

CÔNG TY CỔ PHẦN FPT
FPT CORPORATION

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

Số/No.: 41 /FPT-FCC

Hà Nội, ngày 05 tháng 03 năm 2021
Hanoi, March 5th, 2021

CÔNG BỐ THÔNG TIN
TRÊN CÔNG THÔNG TIN ĐIỆN
TỬ CỦA ỦY BAN CHỨNG KHOÁN
NHÀ NƯỚC VÀ SGDCK 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*: Trưởng Ban Truyền thông FPT/ *Chief of FPT Corporate Communications Department*

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 năm 2020 và Báo cáo tài chính hợp nhất năm 2020/ *Separate Financial Statements of 2020 and Consolidated Financial Statements of 2020.*

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 05/03/2021 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, 2021 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 năm 2020 và Báo cáo tài chính hợp nhất năm 2020/*Separate Financial of 2020 and Consolidated Financial Statements of 2020.*

Đại diện tổ chức

Organization representative

Người CBTT/*Party to disclose information*


Bùi Nguyễn Phương Châu

Nơi nhận/Recipient:

- Như 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 2020



FPT CORPORATION

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

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FPT CORPORATION

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

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of FPT Corporation and its subsidiaries (herein collectively called the "Corporation") presents this report together with the Corporation's consolidated financial statements for the year ended 31 December 2020.

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

BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY

The Board of Management of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the financial position of the Corporation as at 31 December 2020, 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

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

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,



Nguyen The Phuong

Executive Vice President

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

04 March 2021

No.: 0628 /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 04 March 2021 as set out from page 05 to page 50, which comprise the consolidated balance sheet as at 31 December 2020, 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.

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2020, 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.



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

DELOITTE VIETNAM COMPANY LIMITED

04 March 2021
Hanoi, S.R. Vietnam

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

FPT CORPORATION

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

FORM B 01-DN/HN

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

CONSOLIDATED BALANCE SHEET*As at 31 December 2020*

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		25,612,489,544,931	18,979,176,128,930
I. Cash and cash equivalents	110	5	4,686,191,374,038	3,453,388,617,569
1. Cash	111		2,216,742,790,757	2,611,644,417,963
2. Cash equivalents	112		2,469,448,583,281	841,744,199,606
II. Short-term financial investments	120		12,435,918,124,269	6,708,978,162,325
1. Held-to-maturity investments	123	6	12,435,918,124,269	6,708,978,162,325
III. Short-term receivables	130		6,265,411,863,371	6,536,251,148,622
1. Short-term trade receivables	131	7	5,564,392,191,491	5,812,938,112,346
2. Short-term advances to suppliers	132	8	459,336,196,478	274,779,131,899
3. Receivables from contracts under percentage of completion method	134	9	197,972,680,487	318,339,389,202
4. Short-term loan receivables	135		185,532,228,683	394,176,861
5. Other short-term receivables	136	10	480,833,352,415	491,315,953,067
6. Provision for short-term doubtful debts	137	11	(622,654,786,183)	(361,515,614,753)
IV. Inventories	140	12	1,290,091,524,352	1,284,200,733,943
1. Inventories	141		1,405,083,502,315	1,349,958,901,393
2. Provision for devaluation of inventories	149		(114,991,977,963)	(65,758,167,450)
V. Other short-term assets	150		934,876,658,901	996,357,466,471
1. Short-term prepayments	151	13	621,038,227,150	692,500,771,861
2. Value added tax deductibles	152		268,314,490,280	175,754,512,449
3. Taxes and other receivables from the State budget	153	14	45,523,941,471	128,102,182,161

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

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2020

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		16,121,833,690,263	14,414,988,134,764
I. Long-term receivables	210		242,872,863,326	262,484,590,350
1. Long-term advances to suppliers	212		380,000,000	380,000,000
2. Long-term loans receivable	215		93,992,225,574	47,427,917,600
3. Other long-term receivables	216	10	203,229,811,570	269,405,846,568
4. Provision for long-term doubtful debts	219	11	(54,729,173,818)	(54,729,173,818)
II. Fixed assets	220		8,317,822,707,614	7,492,167,954,088
1. Tangible fixed assets	221	15	7,219,551,625,765	6,295,261,846,210
- Cost	222		12,945,570,337,275	11,301,061,772,211
- Accumulated depreciation	223		(5,726,018,711,510)	(5,005,799,926,001)
2. Finance lease assets	224		2,902,077,617	2,845,085,816
- Cost	225		6,031,445,271	6,057,653,223
- Accumulated depreciation	226		(3,129,367,654)	(3,212,567,407)
3. Intangible assets	227	16	1,095,369,004,232	1,194,061,022,062
- Cost	228		2,036,967,631,495	1,973,814,359,687
- Accumulated amortisation	229		(941,598,627,263)	(779,753,337,625)
III. Long-term assets in progress	240		2,373,393,296,565	1,650,470,873,492
1. Construction in progress	242	17	2,373,393,296,565	1,650,470,873,492
IV. Long-term financial investments	250		2,581,174,954,052	2,496,552,054,488
1. Investments in associates	252	18	1,980,817,143,237	1,912,712,694,571
2. Equity investments in other entities	253	6	903,457,236,286	893,623,994,517
3. Provision for impairment of long-term financial investments	254	6	(303,299,425,471)	(309,784,634,600)
4. Held-to-maturity investments	255	6	200,000,000	-
V. Other long-term assets	260		2,606,569,868,706	2,513,312,662,346
1. Long-term prepayments	261	13	2,267,066,059,274	2,247,131,962,711
2. Deferred tax assets	262		139,469,584,405	40,251,284,363
3. Goodwill	269	19	200,034,225,027	225,929,415,272
TOTAL ASSETS (270=100 + 200)	270		41,734,323,235,194	33,394,164,263,694

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

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2020

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		23,128,655,834,466	16,594,874,862,688
I. Current liabilities	310		22,364,710,509,820	16,102,256,902,439
1. Short-term trade payables	311	20	2,824,505,552,359	2,641,797,326,788
2. Short-term advances from customers	312	21	465,157,577,125	398,628,905,824
3. Taxes and amounts payable to the State budget	313	14	645,972,209,996	554,461,605,696
4. Payables to employees	314		1,968,364,078,549	1,278,884,909,353
5. Short-term accrued expenses	315	22	762,365,483,261	746,853,608,766
6. Payables relating to contracts under percentage of completion method	317	9	64,245,054,184	39,251,428,042
7. Short-term unearned revenue	318	23	1,962,878,574,530	1,827,319,525,947
8. Other current payables	319	24	744,816,892,234	387,440,116,553
9. Short-term loans and obligations under finance leases	320	25	12,062,410,192,740	7,513,635,654,008
10. Short-term provisions	321	26	211,596,795,175	174,566,812,252
11. Bonus and welfare funds	322		652,398,099,667	539,417,009,210
II. Long-term liabilities	330		763,945,324,646	492,617,960,249
1. Long-term unearned revenue	336	23	41,124,555,530	42,777,167,223
2. Other long-term payables	337	24	38,492,884,032	92,105,961,472
3. Long-term loans and obligations under finance leases	338	27	677,796,913,413	349,769,099,942
4. Deferred tax liabilities	341		258,372,310	-
5. Long-term provisions	342	26	6,080,503,078	7,773,635,329
6. Scientific and technological development fund	343		192,096,283	192,096,283

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

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2020

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
D. EQUITY	400		18,605,667,400,728	16,799,289,401,006
I. Owners' equity	410	28	18,602,917,400,728	16,796,539,401,006
1. Owners' contributed capital	411		7,839,874,860,000	6,783,586,880,000
- Ordinary shares carrying voting rights	411a		7,839,874,860,000	6,783,586,880,000
2. Share premium	412		49,713,213,411	49,941,441,360
3. Other owners' capital	414		920,081,410,199	765,332,464,859
4. Treasury shares	415		(823,760,000)	(823,760,000)
5. Foreign exchange reserve	417		13,496,751,277	(7,773,137,062)
6. Investment and development fund	418		442,371,579,941	307,526,573,229
7. Other reserves	420		87,203,093,024	102,985,531,790
8. Retained earnings	421		6,390,906,128,452	5,960,676,956,469
- Retained earnings accumulated to the prior year end	421a		4,049,855,354,550	3,503,602,891,815
- Retained earnings of the current year	421b		2,341,050,773,902	2,457,074,064,654
9. Non-controlling interests	429		2,860,094,124,424	2,835,086,450,361
II. Other resources and funds	430		2,750,000,000	2,750,000,000
1. Non-business expenditure fund	431		2,750,000,000	2,750,000,000
TOTAL RESOURCES (440=300+400)	440		41,734,323,235,194	33,394,164,263,694

Nguyen Trong Nhan
Preparer

Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

04 March 2021

FPT CORPORATION

No. 17 Duy Tan Street,
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Hanoi, Vietnam

FORM B 02-DN/HN

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

CONSOLIDATED INCOME STATEMENT

As at 31 December 2020

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	29	29,921,698,144,296	27,791,982,176,829
2. Deductions	02	29	91,297,617,472	75,022,024,554
3. Net revenue from goods sold and services rendered (10=01-02)	10	29	29,830,400,526,824	27,716,960,152,275
4. Cost of sales	11	30	18,016,743,052,097	17,004,910,529,153
5. Gross profit from goods sold and services rendered (20=10-11)	20		11,813,657,474,727	10,712,049,623,122
6. Financial income	21	32	821,896,424,782	650,494,541,199
7. Financial expenses	22	33	548,165,211,617	592,386,050,061
- In which: Interest expense	23		385,337,754,896	358,987,537,452
8. Share of net profit from associates	24		312,193,572,178	404,927,466,313
9. Selling expenses	25		2,713,561,338,553	2,345,957,646,507
10. General and administration expenses	26		4,495,366,457,586	4,219,254,770,652
11. Operating profit (30=20+(21-22)+24-(25+26))	30		5,190,654,463,931	4,609,873,163,414
12. Other income	31		131,401,186,949	112,683,563,071
13. Other expenses	32		58,599,020,913	58,026,214,779
14. Profit from other activities (40=31-32)	40		72,802,166,036	54,657,348,292
15. Accounting profit before tax (50=30+40)	50		5,263,456,629,967	4,664,530,511,706
16. Current corporate income tax expense	51	34	942,814,118,631	761,989,612,116
17. Deferred corporate tax (income)	52	34	(103,102,706,262)	(9,171,267,283)
18. Net profit after corporate income tax (60=50-51-52)	60		4,423,745,217,598	3,911,712,166,873
<i>Attributable to:</i>				
18.1. Equity holders of the Holding Company	61		3,538,007,738,822	3,135,350,376,654
18.2. Non-controlling interests	62		885,737,478,776	776,361,790,219
19. Basic earnings per share	70	35	4,120	3,667
20. Diluted earnings per share	71		4,120	3,667



Nguyen Trong Nhan
Preparer



Hoang Huu Chien
Chief Accountant




Nguyen The Phuong
Executive Vice President

04 March 2021

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

CONSOLIDATED CASH FLOW STATEMENT

As at 31 December 2020

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	5,263,456,629,967	4,664,530,511,706
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and goodwill	02	1,490,607,476,892	1,354,613,458,881
- Provisions	03	313,851,138,486	287,785,755,015
- Foreign exchange (gain)/loss arising from translating foreign currency items	04	(3,386,721,059)	9,525,407,416
- (Gain) from investing activities (including profit from associates)	05	(1,039,617,856,401)	(903,441,404,801)
- Interest expense	06	385,337,754,896	358,987,537,452
3. Operating profit before movements in working capital	08	6,410,248,422,781	5,772,001,265,669
- Decreases/(Increases) in receivables	09	311,571,475,172	(481,202,921,282)
- (Increases)/Decreases in inventories	10	(55,124,600,922)	256,058,829,417
- Increases in payables (excluding accrued loan interest and corporate income tax payable)	11	1,060,519,849,887	305,737,668,001
- Decreases/(Increases) in prepaid expenses	12	51,528,448,148	(686,544,368,251)
- Interest paid	14	(401,913,784,732)	(338,497,048,207)
- Corporate income tax paid	15	(778,286,928,782)	(638,639,276,041)
- Other cash inflows	16	-	1,946,436,785
- Other cash outflows	17	(258,863,848,216)	(292,110,600,306)
Net cash generated by operating activities	20	6,339,679,033,336	3,898,749,985,785
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(3,017,645,357,713)	(3,233,069,745,365)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	3,323,070,810	2,251,555,566
3. Cash recovered from/(outflow for) lending, buying debt instruments of other entities	23, 24	(5,954,091,321,739)	(1,206,873,685,745)
4. Equity investments in other entities	25	(101,172,751,758)	(109,971,962,499)
5. Cash recovered from investments in other entities	26	31,000,000,000	120,174,850,275
6. Interest earned, dividends and profits received	27	894,462,073,316	582,420,492,806
Net cash (used in) investing activities	30	(8,144,124,287,084)	(3,845,068,494,962)

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

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2020

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	59,633,580,760	71,715,000,000
2. Capital withdrawals, buy-back of issued shares	32	-	(269,625,000)
3. Proceeds from borrowings	33	20,448,570,691,368	13,403,998,747,456
4. Repayment of borrowings	34	(15,570,014,545,746)	(12,504,733,393,240)
5. Repayment of obligations under finance leases	35	(1,753,793,420)	(1,522,772,466)
6. Dividends and profits paid	36	(1,899,079,382,925)	(1,483,558,593,800)
Net cash generated by/(used in) financing activities	40	3,037,356,550,037	(514,370,637,050)
Net increase/(decrease) in cash (50=20+30+40)	50	1,232,911,296,289	(460,689,146,227)
Cash and cash equivalents at the beginning of the year	60	3,453,388,617,569	3,925,727,206,293
Effect of changes in foreign exchange rates	61	(108,539,820)	(11,649,442,497)
Cash and cash equivalents at the end of the year (70=50+60+61)	70	4,686,191,374,038	3,453,388,617,569



Nguyen Trong Nhan
Preparer



Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

04 March 2021

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 04 June 2020, the Company's charter capital is VND 7,839,874,860,000.

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 2020 was 30,651 (31 December 2019: 28,781).

Operating industry and principal activities

The principal activities of the Corporation are to provide IT and telecommunication products and services. The main products and services provided are (i) software development including software outsourcing, provision of software package and solutions, software services and ERP services; (ii) Information technology services including digital transformation consulting and IT consulting, system management, BPO service, Data Center service, cloud computing service, and services based on new technologies such as artificial intelligence, automation, etc.; (iii) system integration; (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 2020, FPT Corporation had 7 subsidiaries 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, ERP services, IT service and system integration service
FPT Software Company Limited	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	100%	100%	Providing software services and products
FPT Telecom Joint Stock Company (*)	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	45.65%	45.65%	Providing ADSL services, fixed line internet services, online advertising and other online services
FPT Education Company Limited	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	100%	100%	Providing training and technological services
FPT Online Service Joint Stock Company	Lot L 29B-31B-33B, Tan Thuan Street, Tan Thuan Dong Ward, District 7, Ho Chi Minh City	49.52%	80.15%	Providing online services
FPT Investment Company Limited	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	100%	100%	Providing financial services activities (investment consulting services, excluding legal and financial consulting services)
FPT Smart Cloud Company Limited	No.17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	100%	100%	Providing information technology services and other services related to computers

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

As at 31 December 2020, FPT Corporation had main associates as follows:

Name of associates	Place of incorporation and operation	Proportion of ownership interest and voting power held	Principal activities
FPT Digital Retail Joint Stock Company	No. 261 - 263 Khanh Hoi, Ward 5, District 4, Ho Chi Minh City	46.53%	Retails of computers, peripheral devices, software and telecommunication equipment; telecom service agent
Synnex FPT Joint Stock Company	No. 17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	48%	Producing technological products and distributing IT devices and mobile phone; and manufacturing computers
FPT Securities Joint Stock Company	No. 52, Lac Long Quan Road, Buoï Ward, Tay Ho District, Hanoi	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
HOMA Technologies Joint Stock	House 5, Street 13, Quang Trung Software Park, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City	30.43%	Manufacture and repair of electronic components, communication equipment, and electrical equipment

Disclosure of information comparability in the consolidated financial statements

Comparative figures are the figures of the audited consolidated financial statements for the year ended 31 December 2019.

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 2020 to 31 December 2020. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the 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.

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

Estimates

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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.

Profits from the associates on the consolidated income statement are proportional to the Group's ownership interest in the associates in respect of profit before tax.

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, 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.

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.

Equity investments in other entities

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

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

Provisions for impairment of long-term investments are made when there is reliable evidence for declining in value of these investments at the 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 based on overdue time, 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 accounted for by perpetual method. 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	8 - 25
Machinery and equipment	3 - 25
Motor vehicles	4 - 7
Office equipment	3 - 10
Other assets	3 - 5

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement.

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 amortization

Intangible assets reflect the value of land use rights, license, copyright and patent, brand name, trademark and list of customers and computer software.

(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, operating right, 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 - Asia America Gateway ("AAG") and Asia Pacific Gateway ("APG") project and right of infinite use AAE1 (Asia - Africa - Europe 1) 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) Customers relationships and Brand name

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

(iv) Computer software

Purchase price of new computer software, which is not an integral part of related hardware is capitalized and accounted for as intangible asset. Computer software is amortised to the 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, office rentals, expenses for implementation for subscribers and other types of prepayments.

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

Expenses for implementation for subscribers are charged to the interim consolidated income statement using the straight-line method over the contract implementation duration.

Other types of prepayments comprise costs of small tools, supplies and spare parts issued for consumption; and other types of prepayments for service rendered contracts 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.

Unearned revenue

Unearned revenue mainly represents customers' prepayments for telecommunication fees in multiple chargeable periods, office rental fee at Tan Thuan Export Processing Zone for multiple years, prepayments for tuition fees for multiple terms and prepayments related to warranty and maintenance services pre-paid by the customers but not yet rendered. The unearned revenue is allocated to monthly revenue from operating activities when services are rendered.

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 outsourcing, software development, system integration 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 the survey of work performed, or the percentage incurred/time spent on the portion of work completed at the end of the year compared to the total estimated cost/expected implementation time of the contract. When the performance of the contract cannot be reliably estimated, the revenue is recognized only as the equivalent of the incurred contract cost, with which the reimbursement is relatively certain.

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. All tuition and fees are collected in advance at the beginning of each semester. Tuition and fees collected in advance from the students are recorded as unearned revenue on the consolidated balance sheet and recorded in the consolidated income statement in the year in which the semester falls.

Interest income and dividend income

Interest income is accrued on an accrual 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 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;
- **Information technology services, software and software solutions, system integration:** 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:

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

4.1 Segment income statement

Current year

Unit: million VND

Items	Information Technology and Telecommunication				Investment, education and others	Elimination	Total
	Telecommunication	Digital content	Global IT services	Information technology services, software and software solutions, system integration			
Segment revenue	10,867,003	599,151	12,000,260	4,804,672	2,187,175	(627,860)	29,830,401
Segment expenses (*)							
Directly attributable expenses	(9,114,111)	(386,886)	(9,966,684)	(4,577,926)	(1,692,533)	512,469	(25,225,671)
In which:							
- Depreciation and amortisation	(1,078,906)	(2,531)	(278,321)	(29,048)	(106,126)	4,325	(1,490,607)
- Allocation of segment long-term prepaid expenses	(1,311,514)	(3,539)	(71,299)	(31,378)	(88,483)	-	(1,506,213)
Share of net profit from associates	-	-	(706)	-	-	312,900	312,194
Segment result (**)	1,752,892	212,265	2,032,870	226,746	807,542	(115,391)	4,916,924
Segment profit before tax	1,818,530	255,506	1,970,168	267,424	3,745,051	(2,793,223)	5,263,457
Total expenses for acquisition of fixed assets, construction in progress and other long-term assets	2,324,931	2,804	827,357	75,237	1,010,402	-	4,240,731

(*) Segment expenses arising from the business activities of the segment are charged directly to that segment and part of the business costs 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.

(**) Segment result is the segment revenue less segment expenses and plus share of net profit from associates, excluding financial income, expenses and other income, expenses. Therefore, in the segment "Investment, education and other", there is a big difference between the Segment result and Segment profit before tax because the financial profit and other profit was about VND 2,938 billion, which mainly includes dividends and profits distributed from entities in the Group.

Prior year

Unit: million VND

Items	Information Technology and Telecommunication				Investment, education and others	Elimination	Total
	Telecommunication	Digital content	Global IT services	Information technology services, software and software solutions, system integration			
Segment revenue	9,789,511	608,916	10,848,063	4,935,358	1,792,058	(256,946)	27,716,960
Segment expenses							
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 segment long-term prepaid expenses	(859,048)	(5,448)	(137,774)	(25,151)	(65,395)	-	(1,092,816)
Share of net profit from associates	-	-	-	-	404,927	-	404,927
Segment result	1,478,932	272,173	1,805,004	228,618	738,612	28,425	4,551,764
Segment profit before tax	1,487,627	320,526	1,722,422	250,191	2,740,057	(1,856,293)	4,664,530
Total expenses for acquisition of fixed assets, construction in progress and other long-term assets	3,745,295	3,853	1,151,000	90,263	1,033,786	(256,572)	5,767,625



4.2 Segment balance sheet

Unit: million VND

Items	Information Technology and Telecommunication				Investment and education	Elimination	Total
	Telecommunication	Digital content	Global IT services	Information technology services, software and software solutions, system integration			
Closing balance							
Segment assets	15,588,376	1,176,326	11,619,696	5,016,824	14,507,550	(6,174,449)	41,734,323
Segment liabilities	11,010,709	333,642	7,380,079	3,437,530	6,814,811	(5,848,115)	23,128,656
Opening balance							
Segment assets	12,825,489	1,055,955	8,363,509	4,390,989	8,140,182	(1,381,960)	33,394,164
Segment liabilities	8,157,544	319,816	4,629,918	2,989,354	2,528,211	(2,029,968)	16,594,875

5. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	3,411,896,435	3,833,056,658
Bank demand deposits	2,211,008,894,322	2,607,811,361,305
Cash in transit	2,322,000,000	-
Cash equivalents (*)	2,469,448,583,281	841,744,199,606
	<u>4,686,191,374,038</u>	<u>3,453,388,617,569</u>

(*) 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
a. Short-term held-to-maturity investments	12,458,669,361,753	12,435,918,124,269	6,767,480,399,809	6,708,978,162,325
- Deposits with original term of more than 3 months and remaining term of not exceeding 12 months	12,423,394,309,977	12,423,394,309,977	6,701,205,348,033	6,701,205,348,033
- Other short-term investments	35,275,051,776	12,523,814,292	66,275,051,776	7,772,814,292
b. Long-term held-to-maturity investments	200,000,000	200,000,000	-	-
- Deposits with remaining term of exceeding 12 months	200,000,000	200,000,000	-	-

	Closing balance			Opening balance		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND	VND	VND	VND	VND	VND
c. Equity investments in other entities	903,457,236,286	(303,299,425,471)	2,232,306,064,015	893,623,994,517	(309,784,634,600)	1,586,921,884,850
- Other investments (*)	903,457,236,286	(303,299,425,471)	2,232,306,064,015	893,623,994,517	(309,784,634,600)	1,586,921,884,850

In accordance with Circular No. 202/2014/TT-BTC dated 22 December 2014, the fair value of investments in other entities as at 31 December 2020 should be presented. According to assessment of the Board of Management, the fair value of the investments presented above is prudent and attainable.

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

7. SHORT-TERM TRADE RECEIVABLES

As at 31 December 2020, there were no customers with balances accounting for more than 10% of the total short-term trade receivables.

8. SHORT-TERM ADVANCES TO SUPPLIERS

As at 31 December 2020, there were no suppliers with balances accounting for more than 10% of the total short-term advances to suppliers.

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

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Contracts in progress as at the balance sheet date		
Receivables from construction contracts under percentage of completion method	197,972,680,487	318,339,389,202
Payables relating to construction contracts under percentage of completion method	(64,245,054,184)	(39,251,428,042)
	<u>133,727,626,303</u>	<u>279,087,961,160</u>
Contract costs incurred plus recognised profits less recognized losses to date	2,521,907,054,965	2,564,822,594,802
Less: Progress billings	(2,388,179,428,662)	(2,285,734,633,642)
	<u>133,727,626,303</u>	<u>279,087,961,160</u>

10. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Receivables related to maintenance service contracts	134,891,879,306	114,333,547,990
Deposits	29,452,090,857	33,709,978,901
Other receivables	316,489,382,252	343,272,426,176
	<u>480,833,352,415</u>	<u>491,315,953,067</u>
b. Non-current		
Deposits	148,140,902,681	214,269,143,412
Other receivables	55,088,908,889	55,136,703,156
	<u>203,229,811,570</u>	<u>269,405,846,568</u>

11. BAD DEBTS

	Closing balance			Opening balance		
	VND			VND		
	Cost	Recoverable amount (*)	Provision	Cost	Recoverable amount (*)	Provision
Total amount of receivables past due or not past due but impaired	842,024,001,428	164,640,041,427	677,383,960,001	481,110,126,440	64,865,337,869	416,244,788,571
In which:						
Provisions for short-term doubtful debts			622,654,786,183			361,515,614,753
Provisions for long-term doubtful debts			54,729,173,818			54,729,173,818

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

As at 31 December 2020, no receivable accounts for 10% of total value of overdue debts or debts that are not overdue but difficult to recover.

12. INVENTORIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Goods in transit	60,938,696,425	-	105,553,294,510	-
Raw materials	531,744,426,534	(69,717,642,107)	201,087,084,424	(30,279,235,077)
Tools and supplies	33,092,458,200	-	42,977,317,149	-
Work in progress	561,081,145,955	(32,143,439,918)	538,357,210,802	(32,143,439,918)
Goods on consignment	604,272,041	-	554,636,331	-
Merchandise	217,622,503,160	(13,130,895,938)	461,429,358,177	(3,335,492,455)
	1,405,083,502,315	(114,991,977,963)	1,349,958,901,393	(65,758,167,450)

13. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
Expenses for implementation for subscribers	346,558,396,435	403,755,987,720
Other current prepayments	274,479,830,715	288,744,784,141
	621,038,227,150	692,500,771,861
b. Non-current		
Expenses for implementation for subscribers	951,902,488,768	947,987,826,010
Land rentals and office rentals	661,732,572,267	522,525,094,919
Other non-current prepayments	653,430,998,239	776,619,041,782
	2,267,066,059,274	2,247,131,962,711

14. 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	Paid/Deducted	Closing balance
	VND	during the year	during the year	VND
Value added tax	194,796,202,522	3,281,495,479,277	3,210,884,793,515	265,406,888,284
- Output value added tax	194,794,636,361	3,045,186,920,089	2,974,626,508,501	265,355,047,949
- Value added tax on imported goods	1,566,161	236,308,559,188	236,258,285,014	51,840,335
Import duties	(181,397,818)	10,583,204,290	10,583,204,289	(181,397,817)
Corporate income tax	154,296,524,532	885,372,070,931	778,286,928,783	261,381,666,680
Personal income tax	56,133,748,776	651,852,570,025	639,366,163,559	68,620,155,242
Foreign contractor withholding tax	19,144,273,924	82,937,063,558	95,245,459,868	6,835,877,614
Other taxes and fees	2,170,071,599	47,495,742,305	51,280,735,382	(1,614,921,478)
Total	426,359,423,535	4,959,736,130,386	4,785,647,285,396	600,448,268,525
In which:				
- Taxes and other receivables from the State budget	128,102,182,161			45,523,941,471
- Taxes and amounts payable to the State budget	554,461,605,696			645,972,209,996



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

- Taxes and other receivables from the State budget

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Value added tax	2,719,554,078	108,856,592,037
Import duties	181,397,817	181,397,817
Corporate income tax	37,690,945,632	18,995,079,902
Personal income tax	1,355,302,262	-
Other taxes and fees	3,576,741,682	69,112,405
	<u>45,523,941,471</u>	<u>128,102,182,161</u>

- Taxes and amounts payable to the State budget

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Value added tax	268,126,442,362	303,652,786,817
Corporate income tax	299,072,612,312	173,291,604,434
Personal income tax	69,975,457,504	56,133,748,776
Other taxes and fees	8,797,697,818	21,383,465,669
	<u>645,972,209,996</u>	<u>554,461,605,696</u>

15. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Other assets	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	2,244,612,256,360	8,231,582,976,860	84,914,113,852	678,498,425,870	61,453,999,269	11,301,061,772,211
Purchases	64,866,574,943	1,541,225,290,335	9,197,889,090	36,682,138,870	17,932,611,411	1,669,904,504,649
Transfer from construction in progress	850,518,982,217	71,272,537,709	-	910,405,597	1,770,807,273	924,472,732,796
Disposals	-	(7,382,675,574)	(5,497,728,090)	(10,792,409,657)	(105,215,000)	(23,778,028,321)
Reclassification	(603,512,703)	2,837,743,673	(70,525,000)	2,476,872,453	-	4,640,578,423
Other increases/(decreases) (*)	605,757,208	(893,190,165,212)	471,208,564	(38,684,087,914)	66,064,871	(930,731,222,483)
Closing balance	3,160,000,058,025	8,946,345,707,791	89,014,958,416	669,091,345,219	81,118,267,824	12,945,570,337,275
ACCUMULATED DEPRECIATION						
Opening balance	437,760,265,861	3,966,975,616,646	40,140,775,079	554,001,495,353	6,921,773,062	5,005,799,926,001
Charge for the year	111,940,889,872	1,103,916,557,959	10,907,995,369	34,241,080,523	11,030,386,727	1,272,036,910,450
Disposals	-	(5,815,537,741)	(4,072,574,561)	(10,435,958,836)	(76,513,138)	(20,400,584,276)
Reclassification	(2,340,447,446)	4,491,690,237	(116,724,016)	2,606,059,648	-	4,640,578,423
Other increases/(decreases) (*)	627,529,127	(501,654,588,693)	334,811,410	(35,351,185,343)	(14,685,589)	(536,058,119,088)
Closing balance	547,988,237,414	4,567,913,738,408	47,194,283,281	545,061,491,345	17,860,961,062	5,726,018,711,510
NET BOOK VALUE						
Opening balance	1,806,851,990,499	4,264,607,360,214	44,773,338,773	124,496,930,517	54,532,226,207	6,295,261,846,210
Closing balance	2,612,011,820,611	4,378,431,969,383	41,820,675,135	124,029,853,874	63,257,306,762	7,219,551,625,765

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

As at 31 December 2020, the cost of the Corporation's tangible fixed assets including machinery and equipment, motor vehicles and office equipment which had been fully depreciated but are still in use was approximately VND 2,201,466 million (as at 31 December 2019: VND 1,846,603 million).

16. INCREASE, DECREASE IN INTANGIBLE ASSETS

	Land use rights	Computer software	License, operating right, copyright and patent	Others	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	179,681,242,218	381,977,715,513	1,028,502,051,437	383,653,350,519	1,973,814,359,687
Purchases	2,553,990,000	53,610,330,784	5,747,464,418	441,240,000	62,353,025,202
Transferred from construction in progress	-	2,271,434,231	21,562,953,886	-	23,834,388,117
Disposals	-	(8,471,332,468)	(95,143,140)	(777,316,419)	(9,343,792,027)
Other increases/(decreases)	2,030,672,881	(4,102,467,709)	65,621,034,881	(77,239,589,537)	(13,690,349,484)
Closing balance	184,265,905,099	425,285,680,351	1,121,338,361,482	306,077,684,563	2,036,967,631,495
ACCUMULATED AMORTISATION					
Opening balance	9,061,671,828	314,715,063,362	444,364,717,153	11,611,885,282	779,753,337,625
Charge for the year	1,475,258,163	46,383,983,912	122,433,657,167	15,359,829,340	185,652,728,582
Disposals	-	(8,407,354,504)	(95,143,140)	(777,316,419)	(9,279,814,063)
Other increases/(decreases)	950,770,465	(1,925,075,007)	(26,192,787,633)	12,639,467,294	(14,527,624,881)
Closing balance	11,487,700,456	350,766,617,763	540,510,443,547	38,833,865,497	941,598,627,263
NET BOOK VALUE					
Opening balance	170,619,570,390	67,262,652,151	584,137,334,284	372,041,465,237	1,194,061,022,062
Closing balance	172,778,204,643	74,519,062,588	580,827,917,935	267,243,819,066	1,095,369,004,232

As at 31 December 2020, the cost of the Corporation's intangible assets which had been fully amortised but are still in use was approximately VND 387,954 million (as at 31 December 2019: approximately VND 229,233 million).

17. CONSTRUCTION IN PROGRESS

	Current year VND	Prior year VND
Opening balance	1,650,470,873,492	1,174,778,083,753
Additions	1,672,569,037,318	1,205,845,765,978
Transfer to fixed assets	(948,307,120,913)	(715,952,062,667)
Other decreases	(1,339,493,332)	(14,200,913,572)
Closing balance	2,373,393,296,565	1,650,470,873,492
	Closing balance VND	Opening balance VND
Fixed assets acquisition	-	614,506,040
Constructions in progress	2,373,393,296,565	1,649,856,367,452
	2,373,393,296,565	1,650,470,873,492

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

	Closing balance VND	Opening balance VND
FPT Tower	1,333,086,970,636	978,819,494,856
FPT University in Da Nang City	249,816,768,557	14,158,110,249
Ftown 3	-	344,891,726,250
Other construction works	790,489,557,372	311,987,036,097
	2,373,393,296,565	1,649,856,367,452

18. INVESTMENTS IN ASSOCIATES

	Current period VND	Prior period VND
Opening balance	1,912,712,694,571	1,676,231,689,527
Share of net profit after corporate income tax of associates	246,291,818,222	318,095,248,544
Dividends received	(219,912,930,500)	(81,614,243,500)
Change from equity investments in other entities to investment in associates	47,000,000,000	-
Other adjustments	(5,274,439,056)	-
Closing balance	1,980,817,143,237	1,912,712,694,571

19. GOODWILL

	<u>VND</u>
COST	
Opening balance	281,220,744,876
Increase during the year	704,200,000
Closing balance	<u>281,924,944,876</u>
AMORTISATION	
Opening balance	55,291,329,604
Charge for the year	26,599,390,245
Closing balance	<u>81,890,719,849</u>
NET BOOK VALUE	
Opening balance	<u>225,929,415,272</u>
Closing balance	<u>200,034,225,027</u>

20. SHORT-TERM TRADE PAYABLES

As at 31 December 2020, there were no suppliers with balances accounting for more than 10% of the total short-term trade payables.

21. SHORT-TERM ADVANCES FROM CUSTOMERS

As at 31 December 2020, there were no customers with balances accounting for more than 10% of the total short-term advances from customers.

22. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accrued expenses relating to system integration projects	310,458,800,267	381,465,970,404
Others	451,906,682,994	365,387,638,362
	<u>762,365,483,261</u>	<u>746,853,608,766</u>

23. UNEARNED REVENUE

	Closing balance	Opening balance
	VND	VND
a. Current		
Unearned revenue related to telecom services	1,212,664,763,295	1,300,762,452,613
Unearned revenue related to tuition fees	639,598,614,005	451,380,452,990
Other unearned revenue	110,615,197,230	75,176,620,344
	1,962,878,574,530	1,827,319,525,947
b. Non-current		
Unearned revenue related to telecom services	6,064,949,466	5,724,987,341
Other unearned revenue	35,059,606,064	37,052,179,882
	41,124,555,530	42,777,167,223

24. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a. Current		
Trade union fee	78,135,212,986	57,305,049,175
Social, health and unemployment insurance	90,077,629,985	75,143,289,315
Short-term deposits received	118,693,347,207	116,120,080,252
Dividends payable	308,649,574,006	9,864,253,931
Other current payables	149,261,128,050	129,007,443,880
	744,816,892,234	387,440,116,553
In which: Other short-term payables to related parties (see details in Note 36)	1,526,452,162	2,993,176,666
b. Non-current		
Long-term deposits received	29,878,624,140	75,072,699,564
Other non-current payables	8,614,259,892	17,033,261,908
	38,492,884,032	92,105,961,472

25. 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 (*)	6,939,532,044,820	6,939,532,044,820	17,988,315,534,545	14,206,962,411,350	10,720,885,168,015	10,720,885,168,015
Short-term loans from related parties (see details in Note 36)	220,000,000,000	220,000,000,000	1,660,000,000,000	1,035,000,000,000	845,000,000,000	845,000,000,000
Current portion of long-term loans and obligations under finance leases	354,103,609,188	354,103,609,188	472,227,343,353	329,805,927,816	496,525,024,725	496,525,024,725
- Current portion of long-term loans (see details in Note 27)	353,007,554,443	353,007,554,443	470,634,156,608	328,052,134,396	495,589,576,655	495,589,576,655
- Current portion of long-term obligations under finance leases (see details in Note 27)	1,096,054,745	1,096,054,745	1,593,186,745	1,753,793,420	935,448,070	935,448,070
Total	7,513,635,654,008	7,513,635,654,008	20,120,542,877,898	15,571,768,339,166	12,062,410,192,740	12,062,410,192,740

(*) Most of short-term loans from banks are unsecured and used to supplement working capital. These loans can be withdrawn in the currency specified in the contract. Interest rate is determined in respect of each specific withdrawal.

26. PROVISIONS

a. Current

	Short-term provisions		Total
	for warranties	Others	
	VND	VND	VND
Opening balance	8,543,239,001	166,023,573,251	174,566,812,252
Additional provision in the year	5,674,846,282	189,614,080,000	195,288,926,282
Utilized/reversed provisions	(7,065,995,641)	(151,192,947,718)	(158,258,943,359)
Closing balance	7,152,089,642	204,444,705,533	211,596,795,175

b. Non-current

	Long-term provisions	Long-term provisions	Total
	for warranties	for guarantees on student loans	
	VND	VND	VND
Opening balance	7,760,730,329	12,905,000	7,773,635,329
Additional provision in the year	2,148,286,746	-	2,148,286,746
Utilized/reversed provisions	(3,841,418,997)	-	(3,841,418,997)
Closing balance	6,067,598,078	12,905,000	6,080,503,078

Provisions for warranties

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

27. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Closing balance	
	VND		VND		VND	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
Long-term loans	700,873,261,151	700,873,261,151	798,553,711,100	328,052,134,396	1,171,374,837,855	1,171,374,837,855
Long-term obligations under finance leases	2,999,447,979	2,999,447,979	1,701,445,724	1,753,793,420	2,947,100,283	2,947,100,283
Total	703,872,709,130	703,872,709,130	800,255,156,824	329,805,927,816	1,174,321,938,138	1,174,321,938,138
Of which:						
- Amount due for settlement within 12 months		354,103,609,188			496,525,024,725	
- Amount due for settlement after 12 months		349,769,099,942			677,796,913,413	

Details of long-term loans by term:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Long-term loans	1,171,374,837,855	700,873,261,151
- 3-year term	566,380,130,608	506,429,939,806
- 4-year term	-	51,954,791,817
- 5-year term	538,064,707,247	142,488,529,528
- Over 5-year term	66,930,000,000	-
Long-term obligations under finance leases	2,947,100,283	2,999,447,979
Total	<u>1,174,321,938,138</u>	<u>703,872,709,130</u>
Of which:		
- Amount due for settlement within 12 months	496,525,024,725	354,103,609,188
- Amount due for settlement after 12 months	677,796,913,413	349,769,099,942

Long-term loans are repayable as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
On demand or within one year	495,589,576,655	353,007,554,443
In the second year	321,853,860,942	260,887,573,374
In the third to fifth year inclusive	323,714,066,958	86,978,133,334
After five years	30,217,333,300	-
	<u>1,171,374,837,855</u>	<u>700,873,261,151</u>
Less: Amount due for settlement within 12 months (shown under short-term loans)	495,589,576,655	353,007,554,443
Amount due for settlement after 12 months	<u>675,785,261,200</u>	<u>347,865,706,708</u>

28. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Other owners' capital	Treasury shares	Foreign exchange reserve	Investment and development fund	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Prior year's opening balance	6,136,367,720,000	49,465,703,201	667,035,271,273	(823,760,000)	14,965,650,460	222,962,521,203	87,230,283,704	5,293,166,046,073	12,470,369,435,914
Shares issued	30,672,000,000	-	-	-	-	-	-	-	30,672,000,000
Profit for the year	-	-	-	-	-	-	-	3,135,723,250,490	3,135,723,250,490
Transfer to bonus and welfare funds	-	-	-	-	-	-	-	(276,493,604,433)	(276,493,604,433)
Transfer to and utilization of development and investment fund	-	-	-	-	-	84,545,709,935	-	(95,776,600,202)	(11,230,890,267)
Stock dividends declared	616,547,160,000	-	103,242,050,000	-	-	-	-	(719,789,210,000)	-
Cash dividends declared	-	-	-	-	-	-	-	(1,294,897,908,000)	(1,294,897,908,000)
Other movements	-	475,738,159	(4,944,856,414)	-	(22,738,787,522)	18,342,091	15,755,248,086	(81,255,017,459)	(92,689,333,059)
Current year's opening balance	6,783,586,880,000	49,941,441,360	765,332,464,859	(823,760,000)	(7,773,137,062)	307,526,573,229	102,985,531,790	5,960,676,956,469	13,961,452,950,645
Shares issued	33,917,900,000	(228,227,949)	-	-	-	-	-	-	33,689,672,051
Profit for the year	-	-	-	-	-	-	-	3,539,673,675,225	3,539,673,675,225
Transfer to bonus and welfare funds	-	-	-	-	-	-	-	(311,913,047,596)	(311,913,047,596)
Transfer to and utilization of development and investment fund	-	-	-	-	-	134,811,709,648	-	(102,804,743,727)	32,006,965,921
Stock dividends declared (*)	1,022,370,080,000	-	131,859,930,515	-	-	-	-	(1,154,230,010,515)	-
Cash dividends declared (*)	-	-	-	-	-	-	-	(1,465,573,212,000)	(1,465,573,212,000)
Other movements	-	-	22,889,014,825	-	21,269,888,339	33,297,064	(15,782,438,766)	(74,923,489,404)	(46,513,727,942)
Current year's closing balance	7,839,874,860,000	49,713,213,411	920,081,410,199	(823,760,000)	13,496,751,277	442,371,579,941	87,203,093,024	6,390,906,128,452	15,742,823,276,304
In which:									
<i>Net profit in the year transferred from consolidated Income Statement</i>								3,538,007,738,822	3,538,007,738,822
<i>Non-controlling interest</i>									
- Opening balance	1,465,751,055,014	32,465,761,888	1,846,533	-	141,687,851	325,879,730,671	18,789,771,234	992,056,597,170	2,835,086,450,361
- Closing balance	1,609,937,256,478	45,177,850,175	30,103,744,793	-	96,837,829	448,213,156,949	-	726,565,278,200	2,860,094,124,424

(*) Dividends

Dividends of Parent company

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

On 30 July 2020, the Board of Directors approved the advance of the first cash dividend payment of 2020 at the pay-out ratio of 10% of par value (VND 1,000/share). Accordingly, the Company made the payment of dividends in cash with an amount of VND 783,905,110,000.

Dividends of subsidiaries

During the year, the subsidiaries paid cash and stock dividends according to the Resolutions of the General Meeting of Shareholders / Board of Directors of each subsidiary.

The use of capital received in the year

No.	Items	Purposes	Increase/(decrease)		Actual amount used for intended purposes	
			Current year	Prior year	Current year	Prior year
1	Raised from share issue	To supplement working capital	1,056,287,980,000	647,219,160,000	1,056,287,980,000	647,219,160,000
	Total		1,056,287,980,000	647,219,160,000	1,056,287,980,000	647,219,160,000

Shares

	Closing balance	Opening balance
	Number of shares	Number of shares
Authorised share capital	783,987,486	678,358,688
Issued share capital	783,987,486	678,358,688
Ordinary shares	783,987,486	678,358,688
<i>In which shares subject to restriction in ownership transfer</i>	11,642,061	10,072,368
Treasury shares	(82,376)	(82,376)
<i>In which shares subject to restriction in ownership transfer</i>	-	-
Outstanding shares in circulation	783,905,110	678,276,312
Ordinary shares	783,905,110	678,276,312
<i>In which shares subject to restriction in ownership transfer</i>	11,642,061	10,072,368

All ordinary shares have a par value of VND 10,000. Each share is entitled to one vote at shareholders' meetings of the Corporation. Shareholders are entitled to receive dividends as declared from time to 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.

29. REVENUE

	Current year	Prior year
	VND	VND
Gross revenue from goods sold and services rendered	29,921,698,144,296	27,791,982,176,829
In which:		
- Sales of finished products, goods	3,052,175,538,910	3,532,759,159,076
- Sales of services	26,869,522,605,386	24,259,223,017,753
Deductions	91,297,617,472	75,022,024,554
Net revenue from goods sold and services rendered	29,830,400,526,824	27,716,960,152,275

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

30. COST OF SALES

	Current year	Prior year
	VND	VND
Cost of finished products, goods sold	2,526,561,598,424	2,981,061,229,485
Cost of services rendered	15,440,947,643,160	14,018,706,582,249
Provision for inventory devaluation	49,233,810,513	5,142,717,419
	18,016,743,052,097	17,004,910,529,153

31. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Raw materials	3,526,489,923,446	4,163,120,186,842
Labour	12,390,313,936,118	10,267,171,008,109
Depreciation and amortisation	1,490,607,476,892	1,354,613,458,881
Out-sourced services	6,459,249,587,142	6,670,464,594,499
Other monetary expenses	1,381,733,859,793	1,259,287,783,542
	25,248,394,783,391	23,714,657,031,873

32. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Bank and loans interest	716,020,184,362	509,021,946,024
Foreign exchange gain	102,340,583,506	137,760,701,888
Other financial income	3,535,656,914	3,711,893,287
	<u>821,896,424,782</u>	<u>650,494,541,199</u>

33. FINANCIAL EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Interest expense	385,337,754,896	358,987,537,452
Foreign exchange loss	198,940,371,225	182,638,938,524
Other financial expenses	(36,112,914,504)	50,759,574,085
	<u>548,165,211,617</u>	<u>592,386,050,061</u>

34. CORPORATE INCOME TAX EXPENSE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Current corporate income tax expense		
- Corporate income tax based on taxable profit in the current year	865,056,667,445	747,736,183,007
- Adjustments for corporate income tax expense in previous years to the current year	77,757,451,186	14,253,429,109
Total current corporate income tax expense	<u>942,814,118,631</u>	<u>761,989,612,116</u>

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Deferred corporate income tax (income)		
- Deferred corporate income tax (income) arising from deductible temporary differences	(103,102,706,262)	(9,171,267,283)
Total deferred corporate income tax (income)	<u>(103,102,706,262)</u>	<u>(9,171,267,283)</u>

Applicable tax rate

Under the Business Registration Certificate of the Parent company and its subsidiaries and prevailing tax regulations, the Corporation is obligated to pay CIT at the rate of 10% of taxable profit on the training services rendered; preferential tax rates by locality for production and business activities of a number of units in the hi-tech zones; 20% of taxable profit on the remaining goods sold and services rendered. The

corporate income tax expense for the fiscal year is estimated based on taxable income and is subject to adjustments at the discretion of the tax office.

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

35. BASIC EARNINGS PER SHARE

Basic earnings per share for the year ended 31 December 2020 was calculated based on the profit attributable to ordinary shareholders and the weighted average number of outstanding ordinary shares during the year, as follows:

	<u>Current year</u>	<u>Prior year (Restated)</u>
Accounting profit after corporate income tax (VND)	3,538,007,738,822	3,135,350,376,654
Appropriation to bonus and welfare funds (VND)	311,913,047,596	276,493,604,433
Weighted average number of outstanding ordinary shares (share)	783,071,063	779,706,604
Basic earnings per share (VND/share)	4,120	3,667

Restatement of weighted average number of ordinary shares

In the year ended 31 December 2020, 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 2019, as follows:

	<u>Weighted average number of shares</u>	<u>Basic earnings per share</u>
	Share	VND
Numbers presented on prior financial statements	677,469,596	4,220
Restatement as a result of stock dividend payment during the year	102,237,008	(553)
As restated	779,706,604	3,667

36. 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
HOMA Technologies Join Stock Company	Associate

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

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Dividends received in cash		
Synnex FPT Joint Stock Company	171,133,791,000	28,522,298,500
FPT Digital Retail Joint Stock Company	36,754,000,000	31,960,000,000
FPT Securities Joint Stock Company	12,025,139,500	10,931,945,000
Purchases of goods and services		
Synnex FPT Joint Stock Company	917,375,331,498	881,721,409,821
FPT Digital Retail Joint Stock Company	86,499,125,208	-
Decrease in lendings		
FPT Digital Retail Joint Stock Company	450,000,000,000	20,000,000,000
Increase in short-term loans		
FPT Digital Retail Joint Stock Company	625,000,000,000	220,000,000,000

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

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Entrusted investments and loans to		
FPT Capital Management Joint Stock Company	41,366,081,776	72,366,081,776
Capital contribution		
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
HOMA Technologies Joint Stock Company	47,000,000,000	47,000,000,000
Other current payables		
<i>Payables via centralized account</i>		
FPT Digital Retail Joint Stock Company	1,526,452,162	2,993,176,666
Short-term trade payables		
Synnex FPT Joint Stock Company	136,459,087,719	98,861,271,404
Short-term loans		
FPT Digital Retail Joint Stock Company	845,000,000,000	220,000,000,000

Remuneration of the Board of Directors, the Board of Supervisors and salary of Executive President and other managers:

Unit: VND

Remuneration of the Board of Directors

No.	Name	Title	Current year
1.	Mr. Truong Gia Binh	Chairman	0
2.	Mr. Bui Quang Ngoc	Vice Chairman	0
3.	Mr. Do Cao Bao	Member	0
4.	Mr. Le Song Lai	Member	264,000,000
5.	Mr. Jean Charles	Member	600,000,000
6.	Mr. Hamaguchi Tomokazu	Member	2,326,425,000
7.	Mr. Dan E Khoo	Member	2,326,425,000
Total			5,516,850,000

Remuneration of the Board of Supervisors

No.	Name	Title	Current year
1	Mr. Nguyen Viet Thang	Head of the Board of Supervisors	588,000,000
2	Mr. Nguyen Khai Hoan	Member	303,600,000
3	Ms. Nguyen Thi Kim Anh	Member	303,600,000
Total			1,195,200,000

Salary of Executive President and other managers

No.	Name	Title	Current year
1.	Mr. Nguyen Van Khoa	Executive President	3,520,000,000
2.	Mr. Nguyen The Phuong	Executive Vice President	2,750,000,000
3.	Mr. Hoang Viet Anh	Executive Vice President	2,200,000,000
4.	Mr. Hoang Huu Chien	Chief Accountant	1,540,000,000
5.	Ms. Bui Nguyen Phuong Chau	In charge of Information Governance and Disclosure	1,100,000,000
Total			11,110,000,000

37. 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 2020, the number of students participating in the program in Japan are 155, and the total respective estimated guarantee amount is VND 21,760,581,896.

38. SUBSEQUENT EVENTS

According to Resolution No. 01.01-2021/NQ-HDQTFPT dated 26 January 2021, the Board of Directors of the Company approved:

- To increase the charter capital for FPT Software Company Limited from the current amount of VND 2,800 billion to VND 3,300 billion and the charter capital of FPT Investment Company Limited from the current amount of VND 800 billion to VND 1,000 billion;
- To establish a subsidiary which is named FPT Digital Company Limited in the form of a one-member limited liability company with the charter capital of VND 60 billion. FPT Digital Company Limited was established under the Business Registration Certificate No. 0109525069 issued by Hanoi Authority for Planning and Investment dated 08 February 2021.



Nguyen Trong Nhan
Preparer



Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

04 March 2021