



# **FPT CORPORATION**

## **FINANCIAL STATEMENTS** **Quarter I - 2018**



---

Hanoi, April 2018

**TABLE OF CONTENTS**

<b><u>CONTENTS</u></b>	<b><u>PAGE(S)</u></b>
BALANCE SHEET	3 - 4
INCOME STATEMENT	5-6
CASH FLOW STATEMENT	7
NOTES TO THE SEPARATE FINANCIAL STATEMENTS	8 - 29

**BALANCE SHEET**

As at 31 March 2018

**FORM B 01-DN**

Unit: VND

ASSETS	Codes	Notes	31/03/2018	31/12/2017
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>5,587,444,703,712</b>	<b>5,329,441,848,610</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>1,264,178,455,442</b>	<b>1,543,531,025,225</b>
1. Cash	111		121,178,455,442	159,931,025,225
2. Cash equivalents	112		1,143,000,000,000	1,383,600,000,000
<b>II. Short-term financial investments</b>	<b>120</b>	<b>6</b>	<b>3,107,400,000,000</b>	<b>2,681,400,000,000</b>
1. Held-to-maturity investments	123		3,107,400,000,000	2,681,400,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>1,175,567,365,313</b>	<b>1,093,590,824,150</b>
1. Short-term trade receivables	131		73,344,345,066	61,914,578,338
2. Short-term advances to suppliers	132		127,190,957,788	1,811,627,443
3. Short-term loan receivables	135		34,500,000,000	34,500,000,000
4. Other short-term receivables	136	5	940,532,062,459	995,364,618,369
<b>IV. Inventories</b>	<b>140</b>		<b>150,545,253</b>	<b>298,547,253</b>
1. Inventories	141		150,545,253	298,547,253
<b>V. Other short-term assets</b>	<b>150</b>		<b>40,148,337,704</b>	<b>10,621,451,982</b>
1. Short-term prepayments	151		39,362,450,216	9,619,131,985
2. Value added tax deductibles	152		751,084,860	967,517,368
3. Taxes and other receivables from the State budget	153	11	34,802,628	34,802,629
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>4,889,624,467,733</b>	<b>4,892,386,193,050</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>75,785,500,679</b>	<b>79,231,338,997</b>
1. Tangible fixed assets	221	7	63,959,302,849	66,433,143,142
- Cost	222		203,043,909,959	202,962,167,963
- Accumulated depreciation	223		(139,084,607,110)	(136,529,024,821)
2. Intangible assets	227	8	11,826,197,830	12,798,195,855
- Cost	228		71,226,891,892	71,226,891,892
- Accumulated amortisation	229		(59,400,694,062)	(58,428,696,037)
<b>II. Long-term assets in progress</b>	<b>240</b>		<b>399,733,566,606</b>	<b>399,733,566,606</b>
1. Long-term construction in progress	242		399,733,566,606	399,733,566,606
<b>III. Long-term financial investments</b>	<b>250</b>		<b>4,411,264,696,145</b>	<b>4,411,264,696,145</b>
1. Investment in subsidiaries	251	6	3,929,613,409,012	3,929,613,409,012
2. Investments in Joint-ventures, associates	252	6	492,500,000,000	492,500,000,000
3. Equity investments in other entities	253	6	500,000,000	500,000,000
4. Provision for impairment of long-term financial investments	254		(11,348,712,867)	(11,348,712,867)
<b>IV. Other long-term assets</b>	<b>260</b>		<b>2,840,704,303</b>	<b>2,156,591,302</b>
1. Long-term prepayments	261		2,840,704,303	2,156,591,302
<b>TOTAL ASSET (270=100 + 200)</b>	<b>270</b>		<b>10,477,069,171,445</b>	<b>10,221,828,041,660</b>

**BALANCE SHEET (Continued)**

As at 31 March 2018

**FORM B 01-DN**

Unit: VND

RESOURCES	Codes	Notes	31/03/2018	31/12/2017
<b>C. LIABILITIES</b>	<b>300</b>		<b>851,883,848,218</b>	<b>971,355,319,833</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>851,883,848,218</b>	<b>971,355,319,833</b>
1. Short-term trade payables	311		88,368,150,312	79,608,251,523
2. Short-term advances from customers	312		3,244,580,401	388,359,606
3. Taxes and amounts payable to the State budget	313	11	9,004,288,329	50,961,962,268
4. Payables to employees	314		-	2,686,194
5. Short-term accrued expenses	315	12	31,360,341,426	30,738,911,788
6. Other current payables	319	13	146,857,638,448	396,530,752,152
7. Short-term loans and obligations under finance lea	320	14	531,000,000,000	400,000,000,000
8. Bonus and welfare funds	322		42,048,849,302	13,124,396,302
<b>D. EQUITY</b>	<b>400</b>		<b>9,625,185,323,227</b>	<b>9,250,472,721,827</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>15</b>	<b>9,625,185,323,227</b>	<b>9,250,472,721,827</b>
1. Owner's contributed capital	411		5,309,611,050,000	5,309,611,050,000
- Ordinary shares carrying voting rights	411a		5,309,611,050,000	5,309,611,050,000
2. Share premium	412		49,941,441,360	49,941,441,360
3. Treasury shares	415		(823,760,000)	(823,760,000)
4. Investment and development fund	418		103,009,261	103,009,261
5. Other reserves	420		87,203,093,024	87,203,093,024
6. Retained earnings	421		4,179,150,489,582	3,804,437,888,182
- Retained earnings/(losses) accumulated to the prior period end	421a		3,804,437,888,182	2,410,184,135,191
- Retained earnings/(losses) of the current period	421b		374,712,601,400	1,394,253,752,991
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>10,477,069,171,445</b>	<b>10,221,828,041,660</b>

**La Hung Hai**  
Preparer

**Hoang Huu Chien**  
Chief Accountant



**Nguyen The Phuong**  
Executive Vice President

27 April 2018

INCOME STATEMENT  
 Quarter 1 - 2018

ITEMS	Codes	Notes	In period		Year to date	
			2018	2017	2018	2017
<b>Gross revenue from goods sold and services rendered</b>						
<b>1</b>	<b>01</b>	<b>16</b>	<b>26,733,528,389</b>	<b>71,977,891,180</b>	<b>26,733,528,389</b>	<b>71,977,891,180</b>
2 Deductions	02		51,607,829	-	51,607,829	-
<b>3 Net revenue from goods sold and services rendered</b>	<b>10</b>		<b>26,681,920,560</b>	<b>71,977,891,180</b>	<b>26,681,920,560</b>	<b>71,977,891,180</b>
4 Cost of sales	11	17	-	39,500,499,055	-	39,500,499,055
<b>5 Gross profit from goods sold and services rendered</b>	<b>20</b>		<b>26,681,920,560</b>	<b>32,477,392,125</b>	<b>26,681,920,560</b>	<b>32,477,392,125</b>
6 Financial income	21	18	418,597,505,564	411,772,399,458	418,597,505,564	411,772,399,458
7 Financial expenses	22	19	8,682,245,060	33,146,328,456	8,682,245,060	33,146,328,456
<i>In which: interest expense</i>	23		<i>8,682,245,060</i>	<i>29,849,590,282</i>	<i>8,682,245,060</i>	<i>29,849,590,282</i>
8 Selling expenses	25		503,843,728	370,261,995	503,843,728	370,261,995
9 General and administration expenses	26		54,547,276,400	41,365,438,913	54,547,276,400	41,365,438,913
<b>10 Operating profit</b>	<b>30</b>		<b>381,546,060,936</b>	<b>369,367,762,219</b>	<b>381,546,060,936</b>	<b>369,367,762,219</b>
11 Other income	31		216,584	1,168,711,173	216,584	1,168,711,173
12 Other expenses	32		-	1,188,581,818	-	1,188,581,818
<b>13 Profit from other activities</b>	<b>40</b>		<b>216,584</b>	<b>(19,870,645)</b>	<b>216,584</b>	<b>(19,870,645)</b>
<b>14 Accounting profit before tax</b>	<b>50</b>		<b>381,546,277,520</b>	<b>369,347,891,574</b>	<b>381,546,277,520</b>	<b>369,347,891,574</b>
15 Current corporate income tax expense	51	20	6,833,676,120	17,698,272	6,833,676,120	17,698,272
<b>16 Net profit after corporate income tax</b>	<b>60</b>		<b>374,712,601,400</b>	<b>369,330,193,302</b>	<b>374,712,601,400</b>	<b>369,330,193,302</b>

**EXPLANATION ON LOWER NET REVENUE IN 1Q2018 IN COMPARISON TO 1Q2017:**

FPT Corporation explains the variation of netrevenue in 2018, in comparison with the same period last year as follows:

Unit: million

Item	Year 2018	Year 2017	Increase/Decrease		Year 2018	Year 2017	Increase/Decrease	
	Quarter 1	Quarter 1	Amount	Percentage	Accumulated revenue	Accumulated revenue	Amount	Percentage
Net Revenue	26,682	71,978	(45,296)	-63%	26,682	71,978	(45,296)	-63%

The movement in 1Q2018 revenue is due to some revenue items recognized in 1Q2017 have not occurred this year.



**La Hung Hai**  
 Preparer

27 April 2018



**Hoang Huu Chien**  
 Chief Accountant



**Nguyen The Phuong**  
 Executive Vice President

**CASH FLOW STATEMENT**  
 For the year ended 31 March 2018

**FORM B 03-DN**  
 Unit: VND

ITEMS	Codes	2018	2017
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1.(Loss)/Profit before tax</b>	<b>01</b>	<b>381,546,277,520</b>	<b>369,347,891,574</b>
<b>2. Adjustments for:</b>			
Depreciation and amortisation of fixed assets and	02	3,527,580,314	4,389,250,543
Foreign exchange (gain)/ loss arising from translating foreign currency items	04	(912,877,057)	(4,138,383)
(Gain)/loss from investing activities	05	(417,831,313,718)	(408,458,448,493)
Interest expense	06	8,682,245,060	29,849,590,282
<b>3. Operating profit before movements in working capital</b>	<b>08</b>	<b>(24,988,087,881)</b>	<b>(4,875,854,477)</b>
(Increase)/Decrease in receivables	09	(38,743,396,232)	426,874,661,855
(Increase)/Decrease in inventories	10	148,002,000	-
(Increase)/Decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	(229,318,323,183)	(339,692,467,947)
(Increase)/Decrease in prepaid expenses	12	(30,152,057,899)	2,434,566,687
Interest paid	14	(3,807,373,965)	(38,453,184,674)
Corporate income tax paid	15	(48,807,843,352)	(4,069,579,190)
Other cash inflows	16	31,200,253,000	-
Other cash outflows	17	(2,275,800,000)	(2,192,000,000)
<b>Net cash generated by/(used in) operating activities</b>	<b>20</b>	<b>(346,744,627,512)</b>	<b>40,026,142,254</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(81,741,996)	(1,557,576,338)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	-	1,168,581,818
3. Cash outflow for lending, buying debt instruments of other entities	23	(1,236,400,000,000)	(951,600,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	810,400,000,000	857,600,000,000
6. Cash recovered from investments in other entities	26	-	946,800,000
7. Interest earned, dividends and profits received	27	362,570,941,000	467,330,991,308
<b>Net cash generated by/(used in) investing activities</b>	<b>30</b>	<b>(63,510,800,996)</b>	<b>373,888,796,788</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
2. Proceeds from borrowings	33	625,000,000,000	3,022,400,000,000
3. Repayment of borrowings	34	(494,000,000,000)	(4,315,000,000,000)
4. Dividends and profits paid	36	(97,141,275)	(1,212,479,100)
<b>Net cash generated by/(used in) financing activities</b>	<b>40</b>	<b>130,902,858,725</b>	<b>(1,293,812,479,100)</b>
<b>Net increase/(decrease) in cash (50=20+30+40)</b>	<b>50</b>	<b>(279,352,569,783)</b>	<b>(879,897,540,058)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>	<b>1,543,531,025,225</b>	<b>2,853,210,486,530</b>
<b>Cash and cash equivalents at the end of the period (70=50+60)</b>	<b>70</b>	<b>1,264,178,455,442</b>	<b>1,973,312,946,472</b>

La Hung Hai  
 Preparer

27 April 2018

Hoàng Hữu Chiên  
 Chief Accountant



Nguyễn Thị Phương  
 Executive Vice President

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**1. GENERAL INFORMATION**

**Structure of ownership**

FPT Corporation (the “Company”) was incorporated as a State-owned company in Vietnam and subsequently equitised in accordance with Decision No. 178/QĐ-TTg, following which the Company officially operated as a joint stock company. FPT Corporation operates under Business Registration Certificate No. 0103001041 issued for the first time by Hanoi Department of 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 09 October 2017, the Company’s total charter capital is VND 5,309,611,050,000.

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

The number of employees of the Company as at 31 March 2018 was 181 (31 December 2017: 187).

**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

**Operating industry and principal activities**

The principal activities of the Company are to provide information technology and telecommunication products and services and to make investments. The main products and services provided are system integration; software production and development; IT services, ERP services; software solution services; telecommunication and internet services; training; warranty and maintenance of telecommunication and IT equipment and other telecommunication services.

**The Corporation’s structure**

Since 18 December 2017, FPT’s proportions of ownership interest in FPT Digital Retail Joint Stock Company (“FRT”) and FPT Trading Company Limited (“FTG”) have been reduced to 47% and 48%, respectively. Accordingly, FRT and FTG are no longer subsidiaries of FPT but its associates. FTG’s official name is also changed to “Synnex FPT Joint Stock Company”.

As at 31 March 2018, FPT Corporation had 7 subsidiaries, as follows:

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

and 2 associates:

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



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**

**Accounting convention**

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

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

**Financial year**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Estimates**

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

**Financial instruments**

***Initial recognition***

***Financial assets***

At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets.

Financial assets of the Company comprise cash and cash equivalents, trade receivables, short-term inter-company receivables and other receivables, short-term and long-term investments and other financial assets.

***Financial liabilities***

At the date of initial recognition, financial liabilities are recognized at cost.

Financial liabilities of the Company comprise trade payables, accruals, other financial liabilities and borrowings.

***Subsequent measurement after initial recognition***

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and cash equivalents**

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

**Financial investments**

***Held-to-maturity investments***

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits (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 income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

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

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

***Loan receivables***

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

***Investments in subsidiaries***

***Investment in subsidiaries***

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

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

Investments in subsidiaries are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries, joint ventures and associates are made in accordance with Circular No. 228/2009/TT-BTC dated 07 December 2009 issued by the Ministry of Finance on "Guiding the appropriation and use of provisions for devaluation of inventories, loss of financial investments, bad debts and warranty for products, goods and construction works at enterprises", Circular No. 89/2013/TT-BTC dated 28 June 2013 by the Ministry of Finance amending and supplementing Circular No. 228/2009/TT-BTC and prevailing accounting regulations.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Equity investments in other entities***

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

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

**Receivables**

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

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

**Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and where applicable direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost of inventories within the Company is calculated using the first in, first out (FIFO) method and inventory recording method is the perpetual method. Net realisable 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 estimated useful lives as follows:

	<b>2018</b>
	<b>(Years)</b>
Buildings and structures	10 - 25
Machinery and equipment	5 - 25
Office equipment	3 - 5
Motor vehicles	4 - 6
Other assets	3 - 4

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Intangible assets and amortisation**

*Computer software*

Purchase price of new computer software which is not an integral part of related hardware is capitalized and accounted for as intangible assets. Computer software is amortized into the income statement on a straight-line basis from 3 to 5 years.

**Construction in progress**

Properties in the course of construction for production, rental or administrative purposes, or for the purposes not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

**Long-term prepayments**

Long-term prepayments comprise prepaid land rentals and other expenses to guarantee the usage of the rented areas, prepaid office rentals, tools and supplies issued for consumption, office refurbishment expenses.

Tools, supplies issued for consumption, small devices and office refurbishment expenses are stated at cost and expensed pursuant to current regulations.

**Revenue recognition**

Revenue from the sale of goods

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

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

Revenue from services

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

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

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Foreign currencies**

The Company applies the method of recording foreign exchange differences in accordance with Vietnamese Accounting Standard No. 10 (VAS 10) "Effects of changes in foreign exchange rates" and Circular No. 179/2012/TT-BTC dated 24 October 2012 by the Ministry of Finance providing guidance on recognition, measurement and treatment of foreign exchange differences in enterprises. Accordingly, transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balance of monetary items denominated in foreign currencies as at the balance sheet date is retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement. Unrealised exchange gains at the balance sheet date are not treated as part of distributable profit to shareholders.

**Borrowing costs**

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.

All other borrowing costs are recognised in the income statement when incurred.

**Related parties**

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

**Taxation**

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. There were no material temporary differences during the year and hence, no deferred tax has been recorded.

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

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

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

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

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**4. CASH AND CASH EQUIVALENTS**

	<u>31/03/2018</u>	<u>31/12/2017</u>
	VND	VND
Cash on hand	164,260,763	258,025,392
Cash in bank	121,014,194,679	159,672,999,833
Cash equivalents (*)	1,143,000,000,000	1,383,600,000,000
	<u><b>1,264,178,455,442</b></u>	<u><b>1,543,531,025,225</b></u>

(\*) Cash equivalents represent time deposits at banks and loans to subsidiaries with terms within three months.

**5. SHORT-TERM OTHER RECEIVABLES**

	<u>31/03/2018</u>	<u>31/12/2017</u>
	VND	VND
Deposits and mortgages	4,347,367,534	4,347,418,869
Dividends receivable from subsidiaries	348,000,000,000	437,656,070,000
Accrued deposit and loan interest	71,853,816,814	48,278,836,594
Others	516,330,878,111	505,082,292,906
	<u><b>940,532,062,459</b></u>	<u><b>995,364,618,369</b></u>

**FPT CORPORATION**

No 17 Duy Tan Street

Dich Vong Hau Ward, Cau Giay District

Hanoi, S.R. Vietnam

**Separate financial statements**  
For the period ended 31 March 2018**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)****FORM B 09-DN***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statements***6. FINANCIAL INVESTMENTS**

	<b>31/12/2018</b>		<b>31/12/2017</b>	
	<b>Cost</b>	<b>Carrying amount</b>	<b>Cost</b>	<b>Carrying amount</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
<b>a. Held-to-maturity investments</b>	<b>3,107,400,000,000</b>	<b>3,107,400,000,000</b>	<b>1,633,500,000,000</b>	<b>1,633,500,000,000</b>
<i>Term deposits</i>	<i>3,107,400,000,000</i>	<i>3,107,400,000,000</i>	<i>2,681,400,000,000</i>	<i>2,681,400,000,000</i>
<b>b. Investments in other entities</b>				
b1) Investments in subsidiaries	3,929,613,409,012	3,918,264,696,145	3,929,613,409,012	3,918,264,696,145
b2) Investments in associates				
b3) Investments in others entities	500,000,000	500,000,000	500,000,000	500,000,000

**FPT CORPORATION**

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

**Separate financial statements**  
 For the period ended 31 March 2018

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)****FORM B 09-DN**

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

**7. TANGIBLE FIXED ASSETS**

	<b>Buildings, structures</b>	<b>Machinery, equipment</b>	<b>Motor vehicles, transmission equipment</b>	<b>Office equipment</b>	<b>Others</b>	<b>Total</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
<b>COST</b>						
As at 01/01/2018	94,646,794,786	46,645,198,075	10,697,570,455	50,595,713,696	376,890,951	202,962,167,963
Purchases	-	49,168,360	-	32,573,636	-	81,741,996
As at 31/03/2018	94,646,794,786	46,694,366,435	10,697,570,455	50,628,287,332	376,890,951	203,043,909,959
<b>ACCUMULATED DEPRECIATION</b>						
As at 01/01/2018	44,407,503,053	46,599,969,648	2,732,358,839	42,412,302,330	376,890,951	136,529,024,821
Charge for the period	827,984,549	6,146,353	439,626,184	1,281,825,203	-	2,555,582,289
As at 31/03/2018	45,235,487,602	46,606,116,001	3,171,985,023	43,694,127,533	376,890,951	139,084,607,110
<b>NET BOOK VALUE</b>						
As at 31/03/2018	49,411,307,184	88,250,434	7,525,585,432	6,934,159,799	-	63,959,302,849
As at 01/01/2018	50,239,291,733	45,228,427	7,965,211,616	8,183,411,366	-	66,433,143,142

As at 31 March 2018, the cost of the Company's assets includes VND 97,679,175,856 (as at 31 December 2017: VND 97,572,728,900) of machinery, equipment, motor vehicles and office equipment which have been fully depreciated but are still in use.

Some floors of FPT Cau Giay Building of which costs are reflected in "Buildings and structures" item are being rented for use as subsidiaries' offices.



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**  
**FORM B 09-DN**

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

**8. INTANGIBLE ASSETS**

	<b>Computer software VND</b>
<b>COST</b>	
<b>As at 01/01/2018</b>	<b>71,226,891,892</b>
Addition	-
<b>As at 31/03/2018</b>	<b>71,226,891,892</b>
<b>ACCUMULATED AMORTISATION</b>	
<b>As at 01/01/2018</b>	<b>58,428,696,037</b>
Charge for the year	971,998,025
<b>As at 31/03/2018</b>	<b>59,400,694,062</b>
<b>NET BOOK VALUE</b>	
<b>As at 31/03/2018</b>	<b>11,826,197,830</b>
<b>As at 01/01/2018</b>	<b>12,798,195,855</b>

**9. INVESTMENTS IN SUBSIDIARIES:**

Details of the Company's subsidiaries as at 31 March 2018 are as follows:

FPT Information System Corporation	Floor 22, Keangnam Landmark 72, E6, Pham Hung Street, Me Tri, Tu Liem, Hanoi	100%	100%	Providing application software solution, ERP service, IT service and integrated system service
FPT Software Company Limited	Floor 6-12, 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 technology services

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**  
**FORM B 09-DN**

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

**9. INVESTMENTS IN SUBSIDIARIES (Continued)**

FPT Online Service Joint Stock Company	408 Dien Bien Phu Street, Ward 11, District 10, Ho Chi Minh City	51.95%	84.08%	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)
FPT Media Company Limited (ii)	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Producing news and entertainment shows; supplying telecom and advertising services

(i) As at 31 March 2018, FPT Corporation holds 45.65% ownership interest (31 December 2017: 45.65%) and 45.65% of voting rights (31 December 2017: 45.65%) at FPT Telecom Joint Stock Company. However, the Company has the power to cast the majority of votes at meetings of the Board of Directors of FPT Telecom Joint Stock Company. Thus, the Company has the power to control the financial and operating policies of FPT Telecom Joint Stock Company. Accordingly, the Company has control over FPT Telecom Joint Stock Company and thus, FPT Telecom Joint Stock Company is a subsidiary.

(ii) Executive President of FPT Corporation issued Decision No. 79.1-2011/QD-FPT-TGD dated 08 August 2011 on temporarily narrowing the business activities of FPT Media Company Limited.

**10. INVESTMENTS IN ASSOCIATES:**

Details of the Company's associates as at 31 March 2018 are as follows:

Name of associate	Place of incorporation and operation	Proportion of ownership interest (direct and indirect)	Proportion of voting power held	Principal activities
FPT Digital Retail Joint Stock Company	261 - 263 Khanh Hoi, Ward 5, District 4, Hochiminh City	47%	47%	Retails of computers, peripheral devices, software and telecommunication equipment; telecom service agent
SynnexFPT Joint Stock Company	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	48%	48%	Producing technology products and distributing IT devices and mobile phone; and manufacturing computers

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**  
**FORM B 09-DN**

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

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

Items	31/12/2017	Movement in 2017		31/03/2018
		Amount payable/receivable	Amount paid	
	VND	VND	VND	VND
<b>a) Receivables</b>				
Import duty	34,802,628	-	-	34,802,628
<b>Total</b>	<b>34,802,628</b>	<b>-</b>	<b>-</b>	<b>34,802,628</b>
<b>b) Payables</b>				
VAT	1,006,986,642	1,865,548,990	1,148,824,607	1,723,711,025
- Output VAT	1,004,694,470	1,865,548,990	1,148,824,607	1,721,418,853
- VAT on imports	2,292,172	-	-	2,292,172
Corporate income tax	48,807,843,352	6,808,278,265	48,807,843,352	6,808,278,265
Other taxes	1,147,132,274	5,647,484,791	6,322,318,026	472,299,039
- License tax	-	4,000,000	4,000,000	-
- Personal income tax	859,471,864	5,253,966,350	5,642,450,062	470,988,152
- Other taxes	287,660,410	389,518,441	675,867,964	1,310,887
<b>Total</b>	<b>50,961,962,268</b>	<b>14,321,312,046</b>	<b>56,278,985,985</b>	<b>9,004,288,329</b>

**12. SHORT-TERM ACCRUED EXPENSES**

	31/03/2018	31/12/2017
	VND	VND
Interest payable	4,874,871,095	8,992,649,255
Other accruals	26,485,470,331	21,746,262,533
	<b>31,360,341,426</b>	<b>30,738,911,788</b>

**13. OTHER CURRENT PAYABLES**

	31/03/2018	31/12/2017
	VND	VND
Union fee	5,012,573,899	4,678,299,370
Social insurance	302,994,789	269,569,414
Health insurance	71,231,480	25,023,327
Unemployment insurance	18,345,611	61,500,837
Dividends payable	6,520,346,048	6,617,487,323
Other current payables	16,795,847,836	5,071,386,884
Inter-company payables	117,483,298,785	379,154,484,997
	<b>146,857,638,448</b>	<b>396,530,752,152</b>

**FPT CORPORATION**

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

**Separate financial statements**  
 For the period ended 31 March 2018

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)****FORM B 09-DN**

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

**14. SHORT -TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASE**

Item	31/12/2017		In the year		31/03/2018	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Short-term borrowings from subsidiaries and associates</b>	400,000,000,000	400,000,000,000	625,000,000,000	494,000,000,000	531,000,000,000	531,000,000,000
<i>Synnex FPT Joint Stock Company</i>	200,000,000,000	200,000,000,000	-	200,000,000,000	-	-
<i>FPT Digital Retail Joint Stock Company</i>	-	-	-	-	-	-
<i>FPT Information System Corporation</i>	-	-	610,000,000,000	180,000,000,000	430,000,000,000	430,000,000,000
<i>FPT Education Company Limited</i>	200,000,000,000	200,000,000,000	15,000,000,000	114,000,000,000	101,000,000,000	101,000,000,000
<b>Total</b>	<b>400,000,000,000</b>	<b>400,000,000,000</b>	<b>625,000,000,000</b>	<b>494,000,000,000</b>	<b>531,000,000,000</b>	<b>531,000,000,000</b>

**FPT CORPORATION**

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

**Separate financial statements**  
For the period ended 31 March 2018

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)****FORM B 09-DN**

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

**15. SHAR E HOLDERS' EQUITY****Movement in shareholders' equity**

	<b>Owner's contributed capital</b>	<b>Share premium</b>	<b>Treasury shares</b>	<b>Financial reserve fund</b>	<b>Investment and development fund</b>	<b>Retained earnings</b>	<b>Total</b>
	VND	VND	VND		VND	VND	VND
<b>As at 01/01/2017</b>	<b>4,594,266,840,000</b>	<b>49,941,441,360</b>	<b>(823,760,000)</b>	<b>87,203,093,024</b>	<b>103,009,261</b>	<b>2,525,787,644,470</b>	<b>7,256,478,268,115</b>
Share issued	22,963,700,000						22,963,700,000
Net profit for the year	-	-	-	-	-	2,987,311,733,768	2,987,311,733,768
Transferred to bonus and welfare	-	-	-	-	-	(6,534,482,467)	(6,534,482,467)
Stock dividends declared	692,380,510,000	-	-	-	-	(692,380,510,000)	-
Cash dividends declared	-	-	-	-	-	(992,519,407,000)	(992,519,407,000)
Others movement of equity						(17,227,090,589)	(17,227,090,589)
<b>As at 01/01/2018</b>	<b>5,309,611,050,000</b>	<b>49,941,441,360</b>	<b>(823,760,000)</b>	<b>87,203,093,024</b>	<b>103,009,261</b>	<b>3,804,437,888,182</b>	<b>9,250,472,721,827</b>
Net profit for the period	-	-	-	-	-	374,712,601,400	374,712,601,400
<b>As at 31/03/2018</b>	<b>5,309,611,050,000</b>	<b>49,941,441,360</b>	<b>(823,760,000)</b>	<b>87,203,093,024</b>	<b>103,009,261</b>	<b>4,179,150,489,582</b>	<b>9,625,185,323,227</b>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**14. SHAREHOLDERS' EQUITY (Continued)**

**Number of outstanding shares**

	<u>31/03/2018</u>	<u>31/12/2017</u>
	<b>Number of shares</b>	<b>Number of shares</b>
<b>Authorised share capital</b>	<b>530,961,105</b>	<b>530,961,105</b>
<b>Issued shares</b>	<b>530,961,105</b>	<b>530,961,105</b>
Ordinary shares	530,961,105	530,961,105
<i>Shares subject to restriction in ownership transfer</i>	7,925,466	7,925,466
<b>Treasury shares</b>	<b>(82,376)</b>	<b>(82,376)</b>
<i>Shares subject to restriction in ownership transfer</i>	-	-
<b>Outstanding shares in circulation</b>	<b>530,878,729</b>	<b>530,878,729</b>
Ordinary shares	530,878,729	530,878,729
<i>Shares subject to restriction in ownership transfer</i>	7,925,466	7,925,466

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

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

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**16. REVENUE**

	<b>From 1/1/2018 to 31/03/2018</b>	<b>From 1/1/2017 to 31/03/2017</b>
	<b>VND</b>	<b>VND</b>
Sales of goods and services	26,733,528,389	71,977,891,180
	<b>26,733,528,389</b>	<b>71,977,891,180</b>

**17. COST OF SALES**

	<b>From 1/1/2018 to 31/03/2018</b>	<b>From 1/1/2017 to 31/03/2017</b>
	<b>VND</b>	<b>VND</b>
Cost of goods and services rendered	-	39,500,499,055
	<b>-</b>	<b>39,500,499,055</b>

**18. FINANCIAL INCOME**

	<b>From 1/1/2018 to 31/03/2018</b>	<b>From 1/1/2017 to 31/03/2017</b>
	<b>VND</b>	<b>VND</b>
Bank and loan interest	69,831,651,025	53,771,648,493
Dividends and profits received (i)	348,000,000,000	358,000,000,000
Foreign exchange gain	765,854,539	693,140
Others financial income	-	-
	<b>418,597,505,564</b>	<b>411,772,341,633</b>

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

**19. FINANCIAL EXPENSES**

	<b>From 1/1/2018 to 31/03/2018</b>	<b>From 1/1/2017 to 31/03/2017</b>
	<b>VND</b>	<b>VND</b>
Interest expense	8,682,245,060	29,849,590,282
Foreign exchange loss	-	3,445,243
Other financial expenses	-	3,293,292,931
	<b>8,682,245,060</b>	<b>33,146,328,456</b>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**20. CORPORATE INCOME TAX**

	<u>2018</u>	<u>2017</u>
	VND	VND
<b>Corporate income tax for the year</b>		
<b>Profit before tax</b>	381,546,277,520	369,347,891,574
<b>Adjustments for taxable income</b>		
Less:		
Dividends and profit received	(348,000,000,000)	(358,000,000,000)
Others	155,631,207	(17,000,693,140)
Add back:		
Non-deductible expenses	2,375,721,611	1,508,596,666
<b>Assessable income</b>	<u>36,077,630,338</u>	<u>(4,144,204,900)</u>
Loss carried forward	-	-
<b>Taxable income</b>	36,077,630,338	-
Normal tax rate	20%	20%
Adjustment per tax finalisation	(381,849,948)	17,698,272
<b>Corporate income tax</b>	6,833,676,120	17,698,272

**21. FINANCIAL INSTRUMENTS**

**Capital risk management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings disclosed in Note 11 offset by cash and cash equivalents) and equity attributable to shareholders of the Company (comprising contributed capital, reserves and retained earnings).

**Significant accounting policies**

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.



**FPT CORPORATION**

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

**Separate financial statements**  
 For the period ended 31 March 2018

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)****FORM B 09-DN**

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

**20. FINANCIAL INSTRUMENTS (Continued)****Financial risk management objectives**

The Company has set up risk management system to identify and assess the risks exposed to the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk, interest rate risk), credit risk, and liquidity risk.

**Market risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

*Foreign currency risk management*

The Company proactively hedges and mitigates unidentified risks by closely monitoring principal factors affecting exchange rates as well as taking into account assessments by large financial institutions, taking appropriate hedging measures such as forward contracts, options and other natural hedging measures such as fixing selling exchange rates, advance payment and others.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

	<b>Liabilities</b>		<b>Assets</b>	
	<b>31/03/2018</b>	<b>31/12/2017</b>	<b>31/03/2018</b>	<b>31/12/2017</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
United States Dollar (USD)	6,307,506,876	13,042,147,823	2,072,066,041	2,087,945,797
Euro (EUR)	-	-	18,266,944	17,192,580
Singaporean Dollar (SGD)	-	-	15,479,108	11,328,990

*Interest rate risk management*

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The Company is exposed to interest rate risk as the Company borrows funds in VND at fixed rates. To minimize interest rate risks, through analysis and projection, the Company has selected appropriate time and terms in the year to make appropriate decisions on maintaining borrowings as well as debt structure between VND and foreign currencies at fixed interest rates.

**Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has set up a constantly and systematically updated internal rating system in place for assessing and rating customers' financial capability over time, taking into account the ratings and assessments by intermediary financial organizations as basis for sales on credit to customers. In addition, guarantees are required for most of the Company's customers who are granted with sales on credit.

The Company monitors its liabilities on an on-going basis, including analysis of aging report and recovery dates, customer updates and assessment. etc. to take proper and timely actions.

**FPT CORPORATION**

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

**Separate financial statements**  
 For the period ended 31 March 2018

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)****FORM B 09-DN**

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

**20. FINANCIAL INSTRUMENTS (Continued)*****Liquidity risk management***

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term. The Company has been able to optimize its payments and made use of credit from customers and counterparties via the central account.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Corporation can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Corporation's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	<b>Less than 1 year</b>	<b>From 1 - 5 year</b>	<b>Total</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>
<b>31/12/2017</b>			
Cash and cash equivalents	1,543,531,025,225	-	1,543,531,025,225
Short-term trade receivables	61,914,578,338	-	61,914,578,338
Investments	2,681,400,000,000	500,000,000	2,681,900,000,000
Short-term loan receivables	34,500,000,000	-	34,500,000,000
Other short-term receivables	557,708,548,369	-	557,708,548,369
	<b>4,879,054,151,932</b>	<b>500,000,000</b>	<b>4,879,554,151,932</b>
<b>31/12/2017</b>			
Short-term trade payables	79,608,251,523	-	79,608,251,523
Short-term accrued expenses	12,278,911,788	-	12,278,911,788
Other current payables	384,868,921,512	-	384,868,921,512
Short-term loans and obligations	400,000,000,000	-	400,000,000,000
	<b>876,756,084,823</b>	<b>-</b>	<b>876,756,084,823</b>
<b>Net liquidity gap</b>	<b>4,002,298,067,109</b>	<b>500,000,000</b>	<b>4,002,798,067,109</b>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN**

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

**20. FINANCIAL INSTRUMENTS (Continued)**

*Liquidity risk management (Continued)*

	Less than 1 year	From 1 - 5 year	Total
	VND	VND	VND
<b>31/03/2018</b>			
Cash and cash equivalents	1,264,178,455,442	-	1,264,178,455,442
Short-term trade receivables	73,344,345,066	-	73,344,345,066
Investments	3,107,400,000,000	500,000,000	3,107,900,000,000
Short-term loan receivables	34,500,000,000	-	34,500,000,000
Other short-term receivables	592,532,062,459	-	592,532,062,459
	<b>5,071,954,862,967</b>	<b>500,000,000</b>	<b>5,072,454,862,967</b>
<b>31/03/2018</b>			
Short-term trade payables	88,368,150,312	-	88,368,150,312
Short-term accrued expenses	13,360,341,426	-	13,360,341,426
Other current payables	132,523,930,131	-	132,523,930,131
Short-term loans and obligations	531,000,000,000	-	531,000,000,000
	<b>765,252,421,869</b>	<b>-</b>	<b>765,252,421,869</b>
<b>Net liquidity gap</b>	<b>4,306,702,441,098</b>	<b>500,000,000</b>	<b>4,307,202,441,098</b>

The management assessed the liquidity risk at low level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

**22. RELATED PARTY TRANSACTIONS AND BALANCES**

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

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

**FPT CORPORATION**

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

**Separate financial statements**  
 For the period ended 31 March 2018

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)****FORM B 09-DN**

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

**21. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)**

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

	<u>31/03/2018</u>	<u>31/12/2017</u>
	VND	VND
<b>Balances of loans</b>		
FPT Land Company Limited	17,000,000,000	17,000,000,000
FPT Technology Solution Company Limited	17,500,000,000	17,500,000,000
<b>Balances of borrowings</b>		
Synnex FPT Joint Stock Company	-	200,000,000,000
FPT Education Company Limited	101,000,000,000	90,000,000,000
FPT Information System Corporation	430,000,000,000	-
<b>Dividends receivable from subsidiaries</b>		
FPT Software Company Limited	280,000,000,000	200,000,000,000
FPT Telecom Joint Stock Company	-	137,656,070,000
FPT Education Company Limited	68,000,000,000	100,000,000,000
<b>Short-term trade receivables</b>		
FPT Telecom Joint Stock Company	26,127,816,309	17,052,157,038
FPT Software Company Limited	8,044,635,617	8,363,572,130
FPT Information System Company Limited	6,494,124,779	5,800,492,542
Synnex FPT Joint Stock Company	6,490,813	2,959,179,640
<b>Other short-term receivables</b>		
FPT Investment Company Limited	224,491,101,391	224,488,080,991
FPT Land Joint Stock Company	51,280,039,983	51,280,039,983
<b>Other short-term payables through centre account</b>		
FPT Software Company Limited	13,189,914,173	1,308,787,235
FPT Investment Company Limited	622,822,140	93,557,108,386
FPT Information System Company Limited	63,484,472,818	226,198,112,560
FPT Telecom Joint Stock Company	1,975,909,801	4,653,862,834
FPT Investment Company Limited	2,316,939,967	3,018,635,135
FPT Digital Retail Joint Stock Company	1,989,109,500	16,513,848,461
<b>Other short-term payables</b>		
FPT Media Company Limited	33,904,130,386	33,904,130,386


**21. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)**

During the year, the Company entered into the following significant transactions with related parties as follow (Continued):

	<u>2018</u>	<u>2017</u>
	VND	VND
<b>Sales of services</b>		
FPT Telecom Joint Stock Company	9,473,237,888	9,475,640,899
FPT Digital Retail Joint Stock Company	1,025,318,883	301,151,075
FPT Software Company Limited	8,958,843,482	19,849,229,405
Synnex FPT Joint Stock Company	65,492,682	5,952,545,883
FPT Information System Corporation	7,537,694,251	12,491,068,949
FPT Online Service Joint Stock Company	2,090,121,181	2,103,309,690
<b>Purchases of goods and services</b>		
FPT Telecom Joint Stock Company	3,069,624,086	3,493,603,553
Synnex FPT Joint Stock Company	681,197,194	1,596,950,323
FPT Software Company Limited	8,869,729	388,460,277
FPT Information System Corporation	35,749,235,550	36,156,794,011
FPT Education Company Limited	5,060,870,000	169,510,000
FPT Online Service Joint Stock Company	41,600,000	24,000,000
<b>Dividends/Profits transferred from subsidiaries</b>		
FPT Software Company Limited	280,000,000,000	221,000,000,000
FPT Information System Corporation	-	62,000,000,000
FPT Education Company Limited	68,000,000,000	75,000,000,000

**22. COMPARATIVE FIGURES**

Comparative figures of the separate balance sheet are the figures in the audited separate financial statements for the year ended 31 December 2017. Comparative figures of the separate income statement and separate cash flow statement are the figures in the financial statements period ended 31 March 2017

  
 \_\_\_\_\_  
**La Hung Hai**  
 Preparer

  
 \_\_\_\_\_  
**Hoang Huu Chien**  
 Chief Accountant

  
 \_\_\_\_\_  
**Nguyen The Phuong**  
 Executive Vice President

27 April 2018