

# **Vincom Retail Joint Stock Company**

**Interim separate financial statements**

**Quarter III 2021**



# Vincom Retail Joint Stock Company

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# Vincom Retail Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Vincom Retail Joint Stock Company ("the Company"), previously known as Vincom Retail Company Limited, is established in accordance with the Business Registration Certificate No. 0105850244 issued by the Hanoi Department of Planning and Investment on 11 April 2012. In accordance with the 2<sup>nd</sup> amended Business Registration Certificate dated 14 May 2013, the Company changed its legal form to a joint stock company and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 20<sup>th</sup> amended Enterprise Registration Certificate being granted on 02 January 2019.

The Company's shares were officially listed on the Ho Chi Minh Stock Exchange (HOSE) on 6 November 2017.

The current principal activities of the Company are to invest in and develop shopping centers for lease and inventory properties for sale.

The Company's head office is located at No. 7, Bang Lang 1 Street, Vinhomes Riverside, Viet Hung ward, Long Bien district, Hanoi, Vietnam.

Vingroup JSC is the Company's ultimate parent company. Vingroup JSC and its subsidiaries are hereby referred as the Group.

### BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are:

Ms. Thai Thi Thanh Hai	Chairwoman
Ms. Tran Mai Hoa	Member
Ms. Nguyen Thi Diu	Member (registered on 23/06/2021)
Mr. Nguyen The Anh	Member (appointed on 23/06/2021)
Ms. Le Mai Lan	Member
Mr. Fong Ming Huang Ernest	Independent member
Mr. Sanjay Vinayak	Independent member

### MANAGEMENT

Members of the management during the period and at the date of this report are:

Ms. Tran Mai Hoa	General Director
Mr. Nguyen Anh Dung	Deputy General Director (registered on 28/10/2021)
Ms. Pham Thi Thu Hien	Deputy General Director
Mr. Nguyen Duy Khanh	Deputy General Director (appointed on 07/09/2021)

### SUPERVISORY BOARD

Members of the Supervisory Board during the period and at the date of this report are:

Mr. Chu Anh Dung	Head (appointed on 05/10/2021)
Ms. Do Thi Quynh Trang	Head (resigned on 05/10/2021)
Ms. Nguyen Thu Phuong	Member
Ms. Tran Thanh Tam	Member

### LEGAL REPRESENTATIVE

The legal representatives of the Company during the period and up to the date of this report are Ms. Thai Thi Thanh Hai, Ms. Tran Mai Hoa and Mr. Le Huu Lam.

Ms. Pham Thi Ngoc Ha is authorised by the legal representative of the Company to sign the Company's financial statements in accordance with the Authorisation Letter dated 07 September 2021.

# Vincom Retail Joint Stock Company

## REPORT OF MANAGEMENT

Management of Vincom Retail Joint Stock Company ("the Company") presents this report and the interim separate financial statements of the Company for Quarter III 2021.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

Management is responsible for the interim separate financial statements of each reporting period which give a true and fair view of the financial position of the Company, and of the results of its operations and its cash flows for the period. In preparing those interim separate financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim separate financial statements; and
- ▶ prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

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 to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying interim separate financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the separate financial position of the Company as at 30 September 2021, and the separate results of its operations and its separate cash flows for the period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of interim separate financial statements.

The Company has subsidiaries as disclosed in the interim separate financial statements. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries for Quarter III 2021 ("the interim consolidated financial statement") dated 28 October 2021.

Users of the accompanying interim separate financial statements should read these interim separate financial statements together with the interim consolidated financial statements of the Company and its subsidiaries in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Company and its subsidiaries.

For and on behalf of management: 



Phạm Thị Ngọc Hà  
Chief Finance Officer

Hanoi, Vietnam

28 October 2021

Vincom Retail Joint Stock Company

B01a-DN

INTERIM SEPARATE BALANCE SHEET  
as at 30 September 2021

Currency: VND million

Code	ASSETS	Notes	As at 30/09/2021	As at 31/12/2020
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>3,879,029</b>	<b>5,137,627</b>
<b>110</b>	<b>I. Cash</b>	<b>4</b>	<b>1,928,536</b>	<b>2,258,786</b>
111	1. Cash		214,536	358,786
112	2. Cash equivalents		1,714,000	1,900,000
<b>120</b>	<b>II. Short-term investments</b>		<b>104,359</b>	<b>1,825,193</b>
123	1. Held-to-maturity investments	5	104,359	1,825,193
<b>130</b>	<b>III. Current accounts receivable</b>		<b>472,547</b>	<b>490,873</b>
131	1. Short-term trade receivables	6	437,227	311,390
132	2. Short-term advances to suppliers		15,567	54,336
135	3. Short-term loan receivables	27	-	58,294
136	4. Other short-term receivables	7	41,250	70,287
137	5. Provision for doubtful short-term receivables	6	(21,497)	(3,434)
<b>140</b>	<b>IV. Inventories</b>	<b>8</b>	<b>266,964</b>	<b>503,342</b>
141	1. Inventories		266,964	503,342
<b>150</b>	<b>V. Other current assets</b>		<b>1,106,623</b>	<b>59,433</b>
151	1. Short-term prepaid expenses	9	64,439	56,717
152	2. Value-added tax deductible		1,719	2,181
153	3. Tax and other receivables from the State		465	535
155	4. Other current assets	10	1,040,000	-
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>26,448,698</b>	<b>27,888,325</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>1,938</b>	<b>1,091,938</b>
215	1. Long-term loan receivables	28	-	1,090,000
216	2. Other long-term receivables		1,938	1,938
<b>220</b>	<b>II. Fixed assets</b>		<b>21,503</b>	<b>27,243</b>
221	1. Tangible fixed assets	11	8,500	8,659
222	Cost		15,922	14,087
223	Accumulated depreciation		(7,422)	(5,428)
227	2. Intangible assets	12	13,003	18,584
228	Cost		48,906	48,906
229	Accumulated amortisation		(35,903)	(30,322)
<b>230</b>	<b>III. Investment properties</b>	<b>13</b>	<b>4,611,633</b>	<b>4,544,245</b>
231	1. Cost		5,397,350	5,171,305
232	2. Accumulated depreciation		(785,717)	(627,060)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>678,606</b>	<b>647,219</b>
242	1. Construction in progress	14	678,606	647,219
<b>250</b>	<b>V. Long-term investments</b>		<b>18,099,578</b>	<b>18,716,905</b>
251	1. Investments in subsidiaries	15	12,730,965	12,730,965
253	2. Investments in other entities	16	5,368,613	5,985,940
<b>260</b>	<b>VI. Other long-term assets</b>		<b>3,035,440</b>	<b>2,860,775</b>
261	1. Long-term prepaid expenses	9	51,448	68,901
262	2. Deferred tax assets		2,172	2,172
268	3. Other long-term assets	10	2,981,820	2,789,702
<b>270</b>	<b>TOTAL ASSETS</b>		<b>30,327,727</b>	<b>33,025,952</b>

INTERIM SEPARATE BALANCE SHEET (continued)  
as at 30 September 2021

Currency: VND million

Code	EQUITY	Notes	As at 30/09/2021	As at 31/12/2020
<b>300</b>	<b>C. LIABILITIES</b>		<b>4,946,320</b>	<b>8,014,945</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>1,624,577</b>	<b>2,122,056</b>
311	1. Short-term trade payables	17.1	384,455	451,206
312	2. Short-term advances from customers	17.2	424,559	439,367
313	3. Statutory obligations	18	80,432	123,363
314	4. Payables to employees		-	234
315	5. Short-term accrued expenses	19	368,037	697,954
318	6. Short-term unearned revenue		25,870	23,106
319	7. Other short-term payables	20	338,033	384,572
321	8. Short-term provisions		3,191	2,254
<b>330</b>	<b>II. Non-current liabilities</b>		<b>3,321,743</b>	<b>5,892,889</b>
336	1. Long-term unearned revenue		166,394	160,360
337	2. Other long-term liabilities	20	198,865	195,895
338	3. Long-term loans and debts	21	2,956,484	5,536,634
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>25,381,407</b>	<b>25,011,007</b>
<b>410</b>	<b>I. Capital</b>	<b>22</b>	<b>25,381,407</b>	<b>25,011,007</b>
411	1. Issued share capital		23,288,184	23,288,184
411a	- Shares with voting rights		23,288,184	23,288,184
412	2. Share premium		46,983	46,983
415	3. Treasury shares		(1,954,258)	(1,954,258)
420	4. Other funds belonging to owners' equity		5,000	5,000
421	5. Undistributed earnings		3,995,498	3,625,098
421a	- Undistributed earnings by the end of prior year		3,625,098	2,619,993
421b	- Undistributed earnings of current period		370,400	1,005,105
<b>440</b>	<b>TOTAL EQUITY</b>		<b>25,381,407</b>	<b>25,011,007</b>

  
Nguyen Thi Ninh  
Preparer

  
Pham Hoang Viet  
Chief Accountant

  
Pham Thi Ngoc Ha  
Chief Finance Officer



28 October 2021

# Vincom Retail Joint Stock Company

B02a-DN

## INTERIM SEPARATE INCOME STATEMENT (continued) Quarter III 2021

Currency: VND million

Code	ITEMS	Notes	Quarter III 2021	Quarter III 2020	For the 9-month period ended 30 September 2021	For the 9-month period ended 30 September 2020
01	1. Revenue from sale of goods and rendering of services	23.1	286,703	551,933	1,631,363	1,831,128
02	2. Deductions	23.1	-	-	-	-
10	3. Net revenue from sale of goods and rendering of services	23.1	286,703	551,933	1,631,363	1,831,128
11	4. Cost of goods sold and services rendered	24	(154,174)	(334,190)	(982,941)	(1,105,520)
20	5. Gross profit from sale of goods and rendering of services		132,529	217,743	648,422	725,608
21	6. Finance income	23.2	72,789	103,151	315,085	263,656
22	7. Finance expenses	25	(81,762)	(117,024)	(370,791)	(275,741)
23	<i>In which: Interest expenses</i>		(81,762)	(116,967)	(370,781)	(275,684)
25	8. Selling expenses	26	613	(9,126)	(65,452)	(50,638)
26	9. General and administrative expenses	26	(34,019)	(18,304)	(69,235)	(60,556)
30	10. Operating profit		90,150	176,440	458,029	602,329

# Vincom Retail Joint Stock Company

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## INTERIM SEPARATE INCOME STATEMENT (continued) Quarter III 2021

Currency: VND million

Code	ITEMS	Notes	Quarter III 2021	Quarter III 2020	For the 9-month period ended 30 September 2021	For the 9-month period ended 30 September 2020
31	11. Other income		1,103	27,732	6,530	35,754
32	12. Other expenses		(973)	(506)	(1,213)	(1,433)
40	13. Other (loss)/profit		130	27,226	5,317	34,321
50	14. Accounting profit before tax		90,280	203,666	463,346	636,650
51	15. Current corporate income tax expenses	27	(18,145)	(40,838)	(92,946)	(128,868)
60	16. Net profit after tax		72,135	162,828	370,400	507,782



Nguyen Thi Ninh  
Preparer

28 October 2021




Pham Hoang Viet  
Chief Accountant

Pham Thi Ngoc Ha  
Chief Finance Officer



INTERIM SEPARATE CASH FLOW STATEMENT  
Quarter III 2021

Currency: VND million

Code	ITEMS	For the 9-month period ended 30 September 2021	For the 9-month period ended 30 September 2020
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
01	Profit before tax	463,346	636,650
	Adjustments for:		
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible assets	166,510	161,601
03	Provisions	19,001	1,644
05	Profits from investing activities	(315,085)	(263,656)
06	Interest expenses and bond issue costs	370,781	275,684
08	Operating profit before changes in working capital	704,553	811,923
09	Changes in receivables	(86,673)	(53,957)
10	Changes in inventories	236,378	(226,206)
11	Changes in payables (other than interests, corporate income tax)	(221,101)	2,020,174
12	Changes in prepaid expenses	9,732	(114,958)
14	Interests paid	(429,631)	(298,618)
15	Corporate income tax paid	(175,281)	(136,806)
20	Net cash flows from operating activities	37,977	2,001,552
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
21	Purchase, construction of fixed assets and other long-term assets	(1,365,324)	(4,059,450)
21	Collection on investment deposits	383,573	-
22	Proceeds from disposals of fixed assets	139	112
23	Loans to other entities and payments for purchase of debt instruments of other entities	(1,850,000)	(2,743,193)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities	4,719,294	2,068,000
27	Interests and dividends received	344,091	459,915
30	Net cash flows (used in)/from investing activities	2,231,773	(4,274,616)
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
33	Drawdown of borrowings and bonds	-	2,930,490
34	Repayment of borrowings and bonds	(2,600,000)	-
40	Net cash flows from/(used in) financing activities	(2,600,000)	2,930,490
50	Net increase/(decrease) in cash for the period	(330,250)	657,426
60	Cash at the beginning of the period	2,258,786	1,197,520
70	Cash at the end of the period	1,928,536	1,854,946



Nguyen Thi Ninh  
Preparer



Pham Hoang Viet  
Chief Accountant




Pham Thi Ngoc Ha  
Chief Finance Officer

28 October 2021

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS  
Quarter III 2021

**1. CORPORATE INFORMATION**

Vincom Retail Joint Stock Company ("the Company"), previously known as Vincom Retail Company Limited, is established in accordance with the Business Registration Certificate No. 0105850244 issued by the Hanoi Department of Planning and Investment on 11 April 2012. In accordance with the 2<sup>nd</sup> amended Business Registration Certificate dated 14 May 2013, the Company changed its legal form to a joint stock company and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 20<sup>th</sup> amended Enterprise Registration Certificate being granted on 02 January 2019.

The Company's shares were officially listed on Ho Chi Minh Stock Exchange (HOSE) since 6 November 2017.

The current principal activities of the Company are to invest in and develop shopping centers for lease and inventory properties for sale.

The Company's normal course of business cycle of real estate business starts at the time of application for investment certificate, commencement of site clearance, construction, and ends at the time of completion, thus, the normal course of real estate business is from 12 months to 36 months. The Company's normal course of business cycle of other business activities is 12 months.

The Company's head office is located at No. 7, Bang Lang 1 street, Vinhomes Riverside, Viet Hung ward, Long Bien district, Hanoi, Vietnam.

The number of the Company's employees as at 30 September 2021 is 684 (31 December 2020: 695).

Vingroup JSC is the Company's ultimate parent company. Vingroup JSC and its subsidiaries are hereby referred as the Group.

**Corporate structure**

The Company has 03 subsidiaries as at 30 September 2021, as follows:

No.	Name	Voting right (%)	Equity interest (%)	Registered office's address	Principal activities
1	Vincom Retail Operation Company Limited (*)	100.00	100.00	Symphony Tower, Chu Huy Man street, Phuc Loi, Long Bien, Ha Noi	Leasing and trading real estate property
2	South Vincom Retail Limited Liability Company	100.00	100.00	72 Le Thanh Ton Street and 45A Ly Tu Trong Street, Ben Nghe Ward, District 1, Ho Chi Minh City	Leasing and trading real estate property
2	Suoi Hoa Urban Development and Investment JSC	97.27	97.27	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province	Leasing and trading real estate property

(\*) In May 2021, Ha Thanh Real Estate Development and Investment Company Limited was merged into North Vincom Retail Limited Liability Company. In July 2021, North Vincom Retail Limited Liability Company changed its name to Vincom Retail Operation Company Limited.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**2. BASIS OF PREPARATION****2.1 Purpose of preparing the interim separate financial statements**

The Company has subsidiaries as disclosed in Note 1 and Note 14. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries for Quarter III 2021 ("the interim consolidated financial statements") dated 28 October 2021.

Users of the accompanying interim separate financial statements should read these interim separate financial statements together with the interim consolidated financial statements of the Company and its subsidiaries in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Company and its subsidiaries.

**2.2 Accounting standards and system**

The interim separate financial statements of the Company, which are expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying interim separate financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the separate financial position and separate results of operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**2.3 Applied accounting documentation system**

The Company's applied accounting documentation system is the General Journal.

**2.4 Fiscal year**

The Company's fiscal year applicable for the preparation of its interim separate financial statements starts on 01 January and ends on 31 December.

**2.5 Accounting currency**

The Company's accounting currency is VND.

The currency used when preparing and presenting the interim separate financial statements is million VND.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash in banks, cash in transit and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

**3.2 Inventories***Inventories properties*

Properties being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory properties and is measured at the lower of cost incurred in bringing the inventories to their present location and condition, and net realisable value.

Cost includes:

- ▶ Freehold, leasehold rights for land and land development costs;
- ▶ Construction costs payable to contractors; and
- ▶ Borrowing costs, consultancy and design costs, costs of site preparation, professional fees for legal services, properties transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs to completion and the estimated costs of sale.

The cost of inventory properties recognised in the interim separate income statement on disposal is determined with reference to the specific costs incurred on the properties sold and an allocation of any non-specific costs based on an appropriate basis.

**3.3 Receivables**

Receivables are presented in the interim separate financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered.

**3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim separate income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

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

**3.5 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Company is the lessee*

Rentals under operating leases are charged to the interim separate income statement on a straight-line basis over the lease term.

*Where the Company is the lessor*

Assets subject to operating leases are included as the Company's investment properties in the interim separate balance sheet.

Lease income is recognised in the interim separate income statement on a straight-line basis over the lease term.

**3.6 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible assets comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use. Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the interim separate income statement as incurred.

When intangible assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim separate income statement.

**3.7 Depreciation and amortisation**

Depreciation of tangible fixed assets and amortisation of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Office equipment	3 - 5 years
Computer software	3 - 8 years

**3.8 Investment properties**

Investment properties are stated at cost including transaction costs less accumulated depreciation.

Subsequent expenditure relating to an investment properties that has already been recognised is added to the net book value of the investment properties when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment properties, will flow to the Company.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

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

**3.8 Investment properties (continued)**

Land use rights presented as investment properties include definite land use rights granted to the Company for the development of its investment properties, and this land use rights are depreciated during authorised period.

Depreciation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Land use rights, buildings and structures	5 - 50 years
Machinery, equipment	5 - 25 years

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interim separate income statement in the period of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment properties to owner-occupied properties or inventories does not change the cost or the carrying value of the properties for subsequent accounting at the date of change in use.

**3.9 Borrowing costs**

Borrowing costs consist of interests and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

**3.10 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim separate balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

Long-term prepaid expenses include long-term prepaid land rental in accordance with Circular No. 45/2013/TT-BTC and other long-term prepaid expenses that bring future economic benefits for more than one year period.

**3.11 Investments**

*Investments in subsidiaries*

Investments in subsidiaries over which the Company has control are accounted for under the cost method of accounting in the interim separate balance sheet.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.11 Investments (continued)***Investments in other entities*

The Company has made capital contribution under business cooperation contracts for shopping malls in which the Company has the right to control, manage and operate the shopping malls when these malls are ready for commercial operations, and to share a portion of profit before tax from the operations of the shopping malls to the counterparties (who are the developers of real estate projects comprising the mall components). In this case, the capital contribution by the Company is recognised as the investment in other entities in the interim separate balance sheet at the date when the these shopping malls are handed over to the Company for commercial operations until such time as all legal procedures to transfer the malls are completed.

*Provision for diminution in value of investments in capital of other entities*

Provision is made for any diminution in value of the investments in capital of other entities at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. Increases or decreases to the provision balance are recorded as finance expense in the interim separate income statement.

*Held-to-maturity investments*

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, these investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the interim separate financial statements and deducted against the value of such investments.

**3.12 Payables and accruals**

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

Payables to contractors are recorded based on interim work certificates between two parties, regardless of whether or not billed to the Company.

**3.13 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance expense.

Expenses relating to provisions are recognised in the Interim separate income statement.

*Provision for warranty expenses for apartments and shop-houses*

The Company estimates this warranty provision based on revenue and currently available information about repairing expenses of apartments and shop-houses sold in the past.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.14 Foreign currency transactions**

*Transactions in currencies other than the Company's reporting currency (VND) are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:*

- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- ▶ Capital contributions or capital received are recorded at the buying exchange rates of the commercial banks designated for capital contribution.

At the end of the reporting period, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arising from the revaluation of monetary accounts denominated in foreign currency at period-end are taken to the interim separate income statement.

**3.15 Advances from customers**

Payments received from customers as deposits for the purchase of residential properties in the future that do not meet the conditions for revenue recognition, are recognised and presented as "Advances from customers" in the interim separate balance sheet.

**3.16 Appropriation of net profits**

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

**3.17 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised.

*Revenue from sale of inventory properties*

Revenue from sale of inventory properties is recognised when the significant risks and rewards of ownership of the properties have passed to the buyer.

Revenue from sale of inventory properties also includes long-term lease of real estate properties qualified for recognition of outright sales. If the lease-term is greater than 90% of the asset's useful life, the Company will recognise the revenue for the entire prepaid lease payment if all of the following conditions are met:



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.17 Revenue recognition (continued)***Revenue from sale of inventory properties (continued)*

- ▶ Lessee is not allowed to cancel the lease contract during the lease term, and the lessor is not responsible for reimbursing the prepaid lease payments under any circumstances;
- ▶ The prepaid lease payment is not less than 90% of the total estimated lease payment collected under contract over the lease period and lessee must pay all rental within 12 months from the commencement of the lease;
- ▶ Almost all risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- ▶ Lessor must estimate the full cost of leasing activity.

*Revenue from leasing of investment properties*

Rental income arising from operating lease of properties is recognised in the interim separate income statement on a straight line basis over the lease terms.

*Rendering of services*

Revenue from rendering of services is recorded when the services are rendered.

*Gains from securities trading, capital transfer*

Gains from securities and capital transfer are determined as the excess of selling prices against the cost of investments sold. Such gains are recognised on the date of completion.

*Interests*

Revenue is recognised as the interests accrued (taking into account the effective yield on the asset) unless collectability is in doubt.

*Dividends*

Income is recognised when the Company's entitlement as investors to receive the dividend is established.

**3.18 Taxation***Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the interim separate income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.18 Taxation (continued)***Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for separate financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except for:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at the balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the interim separate income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.18 Taxation (continued)***Deferred tax*

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Company intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**3.19 Related parties**

Parties are considered to be related parties of the group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

**4. CASH AND CASH EQUIVALENTS***Currency: VND million*

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Cash in banks	214,536	358,782
Cash in transit	-	4
Cash equivalents	1,714,000	1,900,000
<b>TOTAL</b>	<b><u>1,928,536</u></b>	<b><u>2,258,786</u></b>

Cash equivalents as at 30 September 2021 comprised bank deposits in VND with maturity terms 1 month and earning interest at the rates ranging 4.0% per annum (as at 31 December 2020: bank deposits in VND with maturity terms from 1 to 3 months and earning interest at the rates ranging from 2.9% to 4.0% per annum).

**5. HELD-TO-MATURITY INVESTMENTS***Currency: VND million*

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Short-term held-to-maturity investments	104,359	1,825,193
<b>TOTAL</b>	<b><u>104,359</u></b>	<b><u>1,825,193</u></b>

Ending balance of short-term held-to-maturity investments comprised short-term bank deposits in VND with maturity terms ranging from 6 months to 12 months and earning interest at the rate ranging from 3.7% to 6.03% per annum (31 December 2020: bank deposits in VND with terms ranging from 5 months to 12 months and earning interest at the rate ranging from 4.0% to 5.1% per annum). Including VND 4.4 billion of maintenance fund of the handed over condotel apartments and will be transferred to the building management boards.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 6. SHORT-TERM TRADE RECEIVABLES

	<i>Currency: VND million</i>	
	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Receivables from leasing activities and rendering related services	366,359	189,258
Receivables from sale of inventory	56,267	99,556
Receivables from rendering management	14,601	22,576
<b>TOTAL</b>	<b><u>437,227</u></b>	<b><u>311,390</u></b>
<i>In which:</i>		
<i>Trade receivables from customers</i>	414,941	291,194
<i>Trade receivables from related parties</i> (Note 28)	22,286	20,196
Provision for doubtful short-term receivables	(21,497)	(3,434)

## 7. OTHER SHORT-TERM RECEIVABLES

	<i>Currency: VND million</i>	
	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Interests on deposits	27,923	56,929
Receivable for payment on behalf	4,101	3,796
Deposits for land bidding	4,783	4,783
Others	4,443	4,779
<b>TOTAL</b>	<b><u>41,250</u></b>	<b><u>70,287</u></b>
<i>In which:</i>		
<i>Other receivables</i>	10,543	42,372
<i>Other receivables from related parties</i> (Note 28)	30,707	27,915

## 8. INVENTORIES

	<i>Currency: VND million</i>	
	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Materials	10,026	10,405
Inventory properties under construction (i)	218,735	422,004
Completed inventory properties	38,203	70,933
<b>TOTAL</b>	<b><u>266,964</u></b>	<b><u>503,342</u></b>

- (i) The balance mainly comprises of construction and development costs of shop-houses for sale which are parts of the Company's real estate projects.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**9. PREPAID EXPENSES**

Currency: VND million

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
<b>Short-term:</b>		
Selling expenses related to sale of inventory properties not yet handed over	56,821	46,416
Provisional corporate income tax	4,109	3,952
Others	3,509	6,349
<b>TOTAL</b>	<b><u>64,439</u></b>	<b><u>56,717</u></b>
<b>Long-term:</b>		
Commission expense	6,533	10,565
Tools and supplies	8,894	14,781
Prepaid land rental	6,039	9,236
Overhaul expenditures	29,982	34,319
<b>TOTAL</b>	<b><u>51,448</u></b>	<b><u>68,901</u></b>

**10. OTHER ASSETS**

Currency: VND million

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
<b>Short-term:</b>		
Deposits to related parties for investment purposes (Note 28) (i)	1,040,000	-
<b>TOTAL</b>	<b><u>1,040,000</u></b>	<b><u>-</u></b>
<b>Long-term:</b>		
Deposits to related parties for investment purposes (Note 28) (i)	2,981,820	2,789,702
<b>TOTAL</b>	<b><u>2,981,820</u></b>	<b><u>2,789,702</u></b>

- (i) Ending balance are deposits to Vingroup JSC, parent company for the investment and operations of shopping mall component of a number of real estate projects under business cooperation contracts. These deposits require no collaterals. In accordance with these contracts, the Parent company has committed to transferring shopping mall component, or to granting the Company with right to purchase the shopping malls, at the price sufficient to cover all relevant capital expenditures incurred. In case the Parent company has not completed all procedures to hand over the shopping malls to the Company when the assets are completed and ready for commercial operations, two parties will sign business cooperation contracts, giving the Company the right to control, manage and operate the shopping malls, and a portion of profit before tax from the operations of the shopping malls will be shared to the counterparties.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
 Quarter III 2021

11. TANGIBLE FIXED ASSETS

*Currency: VND million*

	<i>Building and structures</i>	<i>Machineries and equipment</i>	<i>Office equipment</i>	<i>Total</i>
<b>Cost:</b>				
Beginning balance	226	10,306	3,555	14,087
Newly constructed	-	2,117	134	2,251
Sold, disposal	-	(396)	(20)	(416)
Ending balance	226	12,027	3,669	15,922
<b>Accumulated depreciation:</b>				
Beginning balance	226	4,314	888	5,428
Depreciation for the period	-	1,795	477	2,272
Sold, disposal	-	(232)	(46)	(278)
Ending balance	226	5,877	1,319	7,422
<b>Net carrying amount:</b>				
Beginning balance	-	5,992	2,667	8,659
Ending balance	-	6,150	2,350	8,500

12. INTANGIBLE ASSETS

*Currency: VND million*

	<u><i>Computer software</i></u>
<b>Cost:</b>	
Beginning balance	48,906
Newly purchased	-
Ending balance	48,906
<b>Accumulated amortisation:</b>	
Beginning balance	30,322
Amortisation for the period	5,581
Ending balance	35,903
<b>Net carrying amount:</b>	
Beginning balance	18,584
Ending balance	13,003

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**13. INVESTMENT PROPERTIES***Currency: VND million*

	<i>Building and structures</i>	<i>Machineries and equipment</i>	<i>Total</i>
<b>Cost:</b>			
Beginning balance	4,062,728	1,108,577	5,171,305
Addition	206,056	19,989	226,045
Ending balance	4,268,784	1,128,566	5,397,350
<b>Accumulated depreciation:</b>			
Beginning balance	379,914	247,146	627,060
Depreciation for the period	89,205	69,452	158,657
Ending balance	469,119	316,598	785,717
<b>Net carrying amount:</b>			
Beginning balance	<u>3,682,814</u>	<u>861,431</u>	<u>4,544,245</u>
Ending balance	<u>3,799,665</u>	<u>811,968</u>	<u>4,611,633</u>

Investment properties mainly include the shopping malls of the Company.

Revenue and operating expenses related to investment properties are disclosed in Note 23.3.

**14. CONSTRUCTION IN PROGRESS***Currency: VND million*

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Vincom+ Thai Nguyen	111,260	110,084
Vincom Plaza My Tho	286,232	284,107
Vincom Plaza Bac Lieu	221,468	215,724
Other projects	59,646	37,304
<b>TOTAL</b>	<u>678,606</u>	<u>647,219</u>

Vincom Retail Joint Stock Company  
 NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
 Quarter III 2021

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15. INVESTMENTS IN SUBSIDIARIES

No.	Company	As at 30/9/2021			As at 31/12/2020		
		Number of shares	Carrying value (VND million)	Ownership (%)	Number of shares	Carrying value (VND million)	Ownership (%)
1	Vincom Retail Operation Company Limited	(*)	6,389,956	100.00	(*)	6,009,956	100.00
2	South Vincom Retail LLC	(*)	5,779,000	100.00	(*)	5,779,000	100.00
3	Ha Thanh Real Estate Investment and Development Company Limited	(*)(**)	-	-	(*)	380,000	100.00
4	Suoi Hoa Urban Development and Investment JSC	34,240,000	562,009	97.27	34,240,000	562,009	97.27
	<b>TOTAL</b>		<u>12,730,965</u>			<u>12,730,965</u>	

(\*) These are limited liability companies, hence there is no share issued.

(\*\*) During the period, Ha Thanh Real Estate Investment was merged into Vincom Retail Operation Company Limited (Note 1).



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 16. INVESTMENTS IN OTHER ENTITIES

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Investments in business cooperation contracts (i)	5,368,613	5,985,940
<b>TOTAL</b>	<b><u>5,368,613</u></b>	<b><u>5,985,940</u></b>

- (i) Ending balance comprises deposits to Vingroup JSC, the ultimate parent company, and some companies within and outside the Group, for the co-investment and operation of shopping mall component of a number of real estate projects under business co-investment and operation contracts (the "BCC"). These shopping malls had been completed and ready for commercial operations. As a result, the parties signed the BCC giving the Company the right to control, manage and operate the shopping malls, and a portion of profit before tax from the operation of the shopping malls will be shared to the counterparty.

## 17. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

## 17.1 Short-term trade payables

Currency: VND million

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Trade payables to suppliers	160,561	322,297
Trade payables to related parties (Note 28)	223,894	128,909
<b>TOTAL</b>	<b><u>384,455</u></b>	<b><u>451,206</u></b>

## 17.2 Short-term advances from customers

Currency: VND million

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Downpayment from customers under sale and purchase of real estate agreements	410,856	395,196
Others	13,703	44,171
<b>TOTAL</b>	<b><u>424,559</u></b>	<b><u>439,367</u></b>
<i>In which:</i>		
<i>Advances from other parties</i>	424,559	439,367
<i>Advances from related parties</i>	-	-

## 18. STATUTORY OBLIGATIONS

Currency: VND million

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
<b>Payables</b>		
Value added tax	43,657	10,833
Corporate income tax	27,838	110,017
Personal income tax	977	2,513
Land use fee and land rental fee	7,960	-
<b>TOTAL</b>	<b><u>80,432</u></b>	<b><u>123,363</u></b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 19. SHORT-TERM ACCRUED EXPENSES

Currency: VND million

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
Accrued loans and bond interests	49,472	131,580
Accrued construction costs	256,532	392,039
Accrued labour costs	9,441	37,441
Accrued commission and brokerage fee	12,816	47,179
Others	39,776	89,715
<b>TOTAL</b>	<b>368,037</b>	<b>697,954</b>
<i>In which:</i>		
Accrued expenses due to others	364,861	696,954
Accrued expenses due to related parties (Note 28)	3,176	1,000

## 20. OTHER PAYABLES

Currency: VND million

	<u>As at 30/09/2021</u>	<u>As at 31/12/2020</u>
<b>Short-term:</b>		
Deposits received under deposit and loan contracts	203,058	265,832
Dividend payable	14	14
Maintenance fund	15,919	12,809
Deposits from tenants to be refunded within the next 12 months	86,559	90,332
Deposits for site construction	12,246	11,205
Other payables	20,237	4,380
<b>TOTAL</b>	<b>338,033</b>	<b>384,572</b>
<i>In which:</i>		
Other payables	333,773	381,743
Other payables to related parties (Note 28)	4,260	2,829
<b>Long-term:</b>		
Deposits from tenants	285,424	286,227
Less: Deposits from tenants to be refunded within the next 12 months (Presented in Short-term)	(86,559)	(90,332)
<b>TOTAL</b>	<b>198,865</b>	<b>195,895</b>
<i>In which:</i>		
Other payables	185,629	187,062
Other payables to related parties (Note 28)	13,236	8,833

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
 Quarter III 2021

21. LONG – TERM LOANS AND DEBTS

*Currency: VND million*

	<i>As at 30/9/2021</i>		<i>As at 31/12/2020</i>	
	<i>Carrying value</i>	<i>Payable amount</i>	<i>Carrying value</i>	<i>Payable amount</i>
Corporate bonds (i)	2,956,484	2,956,484	5,536,634	5,536,634
<b>TOTAL</b>	<b>2,956,484</b>	<b>2,956,484</b>	<b>5,536,634</b>	<b>5,536,634</b>

(i) Ending balance comprises:

<i>Bond arranger</i>	<i>As at 30/09/2021 (VND million)</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Secured assets</i>
Techcom Securities Joint Stock Company	2,956,484	From April 2023 to August 2025	The 12-month interest paid-in-arrears VND saving rate plus (+) 3,25% or 3,5% per annum with interest paid quarterly.	(*)
<b>TOTAL</b>	<b>2,956,484</b>			

(\*) These bonds are secured by land use rights and assets attached to land of a number of shopping malls owned by subsidiaries.

# Vincom Retail Joint Stock Company

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## NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued) Quarter III 2021

### 22. OWNERS' EQUITY

#### 22.1 Increase and decrease in owners' equity

	Currency: VND million					Total
	Shares with voting right	Share premium	Treasury shares	Other funds belonging to owners' equity	Undistributed earnings	
<b>For the 9-month reporting period ended 30 September 2020</b>						
Beginning balance	23,288,184	46,983	(1,954,258)	5,000	2,619,993	24,005,902
- Net profit for the period	-	-	-	-	507,782	507,782
Ending balance	23,288,184	46,983	(1,954,258)	5,000	3,127,775	24,513,684
<b>For the 9-month reporting period ended 30 September 2021</b>						
Beginning balance	23,288,184	46,983	(1,954,258)	5,000	3,625,098	25,011,007
- Net profit for the period	-	-	-	-	370,400	370,400
Ending balance	23,288,184	46,983	(1,954,258)	5,000	3,995,498	25,381,407

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 22. OWNERS' EQUITY (continued)

## 22.2 Shares

	As at 30/9/2021		As at 31/12/2020	
	Quantity	Amount VND million	Quantity	Amount VND million
<b>Registered and issued shares</b>				
Ordinary shares	2,328,818,410	23,288,184	2,328,818,410	23,288,184
Preference shares	-	-	-	-
<b>Total</b>	<b>2,328,818,410</b>	<b>23,288,184</b>	<b>2,328,818,410</b>	<b>23,288,184</b>
<b>Outstanding shares</b>				
Ordinary shares	2,272,318,410	22,723,184	2,272,318,410	22,723,184
Preference shares	-	-	-	-
<b>Total</b>	<b>2,272,318,410</b>	<b>22,723,184</b>	<b>2,272,318,410</b>	<b>22,723,184</b>

Par value of each outstanding share is VND10,000 per share (31 December 2020: 10,000VND per share).

## 23. REVENUE

## 23.1 Revenue from sale of goods and rendering of services

	Currency: VND million	
	Quarter III 2021	Quarter III 2020
<b>Gross revenue</b>	<b>286,703</b>	<b>551,933</b>
In which:		
Sale of inventory properties	12,729	92,699
Leasing activities and rendering of related services	235,405	368,076
Rendering management services	38,532	88,148
Others	37	3,010
<b>Deduction</b>	<b>-</b>	<b>-</b>
<b>Net revenue</b>	<b>286,703</b>	<b>551,933</b>
In which:		
Revenue from sale to others	162,329	428,566
Revenue from sale to related parties	124,374	123,367

## 23.2 Finance income

	Currency: VND million	
	Quarter III 2021	Quarter III 2020
Interest income from bank deposits, loans and deposits	72,789	103,151
<b>TOTAL</b>	<b>72,789</b>	<b>103,151</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 23. REVENUE (continued)

## 23.3 Revenue and cost related to investment properties

Currency: VND million

	<u>Quarter III 2021</u>	<u>Quarter III 2020</u>
Revenue from leasing of investment properties and rendering of related services (Note 23.1)	235,405	368,076
Direct operating costs related to investment properties generating income in the period (Note 24)	133,783	220,854

## 24. COST OF GOODS SOLD AND SERVICES RENDERED

Currency: VND million

	<u>Quarter III 2021</u>	<u>Quarter III 2020</u>
Cost of inventory properties sold	6,511	54,883
Cost of leasing activities and rendering of related services	133,783	220,854
Cost of rendering management services	12,825	56,737
Others	1,055	1,716
<b>TOTAL</b>	<b><u>154,174</u></b>	<b><u>334,190</u></b>

## 25. FINANCE EXPENSES

Currency: VND million

	<u>Quarter III 2021</u>	<u>Quarter III 2020</u>
Interests on loans and bond	75,423	110,927
Amortisation of bond issue costs	6,339	6,040
Others	-	57
<b>TOTAL</b>	<b><u>81,762</u></b>	<b><u>117,024</u></b>

## 26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

Currency: VND million

	<u>Quarter III 2021</u>	<u>Quarter III 2020</u>
<b>Selling expenses</b>	<b>(613)</b>	<b>9,126</b>
Consulting, commission and brokerage fees	4,037	3,567
Brand, marketing fee, and others	(4,650)	5,559
<b>General and administrative expenses</b>	<b>34,019</b>	<b>18,304</b>
Management services fee	18,278	17,590
Others	15,741	714
<b>TOTAL</b>	<b><u>33,406</u></b>	<b><u>27,430</u></b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021**27. CORPORATE INCOME TAX**

The statutory corporate income tax ("CIT") applicable to the Company for Quarter III 2021 is 20% on taxable profits (for Quarter III 2020: 20%).

The tax returns filed by the Company is subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the interim separate financial statements could change at a later date upon final determination by the tax authorities.

*Currency: VND million*

	<u>Quarter III 2021</u>	<u>Quarter III 2020</u>
Current tax expenses	18,145	40,838
<b>TOTAL</b>	<b>18,145</b>	<b>40,838</b>

**28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

List of related parties that the Company had significant transactions and balances in current and prior period:

<u>Related parties</u>	<u>Relationship</u>
Vingroup JSC	Parent company
Hanoi Southern City Development and Trading LLC	Share holder
Saidong Urban Development and Investment JSC	Share holder
Vincom Retail Operation Company Limited	Subsidiary
South Vincom Retail Company Limited	Subsidiary
Suoi Hoa Urban Development and Investment JSC	Subsidiary
Vinhomes JSC	Under common control
Vinpearl JSC	Under common control
Thai Son Investment Construction Corporation	Under common control
Green City Development Joint Stock Company	Under common control
Gia Lam Urban Development and Investment Limited Company	Under common control
Central Park Development LLC	Under common control
Vietnam Investment and Consulting Investment JSC	Under common control
Can Gio Tourist City Corporation	Under common control
Vinsmart Research and Manufacture Joint Stock Company	Under common control
Vinfast Trading and Service Limited Liability Company	Under common control

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

*Significant transactions with related parties during the period:*

Currency: VND million

	<i>From 01/01/2021 to 30/9/2021</i>	<i>From 01/01/2020 to 30/9/2020</i>
<b>Receivables from leasing and rendering of related services</b>		
Vincom Retail Operation Company Limited	83,711	130,808
South Vincom Retail LLC	74,825	130,375
Vinfast Trading and Service Limited Liability Company	39,206	25,274
Vinhomes JSC	5,289	4,814
<b>Payables for purchase of goods and services</b>		
Vingroup JSC	145,550	155,747
Vinpearl JSC	12,129	14,499
Vinhomes JSC	93,853	101,443
<b>Deposit for investment purpose</b>		
Vingroup JSC	1,040,000	-
Thai Son Investment Construction Corporation	192,118	930,282
Gia Lam Urban Development and Investment Limited Company	-	550,294
Green City Development Joint Stock Company	-	295,420
<b>Collection from deposit for investment purpose</b>		
Vingroup JSC	99,745	-
Vinhomes JSC	242,172	-
Central Park Development LLC	41,656	-
<b>Lending</b>		
Vinpearl JSC	1,150,000	-
Vincom Retail Operation Company Limited	-	648,294
South Vincom Retail LLC	-	40,000
Vinsmart Research and Manufacture Joint Stock Company	-	878,000
<b>Collection of loan principal</b>		
Vinpearl JSC	1,150,000	-
Vincom Retail Operation Company Limited	958,294	140,000
South Vincom Retail LLC	190,000	350,000
Vinsmart Research and Manufacture Joint Stock Company	-	878,000



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

*Significant transactions with related parties during the period:*

	<i>Currency: VND million</i>	
	<i>From 01/01/2021 to 30/9/2021</i>	<i>From 01/01/2020 to 30/9/2020</i>
<b>Interests receivable</b>		
Vincom Retail Operation Company Limited	25,112	76,572
South Vincom Retail LLC	3,647	24,016
Vinsmart Research and Manufacture Joint Stock Company	-	25,698
Green City Development Joint Stock Company	49,171	39,882
Vinpearl JSC	45,685	-
Can Gio Tourist City Corporation	12,192	12,236
Thai Son Investment Construction Corporation	85,797	19,098
<b>Interests received</b>		
Vincom Retail Operation Company Limited	34,895	72,142
South Vincom Retail LLC	6,000	26,749
Vinsmart Research and Manufacture Joint Stock Company	-	25,698
Green City Development Joint Stock Company	38,184	37,553
Vinpearl JSC	45,685	-
Thai Son Investment Construction Corporation	75,380	10,786
Can Gio Tourist City Corporation	9,467	20,453

**Amounts due to and due from related parties are as follows:**

<i>Related parties</i>	<i>Transactions</i>	<i>Currency: VND million</i>	
		<i>As at 30/9/2021</i>	<i>As at 31/12/2020</i>
<b><i>Short-term trade receivable</i> (Note 6)</b>			
Vincom Retail Operation Company Limited	Receivables from rendering of services	7,715	-
South Vincom Retail LLC	Receivables from rendering of services	2,306	-
Vinfast Commercial and Services Trading Limited	Receivables from rendering of services	5,891	14,388
Other companies in the Group	Other receivables	6,374	5,808
		<b>22,286</b>	<b>20,196</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Amounts due to and due from related parties are as follows:

Currency: VND million

<i>Related parties</i>	<i>Transactions</i>	<i>As at 30/9/2021</i>	<i>As at 31/12/2020</i>
<b><i>Other short-term receivables</i></b> (Note 7)			
Vingroup JSC	Interests receivable from deposits	598	611
Vincom Retail Operation Co., Ltd	Interests receivable Other receivables	- 330	9,783 1,945
South Vincom Retail LLC	Interests receivable from loans Other receivables	- 175	2,353 1,214
Thai Son Investment Construction Corporation	Interests receivable from deposits	9,891	8,589
Green City Development JSC	Interests receivable from deposits	10,987	-
Other companies in the Group	Other receivables	8,726	3,420
		<b>30,707</b>	<b>27,915</b>
<b><i>Other current assets</i></b> (Note 10)			
Vingroup JSC	Deposit for business cooperation	1,040,000	-
		<b>1,040,000</b>	<b>-</b>
<b><i>Other long-term assets</i></b> (Note 10)			
Vingroup JSC	Deposit for business cooperation	958,000	958,000
Thai Son Investment Construction Corporation	Deposit for business cooperation	1,203,400	1,011,282
Green City Development JSC	Deposit for business cooperation	657,420	657,420
Can Gio Tourist City Corporation	Deposit for business cooperation	163,000	163,000
		<b>2,981,820</b>	<b>2,789,702</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter III 2021

## 28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Amounts due to and due from related parties as follows: (continued)

Currency: VND million

Related parties	Transactions	As at 30/9/2021	As at 31/12/2020
<b>Short-term trade payables</b> (Note 17.1)			
Vincom Retail Operation Company Limited	Other payables	370	1,045
South Vincom Retail LLC	Other payables	39	259
Vinhomes JSC	Other payables	55,031	33,094
Vingroup JSC	Management fee and other service fee payable	129,216	74,315
Vietnam Investment and Consulting Investment JSC	Sharing profit and other payables	28,719	9,230
Other companies in the Group	Other payables	10,519	10,966
		<b>223,894</b>	<b>128,909</b>
<b>Short-term accrued expenses</b> (Note 19)			
Companies in the Group	Other payables	3,176	1,000
		<b>3,176</b>	<b>1,000</b>
<b>Other short-term payables</b> (Note 20)			
Vinfast Trading and Service Limited Liability Company	Other payables	1,751	433
Vinhomes JSC	Other payables	1,403	1,470
Other companies in the Group	Other payables	1,106	926
		<b>4,260</b>	<b>2,829</b>
<b>Other long-term liabilities</b> (Note 20)			
Companies in the Group	Other payables	13,236	8,833
		<b>13,236</b>	<b>8,833</b>

## 29. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires an adjustment or a disclosure in the separate financial statements of the Company.



Nguyen Thi Ninh  
Preparer



Pham Hoang Viet  
Chief Accountant



Phan Thi Ngoc Ha  
Chief Finance Officer

28 October 2021

## Vincom Retail Joint Stock Company

APPENDIX  
Quarter III 2021

### APPENDIX 2 - EXPLANATION FOR THE VARIANCES IN INCOME STATEMENT BETWEEN THE TWO PERIODS (Under guidance of Circular No. 155/2015/TT-BTC dated 06 October 2015)

Code Item	Quarter III 2021	Quarter III 2020	Currency: VND million	
			Variance	%
10	286,703	551,933	(265,230)	-48%
11	154,174	334,190	(180,016)	-54%
20	132,529	217,743	(85,214)	-39%
21	72,789	103,151	(30,362)	-29%
22	81,762	117,024	(35,262)	-30%
60	72,135	162,828	(90,693)	-56%

#### Explanation for variances in income statements between the two period which were over 10%:

- Net revenue from sale of goods and rendering of services in Quarter III 2021 decreased by VND 265 billion, in which revenue from leasing of investment properties and related services decreased by VND 133 billion, sale of inventory properties decreased by VND 80 billion due to the number of shop-houses handed over was lower than Quarter III 2020. Cost of goods sold and services rendered decreased corresponding to the decrease of revenue recognized in the period.
- Finance income decreased by VND 30 billion due to the decrease in interest income from deposits.
- Finance expenses decreased by VND 35 billion mainly owing to the redemption of VND 2.6 trillion bond.
- Net profit after tax decreased by VND 91 billion in comparison with prior period because of above mentioned reasons.