



Vincom Retail Joint Stock Company

**Separate Financial Statements
for the year ended 31 December 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 20 March 2024. The Company's Enterprise Registration Certificate was issued by the Department of Planning and Investment of Ha Noi City.

Board of Directors

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

Board of Management

Ms. Tran Mai Hoa	General Director <i>(from 11/10/2023 to 20/3/2024)</i>
Ms. Pham Thi Thu Hien	General Director <i>(until 11/10/2023 and from 20/3/2024)</i>
Mr. Nguyen Duy Khanh	Deputy General Director <i>(until 31/8/2023 and from 29/1/2024)</i>
Ms. Vu Tuyet Hang	Standing Deputy General Director <i>(from 11/10/2023 to 29/1/2024)</i>
Ms. Pham Thi Thu Hien	Deputy General Director <i>(until 11/10/2023 and from 20/3/2024)</i>
Ms. Pham Thi Ngoc Ha	Chief Financial Officer

Board of Supervision

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

Registered Office

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

Auditor

KPMG Limited
Vietnam

Vincom Retail Joint Stock Company Statement of the Board of Management


The Board of Management of Vincom Retail Joint Stock Company (“the Company”) presents this statement and the accompanying separate financial statements of the Company for the year ended 31 December 2023.

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

- (a) the separate financial statements set out on pages 5 to 47 give a true and fair view of the separate financial position of the Company as at 31 December 2023, and of its separate results of operations and separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting; 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 Company’s Board of Management has, on the date of this statement, authorised the accompanying separate financial statements for issue.

On behalf of the Board of Management



Phạm Thị Ngọc Hà
Chief Financial Officer
As authorised by the General Director

Hanoi, 23 March 2024



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

INDEPENDENT AUDITOR'S REPORT

To the Shareholders Vincom Retail Joint Stock Company

We have audited the accompanying separate financial statements of Vincom Retail Joint Stock Company ("the Company"), which comprise the separate balance sheet as at 31 December 2023, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 23 March 2024, as set out on pages 5 to 47.

Management's Responsibility

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

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of Vincom Retail Joint Stock Company as at 31 December 2023, and of its separate results of operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 23-02-00171-24-1



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

Doan Thanh Toan
Practicing Auditor Registration
Certificate No. 3073-2024-007-1

Hanoi, 23 March 2024

Vincom Retail Joint Stock Company
Separate balance sheet as at 31 December 2023

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

	Code	Note	31/12/2023 VND million	1/1/2023 VND million
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		2,319,382	2,702,513
Cash and cash equivalents	110	4	1,377,060	1,580,276
Cash	111		1,377,060	89,753
Cash equivalents	112		-	1,490,523
Short-term financial investments	120		604,664	20,135
Held-to-maturity investments	123	5(a)	604,664	20,135
Accounts receivable – short-term	130		315,282	355,386
Accounts receivable from customers – short-term	131	6	354,013	378,086
Prepayments to suppliers – short-term	132		5,815	6,009
Other short-term receivables	136	7	11,077	35,112
Allowance for doubtful debts	137	8	(55,623)	(63,821)
Inventories	140	9	8,785	39,581
Inventories	141		8,785	39,581
Other current assets	150		13,591	707,135
Short-term prepaid expenses	151	15(a)	12,969	18,726
Deductible value added tax	152		486	30,666
Taxes and other receivables from State Treasury	153		136	323
Other current assets	155	10	-	657,420

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

Vincom Retail Joint Stock Company
Separate balance sheet as at 31 December 2023 (continued)

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

	Code	Note	31/12/2023 VND million	1/1/2023 VND million
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		30,960,502	27,699,698
Accounts receivable – long-term	210		561	561
Other long-term receivables	216		561	561
Fixed assets	220		25,125	19,184
Tangible fixed assets	221	11	7,095	9,833
Cost	222		23,068	22,186
Accumulated depreciation	223		(15,973)	(12,353)
Intangible fixed assets	227	12	18,030	9,351
Cost	228		72,029	57,261
Accumulated amortisation	229		(53,999)	(47,910)
Investment property	230	13	5,195,057	5,341,202
Cost	231		6,532,498	6,417,453
Accumulated depreciation	232		(1,337,441)	(1,076,251)
Long-term work in progress	240		18,372	33,776
Construction in progress	242	14	18,372	33,776
Long-term financial investments	250		17,713,987	18,394,706
Investments in subsidiaries	251	5(b)	13,959,118	13,959,118
Investments in other entities	253	5(c)	3,754,869	4,435,588
Other long-term assets	260		8,007,400	3,910,269
Long-term prepaid expenses	261	15(b)	103,117	107,478
Deferred tax assets	262		10,875	17,441
Other long-term assets	268	10	7,893,408	3,785,350
TOTAL ASSETS (270 = 100 + 200)	270		33,279,884	30,402,211

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

Vincom Retail Joint Stock Company
Separate balance sheet as at 31 December 2023 (continued)

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

	Code	Note	31/12/2023 VND million	1/1/2023 VND million
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		6,455,900	4,429,965
Current liabilities	310		3,727,046	2,069,836
Accounts payable to suppliers – short-term	311	16	159,825	401,112
Advances from customers – short-term	312	17	20,442	31,771
Taxes and other payables to State Treasury	313	18	259,215	131,007
Accrued expenses	315	19	161,835	243,332
Unearned revenue – short-term	318	20	16,974	22,816
Other payables – short-term	319	21(a)	146,779	193,900
Short-term borrowings and bonds	320	22(a)	2,961,913	1,045,484
Provisions – short-term	321	23	63	414
Long-term liabilities	330		2,728,854	2,360,129
Unearned revenue – long-term	336	20	164,270	176,166
Other payables – long-term	337	21(c)	593,873	235,123
Long-term bonds	338	22(b)	1,970,711	1,948,840
EQUITY (400 = 410)	400		26,823,984	25,972,246
Owners' equity	410	24	26,823,984	25,972,246
Share capital	411	25	23,288,184	23,288,184
- Ordinary shares with voting rights	411a		23,288,184	23,288,184
Share premium	412		46,983	46,983
Treasury shares	415		(1,954,258)	(1,954,258)
Other equity funds	420		5,000	5,000
Undistributed profits after tax	421		5,438,075	4,586,337
- Undistributed profits after tax brought forward	421a		4,586,337	4,082,490
- Net profit after tax for the current year	421b		851,738	503,847
TOTAL RESOURCES (440 = 300 + 400)	440		33,279,884	30,402,211

23 March 2024

Prepared by:



Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Pham Thi Ngoc Ha
Chief Financial Officer
As authorised by the General Director

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

Vincom Retail Joint Stock Company
Separate statement of income for the year ended 31 December 2023

Form B 02 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2023 VND million	2022 VND million
Revenue from sales of goods and provision of services	01	27	2,137,305	2,176,149
Revenue deductions	02	27	-	-
Net revenue from sale of goods and provision of services (10 = 01 - 02)	10	27	2,137,305	2,176,149
Cost of sales	11	28	1,145,605	1,422,049
Gross profit (20 = 10 - 11)	20		991,700	754,100
Financial income	21	29	462,330	356,604
Financial expenses	22	30	293,342	333,504
<i>In which: Interest expense and issuance costs</i>	23		293,342	333,504
Selling expenses	25	31	54,170	72,251
General and administration expenses	26	32	76,575	67,693
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		1,029,943	637,256
Other income	31		35,211	7,343
Other expenses	32		8,863	4,698
Results of other activities (40 = 31 - 32)	40		26,348	2,645
Accounting profit before tax (50 = 30 + 40)	50		1,056,291	639,901
Current corporate income tax expense	51	34	197,987	151,323
Deferred corporate income tax expense/(benefit)	52	34	6,566	(15,269)
Net profit after tax (60 = 50 - 51 - 52)	60		851,738	503,847

23 March 2024

Prepared by:


 Nguyen Thi Lan Huong
 Chief Accountant

Approved by:




 Pham Thi Ngoc Ha
 Chief Financial Officer
 As authorised by the General Director

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

Vincom Retail Joint Stock Company
Separate statement of cash flows for the year ended 31 December 2023
(Indirect method)

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

	Code	Note	2023 VND million	2022 VND million
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit before tax	01		1,056,291	639,901
Adjustments for				
Depreciation and amortisation	02		272,801	253,895
Allowances and provisions	03		26,088	9,233
Profits from investing activities	05		(462,502)	(363,341)
Interest expense, borrowing costs and bonds issuance costs	06		293,342	333,489
Operating profit before changes in working capital	08		1,186,020	873,177
Change in receivables and other assets	09		28,150	(31,279)
Change in inventories	10		30,796	149,017
Change in payables and other liabilities	11		137,063	71,501
Change in prepaid expenses	12		7,092	(46,301)
			1,389,121	1,016,115
Interest paid	14		(285,487)	(300,343)
Corporate income tax paid	15		(118,673)	(56,155)
Net cash flows from operating activities	20		984,961	659,617
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets and deposits for investment	21		(4,851,019)	(2,430,942)
Collections on investment deposits	21		2,054,690	336,000
Proceeds from disposals of fixed assets and other long-term assets	22		172	36,043
Payments for purchase of debt instruments of other entities	23		(1,302,773)	(1,521)
Receipts from sales of debt instruments of other entities	24		719,705	395,000
Payments for investments in a subsidiary	25		-	(2,000)
Receipts of interest	27		268,925	299,608
Net cash flows from investing activities	30		(3,110,300)	(1,367,812)

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

Vincom Retail Joint Stock Company
Separate statement of cash flows for the year ended 31 December 2023
(Indirect method – continued)

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

	Code	Note	2023 VND million	2022 VND million
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		2,972,123	-
Payments to settle loan principals	34		(1,050,000)	-
Net cash flows from financing activities	40		1,922,123	-
Net cash flows during the year (50 = 20 + 30 + 40)	50		(203,216)	(708,195)
Cash and cash equivalents at the beginning of the year	60		1,580,276	2,288,471
Cash and cash equivalents at the end of the year (70 = 50 + 60)	70	4	1,377,060	1,580,276

23 March 2024

Prepared by:



Nguyen Thi Lan Huong
 Chief Accountant

Approved by:



Phan Thi Ngoc Ha
 Chief Financial Officer
 As authorised by the General Director

Vincom Retail Joint Stock Company

Notes to the separate financial statements for the year ended 31 December 2023

Form B 09 – DN

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

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

1. Reporting entity

(a) Ownership structure

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

(b) Principal activities

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

(c) Normal operating cycle

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

(d) Company structure

As at 31 December 2023, the Company had 642 employees (1/1/2023: 802 employees).

As at 31 December 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 5(b).

2. Basis of preparation

(a) Statement of compliance

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

The Company prepared and issued its consolidated financial statements on 23 March 2024. For a comprehensive understanding of the Company’s consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements.

(b) Basis of measurement

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(c) Annual accounting period

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

(d) Accounting and presentation currency

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

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

3. Summary of significant accounting policies

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

(a) Foreign currency transactions

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

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

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

(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's Board of Management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank, and other held-to-maturity investments. These investments are stated at costs less allowance for doubtful debts.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

Form B 09 – 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 separate 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 or for long-term lease qualified for recognition of outright sales in the ordinary course of business of the Company, rather than for rental or capital appreciation, are recorded as inventory properties and are measured at the lower of cost incurred in bringing the inventories to their present location and condition, and net realisable value.

Cost includes:

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

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

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

Form B 09 – 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 year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

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

▪ buildings, structures	5 years
▪ machinery and equipment	3 – 10 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 is amortised on a straight-line basis over 3 – 8 years.

(h) Investment property

Investment property held to earn rental

Cost

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

Depreciation

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

- | | |
|---|--------------|
| ▪ land use rights and buildings, structures | 5 – 50 years |
| ▪ machinery and equipment | 3 – 25 years |
-

(i) Construction in progress

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

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

(ii) 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.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

(iv) 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 over a period not exceeding 3 years.

(v) Overhaul expenditures

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

(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 shop-houses. The provision is based on historical data associated with the repair expenses of apartments and shop-houses 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.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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(n) Share capital and shares premium

(i) Ordinary shares

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

(ii) Repurchase of ordinary shares (treasury shares)

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

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

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

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

(p) Revenue and other income

(i) Revenue from sale of inventory properties

Revenue from transfer of standard-designed apartments and shophouses which do not require significant customisation for each customer is recognised when the significant risks and rewards of ownership of the properties have been passed to the buyer.

Revenue from sale of inventory properties also includes long-term lease of real estate properties qualified for recognition of outright sales. If the lease-term is greater than 90% of the asset's useful life, the Company will recognise the revenue for the entire prepaid lease payment if all of the following conditions are met:

- Lessee is not allowed to cancel the lease contract during the lease term, and the lessor is not responsible for reimbursing the prepaid lease payments under any circumstances;
- The prepaid lease payment is not less than 90% of the total estimated lease payment collected under contract over the lease period and lessee must pay all rental within 12 months from the commencement of the lease;
- Significant risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- The full cost of the lease must be reasonably estimated.

(ii) Revenue from lease of investment properties

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

(iii) Services rendered

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.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

(q) Leased assets

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

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

Where the Company is the lessee

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

Where the Company is the lessor

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

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

(r) Borrowing costs

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

(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.

Related companies refer to the major shareholders, the ultimate parent company and its subsidiaries and associates.

(t) Comparative information

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

4. Cash and cash equivalents

	31/12/2023	1/1/2023
	VND	VND
	million	million
Cash in banks	1,376,935	89,720
Cash in transit	125	33
Cash equivalents	-	1,490,523
	<hr/>	<hr/>
	1,377,060	1,580,276
	<hr/>	<hr/>

5. Investments

(a) Held-to-maturity investments

	31/12/2023	1/1/2023
	VND	VND
	million	million
Held-to-maturity investments – short-term		
▪ Term deposits	21,615	20,135
▪ Bonds	583,049	-
	<hr/>	<hr/>
	604,664	20,135
	<hr/>	<hr/>

Held-to-maturity investments – short-term represented investments in corporate bonds with the remaining terms to maturity of less than 12 months from the reporting date and earned interest at the rate of 8.5 % per annum (1/1/2023: nil); and 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 4.4% – 8.0% per annum (1/1/2023: 3.9% – 9.5% per annum).

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023 (continued)

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

(b) Investment in subsidiaries

	31/12/2023			1/1/2023				
	Quantity	% of equity owned and voting rights	Cost VND million	Fair value VND million	Quantity	% of equity owned and voting rights	Cost VND million	Fair value VND million
▪ Vincom Retail Operation Company Limited	(*)	100%	12,168,956	(**)	(*)	100%	12,168,956	(**)
▪ Suoi Hoa Urban Development and Investment Limited Liability Company (***)	34,240,000	97.27%	562,009	(**)	34,240,000	97.27%	562,009	(**)
▪ Vincom Retail Landmark 81 Company Limited	(*)	100%	1,228,153	(**)	(*)	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 financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair value of the equity investments may differ from their carrying amounts.

(***) There was no allowance for diminution of investments in subsidiaries in the separate financial statements for the year ended 31 December 2023 and in the separate financial statements for the year ended 31 December 2022.

(***) On 22 January 2024, this company was changed to a limited liability company and changed its name from Suoi Hoa Urban Development and Investment Joint Stock Company to Suoi Hoa Urban Development and Investment Limited Liability Company.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

Details of the subsidiaries as at 31 December 2023 were 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 Limited Liability 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 VND3,754,869 million (1/1/2023: VND4,435,588 million) to Vingroup Joint Stock Company, ultimate 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.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

6. Accounts receivable from customers – short-term

	31/12/2023	1/1/2023
	VND million	VND million
Receivables from leasing activities and rendering related services	259,973	254,868
Receivables from rendering management services	77,357	86,471
Receivables from sale of inventory properties	16,683	36,747
	<hr/>	<hr/>
	354,013	378,086
	<hr/>	<hr/>

In which:

	31/12/2023	1/1/2023
	VND million	VND million
<i>Related parties:</i>		
Vincom Retail Operation Company Limited	73,189	95,069
VinFast Commercial and Services Trading Limited Liability Company	21,374	30,133
Other related parties	7,946	11,834
<i>Other parties:</i>		
Other customers	251,504	241,050
	<hr/>	<hr/>
	354,013	378,086
	<hr/>	<hr/>

7. Other short-term receivables

(a) Other short-term receivables comprise

	31/12/2023	1/1/2023
	VND million	VND million
Interests on bank deposits and other deposits	-	14,421
Receivables for payment on behalf	10,962	18,688
Other receivables	115	2,003
	<hr/>	<hr/>
	11,077	35,112
	<hr/>	<hr/>

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

(b) Other short-term receivables from related parties

	31/12/2023	1/1/2023
	VND million	VND million
<i>Subsidiaries</i>		
Vincom Retail Operation Company Limited	1,764	11,912
Suoi Hoa Urban Development and Investment Limited Liability Company	45	-
Vincom Retail Landmark 81 Company Limited	86	-
Vincom Retail Investment Joint Stock Company	86	-
<i>Other related parties</i>		
Vinpearl Joint Stock Company	2,353	-
Green City Development Joint Stock Company	-	5,584
Other related parties	1,955	2,071
	6,289	19,567
	6,289	19,567

8. Allowances for doubtful debts

	31/12/2023		1/1/2023	
	Cost VND million	Allowance VND million	Cost VND million	Allowance VND million
Overdue debts were provided allowance for	133,515	55,623	155,283	63,821
	133,515 55,623		155,283 63,821	
	133,515 55,623		155,283 63,821	

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

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

	2023	2022
	VND million	VND million
Opening balance	63,821	53,297
Additions during the year	26,439	10,524
Utilisation during the year	(34,637)	-
Closing balance	<u>55,623</u>	<u>63,821</u>

9. Inventories

	31/12/2023		1/1/2023	
	Cost	Allowance	Cost	Allowance
	VND million	VND million	VND million	VND million
Completed inventory properties	6,040	-	19,450	-
Inventory properties under construction	-	-	9,521	-
Other inventories	2,745	-	10,610	-
	<u>8,785</u>	<u>-</u>	<u>39,581</u>	<u>-</u>

10. Other assets

	31/12/2023	1/1/2023
	VND million	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	7,893,408	3,785,350
	<u>7,893,408</u>	<u>4,442,770</u>

These are deposits to Vingroup Joint Stock Company, the ultimate parent company, and some companies within Vingroup Joint Stock Company (hereby referred to as “the counterparties”) for the co-investment and co-operation of the shopping mall components of a number of real estate projects. These deposits require no collaterals. In accordance with these contracts, the counterparties have committed to transfer the shopping mall component of their properties to the Company, or to grant the Company the right to purchase the shopping mall component as disclosed in Note 26(b).

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

Deposits to related parties for investments:

	31/12/2023 VND million	1/1/2023 VND million
<i>Ultimate parent company</i>		
Vingroup Joint Stock Company	7,893,408	3,622,350
<i>Other related parties</i>		
Green City Development Joint Stock Company	-	657,420
Can Gio Tourist City Corporation	-	163,000
	7,893,408	4,442,770

11. 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
Additions	-	868	-	868
Transfer from construction in progress	-	78	-	78
Disposal	-	(64)	-	(64)
	226	17,134	5,708	23,068
Closing balance				
Accumulated depreciation				
Opening balance	226	9,923	2,204	12,353
Charge for the year	-	2,393	1,291	3,684
Disposal	-	(64)	-	(64)
	226	12,252	3,495	15,973
Closing balance				
Net book value				
Opening balance	-	6,329	3,504	9,833
Closing balance	-	4,882	2,213	7,095

Included in tangible fixed assets are assets costing VND9,279 million which were fully depreciated as of 31 December 2023 (1/1/2023: VND4,905 million), but which are still in active use.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

12. Intangible fixed asset

	Software VND million
Cost	
Opening balance	57,261
Additions	737
Transfer from construction in progress	14,031
	72,029
Closing balance	
	72,029
Accumulated amortisation	
Opening balance	47,910
Charge for the year	6,089
	53,999
Closing balance	
	53,999
Net book value	
Opening balance	9,351
Closing balance	18,030
	18,030

Included in intangible fixed assets are assets costing VND42,259 million which were fully amortised as of 31 December 2023 (1/1/2023: VND42,259 million), but which are still in use.

Vincom Retail Joint Stock Company**Notes to the separate financial statements for the year ended 31 December 2023**

(continued)

Form B 09 – DN*(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***13. Investment property held to earn rental**

	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	29,169	124,125
Transfer from construction in progress	2,307	-	2,307
Decrease upon finalisation	(11,387)	-	(11,387)
Closing balance	5,101,061	1,431,437	6,532,498
Accumulated depreciation			
Opening balance	629,020	447,231	1,076,251
Charge for the year	139,983	122,147	262,130
Decrease upon finalisation	(940)	-	(940)
Closing balance	768,063	569,378	1,337,441
Net book value			
Opening balance	4,386,165	955,037	5,341,202
Closing balance	4,332,998	862,059	5,195,057

Investment properties mainly include the shopping malls of the Company. As at 31 December 2023, the Company is in the process of determining the fair values of these investment properties.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

14. Construction in progress

	2023	2022
	VND million	VND million
Opening balance	33,776	667,777
Additions	11,373	13,092
Transfers to intangible fixed assets	(14,031)	-
Transfers to investment properties	(2,307)	(501,353)
Transfers to tangible fixed assets	(78)	-
Other decreases	(10,361)	-
Transfers to inventories	-	(71,190)
Transfers of projects	-	(40,118)
Decrease upon finalisation	-	(34,432)
	<hr/>	<hr/>
Closing balance	18,372	33,776
	<hr/>	<hr/>

As at 31 December 2023, construction in progress mainly include repair and renovation items.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

15. Prepaid expenses

(a) Short-term prepaid expenses

	31/12/2023 VND million	1/1/2023 VND million
Prepaid selling expenses related to sales of inventory properties not yet handed over	1,326	2,107
Other short-term prepaid expenses	11,643	16,619
	12,969	18,726

(b) Long-term prepaid expenses

	31/12/2023 VND million	1/1/2023 VND million
Prepaid rental expenses	68,714	70,312
Overhaul expenditures	21,511	26,447
Tools and supplies	6,411	5,023
Prepaid land costs	851	1,449
Other long-term prepaid expenses	5,630	4,247
	103,117	107,478

Of which, long-term prepaid expenses from related parties:

	31/12/2023 VND million	1/1/2023 VND million
<i>Related party</i> Vinpearl Joint Stock Company	68,714	70,189

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

16. Accounts payable to suppliers – short-term

	Cost & amount	
	within payment capacity	
	31/12/2023	1/1/2023
	VND million	VND million
<i>Related parties</i>		
Vietnam Investment and Consulting Investment Joint Stock Company	87,265	32,808
Vingroup Joint Stock Company	40,267	120,595
Vinhomes Joint Stock Company	6,207	57,932
Vincom Retail Landmark 81 Company Limited	3,390	65,992
Other related parties	11,814	33,810
<i>Other parties</i>		
Other suppliers	10,882	89,975
	159,825	401,112

17. Advance from customers – short-term

	31/12/2023	1/1/2023
	VND million	VND million
Advance from customers under real estate sale and purchase agreements	5,014	25,297
Others	15,428	6,474
	20,442	31,771

18. Taxes and other payables to State Treasury

	1/1/2023	Incurred	Paid	31/12/2023
	VND million	VND million	VND million	VND million
Value added tax	10,299	105,319	(63,504)	52,114
Corporate income tax	114,917	197,987	(118,673)	194,231
Personal income tax	1,851	30,977	(24,332)	8,496
Land tax and land rental fee	3,901	16,217	(20,118)	-
Others	39	9,361	(5,026)	4,374
	131,007	359,861	(231,653)	259,215

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

19. Accrued expenses – short-term

	31/12/2023	1/1/2023
	VND million	VND million
Accrued interest expenses and borrowing costs	36,862	49,408
Accrued selling expenses	14,873	47,276
Accrued construction costs	4,565	33,820
Others	105,535	112,828
	<hr/>	<hr/>
	161,835	243,332
	<hr/>	<hr/>

Accrued expenses payable to related parties

	31/12/2023	1/1/2023
	VND million	VND million
Other related parties	4,297	6,492
	<hr/>	<hr/>

20. Unearned revenue

	31/12/2023	1/1/2023
	VND million	VND million
Revenue received in advance from leasing activities and rendering related services	181,244	198,982
Amount to be realised within 12 months	(16,974)	(22,816)
	<hr/>	<hr/>
Amount to be realised after 12 months	164,270	176,166
	<hr/>	<hr/>

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

21. Other payables

(a) Other payables – short-term

	31/12/2023	1/1/2023
	VND million	VND million
Deposits under deposit contracts and loan agreements received from customers	17,844	34,776
Deposits from tenants for leasing offices and counters – shopping center to be refunded within the next 12 months	85,136	111,099
Deposits received for maintenance of handed-over properties	21,616	20,135
Deposits for site construction	11,858	13,803
Others	10,325	14,087
	<hr/>	<hr/>
	146,779	193,900
	<hr/>	<hr/>

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

	31/12/2023	1/1/2023
	VND million	VND million
Vincom Retail Operation Company Limited	9,466	9,895
Other related parties	261	726
	<hr/>	<hr/>
	9,727	10,621
	<hr/>	<hr/>

(c) Other payables – long-term

	31/12/2023	1/1/2023
	VND million	VND million
Deposits from tenants for leasing offices and counters – shopping center	329,009	316,222
Deposits from tenants for leasing offices and counters – shopping center to be refunded within the next 12 months	(85,136)	(111,099)
Deposit under the business cooperation contracts	350,000	30,000
	<hr/>	<hr/>
	593,873	235,123
	<hr/>	<hr/>

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

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

	31/12/2023	1/1/2023
	VND million	VND million
Vincom Retail Operation Company Limited	350,000	30,000
Other related parties	17,226	16,254
	367,226	46,254
	367,226	46,254

22. Short-term borrowings and bonds

(a) Short-term borrowings and bonds

	1/1/2023 Carrying amount & amount within repayment capacity VND million	Movements during the year		31/12/2023 Carrying amount & amount within repayment capacity VND million
		Increase VND million	Decrease VND million	
Short-term borrowings	-	2,961,913	-	2,961,913
Bonds maturing within 12 months	1,045,484	4,516	(1,050,000)	-
	1,045,484	2,966,429	(1,050,000)	2,961,913
	1,045,484	2,966,429	(1,050,000)	2,961,913

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

Terms and conditions of outstanding short-term borrowings are as follows:

Lenders/ Facility agents	Currency	Annual interest rate	31/12/2023 VND million	1/1/2023 VND million
Deutsche Bank AG – Singapore Branch (i)	USD	Floating rate, 2023 interest rate of 9.85%	1,286,833	-
Deutsche Bank AG – Ho Chi Minh City Branch (i)	VND	Floating rate, 2023 interest rate of 9.91%	485,080	-
Vincom Retail Operation Company Limited (ii)	VND	Fixed rate, 2023 interest rate of 12.00%	1,190,000	-
			2,961,913	-

- (i) These borrowings from banks are secured by land use rights and assets attached to land of one shopping mall owned by a subsidiary.

These borrowings have final maturity date in June 2025. The lenders have the right to require the Company to repay the entire loan balance at any time after 9 months from the first utilisation date – September 2024. As at 31 December 2023, the Company reclassified these borrowings as short-term borrowings.

- (ii) The short-term borrowing from Vincom Retail Operation Company Limited – a subsidiary, is unsecured.

(b) Long-term bonds

	31/12/2023 VND million	1/1/2023 VND million
Corporate bonds	1,970,711	2,994,324
Repayable within 12 months	-	(1,045,484)
Repayable after 12 months	1,970,711	1,948,840

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

Terms and conditions of outstanding corporate bonds are as follows

Bond arrangers	31/12/2023 VND million	1/1/2023 VND million	Maturity date	Annual interest rate
Techcom Securities Joint Stock Company	1,970,711	2,994,324	26/8/2025	Floating rate, 2023 interest rate ranging from 9.78% to 11.43% per annum

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

23. Provisions – short-term

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

Movements of the provision during the year were as follows:

	2023 VND million	2022 VND million
Opening balance	414	1,705
Provision made during the year	36	200
Provision reversed during the year	(387)	(1,491)
Closing balance	63	414

Vincom Retail Joint Stock Company

Notes to the separate financial statements for the year ended 31 December 2023 (continued)

Form B 09 – DN

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

24. Changes in owners' equity

	Share capital VND million	Share premium VND million	Treasury shares VND million	Other equity funds VND million	Undistributed profits after tax VND million	Total VND million
Balance at 1 January 2022	23,288,184	46,983	(1,954,258)	5,000	4,082,490	25,468,399
Net profit for the year	-	-	-	-	503,847	503,847
Balance at 1 January 2023	23,288,184	46,983	(1,954,258)	5,000	4,586,337	25,972,246
Net profit for the year	-	-	-	-	851,738	851,738
Balance at 31 December 2023	23,288,184	46,983	(1,954,258)	5,000	5,438,075	26,823,984

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

25. Share capital

The Company's authorised and issued share capital are:

	31/12/2023 and 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.

26. Off balance sheet items

(a) Lease commitments

Commitment under operating leases where the Company is the lessor

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

	31/12/2023	1/1/2023
	VND million	VND million
Within one year	724,835	959,616
Within two to five years	1,419,213	1,860,537
More than five years	1,853,218	2,000,084
	3,997,266	4,820,237

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

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 are as follows:

	31/12/2023	1/1/2023
	VND million	VND million
Within one year	24,188	15,310
Within two to five years	97,736	61,241
More than five years	934,967	563,734
	1,056,891	640,285

(b) Other commitments

As disclosed in Note 5 and Note 10, the Company signed agreements and business cooperation contracts with Vingroup Joint Stock Company, the ultimate parent company and some companies within Vingroup Joint Stock Company (hereby collectively named as “the counterparties”) for cooperation in the development and operation of the shopping mall components of a number of real estate projects. Under these business cooperation contracts between the Company and the counterparties, the Company has following commitments:

Commitments for co-developing of shopping malls

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

Commitments under business cooperation contracts relating to shopping mall projects

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

Under those contracts, the Company is expected to make additional payments, estimated at VND363,494 million as at 31 December 2023 (1/1/2023: VND775,252 million), to these counterparties.

Vincom Retail Joint Stock Company**Notes to the separate financial statements for the year ended 31 December 2023**

(continued)

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

	31/12/2023		1/1/2023	
	Original currency	VND million equivalent	Original currency	VND million equivalent
USD	53,390,221	1,296,315	-	-

(d) Bad debts written off

	Written off in year	31/12/2023 VND million	1/1/2023 VND million
Receivable from a corporate customer (*)	2023	3,562	-
Receivable from other customers (*)	2023	31,075	-
		34,637	-

(*) The reason for writing off receivable from customers is their irrecoverability.

27. Revenue from sale of goods and provision of services

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

Net revenue comprised:

	2023 VND million	2022 VND million
Total revenue		
▪ Revenue from sale of inventory properties	21,236	311,398
▪ Revenue from leasing activities and rendering related services	1,800,632	1,567,804
▪ Revenue from rendering management services	294,815	279,293
▪ Revenue from rendering other services	20,622	17,654
Net revenue	2,137,305	2,176,149

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

28. Cost of sales

	2023 VND million	2022 VND million
Total cost of sales		
▪ Cost from sale of inventory properties	20,725	233,429
▪ Cost from leasing activities and rendering related services	860,761	941,339
▪ Cost from rendering management services and brokerage services	256,481	239,237
▪ Cost from other services	7,638	8,044
	<hr/> 1,145,605	<hr/> 1,422,049 <hr/>

29. Financial income

	2023 VND million	2022 VND million
Interest income from loans and deposits	462,330	356,604
	<hr/> 462,330	<hr/> 356,604 <hr/>

30. Financial expenses

	2023 VND million	2022 VND million
Interests on borrowings and bonds	264,739	295,473
Amortisation of issuance costs	28,603	38,031
	<hr/> 293,342	<hr/> 333,504 <hr/>

31. Selling expenses

	2023 VND million	2022 VND million
Consulting, commission and brokerage fees	15,584	23,602
Marketing expense	9,207	19,792
Others	29,379	28,857
	<hr/> 54,170	<hr/> 72,251 <hr/>

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

32. General and administration expenses

	2023 VND million	2022 VND million
Management fees	50,054	52,726
Allowance for doubtful debts	26,439	10,524
Outside service expenses	82	4,443
	<hr/>	<hr/>
	76,575	67,693
	<hr/>	<hr/>

33. Production and business costs by elements

	2023 VND million	2022 VND million
Cost of developing inventory properties	-	154,721
Staff costs	114,710	122,018
Depreciation and amortisation	272,801	253,895
Management fee	513,441	300,418
Outside services expenses	308,343	563,215
Other expenses	44,124	89,018
	<hr/>	<hr/>

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

34. Income tax

(a) Recognised in the separate statement of income

	2023	2022
	VND million	VND million
Current corporate income tax expense		
Current year	197,987	138,560
Additional corporate income tax	-	12,763
	<hr/> 197,987	<hr/> 151,323
Deferred corporate income tax expense/(benefit)		
Origination and reversal of temporary differences	6,566	(15,269)
	<hr/> 204,553	<hr/> 136,054

(b) Reconciliation of effective tax rate

	2023	2022
	VND million	VND million
Accounting profit before tax	1,056,291	639,901
	<hr/>	<hr/>
Tax at the Company's tax rate	211,258	127,980
Non-deductible expenses	6,489	955
Change in unrecognised temporary differences	(13,194)	(5,644)
Additional corporate income tax	-	12,763
	<hr/> 204,553	<hr/> 136,054

(c) Applicable tax rates

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

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

35. Significant transactions with related parties

Terms and conditions of transactions with related parties:

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

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

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

	Transaction value	
	2023	2022
	VND million	VND million
<i>Ultimate parent company</i>		
Vingroup Joint Stock Company		
Purchase of goods and services	105,751	155,982
Interest income from investment deposits	215,573	81,170
Deposits for investment	4,640,000	2,293,180
Collection of deposits for investment	665,170	336,000
<i>Subsidiaries</i>		
Vincom Retail Operation Company Limited		
Revenue from provision of services	391,066	360,822
Purchase of goods and services	25,550	-
Lendings	400,000	-
Collection of loans	400,000	-
Interest income from loans	1,929	-
Collection of deposits for investment	1,204,785	-
Borrowings	1,190,000	-
Vincom Retail Landmark 81 Company Limited		
Purchase of goods and services	81,600	62,266
<i>Other related companies</i>		
Vinpearl Joint Stock Company		
Revenue from provision of services	4,198	3,600
Purchase of goods and services	30,433	20,784
Collection of deposits for investment	76,132	-
Prepayment of rental expenses	-	70,312

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

	Transaction value	
	2023	2022
	VND million	VND million
VinFast Commercial and Services Trading Limited Liability Company		
Revenue from provision of services	70,090	58,430
Vinhomes Joint Stock Company		
Revenue from provision of services	7,191	7,414
Other income	20,675	-
Purchase of goods and services	20,784	132,959
Receipt of the capital transfer	-	1,226,153
Collection of deposits for investment	84,356	-
Can Gio Tourist City Corporation		
Interest income from investment deposits	13,263	16,300
Thai Son Investment Construction Corporation		
Deposits for investment	125,498	-
Purchase of goods and services	47,876	32,428
Interest income from investment deposits	-	38,575
Green City Development Joint Stock Company		
Interest income from investment deposits	12,968	65,742
Vietnam Investment and Consulting Investment Joint Stock Company		
Purchase of goods and services	54,507	39,638
Central Park Development LLC		
Collection of deposits for investment	24,248	-
VinFast Production and Trading Joint Stock Company		
Interest income from loans (*)	42,262	54,547

(*) During the year, the loan granted by the Company to VinFast Production and Trading Joint Stock Company was VND3,540 billion (2022: VND3,250 billion) according to loan contracts with a total maximum limit of VND1,220 billion. Loan disbursements during the year had the maximum term of 90 days and earned interest at rates ranging from 11% to 12% per annum.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

	2023	2022
	VND million	VND million
Key management personnel compensation		
Board of Directors		
Ms. Thai Thi Thanh Hai – Chairwoman	-	-
Ms. Tran Mai Hoa – Member	1,014	-
Ms. Le Mai Lan – Member	-	-
Mr. Sanjay Vinayak – Member	956	880
Mr. Fong Ming Huang Ernest – Member	956	880
Mr. Nguyen The Anh – Member	-	-
Board of Management		
Ms. Pham Thi Thu Hien – General Director <i>(from 11/10/2023)</i>	982	-
Ms. Tran Mai Hoa – General Director <i>(until 11/10/2023)</i>	10,294	11,710
Other members	18,230	16,795
Board of Supervision		
Mr. Chu Anh Dung – Head of Board of Supervision	849	737
Other members of Board of Supervision	-	-

36. Non-cash investing and financing activities

	2023	2022
	VND million	VND million
Interest income added to principal of deposits for business cooperation contract	207,826	81,170

37. Subsequent event

On 17 March 2024, the Board of Directors of Vingroup Joint Stock Company (“Vingroup”) – the ultimate parent company – passed the Resolution No. 03/2024/NQ-HDQT-VINGROUP, which states that Vingroup and its subsidiaries will divest up to 100% of the equity interest in SDI Trading Investment and Development Limited Liability Company. The divestment is scheduled to take place from March 2024 to the third quarter of 2024. Currently, SDI Trading Investment and Development Limited Liability Company owns over 99% of the share capital of Sado Commercial Business Joint Stock Company – a major shareholder of the Company. After completion of this transaction, the Company shall no longer be a subsidiary of Vingroup.

Vincom Retail Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2023
(continued)

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

38. Comparative information

The comparative information as at 1 January 2023 were derived from the balances and amounts reported in the Company's separate financial statements as at and for the year ended 31 December 2022.

23 March 2024

 Prepared by:



Nguyen Thi Lan Huong
Chief Accountant

Approved by:



Thi Ngoc Ha
Chief Financial Officer
As authorised by the General Director