

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 5<sup>th</sup>, 2020

**CÔNG BỐ THÔNG TIN  
TRÊN CÔNG THÔNG TIN ĐIỆN  
TỬ CỦA ỦY BAN CHỨNG KHOÁN  
NÀH 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 5<sup>th</sup>, 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 CONSOLIDATED  
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

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**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of FPT Corporation and its subsidiaries (herein collectively called the "Corporation") presents this report together with the Corporation's consolidated 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 Corporation 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. Hoang Viet Anh	Executive Vice President
Mr. Do Cao Bao	Executive Vice President (resigned on 15 March 2019)

**BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY**

The Board of Management of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the financial position of the Corporation 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 consolidated financial reporting. In preparing these 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 consolidated financial statements;
- Prepare the 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 consolidated 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

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**STATEMENT OF THE BOARD OF MANAGEMENT (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 consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to 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 consolidated financial statements.

For and on behalf of the Board of Management,



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**Nguyen The Phuong**  
**Executive Vice President**

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

*03 March 2020*

No.: 0573 /VN1A-HN-BC

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of FPT Corporation and its subsidiaries (the "Corporation"), prepared on 03 March 2020 as set out from page 04 to page 47, which comprise the consolidated balance sheet as at 31 December 2019, the consolidated income statement and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Corporation's preparation and fair presentation of the consolidated 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 Corporation'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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of the Corporation 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 consolidated 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/HH**

Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance

**CONSOLIDATED BALANCE SHEET**

As at 31 December 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>18,979,176,128,930</b>	<b>18,406,087,226,041</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>3,453,388,617,569</b>	<b>3,925,727,206,293</b>
1. Cash	111		2,611,644,417,963	2,682,437,141,849
2. Cash equivalents	112		841,744,199,606	1,243,290,064,444
<b>II. Short-term financial investments</b>	<b>120</b>	<b>6</b>	<b>6,708,978,162,325</b>	<b>5,568,623,727,137</b>
1. Held-to-maturity investments	123		6,708,978,162,325	5,568,623,727,137
<b>III. Short-term receivables</b>	<b>130</b>		<b>6,536,251,148,622</b>	<b>6,426,946,279,074</b>
1. Short-term trade receivables	131		5,812,938,112,346	5,561,545,801,834
2. Short-term advances to suppliers	132		274,779,131,899	218,427,501,076
3. Receivables from contracts under percentage of completion method	134	7	318,339,389,202	251,954,356,007
4. Short-term loan receivables	135		394,176,861	910,049,188
5. Other short-term receivables	136	8	491,315,953,067	658,775,479,875
6. Provision for short-term doubtful debts	137	9	(361,515,614,753)	(264,666,908,906)
<b>IV. Inventories</b>	<b>140</b>	<b>10</b>	<b>1,284,200,733,943</b>	<b>1,340,687,216,347</b>
1. Inventories	141		1,349,958,901,393	1,401,302,666,378
2. Provision for devaluation of inventories	149		(65,758,167,450)	(60,615,450,031)
<b>V. Other short-term assets</b>	<b>150</b>		<b>996,357,466,471</b>	<b>1,144,102,797,190</b>
1. Short-term prepayments	151	11	692,500,771,861	962,477,975,930
2. Value added tax deductibles	152		175,754,512,449	138,812,602,015
3. Taxes and other receivables from the State budget	153	12	128,102,182,161	42,812,219,245

The notes are an integral part of these consolidated financial statements



**CONSOLIDATED BALANCE SHEET (Continued)**

As at 31 December 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>14,414,988,134,764</b>	<b>11,350,979,923,527</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>262,484,590,350</b>	<b>109,788,240,927</b>
1. Long-term advances to suppliers	212		380,000,000	-
2. Long-term loans receivable	215		47,427,917,600	392,794,707
3. Other long-term receivables	216	8	269,405,846,568	164,124,620,038
4. Provision for long-term doubtful debts	219	9	(54,729,173,818)	(54,729,173,818)
<b>II. Fixed assets</b>	<b>220</b>		<b>7,492,167,954,088</b>	<b>6,513,735,578,258</b>
1. Tangible fixed assets	221	13	6,295,261,846,210	5,207,125,950,106
- Cost	222		11,301,061,772,211	9,471,984,147,609
- Accumulated depreciation	223		(5,005,799,926,001)	(4,264,858,197,503)
2. Finance lease assets	224		2,845,085,816	3,024,593,397
- Cost	225		6,057,653,223	5,208,542,803
- Accumulated depreciation	226		(3,212,567,407)	(2,183,949,406)
3. Intangible assets	227	14	1,194,061,022,062	1,303,585,034,755
- Cost	228		1,973,814,359,687	1,915,362,421,263
- Accumulated amortisation	229		(779,753,337,625)	(611,777,386,508)
<b>III. Long-term assets in progress</b>	<b>240</b>		<b>1,650,470,873,492</b>	<b>1,174,778,083,753</b>
1. Construction in progress	242	15	1,650,470,873,492	1,174,778,083,753
<b>IV. Long-term financial investments</b>	<b>250</b>		<b>2,496,552,054,488</b>	<b>2,202,466,649,730</b>
1. Investments in associates	252	17	1,912,712,694,571	1,676,231,689,527
2. Equity investments in other entities	253	6	893,623,994,517	793,360,844,792
3. Provision for impairment of long-term financial investments	254	6	(309,784,634,600)	(267,125,884,589)
<b>V. Other long-term assets</b>	<b>260</b>		<b>2,287,383,247,074</b>	<b>1,024,193,647,679</b>
1. Long-term prepayments	261	11	2,247,131,962,711	986,963,791,569
2. Deferred tax assets	262		40,251,284,363	37,229,856,110
<b>VI. Goodwill</b>	<b>269</b>	<b>18</b>	<b>225,929,415,272</b>	<b>326,017,723,180</b>
<b>TOTAL ASSETS (270=100 + 200)</b>	<b>270</b>		<b>33,394,164,263,694</b>	<b>29,757,067,149,568</b>

The notes are an integral part of these consolidated financial statements

**CONSOLIDATED BALANCE SHEET (Continued)**

As at 31 December 2019

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>16,594,874,862,688</b>	<b>14,982,096,384,457</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>16,102,256,902,439</b>	<b>14,451,149,990,521</b>
1. Short-term trade payables	311		2,641,797,326,788	2,510,114,267,322
2. Short-term advances from customers	312		398,628,905,824	418,652,248,691
3. Taxes and amounts payable to the State budget	313	12	554,461,605,696	411,222,366,924
4. Payables to employees	314		1,278,884,909,353	1,191,302,627,829
5. Short-term accrued expenses	315	19	746,853,608,766	837,956,702,415
6. Payables relating to contracts under percentage of completion method	317	7	39,251,428,042	46,561,518,663
7. Short-term unearned revenue	318	20	1,827,319,525,947	1,610,921,248,698
8. Other current payables	319	21	387,440,116,553	341,063,193,828
9. Short-term loans and obligations under finance leases	320	22	7,513,635,654,008	6,598,868,849,348
10. Short-term provisions	321	23	174,566,812,252	31,354,115,546
11. Bonus and welfare funds	322		539,417,009,210	453,132,851,257
<b>II. Long-term liabilities</b>	<b>330</b>		<b>492,617,960,249</b>	<b>530,946,393,936</b>
1. Long-term unearned revenue	336	20	42,777,167,223	46,805,654,155
2. Other long-term payables	337	21	92,105,961,472	108,962,237,984
3. Long-term loans and obligations under finance leases	338	24	349,769,099,942	366,793,322,852
4. Deferred tax liabilities	341		-	335,327,364
5. Long-term provisions	342	23	7,773,635,329	7,857,755,298
6. Scientific and technological development fund	343		192,096,283	192,096,283


The notes are an integral part of these consolidated financial statements

**CONSOLIDATED BALANCE SHEET (Continued)**

As at 31 December 2019

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>D. EQUITY</b>	<b>400</b>		<b>16,799,289,401,006</b>	<b>14,774,970,765,111</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>25</b>	<b>16,796,539,401,006</b>	<b>14,772,220,765,111</b>
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	49,465,703,201
3. Other owners' capital	414		765,332,464,859	667,035,271,273
4. Treasury shares	415		(823,760,000)	(823,760,000)
5. Foreign exchange reserve	417		(7,773,137,062)	14,965,650,460
6. Investment and development fund	418		307,526,573,229	222,962,521,203
7. Other reserves	420		102,985,531,790	87,230,283,704
8. Retained earnings	421		5,960,676,956,469	5,293,166,046,073
- Retained earnings accumulated to the prior year end	421a		3,503,602,891,815	3,515,481,219,969
- Retained earnings of the current year	421b		2,457,074,064,654	1,777,684,826,104
9. Non-controlling interests	429		2,835,086,450,361	2,301,851,329,197
<b>II. Other resources and funds</b>	<b>430</b>		<b>2,750,000,000</b>	<b>2,750,000,000</b>
1. Non-business expenditure fund	431		2,750,000,000	2,750,000,000
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>33,394,164,263,694</b>	<b>29,757,067,149,568</b>

  
**Nguyen Tien Hao**  
 Preparer

  
**Hoang Huu Chien**  
 Chief Accountant



  
**Nguyen The Phuong**  
 Executive Vice President

03 March 2020

**FPT CORPORATION**

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

**FORM B 02-DN/HH**

Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance

**CONSOLIDATED INCOME STATEMENT**

As at 31 December 2019

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
<b>1. Gross revenue from goods sold and services rendered</b>	<b>01</b>	<b>26</b>	<b>27,791,982,176,829</b>	<b>23,259,126,277,266</b>
2. Deductions	02	26	75,022,024,554	45,589,419,541
<b>3. Net revenue from goods sold and services rendered (10=01-02)</b>	<b>10</b>	<b>26</b>	<b>27,716,960,152,275</b>	<b>23,213,536,857,725</b>
4. Cost of sales	11	27	17,004,910,529,153	14,490,657,872,236
<b>5. Gross profit from goods sold and services rendered (20=10-11)</b>	<b>20</b>		<b>10,712,049,623,122</b>	<b>8,722,878,985,489</b>
6. Financial income	21	29	650,494,541,199	600,093,309,692
7. Financial expenses	22	30	592,386,050,061	361,046,565,710
- In which: Interest expense	23		358,987,537,452	238,344,431,747
8. Share of net profit from associates	24		404,927,466,313	439,027,114,689
9. Selling expenses	25		2,345,957,646,507	2,047,833,577,540
10. General and administration expenses	26		4,219,254,770,652	3,553,288,111,032
<b>11. Operating profit</b>	<b>30</b>		<b>4,609,873,163,414</b>	<b>3,799,831,155,588</b>
(30=20+(21-22)+24-(25+26))				
12. Other income	31		112,683,563,071	60,448,926,027
13. Other expenses	32		58,026,214,779	2,677,526,409
<b>14. Profit from other activities (40=31-32)</b>	<b>40</b>		<b>54,657,348,292</b>	<b>57,771,399,618</b>
<b>15. Accounting profit before tax (50=30+40)</b>	<b>50</b>		<b>4,664,530,511,706</b>	<b>3,857,602,555,206</b>
16. Current corporate income tax expense	51	31	761,989,612,116	599,214,896,970
17. Deferred corporate tax (income)/expense	52	31	(9,171,267,283)	24,390,517,191
<b>18. Net profit after corporate income tax</b>	<b>60</b>		<b>3,911,712,166,873</b>	<b>3,233,997,141,045</b>
(60=50-51-52)				
18.1. Equity holders of the Holding Company	61		3,135,350,376,654	2,620,178,631,986
18.2. Non-controlling interests	62		776,361,790,219	613,818,509,059
<b>19. Basic earnings per share</b>	<b>70</b>	<b>32</b>	<b>4,220</b>	<b>3,546</b>
<b>20. Diluted earnings per share</b>	<b>71</b>		<b>4,220</b>	<b>3,546</b>

  
Nguyen Tien Hao  
Preparer

  
Hoang Huu Chien  
Chief Accountant

  
Nguyen The Phuong  
Executive Vice President

03 March 2020

The notes are an integral part of these consolidated financial statements

**CONSOLIDATED CASH FLOW STATEMENT**

As at 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Profit before tax</b>	<b>01</b>	<b>4,664,530,511,706</b>	<b>3,857,602,555,206</b>
<b>2. Adjustments for:</b>			
- Depreciation and amortisation of fixed assets	02	1,354,613,458,881	1,164,692,003,074
- Provisions	03	287,785,755,015	120,544,469,503
- Foreign exchange loss arising from translating foreign currency items	04	9,525,407,416	18,627,355,032
- (Gain) from investing activities	05	(903,441,404,801)	(761,304,152,101)
- Interest expense	06	358,987,537,452	238,344,431,747
<b>3. Operating profit before movements in working capital</b>	<b>08</b>	<b>5,772,001,265,669</b>	<b>4,638,506,662,461</b>
- Changes in receivables	09	(481,202,921,282)	(159,344,472,867)
- Changes in inventories	10	256,058,829,417	(229,108,218,690)
- Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	305,737,668,001	644,985,031,490
- Changes in prepaid expenses	12	(686,544,368,251)	(367,688,759,434)
- Interest paid	14	(338,497,048,207)	(263,543,299,555)
- Corporate income tax paid	15	(638,639,276,041)	(429,913,433,339)
- Other cash inflows	16	1,946,436,785	-
- Other cash outflows	17	(292,110,600,306)	(245,573,417,730)
<b>Net cash generated by operating activities</b>	<b>20</b>	<b>3,898,749,985,785</b>	<b>3,588,320,092,336</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(3,233,069,745,365)	(2,453,675,554,507)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	2,251,555,566	773,278,807
3. Cash recovered from/(outflow for) lending, buying debt instruments of other entities	23, 24	(1,206,873,685,745)	(1,188,220,715,064)
4. Equity investments in other entities	25	(109,971,962,499)	(709,543,569,233)
5. Cash recovered from investments in other entities	26	120,174,850,275	180,229,124,836
6. Interest earned, dividends and profits received	27	582,420,492,806	473,705,873,732
<b>Net cash (used in) investing activities</b>	<b>30</b>	<b>(3,845,068,494,962)</b>	<b>(3,696,731,561,429)</b>

The notes are an integral part of these consolidated financial statements

**CONSOLIDATED CASH FLOW STATEMENT (Continued)**

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from share issue and owners' contributed capital	31	71,715,000,000	26,545,560,000
2. Capital withdrawals, buy-back of issued shares	32	(269,625,000)	-
3. Proceeds from borrowings	33	13,403,998,747,456	10,281,501,672,838
4. Repayment of borrowings	34	(12,504,733,393,240)	(8,046,132,467,710)
5. Repayment of obligations under finance leases	35	(1,522,772,466)	(814,120,155)
6. Dividends and profits paid	36	(1,483,558,593,800)	(1,707,621,484,375)
<b>Net cash (used in)/generated by financing activities</b>	<b>40</b>	<b>(514,370,637,050)</b>	<b>553,479,160,598</b>
<b>Net (decrease)/increase in cash (50=20+30+40)</b>	<b>50</b>	<b>(460,689,146,227)</b>	<b>445,067,691,505</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>3,925,727,206,293</b>	<b>3,480,659,514,788</b>
Effect of changes in foreign exchange rates	61	(11,649,442,497)	-
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>3,453,388,617,569</b>	<b>3,925,727,206,293</b>



**Nguyen Tien Hao**  
Preparer



**Hoang Huu Chien**  
Chief Accountant




**Nguyen The Phuong**  
Executive Vice President

03 March 2020

**FPT CORPORATION**

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

**FORM B 09-DN/HN**

Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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

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

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

The total number of the Corporation's employees as at 31 December 2019 was 28,781 (31 December 2018: 27,843).

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

**The Corporation's structure**

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

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

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And 4 associates as follows:

- FPT Digital Retail Joint Stock Company;
- Synnex FPT Joint Stock Company;
- FPT Fund Management Joint Stock Company;
- FPT Securities Joint Stock Company.

**Disclosure of information comparability in the consolidated financial statements**

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

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**

**Accounting convention**

The accompanied 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 consolidated financial reporting.

The accompanied 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.

**Financial year**

The Corporation'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 Corporation in the preparation of these consolidated financial statements, are as follows:

**Estimates**

The preparation of the consolidated 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 consolidated 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.

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) for the period from 01 January 2019 to 31 December 2019. 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 year are included in the 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 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 consolidated profit and loss in the year of acquisition.

The non-controlling interests are 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 consolidated financial statements using the equity method of accounting. Interests in associates are carried in the 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 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 as 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 intangible asset in the consolidated balance sheet and is amortised on the straight-line basis in the consolidated income statement according to current regulations. In case 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 the Parent remains its control over the subsidiary, or reduced in full and included in the determination of the profit or loss in case the Parent loses the control.

#### **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 Corporation has the positive intent or ability to hold to maturity, including term deposits (commercial bills), 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 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 Company 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 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 within the Corporation 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 realisable 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 following estimated useful lives:

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

**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 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 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**

Land use rights 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 consolidated income statement on straight-line basis over a period of 3 to 5 years. The right to operate the high-speed internet lines 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 consolidated income statement on straight-line basis over a period of 3 to 5 years.

**(iii) Brand name, trademark and list of customers.**

Purchase prices of trademark and brand name are recorded as intangible asset. Trademark, brand name and list of customers are amortised to the consolidated income statement on straight-line basis over their estimated useful lives.

**(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 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.

**Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including land rentals and other types of prepayments.

Prepaid land rental includes land rental and its attributable cost and office rental. Prepaid land rentals are charged to the consolidated income statement using the straight-line method over the lease term.

Other types of prepayments comprise costs of small tools, supplies and spare parts issued for consumption; expenses for implementing contracts with internet subscribers; expenses for transforming to optical fiber system; PayTV installation cost; and other types of prepayments which are expected to provide future economic benefits to the Corporation. These expenditures have been capitalised as prepayments, and are allocated to the consolidated income statement using the straight-line method in accordance with the current prevailing accounting regulations.

**Payable provisions**

Payable provisions are recognised 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 balance sheet date.

Provision for warranties

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

**Bonus and welfare funds**

The Corporation distributes up to 10% of net profit after tax of 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 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 development, system intergration and informatics services

Revenue is recognised in the consolidated income statement by reference to the percentage of completion of transaction at the year 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 significant uncertainties related to recovery of receivables.

Revenue from processing services

Revenue from processing services is recognised in the consolidated income statement when the goods have been processed and accepted by the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the receivables due.

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 and fees

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

*Tuition and fee 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 assessment 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 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 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.

#### **Financial statements of foreign operations**

For the purpose of presenting consolidated financial statements, the assets and liabilities of the foreign operations (including comparative figures) are expressed in reporting currency using exchange rates prevailing on the balance sheet date. Income and expense items (including comparative figures) are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, 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 year in which the foreign operation is disposed of.

#### **Borrowing costs**

Borrowing costs are recognised in the consolidated 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.

#### **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 year. 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 year. Taxable profit differs from profit before tax as reported in the 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 consolidated 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 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.

#### 4. SEGMENT REPORTING

A business segment is a distinguishable component of an enterprise that is engaged in 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 (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 service, domestic and international telecommunication, domain, hosting, Web Portal services, IPTV etc.;
- **Digital content:** providing online services for 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 service:** Software production, providing consultancy and deployment of S.M.A.C/IoT, digital transformation services, IT system transformation services, 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 services and solutions, supplying IT equipment, data center services, networking and security system design/development; warranty and maintenance of IT products authorized by hardware vendors;



**Investment, education and others**: including the following main activities:

- 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.

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Current year

Unit: million VND

Items	Information Technology and Telecommunication				Investment, education and others	Elimination	Total
	Telecommunication	Digital content	Global IT services	Software solutions, system integration and informatics services			
<b>Segment revenue</b>	<b>9,789,511</b>	<b>608,916</b>	<b>10,848,063</b>	<b>4,935,358</b>	<b>1,792,058</b>	<b>(256,946)</b>	<b>27,716,960</b>
<b>Segment expenses (i)</b>							
Directly attributable expenses	(8,310,578)	(336,743)	(9,043,060)	(4,706,740)	(1,458,373)	285,371	(23,570,123)
In which:							
- Depreciation and amortisation	(982,683)	(3,352)	(277,046)	(29,807)	(66,017)	4,291	(1,354,613)
- Allocation of long-term prepaid expenses	(859,048)	(5,448)	(137,774)	(25,151)	(65,395)	-	(1,092,816)
<b>Segment result (ii)</b>	<b>1,478,932</b>	<b>272,173</b>	<b>1,805,004</b>	<b>228,618</b>	<b>333,685</b>	<b>28,425</b>	<b>4,146,837</b>
<b>Segment profit before tax</b>	<b>1,487,627</b>	<b>320,526</b>	<b>1,722,422</b>	<b>250,191</b>	<b>2,740,057</b>	<b>(1,856,293)</b>	<b>4,664,530</b>
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
Total expenses for acquisition of fixed assets	3,745,295	3,853	1,151,000	90,263	1,033,786	(256,572)	5,767,625

- (i) Segment expenses arising from the business activities of the segment are charged directly to that segment and part of the business costs are allocated to that segment, including outbound sales costs and expenses related to transactions with other segments of the business. Accordingly, segment expenses include cost of sales, selling and administration expenses.
- (ii) Segment result is segment revenue less segment expenses (excluding financial income, financial expenses, other income and other expenses). Consequently, in "Investment, education and others" segment, segment result is significantly lower than segment profit before tax, due to an amount of VND 2,406 billion which is the total of financial income and other income (most of which is dividend collected from subsidiaries of the parent).

Items	Information Technology and Telecommunication				Investment, education and others	Elimination	Total
	Telecommunication	Digital content	Global IT services	Software solutions, system integration and informatics services			
<b>Segment revenue</b>	<b>8,293,162</b>	<b>537,841</b>	<b>8,443,472</b>	<b>4,958,102</b>	<b>1,357,177</b>	<b>(394,217)</b>	<b>23,213,537</b>
<b>Segment expenses</b>							
Directly attributable expenses	(7,142,274)	(274,049)	(7,024,252)	(4,803,757)	(1,218,535)	371,087	(20,091,780)
In which:							
- Depreciation and amortisation	(875,603)	(5,145)	(199,179)	(25,454)	(43,575)	4,291	(1,144,665)
- Allocation of long-term prepaid expenses	(391,055)	(5,836)	(164,826)	(63,736)	(82,518)	-	(707,971)
<b>Segment result</b>	<b>1,150,888</b>	<b>263,792</b>	<b>1,419,220</b>	<b>154,345</b>	<b>156,642</b>	<b>(23,130)</b>	<b>3,121,757</b>
<b>Segment profit before tax</b>	<b>1,142,291</b>	<b>315,243</b>	<b>1,360,066</b>	<b>159,050</b>	<b>1,986,745</b>	<b>(1,105,792)</b>	<b>3,857,603</b>
Segment assets	11,508,249	1,342,296	7,824,433	4,765,245	5,776,355	(1,459,511)	29,757,067
Segment liabilities	7,350,254	451,126	3,816,244	3,354,520	1,565,766	(1,555,814)	14,982,096
Total expenses for acquisition of fixed assets	2,291,534	9,060	401,620	171,563	767,883	-	3,641,660

5. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	3,833,056,658	60,166,021,396
Bank demand deposits	2,607,811,361,305	2,622,271,120,453
Cash equivalents (i)	841,744,199,606	1,243,290,064,444
	<u>3,453,388,617,569</u>	<u>3,925,727,206,293</u>

(i) Cash equivalents represent bank deposits with original terms of not exceeding 3 months.

6. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
	VND	VND	VND	VND
<b>a. Short-term held-to-maturity investments</b>	<b>6,767,480,399,809</b>	<b>6,708,978,162,325</b>	<b>5,627,125,964,621</b>	<b>5,568,623,727,137</b>
- Term deposit	6,701,205,348,033	6,701,205,348,033	5,540,850,912,845	5,540,850,912,845
- Other short-term investments	66,275,051,776	7,772,814,292	86,275,051,776	27,772,814,292

	Closing balance			Opening balance		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND	VND	VND	VND	VND	VND
<b>b. Equity investments in other entities</b>	<b>1,523,623,994,517</b>	<b>(309,784,634,600)</b>	<b>3,619,821,215,454</b>	<b>1,423,360,844,792</b>	<b>(267,125,884,589)</b>	<b>5,006,801,125,042</b>
<b>b1) Investments in associates</b>	<b>630,000,000,000</b>	<b>-</b>	<b>2,032,899,330,604</b>	<b>630,000,000,000</b>	<b>-</b>	<b>3,512,883,994,005</b>
- Synnex FPT Joint Stock Company (i)	398,500,000,000	-	936,753,137,234	398,500,000,000	-	786,922,199,961
- FPT Securities Joint Stock Company (ii)	110,000,000,000	-	276,578,220,000	110,000,000,000	-	386,990,853,000
- FPT Digital Retail Joint Stock Company (ii)	94,000,000,000	-	773,671,700,000	94,000,000,000	-	2,297,924,000,000
- FPT Capital Management Joint Stock Company (i)	27,500,000,000	-	45,896,273,370	27,500,000,000	-	41,046,941,044
<b>b2) Equity investments in other entities</b>	<b>893,623,994,517</b>	<b>(309,784,634,600)</b>	<b>1,586,921,884,850</b>	<b>793,360,844,792</b>	<b>(267,125,884,589)</b>	<b>1,493,917,131,037</b>
- Other investments (i)	893,623,994,517	(309,784,634,600)	1,586,921,884,850	793,360,844,792	(267,125,884,589)	1,493,917,131,037

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 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 of book value or corresponding valuations according to market prices of these investments at the balance sheet date.
- (ii) Fair value that is determined based on the closing price on the stock exchange and the number of shares held by the Corporation at the balance sheet date.

7. RECEIVABLES/PAYABLES FROM CONTRACTS UNDER PERCENTAGE OF COMPLETION METHOD

	Closing balance	Opening balance
	VND	VND
<b>Contracts in progress as at the balance sheet date</b>		
Receivables from construction contracts under percentage of completion method	318,339,389,202	251,954,356,007
Payables relating to construction contracts under percentage of completion method	(39,251,428,042)	(46,561,518,663)
	<b>279,087,961,160</b>	<b>205,392,837,344</b>
Contract costs incurred plus recognised profits less recognised losses to date	2,564,822,594,802	2,817,209,391,708
Less: Progress billings	(2,285,734,633,642)	(2,611,816,554,364)
	<b>279,087,961,160</b>	<b>205,392,837,344</b>

8. OTHER RECEIVABLES

	Closing balance	Opening balance
	VND	VND
<b>a. Current</b>		
Receivables related to maintenance services contracts	114,333,547,990	116,338,929,576
Deposits and mortgages	33,709,978,901	138,075,168,759
Other receivables	343,272,426,176	404,361,381,540
	<b>491,315,953,067</b>	<b>658,775,479,875</b>
<b>b. Non-current</b>		
Deposits and mortgages	214,269,143,412	94,330,507,635
Other receivables	55,136,703,156	69,794,112,403
	<b>269,405,846,568</b>	<b>164,124,620,038</b>

9. BAD DEBTS

	Closing balance		Opening balance	
	Cost	Recoverable amount (i)	Cost	Recoverable amount (i)
Total amount of receivables past due or not past due but impaired	481,110,126,440	64,865,337,869	387,028,381,993	67,632,299,269
	<b>481,110,126,440</b>	<b>64,865,337,869</b>	<b>387,028,381,993</b>	<b>67,632,299,269</b>

- (i) Recoverable amount of receivables and loans past due or not past due but impaired is the cost of receivables minus provision provided in accordance with current regulations for such receivables.

**10. INVENTORIES**

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND		VND	
Goods in transit	105,553,294,510	-	79,165,032,088	-
Raw materials	201,087,084,424	(30,279,235,077)	249,096,744,784	(31,201,615,094)
Tools and supplies	42,977,317,149	-	142,325,344,375	-
Work in progress	538,357,210,802	-	393,823,125,241	-
Goods on consignment	554,636,331	-	341,820,534	-
Merchandise	461,429,358,177	(35,478,932,373)	536,550,599,356	(29,413,834,937)
<b>Total</b>	<b>1,349,958,901,393</b>	<b>(65,758,167,450)</b>	<b>1,401,302,666,378</b>	<b>(60,615,450,031)</b>

**11. PREPAYMENTS**

	Closing balance	Opening balance
	VND	VND
<b>a. Current</b>		
Expenses for implementing contracts with internet subscribers	403,755,987,720	374,694,213,445
Expenses for transforming to optical fiber system	-	326,152,977,092
Other current prepayments	288,744,784,141	261,630,785,393
	<b>692,500,771,861</b>	<b>962,477,975,930</b>
<b>b. Non-current</b>		
Expenditure for transforming to optical fiber system and Pay TV installation cost	947,987,826,010	376,246,651,395
Land rentals and office rentals	522,525,094,919	89,890,998,329
Other non-current prepayments	776,619,041,782	520,826,141,845
	<b>2,247,131,962,711</b>	<b>986,963,791,569</b>

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

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

Items	Opening balance	Payable/Receivable during the year	Paid/Received/Deducted during the year	Closing balance
	VND	VND	VND	VND
Value added tax	205,731,834,271	2,960,341,819,453	2,971,277,451,202	194,796,202,522
- Output value added tax	205,296,996,133	2,699,803,669,337	2,710,306,029,109	194,794,636,361
- Value added tax on imported goods	434,838,138	260,538,150,116	260,971,422,093	1,566,161
Import duties	(148,371,838)	17,600,754,145	17,633,780,125	(181,397,818)
Corporate income tax	107,316,989,319	685,618,811,254	638,639,276,041	154,296,524,532
Personal income tax	44,845,769,937	554,585,266,661	543,297,287,822	56,133,748,776
Foreign contractor withholding tax	7,816,582,210	60,073,789,676	48,746,097,962	19,144,273,924
Other taxes and fees	2,847,343,780	38,684,551,126	39,361,823,307	2,170,071,599
<b>Total</b>	<b>368,410,147,679</b>	<b>4,316,904,992,315</b>	<b>4,258,955,716,459</b>	<b>426,359,423,535</b>

In which:

- Taxes and other receivables from the State budget	42,812,219,245	128,102,182,161
- Taxes and amounts payable to the State budget	411,222,366,924	554,461,605,696



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	108,856,592,037	28,309,830,938
Import duties	181,397,817	181,397,817
Corporate income tax	18,995,079,902	13,708,010,207
Personal income tax	-	299,101,470
Other taxes and fees	69,112,405	313,878,813
<b>Total</b>	<b><u>128,102,182,161</u></b>	<b><u>42,812,219,245</u></b>

*- Taxes and amounts payable to the State budget*

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Value added tax	303,652,786,817	234,041,665,209
Import duties	-	33,025,979
Corporate income tax	173,291,604,434	121,024,999,526
Personal income tax	56,133,748,776	45,144,871,407
Foreign contractor withholding tax	19,144,273,924	8,130,461,023
Other taxes and fees	2,239,191,745	2,847,343,780
<b>Total</b>	<b><u>554,461,605,696</u></b>	<b><u>411,222,366,924</u></b>

13. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
<b>COST</b>						
Opening balance	1,885,281,113,709	6,772,913,048,814	58,536,551,290	738,060,796,174	17,192,637,622	9,471,984,147,609
Purchases	21,913,971,371	1,869,098,543,098	28,314,612,956	40,274,593,260	43,708,176,012	2,003,309,896,697
Transfer from construction in progress	625,182,854,382	57,050,256,160	-	159,485,000	2,220,292,063	684,612,887,605
Disposals	(278,468,555,463)	(18,910,327,007)	(2,369,613,936)	(3,972,755,609)	(385,566,056)	(304,106,818,071)
Reclassification	(4,068,053,095)	70,317,547,798	118,339,200	(65,086,730,935)	(1,281,102,968)	-
Retrieval	-	(520,053,726,588)	-	(54,458,442,025)	-	(574,512,168,613)
Other increases/(decreases)	(5,229,074,544)	1,167,634,585	314,224,342	23,521,480,005	(437,404)	19,773,826,984
<b>Closing balance</b>	<b>2,244,612,256,360</b>	<b>8,231,582,976,860</b>	<b>84,914,113,852</b>	<b>678,498,425,870</b>	<b>61,453,999,269</b>	<b>11,301,061,772,211</b>
<b>ACCUMULATED DEPRECIATION</b>						
Opening balance	373,303,149,824	3,287,277,939,792	34,492,059,805	561,056,553,420	8,728,494,662	4,264,858,197,503
Charge for the year	95,506,666,281	995,394,514,395	7,778,446,789	40,498,297,561	3,115,319,485	1,142,293,244,511
Disposals	(28,268,599,864)	(15,678,930,813)	(2,262,512,520)	(3,713,755,660)	(337,062,925)	(50,260,861,782)
Reclassification	(1,389,937,322)	17,994,129,880	58,833,579	(16,369,802,093)	(293,224,044)	-
Retrieval	-	(318,301,898,145)	-	(17,933,084,036)	-	(336,234,982,181)
Other increases/(decreases)	(1,391,013,058)	289,861,537	73,947,426	(9,536,713,839)	(4,291,754,116)	(14,855,672,050)
<b>Closing balance</b>	<b>437,760,265,861</b>	<b>3,966,975,616,646</b>	<b>40,140,775,079</b>	<b>554,001,495,353</b>	<b>6,921,773,062</b>	<b>5,005,799,926,001</b>
<b>NET BOOK VALUE</b>						
Opening balance	1,511,977,963,885	3,485,635,109,022	24,044,491,485	177,004,242,754	8,464,142,960	5,207,125,950,106
<b>Closing balance</b>	<b>1,806,851,990,499</b>	<b>4,264,607,360,214</b>	<b>44,773,338,773</b>	<b>124,496,930,517</b>	<b>54,532,226,207</b>	<b>6,295,261,846,210</b>

As at 31 December 2019, the cost of the Corporation's assets including machinery and equipment, motor vehicles and office equipment which had been fully depreciated but are still in use was approximately VND 1,846,603 million (as at 31 December 2018: VND 1,415,275 million).

14. INCREASE, DECREASE IN INTANGIBLE ASSETS

	Land use rights	Computer software	License, copyright and patent	Others	Total
	VND	VND	VND	VND	
<b>COST</b>					
<b>Opening balance</b>	<b>200,549,705,022</b>	<b>382,118,081,896</b>	<b>948,987,094,845</b>	<b>383,707,539,500</b>	<b>1,915,362,421,263</b>
Purchases	40,452,096,664	22,307,264,742	58,072,365,834	-	120,831,727,240
Transferred from construction in progress	-	3,758,079,498	27,581,095,564	-	31,339,175,062
Disposals	(57,294,662,473)	(22,898,161,131)	(1,775,643,119)	-	(81,968,466,723)
Other increases/(decreases)	(4,025,896,995)	(3,307,549,492)	(4,362,861,687)	(54,188,981)	(11,750,497,155)
<b>Closing balance</b>	<b>179,681,242,218</b>	<b>381,977,715,513</b>	<b>1,028,502,051,437</b>	<b>383,653,350,519</b>	<b>1,973,814,359,687</b>
<b>ACCUMULATED AMORTISATION</b>					
<b>Opening balance</b>	<b>9,877,087,548</b>	<b>291,362,551,499</b>	<b>299,064,247,911</b>	<b>11,473,499,550</b>	<b>611,777,386,508</b>
Charge for the year	2,445,314,133	41,376,447,873	146,727,698,503	192,574,713	190,742,035,222
Disposals	(3,260,729,853)	(14,724,131,789)	(1,775,643,119)	-	(19,760,504,761)
Other increases/(decreases)	-	(3,299,804,221)	348,413,858	(54,188,981)	(3,005,579,344)
<b>Closing balance</b>	<b>9,061,671,828</b>	<b>314,715,063,362</b>	<b>444,364,717,153</b>	<b>11,611,885,282</b>	<b>779,753,337,625</b>
<b>NET BOOK VALUE</b>					
<b>Opening balance</b>	<b>190,672,617,474</b>	<b>90,755,530,397</b>	<b>649,922,846,934</b>	<b>372,234,039,950</b>	<b>1,303,585,034,755</b>
<b>Closing balance</b>	<b>170,619,570,390</b>	<b>67,262,652,151</b>	<b>584,137,334,284</b>	<b>372,041,465,237</b>	<b>1,194,061,022,062</b>

15. CONSTRUCTION IN PROGRESS

	Opening balance	Closing balance
	VND	VND
<b>Opening balance</b>	<b>1,174,778,083,753</b>	<b>805,559,896,217</b>
Additions	1,205,845,765,978	1,029,543,672,496
Transferred to fixed assets	(715,952,062,667)	(503,097,707,588)
Other decreases	(14,200,913,572)	(157,227,777,372)
<b>Closing balance</b>	<b>1,650,470,873,492</b>	<b>1,174,778,083,753</b>
In which:		
- FPT Tower	978,795,909,856	712,296,937,417
- Ftown 3 construction	344,891,726,250	69,215,781,016
- FPT University in Ho Chi Minh City	-	109,784,758,740
- Other constructions	326,783,237,386	283,480,606,580
	<b>1,650,470,873,492</b>	<b>1,174,778,083,753</b>

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16. INVESTMENTS IN SUBSIDIARIES

Details of the Corporation's primary subsidiaries incorporated in the consolidated financial statement as at 31 December 2019 are as follows:

Name of subsidiaries	Place of incorporation and operation	Proportion of ownership rate	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 system integration service
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
FPT Education Company Limited	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Providing training and technological 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 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 financial statements of FPT Telecom Joint Stock Company are incorporated in the Corporation's consolidated financial statements.

17. INVESTMENTS IN ASSOCIATES

	Current period	Prior period
	VND	VND
<b>Opening balance</b>	<b>1,676,231,689,527</b>	<b>1,333,704,438,239</b>
Share of net profit after corporate income tax of associates	318,095,248,544	344,196,192,956
Dividends received	(81,614,243,500)	(9,938,132,000)
Increase due to subsidiaries changed to associates and other increases	-	8,269,190,332
<b>Closing balance</b>	<b>1,912,712,694,571</b>	<b>1,676,231,689,527</b>

Details of the Corporation's associates as at 31 December 2019 which the Corporation accounted for using the equity method in its consolidated financial statements are 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	FPT Cau Giay Building, Duy Tan Street, 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, Buoï Ward, Tay Ho District, Hanoi City	20%	Securities trading, brokerage, investment advisory and securities depository services
FPT Capital Management Joint Stock Company	Floor 9, TTC Building, Lot B1A, Dich Vong Hau Ward, Cau Giay District, Hanoi	25%	Portfolio and fund management and other services

18. GOODWILL

	<u>VND</u>
<b>COST</b>	
<b>Opening balance</b>	<b>344,408,889,629</b>
Increase during the year	34,119,861,285
Decrease during the year	(97,308,006,038)
<b>Closing balance</b>	<b><u>281,220,744,876</u></b>
<b>AMORTISATION</b>	
<b>Opening balance</b>	<b>18,391,166,449</b>
Charge for the year	36,900,163,155
<b>Closing balance</b>	<b><u>55,291,329,604</u></b>
<b>NET BOOK VALUE</b>	
<b>Opening balance</b>	<b><u>326,017,723,180</u></b>
<b>Closing balance</b>	<b><u>225,929,415,272</u></b>

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**19. SHORT-TERM ACCRUED EXPENSES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accrued expenses relating to system integration projects	381,465,970,404	433,736,466,400
Others	365,387,638,362	404,220,236,015
	<u><b>746,853,608,766</b></u>	<u><b>837,956,702,415</b></u>

**20. UNEARNED REVENUE**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a) Current</b>		
Unearned revenue related to telecom services	1,300,762,452,613	1,185,633,003,915
Unearned revenue related to tuition fees	451,380,452,990	354,079,691,773
Other unearned revenue	75,176,620,344	71,208,553,010
	<u><b>1,827,319,525,947</b></u>	<u><b>1,610,921,248,698</b></u>
<b>b) Non-current</b>		
Unearned revenue related to telecom services	5,724,987,341	8,132,337,054
Other unearned revenue	37,052,179,882	38,673,317,101
	<u><b>42,777,167,223</b></u>	<u><b>46,805,654,155</b></u>

**21. OTHER PAYABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a) Current</b>		
Trade union fee	57,305,049,175	33,766,080,660
Social, health and unemployment insurance	75,143,289,315	52,903,841,723
Short-term deposits and mortgages received	116,120,080,252	209,967,971,512
Dividends payable	9,864,253,931	9,048,987,731
Other current payables	129,007,443,880	35,376,312,202
	<u><b>387,440,116,553</b></u>	<u><b>341,063,193,828</b></u>
<b>b) Non-current</b>		
Long-term deposits and mortgages received	75,072,699,564	334,215,970
Other non-current payables	17,033,261,908	108,628,022,014
	<u><b>92,105,961,472</b></u>	<u><b>108,962,237,984</b></u>



22. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		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 and economic entities	6,213,841,474,308	6,213,841,474,308	13,080,728,607,916	12,135,038,037,404	7,159,532,044,820	7,159,532,044,820
Current portion of long-term loans and obligations under finance leases	385,027,375,040	385,027,375,040	340,294,362,450	371,218,128,302	354,103,609,188	354,103,609,188
- Current portion of long-term loans (see details in Note 24)	384,027,104,683	384,027,104,683	338,675,805,596	369,695,355,836	353,007,554,443	353,007,554,443
- Current portion of long-term obligations under finance leases (see details in Note 24)	1,000,270,357	1,000,270,357	1,618,556,854	1,522,772,466	1,096,054,745	1,096,054,745
<b>Total</b>	<b>6,598,868,849,348</b>	<b>6,598,868,849,348</b>	<b>13,421,022,970,366</b>	<b>12,506,256,165,706</b>	<b>7,513,635,654,008</b>	<b>7,513,635,654,008</b>

23. PROVISIONS

a. Short-term

	Short-term provisions for warranties	Others	Total
	VND	VND	VND
Opening balance	17,137,115,546	14,217,000,000	31,354,115,546
Additional provision in the year	262,716,750	165,273,858,251	165,536,575,001
Utilized/reversed provisions	(1,106,878,295)	(21,217,000,000)	(22,323,878,295)
<b>Closing balance</b>	<b>16,292,954,001</b>	<b>158,273,858,251</b>	<b>174,566,812,252</b>

b. Long-term

	Long-term provisions for warranties	Long-term provisions for guarantees on student loans	Total
	VND	VND	VND
Opening balance	7,844,850,298	12,905,000	7,857,755,298
Additional provision in the year	2,305,731,503	-	2,305,731,503
Utilized/reversed provisions	(2,389,851,472)	-	(2,389,851,472)
<b>Closing balance</b>	<b>7,760,730,329</b>	<b>12,905,000</b>	<b>7,773,635,329</b>

**Warranties**

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

24. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increase	VND Decrease	Amount	VND Amount able to be paid off
Long-term loans	748,733,180,351	748,733,180,351	321,835,436,636	369,695,355,836	700,873,261,151	700,873,261,151
Long-term obligations under finance leases	3,087,517,541	3,087,517,541	1,434,702,904	1,522,772,466	2,999,447,979	2,999,447,979
<b>Total</b>	<b>751,820,697,892</b>	<b>751,820,697,892</b>	<b>323,270,139,540</b>	<b>371,218,128,302</b>	<b>703,872,709,130</b>	<b>703,872,709,130</b>
Of which:						
- Amount due for settlement within 12 months	385,027,375,040				354,103,609,188	
- Amount due for settlement after 12 months	366,793,322,852				349,769,099,942	

Details of long-term loans by term:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Long-term loans	700,873,261,151	748,733,180,351
- 3-year term	506,429,939,806	414,596,052,700
- 4-year term	51,954,791,817	121,953,975,460
- 5-year term	142,488,529,528	212,183,152,191
Long-term obligations under finance leases	2,999,447,979	3,087,517,541
<b>Total</b>	<b><u>703,872,709,130</u></b>	<b><u>751,820,697,892</u></b>
<b>Of which:</b>		
- Amount due for settlement within 12 months	354,103,609,188	385,027,375,040
- Amount due for settlement after 12 months	349,769,099,942	366,793,322,852

Long-term loans are repayable as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
On demand or within one year	353,007,554,443	384,027,104,683
In the second year	260,887,573,374	249,227,937,390
In the third to fifth year inclusive	86,978,133,334	115,478,138,278
	<b><u>700,873,261,151</u></b>	<b><u>748,733,180,351</u></b>
Less: Amount due for settlement within 12 months (shown under short-term loans)	353,007,554,443	384,027,104,683
<b>Amount due for settlement after 12 months</b>	<b><u>347,865,706,708</u></b>	<b><u>364,706,075,668</u></b>

25. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Other owner's 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	5,309,611,050,000	49,465,703,201	287,829,523,052	(823,760,000)	10,358,539,447	171,160,597,046	87,230,351,424	5,511,408,650,206	11,426,240,654,376
Shares issued	26,545,560,000	-	-	-	-	-	-	-	26,545,560,000
Profit for the year	-	-	-	-	-	-	-	2,620,178,631,986	2,620,178,631,986
Transferred to bonus and welfare funds	-	-	-	-	-	-	-	(228,939,409,882)	(228,939,409,882)
Transferred to and used development and investment fund	-	-	-	-	-	51,801,924,157	-	(65,242,772,744)	(13,440,848,587)
Stock dividends declared	800,211,110,000	-	344,140,170,000	-	-	-	-	(1,144,351,280,000)	-
Cash dividends declared	-	-	-	-	-	-	-	(1,413,854,323,500)	(1,413,854,323,500)
Other movements	-	-	35,065,578,221	-	4,607,111,013	-	(67,720)	13,966,550,007	53,639,171,521
<b>Current year's opening balance</b>	<b>6,136,367,720,000</b>	<b>49,465,703,201</b>	<b>667,035,271,273</b>	<b>(823,760,000)</b>	<b>14,965,650,460</b>	<b>222,962,521,203</b>	<b>87,230,283,704</b>	<b>5,293,166,046,073</b>	<b>12,470,369,435,914</b>
Shares issued	30,672,000,000	-	-	-	-	-	-	-	30,672,000,000
Profit for the year	-	-	-	-	-	-	-	3,135,723,250,490	3,135,723,250,490
Transferred to bonus and welfare funds	-	-	-	-	-	-	-	(276,493,604,433)	(276,493,604,433)
Transferred to and used development and investment fund	-	-	-	-	-	84,545,709,935	-	(95,776,600,202)	(11,230,890,267)
Stock dividends declared (i)	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)
<b>Current year's closing balance</b>	<b>6,783,586,880,000</b>	<b>49,941,441,360</b>	<b>765,332,464,859</b>	<b>(823,760,000)</b>	<b>(7,773,137,062)</b>	<b>307,526,573,229</b>	<b>102,985,531,790</b>	<b>5,960,676,956,469</b>	<b>13,961,452,950,645</b>
<b>In which:</b>									
<i>Net profit in the year transferred from consolidated Income Statement</i>								3,135,350,376,654	3,135,350,376,654
<i>Non-controlling interest</i>									
- Opening balance	1,323,739,345,433	18,297,910,832	1,846,533	-	131,962,360	211,852,967,506	18,789,771,234	729,037,525,299	2,301,851,329,197
- Closing 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
<b>Total</b>									
<b>Current year's opening balance</b>	<b>7,460,107,065,433</b>	<b>67,763,614,033</b>	<b>667,037,117,806</b>	<b>(823,760,000)</b>	<b>15,097,612,820</b>	<b>434,815,488,709</b>	<b>106,020,054,938</b>	<b>6,022,203,571,372</b>	<b>14,772,220,765,111</b>
<b>Current year's closing balance</b>	<b>8,249,337,935,014</b>	<b>82,407,203,248</b>	<b>765,334,311,392</b>	<b>(823,760,000)</b>	<b>(7,631,449,211)</b>	<b>633,406,303,900</b>	<b>121,775,303,024</b>	<b>6,952,733,553,639</b>	<b>16,796,539,401,006</b>

- (i) In the year, the Corporation issued 61,654,716 shares for dividend payment of 2018 according to the Corporation's Shareholders Annual General Meeting of 2019. FPT Telecom Joint Stock Company (a subsidiary of the Corporation) also issued shares to the Corporation as dividend payment of 2018 which was recorded as other owners' capital according to Circular No. 202/2014/TT-BTC dated 22 December 2014.

#### Dividends

On 29 March 2019, the Corporation's Shareholders Annual General Meeting approved the plan of dividend payment of 2018 by stock at the pay-out ratio of 10% (01 new shares for every 10 shares held) and dividend payment of 2018 in cash 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>
	Number of shares	Number of shares
<b>Authorised share capital</b>	<b>678,358,688</b>	<b>613,636,772</b>
<b>Issued share capital</b>	<b>678,358,688</b>	<b>613,636,772</b>
Ordinary shares	678,358,688	613,636,772
<i>In which shares subject to restriction in ownership transfer</i>	<i>10,072,368</i>	<i>9,160,857</i>
<b>Treasury shares</b>	<b>(82,376)</b>	<b>(82,376)</b>
<i>In which shares subject to restriction in ownership transfer</i>	<i>-</i>	<i>-</i>
<b>Outstanding shares in circulation</b>	<b>678,276,312</b>	<b>613,554,396</b>
Ordinary shares	678,276,312	613,554,396
<i>In which shares subject to restriction in ownership transfer</i>	<i>10,072,368</i>	<i>9,160,857</i>

All ordinary shares have a par value of VND 10,000. Each share is entitled to one vote at shareholders' meetings of the Corporation. Shareholders are entitled to receive dividends as declared at each point of time. All ordinary shares are ranked equally with regard to the Corporation's residual assets. In respect of shares bought back by the Corporation, 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 share owners are not allowed to resell their shares within a specified term from the date of issue.

26. REVENUE

	Current year	Prior year
	VND	VND
Gross revenue from goods sold and services rendered	27,791,982,176,829	23,259,126,277,266
In which:		
- Sales of finished goods, merchandise	3,532,759,159,076	3,417,614,918,696
- Sales of services	24,259,223,017,753	19,841,511,358,570
Deductions	75,022,024,554	45,589,419,541
Net revenue from goods sold and services rendered	<u>27,716,960,152,275</u>	<u>23,213,536,857,725</u>

27. COST OF SALES

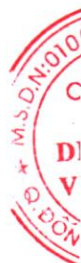
	Current year	Prior year
	VND	VND
Cost of finished products, goods sold	2,981,061,229,485	3,025,295,469,012
Cost of services rendered	14,018,706,582,249	11,408,578,482,126
Provision for inventory devaluation	5,142,717,419	56,783,921,098
	<u>17,004,910,529,153</u>	<u>14,490,657,872,236</u>

28. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Raw materials	4,163,120,186,842	3,565,645,393,709
Labour	10,267,171,008,109	7,707,908,345,504
Depreciation and amortisation	2,447,429,264,937	1,872,663,628,552
Out-sourced services	5,577,648,788,443	5,700,557,333,979
Other monetary expenses	1,259,287,783,542	1,330,032,705,582
	<u>23,714,657,031,873</u>	<u>20,176,807,407,326</u>

29. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Interest income from bank deposits and loans	509,021,946,024	442,698,835,799
Foreign exchange gain	137,760,701,888	117,005,565,834
Other financial income	3,711,893,287	40,388,908,059
	<u>650,494,541,199</u>	<u>600,093,309,692</u>



**30. FINANCIAL EXPENSES**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Interest expense	358,987,537,452	238,344,431,747
Foreign exchange loss	182,638,938,524	111,753,197,451
Other financial expenses	50,759,574,085	10,948,936,512
	<u>592,386,050,061</u>	<u>361,046,565,710</u>

**31. CORPORATE INCOME TAX EXPENSE**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Current corporate income tax expense</b>		
- Corporate income tax based on taxable profit in the current year	747,736,183,007	606,393,662,428
Adjustments for corporate income tax expense in previous years to the current year	14,253,429,109	(7,178,765,458)
<b>Total corporate income tax expense</b>	<u>761,989,612,116</u>	<u>599,214,896,970</u>

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Deferred corporate income tax (income)/expense</b>		
- Deferred corporate income tax expenses arising from taxable temporary differences	(9,171,267,283)	24,390,517,191
<b>Total deferred corporate income tax (income)/expense</b>	<u>(9,171,267,283)</u>	<u>24,390,517,191</u>

**Applicable tax rate**

Under its Business Registration Certificate and prevailing tax regulations, the Corporation is obligated to pay CIT at the rate of 10% of taxable profit on software production and services, 10% of taxable profit on training, education services rendered and 20% of taxable profit on goods sold and remaining services rendered.

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



**32. BASIC EARNINGS PER SHARE**

Basic earnings per share for the year ended 31 December 2019 was calculated based on the profit attributable to ordinary shareholders and a weighted average number of outstanding ordinary shares during the year, as follows:

	Current year	Prior year (Restated)
	VND	VND
Accounting profit after corporate income tax attributed to ordinary shareholders	3,135,350,376,654	2,620,178,631,986
Appropriation to bonus and welfare funds	276,493,604,433	228,939,409,882
Weighted average number of outstanding ordinary shares	677,469,596	674,324,260
<b>Basic earnings per share</b>	<b>4,220</b>	<b>3,546</b>

**Restatement of weighted average number of ordinary shares**

In the year ended 31 December 2019, FPT Corporation paid dividends by shares, which led to a retrospective adjustment to the weighted average number of outstanding ordinary shares of the year ended 31 December 2018, as follows:

	Weighted average number of ordinary shares	Basic earnings per share
		VND
Ordinary shares outstanding at the beginning of the year	612,669,544	3,903
Restatement as a result of stock dividend payment during the year	61,654,716	(357)
<b>As restated</b>	<b>674,324,260</b>	<b>3,546</b>

**33. RELATED PARTY TRANSACTIONS AND BALANCES**

**List of related parties having significant transactions and balances in the year:**

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

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

	<u>Current year</u> VND	<u>Prior year</u> VND
<b>Dividends received in cash</b>		
FPT Digital Retail Joint Stock Company	31,960,000,000	-
Synnex FPT Joint Stock Company	28,522,298,500	-
<b>Purchases of goods and services</b>		
Synnex FPT Joint Stock Company	881,721,409,821	627,966,155,932
<b>Recovery of lending</b>		
FPT Digital Retail Joint Stock Company	20,000,000,000	-
<b>Proceeds from short-term borrowing</b>		
FPT Digital Retail Joint Stock Company	220,000,000,000	-

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

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
<b>Entrusted investments and loans to</b>		
FPT Capital Management Joint Stock Company	72,366,081,776	92,366,081,776
<b>Capital contribution</b>		
Synnex FPT Joint Stock Company	398,500,000,000	398,500,000,000
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
FPT Capital Management Joint Stock Company	27,500,000,000	27,500,000,000
<b>Payables via centralized account</b>		
FPT Digital Retail Joint Stock Company	2,993,176,666	3,140,042,971
<b>Payables</b>		
Synnex FPT Joint Stock Company	98,861,271,404	96,403,126,093
<b>Balances of loans</b>		
FPT Digital Retail Joint Stock Company	-	20,000,000,000
<b>Balances of borrowings</b>		
FPT Digital Retail Joint Stock Company	220,000,000,000	-
<b>Board of Management's salary</b>		

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

**34. 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 joined the training courses under the 10,000 Bridge Software Engineer program. This program aims to train Japanese (in 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 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 31 December 2019, the number of students participating in the program in Japan are 288, and the total respective estimated guarantee amount is VND 52,531,246,524.

**35. SUBSEQUENT EVENTS**

The 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.

**Nguyen Tien Hao**  
Preparer

**Hoang Huu Chien**  
Chief Accountant



**Nguyen The Phuong**  
Executive Vice President

03 March 2020