

Vincom Retail Joint Stock Company

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Quarter I 2023



Vincom Retail Joint Stock Company

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Vincom Retail Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Vincom Retail Joint Stock Company ("the Company"), previously known as Vincom Retail Company Limited, is established in accordance with the Business Registration Certificate No. 0105850244 issued by the Hanoi Department of Planning and Investment on 11 April 2012. In accordance with the 2nd amended Business Registration Certificate dated 14 May 2013, the Company changed its legal form to a joint stock company and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 23rd amended Enterprise Registration Certificate being granted on 22 February 2023.

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

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

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

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

BOARD OF DIRECTORS

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

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

MANAGEMENT

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

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

SUPERVISORY BOARD

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

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

LEGAL REPRESENTATIVE

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

Ms. Pham Thi Ngoc Ha is authorised by the legal representative of the Company to sign the Company's financial statements in accordance with the Authorisation Letter No. 43/2022/GUQ-VCR dated 22 October 2022.

Vincom Retail Joint Stock Company

REPORT OF MANAGEMENT

Management of Vincom Retail Joint Stock Company (“the Company”) presents its report and the interim consolidated financial statements of the Company and its subsidiaries for Quarter I 2023.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Company and its subsidiaries and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Company and its subsidiaries as at 31 March 2023, and of the interim consolidated results of its operations and its interim consolidated cash flows for the period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of interim consolidated financial statements.

For and on behalf of the management:



Pham Thi Ngoc Ha
Chief Financial Officer

Hanoi, Vietnam

22 April 2023

INTERIM CONSOLIDATED BALANCE SHEET
as at 31 March 2023

Currency: VND million

Code	ASSETS	Notes	As at 31/03/2023	As at 31/12/2022
100	A. CURRENT ASSETS		11,909,878	10,534,650
110	<i>I. Cash and cash equivalents</i>	4	7,295,225	7,019,648
111	1. Cash		157,678	180,901
112	2. Cash equivalents		7,137,547	6,838,747
120	<i>II. Short-term investments</i>		97,924	97,426
123	1. Held-to-maturity investments	5	97,924	97,426
130	<i>III. Current accounts receivable</i>		1,354,646	1,404,486
131	1. Short-term trade receivables	6.1	1,081,452	1,115,127
132	2. Short-term advances to suppliers	6.2	70,291	99,471
136	3. Other short-term receivables	7	395,122	381,573
137	4. Provision for doubtful short-term receivables	6.1	(192,219)	(191,685)
140	<i>IV. Inventories</i>	8	1,427,450	1,178,127
141	1. Inventories		1,427,450	1,178,127
150	<i>V. Other current assets</i>		1,734,633	834,963
151	1. Short-term prepaid expenses	9	162,751	119,002
152	2. Value-added tax deductible		47,874	49,766
153	3. Tax and other receivables from the State		8,588	8,775
155	4. Other current assets	10	1,515,420	657,420
200	B. NON-CURRENT ASSETS		32,349,091	32,166,438
210	<i>I. Long-term receivables</i>		9,668	8,222
216	1. Other long-term receivables		9,668	8,222
220	<i>II. Fixed assets</i>		417,028	418,007
221	1. Tangible fixed assets	11	402,482	407,364
222	Cost		629,771	628,672
223	Accumulated depreciation		(227,289)	(221,308)
227	2. Intangible assets	12	14,546	10,643
228	Cost		67,990	63,007
229	Accumulated amortisation		(53,444)	(52,364)
230	<i>III. Investment properties</i>	13	26,176,341	26,514,396
231	1. Cost		35,186,039	35,199,059
232	2. Accumulated depreciation		(9,009,698)	(8,684,663)
240	<i>IV. Long-term assets in progress</i>		700,593	699,496
242	1. Construction in progress	14	700,593	699,496
260	<i>V. Other long-term assets</i>		5,045,461	4,526,317
261	1. Long-term prepaid expenses	9	468,042	477,603
262	2. Deferred tax assets		107,956	74,337
268	3. Other long-term assets	10	4,298,582	3,785,350
269	4. Goodwill	15	170,881	189,027
270	TOTAL ASSETS		44,258,969	42,701,088

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 31 March 2023

Currency: VND million

Code	RESOURCES	Notes	As at 31/03/2023	As at 31/12/2022
300	C. LIABILITIES		9,816,913	9,276,398
310	I. Current liabilities		6,294,958	5,819,458
311	1. Short-term trade payables	16	764,836	724,826
312	2. Short-term advances from customers	17	1,421,142	1,215,154
313	3. Statutory obligations	18	1,132,282	832,693
315	4. Short-term accrued expenses	19	707,819	726,984
318	5. Short-term unearned revenues	21	70,339	83,196
319	6. Short-term other payables	20	1,119,410	1,160,973
320	7. Short-term loan and debts	22.1	1,068,860	1,065,371
321	8. Short-term provisions		7,374	7,365
322	9. Bonus and welfare fund		2,896	2,896
330	II. Non-current liabilities		3,521,955	3,456,940
336	1. Long-term unearned revenues	21	120,346	124,011
337	2. Other long-term liabilities	20	1,200,378	1,137,374
338	3. Long-term loan and debts	22.2	2,127,463	2,121,300
341	4. Deferred tax liabilities		73,768	74,255
400	D. OWNERS' EQUITY		34,442,056	33,424,690
410	I. Capital	23	34,442,056	33,424,690
411	1. Issued share capital		23,288,184	23,288,184
411a	- Shares with voting rights		23,288,184	23,288,184
412	2. Share premium		46,983	46,983
415	3. Treasury shares		(1,954,258)	(1,954,258)
420	4. Other funds belonging to owners' equity		(53,137)	(53,137)
421	5. Undistributed earnings		13,091,034	12,064,570
421a	- Undistributed earnings up to prior year		12,064,570	9,288,513
421b	- Undistributed earnings of current period		1,026,464	2,776,057
429	6. Non-controlling interests		23,250	32,348
440	TOTAL LIABILITIES AND OWNERS' EQUITY		44,258,969	42,701,088

Nguyen Thi Yen Nhung
Preparer

Nguyen Thi Lan Huong
Chief Accountant



Pham Thi Ngoc Ha
Chief Financial Officer

22 April 2023

INTERIM CONSOLIDATED INCOME STATEMENT
Quarter I 2023

Currency: VND million

Code	ITEMS	Notes	Quarter I 2023	Quarter I 2022
01	1. Revenue from sale of goods and rendering of services	24.1	1,943,276	1,369,460
02	2. Deductions	24.1	-	-
10	3. Net revenue from sale of goods and rendering of services	24.1	1,943,276	1,369,460
11	4. Cost of goods sold and services rendered	25	(754,924)	(758,105)
20	5. Gross profit from sale of goods and rendering of services		1,188,352	611,355
21	6. Finance income	24.2	223,816	102,854
22	7. Finance expenses	26	(100,408)	(89,512)
23	<i>In which: Interest expenses</i>		(100,408)	(89,512)
25	8. Selling expenses	27	(28,678)	(54,586)
26	9. General and administrative expenses	27	(79,047)	(87,799)
30	10. Operating profit		1,204,035	482,312
31	11. Other income		60,690	18,425
32	12. Other expenses		(15,943)	(57)
40	13. Other profit		44,747	18,368
50	14. Accounting profit before tax		1,248,782	500,680
51	15. Current corporate income tax expenses	28	(258,877)	(123,519)
52	16. Deferred tax income	28	34,106	436
60	17. Net profit after tax		1,024,011	377,597
61	18. Net profit after tax attributable to shareholders of the parent		1,023,846	377,435
62	19. Net profit after tax attributable to non-controlling interests		165	162



Nguyen Thi Yen Nhung
Preparer



Nguyen Thi Lan Huong
Chief Accountant



Pham Thi Ngoc Ha
Chief Financial Officer

22 April 2023

INTERIM CONSOLIDATED CASH FLOW STATEMENT
Quarter I 2023

Currency: VND million

Code	ITEMS	For the 3-month period ended 31 Mar 2023	For the 3-month period ended 31 Mar 2022
	I. CASH FLOWS FROM OPERATING ACTIVITIES		
01	Profit before tax	1,248,782	500,680
	<i>Adjustments for:</i>		
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible assets (including amortisation of goodwill)	371,221	347,891
03	Provisions	542	21,805
05	Profits from investing activities	(223,816)	(102,854)
06	Interest expenses and bond issue costs	100,408	89,512
08	Operating profit before changes in working capital	1,497,137	857,034
09	Changes in receivables	92,943	206,171
10	Changes in inventories	(249,323)	51,702
11	Changes in payables (other than interest, corporate income tax)	262,751	(135,889)
12	Changes in prepaid expenses	(35,172)	12,759
14	Interest paid	(83,906)	(86,818)
15	Corporate income tax paid	(1,848)	(101,442)
20	Net cash flows from operating activities	1,482,582	803,517
	II. CASH FLOWS FROM INVESTING ACTIVITIES		
21	Purchase, construction of fixed assets and other long-term assets	(1,925,740)	(434,963)
21	Collection on investment deposits	543,768	-
22	Proceeds from disposals of fixed assets and other long-term assets	1,081	-
23	Loans to other entities and payments for purchase of debt	-	(101,980)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities	-	295,000
27	Interest and dividends received	179,235	29,909
30	Net cash flows (used in)/from investing activities	(1,201,656)	(212,034)
	III. CASH FLOWS FROM FINANCING ACTIVITIES		
35	Repayment of finance lease	(5,349)	-
40	Net cash flows (used in)/from financing activities	(5,349)	-
50	Net increase/(decrease) in cash and cash equivalents for the period	275,577	591,483
60	Cash and cash equivalents at the beginning of the period	7,019,648	3,297,060
70	Cash and cash equivalents at the end of the period	7,295,225	3,888,543



Nguyen Thi Yen Nhung
Preparer



Nguyen Thi Lan Huong
Chief Accountant



Pham Thi Ngoc Ha
Chief Financial Officer

22 April 2023

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
Quarter I 2023**1. CORPORATE INFORMATION**

Vincom Retail Joint Stock Company ("the Company"), previously known as Vincôm Retail Company Limited; is established in accordance with the Business Registration Certificate No. 0105850244 issued by the Hanoi Department of Planning and Investment on 11 April 2012. In accordance with the 2nd amended Business Registration Certificate dated 14 May 2013, the Company changed its legal form to a joint stock company and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 23rd amended Enterprise Registration Certificate being granted on 22 February 2023.

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

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

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

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

The number of employees of the Company and its subsidiaries as at 31 March 2023 is 2,120 (31 December 2022: 2,364).

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

Corporate structure

The Company has 04 following subsidiaries as at 31 March 2023:

<i>No.</i>	<i>Name</i>	<i>Voting right (%)</i>	<i>Equity interest (%)</i>	<i>Registered office's address</i>	<i>Principal activities</i>
1	Vincom Retail Operation Company Limited	100.00	100.00	Symphony Tower, Chu Huy Man street, Phuc Loi ward, Long Bien district, Hanoi.	Leasing and trading real estate property
2	Suoi Hoa Urban Development and Investment JSC	99.90	99.90	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province.	Leasing and trading real estate property
3	Vincom Retail Investment LTD	99.90	99.90	Symphony Tower, Chu Huy Man street, Phuc Loi ward, Long Bien district, Hanoi.	Leasing and trading real estate property
4	Vincom Retail Landmark 81 LTD	100.00	100.00	Floor 20A, Vincom Center Dong Khoi Building, 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City.	Leasing and trading real estate property

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**2. BASIS OF PREPARATION****2.1 Accounting standards and system**

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

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

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

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

The Company's accounting currency is VND.

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

2.5 Basic of consolidation

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the reporting period ended 31 March 2023.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases, unless the parent's control is temporary when the subsidiary is acquired and held for sales in less than 12 months.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**2. BASIS OF PREPARATION (continued)****2.5 Basic of consolidation (continued)**

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the interim consolidated income statement and within equity in the interim consolidated balance sheet, separately from parent shareholders' equity.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings or accumulated losses.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks, cash in transit and short-term, highly liquid investments with an original maturity of no longer than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories*Inventory properties*

Property being constructed for sale in the ordinary course of business or for long-term lease qualified for recognition of outright sales, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost incurred in bringing the inventories to their present location and condition, and net realisable value.

Cost includes:

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

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

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

Other inventories

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 to sell.

The perpetual method is used to record the costs of other inventories, cost of other inventories is valued at the cost of purchase, on weighted average basis.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.2 Inventories (continued)***Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company and its subsidiaries, based on appropriate evidence of impairment available at the balance sheet date. Increases and decreases to the provision balance are recorded into the cost of goods sold account in the interim consolidated income statement.

3.3 Receivables

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

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.5 Leased assets

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

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

Where the Company and its subsidiaries are the lessee

Assets held under finance leases are capitalised in the interim 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 interim consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Leased assets (continued)

Where the Company and its subsidiaries are the lessee (continued)

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company and its subsidiaries will obtain ownership by the end of the lease term.

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

Rentals under operating leases are charged to the interim consolidated income statement 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 interim consolidated balance sheet.

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

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

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

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

3.7 Depreciation and amortisation

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

Buildings and structures	5 - 15 years
Machinery and equipment	2 - 15 years
Means of transportation	4 - 15 years
Office equipment	3 - 10 years
Computer software	3 - 8 years
Others	3 - 15 years

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Investment properties*

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

Costs include the amount of cash paid or the fair value of other consideration given by the Company and its subsidiaries to acquire an asset at the time of acquisition or construction. The Company and its subsidiaries recognise an investment property in the consolidated financial statements when the significant risks and rewards incident to ownership of the property have been passed to the Company and its subsidiaries from the transferor, not depending on the form of the sales and purchase contract or the time at which legal documents relating to ownership of the properties are transferred.

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

Land use rights presented as investment properties include definite and indefinite land use rights granted to the Company for the development of its investment properties. Definite land use rights are depreciated during authorised period. No amortisation is charged for indefinite land use rights.

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

Land use rights, buildings and structures	5 - 50 years
Machinery and equipment	3 - 25 years

The land use rights with indefinite terms is presented as investment properties based on the certificate of land use right granted by relevant authorities and no amortisation should be charged.

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

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

The Company and its subsidiaries have contributed capital to cooperate in the investment, construction and development of shopping centers. Under the business co-investment contract, 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. According to which, the shopping centers are recognized by the Company and its subsidiaries as investment properties in the interim consolidated balance sheet upon the hand over of these properties.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.9 Borrowing costs**

Borrowing costs consist of interest and other costs that the Company and its subsidiaries incur in connection with the borrowing of funds.

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

3.10 Prepaid expenses

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

Long-term prepaid expenses include long-term prepaid land rental in accordance with Circular No. 45/2013/TT-BTC, prepaid premise expense under operating lease terms, pre-operating expenses, tools and supplies, and other prepaid expenses that bring future economic benefits for more than one year.

3.11 Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Company and its subsidiaries' interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the interim consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-years on a straight-line basis. The Company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the annually allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the interim consolidated income statement.

Assets acquisitions and business combinations

The Company and its subsidiaries acquire subsidiaries that own real estate projects. At the date of acquisition, the Company considers whether the acquisition represents the acquisition of a business. The Company accounts 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.11 Business combinations and goodwill** (continued)*Business combinations involving entities under common control*

Business combinations involving entities under common control are accounted for as follows:

- ▶ The assets and liabilities of the two combined entities are reflected at their carrying amounts at the date of business combination;
- ▶ No goodwill is recognised from the business combination;
- ▶ The interim consolidated income statement reflects the results of the combined entities from the date of the business combination; and
- ▶ Any difference between the consideration paid and the net assets of the acquiree is recorded in equity.

Where the Company loses control of its subsidiary, which was previously consolidated under common control, the difference recognised in equity between the consideration and the net assets of the subsidiary at the acquisition date will be reclassified to the undistributed earnings at the date of disposal.

3.12 Held-to-maturity investments

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

3.13 Payables and accruals

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

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

3.14 Provisions

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

Expenses relating to provisions are recognised in the interim consolidated income statement.

Provision for warranty expenses for apartments and shop-houses

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.15 Foreign currency transactions**

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

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

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

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

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

3.16 Appropriation of net profits

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

3.17 Advance from customers

Payments received from customers as deposits for the purchase of apartments and shop-houses in the future that do not meet the conditions for revenue recognition, are recognised and presented as "Advances from customers" in the interim consolidated balance sheet.

3.18 Revenue recognition

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

Revenue from sale of inventory properties

Revenue from sale of inventory property is recognised when the significant risks and rewards incident to ownership of the properties have been passed to the buyer. For multiple-element arrangements that trigger the performance obligation of the seller in the future, revenue recognised will be the fair value of the consideration received or receivable less the fair value of the undelivered component.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.18 Revenue recognition** (continued)*Revenue from sale of inventory properties* (continued)

Revenue from sale of inventory property 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;
- ▶ Almost all risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- ▶ Lessor must estimate the full cost of leasing activity.

Revenue from leasing of investment properties

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

Rendering of services

Revenue from entertainment services, investment properties management and brokerage and other related services is recorded based on percentage of completion when the services are rendered and the outcome of the contract is certainly determined.

Gains from capital transfer

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

Interest

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

Dividends

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.19 Taxation***Current income tax*

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

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

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

Deferred tax

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

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

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

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

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

3.19 *Taxation* (continued)

Deferred tax (continued)

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

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

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

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

3.20 *Related parties*

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

4. **CASH AND CASH EQUIVALENTS**

Currency: VND million

	<i>As at 31/03/2023</i>	<i>As at 31/12/2022</i>
Cash in banks	157,664	180,755
Cash in transit	14	146
Cash equivalents	7,137,547	6,838,747
TOTAL	7,295,225	7,019,648

Cash equivalents as at 31 March 2023 comprised bank deposits and investments in VND with maturity terms from 1 to 3 months and earning interest at the rates ranging from 5.1% to 8.5% per annum (as at 31 December 2022: maturity terms from 1 to 3 months and earning interest at the rates ranging from 5.1% to 8.5% per annum).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

5. HELD-TO-MATURITY INVESTMENTS

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Short-term held-to-maturity investments (i)	97,924	97,426
TOTAL	97,924	97,426

- (i) Ending balance of short-term held-to-maturity investments comprised short-term bank deposits in VND with terms ranging from 6 months to 12 months and earning interest at the rate ranging from 5.7% to 10.7% per annum (31 December 2022: terms ranging from 6 months to 12 months and earning interest at the rate ranging from 3.9% to 10.7% per annum), solely maintenance fund of the handed over apartments and shop-house and will be transferred to the building management boards.

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Receivables from leasing activities and rendering related services	938,671	906,945
Receivables from sale of inventory properties	124,735	194,112
Others	18,046	14,070
TOTAL	1,081,452	1,115,127
<i>In which:</i>		
<i>Trade receivables from customers</i>	935,910	866,471
<i>Trade receivables from related parties (Note 29)</i>	145,542	248,656
Provision for doubtful short-term receivables	(192,219)	(191,685)

6.2 Short-term advances to suppliers

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Advances to suppliers	67,638	95,419
Advances to related parties	2,653	4,052
TOTAL	70,291	99,471

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

7. OTHER SHORT-TERM RECEIVABLES

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Interests deposits	96,288	51,707
Receivables for business cooperation contract	267,399	295,076
Guarantee deposits for project development and contract Implementation	7,945	7,945
Receivable for payment on behalf	6,478	10,677
Others	17,012	16,168
TOTAL	395,122	381,573
<i>In which:</i>		
<i>Other receivables</i>	53,640	67,819
<i>Other receivables from related parties</i> <i>(Note 29)</i>	341,482	313,754

8. INVENTORIES

Currency: VND million

	<u>As at 31/03/2023</u>		<u>As at 31/12/2022</u>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Inventory properties under construction (i)	1,398,964	-	1,130,619	-
Completed inventory properties	18,906	-	24,477	-
Others	9,580	-	23,031	-
TOTAL	1,427,450	-	1,178,127	-

(i) The balance mainly comprises of construction and development costs of shop-houses for sale.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

9. PREPAID EXPENSES

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Short-term:		
Selling expenses related to sale of inventory properties not yet handed over	138,890	90,506
Others	23,861	28,496
TOTAL	<u>162,751</u>	<u>119,002</u>
Long-term:		
Prepaid rental to a related party for leasing commercial areas (Note 29)	324,043	327,319
Overhaul expenditures	123,105	131,076
Tools and supplies	12,464	12,711
Others	8,430	6,497
TOTAL	<u>468,042</u>	<u>477,603</u>

- (i) Ecology Development and Investment JSC, a company under common control of Vingroup JSC, leased the shopping mall component of Vincom Plaza Quang Trung project and Vincom Plaza Le Van Viet project to Vincom Retail Operation Company Limited in accordance with the shopping mall leasing contracts.

10. OTHER ASSETS

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Short-term:		
Deposits to related parties for investment purposes (Note 29) (i)	1,515,420	657,420
TOTAL	<u>1,515,420</u>	<u>657,420</u>
Long-term:		
Deposits to related parties for investment purposes (Note 29) (i)	4,298,582	3,785,350
TOTAL	<u>4,298,582</u>	<u>3,785,350</u>

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
 Quarter I 2023

11. TANGIBLE FIXED ASSETS

Currency: VND million

	Buildings and structures	Machinery and equipment	Office equipment	Others	Total
Cost:					
Beginning balance	271,258	305,066	26,758	25,590	628,672
- Increase	-	3,764	-	-	3,764
- Write-off	-	-	-	(2,665)	(2,665)
Ending balance	271,258	308,830	26,758	22,925	629,771
Accumulated depreciation:					
Beginning balance	25,110	163,788	16,986	15,424	221,308
- Depreciation for the period	864	6,288	863	631	8,646
- Write-off	-	-	-	(2,665)	(2,665)
Ending balance	25,974	170,076	17,849	13,390	227,289
Net carrying amount:					
Beginning balance	246,148	141,278	9,772	10,166	407,364
Ending balance	245,284	138,754	8,909	9,535	402,482

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

12. INTANGIBLE ASSETS

	<i>Currency: VND million</i>	
	<u>Computer software</u>	
Cost:		
Beginning balance		63,007
- Increase		4,983
Ending balance		67,990
Accumulated amortisation:		
Beginning balance		52,364
- Amortisation for the period		1,080
Ending balance		53,444
Net carrying amount:		
Beginning balance		<u>10,643</u>
Ending balance		<u>14,546</u>

13. INVESTMENT PROPERTIES

	<i>Currency: VND million</i>		
	<i>Land use rights, buildings and structures</i>	<i>Machinery and equipment</i>	<i>Total</i>
Cost:			
Beginning balance	28,702,542	6,496,517	35,199,059
Increase	1,604	-	1,604
Other decreases	(17,057)	-	(17,057)
Transferred from inventory	2,433	-	2,433
Ending balance	28,689,522	6,496,517	35,186,039
Accumulated depreciation:			
Beginning balance	5,079,089	3,605,574	8,684,663
Depreciation for the period	201,414	140,953	342,367
Other decreases	(17,332)	-	(17,332)
Ending balance	5,263,171	3,746,527	9,009,698
Net carrying amount:			
Beginning balance	<u>23,623,453</u>	<u>2,890,943</u>	<u>26,514,396</u>
Ending balance	<u>23,426,351</u>	<u>2,749,990</u>	<u>26,176,341</u>

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 borrowings and corporate bonds of the Company and its subsidiaries are disclosed in Note 22.

Revenue and operating expenses related to investment properties are disclosed in Note 24.3.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

14. CONSTRUCTION IN PROGRESS

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Bac Ninh Hotel Project	207,593	200,140
Vincom Plaza Dien Bien	135,166	129,661
Vincom Plaza Bien Hoa 2	135,650	135,650
Vincom Plaza Dong Ha Quang Tri	127,249	121,660
Other projects	94,935	112,385
TOTAL	<u>700,593</u>	<u>699,496</u>

15. GOODWILL

Currency: VND million

	<u>Goodwill arisen from acquisition of</u>			Total
	<i>Vincom Center Long Bien One Member LLC (i)</i>	<i>Khanh Gia Investment Trading Services JSC (i)</i>	<i>An Phong Investment JSC (i)</i>	
Cost:				
Beginning balance	33,000	210,288	482,549	725,837
Ending balance	33,000	210,288	482,549	725,837
Accumulated amortisation:				
Beginning balance	31,870	159,874	345,066	536,810
Amortisation for the	825	5,257	12,064	18,146
Ending balance	32,695	165,131	357,130	554,956
Net carrying amount:				
Beginning balance	1,130	50,414	137,483	189,027
Ending balance	305	45,157	125,419	170,881

(i) These companies were merged into Vincom Retail Operation Company Limited.

16. SHORT-TERM TRADE PAYABLES

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Trade payables to suppliers	344,772	336,802
Trade payables to related parties (Note 29)	420,064	388,024
TOTAL	<u>764,836</u>	<u>724,826</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**17. ADVANCE FROM CUSTOMERS**

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Downpayment from customers under sale and purchase of real estate agreements	1,402,599	1,194,835
Downpayment from tenants for leasing activities and rendering related services	14,496	18,671
Others	4,047	1,648
TOTAL	<u>1,421,142</u>	<u>1,215,154</u>

18. STATUTORY OBLIGATIONS

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Payables		
Corporate income tax	978,268	721,108
Value added tax	123,533	95,247
Land use fee and land rental fee	-	11,771
Others	30,481	4,567
TOTAL	<u>1,132,282</u>	<u>832,693</u>

19. SHORT-TERM ACCRUED EXPENSES

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Accrued construction costs	269,849	235,342
Accrued loans and bond interests	82,238	71,365
Accrued selling expenses	63,348	73,945
Others	292,384	346,332
TOTAL	<u>707,819</u>	<u>726,984</u>
<i>In which:</i>		
Accrued expenses due to others	685,970	703,966
Accrued expenses due to related parties (Note 29)	21,849	23,018

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**20. OTHER PAYABLES**

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Short-term:		
Deposits received under deposit and loan contracts	482,229	453,952
Deposits from tenants to be refunded within the next 12 months	405,359	441,421
Maintenance fund	98,447	97,930
Deposits for site construction	39,289	41,499
Dividend payable	-	14
Other payables	94,086	126,157
TOTAL	<u>1,119,410</u>	<u>1,160,973</u>
<i>In which:</i>		
Other short-term payables	1,048,588	1,075,615
Other short-term payables to related parties (Note 29)	70,822	85,358
Long-term:		
Deposits from tenants	1,380,148	1,352,736
Less: Deposits from tenants to be refunded within the next 12 months (Presented in Short-term)	(405,359)	(441,421)
Deposit under business cooperation contracts	180,000	180,000
Other deposits	45,589	46,059
TOTAL	<u>1,200,378</u>	<u>1,137,374</u>
<i>In which:</i>		
Other long-term payables	956,319	897,578
Other long-term payables to related parties (Note 29)	244,059	239,796

21. UNEARNED REVENUES

Currency: VND million

	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Short-term unearned revenues	70,339	83,196
Long-term unearned revenues	120,346	124,011
TOTAL	<u>190,685</u>	<u>207,207</u>
<i>In which:</i>		
Unearned revenues received from related parties (Note 29)	60,335	74,488
Unearned revenues received from others	130,350	132,719

Unearned revenue mainly includes advances from lessees to the Company and its subsidiaries for leasing spaces in shopping malls.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

22. LOANS AND DEBTS

22.1 Short-term loans and debt

Currency: VND million

	Note	As at 31/03/2023		As at 31/12/2022	
		Carrying value	Payable amount	Carrying value	Payable amount
Current portion of long-term corporate bonds	(i)	1,048,973	1,048,973	1,045,484	1,045,484
Current portion of long-term debts from related parties	29	19,887	19,887	19,887	19,887
TOTAL		1,068,860	1,068,860	1,065,371	1,065,371

(i) Ending balance comprises:

<i>Bond arranger</i>	<i>As at 31/03/2022 (VND million)</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Secured assets</i>
Techcom Securities Joint Stock Company	1,048,973	April 2023	The 12-month interest paid-in-arrears VND saving rate plus (+) 3.25% per annum with interest paid quarterly.	(*)
TOTAL	1,048,973			

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**22.2 Long-term loans and debt**

Currency: VND million

	Note	As at 31/03/2023		As at 31/12/2022	
		Carrying value	Payable amount	Carrying value	Payable amount
Corporate bonds	(ii)	1,954,859	1,954,859	1,948,840	1,948,840
Other long-term debts from related parties	29	172,604	172,604	172,460	172,460
TOTAL		2,127,463	2,127,463	2,121,300	2,121,300

(ii) Ending balance comprises:

<i>Bond arranger</i>	<i>As at 31/03/2022 (VND million)</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Secured assets</i>
Techcom Securities Joint Stock Company	1,954,859	August 2025	The 12-month interest paid-in-arrears VND saving rate plus (+) 3.5% per annum with interest paid quarterly.	(**)
TOTAL	1,954,859			

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

23. OWNERS' EQUITY

23.1 Increase and decrease in owner's equity

Currency: VND million

	Shares with voting right	Share premium	Treasury shares	Undistributed earnings	Other funds belonging to owners' equity	Non-controlling interests	Total
For the 3-month period ended 31 March 2022							
Beginning balance	23,288,184	46,983	(1,954,258)	9,288,513	(53,420)	34,827	30,650,829
- Net profit for the period	-	-	-	377,435	-	162	377,597
Ending balance	23,288,184	46,983	(1,954,258)	9,665,948	(53,420)	34,989	31,028,426
For the 3-month period ended 31 March 2023							
Beginning balance	23,288,184	46,983	(1,954,258)	12,064,570	(53,137)	32,348	33,424,690
- Net profit for the period	-	-	-	1,023,846	-	165	1,024,011
- Others	-	-	-	2,618	-	(9,263)	(6,645)
Ending balance	23,288,184	46,983	(1,954,258)	13,091,034	(53,137)	23,250	34,442,056

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

23. OWNERS' EQUITY (continued)

23.2 Shares

	As at 31/03/2023		As at 31/12/2022	
	Quantity	Amount VND million	Quantity	Amount VND million
Registered and issued shares				
Ordinary shares	2,328,818,410	23,288,184	2,328,818,410	23,288,184
Preference shares	-	-	-	-
Total	2,328,818,410	23,288,184	2,328,818,410	23,288,184
Outstanding shares				
Ordinary shares	2,272,318,410	22,723,184	2,272,318,410	22,723,184
Preference shares	-	-	-	-
Total	2,272,318,410	22,723,184	2,272,318,410	22,723,184

Par value of each outstanding share: VND 10,000 per share (31 December 2022: VND 10,000 per share).

24. REVENUE

24.1 Revenue from sale of goods and rendering of services

	Currency: VND million	
	Quarter I 2023	Quarter I 2022
Gross revenue	1,943,276	1,369,460
In which:		
Leasing activities and rendering of related services	1,913,158	1,246,219
Sale of inventory properties	2,779	84,270
Others	27,339	38,971
Deduction	-	-
Net revenue	1,943,276	1,369,460
In which:		
Revenue from sale to related parties	164,065	138,677
Revenue from sale to others	1,779,211	1,230,783

24.2 Finance income

	Currency: VND million	
	Quarter I 2023	Quarter I 2022
Interest income from loans and deposits	223,816	102,854
TOTAL	223,816	102,854

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**24. REVENUE** (continued)**24.3 Revenue and expenses relating to investment properties**

Currency: VND million

	<u>Quarter I 2023</u>	<u>Quarter I 2022</u>
Revenue from leasing of investment properties and rendering of related services (Note 24.1)	1,913,158	1,246,219
Direct operating costs related to investment properties generating income in the period (Note 25)	732,286	675,932

25. COST OF GOODS SOLD AND SERVICES RENDERED

Currency: VND million

	<u>Quarter I 2023</u>	<u>Quarter I 2022</u>
Cost of leasing activities and rendering of related services	732,286	675,932
Cost of inventory properties sold	1,788	51,874
Others	20,850	30,299
TOTAL	<u>754,924</u>	<u>758,105</u>

26. FINANCE EXPENSES

Currency: VND million

	<u>Quarter I 2023</u>	<u>Quarter I 2022</u>
Interests on loans and bond	90,901	80,004
Amortisation of bond issue costs	9,507	9,508
TOTAL	<u>100,408</u>	<u>89,512</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**27. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES***Currency: VND million*

	<u>Quarter I 2023</u>	<u>Quarter I 2022</u>
Selling expenses	28,678	54,586
Labour cost	11,023	20,955
Consulting, commission and brokerage fees	4,944	12,092
Branding and marketing cost	11,571	19,226
Depreciation and amortisation	1,009	1,730
Out-sourcing services	64	55
Others	67	528
General and administrative expenses	79,047	87,799
Labour cost	26,384	10,268
Depreciation and amortisation	19,186	20,262
Provision expenses	533	21,628
Out-sourcing services	10,506	9,812
Others	3,408	1,186
Management fee	19,030	24,643
TOTAL	<u>107,725</u>	<u>142,385</u>

28. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") applicable to the Company and its subsidiaries for Quarter I 2023 is 20% of taxable profit (for Quarter I 2023: 20%).

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

Currency: VND million

	<u>Quarter I 2023</u>	<u>Quarter I 2022</u>
Current corporate income tax expenses	258,877	123,519
Deferred tax income	(34,106)	(436)
TOTAL	<u>224,771</u>	<u>123,083</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

<u>Related parties</u>	<u>Relationship</u>
Vingroup JSC	Parent company
Vinhomes JSC	Under common control
Ecology Development and Investment JSC	Under common control
Vinpearl JSC	Under common control
Central Park Development LLC	Under common control
Vietnam Investment and Consulting Investment JSC	Under common control
Can Gio Tourist City Corporation	Under common control
Vinschool JSC	Under common control
Thai Son Investment Construction Corporation	Under common control
Gia Lam Urban Development and Investment LLC	Under common control
Vin3S JSC	Under common control
Vinfast Trading and Production JSC	Under common control
Vinfast Commercial and Services Trading LLC	Under common control
Green City Development JSC	Under common control
Millenium Trading Investment And Development LLC	Under common control

Significant transactions with related parties during the period:

	<i>Currency: VND million</i>	
	<i>From</i>	<i>From</i>
	<i>01/01/2023 to</i>	<i>01/01/2023 to</i>
	<i>31/03/2023</i>	<i>31/03/2023</i>
Receivables from leasing and rendering of related services		
Vinhomes JSC	69,589	71,626
Vinfast Commercial and Services Trading LLC	49,980	43,065
Vinpearl JSC	18,959	14,157
Vinschool JSC	18,054	53
Millenium Trading Investment And Development LLC	4,413	4,939
Payables for purchase of goods and services		
Vingroup JSC	22,291	28,240
Vinhomes JSC	8,407	27,235
Vin3S JSC	6,567	1,095
Vinpearl JSC	2,572	3,728
Ecology Development and Investment JSC	8	9,273
Deposit for investment purpose		
Vingroup JSC	125,000	-
Vinhomes JSC	1,090,000	-
Green City Development JSC	700,000	-
Collection from deposit for investment purpose		
Vingroup JSC	543,768	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
 Quarter I 2023

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

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

Currency: VND million

	<i>From 01/01/2023 to 31/03/2023</i>	<i>From 01/01/2023 to 31/03/2023</i>
Lending		
Vinfast Trading and Production JSC	2,475,000	1,500,000
Collection of loan principal		
Vinfast Trading and Production JSC	2,475,000	1,795,000
Interests receivable		
Vingroup JSC	53,577	-
Vinfast Trading and Production JSC	43,310	29,495
Green City Development JSC	19,453	16,210
Vinhomes JSC	5,077	-
Can Gio Tourist City Corporation	4,019	4,019
Thai Son Investment Construction Corporation	-	29,673

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Amounts due from and due to related parties:

Currency: VND million

<u>Related parties</u>	<u>Transactions</u>	<u>As at 31/03/2023</u>	<u>As at 31/12/2022</u>
Short-term trade receivable (Note 6.1)			
Vinhomes JSC	Receivables from leasing property and provision of related services	76,306	53,084
Vinfast Commercial and Services Trading LLC	Receivables from leasing property and provision of related services	54,811	99,762
Vinfast Trading and Production JSC	Receivables from leasing property and provision of related services	72	17,382
Thai Son Investment Construction Corporation	Receivables from leasing property and provision of related services	-	64,553
Other companies in the Group	Other receivables	14,353	13,875
		145,542	248,656
Other short-term receivables (Note 7)			
Vietnam Investment and Consulting Investment JSC	Receivable for business cooperation contract	132,145	132,145
	Other receivables	-	132
Vinhomes JSC	Receivable for business cooperation contract	45,264	40,425
	Other receivables	834	1,224
Vingroup JSC	Interests receivable from deposits	45,830	-
	Receivable for business cooperation contract	80,398	112,432
	Other receivables	-	24
Green City Development JSC	Interests receivable from deposits	8,826	5,584
Central Park Development LLC	Receivable for business cooperation contract	10,074	10,074
Vinpearl JSC	Other receivables	7,532	10,192
Other companies in the Group	Other receivables	10,579	1,522
		341,482	313,754
Long-term prepaid expenses (Note 9)			
Ecology Development and Investment JSC	Long-term lease prepaid	225,025	227,578
Vinpearl JSC	Long-term lease prepaid	99,017	99,742
		324,042	327,319

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

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

Related parties	Transactions	Currency: VND million	
		As at 31/03/2023	As at 31/12/2022
Other current assets (Note 10)			
Vingroup JSC	Deposits for business cooperation	158,000	-
Green City Development JSC	Deposits for business cooperation	1,357,420	657,420
		1,515,420	657,420
Other long-term assets (Note 10)			
Vingroup JSC	Deposits for business cooperation	3,045,582	3,622,350
Vinhomes JSC	Deposits for business cooperation	1,090,000	-
Can Gio Tourist City Corporation	Deposits for business cooperation	163,000	163,000
		4,298,582	3,785,350
Short-term trade payables (Note 16)			
Vingroup JSC	Payables for purchase of assets, goods and services	51,282	59,379
Vinpearl JSC	Payables for purchase of assets, goods and services	75,874	77,932
Thai Son Investment Construction Corporation	Payables for purchase of assets, goods and services	126,694	126,694
Vinhomes JSC	Payables for purchase of assets, goods and services	73,173	25,666
Gia Lam Urban Development and Investment LLC	Payables for purchase of assets, goods and services	87,612	87,612
Other companies in the Group	Payables for purchase of assets, goods and services	5,429	10,741
		420,064	388,024
Other short-term payables (Note 20)			
Vinhomes JSC	Deposits for leasing retail	10,203	10,228
	Other payables	44,900	69,600
Vingroup JSC	Other payables	13,651	4,144
Other companies in the Group	Other payables	2,068	1,386
		70,822	85,358

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

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

<i>Related parties</i>	<i>Transactions</i>	<i>Currency: VND million</i>	
		<i>As at 31/03/2023</i>	<i>As at 31/12/2022</i>
<i>Other long-term liabilities (Note 20)</i>			
Vinpearl JSC	Deposits for business cooperation	180,000	180,000
	Deposits for leasing retail	2,467	2,467
Vinfast Commercial and Services Trading LLC	Deposits for leasing retail	48,517	44,978
Vinschool JSC	Deposits for leasing retail	7,263	7,263
Other companies in the Group	Deposits for leasing retail	5,812	5,088
		244,059	239,796
<i>Unearned revenues (Note 21)</i>			
Vingroup JSC	Unearned revenue from leasing and rendering of related services	17,878	18,291
Vinhomes JSC	Unearned revenue from leasing and rendering of related services	11,396	25,071
Vinpearl JSC	Unearned revenue from leasing and rendering of related services	31,061	31,126
		60,335	74,488

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2023**29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES** (continued)*Loans and debts due to related parties:* (Note 22.1 and Note 22.2)

Financial lease liabilities from a related party as at 31 March 2023 was as follow:

<i>Related parties</i>	<i>As at 31/03/2023</i>	<i>Interest rate</i>	<i>Maturity date</i>
	<i>VND million</i>	<i>per annum</i>	
Ecology Development and Investment JSC	192,491	From 8.58% to 14.02%	March 2045
<i>In which: Current-portion</i>	<u>(19,887)</u>		
TOTAL (i)	<u>172,604</u>		

(i) These financial lease liabilities relate to long-term lease contracts with non-cancellable term for renting Vincom Plaza Quang Trung and Vincom Plaza Le Van Viet.

Financial lease liabilities from a related party as at 31 December 2022 was as follow:

<i>Related parties</i>	<i>As at 31/12/2022</i>	<i>Interest rate</i>	<i>Maturity date</i>
	<i>VND million</i>	<i>per annum</i>	
Ecology Development and Investment JSC	192,347	From 8.58% to 14.02%	March 2045
<i>In which: Current-portion</i>	<u>(19,887)</u>		
TOTAL	<u>172,460</u>		

30. EVENTS AFTER THE BALANCE SHEET DATE

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



 Nguyen Thi Yen Nhung
Preparer



 Nguyen Thi Lan Huong
Chief Accountant


 Phạm Thị Ngọc Hà
Chief Financial Officer

22 April 2023.

Vincom Retail Joint Stock Company

APPENDIX Quarter I 2023

APPENDIX - EXPLANATION FOR THE VARIANCES IN INCOME STATEMENT BETWEEN THE TWO PERIODS

(Under guidance of Circular No. 96/2020/TT-BTC dated 16 November 2020)

Code	Item	Quarter I 2023		Quarter I 2022		Variance		%
		Currency: VND million						
10	Net revenue from sale of goods and rendering of services	1,943,276	1,369,460	573,816	42%			
21	Finance income	223,816	102,854	120,962	118%			
22	Finance expenses	100,408	89,512	10,896	12%			
25	Selling expenses	28,678	54,586	(25,908)	-47%			
26	General and administrative expenses	79,047	87,799	(8,752)	-10%			
60	Net profit after tax	1,024,011	377,597	646,414	171%			

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

- Net revenue from sale of goods and rendering of services in Quarter I 2023 increased by VND 574 billion in comparison with previous period mainly because of: (i) revenue from leasing activities and rendering of related services increased by VND 667 billion due to the recovery of retail market as the pandemic was well controlled and there were 3 newly opened malls in Quarter II 2022; (ii) sale of inventory properties decreased by VND 81 billion.
- Financial income increased by VND 121 billion because of the increase in interest income from investing activities.
- Financial expenses increased by VND 11 billion because of the increase in interest rate.
- Selling expenses decreased by VND 25 billion corresponding to the decrease in sale of inventory property. General and administrative expenses decreased by VND 9 billion due to the decrease in provision for doubtful debts.
- Net profit after tax increased by VND 646 billion in comparison with prior period because of above mentioned reasons.