



Vincom Retail Joint Stock Company

Separate Interim Financial Statements
for the six-month period ended 30 June 2023



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 Hanoi 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 interim financial statements of the Company for the six-month period ended 30 June 2023.

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

- (a) the separate interim financial statements set out on pages 5 to 44 give a true and fair view of the unconsolidated financial position of the Company as at 30 June 2023, and of its unconsolidated results of operations and unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to interim 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 interim financial statements for issue.

On behalf of the Board of Management



Phạm Thị Ngọc Hà
Chief Financial Officer

Hanoi, 21 August 2023



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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Vincom Retail Joint Stock Company

We have reviewed the accompanying separate interim financial statements of Vincom Retail Joint Stock Company (“the Company”), which comprise the separate balance sheet as at 30 June 2023, the separate statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Management on 21 August 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 interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of the separate interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express a conclusion on these separate interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410 - Review of interim financial information performed by the independent auditor of the entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view, in all material respects, of the unconsolidated financial position of Vincom Retail Joint Stock Company as at 30 June 2023, and of its unconsolidated results of operations and its unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited

Vietnam

Review Report No. 23-02-00171-23-1



Dam Xuan Lam
Practicing Auditor Registration
Certificate No. 0861-2023-007-1
Deputy General Director

Doan Thanh Toan
Practicing Auditor Registration
Certificate No. 3073-2019-007-1

Hanoi, 21 August 2023

Vincom Retail Joint Stock Company
Separate balance sheet as at 30 June 2023

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND million	1/1/2023 VND million
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		3,189,456	2,702,513
Cash and cash equivalents	110	7	2,787,428	1,580,276
Cash	111		1,555,112	89,753
Cash equivalents	112		1,232,316	1,490,523
Short-term financial investments	120		20,846	20,135
Held-to-maturity investments	123	8(a)	20,846	20,135
Accounts receivable – short-term	130		343,386	355,386
Accounts receivable from customers – short-term	131	9	311,101	378,086
Prepayments to suppliers – short-term	132		2,029	6,009
Other short-term receivables	136	10	97,243	35,112
Allowance for doubtful debts	137	11	(66,987)	(63,821)
Inventories	140	12	20,115	39,581
Inventories	141		20,115	39,581
Other current assets	150		17,681	707,135
Short-term prepaid expenses	151	18(a)	10,863	18,726
Deductible value added tax	152		6,682	30,666
Taxes and others receivable from State Treasury	153		136	323
Other current assets	155	13	-	657,420

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

Vincom Retail Joint Stock Company
Separate balance sheet as at 30 June 2023 (continued)

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND million	1/1/2023 VND million
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		26,550,014	27,699,698
Accounts receivable – long-term	210		561	561
Other long-term receivables	216		561	561
Fixed assets	220		20,378	19,184
Tangible fixed assets	221	14	7,994	9,833
Cost	222		22,200	22,186
Accumulated depreciation	223		(14,206)	(12,353)
Intangible fixed assets	227	15	12,384	9,351
Cost	228		62,652	57,261
Accumulated amortisation	229		(50,268)	(47,910)
Investment property	230	16	5,336,659	5,341,202
Cost	231		6,543,115	6,417,453
Accumulated depreciation	232		(1,206,456)	(1,076,251)
Long-term work in progress	240		19,432	33,776
Construction in progress	242	17	19,432	33,776
Long-term financial investments	250		17,837,615	18,394,706
Investments in subsidiaries	251	8(b)	13,959,118	13,959,118
Investments in other entities	253	8(c)	3,878,497	4,435,588
Other long-term assets	260		3,335,369	3,910,269
Long-term prepaid expenses	261	18(b)	105,470	107,478
Deferred tax assets	262		21,317	17,441
Other long-term assets	268	13	3,208,582	3,785,350
TOTAL ASSETS (270 = 100 + 200)	270		29,739,470	30,402,211

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

Vincom Retail Joint Stock Company
Separate balance sheet as at 30 June 2023 (continued)

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND million	1/1/2023 VND million
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		3,360,564	4,429,965
Current liabilities	310		989,269	2,069,836
Accounts payable to suppliers – short-term	311	19	378,900	401,112
Advances from customers – short-term	312	20	35,140	31,771
Taxes and other payables to State Treasury	313	21	211,910	131,007
Accrued expenses	315	22	164,694	243,332
Unearned revenue – short-term	318	23(a)	19,175	22,816
Other payables – short-term	319	24(a)	179,027	193,900
Short-term bonds	320	25	-	1,045,484
Provisions – short-term	321	26	423	414
Long-term liabilities	330		2,371,295	2,360,129
Unearned revenue – long-term	336	23(b)	170,237	176,166
Other payables – long-term	337	24(c)	240,180	235,123
Long-term bonds	338	25	1,960,878	1,948,840
EQUITY (400 = 410)	400		26,378,906	25,972,246
Owners' equity	410	27	26,378,906	25,972,246
Share capital	411	28	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
Retained profits	421		4,992,997	4,586,337
- Retained profits brought forward	421a		4,586,337	4,082,490
- Profit for the current period/year	421b		406,660	503,847
TOTAL RESOURCES (440 = 300 + 400)	440		29,739,470	30,402,211

21 August 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 interim financial statements

Vincom Retail Joint Stock Company

Separate statement of income for the six-month period ended 30 June 2023

Form B 02a – DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended	
			30/6/2023 VND million	30/6/2022 VND million
Revenue from sales of goods and provision of services	01	30	1,035,379	982,513
Revenue deductions	02	30	-	-
Net revenue from sale of goods and provision of services (10 = 01 - 02)	10	30	1,035,379	982,513
Cost of sales	11	31	538,875	617,002
Gross profit (20 = 10 - 11)	20		496,504	365,511
Financial income	21	32	215,690	169,570
Financial expenses	22	33	166,456	163,022
<i>In which: Interest expense</i>	23		166,456	163,008
Selling expenses	25	34	23,635	22,109
General and administration expenses	26	35	25,376	37,035
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		496,727	312,915
Other income	31		8,772	2,187
Other expenses	32		6,340	32
Results of other activities (40 = 31 - 32)	40		2,432	2,155
Accounting profit before tax (50 = 30 + 40)	50		499,159	315,070
Income tax expense – current	51	37	96,375	66,172
Income tax benefit – deferred	52	37	(3,876)	-
Net profit after tax (60 = 50 - 51 - 52)	60		406,660	248,898

21 August 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 interim financial statements

Vincom Retail Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2023
(Indirect method)

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

	Code	Note	Six-month period ended	
			30/6/2023 VND million	30/6/2022 VND million
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit before tax	01		499,159	315,070
Adjustments for				
Depreciation and amortisation	02		134,480	114,726
Allowances and provisions	03		3,175	5,263
Profits from investing activities	05		(215,853)	(169,570)
Interest expense and bond issuance costs	06		166,456	163,008
Operating profit before changes in working capital	08		587,417	428,497
Change in receivables and other assets	09		111,945	(73,054)
Change in inventories	10		19,466	26,844
Change in payables and other liabilities	11		(755)	(9,395)
Change in prepaid expenses	12		9,871	13,088
			727,944	385,980
Interest paid	14		(170,766)	(149,291)
Corporate income tax paid	15		(40,189)	(57,949)
Net cash flows from operating activities	20		516,989	178,740
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(38,601)	(11,281)
Collections on investment deposits	21		1,642,564	-
Proceeds from disposals of fixed assets and other long-term assets	22		164	-
Payments for granting loans and placement of term deposits	23		-	(659)
Receipts from collecting loans and term deposits	24		-	295,000
Receipts of interest	27		136,036	178,087
Net cash flows from investing activities	30		1,740,163	461,147

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

Vincom Retail Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2023
(Indirect method – continued)

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

	Code	Note	Six-month period ended	
			30/6/2023 VND million	30/6/2022 VND million
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments to settle loan principals	34		(1,050,000)	-
Net cash flows from financing activities	40		(1,050,000)	-
Net cash flows during the period (50 = 20 + 30 + 40)	50		1,207,152	639,887
Cash and cash equivalents at the beginning of the period	60		1,580,276	2,288,471
Cash and cash equivalents at the end of the period (70 = 50 + 60)	70	7	2,787,428	2,928,358

21 August 2023

Prepared by:



Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Phan Thi Ngoc Ha
Chief Financial Officer

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

Vincom Retail Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023

Form B 09a – 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 interim 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 operating cycle for the business of real estate development and transfer starts at the time of application for investment certificate, commencement of site clearance, construction, and ends at the time of completion, therefore, the normal operating cycle for real estate business is from 12 months to 36 months. The Company’s normal operating cycle of other business activities is 12 months.

(d) Company structure

As at 30 June 2023, the Company had 577 employees (1/1/2023: 802 employees).

As at 30 June 2023, the Company had 3 directly owned subsidiaries and 1 indirectly owned subsidiary (1/1/2023: 3 directly owned subsidiaries and 1 indirectly owned subsidiary) as listed in Note 8(b).

2. Basis of preparation

(a) Statement of compliance

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

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

(b) Basis of measurement

The separate interim 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.

Vincom Retail Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

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

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December. These separate interim financial statements are prepared for the six-month period ended 30 June 2023.

(d) Accounting and presentation currency

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

The separate interim financial statements are prepared and presented in million 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 interim financial statements.

These accounting policies have been adopted by the Company in the preparation of the accompanying separate interim financial statements and are consistent with those adopted in the preparation of the latest separate annual financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the period 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 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.

(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.

Vincom Retail Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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(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.

(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 costs 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.

Vincom Retail Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

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

The Company applies the perpetual method of accounting for inventories, the value of the inventories is determined 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 period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

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

▪ buildings, structures	5 – 15 years
▪ machinery and equipment	3 – 5 years
▪ office equipment	3 – 15 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.

Vincom Retail Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN
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(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 period 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	3 – 25 years

(i) Construction in progress

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

(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.

Vincom Retail Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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(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.

(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 share premium

(i) Ordinary shares

Ordinary shares are recognised at issuance price less costs 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.

Vincom Retail Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN

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

(ii) *Repurchase of ordinary shares (treasury shares)*

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.

(o) **Taxation**

Income tax on the separate profit or loss for the period 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 to equity, in which case it is recognised in equity.

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

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

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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 leasing 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 term. Lease incentives granted (if any) are recognised as a deduction of the total rental income.

(iii) *Rendering of services*

Revenue from services rendered is recognised in the 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.

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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 period 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.

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

4. Seasonality of operations

The Company main activities are to invest in and develop shopping centers for lease and inventory properties for sale and these activities are not subject to seasonal fluctuations.

5. Changes in accounting estimates and unusual items

In preparing these separate interim financial statements, the Company's Board of Management has made several accounting estimates. Actual results may differ from these estimates. There were no significant changes in accounting estimates made in the separate interim financial statements for the six-month period ended 30 June 2023 compared to those made in the most recent separate annual financial statements or those made in the same interim period of the prior year.

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6. Changes in the composition of the Company

There were no significant changes in the composition of the Company for the six-month period ended 30 June 2023 compared to the most recent separate financial statements.

7. Cash and cash equivalents

	30/6/2023	1/1/2023
	VND million	VND million
Cash in banks	1,555,100	89,720
Cash in transit	12	33
Cash equivalents (*)	1,232,316	1,490,523
	2,787,428	1,580,276

(*) Cash equivalents represented 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 (1/1/2023: 8.5% per annum); and term deposits with original term to maturity of less than 3 months (30/6/2023: Nil; 1/1/2023: earned interest at the rate of 6.0% per annum).

8. Investments

(a) Held-to-maturity investments

	30/6/2023	1/1/2023
	VND million	VND million
Held-to-maturity investments – short-term		
▪ Term deposits at bank	20,846	20,135
	20,846	20,135

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 5.7% – 8.5% per annum (1/1/2023: 3.9% – 9.5% per annum).

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(b) Investment in subsidiaries

	30/6/2023		1/1/2023	
	Quantity	% of equity owned and voting rights	Quantity	% of equity owned and voting rights
			Cost VND million	Fair value VND million
▪ Vincom Retail Operation Company Limited	(*)	100%	12,168,956	(**)
▪ Suoi Hoa Urban Development and Investment Joint Stock Company	34,240,000	97.27%	562,009	(**)
▪ Vincom Retail Landmark 81 Company Limited	(*)	100%	1,228,153	(**)
			<u>13,959,118</u>	<u>13,959,118</u>

(*) These are limited liability companies.

(**) The Company has not determined the fair value of the equity investment in subsidiaries for disclosure in the separate interim 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 interim financial statements for the six-month period ended 30 June 2023 and in the separate financial statements for the year ended 31 December 2022.

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Details of the subsidiaries as at 30 June 2023 are 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 VND3,878,497 million (1/1/2023: VND4,435,588 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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9. Accounts receivable from customers – short-term

	30/6/2023	1/1/2023
	VND million	VND million
Receivables from investment property leasing activities and rendering related services	255,581	254,868
Receivables from rendering management services	33,563	86,471
Receivables from sale of inventory properties	21,957	36,747
	<hr/>	<hr/>
	311,101	378,086
	<hr/>	<hr/>

In which:

	30/6/2023	1/1/2023
	VND million	VND million
<i>Related parties:</i>		
Vincom Retail Operation Company Limited	34,580	95,069
VinFast Commercial and Services Trading Limited Liability Company	18,652	30,133
Other related parties	8,461	11,834
<i>Other parties:</i>		
Other customers	249,408	241,050
	<hr/>	<hr/>
	311,101	378,086
	<hr/>	<hr/>

10. Other short-term receivables

(a) Other short-term receivables comprise

	30/6/2023	1/1/2023
	VND million	VND million
Interests on bank deposits, other deposits	94,075	14,421
Receivable for payment on behalf	2,942	18,688
Others	226	2,003
	<hr/>	<hr/>
	97,243	35,112
	<hr/>	<hr/>

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Notes to the separate interim financial statements for the six-month period ended
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(b) Other short-term receivables from related parties

	30/6/2023	1/1/2023
	VND million	VND million
<i>Parent company</i>		
Vingroup Joint Stock Company	90,777	-
<i>Subsidiaries</i>		
Vincom Retail Operation Company Limited	755	11,912
Suoi Hoa Urban Development and Investment Joint Stock Company	40	-
<i>Other related parties</i>		
Green City Development Joint Stock Company	-	5,584
Other related parties	4,857	2,071
	96,429	19,567
	96,429	19,567

11. Allowance for doubtful debts

	30/6/2023		1/1/2023	
	Cost	Allowance	Cost	Allowance
	VND million	VND million	VND million	VND million
Overdue debts for which allowances were recognised	143,942	66,987	155,283	63,821
	143,942	66,987	155,283	63,821

There was no overdue debt from individual customers accounting for more than 10% of total overdue debts for which allowances were recognised as at 30 June 2023 and 1 January 2023.

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

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Opening balance	63,821	53,297
Increase in allowance during the period	3,166	5,092
	66,987	58,389
Closing balance	66,987	58,389

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12. Inventories

	30/6/2023		1/1/2023	
	Cost VND million	Allowance VND million	Cost VND million	Allowance VND million
Completed inventory properties for sale	17,676	-	19,450	-
Inventory properties under construction	-	-	9,521	-
Other inventories	2,439	-	10,610	-
	20,115	-	39,581	-

13. Other assets

	30/6/2023 VND million	1/1/2023 VND million
Other current assets		
Deposits to related parties for investment purposes	-	657,420
Other long-term assets		
Deposits to related parties for investment purposes	3,208,582	3,785,350
	3,208,582	4,442,770

These are deposits to Vingroup Joint Stock Company, parent company, and its related companies (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 29(b).

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Deposits to related parties for investments

	30/6/2023 VND million	1/1/2023 VND million
<i>Parent company</i>		
Vingroup Joint Stock Company	3,045,582	3,622,350
<i>Other related parties</i>		
Green City Development Joint Stock Company	-	657,420
Can Gio Tourist City Corporation	163,000	163,000
	3,208,582	4,442,770

14. Tangible fixed assets

	Buildings, structures VND million	Machinery and equipment VND million	Office equipment VND million	Total VND million
Cost				
Opening balance	226	16,252	5,708	22,186
Transfers from construction in progress	-	78	-	78
Disposals	-	(64)	-	(64)
Closing balance	226	16,266	5,708	22,200
Accumulated depreciation				
Opening balance	226	9,923	2,204	12,353
Charge for the period	-	1,264	653	1,917
Disposal	-	(64)	-	(64)
Closing balance	226	11,123	2,857	14,206
Net book value				
Opening balance	-	6,329	3,504	9,833
Closing balance	-	5,143	2,851	7,994

Included in tangible fixed assets were assets costing VND5,938 million which were fully depreciated as of 30 June 2023 (1/1/2023: VND4,905 million), but which are still in active use.

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15. Intangible fixed assets

	Software VND million
Cost	
Opening balance	57,261
Transfers from construction in progress	5,391
	62,652
Closing balance	62,652
Accumulated amortisation	
Opening balance	47,910
Charge for the period	2,358
	50,268
Closing balance	50,268
Net book value	
Opening balance	9,351
Closing balance	12,384
	12,384

Included in intangible fixed assets were assets costing VND42,259 million which were fully amortised as of 30 June 2023 (1/1/2023: VND42,259 million), but which are still in use.

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16. Investment property

	Land use right and buildings, structures VND million	Machinery and equipment VND million	Total VND million
Cost			
Opening balance	5,015,185	1,402,268	6,417,453
Additions	94,956	28,595	123,551
Transfer from construction in progress	2,111	-	2,111
Closing balance	5,112,252	1,430,863	6,543,115
Accumulated depreciation			
Opening balance	629,020	447,231	1,076,251
Charge for the period	69,428	60,777	130,205
Closing balance	698,448	508,008	1,206,456
Net book value			
Opening balance	4,386,165	955,037	5,341,202
Closing balance	4,413,804	922,855	5,336,659

Investment properties mainly include the shopping malls owned by the Company. As at 30 June 2023, the Company is in the process of determining the fair values of these investment properties.

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17. Construction in progress

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Opening balance	33,776	667,777
Additions	3,597	4,792
Transfers to tangible fixed assets	(78)	(1,182)
Transfers to intangible fixed assets	(5,391)	(4,362)
Transfers to investment properties	(2,111)	(530,751)
Other decreases	(10,361)	-
Closing balance	19,432	136,274

18. Prepaid expenses

(a) Short-term prepaid expenses

	30/6/2023	1/1/2023
	VND million	VND million
Prepaid selling expenses related to sale of inventory properties not yet handed over	2,726	2,107
Others	8,137	16,619
	10,863	18,726

(b) Long-term prepaid expenses

	30/6/2023	1/1/2023
	VND million	VND million
Prepaid rental expenses	69,452	70,312
Overhaul expenditures	23,679	26,447
Tools and supplies	4,786	5,023
Prepaid land costs	908	1,449
Others	6,645	4,247
	105,470	107,478

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19. Accounts payable to suppliers – short-term

	Cost & amount	
	30/6/2023	1/1/2023
	VND million	VND million
<i>Related parties</i>		
Vincom Retail Landmark 81 Company Limited – a subsidiary	107,242	65,992
Vietnam Investment and Consulting Investment		
Joint Stock Company	61,746	32,808
Vingroup Joint Stock Company	61,478	120,595
Vinhomes Joint Stock Company	48,495	57,932
Other related parties	58,446	33,810
<i>Third parties</i>		
Other suppliers	41,493	89,975
	378,900	401,112

20. Advance from customers – short-term

	30/6/2023	1/1/2023
	VND million	VND million
Advance from customers under real estate sale and purchase agreements	21,345	25,297
Others	13,795	6,474
	35,140	31,771

21. Taxes and other payables to State Treasury

	1/1/2023	Incurred	Paid	30/6/2023
	VND million	VND million	VND million	VND million
Value added tax	10,299	36,603	(16,118)	30,784
Corporate income tax	114,917	96,375	(40,189)	171,103
Personal income tax	1,851	18,106	(15,257)	4,700
Land tax and land rental fee	3,901	1,531	(5,432)	-
Other taxes	39	6,087	(803)	5,323
	131,007	158,702	(77,799)	211,910

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22. Accrued expenses – short-term

	30/6/2023	1/1/2023
	VND million	VND million
Accrued interest expenses	29,096	49,408
Accrued brokerage commission	31,089	47,276
Accrued construction costs	19,041	33,820
Accrued salary expenses	8,870	25,381
Others	76,598	87,447
	<hr/>	<hr/>
	164,694	243,332
	<hr/>	<hr/>

Accrued expenses payable to related parties

	30/6/2023	1/1/2023
	VND million	VND million
Other related parties	3,464	6,492
	<hr/>	<hr/>

23. Unearned revenue

(a) Unearned revenue – short-term

	30/6/2023	1/1/2023
	VND million	VND million
Amount to be realised within 12 months	19,175	22,816
	<hr/>	<hr/>

(b) Unearned revenue – long-term

	30/6/2023	1/1/2023
	VND million	VND million
Revenue received in advance from investment property leasing activities and rendering related services	189,412	198,982
Amount to be realised within 12 months	(19,175)	(22,816)
	<hr/>	<hr/>
Amount to be realised after 12 months	170,237	176,166
	<hr/>	<hr/>

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24. Other payables

(a) Other payables – short-term

	30/6/2023	1/1/2023
	VND million	VND million
Deposits under deposit contracts and loan agreements received from customers	23,206	34,776
Deposits from tenants for leasing offices and shophouses to be refunded within the next 12 months	108,662	111,099
Deposits received for maintenance fee of handed over properties	20,866	20,135
Deposits for site construction	12,108	13,803
Others	14,185	14,087
	<hr/>	<hr/>
	179,027	193,900
	<hr/>	<hr/>

(b) Other payables – short-term to related parties

	30/6/2023	1/1/2023
	VND million	VND million
<i>Subsidiary</i>		
Vincom Retail Operation Company Limited	1,030	9,895
Suoi Hoa Urban Development and Investment Joint Stock Company	83	-
<i>Other related parties</i>		
Other related parties	9,507	726
	<hr/>	<hr/>
	10,620	10,621
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(c) Other payables – long-term

	30/6/2023	1/1/2023
	VND million	VND million
Deposits from tenants for leasing offices and shophouses	318,842	316,222
Deposits from tenants to be refunded within the next 12 months	(108,662)	(111,099)
Deposit under the business cooperation contract	30,000	30,000
	240,180	235,123
	240,180	235,123

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

	30/6/2023	1/1/2023
	VND million	VND million
Vincom Retail Operation Company Limited – a subsidiary	30,000	30,000
Other related parties	15,949	16,254
	45,949	46,254
	45,949	46,254

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25. Short-term and long-term bonds

Long-term bonds	30/6/2023	1/1/2023
Maturing within 12 months	VND million	VND million
	1,960,878	2,994,324
	-	(1,045,484)
Maturing after 12 months	1,960,878	1,948,840

Terms and conditions of bonds were as follows:

Bond arrangers	30/6/2023	1/1/2023	Annual interest rate	Maturity date
	VND million	VND million		
Techcom Securities Joint Stock Company	1,960,878	2,994,324	10% per annum, and the rate for the first four periods is 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 published by 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 (+) a margin of 3.5% (1/1/2023: 3.25% - 3.5%).	26 August 2025

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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26. Provisions – short-term

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

Movements of the provision during the period were as follows:

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Opening balance	414	1,705
Provision made during the period	9	170
Closing balance	423	1,875

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27. Changes in owners' equity

	Ordinary shares with voting rights VND million	Share premium VND million	Treasury shares VND million	Other equity funds VND million	Retained profits VND million	Total VND million
Balance as at 1 January 2022	23,288,184	46,983	(1,954,258)	5,000	4,082,490	25,468,399
Net profit for the period	-	-	-	-	248,898	248,898
Balance as at 30 June 2022	23,288,184	46,983	(1,954,258)	5,000	4,331,388	25,717,297
Balance as at 1 January 2023	23,288,184	46,983	(1,954,258)	5,000	4,586,337	25,972,246
Net profit for the period	-	-	-	-	406,660	406,660
Balance as at 30 June 2023	23,288,184	46,983	(1,954,258)	5,000	4,992,997	26,378,906

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28. Share capital

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

	30/6/2023 & 1/1/2023	
	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.

29. 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:

	30/6/2023	1/1/2023
	VND million	VND million
Within one year	802,520	959,616
Within two to five years	1,731,460	1,860,537
More than five years	4,008,329	2,000,084
	6,542,309	4,820,237

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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:

	30/6/2023	1/1/2023
	VND million	VND million
Within one year	37,242	15,310
Within two to five years	142,369	61,241
More than five years	681,699	563,734
	861,310	640,285

(b) Other commitments

As disclosed in Note 8(c) and Note 13, the Company signed agreements and business cooperation contracts with Vingroup Joint Stock Company, parent company, and its related companies (hereby referred to 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 the following commitments:

Commitments for co-developing 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 contracts 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.

Payment 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.

As at 30 June 2023, under those contracts the Company is expected to make no additional payments to these counterparties (1/1/2023: VND775,252 million).

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30. 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:

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Total revenue		
▪ Revenue from sale of inventory properties	3,018	81,914
▪ Revenue from investment property leasing activities and rendering related services	898,045	736,995
▪ Revenue from rendering management services	123,886	155,329
▪ Revenue from other services	10,430	8,275
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Net revenue	1,035,379	982,513
	<hr/>	<hr/>

31. Cost of sales

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Total cost of sales		
▪ Cost from sale of inventory properties	1,788	53,194
▪ Cost from investment property leasing activities and rendering related services	429,573	433,971
▪ Cost from rendering management services	104,648	125,724
▪ Cost from other services	2,866	4,113
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	538,875	617,002
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32. Financial income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Interest income from loans and deposits	215,690	169,570
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33. Financial expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Interest on bonds	149,902	143,992
Amortisation of bond issuance costs	16,554	19,016
Other financial expenses	-	14
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	166,456	163,022
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34. Selling expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Consulting, commission and brokerage fees	4,897	8,014
Marketing expense	15,904	8,426
Others	2,834	5,669
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	23,635	22,109
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35. General and administration expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Management fee	21,936	31,330
Provisions	3,166	5,092
Outside service expenses	274	613
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	25,376	37,035
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36. Production and business costs by elements

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Cost of developing inventory properties	-	26,579
Staff costs	36,630	42,326
Depreciation and amortisation	134,480	114,726
Management fee	126,671	162,722
Outside services expenses	261,738	276,389
Other expenses	17,072	26,789

37. Income tax

(a) Recognised in the separate statement of income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Income tax expense – current		
Current period	96,375	66,172
Income tax benefit – deferred		
Origination and reversal of temporary differences	(3,876)	-
Income tax expenses	92,499	66,172

(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Accounting profit before tax	499,159	315,070
Tax at the Company's tax rate	99,832	63,014
Non-deductible expenses	5,861	3,158
Unrecognised deferred tax asset	(13,194)	-
	92,499	66,172

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(c) Applicable tax rates

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

38. Significant transactions with related parties

Terms and conditions of transactions with related parties:

During the period, 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 interim financial statements, the Company had the following significant transactions with related parties during the period:

	Transaction value	
	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
<i>Parent company</i>		
Vingroup Joint Stock Company		
Purchase of goods and services	45,590	76,735
Interest income	98,524	-
Collection of deposits for investment	543,768	-
<i>Subsidiaries</i>		
Vincom Retail Operation Company Limited		
Revenue from provision of services	177,218	192,912
Lending	400,000	-
Collection of loans	400,000	-
Interest income	1,929	-
Collection of deposits for investment	1,098,796	-
Vincom Retail Landmark 81 Company Limited		
Purchase of goods and services	40,800	24,466
<i>Other related companies</i>		
Vinpearl Joint Stock Company		
Purchase of goods and services	13,888	8,022
VinFast Commercial and Services Trading Limited Liability Company		
Revenue from provision of services	32,760	25,273

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	Transaction value	
	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
VinFast Trading and Production Joint Stock Company		
Lending	2,075,000	1,380,000
Collection of loans	2,075,000	1,675,000
Interest income	16,922	32,585
Vinhomes Joint Stock Company		
Revenue from provision of services	3,147	3,750
Purchase of goods and services	2,255	92,524
Cangio Tourist City Corporation		
Interest income	8,083	8,083
Thai Son Investment Construction Corporation		
Purchase of goods and services	27,278	14,028
Interest income	-	38,575
Green City Development Joint Stock Company		
Interest income	12,968	32,601
Vietnam Investment and Consulting Investment Joint Stock Company		
Purchase of goods and services	28,897	15,970

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	Six-month period ended	
	30/6/2023	30/6/2022
	VND million	VND million
Key management personnel compensation		
Board of Directors		
Ms. Thai Thi Thanh Hai – Chairwoman	-	-
Ms. Tran Mai Hoa – Member	884	-
Ms. Le Mai Lan – Member	-	-
Mr. Sanjay Vinayak – Member	441	427
Mr. Fong Ming Huang Ernest – Member	441	427
Mr. Nguyen The Anh – Member	-	-
Board of Management		
Ms. Tran Mai Hoa – General Director	7,955	7,265
Other management personnel	10,990	8,840
Board of Supervision		
Mr. Chu Anh Dung - Head of Board of Supervision	618	391
Other members of Board of Supervision	-	-

39. Comparative information

Comparative information was derived from the balances as at 31 December 2022 presented in the Company's separate financial statements for the year ended 31 December 2022 for balances and amounts reported in the separate balance sheet and related notes thereto; and from the amounts presented in the Company's separate interim financial statements for the six-month period ended 30 June 2022 for the amounts reported in the separate statements of income and cashflows and related notes thereto.

21 August 2023

Prepared by:



Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Pham Thi Ngoc Ha
Chief Financial Officer