



**Vincom Retail Joint Stock Company
and its subsidiaries**

Consolidated Financial Statements
for the year ended 31 December 2022

(

**Vincom Retail Joint Stock Company
Corporate Information**

**Enterprise Registration
Certificate No.**

0105850244

11 April 2012

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 22 February 2023. The Company's Enterprise Registration Certificate was issued by the Department of Planning and Investment of Ha Noi City.

Board of Directors

Ms. Thai Thi Thanh Hai	Chairwoman
Ms. Tran Mai Hoa	Member
Ms. Le Mai Lan	Member
Mr. Sanjay Vinayak	Member
Mr. Fong Ming Huang Ernest	Member
Mr. Nguyen The Anh	Member

Board of Management

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

Board of Supervision

Mr. Chu Anh Dung	Head of Board of Supervision
Ms. Nguyen Thu Phuong	Member
Ms. Tran Thanh Tam	Member

Registered Office

No. 7, Bang Lang 1 Street
Residence of Vinhomes Riverside
Viet Hung Ward, Long Bien District
Hanoi City
Vietnam

Auditor

KPMG Limited
Vietnam

Vincom Retail Joint Stock Company and its subsidiaries

Statement of the Board of Management

The Board of Management of Vincom Retail Joint Stock Company (“the Company”) presents this statement and the accompanying consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2022.

The Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Management:

- (a) the consolidated financial statements set out on pages 5 to 59 give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 31 December 2022, and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company and its subsidiaries will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorized the accompanying consolidated financial statements for issue.

On behalf of the Board of Management



Pham Thi Ngoc Ha
Chief Financial Officer

Hanoi, 3 March 2023



KPMG Limited
46th Floor, Keangnam Landmark 72
E6 Pham Hung Street, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
+84 (24) 3946 1600 | kpmg.com.vn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders Vincom Retail Joint Stock Company

We have audited the accompanying consolidated financial statements of Vincom Retail Joint Stock Company ("the Company") and its subsidiaries, which comprise the consolidated balance sheet as at 31 December 2022, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 3 March 2023, as set out on pages 5 to 59.

Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Vincom Retail Joint Stock Company and its subsidiaries as at 31 December 2022 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 22-02-00161-23-2



Wang Toon Kim
Practicing Auditor Registration
Certificate No. 0557-2023-007-1
Deputy General Director

Pham Thi Thuy Linh
Practicing Auditor Registration
Certificate No. 3065-2019-007-1

Hanoi, **03 MAR 2023**

Y
A
B
C
D
E

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated balance sheet as at 31 December 2022

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		10,534,650	6,826,580
Cash and cash equivalents	110	5	7,019,648	3,297,060
Cash	111		180,901	1,788,884
Cash equivalents	112		6,838,747	1,508,176
Short-term financial investments	120		97,426	190,424
Held-to-maturity investments	123	6	97,426	190,424
Accounts receivable – short-term	130		1,404,486	1,487,714
Accounts receivable from customers – short-term	131	7	1,115,127	1,166,709
Prepayments to suppliers – short-term	132	8	99,471	42,620
Loans receivable	135		-	295,000
Other short-term receivables	136	9(a)	381,573	142,716
Allowance for doubtful debts	137	10	(191,685)	(159,331)
Inventories	140	11	1,178,127	582,918
Inventories	141		1,178,127	582,918
Other current assets	150		834,963	1,268,464
Short-term prepaid expenses	151	17(a)	119,002	41,719
Deductible value added tax	152		49,766	22,965
Taxes and other receivables from State Treasury	153		8,775	380
Other current assets	155	12	657,420	1,203,400

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

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated balance sheet as at 31 December 2022 (continued)

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
Long-term assets (200 = 210 + 220 + 230 + 240 + 260)	200		32,166,438	31,046,908
Accounts receivable – long-term	210		8,222	6,110
Other long-term receivables	216	9(b)	8,222	6,110
Fixed assets	220		418,007	438,775
Tangible fixed assets	221	13	407,364	426,476
Cost	222		628,672	619,021
Accumulated depreciation	223		(221,308)	(192,545)
Intangible assets	227	14	10,643	12,299
Cost	228		63,007	54,443
Accumulated amortisation	229		(52,364)	(42,144)
Investment property	230	15	26,514,396	26,268,764
Cost	231		35,199,059	33,609,120
Accumulated depreciation	232		(8,684,663)	(7,340,356)
Long-term work in progress	240		699,496	1,255,909
Construction in progress	242	16	699,496	1,255,909
Other long-term assets	260		4,526,317	3,077,350
Long-term prepaid expenses	261	17(b)	477,603	395,287
Deferred tax assets	262	18	74,337	16,032
Other long-term assets	268	12	3,785,350	2,404,420
Goodwill	269	19	189,027	261,611
TOTAL ASSETS (270 = 100 + 200)	270		42,701,088	37,873,488

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

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated balance sheet as at 31 December 2022 (continued)

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		9,276,398	7,222,659
Current liabilities	310		5,819,458	2,890,056
Accounts payable to suppliers				
– short-term	311	20	724,826	526,183
Advances from customers – short-term	312	21	1,215,154	278,179
Taxes and other payables to State Treasury	313	22	832,693	489,648
Accrued expenses	315	23	726,984	628,864
Unearned revenue – short-term	318	24(a)	83,196	91,371
Other payables – short-term	319	25(a)	1,160,973	838,988
Short-term bonds and finance lease liabilities	320	26(a)	1,065,371	19,887
Provisions – short-term	321	27	7,365	14,040
Bonus and welfare fund	322		2,896	2,896
Long-term liabilities	330		3,456,940	4,332,603
Unearned revenue – long-term	336	24(b)	124,011	100,106
Other payables – long-term	337	25(b)	1,137,374	1,018,370
Long-term bonds and finance lease liabilities	338	26(b)	2,121,300	3,137,924
Deferred tax liabilities	341	18	74,255	76,203

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

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated balance sheet as at 31 December 2022 (continued)

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
EQUITY (400 = 410)	400		33,424,690	30,650,829
Owners' equity	410	28	33,424,690	30,650,829
Share capital	411	29	23,288,184	23,288,184
- Ordinary shares with voting rights	411a		23,288,184	23,288,184
Share premium	412		46,983	46,983
Treasury shares	415		(1,954,258)	(1,954,258)
Other equity funds	420		(53,137)	(53,420)
Undistributed profits after tax	421		12,064,570	9,288,513
- Undistributed profit after tax brought forward	421a		9,288,513	7,974,003
- Net profit after tax for the current year	421b		2,776,057	1,314,510
Non-controlling interest	429		32,348	34,827
TOTAL RESOURCES (440 = 300 + 400)	440		42,701,088	37,873,488

3 March 2023

Prepared by:



Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Phạm Thị Ngọc Hà
Chief Financial Officer

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

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated statement of income for the year ended 31 December 2022

Form B 02 – DN/HN
 (Issued under Circular No. 202/2014/TT-BTC
 dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2022 VND million	2021 VND million
Revenue from sales of goods and provision of services	01	31	7,361,437	5,891,141
Revenue deductions	02	31	-	-
Net revenue (10 = 01 - 02)	10	31	7,361,437	5,891,141
Cost of sales	11	32	3,544,917	3,499,036
Gross profit (20 = 10 - 11)	20		3,816,520	2,392,105
Financial income	21	33	538,573	387,018
Financial expenses	22	34	359,155	486,280
<i>In which: Interest expense</i>	23		359,155	486,176
Selling expenses	25	35	171,973	201,764
General and administration expenses	26	36	371,266	433,167
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		3,452,699	1,657,912
Other income	31	37	88,319	84,095
Other expenses	32	38	16,528	49,730
Results of other activities (40 = 31 - 32)	40		71,791	34,365
Accounting profit before tax (50 = 30 + 40)	50		3,524,490	1,692,277
Current corporate income tax expense	51	40	807,615	379,237
Deferred corporate income tax benefit	52	40	(60,253)	(1,973)
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		2,777,128	1,315,013

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

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated statement of income for the year ended 31 December 2022 (continued)

Form B 02 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2022 VND million	2021 VND million
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60		2,777,128	1,315,013
Attributable to:				
Equity holders of the Company	61		2,776,057	1,314,510
Non-controlling interest	62		1,071	503
			<hr/>	<hr/>
			VND	VND
Earnings per share				
Basic earnings per share	70	41	1,222	578

3 March 2023

Prepared by:



Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Phạm Thị Ngọc Hà
Chief Financial Officer

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

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2022
(Indirect method)

Form B 03 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2022 VND million	2021 VND million
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit before tax	01		3,524,490	1,692,277
Adjustments for				
Depreciation and amortisation	02		1,451,929	1,492,420
Allowances and provisions	03		25,679	143,814
Profits from investing activities	05		(545,292)	(348,545)
Interest expense and bonds issuance costs	06		359,155	486,176
Operating profit before changes in working capital	08		4,815,961	3,466,142
Change in receivables and other assets	09		(214,005)	(380,981)
Change in inventories	10		(502,634)	(52,343)
Change in payables and other liabilities	11		1,614,418	(366,521)
Change in prepaid expenses	12		(167,974)	142,473
			5,545,766	2,808,770
Interest paid	14		(314,988)	(519,699)
Corporate income tax paid	15		(159,095)	(583,752)
Net cash flows from operating activities	20		5,071,683	1,705,319
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(2,538,150)	(1,567,282)
Collections on investment deposits	21		336,000	909,820
Proceeds from disposals of fixed assets and other long-term assets	22		38,468	5,243
Payments for granting loans and placement of term deposits	23		(109,394)	(2,258,396)
Receipts from collecting loans and proceeds from sale of debt instruments	24		502,152	3,671,000
Receipts of interest	27		443,224	401,827
Net cash flows from investing activities	30		(1,327,700)	1,162,212

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

Vincom Retail Joint Stock Company and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2022
(Indirect method – continued)

Form B 03 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2022 VND million	2021 VND million
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from equity issued or capital contributed by owners	33		2	-
Payments to settle loan principals	34		-	(2,600,000)
Payments to settle finance lease liabilities	35		(21,397)	(21,378)
Net cash flows from financing activities	40		(21,395)	(2,621,378)
Net cash flows during the year (50 = 20 + 30 + 40)	50		3,722,588	246,153
Cash and cash equivalents at the beginning of the year	60		3,297,060	3,050,907
Cash and cash equivalents at the end of the year (70 = 50 + 60)	70	5	7,019,648	3,297,060

3 March 2023

Prepared by:



Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Pham Thi Ngoc Ha
Chief Financial Officer

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

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. Reporting entity

(a) Ownership structure

Vincom Retail Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam. The consolidated financial statements of the Company for the year ended 31 December 2022 comprise the Company and its subsidiaries.

(b) Principal activities

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

(c) Normal operating cycle

The Company and its subsidiaries’ normal course of business cycle of inventory properties for sale 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 development activities is from 12 months to 36 months. The Company and its subsidiaries’ normal course of business cycle of other business activities is 12 months.

Vincom Retail Joint Stock Company and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance)

(d) Company structure

As at 31 December 2022, the Company had 3 directly owned subsidiaries and 1 indirectly owned subsidiary (1/1/2022: 2 directly owned subsidiaries). Details of subsidiaries are as follows:

Name	Principal activities	Address	Percentage of economic interests and voting rights as at 31/12/2022	1/1/2022
Directly owned subsidiaries				
Vincom Retail Operation Company Limited	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.	Symphony Office Building, Chu Huy Man Street, Ecological Residence of Vinhomes Riverside, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam.	100.00%	100.00%
Suoi Hoa Urban Development and Investment Joint Stock Company	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.	Km1 + 200, Tran Hung Dao Street, Suoi Hoa Ward, Bac Ninh City, Bac Ninh Province, Vietnam.	98.01%	97.27%
Vincom Retail Landmark 81 Company Limited (**)	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.	Floor 20A, Vincom Center Dong Khoi Building, 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100.00%	-
Indirectly owned subsidiary				
Vincom Retail Investment Joint Stock Company (**)	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.	Symphony Office Building, Chu Huy Man Street, Ecological Residence of Vinhomes Riverside, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam.	99.90%	-

(**): Vincom Retail Investment Joint Stock Company, an indirectly owned subsidiary of the Company, was established on 25 May 2022 under the Enterprise Registration Certificate No. 0110009975 with total authorised capital of VND2,000,000,000. On 22 July 2022, Vincom Retail Operation Company Limited, a directly owned subsidiary of the Company, made a capital contribution of VND1,998,000,000 to Vincom Retail Investment Joint Stock Company, equivalent to 99.90% of equity owned and voting rights.

Vincom Retail Joint Stock Company and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

(***) On 1 September 2022, Vinhomes Joint Stock Company, a related party, transferred 99.84% of its shares in Vincom Retail Landmark 81 Joint Stock Company to the Company. After the transfer, Vincom Retail Landmark 81 Joint Stock Company became a directly owned subsidiary of the Company. On 15 November 2022, the Company bought remaining 0.16% of shares in Vincom Retail Landmark 81 Joint Stock Company. On 16 December 2022, the Company changed its name to Vincom Retail Landmark 81 Company Limited.

All subsidiaries are incorporated in Vietnam.

As at 31 December 2022, the Company and its subsidiaries had 2,364 employees (1/1/2022: 2,009 employees).

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

2. Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

(b) Basis of measurement

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Company and its subsidiaries are from 1 January to 31 December.

(d) Accounting and presentation currency

The Company and its subsidiaries' accounting currency is Vietnam Dong ("VND").

The consolidated financial statements are prepared and presented in million of Vietnam Dong ("VND million"). Regarding basic earnings per share, the Company presented this item in unit as described at Note 41.

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company and its subsidiaries in the preparation of these consolidated financial statements.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. The financial statements of the subsidiaries are consolidated in the consolidated financial statements from the date that control commences until the date that control ceases.



Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(ii) *Non-controlling interests*

Non-controlling interests (“NCI”) are measured at the proportionate share of the acquiree’s identifiable net assets at date of acquisition.

Changes in the Company’s interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Company’s share of net assets of the subsidiary and any consideration paid or received is recorded directly in undistributed profits after tax under equity.

(iii) *Transactions eliminated on consolidation*

Intra-group transactions, balances from the Company and its subsidiaries and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(iv) *Asset acquisition and business combination*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Under the purchase method, the assets and liabilities of the acquired entity are consolidated using their fair values. Cost of business combination consists of the aggregate fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Company and its subsidiaries in exchange for control of the acquiree, and transaction costs. Goodwill represents the excess of the cost of business combination over the Company and its subsidiaries’ interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity. When the excess is negative, it is recognised immediately in the consolidated statement of income.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Company and its subsidiaries incurred in connection with business combinations included any costs directly attributable to the business combination, such as professional fees paid to accountants, legal advisers, valuers and other consultants to effect the business combination. Transaction costs are capitalised into the cost of business combination. General administrative costs and other costs that cannot be directly attributed to the particular business combination being accounted for are not included in the cost of the business combination, they are recognised as an expense when incurred.

The Company and its subsidiaries acquire subsidiaries that own real estate projects. At the date of acquisition, the Company and its subsidiaries consider whether the acquisition represents the acquisition of a business. The Company and its subsidiaries account for an acquisition as a business combination where an integrated set of activities is acquired.

When the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred income tax is recognised.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Business combinations involving entities or business under common control

Business combination where the same group of shareholders (“the Controlling Shareholders”) control the combining companies before and after the business combination meets the definition of business combination under common control because there is a continuation of the risks and benefits to the Controlling Shareholders. Such common control business combination is specifically excluded from the scope of Vietnamese Accounting Standard No. 11 – Business Combination and in selecting its accounting policies with respect to such transaction, the Company and its subsidiaries have considered Vietnamese Accounting Standard No. 01 – Framework and Vietnamese Accounting Standard No. 21 – Presentation of Financial Statements. Based on these standards, the Company and its subsidiaries have adopted the followings.

- The assets and liabilities of the two combined entities are reflected at their carrying amounts on the date of business combination;
- No goodwill is recognised from the business combination;
- The consolidated statement of income reflects the results of the combined entities from the date of the business combination; and
- Any difference between the cost of acquisition and net assets value acquired is treated as a deemed distribution to or contribution from shareholders and recorded in equity.

(b) Foreign currency

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Company or its subsidiaries most frequently conduct transactions as at the end of annual accounting period.

All foreign exchange differences are recorded in the consolidated statement of income.

(c) Cash and cash equivalents

Cash comprises call deposits and cash in transit. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(d) Investments

Held-to-maturity investments

Held-to-maturity investments are those that the Company and its subsidiaries have the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank. These investments are stated at costs less allowance for diminution in value.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(e) Accounts receivable from customers and other receivables

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

(f) Inventories

(i) *Inventory properties*

Properties constructed for sale in the ordinary course of business or for long-term lease qualified for recognition of outright sales, rather than for rental or capital appreciation, are recorded as inventory and are 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, property transfer taxes, directly attributable construction overheads and other related costs.

Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The cost of inventory properties recognised in the consolidated statement of income 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.

(ii) *Other inventories*

Other inventories are carried at the lower of cost incurred in bringing each product to its present location and condition and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to completion and the estimated costs of sale.

The perpetual method is used to record the costs of other inventories on a weighted average basis.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(g) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings, structures	5 – 50 years
▪ machinery and equipment	2 – 15 years
▪ office equipment	2 – 5 years
▪ other assets	3 – 15 years

(h) Intangible fixed assets

Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 to 8 years.

(i) Investment properties held to earn rental

(i) Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Management. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the year in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of investment property. The estimated useful lives are as follows:

▪ land use rights and buildings, structures	5 – 50 years
▪ machinery and equipment	5 – 25 years

The Company and its subsidiaries have contributed capital to cooperate in the investment, construction and development of shopping centers. Under business co-investment contracts, the Company and its subsidiaries have the right to control the shopping centers when the shopping centers are handed over to the Company and its subsidiaries from the counterparties for commercial operations. Accordingly, the shopping centers are recognised by the Company and its subsidiaries as investment properties in the consolidated balance sheet upon the hand over of these properties.

(j) Construction in progress

Construction in progress represents the costs of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(k) Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated 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.

(i) Prepaid rentals

Prepaid rentals under operating lease terms are stated at their costs and amortised on a straight-line basis over lease terms.

(ii) Overhaul expenditures

Overhaul expenditures include major repair and maintenance prepaid expenses which are stated at their costs and amortised on a straight-line basis over a usual period of 3 years from the overhaul completion.

(iii) Tools and supplies

Tools and supplies include assets held for use by the Company and its subsidiaries in the normal course of business and not qualified for recognition as fixed assets under prevailing regulations. Costs of tools and supplies are amortised on a straight-line basis not exceeding 3 years.

(iv) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company and its subsidiaries obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease contract.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(v) Selling expenses

Selling expenses comprise commission fees that are directly related to sale of inventory properties and lease of shopping malls. These expenses are capitalised under the prepaid expenses account in the consolidated balance sheet and subsequently expensed when the Company and its subsidiaries recognise revenue from the sale of the related inventory properties and lease of shopping malls.

(vi) Committed profits

Committed profits include prepayments to customer under business cooperation contracts and apartment management service program. Committed profits are capitalised under the prepaid expenses account in the consolidated balance sheet and subsequently expensed when the Company and its subsidiaries recognise revenue from service rendered over the term of management service program.

(l) Goodwill

Goodwill arises on the acquisition of subsidiaries and associates. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Company and its subsidiaries' interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (gain from bargain purchase), it is recognised immediately in the consolidated statement of income.

Goodwill arising on acquisition of a subsidiary is amortised on a straight-line basis over 10 years.

(m) Accounts payable to suppliers and other payables

Accounts payable to suppliers and other payables are stated at their cost.

(n) Provisions

A provision is recognised if, as a result of a past event, the Company and its subsidiaries have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provision for warranty expenses for apartments and shop-houses

The provision for warranties relates to sold standard-designed apartments and shop-houses. The provision is based on estimates derived from historical warranty data associated with the repair expenses of apartments and shop-houses sold in the past.

(o) Bonds issued

At initial recognition, straight bonds are measured at cost which comprises proceeds from issuance net of issuance costs. Any discount, premium or issuance costs are amortised on a straight-line basis over the term of the bond.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(p) Share capital and share premium

(i) Ordinary shares

Ordinary shares are recognised at issuance price less costs not directly attributable to the issue of shares, net of tax effects. Such costs less taxes directly related to the issue of shares are recognised as a deduction from share premium.

(ii) Repurchase of ordinary shares (treasury shares)

Before 1 January 2021

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

From 1 January 2021

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the Company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognized as equity are repurchased, their par value amount is recognized as a reduction to share capital, and the Company shall carry out procedures for a decrease in charter capital equivalent to the total par value of shares redeemed by the Company. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium. For those repurchased shares that can be sold afterwards, when treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

This change in accounting policy has been applied prospectively from 1 January 2021 due to change in applicable laws and regulations on buying back shares.

(q) Taxation

Income tax on the consolidated profit for the year comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Revenue and other income

(i) *Revenue from sale of inventory properties*

Revenue from transfer of standard-designed apartments and shophouses which do not require significant customisation for each customer is recognised when the significant risks and rewards of ownership of the properties have been 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 and its subsidiaries will recognise the revenue for the entire prepaid lease payment if all of the following conditions are met:

- 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;
- Significant risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- The full cost of the lease must be reasonably estimated.

(ii) *Revenue from leasing investment properties*

Rental income arising from operating lease of properties is recognised in the consolidated statement of income on a straight line basis over the lease term. Lease incentives granted (if any) are recognised as a deduction of the total rental income.

(iii) *Rendering of services*

Revenue from services rendered is recognised in the consolidated statement of income when the services are rendered. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iv) *Interest income*

Interest income is recognised in the consolidated statement of income on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(s) 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.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

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 and its subsidiaries are the lessee

Assets held under finance leases are capitalised in the consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the consolidated statement of income over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised finance leased assets are depreciated using straight-line basis over the shorter of the estimated useful life of the asset and the lease term.

Assets subject to finance leases are included as the Company and its subsidiaries' investment properties and long-term prepaid expenses in the consolidated balance sheet.

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

Where the Company and its subsidiaries are the lessor

Assets subject to operating leases are included as the Company and its subsidiaries' investment properties in the consolidated balance sheet.

Lease income is recognised in the consolidated statement of income on a straight-line basis over the lease term. Lease incentives granted (if any) are recognised as a deduction of the total rental income.

(t) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(u) Earnings per share

The Company presents basic earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare fund for the accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year. As at 31 December 2022 and for the year then ended, the Company has no potential ordinary shares hence disclosure for diluted EPS is not applicable.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(v) Segment reporting

A segment is a distinguishable component of the Company and its subsidiaries that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company and its subsidiaries' primary format for segment reporting is based on business segments.

(w) Related parties

Parties are considered to be related to the Company and its subsidiaries if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and its subsidiaries and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(x) Comparative information

Comparative information in these consolidated financial statements is presented as corresponding figures. Under this method, comparative information for the prior year are included as an integral part of the current year financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these consolidated financial statements is not intended to present the Company's consolidated financial position, consolidated results of operation or consolidated cash flows for the prior year.

4. Segment reporting

(a) Business segments

The Company and its subsidiaries comprise the following main business segments:

- Sale of inventory properties;
- Leasing of investment properties and providing related services; and
- Others.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment revenue, expenses and results include transfer between business segments. Such transfers are eliminated on consolidation.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Information on revenue, expenses, business results and other information by business segment of the Company and its subsidiaries for the year ended 31 December 2022 are as follows:

For the year ended 31 December 2022	Sale of inventory properties		Leasing activities and rendering related services		Others VND million	Total VND million	Elimination VND million	Consolidated VND million
	VND million	VND million	VND million	VND million				
External revenue	380,786	6,864,592	116,059	7,361,437	-	7,361,437		7,361,437
Inter-segment revenue	-	116,374	275,135	391,509	(391,509)	-		-
Total segment revenue	380,786	6,980,966	391,194	7,752,946	(391,509)	7,361,437		7,361,437
Segment results	42,891	3,204,507	61,939	3,309,337	(36,056)	3,273,281		3,273,281
Financial income								538,573
Financial expenses								359,155
Net operating profit								3,452,699
Other income								88,319
Other expenses								16,528
Income tax expense								747,362
Net profit after tax								2,777,128

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Information on revenue, expenses, business results and other information by business segment of the Company and its subsidiaries for the year ended 31 December 2021 are as follows:

For the year ended 31 December 2021	Sale of inventory properties VND million	Leasing activities and rendering related services VND million	Others VND million	Total VND million	Elimination VND million	Consolidated VND million
External revenue	1,004,103	4,700,630	186,408	5,891,141	-	5,891,141
Inter-segment revenue	-	65,461	153,357	218,818	(218,818)	-
Total segment revenue	1,004,103	4,766,091	339,765	6,109,959	(218,818)	5,891,141
Segment results	323,119	1,560,442	(132,654)	1,750,907	6,267	1,757,174
Financial income						387,018
Financial expenses						486,280
Net operating profit						1,657,912
Other income						84,095
Other expenses						49,730
Income tax expense						377,264
Net profit after tax						1,315,013

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Information on assets, liabilities and other information by business segment of the Company and its subsidiaries as at 31 December 2022 are as follows:

As at 31 December 2022

	Sale of inventory properties VND million	Leasing activities and rendering related services VND million	Others VND million	Consolidated VND million
Segment assets	1,522,424	33,584,567	281,761	35,388,752
Unallocated assets				7,312,336
Total assets				42,701,088
Segment liabilities	2,614,351	2,218,703	278,346	5,111,400
Unallocated liabilities				4,164,998
Total liabilities				9,276,398
For the year ended 31 December 2022				
Capital expenditure	-	1,244,820	-	1,244,820
Depreciation of tangible fixed assets	-	21,563	12,238	33,801
Amortisation of intangible fixed assets and goodwill	-	82,317	-	82,317
Depreciation of investment property	-	1,330,593	-	1,330,593

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Information on assets, liabilities and other information by business segment of the Company and its subsidiaries as at 1 January 2022 are as follows:

As at 1 January 2022

	Sale of inventory properties VND million	Leasing activities and rendering related services VND million	Others VND million	Consolidated VND million
Segment assets	797,398	32,822,362	389,738	34,009,498
Unallocated assets				3,863,990
Total assets				37,873,488
Segment liabilities	1,090,595	2,246,125	95,036	3,431,756
Unallocated liabilities				3,790,903
Total liabilities				7,222,659

For the year ended 31 December 2021

Capital expenditure	291,854	-	-	291,854
Depreciation of tangible fixed assets	19,828	14,334	-	34,162
Amortisation of intangible fixed assets and goodwill	80,363	-	-	80,363
Depreciation of investment property	1,373,699	-	-	1,373,699

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Details of unallocated assets and liabilities are as following:

	31/12/2022	1/1/2022
	VND million	VND million
Cash and cash equivalents	7,019,648	3,297,060
Short-term financial investments	97,426	190,424
Loans receivables	-	295,000
Interest income receivables from term deposits, other deposits and loan receivables	51,707	37,528
Receivables for payment on behalf	10,677	2,956
Prepaid provisional corporate income tax	-	1,645
Deductible value added tax	49,766	22,965
Taxes receivable from State Treasury	8,775	380
Deferred tax assets	74,337	16,032
Unallocated assets	7,312,336	3,863,990
Taxes and others payable to State Treasury	832,693	489,648
Accrued bond interests	71,365	65,008
Dividends payable	14	2,233
Short-term bonds and finance lease liabilities	1,065,371	19,887
Long-term bonds and finance lease liabilities	2,121,300	3,137,924
Deferred tax liabilities	74,255	76,203
Unallocated liabilities	4,164,998	3,790,903

(b) Geographical segments

The Company and its subsidiary did not report geographical segments as the Board of Management determined that the Company and its subsidiary currently operate in only one geographical segment, which is Vietnam.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

5. Cash and cash equivalents

	31/12/2022	1/1/2022
	VND million	VND million
Cash in transit	146	24
Cash in banks	180,755	1,788,860
Cash equivalents	6,838,747	1,508,176
	<hr/>	<hr/>
	7,019,648	3,297,060
	<hr/>	<hr/>

Cash equivalents represented term deposits with original term to maturity of less than 3 months and earned interest at the rate of 5.1% – 6.0% per annum (1/1/2022: 3.7% – 4.0% per annum); and investments in corporate bonds with the term of less than 3 months from the investment date and earned interest at the rate of 8.5% per annum (1/1/2022: 6.0% – 7.5% per annum).

6. Held-to-maturity investments

	31/12/2022	1/1/2022
	VND million	VND million
Held-to-maturity investments – short-term		
▪ Term deposits	97,426	90,424
▪ Bonds	-	100,000
	<hr/>	<hr/>
	97,426	190,424
	<hr/>	<hr/>

Held-to-maturity investments – short-term represented term deposits with original terms of more than 3 months and remaining terms to maturity of less than 12 months and earned interest at the rate of 3.9% – 10.7% per annum (1/1/2022: 3.7% – 5.5% per annum).

7. Accounts receivable from customers

	31/12/2022	1/1/2022
	VND million	VND million
Receivables from leasing activities and rendering related services	906,945	897,974
Receivables from sale of inventory properties	194,112	165,558
Others	14,070	103,177
	<hr/>	<hr/>
	1,115,127	1,166,709
	<hr/>	<hr/>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

In which:

	31/12/2022	1/1/2022
	VND million	VND million
<i>Related parties:</i>		
Vinhomes Joint Stock Company	53,084	82,325
Vinfast Commercial and Services Trading LLC	99,762	21,107
Vinfast Trading and Production Joint Stock Company	17,382	17,346
Thai Son Investment Construction Corporation	64,553	600
Other related parties	13,875	1,916
<i>Third parties:</i>		
Receivable from two customers	173,034	70,433
Other customers	693,437	972,982
	1,115,127	1,166,709

8. Prepayments to suppliers – short-term

	31/12/2022	1/1/2022
	VND million	VND million
<i>Related parties:</i>		
Other related parties	4,052	-
<i>Third parties:</i>		
Other suppliers	95,419	42,620
	99,471	42,620

9. Other receivables

(a) Other short-term receivables comprise

	31/12/2022	1/1/2022
	VND million	VND million
Receivables for investment purposes	295,076	69,680
Interest income receivables from term deposits and other deposits	51,707	37,528
Deposits for projects and contracts	7,945	12,727
Receivables for payment on behalf	10,677	2,956
Others	16,168	19,825
	381,573	142,716



Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

In which, other short-term receivables from related parties

	31/12/2022	1/1/2022
	VND million	VND million
<i>Parent company:</i>		
Vingroup Joint Stock Company	112,456	173
<i>Other related parties:</i>		
Vietnam Investment and Consulting Investment JSC	132,277	69,872
Vinhomes Joint Stock Company	41,461	2,254
Vinpearl Joint Stock Company	10,192	3,898
Central Park Development Limited Liability Company	10,074	-
Green City Development JSC	5,584	5,584
Thai Son Investment Construction Corporation	-	10,221
Other related parties	1,710	7,399
	313,754	99,401

(b) Other long-term receivables

	31/12/2022	1/1/2022
	VND million	VND million
Deposits for leasing office and commercial centres	8,222	6,110

10. Allowance for doubtful debts

	31/12/2022		1/1/2022	
	Cost	Allowance	Cost	Allowance
	VND million	VND million	VND million	VND million
Overdue debts were provided allowance for	563,090	191,685	549,355	159,331

There was no overdue debt from individual customers which accounted for more than 10% of total overdue debts which were provided allowance for as at 31 December 2022 and 1 January 2022.

Movements of the allowance for doubtful debts during the year were as follows:

	2022	2021
	VND million	VND million
Opening balance	159,331	14,466
Increase in allowance during the year	33,536	145,452
Written off	(1,182)	(587)
Closing balance	191,685	159,331

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

11. Inventories

	31/12/2022		1/1/2022	
	Cost VND million	Allowance VND million	Cost VND million	Allowance VND million
Inventory properties under construction	1,130,619	-	461,939	-
Completed inventory properties	24,477	-	102,032	-
Other inventories	23,031	-	18,947	-
	1,178,127	-	582,918	-

12. Other assets

	31/12/2022 VND million	1/1/2022 VND million
Other current assets		
▪ Deposits to related parties for investment purposes	657,420	1,203,400
Other long-term assets		
▪ Deposits to related parties for investment purposes	3,785,350	2,404,420
	4,442,770	3,607,820

These are deposits to the counterparties for the co-investment and co-operation of the shopping mall components of a number of real estate projects. These deposits require no collaterals. In accordance with these contracts, the counterparties have committed to transfer the shopping mall component of their properties to the Company and its subsidiaries, or to grant the Company and its subsidiaries the right to purchase the shopping mall component as disclosed in Note 30(c)(i).

Deposits to related parties for investments

	31/12/2022 VND million	1/1/2022 VND million
<i>Parent company:</i>		
Vingroup Joint Stock Company	3,622,350	1,584,000
<i>Other related parties:</i>		
Thai Son Investment Construction Corporation	-	1,203,400
Can Gio Tourist City Corporation	163,000	163,000
Green City Development JSC	657,420	657,420
	4,442,770	3,607,820

Vincom Retail Joint Stock Company and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance)

13. Tangible fixed assets

Cost	Buildings, structures VND million	Machinery and equipment VND million	Office equipment VND million	Other assets VND million	Total VND million
Opening balance	276,420	293,903	23,204	25,494	619,021
Additions	116	14,354	3,554	96	18,120
Transfers to investment properties	-	(1,274)	-	-	(1,274)
Other decreases	(5,278)	(1,917)	-	-	(7,195)
Closing balance	271,258	305,066	26,758	25,590	628,672
Accumulated depreciation					
Opening balance	24,364	141,159	14,188	12,834	192,545
Charge for the year	3,931	24,482	2,798	2,590	33,801
Transfers to investment properties	-	(289)	-	-	(289)
Other decreases	(3,185)	(1,564)	-	-	(4,749)
Closing balance	25,110	163,788	16,986	15,424	221,308
Net book value					
Opening balance	252,056	152,744	9,016	12,660	426,476
Closing balance	246,148	141,278	9,772	10,166	407,364

Included in tangible fixed assets were assets costing VND83,683 million which were fully depreciated as at 31 December 2022 (1/1/2022: VND72,549 million), but which are still in active use.

Details of tangible fixed assets used as collaterals for bonds issued by the Company and its subsidiaries are presented in Note 26(b)(ii).

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

14. Intangible fixed assets

	Software VND million
Cost	
Opening balance	54,443
Additions	4,921
Transfers from long-term prepaid expenses	3,899
Other decreases	(256)
	63,007
Accumulated amortisation	
Opening balance	42,144
Charge for the year	9,733
Transfers from long-term prepaid expenses	743
Other decreases	(256)
	52,364
Net book value	
Opening balance	12,299
Closing balance	10,643

Included in intangible fixed assets were assets costing VND46,240 million which were fully depreciated as at 31 December 2022 (1/1/2022: VND3,802 million), but which are still in active use.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

15. Investment property

	Land use right and buildings, structures VND million	Machinery and equipment VND million	Total VND million
Cost			
Opening balance	27,510,800	6,098,320	33,609,120
Additions	1,103,427	257,046	1,360,473
Transfers from construction in progress	376,436	124,917	501,353
Transfers from tangible fixed assets	-	1,274	1,274
(Decrease)/increase upon finalisation	(239,374)	23,048	(216,326)
Transfers to inventory properties	(48,747)	(8,088)	(56,835)
Closing balance	28,702,542	6,496,517	35,199,059
Accumulated depreciation			
Opening balance	4,304,124	3,036,232	7,340,356
Charge for the year	775,294	569,713	1,345,007
Transfers from tangible fixed assets	-	289	289
Transfers to inventory properties	(329)	(660)	(989)
Closing balance	5,079,089	3,605,574	8,684,663
Net book value			
Opening balance	23,206,676	3,062,088	26,268,764
Closing balance	23,623,453	2,890,943	26,514,396

Investment properties mainly include assets of the shopping malls of the Company and its subsidiaries which are used for provision of leasing and other related services.

Details of investment properties used as collaterals for bonds issued by the Company and its subsidiaries are disclosed in Note 26(b)(ii).

As at 31 December 2022, land use rights and assets attached to land of one shopping mall owned by the Company and its subsidiaries were used as collaterals for loans of a related company.

Rental commitment under operating leases are disclosed in Note 30(a).

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

16. Construction in progress

	2022	2021
	VND million	VND million
Opening balance	1,255,909	959,231
Additions	112,064	296,678
Transfers to investment properties	(501,353)	-
Transfers to inventory properties	(92,574)	-
Transfers of projects	(40,118)	-
Decrease upon finalisation	(34,432)	-
	<hr/>	<hr/>
Closing balance	699,496	1,255,909
	<hr/>	<hr/>

Detailed by constructions in progress which account for more than 10% of total were as follows:

	31/12/2022	1/1/2022
	VND million	VND million
Vincom Plaza My Tho project	-	294,176
Vincom Plaza Bac Lieu project	-	237,588
Vincom+ Song Cong project	-	111,268
Bac Ninh Hotel	200,140	172,377
Vincom Quang Tri Project	121,660	68,064
Vincom Dien Bien Project	129,661	138,435
Vincom Plaza Bien Hoa 2 project	135,650	135,650
Other projects	112,385	98,351
	<hr/>	<hr/>
	699,496	1,255,909
	<hr/>	<hr/>

During the year, borrowing costs capitalised into construction in progress is VND22,181 million (2021: VND21,215 million).

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

17. Prepaid expenses

(a) Short-term prepaid expenses

	31/12/2022 VND million	1/1/2022 VND million
Prepaid selling expenses related to sale of inventory properties not yet handed over	90,506	27,612
Prepaid provisional corporate income tax	-	1,645
Others	28,496	12,462
	119,002	41,719
	119,002	41,719

(b) Long-term prepaid expenses

	31/12/2022 VND million	1/1/2022 VND million
Prepaid rentals	327,319	237,787
Overhaul expenditures	131,076	131,130
Tools and supplies	12,711	19,262
Others	6,497	7,108
	477,603	395,287
	477,603	395,287

Included in the carrying amount of long-term prepaid expenses was an amount of VND227,578 million prepaid to a related party, Ecology Development and Investment Joint Stock Company, as at 31 December 2022 (1/1/2022: VND237,787 million).

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

18. Deferred tax assets and deferred tax liabilities

Recognised deferred tax assets and deferred tax liabilities

	Tax rate	31/12/2022 VND million	1/1/2022 VND million
Deferred tax assets:			
Rental deduction	20%	46,357	-
Unearned revenue	20%	6,951	6,951
Provisional corporate income tax	1%	11,948	-
Revaluation of subsidiaries' net assets at merger date and others	20%	9,081	9,081
		<hr/>	
Total deferred tax assets		74,337	16,032
		<hr/>	
Deferred tax liabilities:			
Fair value adjustment on acquisition of a subsidiary	20%	36,370	37,250
Difference from recognition of outright sales transactions – unearned revenue	20%	22,261	23,271
Revaluation of subsidiaries' net assets at merger date	20%	10,288	10,346
Depreciation	20%	5,336	5,336
		<hr/>	
Total deferred tax liabilities		74,255	76,203
		<hr/> <hr/>	

19. Goodwill

	VND million
Cost	
Opening and closing balances	725,837
	<hr/>
Accumulated depreciation	
Opening balance	464,226
Charge for the year	72,584
	<hr/>
Closing balance	536,810
	<hr/>
Net book value	
Opening balance	261,611
Closing balance	189,027
	<hr/> <hr/>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

20. Accounts payable to suppliers

	Cost & amount	
	31/12/2022	1/1/2022
	VND million	VND million
<i>Related parties</i>	388,024	263,376
Thai Son Investment Construction Corporation	126,694	-
Vinpearl Joint Stock Company	77,932	82,575
Vingroup Joint Stock Company	59,379	118,663
Gia Lam Urban Investment and Development Company Limited	87,612	9,296
Vinhomes Joint Stock Company	25,666	20,947
Vietnam Investment and Consulting Investment JSC	-	2,013
Other related parties	10,741	29,882
<i>Third parties</i>	336,802	262,807
Other suppliers	336,802	262,807
	724,826	526,183

21. Advance from customers – short-term

	31/12/2022	1/1/2022
	VND million	VND million
Advance from customers under real estate sale and purchase agreements	1,194,835	187,547
Others	20,319	90,632
	1,215,154	278,179

22. Taxes other payables to State Treasury

	1/1/2022	Incurred	Paid	31/12/2022
	VND million	VND million	VND million	VND million
Corporate income tax	74,524	805,679	(159,095)	721,108
Value added tax	56,149	564,094	(524,996)	95,247
Land rental and usage	355,581	106,776	(450,586)	11,771
Personal income tax	3,288	35,233	(34,607)	3,914
Other taxes	106	7,044	(6,497)	653
	489,648	1,518,826	(1,175,781)	832,693

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

23. Accrued expenses

	31/12/2022	1/1/2022
	VND million	VND million
Accrued construction costs	235,342	272,951
Accrued selling expenses	73,945	66,414
Accrued loan interests	71,365	65,008
Accrued committed profit relating to business cooperation contracts and apartment management service program	15,890	44,997
Others	330,442	179,494
	<hr/>	<hr/>
	726,984	628,864
	<hr/>	<hr/>

Accrued expenses payable to related parties

	31/12/2022	1/1/2022
	VND million	VND million
Other related parties	23,018	4,083
	<hr/>	<hr/>

24. Unearned revenue

(a) Unearned revenue – short-term

	31/12/2022	1/1/2022
	VND million	VND million
Amount to be realised within 12 months	83,196	91,371
	<hr/>	<hr/>

(b) Unearned revenue – long-term

	31/12/2022	1/1/2022
	VND million	VND million
Revenue received in advance from leasing activities, rendering related services and from other services	207,207	191,477
Amount to be realised within 12 months	(83,196)	(91,371)
	<hr/>	<hr/>
Amount to be realised after 12 months	124,011	100,106
	<hr/>	<hr/>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(c) Unearned revenue from related parties

	31/12/2022	1/1/2022
	VND million	VND million
Vinpearl Joint Stock Company	31,126	224
Vinhomes Joint Stock Company	25,071	25,071
Vingroup Joint Stock Company	18,291	19,311
Other related parties	-	351
	<hr/>	<hr/>
	74,488	44,957
	<hr/>	<hr/>

25. Other payables

(a) Other payables - short-term

	31/12/2022	1/1/2022
	VND million	VND million
Deposits under deposit contracts and loan agreements received from customers	453,952	225,117
Deposits from tenants for leasing offices, counters and shophouses to be refunded within the next 12 months	441,421	423,536
Deposits received for maintenance of handed-over properties	97,930	91,846
Deposits for site construction	41,499	50,386
Dividends payable	14	2,233
Others	126,157	45,870
	<hr/>	<hr/>
	1,160,973	838,988
	<hr/>	<hr/>

(b) Other payables - long-term

	31/12/2022	1/1/2022
	VND million	VND million
Deposits from tenants for leasing offices and counters – shopping center	1,352,736	1,225,755
Deposits from tenants for leasing offices and counters to be refunded within the next 12 months – shopping center	(441,421)	(423,536)
Deposit under business cooperation contracts	180,000	180,000
Other deposits	46,059	36,151
	<hr/>	<hr/>
Amount due after 12 months	1,137,374	1,018,370
	<hr/>	<hr/>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(c) Other payables to related parties

	31/12/2022	1/1/2022
	VND million	VND million
Other payables – short-term		
Vinhomes Joint Stock Company	79,828	14,491
Vinschool Joint Stock Company	-	3,391
Other related parties	5,530	3,148
	<hr/> 85,358	<hr/> 21,030
	<hr/> <hr/>	<hr/> <hr/>
Other payables – long-term		
Vinpearl Joint Stock Company	182,467	184,774
Vinfast Commercial and Services Trading LLC	44,978	40,362
Vinschool Joint Stock Company	7,263	3,872
Other related parties	5,088	4,314
	<hr/> 239,796	<hr/> 233,322
	<hr/> <hr/>	<hr/> <hr/>

26. Bonds and finance lease liabilities

(a) Short-term bonds and finance lease liabilities

	Carrying amount & amount within repayment capacity 1/1/2022 VND million	Movements during the year		Carrying amount & amount within repayment capacity 31/12/2022 VND million
		Increase VND million	Decrease VND million	
Bonds maturing within 12 months	-	1,045,484	-	1,045,484
Finance lease principals due within 12 months with related parties (Note 26(b))	19,887	21,397	(21,397)	19,887
	<hr/> 19,887	<hr/> 1,066,881	<hr/> (21,397)	<hr/> 1,065,371
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(b) Long-term bonds and finance lease liabilities

	31/12/2022	1/1/2022
	VND million	VND million
Finance lease liabilities with a related party (i)	192,347	191,819
Corporate bonds (ii)	2,994,324	2,965,992
	3,186,671	3,157,811
Repayable within twelve months	(1,065,371)	(19,887)
	2,121,300	3,137,924
Repayable after twelve months	2,121,300	3,137,924

(i) Finance lease liabilities

Finance lease liabilities related to long-term lease contracts with commercial centres of Vincom Plaza Quang Trung and Vincom Plaza Le Van Viet. The minimum lease payments for these non-cancellable finance lease contracts are as following:

31/12/2022

	Total finance lease payments	Interests	Principals
	VND million	VND million	VND million
Within 1 year	21,397	1,510	19,887
Within 2 to 5 years	91,471	27,756	63,715
More than 5 years	459,121	350,376	108,745
	571,989	379,642	192,347

1/1/2022

	Total finance lease payments	Interests	Principals
	VND million	VND million	VND million
Within 1 year	21,397	1,510	19,887
Within 2 to 5 years	89,332	27,145	62,187
More than 5 years	482,657	372,912	109,745
	593,386	401,567	191,819

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(ii) Corporate bonds

Bond arranger	31/12/2022 VND million	1/1/2022 VND million	Maturity date	Annual interest rate
Techcom Securities Joint Stock Company	2,994,324	2,965,992	17 April 2023, 27 April 2023 and 26 August 2025	Interest rate applied for the first year is 9.5% to 10% per annum, and the rate for the subsequent years is floating, being adjusted once per quarter and is determined by the average interest rate of 12-month VND savings in Joint stock Commercial Bank for Investment and Development of Viet Nam; Vietnam Joint Stock Commercial Bank for Industry and Trade; Joint Stock Commercial Bank for Foreign Trade of Vietnam and Vietnam Technology and Commercial Joint Stock Bank plus (+) from 3.25% or 3.5%.

These bonds are secured by land use rights and assets attached to land of one shopping mall owned by a subsidiary.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

27. Provisions – short-term

Provisions – short-term represented the provision for warranty for commercial area and shop-houses.

	2022	2021
	VND million	VND million
Opening balance	14,040	15,091
Provision made during the year	222	1,824
Provision reversed during the year	(6,897)	(2,875)
Closing balance	<u>7,365</u>	<u>14,040</u>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

28. Changes in owners' equity

	Ordinary shares with voting rights VND million	Share premium VND million	Treasury shares VND million	Other equity funds VND million	Undistributed profits VND million	Non-controlling interest VND million	Total VND million
Balance as at 1 January 2021	23,288,184	46,983	(1,954,258)	(53,420)	7,974,003	34,324	29,335,816
Net profit for the year	-	-	-	-	1,314,510	503	1,315,013
Balance as at 1 January 2022	23,288,184	46,983	(1,954,258)	(53,420)	9,288,513	34,827	30,650,829
Net profit for the year	-	-	-	-	2,776,057	1,071	2,777,128
Other movement	-	-	-	283	-	(3,550)	(3,267)
Balance as at 31 December 2022	23,288,184	46,983	(1,954,258)	(53,137)	12,064,570	32,348	33,424,690

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

29. Share capital

The Company's authorised and issued share capital are as follows:

	31/12/2022 & 1/1/2022	
	Number of shares	VND million
Authorised and issued share capital		
Ordinary shares	2,328,818,410	23,288,184
Treasury shares		
Ordinary shares	56,500,000	1,954,258
Shares in circulation		
Ordinary shares	2,272,318,410	22,723,184
Share premium	-	46,983

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

30. Commitments

(a) Lease commitments

Commitment under operating leases where the Company and its subsidiaries are the lessor

The Company and its subsidiaries, as lessor, leased retail outlets under operating lease agreements. The minimum lease payments under these agreements as at the end of the accounting period are as follows:

	31/12/2022	1/1/2022
	VND million	VND million
Within one year	4,333,522	3,772,387
Within two to five years	8,252,667	7,091,877
More than five years	5,169,572	5,399,071
	17,755,761	16,263,335

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Commitment under operating leases where the Company and its subsidiaries are the lessee

The Company and its subsidiaries, as lessees, entered into certain operating lease agreements with the minimum lease payments under these agreements as at the end of the accounting period as follows:

	31/12/2022	1/1/2022
	VND million	VND million
Within one year	181,741	138,770
Within two to five years	509,667	491,562
More than five years	2,470,480	2,783,072
	3,161,888	3,413,404

(b) Capital commitments

The Company and its subsidiaries have entered into construction contracts on the development of real estate projects. The estimated commitments amount of these contracts amount to VND358,672 million (1/1/2022: VND543,830 million).

(c) Other commitments

(i) Commitment under the business corporation contracts

The Company and its subsidiaries signed agreements and business cooperation contracts with Vingroup Joint Stock Company and some companies within Vingroup Joint Stock Company (hereby named as “the counterparties”) for cooperation in the development and operation of the shopping mall components of a number of real estate projects. Under these business cooperation contracts between the Company and its subsidiaries and the counterparties, the Company and its subsidiaries have following commitments:

Commitment for co-developing shopping malls

The Company and its subsidiaries are committed to acquire equity interests in target companies, which will be established to own and operate a number of shopping malls in the provinces and cities after certain conditions under the contracts are satisfied. The Company and its subsidiaries provide funds to the counterparties to construct the malls. In case the counterparties do not complete the necessary procedures to transfer the shopping centers to the target companies in the form of capital contribution, the parties to the contract will cooperate to manage the operations of these shopping malls. The Company and its subsidiaries commit to take over the management and operations of these shopping malls and share a portion of profit to the counterparties.

Commitments under business cooperation contracts relating to shopping mall projects

The counterparties commit to transfer the shopping mall component of their projects to the Company and its subsidiaries, or to grant the Company and its subsidiaries the right to purchase the shopping mall component.

Under those contracts, the Company and its subsidiaries are expected to make additional payments, estimated at VND775,252 million (1/1/2022: VND158,790 million), to these counterparties.

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(ii) *Commitments to transfer a part of Towers A&B of Vincom Centre Ba Trieu*

On 31 July 2006, Vingroup Joint Stock Company, the parent company, signed an agreement to transfer a portion of Vincom City Towers to a corporate counterparty. According to this agreement and its subsequent obligation transferring agreements, Vincom Retail Operation Company Limited, a subsidiary of the Company, is committed to transfer the following investment properties to this corporate counterparty on 20 July 2052:

- A half of commercial area (from 1st floor to 6th floor of Towers A&B Vincom City except for the reception and elevator waiting area of 160m² on the 1st floor); and
- A half of the basements of the towers.

(iii) *Commitments related to program of management services and apartment rental*

Vincom Retail Operation Company Limited, a subsidiary of the Company, has signed contracts to provide management and leasing services to customers who bought apartments at Vinpearl Riverfront Condotel Da Nang. Accordingly, for the five years from the date of apartments being handed over, customers are guaranteed by the investor to receive a higher amount between specific percentage on the selling price and 85% on the annual net leasing income from the sublease of the apartment to third parties.

31. Revenue from sale of goods and provision of services

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax.

Net revenue comprised:

	2022 VND million	2021 VND million
Total revenue		
▪ Revenue from sale of inventory properties	380,786	1,004,103
▪ Revenue from leasing activities and rendering related services	6,864,592	4,700,630
▪ Other revenue	116,059	186,408
	<hr/>	<hr/>
Net revenue	7,361,437	5,891,141
	<hr/>	<hr/>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

32. Cost of sales

	2022	2021
	VND million	VND million
Total cost of sales		
▪ Cost from sale of inventory properties	288,141	495,449
▪ Cost from leasing activities and rendering related services	3,172,970	2,701,416
▪ Cost from other services	83,806	302,171
	<hr/>	<hr/>
	3,544,917	3,499,036
	<hr/>	<hr/>

33. Financial income

	2022	2021
	VND million	VND million
Interest income from deposits and loans	538,573	387,018
	<hr/>	<hr/>

34. Financial expenses

	2022	2021
	VND million	VND million
Interests on bonds and finance lease	321,345	445,044
Amortisation of bond issuing costs	37,810	41,132
Other financial expenses	-	104
	<hr/>	<hr/>
	359,155	486,280
	<hr/>	<hr/>

35. Selling expenses

	2022	2021
	VND million	VND million
Staff costs	48,023	39,747
Marketing expenses	86,139	25,416
Depreciation and amortisation	5,439	7,022
Consultancy, commission and brokerage fee	29,376	128,308
Outside service expenses	427	161
Others	2,569	1,110
	<hr/>	<hr/>
	171,973	201,764
	<hr/>	<hr/>

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

36. General and administration expenses

	2022 VND million	2021 VND million
Staff costs	91,925	61,357
Management fee	99,411	108,843
Depreciation and amortisation	82,133	80,079
Provisions	33,536	145,452
Outside service expenses	47,065	31,813
Others	17,196	5,623
	<hr/> 371,266	<hr/> 433,167

37. Other income

	2022 VND million	2021 VND million
Penalties received	22,690	18,605
Others	65,629	65,490
	<hr/> 88,319	<hr/> 84,095

38. Other expenses

	2022 VND million	2021 VND million
Contract compensation paid	3,153	1,182
Others	13,375	48,548
	<hr/> 16,528	<hr/> 49,730

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

39. Production and business costs by elements

	2022	2021
	VND million	VND million
Cost of construction and development of real estate properties	235,376	560,165
Staff costs	472,933	382,400
Depreciation and amortisation	1,451,929	1,492,420
Outside services expenses	2,229,173	1,615,019
Other expenses	289,872	148,679

40. Income tax

(a) Recognised in the consolidated statement of income

	2022	2021
	VND million	VND million
Current tax expense		
Current year	762,277	379,237
Additional corporate income taxes	45,338	-
	807,615	379,237
Deferred tax benefit		
Origination and reversal of temporary differences	(60,253)	(1,973)
	747,362	377,264

(b) Reconciliation of effective tax rate

	2022	2021
	VND million	VND million
Accounting profit before tax	3,524,490	1,692,277
Tax at the Company's tax rate	704,898	338,455
Non-deductible expenses	1,720	635
Amortisation of goodwill	14,517	14,517
Unrecognised deferred tax	(19,111)	25,025
Tax incentives	-	(1,368)
Additional corporate income taxes	45,338	-
	747,362	377,264

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(c) Applicable tax rates

The Company and its subsidiaries have an obligation to pay corporate income tax to the Government at corporate income tax rate of 20%.

41. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2022 was based on the profit attributable to ordinary shareholders after deducting amount appropriated to bonus and welfare fund for the annual accounting period, of VND2,776,057 million (2021: VND1,314,510 million) and a weighted average number of ordinary shares outstanding of 2,272,318,410 (2021: 2,272,318,410 shares), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	2022	2021
	VND million	VND million
Net profit attributable to ordinary shareholders after bonus and welfare fund accruals	2,776,057	1,314,510

(ii) Weighted average number of ordinary shares

	2022	2021
Weighted average number of ordinary shares during the year – currently in circulation	2,272,318,410	2,272,318,410

(iii) Earnings per share

	2022	2021
	VND	VND
Earnings per share	1,222	578



Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

42. Significant transactions with related parties

Terms and conditions of transactions with related parties:

During the year, the Company and its subsidiaries sold goods and services to and purchased goods and services from related parties based on contractual agreement.

Accounts receivable from or payable to related parties are under normal course of business and are receivable or payable based on contractual agreements.

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Company and its subsidiaries had the following significant transactions with related parties during the year:

	Transaction value	
	2022	2021
	VND million	VND million
<i>Parent company</i>		
Vingroup Joint Stock Company		
Purchase of goods and services	110,418	126,666
Deposits for investment	2,293,180	1,070,000
Collection of deposits for investment	336,000	625,992
Interest income from investment deposits	81,170	6,036
<i>Other related companies</i>		
Vinhomes Joint Stock Company		
Sales of goods and services	282,651	253,358
Purchase of goods and services	109,557	110,428
Collection of deposits for investment	-	242,172
Vinpearl Joint Stock Company		
Lending	-	1,250,000
Collection of loans	-	1,250,000
Interest income from loans	-	49,658
Sales of goods and services	70,275	68,514
Purchase of goods and services	17,651	14,311
Vinfast Production and Trading Joint Stock Company		
Sales of goods and services	65	15,823
Lending	7,870,000	295,000
Collection of loans	8,165,000	-
Interest income from loans	110,368	5,173

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Transaction value	
	2022 VND million	2021 VND million
Vinfast Trading and Service Limited Liability Company		
Sales of goods and services	196,063	158,147
Vinschool Joint Stock Company		
Sales of goods and services	53,499	19,176
Thai Son Investment Construction Corporation		
Sales of goods and services	59,037	118
Deposits for investment	-	192,118
Interest income from investment deposits	38,575	116,129
Gia Lam Urban Investment and Development Company Limited		
Deposits for investment	-	131,396
Central Park Development Limited Liability Company		
Collection of deposits for investment	-	41,656
Green City Development Joint Stock Company		
Interest income from investment deposits	65,742	65,742
Cangio tourist City Corporation		
Interest income from investment deposits	16,300	16,300
Millennium Trading Investment and Development Company Limited		
Revenue from shopping mall rental and other related services	20,034	18,322
Purchase of services	1,168	675
Vinitis Joint Stock Company		
Revenue from shopping mall rental and other related services	7,789	12,175
Purchase of services	1,516	17

Vincom Retail Joint Stock Company and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Transaction value	
	2022	2021
	VND million	VND million
<i>Key management personnel compensation</i>		
Board of Directors		
Ms. Thai Thi Thanh Hai – Chairwoman	-	-
Ms. Tran Mai Hoa – Member	-	-
Ms. Le Mai Lan – Member	-	-
Mr. Sanjay Vinayak – Member	880	863
Mr. Fong Ming Huang Ernest – Member	880	863
Mr. Nguyen The Anh – Member	-	-
Board of Management		
Ms. Tran Mai Hoa – General Director	11,710	8,848
Other members	16,795	17,273
Board of Supervision		
Mr. Chu Anh Dung - Head of Board of Supervision	737	331
Other members of Board of Supervision	-	-

43. Comparative information

The comparative information as at 1 January 2022 was derived from the balances and amounts reported in the Company's consolidated financial statements as at and for the year ended 31 December 2021.

3 March 2023

Prepared by:

Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Pham Thi Ngoc Ha
Chief Financial Officer