



Vincom Retail Joint Stock Company

Separate 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 Finance 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 Statement of the Board of Management

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

The Board of Management is responsible for the preparation and fair presentation of the separate 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 separate financial statements set out on pages 5 to 44 give a true and fair view of the separate financial position of the Company as at 31 December 2022, and of its unconsolidated results of operations and unconsolidated 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 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, authorised the accompanying separate financial statements for issue.



On behalf of the Board of Management

Phạm Thị Ngọc Hà
Chief Financial Officer

Hanoi, 3 March 2023



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Vincom Retail Joint Stock Company

We have audited the accompanying separate financial statements of Vincom Retail Joint Stock Company ("the Company"), which comprise the separate balance sheet as at 31 December 2022, the separate 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 44.

Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these separate 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 separate 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 separate 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 separate 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 separate financial statements give a true and fair view, in all material respects, of the separate financial position of Vincom Retail Joint Stock Company as at 31 December 2022, and of its separate results of operations and its separate 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. 22-02-00161-23-1



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**

Vincom Retail Joint Stock Company
Separate balance sheet as at 31 December 2022

Form B 01 – DN
(Issued under Circular No. 200/2014/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		2,702,513	4,446,116
Cash and cash equivalents	110	4	1,580,276	2,288,471
Cash	111		89,753	928,217
Cash equivalents	112		1,490,523	1,360,254
Short-term financial investments	120		20,135	117,755
Held-to-maturity investments	123	5(a)	20,135	117,755
Accounts receivable – short-term	130		355,386	682,679
Accounts receivable from customers – short-term	131	6	378,086	382,684
Prepayments to suppliers – short-term	132		6,009	9,665
Loans receivable – short-term	135		-	295,000
Other short-term receivables	136	7	35,112	48,627
Allowance for doubtful debts	137	8	(63,821)	(53,297)
Inventories	140	9	39,581	117,408
Inventories	141		39,581	117,408
Other current assets	150		707,135	1,239,803
Short-term prepaid expenses	151	15(a)	18,726	33,851
Deductible value added tax	152		30,666	2,194
Taxes and others receivable from State Treasury	153		323	358
Other current assets	155	10	657,420	1,203,400

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

Vincom Retail Joint Stock Company
Separate balance sheet as at 31 December 2022 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/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 + 250 + 260)	200		27,699,698	25,726,380
Accounts receivable – long-term	210		561	561
Other long-term receivables	216		561	561
Fixed assets	220		19,184	20,399
Tangible fixed assets	221	11	9,833	9,220
Cost	222		22,186	17,454
Accumulated depreciation	223		(12,353)	(8,234)
Intangible fixed assets	227	12	9,351	11,179
Cost	228		57,261	48,958
Accumulated amortisation	229		(47,910)	(37,779)
Investment property	230	13	5,341,202	4,628,689
Cost	231		6,417,453	5,468,702
Accumulated depreciation	232		(1,076,251)	(840,013)
Long-term work in progress	240		33,776	667,777
Construction in progress	242	14	33,776	667,777
Long-term financial investments	250		18,394,706	17,949,154
Investments in subsidiaries	251	5(b)	13,959,118	12,730,965
Investments in other entities	253	5(c)	4,435,588	5,218,189
Other long-term assets	260		3,910,269	2,459,800
Long-term prepaid expenses	261	15(b)	107,478	53,208
Deferred tax assets	262		17,441	2,172
Other long-term assets	268	10	3,785,350	2,404,420
TOTAL ASSETS (270 = 100 + 200)	270		30,402,211	30,172,496

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

Vincom Retail Joint Stock Company
Separate balance sheet as at 31 December 2022 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/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		4,429,965	4,704,097
Current liabilities	310		2,069,836	1,387,945
Accounts payable to suppliers – short-term	311	16	401,112	423,576
Advances from customers – short-term	312	17	31,771	241,113
Taxes and other payables to State Treasury	313	18	131,007	31,124
Accrued expenses	315	19	243,332	382,301
Unearned revenue – short-term	318	20(a)	22,816	23,764
Other payables – short-term	319	21(a)	193,900	284,362
Short-term bonds	320	22	1,045,484	-
Provisions – short-term	321	23	414	1,705
Long-term liabilities	330		2,360,129	3,316,152
Unearned revenue – long-term	336	20(b)	176,166	166,088
Other payables – long-term	337	21(c)	235,123	184,072
Long-term bonds	338	22	1,948,840	2,965,992
EQUITY (400 = 410)	400		25,972,246	25,468,399
Owners' equity	410	24	25,972,246	25,468,399
Share capital	411	25	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		5,000	5,000
Undistributed profits after tax	421		4,586,337	4,082,490
- Undistributed profit after tax brought forward	421a		4,082,490	3,625,098
- Net profit after tax for the current year	421b		503,847	457,392
TOTAL RESOURCES (440 = 300 + 400)	440		30,402,211	30,172,496

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 separate financial statements

Vincom Retail Joint Stock Company
Separate statement of income for the year ended 31 December 2022

Form B 02 – DN
(Issued under Circular No. 200/2014/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	27	2,176,149	2,274,053
Revenue deductions	02	27	-	-
Net revenue from sale of goods and provision of services (10 = 01 - 02)	10	27	2,176,149	2,274,053
Cost of sales	11	28	1,422,049	1,400,808
Gross profit (20 = 10 - 11)	20		754,100	873,245
Financial income	21	29	356,604	400,774
Financial expenses	22	30	333,504	454,269
<i>In which: Interest expenses</i>	23		333,504	454,165
Selling expenses	25	31	72,251	118,498
General and administration expenses	26	32	67,693	130,150
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		637,256	571,102
Other income	31		7,343	11,504
Other expenses	32		4,698	2,760
Results of other activities (40 = 31 - 32)	40		2,645	8,744
Accounting profit before tax (50 = 30 + 40)	50		639,901	579,846
Current corporate income tax expense	51	34	151,323	122,454
Income tax benefit – deferred	52	34	(15,269)	-
Net profit after tax (60 = 50 - 51 - 52)	60		503,847	457,392

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 separate financial statements

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

Form B 03 – DN
(Issued under Circular No. 200/2014/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		639,901	579,846
Adjustments for				
Depreciation and amortisation	02		253,895	227,783
Allowances and provisions	03		9,233	49,314
Profits from investing activities	05		(363,341)	(400,692)
Interest expense and bonds issuance costs	06		333,489	454,165
Operating profit before changes in working capital	08		873,177	910,416
Change in receivables and other assets	09		(31,279)	(21,921)
Change in inventories	10		149,017	385,934
Change in payables and other liabilities	11		71,501	(431,330)
Change in prepaid expenses	12		(46,301)	34,362
			1,016,115	877,461
Interest paid	14		(300,343)	(504,381)
Corporate income tax paid	15		(56,155)	(208,771)
Net cash flows from operating activities	20		659,617	164,309
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(2,430,942)	(1,342,409)
Collections on investment deposits	21		336,000	827,573
Proceeds from disposals of fixed assets and other long-term assets	22		36,043	207
Payments for granting loans and placement of term deposits	23		(1,521)	(2,158,396)
Receipts from collecting loans and term deposits	24		395,000	4,719,294
Payments for investments in other entities	25		(2,000)	-
Receipts of interest	27		299,608	419,107
Net cash flows from investing activities	30		(1,367,812)	2,465,376

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

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

Form B 03 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2022 VND million	2021 VND million
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments to settle loan principals	34		-	(2,600,000)
Net cash flows from financing activities	40		-	(2,600,000)
Net cash flows during the year (50 = 20 + 30 + 40)	50		(708,195)	29,685
Cash and cash equivalents at the beginning of the year	60		2,288,471	2,258,786
Cash and cash equivalents at the end of the year (70 = 50 + 60)	70	4	1,580,276	2,288,471

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 separate financial statements

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022

Form B 09 – DN
*(Issued under Circular No. 200/2014/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 separate financial statements.

1. Reporting entity

(a) Ownership structure

Vincom Retail Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam.

(b) Principal activities

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

(c) Normal operating cycle

The Company’s 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 business is from 12 months to 36 months. The Company’s normal course of business cycle of other business activities is 12 months.

(d) Company structure

As at 31 December 2022, the Company had 802 employees (1/1/2022: 705 employees).

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

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 99.9% of equity owned and voting rights.

On 1 September 2022, Vinhomes Joint Stock Company, a related company, 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 purchased remaining 0.16% of shares in Vincom Retail Landmark 81 Joint Stock Company from individuals. On 16 December 2022, Vincom Retail Landmark 81 Joint Stock Company changed its name to Vincom Retail Landmark 81 Company Limited.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

2. Basis of preparation

(a) Statement of compliance

The separate 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.

The Company prepared and issued its consolidated financial statements on 3 March 2023. For a comprehensive understanding of the Company's consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements.

(b) Basis of measurement

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

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

(d) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND").

The separate financial statements are prepared and presented in million of Vietnam Dong ("VND million").

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of the accompanying separate financial statements.

(a) Foreign currency transactions

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 the account transfer selling rate at the end of the annual accounting period, respectively, quoted by the commercial bank where the Company most frequently conducts transactions.

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN
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(b) 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.

(c) Investments

(i) *Held-to-maturity investments*

Held-to-maturity investments are those that the Company has 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.

(ii) *Investments in subsidiaries*

For the purpose of these separate financial statements, investments in subsidiaries are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(iii) *Investments in other entities*

The Company participates in co-operation agreements with counterparties to develop and construct shopping malls, in which the Company will be entitled to full rights to operate and manage the shopping malls when they are completed and ready for commercial operations. A portion of the profit before tax from the operations of shopping malls will be shared to the counterparties. The Company's investments relating to these co-operation agreements are accounted for as investments in other entities on the balance sheet on the date the shopping malls are handed over to the Company for commercial operations until completion of the legal procedures to transfer these assets to the Company, whereupon the assets will be reclassified to investment properties.

(d) Accounts receivable from customers and other receivables

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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(e) 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 cost to sell.

The cost of inventory properties recognised in the separate 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.

(f) 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 separate 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.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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(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 – 15 years
▪ machinery and equipment	3 – 5 years
▪ office equipment	3 – 5 years

(g) 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 – 8 years.

(h) Investment property

Investment property held to earn rental

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 separate 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.

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

(i) 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 or installation.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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(j) Prepaid expenses

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

(i) 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 separate balance sheet and subsequently expensed when the Company recognises revenue from the sale of the related inventory properties and lease of shopping malls.

(ii) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company 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 separate statement of income on a straight-line basis over the term of the lease contract.

(iii) Tools and supplies

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

(iv) Overhaul expenditures

Overhaul expenditures include major repair and maintenance 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.

(k) Accounts payable to suppliers and other payables

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

(l) Provisions

A provision is recognised if, as a result of a past event, the Company has 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 shophouses

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
(continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(m) 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 bonds.

(n) Share capital and shares 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.

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Notes to the separate financial statements for the year ended 31 December 2022
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(o) Taxation

Income tax on the separate profit or loss for the year comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly in 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 end of the annual accounting period.

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.

(p) 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 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 lease of investment properties*

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

Vincom Retail Joint Stock Company

Notes to the separate financial statements for the year ended 31 December 2022

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(iii) Rendering of services

Revenue from services rendered is recognised in the separate 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 on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(v) Dividend income

Dividend income is recognised when the right to receive dividend is established.

(q) Leased assets

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

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

Where the Company is the lessee

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

Where the Company is the lessor

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

Lease income is recognised in the separate 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.

(r) 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.

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(s) Related parties

Parties are considered to be related to the Company 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 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.

(t) Comparative information

Comparative information in these separate 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 separate financial statements is not intended to present the Company's separate financial position, separate results of operation or separate cash flows for the prior year.

4. Cash and cash equivalents

	31/12/2022	1/1/2022
	VND million	VND million
Cash in banks	89,720	928,211
Cash in transit	33	6
Cash equivalents (*)	1,490,523	1,360,254
	1,580,276	2,288,471

(*) Cash equivalents represented term deposits with original term to maturity of less than 3 months and earned interest at the rate of 6.0% per annum (1/1/2022: 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).

5. Investments

(a) Held-to-maturity investments

	31/12/2022	1/1/2022
	VND million	VND million
Held-to-maturity investments – short-term		
▪ Term deposits	20,135	17,755
▪ Bonds	-	100,000
	20,135	117,755

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% – 9.5% per annum (1/1/2022: 3.7% – 5.0% per annum).

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	31/12/2022			1/1/2022				
	Quantity	% of equity owned and voting rights	Cost VND million	Fair value VND million	Quantity	% of equity owned and voting rights	Cost VND million	Fair value VND million
▪ Vincom Retail Operation Company Limited	(*)	100%	12,168,956	(**)	(*)	100%	12,168,956	(***)
▪ Suoi Hoa Urban Development and Investment Joint Stock Company	34,240,000	97.27%	562,009	(**)	34,240,000	97.27%	562,009	(***)
▪ Vincom Retail Landmark 81 Company Limited	(*)	100%	1,228,153	(**)	-	-	-	-
			13,959,118				12,730,965	

(*) These are limited liability companies.

(***) The Company has not determined the fair value of the equity investment in subsidiaries for disclosure in the separate financial statements because information about their market prices are not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair value of the equity investments may differ from their carrying amounts.

There was no allowance for diminution of investments in subsidiaries in the separate financial statements for the year ended 31 December 2022 and in the separate financial statements for the year ended 31 December 2021.

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Notes to the separate financial statements for the year ended 31 December 2022
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Details of the subsidiaries as at 31 December 2022 are described as follows:

Name	Address	Principal activity
▪ Directly owned subsidiaries:		
Vincom Retail Operation Company Limited	Symphony Office Building, Chu Huy Man Street, Ecological Residence of Vinhomes Riverside, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam.	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.
Suoi Hoa Urban Development and Investment Joint Stock Company	Km1 + 200, Tran Hung Dao Street, Suoi Hoa Ward, Bac Ninh City, Bac Ninh Province, Vietnam.	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.
Vincom Retail Landmark 81 Company Limited	Floor 20A, Vincom Center Dong Khoi Building, 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.
▪ Indirectly owned subsidiary:		
Vincom Retail Investment Joint Stock Company	Symphony Office Building, Chu Huy Man Street, Ecological Residence of Vinhomes Riverside, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam.	Leasing malls, offices and providing related services, and trading real estate property and entertainment services.

(c) Investments in other entities

Investment in other entities included capital contributions under business cooperation contracts of VND4,435,588 million (1/1/2022: VND5,218,189 million) to Vingroup Joint Stock Company, parent company, and its related companies (hereby referred to as “the counterparties”), to develop the shopping mall components of real estate projects. The construction of shopping malls has been completed and those shopping malls were ready for commercial operations. The business cooperation contracts for those shopping malls have been signed giving the Company the right to control, manage and operate the shopping malls, and to share a portion of profit before tax from the operation of the shopping malls to the counterparties.

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6. Accounts receivable from customers – short-term

	31/12/2022	1/1/2022
	VND million	VND million
Receivables from leasing activities and rendering related services	254,868	254,492
Receivables from sale of inventory properties	36,747	70,400
Receivables from rendering management services	86,471	57,792
	<hr/>	<hr/>
	378,086	382,684
	<hr/>	<hr/>

In which:

	31/12/2022	1/1/2022
	VND million	VND million
<i>Related parties:</i>		
Vincom Retail Operation Company Limited	95,069	15,349
Vinfast Commercial and Services Trading Limited Liability Company	30,133	4,130
Other related parties	11,834	12,467
<i>Third parties:</i>		
Other customers	241,050	350,738
	<hr/>	<hr/>
	378,086	382,684
	<hr/>	<hr/>

7. Other short-term receivables

(a) Other short-term receivables comprise

	31/12/2022	1/1/2022
	VND million	VND million
Interests on bank deposits, other deposits and loans	14,421	38,596
Receivable for payment on behalf	18,688	2,068
Deposits for projects and contracts	-	4,783
Others	2,003	3,180
	<hr/>	<hr/>
	35,112	48,627
	<hr/>	<hr/>

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
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(b) 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	-	40
<i>Subsidiaries</i>		
Vincom Retail Operation Company Limited	11,912	2,810
<i>Other related parties</i>		
Thai Son Investment Construction Corporation	-	10,221
Vinfast Trading and Production Joint Stock Company	44	5,173
Green City Development Joint Stock Company	5,584	5,584
Other related parties	2,027	3,882
	19,567	27,710

8. Allowances 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	155,283	63,821	177,963	53,297

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 allowances for doubtful debts during the year were as follows:

	2022	2021
	VND million	VND million
Opening balance	53,297	3,434
Increase in allowance during the year	10,524	49,883
Written off during the year	-	(20)
	63,821	53,297

Vincom Retail Joint Stock Company**Notes to the separate financial statements for the year ended 31 December 2022****(continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***9. Inventories**

	31/12/2022		1/1/2022	
	Cost VND million	Allowance VND million	Cost VND million	Allowance VND million
Completed inventory properties	19,450	-	98,158	-
Inventory properties under construction	9,521	-	9,521	-
Other inventories	10,610	-	9,729	-
	39,581	-	117,408	-

10. 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 Vingroup Joint Stock Company, parent company, and some companies within Vingroup Joint Stock Company (hereby referred to as “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, or to grant the Company the right to purchase the shopping mall component as disclosed in Note 26(c).

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2022
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Deposits to related parties for investments

	31/12/2022	1/1/2022
	VND million	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
Green City Development JSC	657,420	657,420
Can Gio Tourist City Corporation	163,000	163,000
	4,442,770	3,607,820
	4,442,770	3,607,820

11. Tangible fixed asset

	Buildings, structures	Machinery and equipment	Office equipment	Total
	VND million	VND million	VND million	VND million
Cost				
Opening balance	226	13,558	3,670	17,454
Additions	-	2,694	2,038	4,732
Closing balance	226	16,252	5,708	22,186
Accumulated depreciation				
Opening balance	226	6,525	1,483	8,234
Charge for the year	-	3,398	721	4,119
Closing balance	226	9,923	2,204	12,353
Net book value				
Opening balance	-	7,033	2,187	9,220
Closing balance	-	6,329	3,504	9,833
	-	6,329	3,504	9,833

Included in tangible fixed assets were assets costing VND4,905 million which were fully depreciated as of 31 December 2022 (1/1/2022: VND1,450 million), but which are still in active use.

Vincom Retail Joint Stock Company

Notes to the separate financial statements for the year ended 31 December 2022

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	Software VND million
Cost	
Opening balance	48,958
Additions	4,554
Transfers from long-term prepaid expenses	3,899
Other decreases	(150)
	<hr/>
Closing balance	57,261
	<hr/>
Accumulated amortisation	
Opening balance	37,779
Charge for the year	9,538
Transfers from long-term prepaid expenses	743
Other decreases	(150)
	<hr/>
Closing balance	47,910
	<hr/>
Net book value	
Opening balance	11,179
Closing balance	9,351
	<hr/> <hr/>

Included in intangible fixed assets were assets costing VND42,259 million which were fully amortised as of 31 December 2022 (1/1/2022: VND353 million), but which are still in use.

Vincom Retail Joint Stock Company**Notes to the separate financial statements for the year ended 31 December 2022**

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	Land use right and buildings, structures VND million	Machinery and equipment VND million	Total VND million
Cost			
Opening balance	4,309,028	1,159,674	5,468,702
Additions	381,749	117,678	499,427
Transfer from construction in progress	376,437	124,916	501,353
Decrease upon finalisation	(52,029)	-	(52,029)
Closing balance	5,015,185	1,402,268	6,417,453
Accumulated depreciation			
Opening balance	499,571	340,442	840,013
Charge for the year	129,449	106,789	236,238
Closing balance	629,020	447,231	1,076,251
Net book value			
Opening balance	3,809,457	819,232	4,628,689
Closing balance	4,386,165	955,037	5,341,202

Investment properties mainly include the shopping malls of the Company. As at 31 December 2022, the Company is in the process of determining the fair values of these investment properties.

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Notes to the separate financial statements for the year ended 31 December 2022
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14. Construction in progress

	2022	2021
	VND million	VND million
Opening balance	667,777	647,219
Additions	13,092	20,558
Transfers to investment properties	(501,353)	-
Transfer to inventories	(71,190)	-
Transfer of projects	(40,118)	-
Decrease upon finalisation	(34,432)	-
	<hr/>	<hr/>
Closing balance	33,776	667,777
	<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 Song Cong project	-	111,268
Vincom Plaza My Tho project	-	294,176
Vincom Plaza Bac Lieu project	-	237,588
Other projects	33,776	24,745
	<hr/>	<hr/>
	33,776	667,777
	<hr/>	<hr/>

15. Prepaid expenses

(a) Short-term prepaid expenses

	31/12/2022	1/1/2022
	VND million	VND million
Prepaid selling expenses related to sales of inventory properties not yet handed over	2,107	27,595
Prepaid provisional corporate income tax	-	1,875
Others	16,619	4,381
	<hr/>	<hr/>
	18,726	33,851
	<hr/>	<hr/>

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(b) Long-term prepaid expenses

	31/12/2022	1/1/2022
	VND million	VND million
Prepaid rental expenses	70,312	-
Overhaul expenditures	26,447	29,475
Tools and supplies	5,023	14,468
Prepaid land costs	1,449	5,572
Others	4,247	3,693
	107,478	53,208
	107,478	53,208

16. Accounts payable to suppliers – short-term

	Cost & amount	
	within payment capacity	
	31/12/2022	1/1/2022
	VND million	VND million
<i>Related parties</i>		
Vingroup Joint Stock Company	120,595	121,644
Vincom Retail Landmark 81 Company Limited	65,992	-
Vinhomes Joint Stock Company	57,932	81,335
Vietnam Investment and Consulting Investment Joint Stock Company	32,808	34,398
Other related parties	33,810	22,239
<i>Other than related parties</i>		
Other suppliers	89,975	163,960
	401,112	423,576
	401,112	423,576

17. 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	25,297	187,547
Others	6,474	53,566
	31,771	241,113
	31,771	241,113

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18. Taxes and other payables to State Treasury

	1/1/2022 VND million	Incurred VND million	Paid VND million	31/12/2022 VND million
Value added tax	8,245	101,288	(99,234)	10,299
Corporate income tax	21,624	149,448	(56,155)	114,917
Personal income tax	1,255	25,999	(25,403)	1,851
Land tax and land rental fee	-	47,988	(44,087)	3,901
Other taxes	-	2,261	(2,222)	39
	31,124	326,984	(227,101)	131,007

19. Accrued expenses – short-term

	31/12/2022 VND million	1/1/2022 VND million
Accrued loan interests	49,408	51,182
Accrued selling expenses	47,276	66,414
Accrued construction costs	33,820	208,055
Accrued salary expenses	25,381	13,804
Others	87,447	42,846
	243,332	382,301

Accrued expenses payable to related parties

	31/12/2022 VND million	1/1/2022 VND million
Other related parties	6,492	1,885

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20. Unearned revenue

(a) Unearned revenue – short-term

	31/12/2022	1/1/2022
	VND million	VND million
Portion of long-term unearned revenue to be realised within 12 months	22,816	23,764

(b) Unearned revenue – long-term

	31/12/2022	1/1/2022
	VND million	VND million
Revenue received in advance from leasing activities and rendering related services	198,982	189,852
Amount to be realised within 12 months	(22,816)	(23,764)
Amount to be realised after 12 months	176,166	166,088

21. 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	34,776	135,319
Deposits from tenants for leasing offices and shophouses to be refunded within the next 12 months	111,099	99,456
Deposits received for maintenance of handed-over properties	20,135	18,166
Deposits for site construction	13,803	12,207
Dividends payable	14	14
Others	14,073	19,200
	193,900	284,362

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Notes to the separate financial statements for the year ended 31 December 2022
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(b) Other payables – short-term to related parties

	31/12/2022 VND million	1/1/2022 VND million
<i>Subsidiary</i>		
Vincom Retail Operation Company Limited	9,895	13,489
<i>Other related parties</i>		
Vinhomes Joint Stock Company	24	4,400
Other related parties	702	2
	<hr/> 10,621	<hr/> 17,891

(c) Other payables – long-term

	31/12/2022 VND million	1/1/2022 VND million
Deposits from tenants for leasing offices and shophouses	316,222	283,528
Deposits from tenants to be refunded within the next 12 months	(111,099)	(99,456)
Deposit under the business cooperation contract	30,000	-
	<hr/> 235,123	<hr/> 184,072

(d) Other payables – long-term to related parties

	31/12/2022 VND million	1/1/2022 VND million
Vincom Retail Operation Company Limited – a subsidiary	30,000	-
Other related parties	16,254	15,497
	<hr/> 46,254	<hr/> 15,497

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22. Short-term and long-term bonds

	31/12/2022	1/1/2022
	VND million	VND million
Bonds		
Maturing within 12 months	2,994,324	2,965,992
Maturing after 12 months	(1,045,484)	-
	<hr/>	
	1,948,840	2,965,992
	<hr/>	

Terms and conditions of bonds were as follows:

	31/12/2022	1/1/2022	
	VND	VND	
Bond arrangers	million	million	Maturity date
Techcom Securities			17 April 2023,
Joint Stock Company	2,994,324	2,965,992	27 April 2023 and 26 August 2025

Interest rate applied for the first year is from 9.5% to 10% per annum, and the rate for the subsequent years is floating, being adjusted once each 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 (+) 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.

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23. Provisions – short-term

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

Movements of the provision during the year were as follows:

	2022	2021
	VND million	VND million
Opening balance	1,705	2,254
Provision made during the year	200	1,632
Provision reversed during the year	(1,491)	(2,181)
Closing balance	<u>414</u>	<u>1,705</u>

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24. 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 after tax VND million	Total VND million
Balance at 1 January 2021	23,288,184	46,983	(1,954,258)	5,000	3,625,098	25,011,007
Net profit for the year	-	-	-	-	457,392	457,392
Balance at 1 January 2022	23,288,184	46,983	(1,954,258)	5,000	4,082,490	25,468,399
Net profit for the year	-	-	-	-	503,847	503,847
Balance at 31 December 2022	23,288,184	46,983	(1,954,258)	5,000	4,586,337	25,972,246

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25. Share capital

The Company's authorised and issued share capital are:

	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.

26. Commitments

(a) Lease commitments

Commitment under operating leases where the Company is the lessor

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

	31/12/2022	1/1/2022
	VND million	VND million
Within one year	959,616	814,931
Within two to five years	1,860,537	1,620,592
More than five years	2,000,084	1,879,736
	4,820,237	4,315,259

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Commitment under operating leases where the Company is the lessee

The Company, as lessee, entered into certain operating lease agreements. The minimum lease payments under non-cancellable operating leases were as follows:

	31/12/2022 VND million	1/1/2022 VND million
Within one year	15,310	14,275
Within two to five years	61,241	57,099
More than five years	563,734	537,972
	640,285	609,346

(b) Capital commitments

The Company has entered into construction contracts on the development of real estate projects. There was no capital commitment as at 31 December 2022 (1/1/2022: VND171,611 million).

(c) Other commitments

As disclosed in Note 5(c) and Note 10, the Company 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 the counterparties, the Company has following commitments:

Commitments for co-developing of shopping malls

The Company is 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 provides 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 commits 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, or to grant the Company the right to purchase the shopping mall component.

Under those contracts, the Company is expected to make additional payments, estimated at VND775,252 million (1/1/2022: VND88,983 million), to these counterparties.

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27. Revenue from sales 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 of:

	2022	2021
	VND million	VND million
Total revenue		
▪ Revenue from sale of inventory properties	311,398	967,633
▪ Revenue from leasing activities and rendering related services	1,567,804	1,106,812
▪ Revenue from rendering management services	279,293	195,974
▪ Revenue from other services	17,654	3,634
	<hr/>	<hr/>
Net revenue	2,176,149	2,274,053
	<hr/> <hr/>	<hr/> <hr/>

28. Cost of sales

	2022	2021
	VND million	VND million
Total cost of sales		
▪ Cost from sale of inventory properties	233,429	484,461
▪ Cost from leasing activities and rendering related services	941,339	745,676
▪ Cost from rendering management services	239,237	159,626
▪ Cost from other services	8,044	11,045
	<hr/>	<hr/>
	1,422,049	1,400,808
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29. Financial income

	2022	2021
	VND million	VND million
Interest income from loans and deposits	356,604	400,774
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30. Financial expenses

	2022 VND million	2021 VND million
Interest on bonds	295,473	414,900
Amortisation of bond issuing costs	38,031	39,265
Others	-	104
	333,504	454,269
	333,504	454,269

31. Selling expenses

	2022 VND million	2021 VND million
Consulting, commission and brokerage fees	23,602	103,615
Marketing expense	19,792	10,366
Others	28,857	4,517
	72,251	118,498
	72,251	118,498

32. General and administration expenses

	2022 VND million	2021 VND million
Management fees	52,726	80,124
Provisions	10,524	49,883
Others	4,443	143
	67,693	130,150
	67,693	130,150

33. Production and business costs by elements

	2022 VND million	2021 VND million
Cost of developing inventory properties	154,721	99,203
Staff costs	122,018	77,525
Depreciation and amortisation	253,895	227,783
Outside services expenses	563,215	547,456
Management fee charged by parent company	300,418	243,921
Other expenses	89,018	68,310
	1,473,285	1,264,208
	1,473,285	1,264,208

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34. Income tax

(a) Recognised in the separate statement of income

	2022	2021
	VND million	VND million
Current tax expense		
Current year	138,560	122,454
Additional corporate income taxes	12,763	-
	<hr/>	<hr/>
	151,323	122,454
	<hr/>	<hr/>
Deferred tax benefit		
Origination of temporary differences	(15,269)	-
	<hr/>	<hr/>
	136,054	122,454
	<hr/>	<hr/>

(b) Reconciliation of effective tax rate

	2022	2021
	VND million	VND million
Accounting profit before tax	639,901	579,846
	<hr/>	<hr/>
Tax at the Company's tax rate	127,980	115,969
Non-deductible expenses	955	370
Change in unrecognised temporary differences	(5,644)	6,115
Payment of additional corporate income taxes	12,763	-
	<hr/>	<hr/>
	136,054	122,454
	<hr/>	<hr/>

(c) Applicable tax rates

The Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits.

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35. Significant transactions with related parties

Terms and conditions of transactions with related parties:

During the year, the Company 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 separate financial statements, the Company 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	155,982	209,514
Deposits for investment	2,293,180	1,070,000
Collection of deposits for investment	336,000	543,745
Interest income merged with deposits for investment	81,170	-
<i>Subsidiaries</i>		
South Vincom Retail Limited Liability Company (from 1 January 2021 to 30 September 2021)		
Revenue from provision of services	-	74,825
Interest income	-	3,647
Collection of loans	-	190,000
Vincom Retail Operation Company Limited		
Revenue from provision of services	360,822	132,330
Interest income	-	28,392
Lending	-	229,000
Collection of loans	-	1,187,294
Vincom Retail Landmark 81 Company Limited		
Purchase of goods and services	62,266	-
<i>Other related companies</i>		
Vinhomes Joint Stock Company		
Revenue from provision of services	7,414	6,912
Purchase of goods and services	132,959	151,360
Collection of deposits for investment	-	242,172
Receipt of the capital transfer	1,226,153	-

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	Transaction value	
	2022 VND million	2021 VND million
Vinpearl Joint Stock Company		
Lending	-	1,150,000
Collection of loans	-	1,150,000
Interest income	-	45,685
Revenue from provision of services	3,600	4,609
Purchase of goods and services	20,784	16,550
Prepayment of rental expenses	70,312	-
Vinfast Production and Trading Joint Stock Company		
Lending	3,250,000	295,000
Collection of loans	3,545,000	-
Interest income	54,547	5,173
Vinfast Commercial and Services Trading Limited Liability Company		
Revenue from provision of services	58,430	49,421
Central Park Development LLC		
Purchase of goods and services	4,281	3,889
Collection of deposits for investment	-	41,656
Thai Son Investment Construction Corporation		
Deposits for investment	-	192,118
Interest income	38,575	116,129
Green City Development JSC		
Interest income	65,742	65,742
Vietnam Investment and Consulting Investment JSC		
Purchase of goods and services	39,638	25,759
Vin3S Joint Stock Company		
Purchase of goods and services	7,149	7,171
Cangio tourist City Corporation		
Interest income	16,300	16,300



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	Transaction value	
	2022	2021
	VND million	VND million
Key management personnel compensation		
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 management personnel	16,795	17,273
Board of Supervision		
Mr. Chu Anh Dung - Head of Board of Supervision	737	331
Other members of Board of Supervision	-	-

36. Comparative information

The comparative information as at 1 January 2022 were derived from the balances and amounts reported in the Company’s separate 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

