

# **Vincom Retail Joint Stock Company**

**Interim separate financial statements**

**Quarter II 2022**



# 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 21st amended Enterprise Registration Certificate being granted on 28 October 2021.

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
Mr. Nguyen The Anh	Member
Ms. Le Mai Lan	Member
Mr. Sanjay Vinayak	Independent member
Mr. Fong Ming Huang Ernest	Independent member

### MANAGEMENT

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

Ms. Tran Mai Hoa	General Director
Ms. Pham Thi Thu Hien	Deputy General Director
Mr. Nguyen Duy Khanh	Deputy General Director
Ms. Pham Thi Ngoc Ha	Chief Financial Officer

### SUPERVISORY BOARD

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

Mr. Chu Anh Dung	Head
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 No. 24/2022/GUQ-VCR dated 17 May 2022.

# 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 II 2022.

### 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 interim separate financial position of the Company, and of the interim separate results of its operations and its interim separate 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 interim separate 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 interim separate financial position of the Company as at 30 June 2022, and of the interim separate results of its operations and its interim 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 96/2020/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 II 2022 ("the interim consolidated financial statement") dated 27 July 2022.

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:



Pham Thi Ngoc Ha  
Chief Financial Officer

Hanoi, Vietnam

27 July 2022

INTERIM SEPARATE BALANCE SHEET  
as at 30 June 2022

Currency: VND million

Code	ASSETS	Notes	As at 30/06/2022	As at 31/12/2021
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>3,622,232</b>	<b>4,446,116</b>
<b>110</b>	<b>I. Cash</b>	<b>4</b>	<b>2,928,358</b>	<b>2,288,471</b>
111	1. Cash		330,428	928,217
112	2. Cash equivalents		2,597,930	1,360,254
<b>120</b>	<b>II. Short-term investments</b>		<b>118,828</b>	<b>117,755</b>
123	1. Held-to-maturity investments	5	118,828	117,755
<b>130</b>	<b>III. Current accounts receivable</b>		<b>445,476</b>	<b>682,679</b>
131	1. Short-term trade receivables	6	445,584	382,684
132	2. Short-term advances to suppliers		9,515	9,665
135	3. Short-term loan receivables	28	-	295,000
136	4. Other short-term receivables	7	48,766	48,627
137	5. Provision for doubtful short-term receivables	6	(58,389)	(53,297)
<b>140</b>	<b>IV. Inventories</b>	<b>8</b>	<b>90,563</b>	<b>117,408</b>
141	1. Inventories		90,563	117,408
<b>150</b>	<b>V. Other current assets</b>		<b>39,007</b>	<b>1,239,803</b>
151	1. Short-term prepaid expenses	9	35,222	33,851
152	2. Value-added tax deductible		2,055	2,194
153	3. Tax and other receivables from the State		1,730	358
155	4. Other current assets	10	-	1,203,400
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>26,787,631</b>	<b>25,726,380</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>561</b>	<b>561</b>
216	1. Other long-term receivables		561	561
<b>220</b>	<b>II. Fixed assets</b>		<b>22,790</b>	<b>20,399</b>
221	1. Tangible fixed assets	11	8,478	9,220
222	Cost		18,636	17,454
223	Accumulated depreciation		(10,158)	(8,234)
227	2. Intangible assets	12	14,312	11,179
228	Cost		57,068	48,958
229	Accumulated amortisation		(42,756)	(37,779)
<b>230</b>	<b>III. Investment properties</b>	<b>13</b>	<b>5,030,112</b>	<b>4,628,689</b>
231	1. Cost		5,978,448	5,468,702
232	2. Accumulated depreciation		(948,336)	(840,013)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>136,274</b>	<b>667,777</b>
242	1. Construction in progress	14	136,274	667,777
<b>250</b>	<b>V. Long-term investments</b>		<b>19,152,554</b>	<b>17,949,154</b>
251	1. Investments in subsidiaries	15	12,730,965	12,730,965
253	2. Investments in other entities	16	6,421,589	5,218,189
<b>260</b>	<b>VI. Other long-term assets</b>		<b>2,445,340</b>	<b>2,459,800</b>
261	1. Long-term prepaid expenses	9	38,748	53,208
262	2. Deferred tax assets		2,172	2,172
268	3. Other long-term assets	10	2,404,420	2,404,420
<b>270</b>	<b>TOTAL ASSETS</b>		<b>30,409,863</b>	<b>30,172,496</b>

INTERIM SEPARATE BALANCE SHEET (continued)  
as at 30 June 2022

Currency: VND million

Code	EQUITY	Notes	As at 30/06/2022	As at 31/12/2021
<b>300</b>	<b>C. LIABILITIES</b>		<b>4,692,566</b>	<b>4,704,097</b>
<b>310</b>	<b><i>I. Current liabilities</i></b>		<b>2,366,432</b>	<b>1,387,945</b>
311	1. Short-term trade payables	17.1	528,239	423,576
312	2. Short-term advances from customers	17.2	121,997	241,113
313	3. Statutory obligations	18	58,177	31,124
315	4. Short-term accrued expenses	19	312,772	382,301
318	5. Short-term unearned revenue		23,161	23,764
319	6. Other short-term payables	20	281,704	284,362
320	7. Short-term loan and debts	21.1	1,038,507	-
321	8. Short-term provisions		1,875	1,705
<b>330</b>	<b><i>II. Non-current liabilities</i></b>		<b>2,326,134</b>	<b>3,316,152</b>
336	1. Long-term unearned revenue		161,744	166,088
337	2. Other long-term liabilities	20	221,229	184,072
338	3. Long-term loans and debts	21.2	1,943,161	2,965,992
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>25,717,297</b>	<b>25,468,399</b>
<b>410</b>	<b><i>I. Capital</i></b>	<b>22</b>	<b>25,717,297</b>	<b>25,468,399</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		4,331,388	4,082,490
421a	- Undistributed earnings by the end of prior year		4,082,490	3,625,098
421b	- Undistributed earnings of current period		248,898	457,392
<b>440</b>	<b>TOTAL EQUITY</b>		<b>30,409,863</b>	<b>30,172,496</b>



Nguyen Thi Yen Nhung  
Preparer



Pham Hoang Viet  
Chief Accountant



Pham Thi Ngoc Ha  
Chief Financial Officer

27 July 2022

Vincom Retail Joint Stock Company

B02a-DN

INTERIM SEPARATE INCOME STATEMENT  
Quarter II 2022

Currency: VND million

Code	ITEMS	Notes	Quarter II 2022	Quarter II 2021	For the 6-month period ended 30 June 2022	For the 6-month period ended 30 June 2021
01	1. Revenue from sale of goods and rendering of services	23.1	570,868	428,577	982,513	1,344,660
02	2. Deductions	23.1	-	-	-	-
10	3. Net revenue from sale of goods and rendering of services	23.1	570,868	428,577	982,513	1,344,660
11	4. Cost of goods sold and services rendered	24	(357,679)	(316,324)	(617,002)	(828,768)
20	5. Gross profit from sale of goods and rendering of services		213,189	112,253	365,511	515,892
21	6. Finance income	23.2	75,998	122,781	169,570	242,296
22	7. Finance expenses	25	(81,115)	(142,991)	(163,022)	(289,029)
23	<i>In which: Interest expenses</i>		(81,115)	(142,991)	(163,008)	(289,019)
25	8. Selling expenses	26	(10,342)	(14,926)	(22,109)	(66,065)
26	9. General and administrative expenses	26	(19,379)	(16,941)	(37,035)	(35,216)
30	10. Operating profit		178,351	60,176	312,915	367,878

Vincom Retail Joint Stock Company

B02a-DN

INTERIM SEPARATE INCOME STATEMENT (continued)  
Quarter II 2022

Code	ITEMS	Notes	Quarter II 2022	Quarter II 2021	For the 6-month period ended 30 June 2022	For the 6-month period ended 30 June 2021
31	11. Other income		(12)	2,759	2,187	5,426
32	12. Other expenses		(32)	(240)	(32)	(240)
40	13. Other profit		(44)	2,519	2,155	5,186
50	14. Accounting profit before tax		178,307	62,695	315,070	373,064
51	15. Current corporate income tax expenses	27	(35,085)	(12,679)	(66,172)	(74,801)
52	16. Deferred income tax benefit	27	-	-	-	-
60	17. Net profit after tax		143,222	50,016	248,898	298,263



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Nguyen Thi Yen Nhung  
Preparer



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Pham Hoang Viet  
Chief Accountant



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Pham Thi Ngoc Ha  
Chief Financial Officer

27 July 2022



INTERIM SEPARATE CASH FLOW STATEMENT  
Quarter II 2022

Currency: VND million

Code	ITEMS	For the 6-month period ended 30 June 2022	For the 6-month period ended 30 June 2021
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
01	Profit before tax	315,070	373,064
	<i>Adjustments for:</i>		
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible assets	114,726	112,594
03	Provisions	5,263	8,487
05	Profits from investing activities	(169,570)	(242,296)
06	Interest expenses and bond issue costs	163,008	289,019
08	<b>Operating profit before changes in working capital</b>	<b>428,497</b>	<b>540,868</b>
09	Changes in receivables	(73,054)	24,604
10	Changes in inventories	26,844	229,695
11	Changes in payables (other than interests, corporate income tax)	(9,395)	(277,172)
12	Changes in prepaid expenses	13,088	13,990
14	Interests paid	(149,291)	(342,720)
15	Corporate income tax paid	(57,949)	(115,667)
20	<b>Net cash flows from operating activities</b>	<b>178,740</b>	<b>73,598</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
21	Purchase, construction of fixed assets and other long-term assets	(11,281)	(1,289,168)
21	Collection on investment deposits	-	383,573
23	Loans to other entities and payments for purchase of debt instruments of other entities	(659)	(1,750,000)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities	295,000	4,119,294
27	Interests and dividends received	178,087	264,491
30	<b>Net cash flows from investing activities</b>	<b>461,147</b>	<b>1,728,190</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
34	Repayment of borrowings and bonds	-	(2,600,000)
40	<b>Net cash flows used in financing activities</b>	<b>-</b>	<b>(2,600,000)</b>
50	<b>Net increase in cash and cash equivalents for the period</b>	<b>639,887</b>	<b>(798,212)</b>
60	Cash and cash equivalents at the beginning of the period	2,288,471	2,258,786
70	Cash and cash equivalents at the end of the period	2,928,358	1,460,574



Nguyen Thi Yen Nhung  
Preparer



Pham Hoang Viet  
Chief Accountant



Pham Thi Ngoc Ha  
Chief Financial Officer

27 July 2022

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS  
Quarter II 2022

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 21<sup>st</sup> amended Enterprise Registration Certificate being granted on 28 October 2021.

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 June 2022 is 728 (31 December 2021: 705).

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 following subsidiaries as at 30 June 2022:

<u>No.</u>	<u>Name</u>	<u>Voting right (%)</u>	<u>Equity interest (%)</u>	<u>Registered office's address</u>	<u>Principal activities</u>
1	Vincom Retail Operation Co., Ltd	100.00	100.00	Symphony Tower, Chu Huy Man street, Phuc Loi ward, Long Bien district, Hanoi	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
3	Vincom Retail Investment JSC (*)	99.9	99.9	Symphony Tower, Chu Huy Man street, Phuc Loi ward, Long Bien district, Hanoi	Leasing and trading real estate property

(\*) Vincom Retail Investment JSC was established on 25 May 2022. On 22 July 2022, Vincom Retail Operation Company Limited contributed VND1,998,000,000 in Vincom Retail Investment JSC, equal to 99.9% of their equity.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022**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 96/2020/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 II 2022 ("the interim consolidated financial statements") dated 27 July 2022.

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 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 II 2022**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***Inventory 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 II 2022

**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 II 2022

**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 in the interim separate financial statement 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 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 II 2022**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 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 II 2022**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 II 2022**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 II 2022**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 II 2022

## 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 30/06/2022</u>	<u>As at 31/12/2021</u>
Cash in banks	330,413	928,211
Cash in transit	15	6
Cash equivalents	<u>2,597,930</u>	<u>1,360,254</u>
<b>TOTAL</b>	<b><u>2,928,358</u></b>	<b><u>2,288,471</u></b>

Cash equivalents as at 30 June 2022 comprised bank deposits and investments in VND with maturity terms from 1 to 3 months and earning interest at the rates ranging from 4.0% to 8.0% per annum (as at 31 December 2021: bank deposits in VND with maturity terms from 1 to 3 months and earning interest at the rates ranging from 4.0% to 7.5% per annum).

## 5. HELD-TO-MATURITY INVESTMENTS

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
Short-term held-to-maturity investments	<u>118,828</u>	<u>117,755</u>
<b>TOTAL</b>	<b><u>118,828</u></b>	<b><u>117,755</u></b>

Ending balance of short-term held-to-maturity investments comprised short-term bank deposits and investments 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 2021: bank deposits in VND with terms ranging from 6 months to 12 months and earning interest at the rate ranging from 3.7% to 6.03% per annum). Including VND 18.8 billion of maintenance fund of the handed over shop-houses and will be transferred to the building management boards.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

## 6. SHORT-TERM TRADE RECEIVABLES

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
Receivables from leasing activities and rendering related services	322,329	254,492
Receivables from rendering management	92,906	57,792
Receivables from sale of inventory properties	30,349	70,400
<b>TOTAL</b>	<b>445,584</b>	<b>382,684</b>
<i>In which:</i>		
Trade receivables from customers	327,791	350,738
Trade receivables from related parties (Note 28)	117,793	31,946
Provision for doubtful short-term receivables	(58,389)	(53,297)

## 7. OTHER SHORT-TERM RECEIVABLES

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
Interests on deposits	30,079	38,596
Deposits for land bidding	4,783	4,783
Receivable for payment on behalf	2,919	2,068
Others	10,985	3,180
<b>TOTAL</b>	<b>48,766</b>	<b>48,627</b>
<i>In which:</i>		
Other receivables	24,323	20,917
Other receivables from related parties (Note 28)	24,443	27,710

## 8. INVENTORIES

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
Materials	9,499	9,729
Inventory properties under construction (i)	9,521	9,521
Completed inventory properties	71,543	98,158
<b>TOTAL</b>	<b>90,563</b>	<b>117,408</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 II 2022

## 9. PREPAID EXPENSES

	<i>Currency: VND million</i>	
	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
<b>Short-term:</b>		
Selling expenses related to sale of inventory properties not yet handed over	26,539	27,595
Provisional corporate income tax	1,163	1,875
Others	7,520	4,381
<b>TOTAL</b>	<b><u>35,222</u></b>	<b><u>33,851</u></b>
<b>Long-term:</b>		
Overhaul expenditures	26,259	29,475
Tools and supplies	5,648	14,468
Prepaid land rental	3,572	5,572
Others	3,269	3,693
<b>TOTAL</b>	<b><u>38,748</u></b>	<b><u>53,208</u></b>

## 10. OTHER ASSETS

	<i>Currency: VND million</i>	
	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
<b>Short-term:</b>		
Deposits to related parties for investment purposes (Note 28) (i)	-	1,203,400
<b>TOTAL</b>	<b><u>-</u></b>	<b><u>1,203,400</u></b>
<b>Long-term:</b>		
Deposits to related parties for investment purposes (Note 28) (i)	2,404,420	2,404,420
<b>TOTAL</b>	<b><u>2,404,420</u></b>	<b><u>2,404,420</u></b>

- (i) Ending balance are deposits to Vingroup JSC, parent company, and some companies within the Group (hereby referred to as "the counterparties") for the co-investment and co-operations of shopping mall component of a number of real estate projects under business co-investment and co-operation contracts. In accordance with these contracts, the counterparties have committed to transferring shopping mall component to the Company and its subsidiaries, or to granting the Company and its subsidiaries with right to purchase the shopping malls, at the price sufficient to cover all relevant capital expenditures incurred. In case the counterparties have not completed all procedures to hand over the shopping malls to the Company and its subsidiaries when the assets are completed and ready for commercial operations, two parties will sign business cooperation contracts, giving the Company and its subsidiaries 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 II 2022

## 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	13,558	3,670	17,454
Newly purchased	-	1,137	45	1,182
Ending balance	226	14,695	3,715	18,636
<b>Accumulated depreciation:</b>				
Beginning balance	226	6,525	1,483	8,234
Depreciation for the period	-	1,597	327	1,924
Ending balance	226	8,122	1,810	10,158
<b>Net carrying amount:</b>				
Beginning balance	-	7,033	2,187	9,220
Ending balance	-	6,573	1,905	8,478

## 12. INTANGIBLE ASSETS

*Currency: VND million*

	<i>Computer software</i>
<b>Cost:</b>	
Beginning balance	48,958
Newly purchased	4,362
Sold, disposal	(150)
Other increase	3,898
Ending balance	57,068
<b>Accumulated amortisation:</b>	
Beginning balance	37,779
Amortisation for the period	4,479
Sold, disposal	(150)
Other increase	648
Ending balance	42,756
<b>Net carrying amount:</b>	
Beginning balance	11,179
Ending balance	14,312

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

## 13. INVESTMENT PROPERTIES

Currency: VND million

	<i>Building and structures</i>	<i>Machineries and equipment</i>	<i>Total</i>
<b>Cost:</b>			
Beginning balance	4,309,028	1,159,674	5,468,702
Newly purchased	500	-	500
Transferred from completed construction in progress	478,951	51,800	530,751
Reclassification to inventory properties	(21,505)	-	(21,505)
Ending balance	4,766,974	1,211,474	5,978,448
<b>Accumulated depreciation:</b>			
Beginning balance	499,571	340,442	840,013
Depreciation for the period	60,984	47,339	108,323
Ending balance	560,555	387,781	948,336
<b>Net carrying amount:</b>			
Beginning balance	<u>3,809,457</u>	<u>819,232</u>	<u>4,628,689</u>
Ending balance	<u>4,206,419</u>	<u>823,693</u>	<u>5,030,112</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 30/06/2022</u>	<u>As at 31/12/2021</u>
Vincom Plaza My Tho	-	294,176
Vincom Plaza Bac Lieu	-	237,588
Vincom Song Cong	111,308	111,268
Other projects	24,966	24,745
<b>TOTAL</b>	<u>136,274</u>	<u>667,777</u>

# Vincom Retail Joint Stock Company

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

## 15. INVESTMENTS IN SUBSIDIARIES

No.	Company	As at 30/06/2022			As at 31/12/2021		
		Number of shares	Carrying value (VND million)	Ownership (%)	Number of shares	Carrying value (VND million)	Ownership (%)
1	Vincom Retail Operation Company Limited	(*)	12,168,956	100.00	(*)	12,168,956	100.00
2	Suoi Hoa Urban Development and Investment JSC	34,240,000	562,009	97.27	34,240,000	562,009	97.27
<b>TOTAL</b>			<b>12,730,965</b>			<b>12,730,965</b>	

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



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

## 16. INVESTMENTS IN OTHER ENTITIES

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
Investments in business cooperation contracts (i)	6,421,589	5,218,189
<b>TOTAL</b>	<b><u>6,421,589</u></b>	<b><u>5,218,189</u></b>

- (i) Ending balance comprises deposits to Vingroup JSC, the ultimate parent company, and some companies within the Group, for the investment and operation of shopping mall component of a number of real estate projects under business cooperation 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 30/06/2022</u>	<u>As at 31/12/2021</u>
Trade payables to suppliers	175,757	163,960
Trade payables to related parties (Note 28)	352,482	259,616
<b>TOTAL</b>	<b><u>528,239</u></b>	<b><u>423,576</u></b>

## 17.2 Short-term advances from customers

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
Downpayment from customers under sale and purchase of real estate agreements	116,292	187,547
Others	5,705	53,566
<b>TOTAL</b>	<b><u>121,997</u></b>	<b><u>241,113</u></b>
<i>In which:</i>		
<i>Advances from other parties</i>	121,997	241,113
<i>Advances from related parties</i>	-	-

## 18. STATUTORY OBLIGATIONS

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
<b>Payables</b>		
Value added tax	27,671	8,245
Corporate income tax	29,135	21,624
Personal income tax	732	1,255
Others	639	-
<b>TOTAL</b>	<b><u>58,177</u></b>	<b><u>31,124</u></b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

## 19. SHORT-TERM ACCRUED EXPENSES

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
Accrued construction costs	143,052	208,055
Accrued commission and brokerage fee	52,073	66,414
Accrued loans interests	49,688	51,182
Accrued labour costs	7,483	13,804
Others	60,476	42,846
<b>TOTAL</b>	<b><u>312,772</u></b>	<b><u>382,301</u></b>
<i>In which:</i>		
<i>Accrued expenses due to others</i>	<i>309,308</i>	<i>380,416</i>
<i>Accrued expenses due to related parties</i>	<i>3,464</i>	<i>1,885</i>

## 20. OTHER PAYABLES

Currency: VND million

	<u>As at 30/06/2022</u>	<u>As at 31/12/2021</u>
<b>Short-term:</b>		
Deposits received under deposit and loan contracts	147,963	135,319
Deposits from tenants to be refunded within the next 12 months	77,784	99,456
Maintenance fund	19,053	18,166
Deposits for site construction	14,083	12,207
Dividend payable	14	14
Other payables	22,807	19,200
<b>TOTAL</b>	<b><u>281,704</u></b>	<b><u>284,362</u></b>
<i>In which:</i>		
<i>Other payables</i>	<i>258,665</i>	<i>266,471</i>
<i>Other payables to related parties (Note 28)</i>	<i>23,039</i>	<i>17,891</i>
<b>Long-term:</b>		
Deposits from tenants	299,013	283,528
<i>Less: Deposits from tenants to be refunded within the next 12 months (Presented in Short-term)</i>	<i>(77,784)</i>	<i>(99,456)</i>
<b>TOTAL</b>	<b><u>221,229</u></b>	<b><u>184,072</u></b>
<i>In which:</i>		
<i>Other payables</i>	<i>205,513</i>	<i>168,575</i>
<i>Other payables to related parties (Note 28)</i>	<i>15,716</i>	<i>15,497</i>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

## 21. LOANS AND DEBTS

## 21.1. Short-term loans and debts

*Currency: VND million*

	<i>As at 30/06/2022</i>		<i>As at 31/12/2021</i>	
	<i>Carrying value</i>	<i>Payable amount</i>	<i>Carrying value</i>	<i>Payable amount</i>
Current portion of long-term corporate bonds (i)	1,038,507	1,038,507	-	-
<b>TOTAL</b>	<b>1,038,507</b>	<b>1,038,507</b>	<b>-</b>	<b>-</b>

(i) Ending balance comprises:

<i>Bond arranger</i>	<i>As at 30/06/2022 (VND million)</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Secured assets</i>
Techcom Securities Joint Stock Company	1,038,507	April 2023	The 12-month interest paid-in-arrears VND saving rate plus (+) 3.25% per annum with interest paid quarterly.	(*)
<b>TOTAL</b>	<b>1,038,507</b>			

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

## 21.2. Long-term loans and debts

	<i>As at 30/06/2022</i>		<i>As at 31/12/2021</i>	
	<i>Carrying value</i>	<i>Payable amount</i>	<i>Carrying value</i>	<i>Payable amount</i>
Corporate bonds (ii)	1,943,161	1,943,161	2,965,992	2,965,992
<b>TOTAL</b>	<b>1,943,161</b>	<b>1,943,161</b>	<b>2,965,992</b>	<b>2,965,992</b>

(ii) Ending balance comprises:

<i>Bond arranger</i>	<i>As at 30/06/2022 (VND million)</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Secured assets</i>
Techcom Securities Joint Stock Company	1,943,161	August 2025	The 12-month interest paid-in-arrears VND saving rate plus (+) 3.5% per annum with interest paid quarterly.	(**)
<b>TOTAL</b>	<b>1,943,161</b>			

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

Vincom Retail Joint Stock Company

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

22. OWNERS' EQUITY

22.1 Increase and decrease in owners' equity

*Currency: VND million*

	<i>Shares with voting right</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Other funds belonging to owners' equity</i>	<i>Undistributed earnings</i>	<i>Total</i>
<b>For the 6-month reporting period ended 30 June 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	-	-	-	-	298,263	298,263
Ending balance	23,288,184	46,983	(1,954,258)	5,000	3,923,361	25,309,270
<b>For the 6-month reporting period ended 30 June 2022</b>						
Beginning balance	23,288,184	46,983	(1,954,258)	5,000	4,082,490	25,468,399
- Net profit for the period	-	-	-	-	248,898	248,898
Ending balance	23,288,184	46,983	(1,954,258)	5,000	4,331,388	25,717,297

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

## 22. OWNERS' EQUITY (continued)

## 22.2 Shares

	<u>As at 30/06/2022</u>		<u>As at 31/12/2021</u>	
	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 2021: VND10,000 per share).

## 23. REVENUE

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

Currency: VND million

	<u>Quarter II 2022</u>	<u>Quarter II 2021</u>
<b>Gross revenue</b>	<b>570,868</b>	<b>428,577</b>
In which:		
Leasing activities and rendering of related services	470,025	312,207
Sale of inventory properties	8,347	74,158
Rendering management services	87,434	41,017
Others	5,062	1,195
<b>Deduction</b>	<b>-</b>	<b>-</b>
<b>Net revenue</b>	<b>570,868</b>	<b>428,577</b>
In which:		
Revenue from sale to others	452,666	276,844
Revenue from sale to related parties	118,202	151,733

## 23.2 Finance income

Currency: VND million

	<u>Quarter II 2022</u>	<u>Quarter II 2021</u>
Interest income from bank deposits, loans and deposits	75,998	122,781
<b>TOTAL</b>	<b>75,998</b>	<b>122,781</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

23. REVENUE (continued)

23.3 Revenue and cost related to investment properties

Currency: VND million

	<u>Quarter II 2022</u>	<u>Quarter II 2021</u>
Revenue from leasing of investment properties and rendering of related services (Note 23.1)	470,025	312,207
Direct operating costs related to investment properties generating income in the period (Note 24)	284,896	226,581

24. COST OF GOODS SOLD AND SERVICES RENDERED

Currency: VND million

	<u>Quarter II 2022</u>	<u>Quarter II 2021</u>
Cost of leasing activities and rendering of related services	284,896	226,581
Cost of inventory properties sold	3,265	31,603
Cost of rendering management services	67,293	57,277
Others	2,225	863
<b>TOTAL</b>	<b>357,679</b>	<b>316,324</b>

25. FINANCE EXPENSES

Currency: VND million

	<u>Quarter II 2022</u>	<u>Quarter II 2021</u>
Interests on loans and bonds	71,592	129,508
Amortisation of bond issue costs	9,508	13,483
Others	15	-
<b>TOTAL</b>	<b>81,115</b>	<b>142,991</b>

26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

Currency: VND million

	<u>Quarter II 2022</u>	<u>Quarter II 2021</u>
<b>Selling expenses</b>	<b>10,342</b>	<b>14,926</b>
Consulting, commission and brokerage fees	1,878	10,249
Branding, marketing cost and others	8,464	4,677
<b>General and administrative expenses</b>	<b>19,379</b>	<b>16,941</b>
Management services fee	17,741	10,677
Others	1,638	6,264
<b>TOTAL</b>	<b>29,721</b>	<b>31,867</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022**27. CORPORATE INCOME TAX**

The statutory corporate income tax ("CIT") applicable to the Company for Quarter II 2022 is 20% on taxable profits (for Quarter II 2021: 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 II 2022</u>	<u>Quarter II 2021</u>
Current tax expenses	35,085	12,679
<b>TOTAL</b>	<b><u>35,085</u></b>	<b><u>12,679</u></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
Vincom Retail Operation Company Limited	Subsidiary
South Vincom Retail LLC	Subsidiary (*)
Vinhomes JSC	Under common control
Vinpearl JSC	Under common control
Thai Son Investment Construction Corporation	Under common control
Green City Development JSC	Under common control
Gia Lam Urban Development and Investment LLC	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 JSC	Under common control
Vinfast Trading and Production JSC	Under common control
Vinfast Commercial and Service Trading LLC	Under common control

(\*) On 30 September 2021, South Vincom Retail LLC was merged into Vincom Retail Operation Company Limited.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

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

*Significant transactions with related parties during the period:*

Currency: VND million

	<i>From 01/01/2022 to 30/06/2022</i>	<i>From 01/01/2021 to 30/06/2021</i>
<b>Receivables from leasing and rendering of related services</b>		
Vincom Retail Operation Company Limited	192,912	58,730
South Vincom Retail LLC	-	53,984
Vinfast Commercial and Service Trading LLC	25,273	27,387
Vinhomes JSC	3,750	3,521
<b>Payables for purchase of goods and services</b>		
Vingroup JSC	56,462	108,151
Vinhomes JSC	32,381	113,004
Vinpearl JSC	5,765	9,493
<b>Deposit for investment purpose</b>		
Vingroup JSC	-	1,040,000
Thai Son Investment Construction Corporation	-	192,118
<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
Vinfast Trading and Production JSC	1,380,000	-
<b>Collection of loan principal</b>		
Vincom Retail Operation Company Limited	-	958,294
South Vincom Retail LLC	-	190,000
Vinpearl JSC	-	1,150,000
Vinfast Trading and Production JSC	1,675,000	-



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

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

*Significant transactions with related parties during the period (continued):*

Currency: VND million

	<i>From 01/01/2022 to 30/06/2022</i>	<i>From 01/01/2021 to 30/06/2021</i>
<b>Interests receivable</b>		
Thai Son Investment Construction Corporation	38,575	55,465
Vinfast Trading and Production JSC	32,585	-
Green City Development JSC	32,601	32,601
Vincom Retail Operation Company Limited	-	25,112
Can Gio Tourist City Corporation	8,083	8,083
South Vincom Retail LLC	-	3,647
Vinpearl JSC	-	45,685

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

Currency: VND million

<i>Related parties</i>	<i>Transactions</i>	<i>As at 30/06/2022</i>	<i>As at 31/12/2021</i>
<b><i>Short-term trade receivable (Note 6)</i></b>			
Vincom Retail Operation Company Limited	Receivables from leasing property and provision of related services	103,865	15,349
Vinfast Commercial and Service Trading LLC	Receivables from leasing property and provision of related services	5,431	4,130
Vinfast Trading and Production JSC	Receivables from leasing property and provision of related services	3,698	3,698
Other companies in the Group	Other receivables	4,799	8,769
		<b>117,793</b>	<b>31,946</b>
<b><i>Short-term other receivables (Note 7)</i></b>			
Thai Son Investment Construction Corporation	Interests receivable from deposits	-	10,221
Vinfast Trading and Production JSC	Interests receivable	9,310	5,173
	Other receivables	15	15
Green City Development JSC	Interests receivable from deposits	5,403	5,584
Vincom Retail Operation Company Limited	Interests receivable	-	1,129
	Other receivables	6,363	1,681
Other companies in the Group	Other receivables	3,352	3,907
		<b>24,443</b>	<b>27,710</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

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

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

Currency: VND million

<i>Related parties</i>	<i>Transactions</i>	<i>As at 30/06/2022</i>	<i>As at 31/12/2021</i>
<b>Short-term loan receivables</b>			
Vinfast Trading and Production JSC	Short-term lending	-	295,000
		<u>-</u>	<u>295,000</u>
<b>Other current assets (Note 10)</b>			
Thai Son Investment Construction Corporation	Deposit for business cooperation	-	1,203,400
		<u>-</u>	<u>1,203,400</u>
<b>Other long-term assets (Note 10)</b>			
Vingroup JSC	Deposit for business cooperation	1,584,000	1,584,000
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
		<u>2,404,420</u>	<u>2,404,420</u>
<b>Short-term trade payables (Note 17.1)</b>			
Vingroup JSC	Payables for purchase of assets, goods and services	130,975	121,644
Vinhomes JSC	Payables for purchase of assets, goods and services	141,292	81,335
Vietnam Investment and Consulting Investment JSC	Payables for purchase of assets, goods and services	50,059	34,398
Other companies in the Group	Payables for purchase of assets, goods and services	30,156	22,239
		<u>352,482</u>	<u>259,616</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
Quarter II 2022

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

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

Currency: VND million

<i>Related parties</i>	<i>Transactions</i>	<i>As at 30/06/2022</i>	<i>As at 31/12/2021</i>
<b><i>Other short-term payables</i></b> (Note 20)			
Vincom Retail Operation Company Limited	Other payables	6,253	13,489
Vinfast Commercial and Service Trading LLC	Other payables	15,076	-
Vinhomes JSC	Other payables	24	4,400
Other companies in the Group	Other payables	1,686	2
		<b>23,039</b>	<b>17,891</b>
<b><i>Other long-term liabilities</i></b> (Note 20)			
Companies in the Group	Other payables	15,716	15,947
		<b>15,716</b>	<b>15,947</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 interim separate financial statements of the Company.



\_\_\_\_\_  
Nguyen Thi Yen Nhung  
Preparer



\_\_\_\_\_  
Pham Hoang Viet  
Chief Accountant



\_\_\_\_\_  
Pham Thi Ngoc Ha  
Chief Financial Officer

27 July 2022

## Vincom Retail Joint Stock Company

APPENDIX  
Quarter II 2022

### APPENDIX - EXPLANATION FOR THE VARIANCES IN INCOME STATEMENT BETWEEN THE TWO PERIODS (Under guidance of Circular No. 96/2020/TT-BTC dated 16 November 2020 )

Code	Item	Quarter II 2022	Quarter II 2021	Currency: VND million	
				Variance	%
10	Net revenue from sale of goods and rendering of services	570,868	428,577	142,291	33%
11	Cost of goods sold and services rendered	357,679	316,324	41,355	13%
21	Finance income	75,998	122,781	(46,783)	-38%
22	Finance expenses	81,115	142,991	(61,876)	-43%
25	Selling expenses	10,342	14,926	(4,584)	-31%
50	Accounting profit before tax	178,307	62,695	115,612	184%
60	Net profit after tax	143,222	50,016	93,206	186%

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

- Net revenue from sale of goods and rendering of services in Quarter II 2022 increased by VND 142 billion, in comparison with previous period mainly because of: (i) revenue from leasing of investment properties and related services increased by VND 158 billion due to the recovery of retail market as the pandemic was well controlled; (ii) sale of inventory properties decreased by VND 66 billion because the number of shop-houses handed over was lower than Quarter II 2021. Cost of goods sold and services rendered increased corresponding to the increase in revenue recognized in the period.
- Finance income decreased by VND 47 billion due to the decrease in interest income from investing activities.
- Finance expenses decreased by VND 62 billion mainly owing to the early redemption of VND 2.6 trillion bond.
- Selling expenses decreased by VND 4 billion mainly owing to the decrease in sale of inventory properties.
- Net profit after tax increased by VND 93 billion in comparison with prior period because of above mentioned reasons.