

FPT TELECOM JOINT STOCK CORPORATION

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**



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FPT TELECOM JOINT STOCK CORPORATION

CORPORATE INFORMATION

Enterprise Registration Certificate

No. 0101778163 dated 28 July 2005

The Enterprise Registration Certification and its amendments were issued by the Department of Planning and Investment of Hanoi City on 28 July 2005. The latest amendment (32nd) to the Enterprise Registration Certificate was issued on 21 December 2023.

Board of Directors

Mr. Hoang Viet Anh	Chairman
Mr. Truong Gia Binh	Member
Mr. Nguyen Van Khoa	Member
Ms. Chu Thi Thanh Ha	Member
Ms. Tran Thi Hong Linh	Member
Mr. Phan The Thanh	Member

Board of Supervision

Mr. Tran Khuong	Chief Supervisor
Mr. Do Xuan Phuc	Member
Mr. Pham Xuan Hoan	Member

Board of Management

Mr. Nguyen Hoang Linh	General Director
Ms. Vu Thi Mai Huong	Deputy General Director
Mr. Chu Hung Thang	Deputy General Director

Legal Representatives

Mr. Hoang Viet Anh	Chairman
Mr. Nguyen Hoang Linh	General Director

Registered Office

Floor 2, FPT Cau Giay Tower, No. 17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi

Auditor

PwC (Vietnam) Limited

FPT TELECOM JOINT STOCK CORPORATION

STATEMENT OF THE BOARD OF MANAGEMENT

STATEMENT OF RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of FPT Telecom Joint Stock Corporation ("the Company") is responsible for preparing the interim consolidated financial statements of the Company and its subsidiaries which give a true and fair view of the financial position of the Company and its subsidiaries as at 30 June 2024, and of the results of operations and cash flows of the Company and its subsidiaries for the six-month period then ended. In preparing these interim consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the interim consolidated financial statements on a going-concern basis unless it is inappropriate to presume that the Company and its subsidiaries will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and its subsidiaries and enable the interim consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the interim consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud or error.

APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

We hereby, approve the accompanying interim consolidated financial statements as set out on pages 5 to 45 which give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 30 June 2024, and of the results of operations and cash flows of the Company and its subsidiaries for the six-month period then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim consolidated financial statements.

On behalf of the Board of Management



Nguyen Hoang Linh
General Director/Legal Representative

Ha Noi, S.R. Vietnam
13 August 2024



REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF FPT TELECOM JOINT STOCK CORPORATION

We have reviewed the accompanying interim consolidated financial statements of FPT Telecom Joint Stock Corporation (“the Company”) and its subsidiaries which were prepared on 30 June 2024 and approved by the Board of Management of the Company on 13 August 2024. The interim consolidated financial statements comprise the interim consolidated balance sheet as at 30 June 2024, the interim consolidated income statement, the interim consolidated cash flow statement for the six-month period then ended, and explanatory notes to the interim consolidated financial statements including significant accounting policies, as set out on pages 5 to 45.

The Board of Management’s Responsibility

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these interim consolidated financial statements of the Company and its subsidiaries in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim consolidated financial statements, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

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

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as at 30 June 2024, the consolidated financial performance and the consolidated cash flows of the Company and its subsidiaries for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim consolidated financial statements.

Other Matter

The report on the review of interim consolidated financial statements is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Do Duc Hau
Audit Practising Licence
No. 2591-2023-006-1
Authorised signatory

Report reference number: HAN 3824
Hanoi, 14 August 2024

INTERIM CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at	
			30.06.2024 VND	31.12.2023 VND
100	CURRENT ASSETS		13,477,597,414,645	11,507,783,986,863
110	Cash and cash equivalents	3	364,487,009,937	423,984,252,859
111	Cash		364,265,222,292	169,457,565,272
112	Cash equivalents		221,787,645	254,526,687,587
120	Short-term investments		10,461,822,900,987	8,651,944,688,963
123	Investments held to maturity	4(a)	10,461,822,900,987	8,651,944,688,963
130	Short-term receivables		1,607,013,670,494	1,446,695,181,156
131	Short-term trade accounts receivable	5	2,054,552,681,897	1,885,551,756,701
132	Short-term prepayments to suppliers		41,096,982,480	38,327,824,823
136	Other short-term receivables	6	172,155,919,274	145,559,359,335
137	Provision for doubtful debts - short-term	7	(660,791,913,157)	(622,743,759,703)
140	Inventories	8	864,760,398,961	808,224,247,916
141	Inventories		883,472,061,812	825,021,732,168
149	Provision for decline in value of inventories		(18,711,662,851)	(16,797,484,252)
150	Other current assets		179,513,434,266	176,935,615,969
151	Short-term prepaid expenses	9(a)	153,657,051,969	151,114,799,802
152	Value added tax ("VAT") to be reclaimed		25,719,963,735	25,450,234,748
153	Tax and other receivables from the State	15(a)	136,418,562	370,581,419
200	LONG-TERM ASSETS		8,302,683,667,224	8,632,765,695,432
210	Long-term receivables		25,987,716,955	27,154,563,198
216	Other long-term receivables		25,987,716,955	27,154,563,198
220	Fixed assets		5,821,214,039,652	6,023,472,094,030
221	Tangible fixed assets	10(a)	5,300,065,649,374	5,464,072,830,380
222	Historical cost		13,060,550,245,451	12,673,696,172,721
223	Accumulated depreciation		(7,760,484,596,077)	(7,209,623,342,341)
227	Intangible fixed assets	10(b)	521,148,390,278	559,399,263,650
228	Historical cost		1,135,874,290,803	1,132,606,924,007
229	Accumulated amortisation		(614,725,900,525)	(573,207,660,357)
240	Long-term assets in progress		381,627,187,365	417,189,111,679
242	Construction in progress	11	381,627,187,365	417,189,111,679
250	Long-term investments		6,200,000,000	6,200,000,000
253	Investments in other entities	4(b)	9,684,980,000	9,684,980,000
254	Provision for long-term investments	4(b)	(3,684,980,000)	(3,684,980,000)
255	Investments held to maturity	4(a)	200,000,000	200,000,000
260	Other long-term assets		2,067,654,723,252	2,158,749,926,525
261	Long-term prepaid expenses	9(b)	2,049,326,378,418	2,136,954,195,375
262	Deferred tax assets	12	18,328,344,834	21,795,731,150
270	TOTAL ASSETS		21,780,281,081,869	20,140,549,682,295

The notes on pages 9 to 45 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED BALANCE SHEET
(continued)

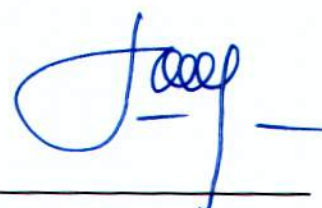
Code	RESOURCES	Note	As at	
			30.06.2024 VND	31.12.2023 VND
300	LIABILITIES		12,283,765,582,039	11,066,785,150,046
310	Short-term liabilities		12,245,706,275,579	11,028,157,267,653
311	Short-term trade accounts payable	13	1,206,427,973,191	1,075,687,516,789
312	Short-term advances from customers	14	87,060,656,205	68,959,212,216
313	Tax and other payables to the State	15(b)	277,300,558,283	251,280,063,131
314	Payables to employees		1,237,058,616,822	1,296,097,515,822
315	Short-term accrued expenses	16	363,935,762,478	225,816,638,138
318	Short-term unearned revenue	17(a)	1,545,175,794,989	1,354,070,805,405
319	Other short-term payables	18	195,599,382,642	313,665,653,809
320	Short-term borrowings	19	7,112,894,896,181	5,981,719,619,662
322	Bonus and welfare fund	20	220,252,634,788	460,860,242,681
330	Long-term liabilities		38,059,306,460	38,627,882,393
336	Long-term unearned revenue	17(b)	35,371,087,940	36,039,339,130
337	Other long-term payables		1,786,834,640	1,650,643,680
341	Deferred tax liabilities	12	901,383,880	937,899,583
400	OWNERS' EQUITY		9,496,515,499,830	9,073,764,532,249
410	Capital and reserves		9,496,515,499,830	9,073,764,532,249
411	Owners' capital	21,22	4,925,091,640,000	4,925,091,640,000
411a	- Ordinary shares with voting rights		4,925,091,640,000	4,925,091,640,000
414	Owners' other capital	22	55,391,600,000	55,391,600,000
418	Investment and development fund	22	1,709,722,205,278	1,709,722,205,278
421	Undistributed earnings	22	2,466,783,331,902	2,065,692,248,602
421a	- Undistributed post-tax profits of previous years		1,081,472,724,316	281,371,744,518
421b	- Undistributed post-tax profit of current period/year		1,385,310,607,586	1,784,320,504,084
429	Non-controlling interests	22	339,526,722,650	317,866,838,369
440	TOTAL RESOURCES		21,780,281,081,869	20,140,549,682,295



Nguyen Thi Hong
Preparer



Nguyen Thi Thu Huong
Chief Accountant




Nguyen Hoang Linh
General Director
Legal Representative
13 August 2024


The notes on pages 9 to 45 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED INCOME STATEMENT

Code	Note	For the six-month period ended 30 June	
		2024 VND	2023 VND
01	Revenue from sales of goods and rendering of services	8,244,636,741,786	7,683,086,874,347
02	Less deductions	350,571,277	1,114,367,423
10	Net revenue from sales of goods and rendering of services (10 = 01 - 02)	8,244,286,170,509	7,681,972,506,924
11	Cost of goods sold and services rendered	4,311,806,115,097	4,249,323,053,724
20	Gross profit from sales of goods and rendering of services (20 = 10 - 11)	3,932,480,055,412	3,432,649,453,200
21	Financial income	349,506,720,698	359,060,913,260
22	Financial expenses	189,990,223,156	189,977,659,488
23	- Including: Interest expense	172,955,699,614	177,660,852,793
25	Selling expenses	1,279,083,536,994	998,795,257,865
26	General and administration expenses	1,061,068,616,555	1,091,761,581,421
30	Net operating profit (30 = 20 + 21 - 22 - 25 - 26)	1,751,844,399,405	1,511,175,867,686
31	Other income	15,220,052,092	17,249,419,421
32	Other expenses	8,075,547,814	14,260,763,584
40	Net other income (40 = 31 - 32)	7,144,504,278	2,988,655,837
50	Accounting profit before tax (50 = 30 + 40)	1,758,988,903,683	1,514,164,523,523
51	Corporate income tax ("CIT") – current	348,587,496,545	305,604,703,580
52	CIT - deferred	3,430,870,613	(3,101,611,552)
60	Profit after tax (60 = 50 - 51 - 52)	1,406,970,536,525	1,211,661,431,495
	Attributable to:		
61	Shareholders of the Parent Company	1,385,310,607,586	1,197,912,928,430
62	Non-controlling interests	21,659,928,939	13,748,503,065
70	Basic earnings per share	2,813	2,432
71	Diluted earnings per share	2,813	2,432



 Nguyen Thi Hong
 Preparer



 Nguyen Thi Thu Huong
 Chief Accountant





 Nguyen Hoang Linh
 General Director
 Legal Representative
 13 August 2024

The notes on pages 9 to 45 are an integral part of these interim consolidated financial statements.

**INTERIM CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)**

For the six-month period
ended 30 June

Code	Note	For the six-month period ended 30 June	
		2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		1,758,988,903,683	1,514,164,523,523
	Adjustments for:		
02	Depreciation and amortisation	684,426,956,670	645,657,441,094
03	Provisions	39,962,332,053	48,882,863,704
04	Unrealised foreign exchange gains	(43,306,910,442)	(1,924,618,333)
05	Profits from investing activities	(265,092,612,030)	(333,232,594,790)
06	Interest expense	172,955,699,614	177,660,852,793
08	Operating profit before changes in working capital	2,347,934,369,548	2,051,208,467,991
09	Increase in receivables	(161,565,496,305)	(41,234,942,670)
10	(Increase)/decrease in inventories	(58,450,329,644)	176,023,364,574
11	Increase/(decrease) in payables	259,497,841,807	(693,302,173,389)
12	Decrease/(increase) in prepaid expenses	85,085,564,790	(21,193,694,016)
14	Interest paid	(166,232,136,465)	(168,871,765,848)
15	CIT paid	(322,727,444,408)	(120,492,210,894)
16	Other receipts from operating activities	-	30,000,000
17	Other payments on operating activities	(240,607,607,893)	(132,232,555,200)
20	Net cash inflows from operating activities	1,742,934,761,430	1,049,934,490,548
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(453,812,070,477)	(829,690,637,387)
22	Proceeds from disposals of fixed assets and other long-term assets	24,626,199	16,784,176
23	Loans granted, purchases of debt instruments of other entities	(10,874,016,871,987)	(10,596,535,685,900)
24	Collection of loans, proceeds from sales of debt instruments of other entities	9,064,138,659,963	5,954,583,698,379
27	Dividends and interest received	270,591,858,037	292,719,042,687
30	Net cash outflows from investing activities	(1,993,073,798,265)	(5,178,906,798,045)
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings	8,360,560,293,790	10,134,587,079,616
34	Repayments of borrowings	(7,193,906,288,932)	(6,254,297,972,597)
36	Dividends paid, profits distributed to owners	(984,637,120,550)	(1,007,034,847,800)
40	Net cash inflows from financing activities	182,016,884,308	2,873,254,259,219
50	Net decrease in cash and cash equivalents of period	(68,122,152,527)	(1,255,718,048,278)
60	Cash and cash equivalents at beginning of period	423,984,252,859	1,418,670,415,325
61	Effect of foreign exchange differences	8,624,909,605	779,931,836
70	Cash and cash equivalents at end of period	364,487,009,937	163,732,298,883



Nguyen Thi Hong
Preparer



Nguyen Thi Thu Huong
Chief Accountant



Nguyen Hoang Linh
General Director
Legal Representative
13 August 2024



The notes on pages 9 to 45 are an integral part of these interim consolidated financial statements.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

1 GENERAL INFORMATION

FPT Telecom Joint Stock Corporation (“the Company”) is a joint stock company established in SR Vietnam pursuant to the Business Registration Certificate No. 0103008784 issued by the Department of Planning and Investment of Hanoi City on 28 July 2005. Subsequently, the Business Registration Certificate No. 0103008784 was replaced by the Enterprise Registration Certificate No. 0101778163 issued by the Department of Planning and Investment of Hanoi City. The latest (32nd) amendment to the Enterprise Registration Certificate No. 0101778163 was issued on 21 December 2023.

Since 13 January 2017, the Company's shares have been listed on the Unlisted Public Company Market (“UpCoM”) with the stock trading code ‘FOX’.

The principal activities of the Company are to provide internet, pay TV, line leasing, domain and data backup and other telecommunication services.

The normal business cycle of the Company and its subsidiaries is 12 months.

As at 30 June 2024, the Company had six direct subsidiaries (as at 31 December 2023: five direct subsidiaries) as follows:

Subsidiaries	Principal business activities	Place of incorporation and operation	As at 30.6.2024 and 31.12.2023	
			% ownership	% of voting rights
1) FPT Online Joint Stock Company	Providing telecommunication services, online advertisement, online newspaper, online payment services	Lot No. 29B - 31B - 33B, Tan Thuan Road, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City	56.51%	56.51%
2) FPT Telecom Tan Thuan Company Limited	Providing high speed internet and other telecommunication services	Lot No. 29B - 31B - 33B, Tan Thuan Road, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City	100.00%	100.00%
3) FPT International Telecom Company Limited	Providing internet services, agency for providing telecommunication services and other services	Lot No. 29B - 31B - 33B, Tan Thuan Road, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City	100.00%	100.00%
4) FPT Telecom Technology Joint Stock Company	Providing other telecommunication services	Lot No. T2-5, Road D1, Hi-tech Park, Tang Nhon Phu A Ward, Thu Duc City, Ho Chi Minh City	99.99%	99.99%
5) FPT Television Company Limited	Providing television services	124 Suong Nguyet Anh Road, Ben Thanh Ward, District 1, Ho Chi Minh City	100.00%	100.00%
6) FPT Telecom Thang Long Company Limited (*)	Providing other telecommunication services	Lot No. E-9, Thang Long Vinh Phuc Industrial Park, Thien Ke Commune, Binh Xuyen District, Vinh Phuc Province	100,00%	-

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****1 GENERAL INFORMATION (CONTINUED)**

- (*) FPT Telecom Thang Long Company Limited was established pursuant to the Enterprise Registration Certificate No. 2500719759 issued by the Department of Planning and Investment of Hanoi City on 5 June 2024 and the Investment Registration Certificate No. 0315131551 dated 14 June 2024 issued by the People's Committee of Vinh Phuc Province. As at 30 June 2024, the Company has not contributed capital because it is still within the capital contribution period of 90 days from the date of the Investment Registration Certificate (Note 35(c)).

As at 30 June 2024, the Company and its subsidiaries had 55 branches and 9,252 employees (as at 31 December 2023: 61 branches and 9,130 employees).

Disclosure of information comparability in the interim consolidated financial statements:

The comparative figures presented on the interim consolidated balance sheet and the relevant notes are the figures of the audited consolidated financial statements for the year ended 31 December 2023. The comparative figures presented on the interim consolidated income statement, the interim consolidated cash flow statement and the relevant notes are the figures of the reviewed interim consolidated financial statements for the six-month period ended 30 June 2023.

Seasonality and cyclicity aspects of business activities on the interim consolidated financial statements:

The Company's business activities do not have seasonality or cyclicity aspects that affect the interim consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of consolidated financial statements**

The interim consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim consolidated financial statements. The interim consolidated financial statements have been prepared under the historical cost convention.

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

The interim consolidated financial statements in the Vietnamese language are the official interim consolidated financial statements of the Company and its subsidiaries. The interim consolidated financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The fiscal year of the Company and its subsidiaries is from 1 January to 31 December. The interim consolidated financial statements are prepared for the six-month period from 1 January 2024 to 30 June 2024.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.3 Currency**

The interim consolidated financial statements are measured and presented in Vietnamese Dong ("VND"), which is the accounting currency of the Company and its subsidiaries.

2.4 Exchange rates

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the interim consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the interim consolidated balance sheet date are translated at the transfer rates at the interim consolidated balance sheet date of the commercial banks with which the Company and its subsidiaries regularly trade. Foreign exchange differences arising from these translations are recognised in the interim consolidated income statement.

Borrowings in foreign currencies were hedged by the Company using forward contracts. The difference between the exchange rate on the drawdown date and the forward exchange rate stated in forward contracts is recognised to the borrowing principal and to financial income or financial expenses on a straight-line basis over the borrowing period.

2.5 Basis of consolidation**Subsidiaries**

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies in order to gain future benefits from its activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. It is de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the acquirer's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the interim consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.5 Basis of consolidation (continued)****Non-controlling transactions and interests**

The Company applies a policy for transactions with non-controlling interests ("NCI") as transactions with external parties not belonging to the Company and its subsidiaries.

Non-controlling interest ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Transactions leading to the change in the Company's ownership interest that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Company's share of net assets of the subsidiary and any consideration paid or received from divestment of the Company's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

Transactions leading to the change in the Company's ownership interest that results in a loss of control, the difference between the Company's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the interim consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and other short-term investments with an original maturity of three months or less.

2.7 Receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. The difference between the provision of this period and the provision of the previous period is recognised as an increase or decrease of general and administrative expenses in the period. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the interim consolidated balance sheet based on the remaining period from the interim consolidated balance sheet date to the maturity date.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out method and includes all costs of purchase, costs of conversion and other directly-related costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Company and its subsidiaries apply the perpetual system for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous period is recognised as an increase or decrease of cost of goods sold in the period.

2.9 Investments**(a) Investments held to maturity**

Investments held to maturity are investments which the Company and its subsidiaries have a positive intention and ability to hold until maturity.

Investments held to maturity include term deposits. Those investments are initially accounted for at cost. Subsequently, the Company and its subsidiaries review all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the interim consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

(b) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Company and its subsidiaries review all outstanding investments to determine the amount of provision to recognise at the period end.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.9 Investments (continued)****(c) Provision for investments in other entities**

Provision for investments in other entities is made when there is a diminution in value of the investments at the period end. Regarding investments in listed shares or those whose fair value can be determined reliably, the provision for diminution in value is made when cost is higher than market value. For other investments, provision for diminution in value is made when the investees make losses.

Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.10 Lendings

Lendings are lendings granted for the earning of interest under agreements among parties but not for being traded as securities.

Lendings are initially recognised at cost. Subsequently, the Company and its subsidiaries review all outstanding amounts to determine the amount of provision to recognise at the period end. Provision for doubtful lendings is made for each lending based on overdue days in payment of principals according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Lendings are classified into short-term and long-term lendings on the interim consolidated balance sheet based on the remaining term of the lendings as at the interim consolidated balance sheet date.

2.11 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation/amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the interim consolidated income statement when incurred in the period.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Fixed assets (continued)

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Buildings and structures	8 – 25 years
Machinery, equipment	3 – 15 years
Office equipment	3 – 10 years
Motor vehicles	6 years
Other tangible fixed assets	5 years
Copyrights, patents	3 years
Software	3 – 8 years

Indefinite land use rights are stated at costs and not amortised.

Copyrights and operation licences are the rights and licenses to operate international cable routes and are amortised using the straight-line method over the terms in the licences and operation right contracts.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the interim consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.12 Leased assets

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

2.13 Long-term prepaid expenses

Long-term prepaid expenses mainly include service deployment costs for new subscribers. Long-term prepaid expenses are recorded at actual cost and allocated on a straight-line basis over their estimated useful lives which are as follows:

Deployment costs - Equipment and materials for internet service	2.5 years
Deployment costs - Equipment and materials for television service	2 years
Deployment costs - External services	2 years

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.14 Payables**

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables, and payables not relating to purchases of goods and services.

Payables are classified into short-term and long-term payables on the interim consolidated balance sheet based on the remaining period from the interim consolidated balance sheet date to the maturity date.

2.15 Borrowings

Borrowings include borrowings from banks and other entities.

Borrowings are classified into short-term and long-term borrowings on the interim consolidated balance sheet based on the remaining period from the interim consolidated balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which is used for the purpose of construction or production of any qualifying assets, the Company and its subsidiaries determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on that asset. The capitalisation rate is the weighted average of the interest rates applicable to the Company and its subsidiaries' borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the interim consolidated income statement when incurred.

2.16 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid for, due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

2.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provisions will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the accounting period are recorded as an increase or decrease in operating expenses.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.18 Provision for severance allowances**

In accordance with Vietnamese labour laws, employees of the Company and its subsidiaries who have worked regularly for full 12 months or longer are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Company and its subsidiaries less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Company and its subsidiaries.

The severance allowance is accrued at the end of the reporting period on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee contract's average salary for the six-month period prior to the consolidated balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.

The Company and its subsidiaries did not recognise the above provision for severance allowance due to the application of the Circular No. 180/2012/TT-BTC of the Ministry of Finance issued on 24 October 2012. The Company and its subsidiaries recognised as an expense in the accounting period when the Company actually pays severance allowances to employees.

2.19 Unearned revenue

Unearned revenue mainly comprises the amounts that customers have paid in advance for telecommunication services for many accounting periods. The Company and its subsidiaries record unearned revenue for the future obligations that the Company and its subsidiaries have to fulfill. Unearned revenue is recognised as revenue in the consolidated income statement to the extent that recognition criteria have been met.

2.20 Capital and reserves

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Owners' other capital represents other capital held by the owners at the reporting date, mainly related to accounting for share dividends received from subsidiaries.

Undistributed earnings record the Company and its subsidiaries' result profit after CIT at the reporting date.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.21 Appropriation of profit**

The Company's dividends are recognised as a liability on the final registration date for dividend payment to shareholders.

Net profit after CIT could be distributed to shareholders after approval at the Shareholders' General Meeting, and after appropriation to other funds in accordance with the Company and its subsidiaries' charter and Vietnamese regulations.

The Company and its subsidiaries's funds are as below:

(a) Investment and development fund

Investment and development fund is appropriated from profits after CIT of the Company and its subsidiaries and approved at the Shareholders' General Meeting. The fund is used to provide capital for investment projects of the Company.

(b) Bonus and welfare fund

The bonus and welfare fund is appropriated from the Company and its subsidiaries' profit after CIT and subject to shareholders' approval at the Shareholders' General Meeting. This fund is presented as a liability on the interim consolidated balance sheet. This fund is used to reward, improve and enhance employees' lives.

2.22 Revenue recognition**(a) Revenue from sales of goods**

Revenue from sales of goods is recognised in the consolidated income statement when all five (5) of the following conditions are satisfied:

- The Company and its subsidiaries have transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company and its subsidiaries retain neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company and its subsidiaries; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sale obligation.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.22 Revenue recognition (continued)****(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the interim consolidated income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Revenue from the rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company and its subsidiaries;
- The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(c) Interest income

Interest income is recognised on the basis of the actual time and interest rates for each period when both two (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company and its subsidiaries; and
- Income can be measured reliably.

(d) Dividends income

Income from dividends is recognised when both two (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company and its subsidiaries; and
- Income can be measured reliably.

Income from dividends is recognised when the Company and its subsidiaries has established receiving rights from investees.

2.23 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period of the related revenue from sales of products, goods and rendering of services are recorded as deduction of revenue of that period.

Sales deductions for sales of products, goods or rendering of services which are sold in the period but are incurred after the consolidated balance sheet date but before the issuance of the interim consolidated financial statements are recorded as a deduction of revenue of that period.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.24 Cost of goods sold and services rendered**

Cost of goods sold and cost of services rendered are cost of goods, merchandise sold or services rendered during the period, and recorded on the basis of matching with revenue and on a prudent basis.

2.25 Financial expenses

Financial expenses are expenses incurred in the period for financial activities mainly including interest expense and losses from foreign exchange differences.

2.26 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods, and providing services.

2.27 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes of the Company and its subsidiaries.

2.28 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current income tax expense and deferred income tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current tax rates. Current and deferred income tax are recognised as an income or an expense and included in profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the interim consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.29 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company and its subsidiaries, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company and its subsidiaries. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, including the Company's Board of Directors, the Board of Supervision, the Board of Management and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Company and its subsidiaries consider the substance of the relationships, not merely the legal form.

2.30 Segment reporting

A segment is a component which can be separated by the Company and its subsidiaries engaged in sales of goods or rendering of services ("business segment"), or sales of goods or rendering of services within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company and its subsidiaries' business segment or the Company and its subsidiaries' geographical segment.

2.31 Critical accounting estimates

The preparation of interim consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim consolidated financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amounts of revenues and expenses during the financial period.

The areas involving significant estimates and assumptions are as follows:

- Estimation of provision for doubtful debts (Note 2.7 and Note 7);
- Estimation of provision for decline in value of inventories (Note 2.8 and Note 8);
- Estimated useful lives of fixed assets (Note 2.11 and Note 10); and
- Estimation of CIT (Note 2.28 and 31).

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the interim consolidated financial statements of the Company and its subsidiaries and are assessed by the Board of Management to be reasonable under the circumstances.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

3 CASH AND CASH EQUIVALENTS

	30.6.2024 VND	31.12.2023 VND
Cash on hand	66,618,276	78,480,640
Cash at banks	364,198,604,016	169,379,084,632
Cash equivalents (*)	221,787,645	254,526,687,587
	<u>364,487,009,937</u>	<u>423,984,252,859</u>

(*) Cash equivalents mainly comprise term deposits with original maturity of 3 months or less at commercial banks in Vietnam. Interest rate is specified in each term-deposit contract.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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4 FINANCIAL INVESTMENTS

(a) Investment held to maturity

	30.6.2024		31.12.2023	
	Cost VND	Book value VND	Cost VND	Book value VND
i. Short-term Term deposits (*)	10,461,822,900,987	10,461,822,900,987	8,651,944,688,963	8,651,944,688,963
ii. Long-term Term deposits	200,000,000	200,000,000	200,000,000	200,000,000

(*) These are deposits at commercial banks in Vietnam with original term of more than 3 and less than 12 months. Interest rate is specified in each contract.

(b) Investments in other entities

	30.6.2024			31.12.2023		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Sen Do Technology Joint Stock Company	3,684,980,000	(*)	(3,684,980,000)	3,684,980,000	(*)	(3,684,980,000)
FPT Fund Management Joint Stock Company	6,000,000,000	(*)	-	6,000,000,000	(*)	-
	9,684,980,000	(*)	(3,684,980,000)	9,684,980,000	(*)	(3,684,980,000)

(*) Presentation of fair value: the Company had not determined the fair value of these investments for disclosure in the interim consolidated financial statements because they do not have listed prices. The fair value of such investments might be different from their book value.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2024 VND	31.12.2023 VND
Third parties (*)	2,024,138,403,246	1,849,593,378,505
Related parties (Note 34(b))	30,414,278,651	35,958,378,196
	<u>2,054,552,681,897</u>	<u>1,885,551,756,701</u>

(*) As at 30 June 2024 and 31 December 2023, there was no third party customer having a balance accounting for 10% or more of the total balance of short-term trade accounts receivable.

As at 30 June 2024 and 31 December 2023, there was no balance of short-term trade receivables that was not past due but doubtful.

6 OTHER SHORT-TERM RECEIVABLES

	30.6.2024 VND	31.12.2023 VND
Interest income	133,489,983,402	131,808,763,109
Deposits	30,429,195,355	7,188,279,336
Others	8,236,740,517	6,562,316,890
	<u>172,155,919,274</u>	<u>145,559,359,335</u>

As at 30 June 2024 and 31 December 2023, there was no balance of other short-term receivables that was not past due but doubtful.

7 DOUBTFUL DEBTS

	30.6.2024		
	Cost VND	Recoverable amount VND	Provision VND
Total overdue receivables that are doubtful	665,845,312,091	5,053,398,934	660,791,913,157
<i>In which:</i>			
- Sam Ngoc Linh Kon Tum Joint Stock Company	<u>52,920,000,000</u>	<u>-</u>	<u>52,920,000,000</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

7 DOUBTFUL DEBTS (CONTINUED)

	31.12.2023		
	Cost VND	Recoverable amount VND	Provision VND
Total overdue receivables that are doubtful	630,536,585,918	7,792,826,215	622,743,759,703
<i>In which:</i>			
- Sam Ngoc Linh Kon Tum Joint Stock Company	62,920,000,000	-	62,920,000,000

8 INVENTORIES

	30.6.2024		31.12.2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	39,519,448,682	-	57,128,979,044	-
Raw materials	711,884,402,612	(18,711,662,851)	641,356,835,365	(16,797,484,252)
Tools and supplies	40,263,587,645	-	38,093,063,918	-
Merchandise	91,804,622,873	-	88,442,853,841	-
	<u>883,472,061,812</u>	<u>(18,711,662,851)</u>	<u>825,021,732,168</u>	<u>(16,797,484,252)</u>
Provision for decline in value of inventories	(18,711,662,851)		(16,797,484,252)	
	<u>864,760,398,961</u>		<u>808,224,247,916</u>	

Movements in the provision for decline in value of inventories during the period/year were as follows:

	For the 6-month period ended 30.6.2024 VND	For the year ended 31.12.2023 VND
Beginning of period/year	16,797,484,252	35,332,591,215
Increase/(reversal) (Note 26)	1,914,178,599	(18,535,106,963)
End of period/year	<u>18,711,662,851</u>	<u>16,797,484,252</u>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

9 PREPAID EXPENSES**(a) Short-term**

	30.6.2024	31.12.2023
	VND	VND
Rental (copyrights, office, channels, transmission lines, cable)	89,017,914,572	98,575,179,019
Others	64,639,137,397	52,539,620,783
	<u>153,657,051,969</u>	<u>151,114,799,802</u>

(b) Long-term

	30.6.2024	31.12.2023
	VND	VND
Service deployment costs for new subscribers (*)	1,562,100,681,309	1,611,745,683,907
Office rental	288,851,782,585	293,626,781,023
Others	198,373,914,524	231,581,730,445
	<u>2,049,326,378,418</u>	<u>2,136,954,195,375</u>

(*) Service deployment costs for new subscribers include the costs of equipment, materials and outsourced labor incurred for deployment of internet, television services for new subscribers. These costs are initially recognised as long-term prepaid expenses and amortised to the interim consolidated income statement based on estimated useful lives (Note 2.13).

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

10	FIXED ASSETS	Buildings and structures VND	Machinery, equipment VND	Office equipment VND	Motor vehicles VND	Others VND	Total VND
(a)	Tangible fixed assets						
	Historical cost						
	As at 1 January 2024	216,656,064,477	12,302,794,814,624	139,828,523,443	14,416,770,177	-	12,673,696,172,721
	New purchases	1,132,455,882	120,931,310,372	406,605,455	4,095,554,707	131,767,500	126,697,693,916
	Transfers from construction in progress (*)	32,083,509,733	327,990,039,548	-	-	-	360,073,549,281
	Reclassification (Note 10(b))	-	98,734,236	(1,177,193,078)	774,845,455	-	(303,613,387)
	Disposals, write-off	-	(98,144,201,760)	(1,469,355,320)	-	-	(99,613,557,080)
	As at 30 June 2024	249,872,030,092	12,653,670,697,020	137,588,580,500	19,287,170,339	131,767,500	13,060,550,245,451
	Accumulated depreciation						
	As at 1 January 2024	(83,951,401,165)	(6,994,308,465,727)	(123,164,061,048)	(8,199,414,401)	-	(7,209,623,342,341)
	Charge for the period	(4,210,687,281)	(633,379,872,602)	(3,546,613,106)	(1,046,634,210)	(6,624,377)	(642,190,431,576)
	Reclassification (Note 10(b))	-	(83,812,054)	1,161,142,985	(774,845,455)	-	302,485,476
	Disposals, write-off	-	89,652,603,887	1,374,088,477	-	-	91,026,692,364
	As at 30 June 2024	(88,162,088,446)	(7,538,119,546,496)	(124,175,442,692)	(10,020,894,066)	(6,624,377)	(7,760,484,596,077)
	Net book value						
	As at 1 January 2024	132,704,663,312	5,308,486,348,897	16,664,462,395	6,217,355,776	-	5,464,072,830,380
	As at 30 June 2024	161,709,941,646	5,115,551,150,524	13,413,137,808	9,266,276,273	125,143,123	5,300,065,649,374

(*) Transfers from construction in progress mainly included machineries, equipment, cables for network infrastructure of the Company and its subsidiaries.

Historical cost of fully depreciated tangible fixed assets of the Company and its subsidiaries but still in use as at 30 June 2024 were VND 4,016,590,506,858 (as at 31 December 2023: VND 3,688,632,207,311).

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10 FIXED ASSETS (CONTINUED)

(b) Intangible fixed assets

	Land use rights VND	Copyrights and operation rights VND	Copyrights, patents VND	Computer software VND	Total VND
Historical cost					
As at 1 January 2024	186,643,921,448	476,000,000	756,362,619,237	189,124,383,322	1,132,606,924,007
New purchases	132,450,000	-	3,412,414,784	450,000,000	3,994,864,784
Reclassification (Note 10(a))	-	-	-	303,613,387	303,613,387
Disposals, write-off	-	-	-	(1,031,111,375)	(1,031,111,375)
As at 30 June 2024	186,776,371,448	476,000,000	759,775,034,021	188,846,885,334	1,135,874,290,803
Accumulated depreciation					
As at 1 January 2024	-	(40,427,397)	(430,246,275,819)	(142,920,957,141)	(573,207,660,357)
Charge for the period	-	(78,899,817)	(26,723,202,698)	(15,434,422,579)	(42,236,525,094)
Reclassification (Note 10(a))	-	-	-	(302,485,476)	(302,485,476)
Disposals, write-off	-	-	-	1,020,770,402	1,020,770,402
As at 30 June 2024	-	(119,327,214)	(456,969,478,517)	(157,637,094,794)	(614,725,900,525)
Net book value					
As at 1 January 2024	186,643,921,448	435,572,603	326,116,343,418	46,203,426,181	559,399,263,650
As at 30 June 2024	186,776,371,448	356,672,786	302,805,555,504	31,209,790,540	521,148,390,278

The historical cost of fully amortised intangible fixed assets of the Company and its subsidiaries but still in use as at 30 June 2024 were VND 95,572,392,041 (as at 31 December 2023: VND 88,108,545,770).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

11 CONSTRUCTION IN PROGRESS

	30.6.2024 VND	31.12.2023 VND
Data Center - District No.9	250,294,828,503	244,969,980,018
Data Center - FPT Telecom Tan Thuan	13,920,202,020	14,297,934,220
North-South trunk road system	16,439,021,839	55,552,423,097
FPT Telecom Tower - District No.7	4,508,362,121	1,862,966,083
Telecommunication infrastructures (*)	96,464,772,882	100,505,808,261
	<u>381,627,187,365</u>	<u>417,189,111,679</u>

(*) Mainly included the value of machinery, equipment and materials in the progress for constructing telecommunication stations and other telecommunication infrastructures.

12 DEFERRED INCOME TAX

Deferred income tax assets and deferred income tax liabilities are offset when the Company and its subsidiaries have a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income tax liabilities are related to the same tax authority and the same taxable entity. Details are as follows:

	30.6.2024 VND	31.12.2023 VND
Deferred income tax assets	18,328,344,834	21,795,731,150
Deferred income tax liabilities	(901,383,880)	(937,899,583)

The gross movements in deferred income tax, excluding offsetting of balances related to the same tax authority and same taxable unit, during the period/year are as follows:

	For the 6-month period ended 30.6.2024 VND	For the year ended 31.12.2023 VND
Deferred income tax assets		
Beginning of period/year	21,795,731,150	532,705,381
Recognised in the interim consolidated income statement (Note 31)	(3,467,386,316)	21,263,025,769
End of period/year	<u>18,328,344,834</u>	<u>21,795,731,150</u>
Deferred income tax liabilities		
Beginning of period/year	(937,899,583)	(218,148,233)
Recognised in the interim consolidated income statement (Note 31)	36,515,703	(719,751,350)
End of period/year	<u>(901,383,880)</u>	<u>(937,899,583)</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.06.2024		31.12.2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties	1,159,790,507,512	1,159,790,507,512	1,032,536,777,149	1,032,536,777,149
<i>In which:</i>				
- Cambridge Industries USA	128,566,812,604	128,566,812,604	32,989,124,986	32,989,124,986
- Others	1,031,223,694,908	1,031,223,694,908	999,547,652,163	999,547,652,163
Related parties (Note 34(b))	46,637,465,679	46,637,465,679	43,150,739,640	43,150,739,640
	<u>1,206,427,973,191</u>	<u>1,206,427,973,191</u>	<u>1,075,687,516,789</u>	<u>1,075,687,516,789</u>

14 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2024 VND	31.12.2023 VND
Third parties	85,963,853,982	67,989,064,206
<i>In which:</i>		
- Giao Hang Tiet Kiem JSC	12,106,228,410	-
- Others	73,857,625,572	67,989,064,206
Related parties (Note 34(b))	1,096,802,223	970,148,010
	<u>87,060,656,205</u>	<u>68,959,212,216</u>

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

15 TAXES AND RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in tax and receivables from/payables to the State during the period were as follows:

	As at 1.1.2024 VND	Incurred during the period VND	Payment/offset during the period VND	As at 30.6.2024 VND
(a) Receivables				
CIT	279,451,247	-	(279,451,247)	-
Personal income tax	91,130,172	390,414,189	(345,125,799)	136,418,562
	<u>370,581,419</u>	<u>390,414,189</u>	<u>(624,577,046)</u>	<u>136,418,562</u>
(b) Payables				
Output VAT	55,432,849,683	1,177,801,736,781	(1,156,309,387,514)	76,925,198,950
Import VAT	-	78,804,990,495	(78,804,990,495)	-
CIT	161,694,560,706	348,587,496,545	(323,006,895,655)	187,275,161,596
Foreign contractor withholding tax	4,438,225,507	29,765,493,294	(30,339,167,151)	3,864,551,650
Personal income tax	29,714,427,235	201,403,306,808	(221,882,087,956)	9,235,646,087
Import tax	-	91,849,830	(91,849,830)	-
Others	-	614,801,449	(614,801,449)	-
	<u>251,280,063,131</u>	<u>1,837,069,675,202</u>	<u>(1,811,049,180,050)</u>	<u>277,300,558,283</u>



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

16 SHORT-TERM ACCRUED EXPENSES

	30.6.2024 VND	31.12.2023 VND
Interest expense	109,793,116,788	102,446,296,400
Copyrights	116,300,191,925	39,999,999,999
Others (*)	137,842,453,765	83,370,341,739
	<u>363,935,762,478</u>	<u>225,816,638,138</u>

(*) Mainly included expenses relating to channel rental, transmission rental, public utility telecommunications service funds and others.

17 UNEARNED REVENUE

(a) Short-term

	30.6.2024 VND	31.12.2023 VND
Advances from customers for telecommunication services	1,543,378,990,901	1,352,234,046,771
Related parties (Note 34(b))	1,772,804,088	1,772,804,088
Others	24,000,000	63,954,546
	<u>1,545,175,794,989</u>	<u>1,354,070,805,405</u>

(b) Long-term

	30.6.2024 VND	31.12.2023 VND
Advances from customers for telecommunication services	6,563,021,713	6,344,870,859
Related parties (Note 34(b))	28,808,066,227	29,694,468,271
	<u>35,371,087,940</u>	<u>36,039,339,130</u>

18 OTHER SHORT-TERM PAYABLES

	30.6.2024 VND	31.12.2023 VND
Related parties (Note 34(b))	4,194,095,073	3,085,424,477
Deposits	146,235,830,682	261,928,870,995
Salary benefits	11,565,562,973	16,599,554,236
Others	33,603,893,914	32,051,804,101
	<u>195,599,382,642</u>	<u>313,665,653,809</u>

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

19 BORROWINGS

	As at 1.1.2024 VND	Increase VND	Decrease VND	Foreign exchange differences VND	As at 30.6.2024 VND
Short-term borrowings (*)	5,941,728,063,303	8,360,560,293,790	(7,153,914,732,573)	(35,478,728,339)	7,112,894,896,181
Current portion of long-term borrowings	39,991,556,359	-	(39,991,556,359)	-	-
	<u>5,981,719,619,662</u>	<u>8,360,560,293,790</u>	<u>(7,193,906,288,932)</u>	<u>(35,478,728,339)</u>	<u>7,112,894,896,181</u>

(*) Included unsecured short-term borrowings from banks to finance the Company and its subsidiaries' business activities. Interest rates are specified in each drawdown ranging from 2.3% per annum to 6.55% per annum (in 2023: from 2.3% per annum to 8% per annum).

Details of borrowings in original currencies are as follows:

	30.6.2024		31.12.2023	
	Original amount	VND equivalent	Original amount	VND equivalent
US Dollars ("USD")	120,400,000	2,906,395,297,825	57,900,000	1,376,170,500,000
Vietnamese Dong ("VND")	4,206,499,598,356	4,206,499,598,356	4,605,549,119,662	4,605,549,119,662
		<u>7,112,894,896,181</u>		<u>5,981,719,619,662</u>

Borrowings in foreign currencies were hedged by the Company using forward contracts as follows (Note 2.4):

	30.6.2024		31.12.2023	
Foreign currency	Original amount	Original amount hedged	Original amount	Original amount hedged
USD	<u>120,400,000</u>	<u>120,400,000</u>	<u>57,900,000</u>	<u>57,900,000</u>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

20 BONUS AND WELFARE FUNDS

Movements of bonus and welfare during the period/year were as follows:

	For the 6-month period ended 30.6.2024 VND	For the year ended 31.12.2023 VND
Beginning of period/year	460,860,242,681	349,990,820,900
Appropriated from undistributed earnings	-	248,660,722,559
Utilised during the period/year	(240,607,607,893)	(137,964,300,778)
Others	-	173,000,000
End of period/year	<u>220,252,634,788</u>	<u>460,860,242,681</u>

21 OWNERS' CAPITAL

(a) Number of shares

	30.6.2024 Ordinary shares	31.12.2023 Ordinary shares
Number of shares registered	492,509,164	492,509,164
Number of shares issued	492,509,164	492,509,164
Number of existing shares in circulation	<u>492,509,164</u>	<u>492,509,164</u>

Par value per share: VND 10,000.

(b) Details of owners' shareholding

	30.6.2024		31.12.2023	
	Ordinary shares	%	Ordinary shares	%
State Capital Investment Corporation – Company Limited	247,113,031	50,17	247,113,031	50,17
FPT Joint Stock Company	224,861,187	45,66	224,861,187	45,66
Other shareholders	20,534,946	4,17	20,534,946	4,17
	<u>492,509,164</u>	<u>100</u>	<u>492,509,164</u>	<u>100</u>

(c) Movement of owners' shareholding

	Number of shares	Number of common shares VND	Total VND
As at 1.1.2023	328,339,538	3,283,395,380,000	3,283,395,380,000
Number of shares issued	164,169,626	1,641,696,260,000	1,641,696,260,000
As at 31.12.2023	<u>492,509,164</u>	<u>4,925,091,640,000</u>	<u>4,925,091,640,000</u>
As at 30.06.2024	<u>492,509,164</u>	<u>4,925,091,640,000</u>	<u>4,925,091,640,000</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

22 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Owners' capital other capital VND	Investment and development fund VND	Retained earnings VND	Non-controlling interests VND	Total VND
As at 1 January 2023	3,283,395,380,000	55,391,600,000	1,424,495,512,206	2,840,418,455,303	316,001,286,979	7,919,702,234,488
Net profit for the year	-	-	-	2,383,057,829,664	50,456,815,702	2,433,514,645,366
Cash dividends distributed	-	-	-	(985,018,614,000)	(41,558,227,575)	(1,026,576,841,575)
New issued shares	1,641,696,260,000	-	(70,000,000,000)	(1,571,696,260,000)	-	-
Appropriation to investment and development fund	-	-	355,226,693,072	(355,226,693,072)	-	-
Appropriation to bonus and welfare fund	-	-	-	(243,510,632,508)	(5,150,090,051)	(248,660,722,559)
Other movements	-	-	-	(2,331,836,785)	(1,882,946,686)	(4,214,783,471)
As at 31 December 2023	4,925,091,640,000	55,391,600,000	1,709,722,205,278	2,065,692,248,602	317,866,838,369	9,073,764,532,249
Net profit for the period	-	-	-	1,385,310,607,586	21,659,928,939	1,406,970,536,525
Cash dividends distributed (Note 34(a)) (*)	-	-	-	(985,018,328,000)	-	(985,018,328,000)
Other movements	-	-	-	798,803,714	(44,658)	798,759,056
As at 30 June 2024	4,925,091,640,000	55,391,600,000	1,709,722,205,278	2,466,783,331,902	339,526,722,650	9,496,515,499,830

(*) Pursuant to the Resolution No. 01/NQ – ĐHĐCĐ/FTEL dated 17 April 2024, the General Meeting of Shareholders approved the cash dividend distribution plan at VND 2,000 per share.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

23 BASIC EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares repurchased by the Company and held as treasury shares. Details are as follows:

	For the six-month period-ended 30 June	
	2024	2023 (Restated (*))
Net profit attributable to shareholders (VND)	1,385,310,607,586	1,197,912,928,430
Less amount allocated to bonus and welfare fund (**)	-	-
Basic earnings	<u>1,385,310,607,586</u>	<u>1,197,912,928,430</u>
Weighted average number of ordinary shares in circulation (shares)	<u>492,509,164</u>	<u>492,509,164</u>
Basic earnings per share (VND)	<u><u>2,813</u></u>	<u><u>2,432</u></u>

(*) Basic earnings per share for the six-month period ended 30 June 2023 have been restated to reflect the issuance of bonus shares as follows:

	For the six-month period ended 30 June 2023		
	As previously reported	Restated	As restated
Basic earnings per share (VND)	1,197,912,928,430	-	1,197,912,928,430
Basic earnings (VND)	1,197,912,928,430	-	1,197,912,928,430
Weighted average number of ordinary shares in circulation (shares)	<u>328,339,538</u>	<u>164,169,626</u>	<u>492,509,164</u>
Basic earnings per share (VND)	<u><u>3,648</u></u>		<u><u>2,432</u></u>

(**) As at 30 June 2024 and 30 June 2023, the Company could not determine the deduction amount for bonus and welfare funds for the 6-month period. Therefore, the amount of bonus and welfare fund was not reflected in the calculation of basic earnings per share.

(b) Diluted earnings per share

Diluted earnings per share was equal to the basic earnings per share as the Company did not have any ordinary shares potentially diluted during the period and up to the date of the interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

24 OFF CONSOLIDATED BALANCE SHEET ITEMS

(a) Foreign currencies

As at 30 June 2024, included in cash and cash equivalents were balances held in foreign currencies of USD 9,054,483 (as at 31 December 2023: USD 2,342,986).

(b) Bad debt written off

	30.6.2024 VND	31.12.2023 VND
Bad debts	181,140,247,862	181,168,486,772

25 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Revenue		
Revenue from rendering of services	7,795,843,760,977	7,138,843,811,817
Revenue from sales of goods	448,792,980,809	544,243,062,530
	<u>8,244,636,741,786</u>	<u>7,683,086,874,347</u>
Sales deductions		
Sales returns	(146,815,000)	(52,216,700)
Trade discounts and other deductions	(203,756,277)	(1,062,150,723)
	<u>(350,571,277)</u>	<u>(1,114,367,423)</u>
Net revenue from sales of goods and rendering of services		
Net revenue from rendering of services	7,795,640,004,700	7,137,781,661,094
Net revenue from sales of goods	448,646,165,809	544,190,845,830
	<u>8,244,286,170,509</u>	<u>7,681,972,506,924</u>

26 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Cost of services rendered	3,971,568,495,446	3,770,642,194,004
Cost of merchandise sold	338,323,441,052	482,067,059,242
Increase/(reversal of provision) for decline in value of inventories (Note 8)	1,914,178,599	(3,386,199,522)
	<u>4,311,806,115,097</u>	<u>4,249,323,053,724</u>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

27 FINANCIAL INCOME

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Interest income	272,273,078,330	344,661,138,973
Foreign exchange gains	77,222,525,769	12,399,774,287
Dividends received from investees (Note 34(a))	-	2,000,000,000
Others	11,116,599	-
	<u>349,506,720,698</u>	<u>359,060,913,260</u>

28 FINANCIAL EXPENSES

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Interest expense	172,955,699,614	177,660,852,793
Foreign exchange losses	17,013,559,142	12,316,806,695
Others	20,964,400	-
	<u>189,990,223,156</u>	<u>189,977,659,488</u>

29 SELLING EXPENSES

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Staff costs	1,012,921,864,670	741,037,458,880
Advertising costs	165,177,195,658	149,597,022,357
Others (*)	100,984,476,666	108,160,776,628
	<u>1,279,083,536,994</u>	<u>998,795,257,865</u>

(*) Included depreciation expenses, rental expenses, outsourcing expenses, utility expenses and other selling expenses. There were no items with the amount accounting for more than 10% of total selling expenses.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

30 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Staff costs	762,869,879,492	713,014,342,663
Others (*)	298,198,737,063	378,747,238,758
	<u>1,061,068,616,555</u>	<u>1,091,761,581,421</u>

(*) Included depreciation expense, provision expense for doubtful debts, tools and supplies and other general and administration expenses. There were no items with the amount accounting for more than 10% of total general and administrative expenses.

31 CIT

The CIT on the Company and its subsidiaries' accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Accounting profit before tax	1,758,988,903,683	1,514,164,523,523
Tax calculated at a rate of 20%	351,797,780,737	302,832,904,705
Effect of:		
Income not subject to tax	-	(400,000,000)
Expense not deductible for tax purposes	86,599,999	22,000,000
Temporary differences for which no deferred income tax was recognised	3,749,232	(750,317,125)
Under-provision in previous years	2,683,019	721,860,925
Others	127,554,171	76,643,523
CIT charge (*)	<u>352,018,367,158</u>	<u>302,503,092,028</u>
Charged/(credited) to the interim consolidated income statement:		
CIT – current (Note 15(b))	348,587,496,545	305,604,703,580
CIT – deferred (Note 12)	3,430,870,613	(3,101,611,552)
	<u>352,018,367,158</u>	<u>302,503,092,028</u>

(*) The CIT charge for the period is based on estimated taxable income and is subject to review and possible adjustment by the tax authorities.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

32 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the period from the Company and its subsidiaries' operating activities. The details are as follows:

	For the six-month period ended 30 June	
	2024 VND	2023 VND
Raw materials	1,117,646,731,293	1,198,892,717,048
Staff costs	1,775,791,744,162	1,454,051,801,543
Depreciation and amortisation	684,426,956,670	645,647,293,091
External services	2,790,268,060,453	2,621,684,939,992
Others	283,824,776,068	419,603,141,336
	<u>6,651,958,268,646</u>	<u>6,339,879,893,010</u>

33 SEGMENT REPORTING

The Board of Management of the Company determines that the management decisions of the Company and its subsidiaries are based primarily on the types of products and services provided by the Company and its subsidiaries. As a result, the primary segment reporting of the Company and its subsidiaries is presented in respect of by business segments.

(a) Segment information based on the business activities

During the period, the Company and its subsidiaries' principal activities were to provide telecommunication services (including services on internet, pay television, online advertising, transmission line rental and data storage and other telecommunication services). Revenue and profit from sales of goods accounted for less than 10% of the total revenue and profit of the Company and its subsidiaries respectively. Therefore, the Company and its subsidiaries do not present a segment report by business activities. Revenue and cost of goods sold and services rendered are presented in Note 25 and Note 26.

(b) Segment information based on the geographical location

The Company and its subsidiaries have no business activities outside of Vietnam. All of the Company and its subsidiaries' business activities are all carried out within the territory of Vietnam. Therefore, the Company and its subsidiaries do not present a segment report by geographical area.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

34 RELATED PARTY DISCLOSURES

The Company is controlled by FPT Joint Stock Company, a company incorporated in Vietnam. Although the parent company holds 45.66% of the Company's share capital, it has the majority voting rights at the meetings of the Board of Directors or equivalent management level of the Company and has the power to govern the financial policies and operation activities of the Company.

Details of the key related parties and relationship are given as below:

Related parties (*)	Relationship
FPT Joint Stock Company	Parent company
State Capital Investment Corporation – Company Limited	Major shareholder
FPT IS Company Limited (formerly FPT Information System Corporation)	Subsidiary of Parent company
FPT Software Company Limited	Subsidiary of Parent company
FPT Smart Cloud Company Limited	Subsidiary of Parent company
FPT Education Company Limited	Subsidiary of Parent company
FPT Digital Retail Joint Stock Company	Associate of Parent company
Synnex FPT Distribution Company Limited	Associate of Parent company
FPT Fund Management Joint Stock Company	Associate of Parent company
Members of the Board of Directors, the Board of Supervisors, the Board of Management, and related individuals of these members	Key management personnel

(*) *Figures of a related party presented in this note include the figures of the related party companies and its affiliated subsidiaries (if any).*

(a) Related party transactions

The primary transactions with related parties incurred during the period are:

	For the six-month period ended 30 June	
	2024 VND	2023 VND
i) Sales of goods and rendering of services		
FPT IS Company Limited	33,353,022,951	33,553,159,301
FPT Digital Retail Joint Stock Company	31,795,368,440	22,082,013,130
FPT Software Company Limited	20,816,000,958	37,968,385,011
FPT Education Company Limited	12,939,855,130	12,191,654,351
FPT Smart Cloud Company Limited	9,589,749,757	11,841,258,463
FPT Joint Stock Company	4,921,480,041	7,252,534,368
Synnex FPT Distribution Company Limited	2,992,947,045	2,204,700,806
Other fellow group companies	303,066,768	356,916,710
	<u>116,711,491,090</u>	<u>127,450,622,140</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

34 RELATED PARTY DISCLOSURES (CONTINUED)

(a) Related party transactions (continued)

	For the six-month period ended 30 June	
	2024 VND	2023 VND
ii) Purchase of fixed assets, goods and services		
FPT Joint Stock Company	84,560,315,540	65,926,755,132
FPT IS Company Limited	56,078,104,653	193,806,349,620
Synnex FPT Distribution Company Limited	39,900,166,544	75,974,713,743
FPT Software Company Limited	21,199,688,040	1,123,998,321
FPT Digital Retail Joint Stock Company	5,615,115,275	5,739,610,223
FPT Smart Cloud Company Limited	3,564,578,104	4,655,417,816
Other fellow group companies	135,924,170	519,624,552
	<u>211,053,892,326</u>	<u>347,746,469,407</u>
iii) Cash dividend distribution		
FPT Joint Stock Company	449,722,374,000	449,722,374,000
State Capital Investment Corporation – Company Limited	494,226,062,000	494,226,063,000
Other shareholders	41,069,892,000	41,070,177,000
	<u>985,018,328,000</u>	<u>985,018,614,000</u>
iv) Dividend income (Note 27)		
FPT Fund Management Joint Stock Company	-	2,000,000,000
	<u>-</u>	<u>2,000,000,000</u>
v) Lendings		
FPT Joint Stock Company	-	30,000,000,000
	<u>-</u>	<u>30,000,000,000</u>
vi) Interest income on lendings		
FPT Joint Stock Company	-	294,123,288
	<u>-</u>	<u>294,123,288</u>
vii) Remuneration of the Board of Directors, the Board of Supervision and salaries of General Director and other key management personnel		
Remuneration, gross salaries and other benefits	4,722,309,000	3,390,281,720
	<u>4,722,309,000</u>	<u>3,390,281,720</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

34 RELATED PARTY DISCLOSURES (CONTINUED)

(b) Period/year-end balances with related parties

	30.6.2024 VND	31.12.2023 VND
i) Cash at FPT central account		
FPT Joint Stock Company	121,787,645	326,687,587
ii) Short-term trade accounts receivable (Note 5)		
FPT IS Company Limited	11,968,052,235	11,033,310,716
FPT Digital Retail Joint Stock Company	11,574,697,118	9,599,260,077
FPT Smart Cloud Company Limited	1,918,265,038	1,312,418,616
FPT Software Company Limited	1,828,835,951	2,355,481,162
FPT Education Company Limited	1,673,886,140	330,066,431
Synnex FPT Distribution Company Limited	403,883,362	465,989,210
FPT Joint Stock Company	219,095,681	10,832,150,125
Other fellow group companies	827,563,126	29,701,859
	<u>30,414,278,651</u>	<u>35,958,378,196</u>
iii) Short-term trade accounts payable (Note 13)		
FPT Joint Stock Company	31,730,984,176	24,117,644,182
Synnex FPT Distribution Company Limited	10,636,839,624	7,482,021,899
FPT IS Company Limited	1,662,285,942	7,588,155,397
FPT Digital Retail Joint Stock Company	1,519,836,149	1,145,862,390
FPT Smart Cloud Company Limited	701,062,231	1,616,559,844
FPT Software Company Limited	332,429,665	1,147,153,066
Other fellow group companies	54,027,892	53,342,862
	<u>46,637,465,679</u>	<u>43,150,739,640</u>
iv) Short-term advances from customers (Note 14)		
FPT Software Company Limited	695,940,465	697,040,465
FPT Education Company Limited	393,411,758	214,880,109
Other fellow group companies	7,450,000	58,227,436
	<u>1,096,802,223</u>	<u>970,148,010</u>
v) Unearned revenue (Note 17)		
Short term		
Synnex FPT Distribution Company Limited	1,772,804,088	1,772,804,088
Long term		
Synnex FPT Distribution Company Limited	28,808,066,227	29,694,468,271

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

34 RELATED PARTY DISCLOSURES (CONTINUED)

(b) Period/year-end balances with related parties (continued)

	30.6.2024 VND	31.12.2023 VND
<i>vi) Other short-term payables (Note 18)</i>		
Cash collection on behalf of related parties	1,470,400,740	742,937,594
Dividends payables	2,723,694,333	2,342,486,883
	<u>4,194,095,073</u>	<u>3,085,424,477</u>

35 COMMITMENTS

(a) Operating lease commitments

The future minimum lease payments under operating lease contracts of the Company and its subsidiaries were as follows:

	30.6.2024 VND	31.12.2023 VND
Under 1 year	161,798,097,155	149,541,237,751
From 1 to 5 years	250,829,904,229	196,150,777,731
Above 5 years	14,207,511,733	12,749,682,490
Total minimum payments	<u>426,835,513,117</u>	<u>358,441,697,972</u>

(b) Capital commitments

Capital expenditures contracted for fixed assets at the interim consolidated balance sheet date but not recognised in the interim consolidated financial statements was as follows:

	30.6.2024 VND	31.12.2023 VND
Data centers	5,280,391,185	3,936,539,597
FPT Telecom tower	24,561,605,978	-
Other telecom infrastructure projects	41,007,815,337	-
	<u>70,849,812,500</u>	<u>3,936,539,597</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

35 COMMITMENTS (CONTINUED)

(c) Other commitments

Other commitments include commitments of capital contributions to a subsidiary as follows:

	30.6.2024 VND	31.12.2023 VND
FPT Telecom Thang Long Company Limited (Note 1)	224,315,000,000	-

36 CONTINGENT LIABILITIES

Land restoration obligations:

The Company and its subsidiaries signed land rental contracts and carried out the construction of buildings and infrastructure on these lands. The land rental contracts do not explicitly state the obligations of the Company and its subsidiaries in removing the building, structures and other assets out of the leased lands at the end of the rental periods. These obligations can only be ascertained upon the discussion and agreement between the Company, its subsidiaries and the landlords at the end of rental periods. At the date of these interim consolidated financial statements, the land restoration obligations of the Company and its subsidiaries haven't been determined. Accordingly, the Company and its subsidiaries did not recognise a provision for land restoration costs in the interim consolidated financial statements.

37 EVENTS AFTER THE INTERIM CONSOLIDATED BALANCE SHEET DATE

In accordance with the Notice No. 03-2024/FO-TB dated 3 July 2024 of the Board of Directors of FPT Online Joint Stock Company, the subsidiary has notified the finalisation of the list of shareholders entitled to cash dividends on 19 July 2024 with a payout ratio of VND 2,000 per share.

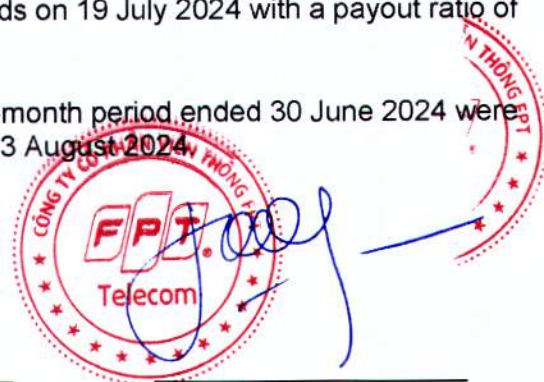
The interim consolidated financial statements for the six-month period ended 30 June 2024 were approved by the Company's Board of Management on 13 August 2024.



Nguyen Thi Hong
Preparer



Nguyen Thi Thu Huong
Chief Accountant



Nguyen Hoang Linh
General Director
Legal Representative