

PROPOSAL

Re: Additional Provision of 2018 Fund for Science and Technology Development

To: Shareholders of SABECO

The advanced filtration technology of the filter system in the technology without using a filter aid with the capacity of 300hl/h is an advanced filter system in the world, which is environmentally friendly, help emission reduction, and suitable for Beer SaiGon - Nguyen Chi Thanh Brewery, the brewery located in the middle of the Ho Chi Minh City. This technology will help in maintaining the volume of 125 million liters per year.

Accordingly, on November 9th, 2017, the Board of Directors issued the Decision No. 311/2017/QĐ-HĐQT approving the project “Investment in beer filtration system in technology without filter aid capacity of 300 hl/h at Saigon Beer – Nguyen Chi Thanh Brewery” (The “Project”). The Decision No. 311/2017/QĐ-HĐQT and Report on the Project at Saigon – Nguyen Chi Thanh Brewery are attached for information and reference.

In order to continue implementing the Project, SABECO’s Board of Directors would like to submit to The General Meeting of Shareholders for consideration and approval on additional provision of 2018 Fund for Science and Technology Development with the amount of VND 29,737,976,707.

Respectfully./.

Recipients:

- As above;
- Saved: Archived, BOD Office.

**ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN**



Koh Poh Tiong



PROJECT MANAGEMENT UNIT

Ho Chi Minh City, November 14th, 2018

REPORT ON IMPLEMENTATION PROGRESS OF PROJECT

"Investment in beer filtration system in technology without filter aid capacity of 300 hl/h at Saigon - Nguyen Chi Thanh Brewery"

No.	Contractor name	Contract Date	Contract value (VND)	Duration of contract	Progress
1	Consulting on investment project establishment	01/09/2017	484,000,000	01 month	Finished
2	Consulting on using the Science and Technology Fund for the "Investment in beer filtration system without using filter aid at SG-NCT Brewery" project	24/12/2017	166,000,000	12 months	Finished
3	Construction drawing and cost estimation	30/11/2017	20,000,000	15 days	Finished.
4	Verification of design and construction cost estimates	30/11/2017	3,700,000	7 days	Finished.
5	Constructing, supplying and installing membrane filtration system	31/05/2018	88,899,999,999	09 months	Processing. Expected completion: 4/2019.
	Appendix 11 for additional construction	28/09/2018	1,650,000,000		
6	Consulting on construction supervision	16/07/2018	15,000,000	02 months	Processing. Expected completion: 12/2018.
	Appendix 01 for supervising the additional construction	10/10/2018	55,000,000		
7	Construction works insurance	15/10/2018	154,709,000	From 15/10/2018 to 15/11/2019 and 12 months extended maintenance period	Processing. Expected completion: 6/2019.
8	Auditing project finalization	02/11/2018	250,000,000	15 days after the completion of the project finalization report	Processing. Expected completion: 6/2019.

HEAD OF PMU

Truong Hung Dung

No.: 311/2017/QĐ-HĐQT

Ho Chi Minh City, November 9th, 2017

DECISION

Re: Approval of investment project in beer filtration system in technology without filter aid capacity of 300 hl/h at Saigon Beer – Nguyen Chi Thanh Brewery

BOARD OF DIRECTORS SAIGON BEER-ALCOHOL-BEVERAGE CORPORATION

Pursuant to Law on Construction No. 50/2014/QH11 dated 18/06/2014;

Pursuant to Decree No. 59/2015/ND-CP dated 18/06/2015 on construction project management;

Pursuant to Decree No. 32/2015/ND-CP dated 25/03/2015 on construction cost management;

Pursuant to Circular No. 18/2016/TT-BXD of Ministry of Construction dated 30/06/2016 on specifying and guiding certain contents of evaluation and approval of projects, construction designs and cost estimates;

Pursuant to Decision No. 79/QĐ-BXD of Ministry of Construction dated 15/02/2017 on standard project management and construction consulting costs;

Pursuant to Announcement No. 316/2017/TTr-BSG dated 11/05/2017 regarding to approval of the Board of Directors on investment policy of beer filtration system in membrane filtration technology at Saigon Beer - Nguyen Chi Thanh Brewery;

Pursuant to Resolution No. 116/2017/NQ-HĐQT dated 12/10/2017 regarding to approval of the additional provision of Fund for Science and Technology Development;

Pursuant to Resolution No. 130/2017/NQ-HĐQT dated 08/11/2017 of the Board of Directors on the approval of the project “investment in beer filtration system in technology without filter aid capacity of 300 hl/h at Saigon Beer – Nguyen Chi Thanh Brewery”;

Pursuant to Appraisal report dated 26/10/2017 of Project Appraisal Committee on “investment in beer filtration system in technology without filter aid capacity of 300 hl/h at Saigon Beer – Nguyen Chi Thanh Brewery”;

Pursuant to Proposal No. 1363/TTr-BSG dated 23/10/2017 of the General Director on the approval of the project “Investment in beer filtration system with technology not using filter aid powder at Saigon Beer - Nguyen Chi Thanh Brewery”;

DECISION

Article 1: To approve the investment project in beer filtration system in technology without filter aid capacity of 300 hl/h at Saigon Beer – Nguyen Chi Thanh Brewery with the following contents:

1. Project name: Investment in beer filtration system in technology without filter aid capacity of 300 hl/h at Saigon Beer – Nguyen Chi Thanh Brewery.

2. Project class: Group B.
3. Type and grade of works: grade II.
4. Investor: Saigon Beer-Alcohol-Beverage Corporation.
5. Contact information:
 - Saigon Beer-Alcohol-Beverage Corporation (SABECO)
 - Representative: Mr. Nguyen Minh An Position: Deputy General Director
 - Address: 187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City, Ho Chi Minh.
 - Phone: (083) 8294083; Fax: (083) 8237386
6. Construction site: 187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City.
7. Area of land use: about 42.52 m².
8. Number of designing steps: 02 steps, basic design for approval and construction drawing
9. Construction plan (basic design): according to design description
10. Technology equipment (if any): new, modern, advanced equipment, imported equipment
11. Plan of land clearance, resettlement (if any): None
12. Total value of investment: estimated **94,508,302,385 VND** (included 10% VAT).
(In words: ninety four billion, five hundred and eight million, three hundred and two thousand, three hundred and eighty five).

In which

No.	ITEMS OF EXPENSES	BEFOR TAX (VND)	VAT TAX (VND)	AFTER TAX (VND)
I	Fixed capital			92.308.302.385
1	Construction costs	431.168.683	43.116.868	474.285.551
2	Equipment costs	80.462.160.000	8.046.216.000	88.508.376.000
3	Project management costs, construction investment consultancy and other expenses	3.046.523.322	279.117.512	3.325.640.834
II	Provision cost 5%	2.000.000.000	200.000.000	2.200.000.000
	TOTAL	85.939.852.005	8.568.450.380	94.508.302.385

13. Investment capital sources: Fund for Science and Technology Development of the Corporation.
14. Method of project management: The investor directly manages the project.
15. Period of implementation: Expected from July 2017 to August 2018.
16. Standards and regulations applicable:
 - TCVN 2737-1995: Load and impact - Design standards.
 - TCVN 3904-1984: House of industrial enterprises, geometric parameters;

- TCVN 4514-2012: industrial enterprises, general premises, design standards;
 - TCVN 4604-2012: Industrial enterprises, manufacturers, design standards;
 - TCXD 9359-2012: construction structure and background. Fundamentals of computing;
 - TCVN 5574-2012: Design standards for reinforced concrete;
 - TCVN 5575-2012: Standard design steel structure;
 - Electrical equipment regulations 11 TCN-18-2006; 11TCN-19-2006; 11TCN-20-2006; 11TCN-21-2006;
 - TCVN-333-2005. Standard design of lighting in industrial houses;
 - TCVN 4474-1987: Internal drainage. Design standards;
 - TCVN 4513-1988: Water supply inside. Design standards;
 - TCVN 5945-2005: Standard for discharge of industrial waste water. Design standards;
 - TCVN 2622-1995: Fire prevention for houses and works;
 - TCVN 5378-2001: Fire alarm system and technical requirements;
 - Standard of lightning protection of civil works 20 TCVN - 46-84;
17. Contractors making feasibility study reports:
- Center for Technical and Technological Development (Foodtech).
 - Representative: Nguyen Cao Hoang - Position: Director
 - Address: 243 Phan Dang Luu Street, Ward 1, Phu Nhuan District, Ho Chi Minh.
 - Phone: (083) 8441797, 9952632; Fax: (083) 9952547.
18. Other information (if any): None.

Article 2 : This Decision takes effect from the signing date until the final settlement of the completed project is approved and the contractor fulfills its responsibility

Article 3 : General Director, Deputy General Directors, Chief accountant, Head of BOD Office, Head of the project management board, Director of Sai Gon - Nguyen Chi Thanh Brewery, the relevant units and individuals shall be responsible for implementing this Decision.

***ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN***

Recipients:

- *As article 3;*
- *Members of BOD;*
- *Head of Supervisory Board;*
- *Saved: Archived, BOD Office.*

(signed)

Vo Thanh Ha

