,818	76,824,733
3. Cash outflow for lending, buying debt instruments of other entities	23	(5,547,200,000,000)	(3,456,300,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	4,785,200,000,000	4,394,700,000,000
5. Equity investments in other entities	25	(550,000,000,000)	(900,000,000,000)
6. Cash recovered from investments in other entities	26	90,606,000,000	-
7. Interest earned, dividends and profits received	27	1,961,344,758,181	1,153,445,378,000
Net cash generated by investing activities	30	392,681,656,887	797,455,444,397

The accompanying notes are an integral part of these separate financial statements

FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, Vietnam

FORM B 03-DN

Issued under Circular No.200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	30,672,000,000	26,545,560,000
2. Proceeds from borrowings	33	2,689,000,000,000	2,096,000,000,000
3. Repayment of borrowings	34	(2,622,000,000,000)	(1,966,000,000,000)
4. Dividends and profits paid	36	(1,294,140,941,400)	(1,412,523,727,775)
Net cash (used in) financing activities	40	(1,196,468,941,400)	(1,255,978,167,775)
Net decreases in cash (50=20+30+40)	50	(308,202,147,846)	(514,655,359,869)
Cash and cash equivalents at the beginning of the year	60	1,028,875,665,356	1,543,531,025,225
Effects of changes in foreign exchange rates	61	158,572,507	-
Cash and cash equivalents at the end of the year (70=50+60+61)	70	720,832,090,017	1,028,875,665,356

Tran Khuong
Preparer

Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

03 March 2020

The accompanying notes are an integral part of these separate financial statements

FPT CORPORATION

FPT Cau Giay Building, Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, Vietnam

FORM B 09-DN

Issued under Circular No.200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying 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 operates 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 Corporation for Financing and Promoting Technology to FPT Corporation.

According to the latest amended Business Registration Certificate dated 11 June 2019, the Company's total charter capital is VND 6,783,586,880,000.

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

The number of employees of the Company as at 31 December 2019 was 216 (31 December 2018: 190).

Operating industry and principal activities

The principal activities of the Company are to provide information technology and telecommunication products and services and to make investments. The main products and services provided are system integration; software production and software service provision; IT services, ERP services; Technological product manufacturing; IT product distribution; mobile phone distribution; software solution services; telecommunication and internet services; training; warranty and maintenance of telecommunication and IT equipment and other telecommunication services.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

Business structure

As at 31 December 2019, FPT Corporation had 6 subsidiaries, as follows:

- FPT Information System Corporation;
- FPT Telecom Joint Stock Company;
- FPT Software Company Limited;
- FPT Education Company Limited;
- FPT Online Service Joint Stock Company; and
- FPT Investment Company Limited.

And 2 associates:

- FPT Digital Retail Joint Stock Company; and
- Synnex FPT Joint Stock Company.

Disclosure of information comparability in the separate financial statements

Comparative figures are the figures of the audited separate financial statements for the year ended 31 December 2018.

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2. **ACCOUNTING CONVENTION AND FINANCIAL YEAR**

Accounting convention

The accompanying separate 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 financial reporting.

The accompanying separate 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.

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

Estimates

The preparation of the separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to 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 separate financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, 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 Company has the positive intent or ability to hold to maturity, including term deposits.

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 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.

Loan receivables

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

Investments in subsidiaries, associates

Investment in subsidiaries

A subsidiary is an entity over which the Company has control. 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.

Investments in associates

An associate is an entity over which the Company 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.

Investment in subsidiaries, associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Interests in subsidiaries, associates are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries, joint ventures and associates are made when there is reliable evidence for declining in value of these investments at the balance sheet date.

Equity investments in other entities

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

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

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 inventory recording method is 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 realizable values as at the 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 estimated useful lives as follows:

	<u>Current year</u> (Years)
Buildings and structures	10 - 25
Machinery and equipment	5 - 25
Office equipment	3 - 5
Motor vehicles	4 - 6
Other assets	3 - 4

Intangible assets and amortisation

Computer software

Purchase price of new computer software which is not an integral part of related hardware is capitalized and accounted for as intangible assets. Computer software is amortised into the income statement on a straight-line basis from 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 related professional fees, borrowing costs in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods.

Prepaid expenses include the value of tools, supplies, small equipment, and office renovation costs that expected to provide future economic benefits to the Company. These expenses are capitalized as prepayments and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Revenue recognition

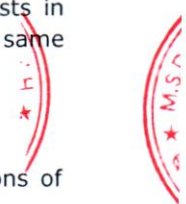
Revenue from the sale of goods

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

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with neither 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 Company; 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 transaction 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 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 Company;
- (c) the percentage of completion of the transaction at the 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.

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 Company'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 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 income statement.

Borrowing costs

Borrowing costs are recognised in the income statement in the year 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.

Related parties

Related parties comprise subsidiaries, associates and key management personnel of the Company.

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 year. Taxable profit differs from profit before tax as reported in the 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 separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability 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 year 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 Company 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.

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	523,074,013	539,067,633
Bank demand deposits	334,309,016,004	203,336,597,723
Cash equivalents (i)	386,000,000,000	825,000,000,000
	<u>720,832,090,017</u>	<u>1,028,875,665,356</u>

- (i) Cash equivalents represent time deposits at banks with original terms of three months or less.

5. FINANCIAL INVESTMENTS

a. Held-to-maturity investments

	Closing balance		Opening balance	
	Cost	VND Carrying amount	Cost	VND Carrying amount
b1) Current investments				
- Term deposits (i)	2,526,500,000,000	2,526,500,000,000	1,743,000,000,000	1,743,000,000,000

(i) Term deposits reflect bank deposits with a term of more than 3 months and not exceeding 12 months.

b. Long-term investments

	Closing balance			Opening balance	
	Cost	Fair value	VND Note	Cost	VND Fair value
b1) Investments in subsidiaries	5,329,613,409,012	11,828,246,911,595		4,779,613,409,012	11,304,358,703,371
<i>FPT Information System Corporation</i>	850,000,000,000	1,271,323,740,373	(i)	850,000,000,000	1,087,103,578,387
<i>FPT Investment Company Limited</i>	800,000,000,000	909,072,750,414	(i)	800,000,000,000	953,170,272,644
<i>FPT Education Company Limited</i>	600,000,000,000	876,363,953,331	(i)	450,000,000,000	642,454,500,452
<i>FPT Software Company Limited</i>	2,412,073,500,000	3,365,656,284,576	(i)	2,012,073,500,000	2,900,034,457,168
<i>FPT Telecom Joint Stock Company</i>	585,592,515,312	4,962,845,430,900	(ii)	585,592,515,312	5,255,020,446,800
<i>FPT Online Service Joint Stock Company</i>	81,947,393,700	442,984,752,000	(ii)	81,947,393,700	466,575,447,920
b2) Investment in associates	492,500,000,000	1,710,424,837,234		492,500,000,000	3,084,846,199,961
<i>Synnex FPT Joint Stock Company</i>	398,500,000,000	936,753,137,234	(i)	398,500,000,000	786,922,199,961
<i>FPT Digital Retail Joint Stock Company</i>	94,000,000,000	773,671,700,000	(ii)	94,000,000,000	2,297,924,000,000
b3) Equity investments in others entities	500,000,000	500,000,000		500,000,000	500,000,000
<i>Ring road No.4 construction project</i>	500,000,000	500,000,000	(i)	500,000,000	500,000,000

In accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, the fair value of investments in associates and equity investments in other entities as at 31 December 2019 should be presented. According to assessment of the Board of Management, the fair value of the investments presented above is prudent and attainable.

- (i) The minimum value that can be achieved based on book value or corresponding valuations according to market prices of these investments at the end of financial year.
- (ii) Fair value that is determined based on the closing price on the stock exchange and the number of shares held by the Company at the end of financial year.

	<u>Current year</u>	<u>Prior year</u>
b4) The performance of subsidiaries during the year:		
FPT Information System Corporation	Profitable operation	Profitable operation
FPT Investment Company Limited	Profitable operation	Profitable operation
FPT Education Company Limited	Profitable operation	Profitable operation
FPT Software Company Limited	Profitable operation	Profitable operation
FPT Telecom Joint Stock Company	Profitable operation	Profitable operation
FPT Online Service Joint Stock Company	Profitable operation	Profitable operation

6. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Berjaya Gia Think Investment Technology Joint Stock Company	44,947,786,921	78,916,560,457
FPT Telecom Joint Stock Company	15,366,524,127	34,934,927,551
FPT Software Company Limited	14,274,687,281	11,961,489,787
Others	8,147,054,012	5,672,475,535
	<u>82,736,052,341</u>	<u>131,485,453,330</u>
Short-term receivables from related parties (Details stated in Note 29)	35,877,180,676	52,144,151,451

7. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
319 Corporation Ministry of National Defence (i)	28,722,375,000	-
Vietnam Investment Construction and Trading Joint Stock Company (i)	14,533,886,940	72,489,748,706
TID Façade Joint Stock Company (i)	9,744,768,686	-
Other suppliers	1,743,041,861	3,285,388,977
	<u>54,744,072,487</u>	<u>75,775,137,683</u>

- (i) Reflect the prepayment for FPT Tower Building project.

8. SHORT-TERM LOAN RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
FPT Technology Solutions Company Limited	17,500,000,000	17,500,000,000
FPT Land Company Limited	9,500,000,000	11,000,000,000
FPT Digital Retail Joint Stock Company	-	20,000,000,000
	<u>27,000,000,000</u>	<u>48,500,000,000</u>

Short-term loan receivables represent loans to inter-group companies with terms of more than three months and less than one year at banks' interest rates.

9. OTHER SHORT-TERM RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Dividends, profits receivable from subsidiaries	510,000,000,000	400,000,000,000
Bank and loan interest	88,665,255,547	53,021,582,020
Deposits and mortgages	4,634,837,367	4,635,071,541
Others	257,689,185,976	446,543,052,526
- <i>FPT Investment Company Limited</i>	40,921,089,055	144,777,571,255
- <i>King's Eye Investments Limited</i>	-	90,606,000,000
- <i>Others</i>	216,768,096,921	211,159,481,271
	<u>860,989,278,890</u>	<u>904,199,706,087</u>
Other short-term receivables from related parties (Details stated in Note 29)	<u>234,519,334,038</u>	<u>335,904,473,801</u>

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10. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	94,646,794,786	46,694,366,435	59,937,012,348	10,697,570,455	376,890,951	212,352,634,975
Additions	-	283,394,993	4,625,380,335	7,464,520,000	-	12,373,295,328
Transfer from construction in progress	75,364,632,293	-	-	-	-	75,364,632,293
Disposals	-	(5,946,721,482)	(140,390,213)	-	-	(6,087,111,695)
Others	-	-	(72,000,000)	-	-	(72,000,000)
Closing balance	170,011,427,079	41,031,039,946	64,350,002,470	18,162,090,455	376,890,951	293,931,450,901
ACCUMULATED DEPRECIATION						
Opening balance	47,765,440,393	46,628,738,191	48,308,113,111	4,515,287,247	376,890,951	147,594,469,893
Charge for the year	5,974,369,081	84,564,432	6,485,195,908	2,239,180,265	-	14,783,309,686
Disposals	-	(5,946,721,482)	(103,784,022)	-	-	(6,050,505,504)
Others	-	-	(71,802,740)	-	-	(71,802,740)
Closing balance	53,739,809,474	40,766,581,141	54,617,722,257	6,754,467,512	376,890,951	156,255,471,335
NET BOOK VALUE						
Opening balance	46,881,354,393	65,628,244	11,628,899,237	6,182,283,208	-	64,758,165,082
Closing balance	116,271,617,605	264,458,805	9,732,280,213	11,407,622,943	-	137,675,979,566

As at 31 December 2019, the cost of the Company's tangible fixed assets includes VND 101,022,214,728 (as at 31 December 2018: VND 104,306,723,441) of machinery, equipment, motor vehicles and office equipment which have been fully depreciated but are still in use.

Some floors of FPT Cau Giay Building under "Buildings and structures" item are being leased by subsidiaries as offices.

11. INCREASE, DECREASE IN INTANGIBLE ASSETS

	Computer software
	VND
COST	
Opening balance	77,789,991,892
Purchases	7,391,503,030
Disposals	(11,248,503,030)
Closing balance	73,932,991,892
ACCUMULATED AMORTIZATION	
Opening balance	62,646,656,637
Charge for the year	5,181,563,992
Disposals	(3,074,473,688)
Closing balance	64,753,746,941
NET BOOK VALUE	
Opening balance	15,143,335,255
Closing balance	9,179,244,951

The cost of intangible assets includes VND 58,935,631,560 (31 December 2018: VND 58,377,996,560) of assets which have been fully amortized but are still in use.

12. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
FPT Tower building	978,819,494,856	712,296,937,417
FPT University Project	70,617,064,125	83,186,174,700
Others	910,405,597	960,000,000
	1,050,346,964,578	796,443,112,117

13. INVESTMENTS IN SUBSIDIARIES

Details of the Company's subsidiaries as at 31 December 2019 are as follows:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest (direct and indirect)	Proportion of voting power held	Principal activities
FPT Information System Corporation	Floor 22, Keangnam Landmark 72, E6, Pham Hung Street, Me Tri, Tu Liem, Hanoi	100%	100%	Providing application software solution, ERP services, IT services and integrated system services
FPT Software Company Limited	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Providing software services and products
FPT Telecom Joint Stock Company (i)	Floor 2, FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	45.65%	45.65%	Providing ADSL services, fixed line internet services, online advertising and other online services

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest (direct and indirect)	Proportion of voting power held	Principal activities
FPT Education Company Limited	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Providing training and technology services
FPT Online Service Joint Stock Company	Lot L 29B-31B-33B Tan Thuan Street, Tan Thuan Dong Ward, District 7, Ho Chi Minh City	49.48%	84.09%	Providing online services
FPT Investment Company Limited	Floor 13, FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Providing financial services activities (investment consulting services, excluding legal and financial consulting services)

- (i) As at 31 December 2019, FPT Corporation holds 45.65% ownership interest (31 December 2018: 45.65%) and 45.65% of voting rights (31 December 2018: 45.65%) at FPT Telecom Joint Stock Company. However, the Company has the power to cast the majority of votes at meetings of the Board of Directors of FPT Telecom Joint Stock Company. Thus, the Company has the power to control the financial and operating policies of FPT Telecom Joint Stock Company. Accordingly, the Company has control over FPT Telecom Joint Stock Company and therefore, FPT Telecom Joint Stock Company is regarded as a subsidiary of the Company.

14. INVESTMENT IN ASSOCIATES

Name of associate	Place of incorporation and operation	Proportion of ownership interest and voting power held	Principal activities
Synnex FPT Joint Stock Company	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	48.00%	Producing technology products and distributing IT devices and mobile phones; and manufacturing computers
FPT Digital Retail Joint Stock Company	261-263 Khanh Hoi Street, Ward 5, District 4, Ho Chi Minh City	46.53%	Retail sales of computers, peripheral devices, software and telecommunication equipment; telecom service agent

15. SHORT-TERM TRADE PAYABLES

	Closing balance VND	Opening balance VND
FPT Education Company Limited	165,061,678,160	94,134,808,494
Vietnam Investment Construction and Trading Joint Stock Company	68,547,916,274	14,663,436,546
FPT Information System Corporation	27,057,527,104	53,836,619,119
FPT Telecom Joint Stock Company	7,272,024,339	4,789,346,002
FPT Software Company Limited	42,208,742	20,423,793,186
Others	16,088,239,443	22,888,752,168
	284,069,594,062	210,736,755,515
Payables to related parties (Details stated in Note 29)	199,558,938,345	173,184,566,801

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

	Opening balance	Payables/ Receivables during the year	Paid/Received during the year	Closing balance
	VND	VND	VND	VND
a. Receivables				
Import duty	34,802,628	-	-	34,802,628
	34,802,628	-	-	34,802,628
b. Payables				
Value added tax	2,293,172	73,824,398,012	73,823,848,012	2,843,172
- Output Value added tax	1,000	73,824,398,012	73,823,848,012	551,000
- VAT on imported goods	2,292,172	-	-	2,292,172
Corporate income tax	3,554,052,096	12,208,429,544	16,457,758,065	(695,276,425)
Other taxes	1,115,664,887	45,524,681,521	44,931,678,443	1,708,667,965
License tax	-	4,000,000	4,000,000	-
Personal income tax	1,018,651,702	39,293,933,908	38,659,937,428	1,652,648,182
Other taxes	97,013,185	6,226,747,613	6,267,741,015	56,019,783
	4,672,010,155	131,557,509,077	135,213,284,520	1,016,234,712

17. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Accrued employees payable	32,589,235,656	28,042,000,000
Interest payables	14,926,369,690	7,423,687,349
Other accruals	1,001,598,052	2,653,336,791
	48,517,203,398	38,119,024,140

18. OTHER SHORT-TERM PAYABLES

	Closing balance	Opening balance
	VND	VND
Union fee	9,020,195,164	6,361,804,702
Social insurance	303,663,013	302,118,355
Health insurance	71,710,826	70,820,933
Unemployment insurance	17,282,656	18,179,683
Short-term deposits received	553,000,000	523,000,000
Dividends payable	8,705,049,648	7,948,083,048
Payables through central account	328,385,314,580	219,761,640,088
- FPT Information System Corporation	214,321,178,272	113,958,310,720
- FPT Education Company Limited	69,907,799,626	14,803,335,226
- FPT Investment Company Limited	23,969,178,301	78,729,391,477
- FPT Software Company Limited	15,041,143,314	6,097,062,398
- FPT Digital Retail Joint Stock Company	2,993,176,666	3,140,042,971
- FPT Telecom Joint Stock Company	2,152,838,401	3,033,497,296
Other current payables	7,444,185,989	6,650,274,642
	354,500,401,876	241,635,921,451

19. LONG-TERM UNEARNED REVENUE

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Revenue received in advance (i)	250,092,750,000	-
	<u>250,092,750,000</u>	<u>-</u>

(i) Revenue received in advance reflects the office lease.

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20. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

Item	Opening balance		Increases	In the year		Closing balance	
	Amount	VND Amount able to be paid off		VND Decreases	Amount	VND Amount able to be paid off	
- FPT Education Company Limited	330,000,000,000	330,000,000,000	600,000,000,000	800,000,000,000	130,000,000,000	130,000,000,000	
- FPT Information System Corporation	200,000,000,000	200,000,000,000	1,060,000,000,000	1,060,000,000,000	200,000,000,000	200,000,000,000	
- FPT Digital Retail Joint Stock Company	-	-	830,000,000,000	610,000,000,000	220,000,000,000	220,000,000,000	
- FPT Software Company Limited	-	-	185,000,000,000	150,000,000,000	35,000,000,000	35,000,000,000	
- FPT Investment Company Limited	-	-	14,000,000,000	2,000,000,000	12,000,000,000	12,000,000,000	
	530,000,000,000	530,000,000,000	2,689,000,000,000	2,622,000,000,000	597,000,000,000	597,000,000,000	

Short-term loans represent unsecured loans with terms of less than one year for business purpose.

21. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital VND	Share premium VND	Treasury shares VND	Other reserves VND	Investment and development fund VND	Retained earnings VND	Total VND
Prior year's opening balance	5,309,611,050,000	49,941,441,360	(823,760,000)	87,203,093,024	103,009,261	3,804,437,888,182	9,250,472,721,827
Shares issued	26,545,560,000	-	-	-	-	-	26,545,560,000
Profit for the year	-	-	-	-	-	1,170,437,644,455	1,170,437,644,455
Transferred to bonus and welfare funds	-	-	-	-	-	-	-
Stock dividends declared	800,211,110,000	-	-	-	-	(800,211,110,000)	-
Cash dividends declared	-	-	-	-	-	(1,413,854,323,500)	(1,413,854,323,500)
Current year's opening balance	6,136,367,720,000	49,941,441,360	(823,760,000)	87,203,093,024	103,009,261	2,760,810,099,137	9,033,601,602,782
Shares issued	30,672,000,000	-	-	-	-	-	30,672,000,000
Profit for the year	-	-	-	-	-	1,914,565,298,453	1,914,565,298,453
Stock dividends declared (i)	616,547,160,000	-	-	-	-	(616,547,160,000)	-
Cash dividends declared	-	-	-	-	-	(1,294,897,908,000)	(1,294,897,908,000)
Other movements of equity	-	-	-	-	-	1,667,160	1,667,160
Current year's closing balance	6,783,586,880,000	49,941,441,360	(823,760,000)	87,203,093,024	103,009,261	2,763,931,996,750	9,683,942,660,395

(i) During the year, the Company issued 61,654,716 shares to pay dividends in 2018 according to the Resolution of the Company's Shareholders' Annual General Meeting in 2019.

Dividends

On 29 March 2019, at the Company's Shareholders' Annual General Meeting, shareholders approved the plan of stock dividend payment of 2018 at the pay-out ratio of 10% (01 new shares for every 10 shares held) and second cash dividend payment of 2018 at the pay-out ratio of 10% of par value (VND 1,000/share).

On 30 July 2019, the Board of Directors approved the advance of the first cash dividend payment of 2019 at the pay-out ratio of 10% of par value (VND 1,000/share).

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
	Share	Share
Authorised share capital	678,358,688	613,636,772
Issued share	678,358,688	613,636,772
Ordinary shares	678,358,688	613,636,772
<i>Of which shares subject to restriction in ownership transfer</i>	10,072,368	9,160,857
Treasury shares	(82,376)	(82,376)
<i>Of which shares subject to restriction in ownership transfer</i>	-	-
Number of outstanding shares in circulation	678,276,312	613,554,396
Ordinary shares	678,276,312	613,554,396
<i>Of which shares subject to restriction in ownership transfer</i>	10,072,368	9,160,857

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

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

22. REVENUE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Sales of merchandise and services		
- Sales of merchandise and services	287,216,908,624	265,724,099,691
	287,216,908,624	265,724,099,691
Deductions		
- Service discount	11,915,344	4,209,804,435
	11,915,344	4,209,804,435
Net revenue from goods sold and services rendered	287,204,993,280	261,514,295,256
Revenue from related parties (Details stated in Note 29)	217,370,081,645	164,992,897,403

23. COST OF SALES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Cost of merchandise sold and services rendered	94,889,359,725	106,074,366,404
	94,889,359,725	106,074,366,404



24. PRODUCTION COST BY NATURE

	<u>Current year</u> VND	<u>Prior year</u> VND
Labour	120,215,743,745	104,187,743,682
Depreciation and amortisation	19,964,873,678	15,283,602,932
Out-sourced services	269,839,166,785	279,962,254,694
	<u>410,019,784,208</u>	<u>399,433,601,308</u>

25. FINANCIAL INCOME

	<u>Current year</u> VND	<u>Prior year</u> VND
Bank and loan interest	232,408,854,206	241,981,382,722
Dividends and profits received (i)	1,874,586,646,500	1,115,789,308,000
Foreign exchange gain	58,199,641	11,346,324
Other financial income	316,602,439	57,208,926
	<u>2,107,370,302,786</u>	<u>1,357,839,245,972</u>

(i) Represent dividends received from investments in and profits transferred from subsidiaries and associates.

26. FINANCIAL EXPENSES

	<u>Current year</u> VND	<u>Prior year</u> VND
Interest expense	51,462,109,416	32,537,002,190
Foreign exchange loss	27,503,619	119,712,370
Other financial expenses	-	3,782,594,395
	<u>51,489,613,035</u>	<u>36,439,308,955</u>

27. GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u> VND	<u>Prior year</u> VND
Labour costs	120,215,743,745	104,187,743,682
Office equipment expenses	12,423,891,686	10,669,696,317
Depreciation expenses	19,964,873,678	15,283,602,932
Out-sourced services	100,176,846,487	139,147,919,890
Other monetary expenses	59,174,549,573	19,504,995,370
	<u>311,955,905,169</u>	<u>288,793,958,191</u>

28. CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Current corporate income tax expenses		
- Corporate income tax expense based on taxable profit in the current year	10,684,902,291	17,865,478,201
- Adjustments for corporate income tax expense in previous years to the current year	1,523,527,253	(381,849,948)
Total current corporate income tax expenses	12,208,429,544	17,483,628,253

The current corporate income tax expense for the year was computed as follows:

	Current year VND	Prior year VND
Profit before tax	1,926,773,727,997	1,187,921,272,708
Adjustments for taxable profit		
Less: non-taxable income		
<i>Dividends and profit received</i>	(1,874,586,646,500)	(1,115,789,308,000)
<i>Others</i>	(5,472,133,249)	(915,348,109)
Add back: non-deductible expenses	6,709,563,205	18,110,774,405
Taxable profit	53,424,511,453	89,327,391,004
<i>Normal tax rate</i>	20%	20%
Corporate income tax expense based on taxable profit in the current year	10,684,902,291	17,865,478,201

29. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties who have significant transactions and balances during the year:

<u>Related parties</u>	<u>Relationship</u>
FPT Investment Company Limited	Susidiary
FPT Software Company Limited	Susidiary
FPT Information System Corporation	Susidiary
FPT Education Company Limited	Susidiary
FPT Telecom Joint Stock Company	Susidiary
FPT Online Service Joint Stock Company	Susidiary
FPT Technology Solutions Company Limited	Affiliate
FPT Land Company Limited	Affiliate
Synnex FPT Joint Stock Company	Associate
FPT Digital Retail Joint Stock Company	Associate

Significant related party balances as at the balance sheet date were as follows:

	<u>Current year</u> VND	<u>Prior year</u> VND
Balances of loans		
FPT Technology Solutions Company Limited	17,500,000,000	17,500,000,000
FPT Land Joint Stock Company	9,500,000,000	11,000,000,000
FPT Digital Retail Joint Stock Company	-	20,000,000,000
Balances of borrowings		
FPT Digital Retail Joint Stock Company	220,000,000,000	-
FPT Information System Corporation	200,000,000,000	200,000,000,000
FPT Education Company Limited	130,000,000,000	330,000,000,000
FPT Software Company Limited	35,000,000,000	-
FPT Investment Company Limited	12,000,000,000	-
Dividends/profits receivable from subsidiaries		
FPT Software Company Limited	380,000,000,000	300,000,000,000
FPT Education Company Limited	130,000,000,000	100,000,000,000
Short-term trade receivables		
FPT Telecom Joint Stock Company	15,366,524,127	34,934,927,551
FPT Software Company Limited	14,274,687,281	11,961,489,787
FPT Education Company Limited	3,644,594,896	-
FPT Digital Retail Joint Stock Company	1,171,665,126	2,703,490,636
FPT Information System Corporation	1,104,145,960	854,544,378
Synnex FPT Joint Stock Company	292,339,376	1,689,699,099
FPT Investment Company Limited	23,223,910	-
Other short-term receivables		
FPT Information System Company Limited	142,044,288,335	139,641,223,675
FPT Land Company Limited	51,553,956,648	51,485,678,871
FPT Investment Company Limited	40,921,089,055	144,777,571,255
Short-term trade payables		
FPT Education Company Limited	165,061,678,160	94,134,808,494
FPT Information System Corporation	27,057,527,104	53,836,619,119
FPT Telecom Joint Stock Company	7,272,024,339	4,789,346,002
FPT Online Service Joint Stock Company	122,320,000	-
FPT Software Company Limited	42,208,742	20,423,793,186
FPT Digital Retail Joint Stock Company	3,180,000	-
Payables through central account		
FPT Information System Corporation	214,321,178,272	113,958,310,720
FPT Education Company Limited	69,907,799,626	14,803,335,226
FPT Investment Company Limited	23,969,178,301	78,729,391,477
FPT Software Company Limited	15,041,143,314	6,097,062,398
FPT Digital Retail Joint Stock Company	2,993,176,666	3,140,042,971
FPT Telecom Joint Stock Company	2,152,838,401	3,033,497,296

During the year, the Company entered into the following significant transactions with its related parties:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Capital contribution		
FPT Software Company Limited	400,000,000,000	700,000,000,000
FPT Education Company Limited	150,000,000,000	200,000,000,000
Rendering of services		
FPT Software Company Limited	92,021,927,047	55,698,447,570
FPT Telecom Joint Stock Company	62,586,891,908	54,532,559,142
FPT Information System Corporation	38,438,395,357	37,196,210,655
FPT Online Service Joint Stock Company	8,957,275,970	8,801,993,387
FPT Digital Retail Joint Stock Company	7,214,056,515	6,688,269,356
Synnex FPT Joint Stock Company	2,305,308,851	2,075,417,293
FPT Education Company Limited	5,805,334,573	-
FPT Investment Company Limited	40,891,424	-
Purchases of goods and services		
FPT Information System Corporation	82,205,545,669	97,922,985,461
FPT Telecom Joint Stock Company	21,953,987,953	20,549,019,085
FPT Education Company Limited	96,629,984,091	98,944,914,781
FPT Software Company Limited	10,383,779,392	24,301,276,687
Synnex FPT Joint Stock Company	2,149,235,460	3,132,842,243
FPT Online Service Joint Stock Company	1,353,725,715	-
FPT Digital Retail Joint Stock Company	6,237,028,007	1,164,164,282
Dividends received/profits transferred from subsidiaries		
FPT Software Company Limited	1,300,000,000,000	794,000,000,000
FPT Education Company Limited	330,000,000,000	208,000,000,000
FPT Telecom Joint Stock Company	103,242,052,000	103,242,052,000
FPT Online Service Joint Stock Company	80,862,296,000	10,547,256,000
FPT Digital Retail Joint Stock Company	31,960,000,000	-
Synnex FPT Joint Stock Company	28,522,298,500	-
Interest income		
FPT Information System Corporation	7,144,958,381	1,776,972,802
FPT Investment Company Limited	273,916,665	3,850,213,127
Interest expenses		
FPT Information System Corporation	32,922,692,880	22,316,537,547
FPT Digital Retail Joint Stock Company	10,701,516,884	147,701,046
FPT Education Company Limited	5,774,329,079	8,778,416,301
FPT Software Company Limited	1,400,839,022	-
FPT Investment Company Limited	640,624,386	-
FPT Telecom Joint Stock Company	22,107,165	-
Synnex FPT Joint Stock Company	-	137,250,000

Board of Management's salary

The salary of the Board of Management in 2019 is VND 13,782,518,000 (2018 is VND 9,151,500,000).

30. SUBSEQUENT EVENTS

Board of Directors' Resolution No 01.02-2020/NQ-HDQTFPT dated 11 February 2020 has executed Annual General Shareholder Meeting 2017's Resolution dated 31 March 2017 and approved the policy on share issuance for employees with notable achievements in 2019. Accordingly, the number of potential shares issued is 3,391,790 shares.

Besides, according to this Resolution, the Board of Directors has approved to increase the charter capital for FPT Software Co., Ltd and FPT Education Co., Ltd from current capital amounts to VND 2,800 billion and VND 1,000 billion respectively.

Tran Khuong
Preparer

Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

03 March 2020