



SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION

SUMMARY OF DOCUMENTS ANNUAL GENERAL MEETING OF SHAREHOLDERS 2024

To: Shareholders of Saigon Beer – Alcohol – Beverage Corporation

The Board of Directors of Saigon Beer – Alcohol – Beverage Corporation (SABECO) would like to summarize the following proposals for Shareholders' approval:

- 1. Audited separate and consolidated financial statements for the fiscal year 2023:**
Please refer to the audited financial statements which have been disclosed and posted on the Company's website at:
<https://www.sabeco.com.vn/en-US/2023-3>
- 2. Report of the Board of Directors on 2023 performance and 2024 orientation:**
Please refer to the attached document.
- 3. Report on activities of the Independent Directors in the Audit Committee in 2023:**
Please refer to the attached document.
- 4. Proposal on selecting the independent auditor for the fiscal year 2024 and Q1 2025:**
The Board proposes the General Meeting of Shareholders to assign the Board to select the independent auditor for SABECO's financial statements and other businesses upon request for the fiscal year 2024, Q1 2025 and all relevant periods as deemed necessary from the list below:
 - Ernst & Young Vietnam Limited;
 - KPMG Vietnam Company Limited;
 - PWC (Vietnam) Limited;
 - Deloitte Vietnam Company Limited.Please refer to the attached document.
- 5. Proposal on the 2023 profit distribution:**

No.	Categories	Budget 2023 (Billion dong)	Actual 2023 (Billion dong)
1	Undistributed profit - Beginning	15,490	15,565
2	Profit after tax for the year	5,542	4,118
3	Profit distribution, in which:	2,373	11,026
	- Distribute to Bonus and Welfare fund	105	102
	- Distribute to Investment and Development fund	0	0
	- Distribute Social activities fund	23	22
	- Bonus share	0	6,413
	- Dividend	2,244	4,489
	- Dividend ratio	35.0%	35.0%
4	Undistributed profit - Ending	18,659	8,657



Implement the second payment of 2023 dividend in cash, as follows:

- Payment ratio: 20% / par value of share (VND 2,000 per share)
- Record date: 08/07/2024
- Date of payment: 31/07/2024
- Source of payment: Retained profits.

6. Proposal on the 2024 profit distribution plan:

No.	Categories	Actual 2023 (Billion dong)	Budget 2024 (Billion dong)
1	Undistributed profit - Beginning	15,565	8,657
2	Profit after tax for the year	4,118	4,465
3	Profit distribution, in which:	11,026	4,625
	- Distribute to Bonus and Welfare fund	102	112
	- Distribute to Investment and Development fund	0	0
	- Distribute Social activities fund	22	24
	- Bonus share	6,413	0
	- Dividend	4,489	4,489
	- Dividend ratio	35.0%	35.0%
4	Undistributed profit - Ending	8,657	8,496

7. Proposal on the settlement of remuneration in 2023 for the Board of Directors:

The Board of Directors would like to seek Shareholders' approval for the remuneration settlement in 2023 for the members of the Board of Directors, Audit Committee and other Committees in SABECO as follows:

No.	Content	2023 Plan	2023 Actual
1	Remuneration for members of the Board of Directors - Member: - Amount:	7 people 5,408,000,000 VND	7 people 4,056,000,000 VND
2	Remuneration for members of the Audit Committee - Member: - Amount:	3 people 1,014,000,000 VND	3 people 1,014,000,000 VND
3	Remuneration for members of the Nomination and Remuneration Committee - Member: - Amount:	4 people 798,000,000 VND	4 people 636,000,000 VND
4	Remuneration for members of the Sustainability and Risk Management Committee - Member: - Amount:	3 people 540,000,000 VND	3 people 324,000,000 VND
Total		7,760,000,000 VND	6,030,000,000 VND

8. Proposal on the plan of remuneration in 2024 for the Board of Directors:

The Board of Directors would like to seek Shareholders' approval for the remuneration plan in 2024 for the members of the Board of Directors, Audit Committee and other Committees in SABECO as follows:

No.	Content	2023 Actual	2024 Plan
1	Remuneration for members of the Board of Directors - Member: - Amount:	7 people 4,056,000,000 VND	7 people 5,408,000,000 VND
2	Remuneration for members of the Audit Committee - Member: - Amount:	3 people 1,014,000,000 VND	3 people 1,014,000,000 VND
3	Remuneration for members of the Nomination and Remuneration Committee - Member: - Amount:	4 people 636,000,000 VND	4 people 1,014,000,000 VND
4	Remuneration for members of the Sustainability and Risk Management Committee - Member: - Amount:	3 people 324,000,000 VND	3 people 780,000,000 VND
Total		6,030,000,000 VND	8,216,000,000 VND

9. Proposal on related party transactions within SABECO group of companies:

Please refer to the attached document.

Respectfully yours,

Ho Chi Minh City, April 03, 2024

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN



Koh Poh Tiong



To: Shareholders of SABECO

The Board of Directors ("BOD" or "the Board") of Saigon Beer - Alcohol - Beverage Corporation ("SABECO" or "Corporation") would like to report to the Annual General Meeting of Shareholders ("AGM") on 2023 performance and 2024 orientation.

I. Assessment of 2023 Performance

1. Overview

2023 was a year full of challenges for both the world and the Vietnam economy.

Macroeconomics¹

- International organizations have revised their forecasts for global economic growth in 2023, but most remain lower than in 2022. [1] The European Union ("EU") estimates global economic growth in 2023 to reach 3.1%, revised up by 0.3 percentage points from the forecasts made in May 2023, lower than the increase in 2022 of 3.3%; [2] The International Monetary Fund ("IMF") expects global economic growth in 2023 to reach 3.0%, maintaining its July 2023 forecasts unchanged, which is lower than the 3.5% increase in 2022; [3] The Organisation for Economic Cooperation and Development ("OECD") expects the global economy to increase 2.9% in 2023, down 0.1 percentage points from its September 2023 forecasts and lower than the 3.3% growth in 2022; [4] The World Bank ("WB") forecasts global growth of 2.1% in 2023, unchanged from June 2023 and lower than 3.1% in 2022.
- The COVID-19 pandemic and the military conflict in Ukraine are believed to have negative effects on the global economy. Although inflation has slowed, interest rates in developed countries have not fallen, so borrowing costs will remain high in 2023, and this trend is projected to continue in the next few years. On the other hand, the low growth rate indicates the region's "limited space" for fiscal and monetary policy.
- The IMF states that global inflation would gradually decrease from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024. Although monetary policy tightening is beginning to bear fruit, the main reason for inflation's forecasted decrease by 2023 is a drop in foreign commodity prices.
- The OECD reports that energy price reversals have led to lower overall inflation rates in many countries. However, since June 2023, production reduced by the important Organization of the Petroleum Exporting Countries ("OPEC+") economies has pushed the price of petroleum higher. Supply issues, along with increased geopolitical tensions, have created volatility in natural gas prices in Europe throughout the second half of 2023.
- According to the United Nations ("UNDESA"), labor markets in developed economies are becoming stable. In the first three quarters of 2023, labor markets in developed economies will continue to come back to pre-pandemic levels. The post-pandemic employment recovery in these countries has been substantially faster than the lengthy labor market rebound following the 2008-2009 global financial crisis. Since the beginning of 2021, many developed economies, excluding the United Kingdom, have seen unemployment increase while employment rates reflecting people's economic activity remain high. However, many developed countries continue to face a lack of labor in certain occupations, and employment and unemployment rates vary strongly by country, as do gender differences.
- The OECD states that while unemployment remains low, signs of labor market easing have begun to emerge in many economies, including slowing annual job growth, falling quit rates, a lower number of vacancies, and, in some cases, a slight rise in unemployment. Within OECD countries, the labor force growth rate stands at 1.5% as of the Q3/2023, as the flow of economic migrants continues to increase in many countries and the integration of refugees into labor markets in Europe.

¹ General Statistics Office, "Overview of forecasts for the Global economic situation in the fourth quarter and 2023" Organization of the Petroleum Exporting Countries ("OPEC"), "World Oil Outlook 2023 sees global oil demand at 116 mb/d in 2045"

- According to the World Bank, the price of Brent crude oil got up in April 2023 but fell again in May 2023, then recovered immediately after the attack on Israel but continued to decrease, indicating that the market would stay sensitive as signs of conflict widen in the Middle East. Metal prices, like Brent crude oil prices, got up at the start of the year but then decreased, but overall metal prices stayed constant in the first half of 2023; market signs indicate that this situation would repeat in 2024. Although food prices have risen significantly faster than inflation since the COVID-19 pandemic in some countries, food insecurity remains a serious challenge in some developing economies and emerging markets, reflecting extreme weather, geopolitical conflicts, and trade barriers.

Around the world, tighter financial conditions are increasingly weighing on sensitive spending as interest rates rise. However, total household consumption remained strong in developed economies while growing gradually in the majority of major emerging market economies.

- The IMF highlighted six main risk factors that might reduce the forecast for global economic growth, including:

[1] China's economic development is still slowing down, which has a negative effect on its trading partners. At the same time, this effect can be seen easily in exchange rate swings, which disrupt capital flows in developing and emerging markets.

[2] Climate and geopolitical shocks have caused commodity prices to become increasingly volatile. Climate change, the conflict in Ukraine, geopolitical tensions, and rising geoeconomic fragmentation, which cause food costs to soar, disrupt supply chains, restrict the flow of products across areas, fluctuations in prices, hit low-income countries particularly hard.

[3] Inflationary pressures remain latent. In most countries, general inflation began to reduce, while core inflation remained higher than central bank objectives. In addition, disruptions in oil supply caused by geopolitical events that push up energy costs raise the danger of losing control of inflation.

[4] Repricing of financial markets. While financial markets have adjusted to stronger monetary tightening beginning in April 2023, this might still result in higher interest rates and a decrease in asset values. Interest rate rises combined with decreasing economic activity in developed countries might result in an increase in bad loans, lowering long-term asset values. Falling property values, combined with a weak employment market, may increase mortgage defaults, put pressure on bank profits, raise borrowing rates for rising and developing economies, limit room for important spending, and heighten the risk of debt crisis.

[5] Geoeconomic fragmentation is growing, limiting international collaboration. The crisis in Ukraine, along with increasing geopolitical tensions, has divided the international economy into blocs, resulting in many trade restrictions.

[6] Social unrest tends to rise. Despite the fact that worldwide social unrest has decreased from a high in late 2019. However, if social unrest happens again in the future as a result of a rise in food and fuel costs, it will cause a lot of damage to economic activity.

Vietnam Economy and the Beer Market²

2023 was, however, a year that brought challenges and opportunities for the market in the general beer industry.

- According to the Asian Development Outlook Report in December 2023, Vietnam's economy grew less than expected in the first 09 months of 2023, reaching just 4.2%, which is half of the same period last year. Weaker growth reflects the cumulative impact of lower foreign demand, poor provincial budgets, and a slowdown in employment and domestic spending. Low production from processing, manufacturing, and services slowed economic development. Due to a fall in foreign demand, Vietnam's growth forecast in 2023 will be 5.2%, down 0.6 percentage points from the September 2023 forecast. The growth forecast for 2024 remains at 6.0%.

² General Statistics Office, "Overview of forecasts for the Global economic situation in the fourth quarter and 2023"

General Statistics Office, "Press release on the Socio - Economic Situation in the fourth quarter of 2023"

United Nations Population Fund ("UNFPA") Vietnam, "Vietnam's population reaches 100 million by 2023 - An important milestone"

- According to East Asia and Pacific Economic Update in October 2023, WB forecasts Vietnam's 2023 growth to reach 4.7%, down 1.6 percentage points compared to the April 2023 forecast. In 2024, Vietnam's growth will improve to 5.5%, down 1 percentage point from the forecast in April 2023.
- According to the World Economic Outlook for October 2023, the IMF states that Vietnam's growth in 2023 would be stagnated due to the considerable impact of headwinds on the economy at the end of 2022 and in the first half of 2023. Financial stress at real estate businesses comes as tighter lending conditions, regulatory hurdles, and sales slow, while the corporate bond market freezes. The economy has been affected by weakening foreign demand since the end of 2022, with exports down 12% in the first half of 2023. Vietnam is expected to grow at a rate of 4.7% in 2023 and 5.8% in 2024. Inflation is likely to stay below the goal level of 4.5%, and Vietnam may return to high growth in the medium term, with the support of structural reforms.
- According to the General Statistics Office of Vietnam ("GSO"), the gross domestic product ("GDP") in Q4/2023 will increase by 6.72% over the same period last year. However, the 9-month GDP is only higher than the growth rate of the same period due to COVID-19 in 2020 and 2021. The 9-month economic overview has recorded positive changes. The following month and quarter are better than the prior ones. As a result, GDP in 2023 will increase by 5.05% compared to the previous year. The socio-economic situation of our country in 2023 will continue the recovery trend, the macroeconomy is stable, inflation is under control, large balances are ensured, many important results in the fields of achieving the set goals and continue to be a bright spot in the economy in the region and in the world.
- As of 2022, Vietnam consumes 3.8 million liters of beer annually, accounting for 2.2% of the global market. It is the top country in ASEAN and ranks third in Asia (after China and Japan) in terms of beer consumption. Accordingly, data from the GSO showed low growth in beer production nationwide only after the COVID-19 pandemic, showing that the beer industry is still struggling due to high input material prices (malt, sugar), which affects the profitability of businesses in the industry. At the same time, while Vietnam's tourism industry saw significant growth following the COVID-19 pandemic, the country is still facing numerous challenges as a result of the economic slowdown, which resulted in consumers tightening their spending, particularly on non-essential items such as beer and alcohol, which is one of the reasons why the beer industry's revenue has been impacted.
- Vietnam's population and social structure are rapidly changing. Vietnam's population is expected to reach 110 million by 2050. Despite being heavily impacted by the COVID-19 pandemic, Vietnam's population structure continues to develop. The population structure has turned in a good direction, the population distribution is more acceptable, the working-age population is fast growing, and population quality is improving.
- In 2023, Vietnam has an average population of 100.3 million. In the context of increasingly fierce international economic competition, many countries face the challenge of population aging. It is important for Vietnam to reach a population size of 100 million people - one of 15 countries in the world with a population of 100 million or more - as the population is in the golden period of population structure. A population of 100 million people represents both an opportunity and a challenge for Vietnam; if the country capitalizes on the scope and structure of the golden population, it will have a healthy, educated, and skilled labor force, innovative thinking, and a strong driving force for the country in general, and the beer market specifically.
- Vietnam's economy has shown good growth with increasing Gross Domestic Product ("GDP"), rising per capita income, and urbanization. The population is also growing and amongst the youngest in the region. These factors will drive the consumption demand and support future growth for the beer industry in Vietnam.
- While COVID-19 caused short-term effects, the Law on Alcohol Harm Prevention has a long-term impact. Decree No.100 of the Government, issued on December 30, 2019, imposed heavy penalties for using a vehicle on the road under the influence of alcohol. Moreover, Decree No.24 of Government, issued on February 24, 2020, introduced stricter regulations on alcohol advertising, specifically including [1] governing advertising for alcohol below 15% and beer, [2] restricting the use of actors drinking alcohol in cinematographic, theatrical and television works and [3] taking measures to prevent under 18 from accessing information and buying wine.

2. Business Performance in 2023

In 2023, the Board of Directors operated in accordance with the Law, the Corporation's Charter, and relevant regulations and delivered results as follows:

Categories	Unit	2022 Actual	2023 Plan	2023 Actual
Net Sales	Billion VND	34,979	40,272	30,461
Profit After Tax	Billion VND	5,500	5,775	4,255

Earnings and Dividend:

- SABECO had successfully raised its charter capital by issuing 641,281,186 shares to existing shareholders through 1 for 1 bonus share issuance.
- The accomplishments from our disciplined execution across all business areas included satisfactory earnings and sustainable dividend payouts. The operational performance allowed a dividend payment of up to 35% of par value to shareholders, meeting the plan approved at the 2023 AGM.

3. The Board of Directors Activities in 2023

In 2023, the first year of implementation of the Resolution of the General Meeting of Shareholders for the period 2023-2028, consolidate the positions of Board of Directors and the Chairman of the Board of Directors for the new appointment term. Accordingly, the Board of SABECO held six (06) physical meetings and meetings via video conference to facilitate the implementation of the Corporation's strategic plans and to supervise the business activities of SABECO and its group of companies.

Besides regular BOD meetings, the Board also approved resolutions through circular resolutions for urgent business decisions under the authority of the Board of Directors.

3.1 Remuneration

Remuneration for Board members was approved in the 2023 AGM. Hence, they received the amount in accordance with the Corporation's regulations and policies.

3.2 Performance Assessment of the Board and Committees

In response to SABECO's expanding operating scale, business activities must be adjusted regularly to adapt to complex market conditions and changes in the economic environment. Therefore, BOD members have been working with the highest sense of responsibility, developing their leadership capacity to pursue SABECO's sustainable development for the interests of shareholders.

Additionally, BOD members have actively participated in training courses organized by the Vietnam Institute of Directors ("VIOD") to improve and strengthen coordination in bilateral activities and constantly update and improve necessary skills for BOD members in Vietnam.

Activities of Committees under the Board of Directors

Each member of the Board of Directors, the Committees, and the whole Board of Directors have completed their tasks completely and quickly through the following key activities:

- The Audit Committee ("AC") reviewed [1] financial statements and SABECO's internal control system, [2] reviewing related party transactions which might lead to a conflict of interest, [3] supervising compliance and fraud prevention, overseeing and evaluating internal audit performed in accordance with the International Standards for the Professional Practice of Internal Auditing, and [4] approving audit plans as well as assessing independent auditing services.
In accordance with the provisions of the law, advanced practices, and the Corporation's Charter, the Board of Directors decided to establish the Nomination and Remuneration Committee ("NRC") and Sustainability and Risk Management Committee ("SRMC") in April 2023.
- The primary function of NRC is to assist the Board in fulfilling its oversight responsibilities of key areas including: [1] review the structure, size, and composition of the Board and Board Committees; [2] review succession plans for the Chairman, members of the Board, and Executives of SABECO; [3] develop a transparent process for evaluating the performance of the Board, Board Committees, and members of the Board and positions under the decision-making authority of the Board; [4] review training and professional development programs for the Board, members of the Board, and positions under the decision-making authority of the Board; [5] review the appointment and re-appointment of

all members of the Board and Board Committees, review the General Director's proposal on positions under the decision-making authority of the Board for the Board's consideration and approval; [6] review and confirm the independence of each member of the Board; [7] review the framework of remuneration for the Board, Board Committees, and Executives of SABECO, and positions under the decision-making authority of the Board; [8] review specific remuneration packages for each member of the Board, Board Committees, and Executives of SABECO.

- The primary function of SRMC is to assist the Board in fulfilling its oversight responsibilities of key areas including: [1] assist the Board in carrying out its responsibility of overseeing the risk management framework and policies; [2] report to the Board and provide appropriate advice and recommendations on material risk issues and a risk management system for the timely identification, mitigation, and management of key risks that may have a material impact on SABECO; [3] assist the Board in carrying out its responsibility in determining environmental, social, and governance factors ("ESG factors") identified as material to the business, monitoring and managing ESG factors, and overseeing standards, management processes, and strategies to achieve sustainability practices; [4] report to the Board and provide appropriate updates and recommendations on sustainability issues.

3.3 Business transactions between SABECO and its related persons

All related party transactions ("RPTs") that occurred were subject to strict reviews and approval processes following the pre-defined approval matrix according to SABECO's Charter. AC then reviewed and discussed with the Independent Auditor and the Management any complex and unusual related party transactions, if necessary and required.

Members of the Board and the Management were required to disclose to the Board whether they, directly, indirectly, or on behalf of third parties, had a material interest in any transaction or matter which directly affected the Corporation. The Board must ensure that transactions between related parties are carried out on standard commercial terms and are not detrimental to the interests of the Corporation.

Excluding those transactions between companies within the SABECO group, the RPTs occurred in 2023 are as follows:

Company	Transaction Detail	SABECO Board's approval
Sai Gon Beer Trading Company Limited	Contracts for lease of works on land between SABECO and SATRACO	Resolution No.61/2023/NQ-HDQT dated 03 May 2023.
	To sublease the office space to SATRACO	Resolution No.63/2023/NQ-HDQT dated 15 May 2023.
	To lease pallets from SATRACO on Malt storage demand for years 2023-2024	Resolution No.80/2023/NQ-HDQT dated 14 September 2023.
Saigon Beer Nam Trung Bo Trading Joint Stock Company ("Nam Trung Bo")	Contracts for lease of works on land between SABECO and Nam Trung Bo	Resolution No.61/2023/NQ-HDQT dated 03 May 2023.
Me Linh Point Limited ("MLP")	Renewal and amendments to the consultancy services agreement	Resolution No.66/2023/NQ-HDQT dated 01 June 2023.
Chuong Duong Beverages Joint Stock Company ("CDBECO")	To extend CDBECO's loan from SABECO	Resolution No.71/2023/NQ-HDQT dated 19 July 2023.
	Intercompany loan from SABECO to CDBECO	Resolution No.79/2023/NQ-HDQT dated 14 September 2023.
	To lease warehouse from CDBECO on Malt storage demand for years 2023-2024	Resolution No.80/2023/NQ-HDQT dated 14 September 2023.

3.4 Self-assessment of the Board

As required by Securities Law, the Board performance review by Independent Directors was conducted by circulation based on six (06) assessment criteria such as [1] Board Composition, [2] Strategy and Performance, [3] Governance - Board risk management and internal controls, [4] Board Function - Information management, [5] Top Management Performance and Succession Planning, [6] Director development. The assessment form used contains questionnaires with a 05-level rating scale.

As per the results, in 2023, the overall rating was “*exceed expectations*”. The Board operated in accordance with Law and SABECO’s Charter aimed at achieving positive results for the corporation. The instructions under the Board’s authority regarding governance, strategic supervision, master plans of action, risk management, annual budgets, nomination, and remuneration have been executed professionally. Besides, the Board has ensured adequate communications with shareholders, investors, regulators, and the general public by pursuing a transparent and effective disclosure policy. The suggestions of the Board for performance improvement have been noted for implementation in 2023.

Some awards and accolades won in 2023 as a result of Corporation’s and Board’s commitment of building a sustainable business:

- On 05 June 2023, SABECO was unveiled as Top 50 listed companies in 2023, a leading brand in the Vietnam beer industry, by Forbes Vietnam. The rankings are based on last year’s audited consolidated financial reports of the companies listed on Ho Chi Minh Stock Exchange and the Hanoi Stock Exchange.
- On 29 October 2023, SABECO was recognized as an “Outstanding Enterprise for Employees” for the first time by the Vietnam General Confederation on Labor in conjunction with the Ministry of Labor, Invalids and Social Affairs (MoLISA) and the Vietnam Chamber of Commerce and Industry.
- On 01 December 2023, SABECO’s BOD was honored as Top 12 “Board of Directors Committed to Best Corporate Governance Practices” at the 2022 Board of the Year Award Ceremony at the 06th Annual Forum organized by the Vietnam Institute of Directors (“VIOD”). This award recognizes and appreciates the efforts of SABECO’s BOD in committing to best corporate governance practices and improving governance quality towards sustainable development.
- On 13 December 2023, SABECO was also honored to be one of the Top 100 Sustainable Businesses in Vietnam 2023 for the first time. The award itself is a comprehensive and objective testament to SABECO’s relentless efforts on its journey toward sustainable development in Vietnam.

3.5 Supervision and Assessment of the Management

Based on the Corporation’s Charter and relevant regulations, BOD resolutions are then delegated to the Management for execution to be in line with the Corporation’s business plan.

The Board adheres to the development goals and orientations approved by the AGM in making decisions and offering solutions to specific issues.

A summary of the Board’s supervising activities is outlined below:

3.5.1 Organizational Structure

- Revised and streamlined the organizational structure for certain functional departments to provide consistent, proactive, and flexible management.

3.5.2 Sales and Marketing Activities

- Reviewed product portfolio and improved market share and brand health tracking.
- Satisfied customers’ requirements and needs in each market segment.
- Monitored and guided the sales support programs to increase effectiveness and ensure consistency throughout the system to achieve targeted sales volume.
- Focused on key distributors and distribution channels to meet market demand, considering the pricing strategies and market competitiveness.
- Focused on strengthening its vital market segment, the famous and sub-premium product lines, to create momentum before targetting the premium segment.
- Expanded modern commerce channels and e-commerce channels.
- Leveraged Music Events for Brand Building & Boost Consumer Awareness, such as “Thrilling summer with the Chill Fest”.

- Be the exclusively sponsored a press conference introducing the documentary film “Vietnam, Where Are You?”, produced by Viewfinder in collaboration with the Vietnam Football Federation to honor and recognize the accomplishment of our national women’s football team while rallying support for gender equality in Vietnamese sports.
- Be the exclusive beer sponsor for “Vung Tau Beer Festival” with the theme “All Around the World with Bia Saigon”.
- Be the main sponsor of the Seven-A-Side National Championship “Bia Saigon Cup 2023” VPL-S4.
- Be the Diamond sponsor of the Tien Phong Marathon National Championship with aim to promote active healthy lifestyle in the community and position Vietnam as the leading tourist destination in Southeast Asia.
- Used Artificial Intelligence (“AI”) to support outlets in increasing interaction and attracting consumers throughout the launch campaign of the Bia Saigon Export Premium brand “Quality Beer - Quality Life”.
- Honored with Best Key Visual and Most Impressive OOH Design for our “Cung nhau lam nen Tet” campaign in 2023 at the Award Ceremony of the 2023 Vietnam Creative Advertisement Awards (Van Xuan Award).
- Announced the Tet “Year of the Dragon” 2024 CSR Program “Tet se chia, nam Rong khoi sac” program forms an integral part of the broader “Welcome the Dragon Year - Multiple Prosperity” campaign, including engaging activities and distribution gifts to workers, fisherman, and border and coastal in 25 provinces and cities nationwide. This program seeks to honor Vietnam’s rich Tet culture which emphasizes family values of solidarity, cooperation, and mutual support from local governments, social communities, and enterprises are much needed to achieve collective success and development across Vietnam.
- Honored at the Mobile Marketing - Global Smarties Award, selected by the Jury Panel of the MMA Smarties Vietnam 2023, with 02 Gold Prize in the “Omnichannel Marketing” and “Cross Digital Media Marketing” categories, to honor the continuous efforts and creativity in leading the mobile marketing market through the campaign “Together We Make Tet 2022” and 01 Silver Prize in “Product and/or Service Launch” category with Bia Saigon Chill, thanks to the creativity and efficacy of the Tet campaign “Happy Chill Year - Walking on the Chill side”.

3.5.3 Production and Supply Chain Activities

- Maintained the highest standards for product quality by improving the procurement process of raw materials and production process.
- Closely monitored the price movement of raw materials and ensured timely purchasing of production materials to optimize production costs as well as ensure sufficient supply.
- Enhanced efficiency and capabilities for the supply chain within SABECO system.
- Strengthened quality management, machinery, and equipment management programs, improved expertise and training for workers to ensure quality and food safety.
- Managed research and beer analysis activities at testing laboratories of the Corporation’s system, developed documentation, and maintained and improved the laboratory management system ISO 17025:2005.
- Invested in R&D activities and applied innovative technologies to diversify product portfolio, improve product quality, and reduce manufacturing costs: the brewery’s operational procedures center health, the environment, and sustainable development.
- Restructured warehousing processes and network, developed transportation roadmap and progressively optimized transport activities, centralized the operation of long-range transport, diversified transportation methods, and ensured adequate supply during peak occasions. This will contribute to improve the competitiveness of SABECO’s supply chain and increase the efficiency of distribution centers to support the market’s supply system in the best way, thereby, increasing the overall competitive advantage of SABECO.
- Honored at the 2023 World Beer Championships (“World Beer Cup 2023”) - an award established by the Beverage Testing Institute (“BTI”) in 1994 as the first international beer competition in the United States - with 08 medals, including 04 gold medals awarded to Bia Lac Viet Lager, Bia Saigon Limited Gold Pilsner, Bia Saigon Lager, Bia Saigon Export Lager and 04 silver medals for Bia Saigon Special, Bia Saigon Chill, 333 and Bia Saigon Coffee Infused Beer.

3.5.4 Investment Activities

- Ensured compliance with the Law and SABECO's regulations while implementing capital investment projects.
- Exploring effective-capacity development opportunities in order to meet business needs.

3.5.5 Human Resources Activities

- Reviewed and developed the Corporation's structure to streamline the organization and increase the effectiveness of business management and operation by reviewing the functions and duties of various sections of the corporation and subsidiaries and standardizing job descriptions to evaluate staff capabilities properly.
- Strengthened the management structure by combining international management experience, understanding local practices and networks, and further developing expertise throughout the organization.
- Ensured transparency and compliance with Laws, relevant regulations, and the Corporation's internal policies to avoid potential conflicts of interest through collection of personal information disclosure for the high-level management and all employees within SABECO group of companies as requirement database.
- Rolled out an insurance policy in the Head office and within SABECO group of companies to ensure the work-life balance and allowance/ benefits of all employees.
- Enacted the "Whistleblowing Policy" allows everyone in the Corporation to raise their concerns about suspected wrongdoings and dangers in the workplace. This applies to the legal, financial, as well as health and safety fields.

3.5.6 Subsidiaries, Associates, and Joint Ventures' Activities

- As of 31 December 2023, SABECO has 26 subsidiaries with over 50% of ownership, 18 associates, and joint ventures.
- Most of SABECO's subsidiaries and associates in main business activities (beer manufacturing and trading) and supporting industries (packaging, transportation, mechanical) had recorded positive results despite being impacted by the COVID-19 pandemic and barriers of law and relevant regulations, improving returns on SABECO's capital investment.

II. 2024 Orientation

1. Macroeconomics Overview and the Beer Market in 2024

1.1 Overview³

- Inflation, one of the major concerns in 2023, is moderating in many major countries, allowing for looser monetary policies to boost the economy. However, in 2024, the global economic picture will remain a mix of light and dark, with opportunities and challenges intermingled.
- In its latest World Economic Outlook, the IMF kept its forecast for global real GDP growth in 2023 at 3.0% but reduced its forecast for 2024 to 2.9% from 3.0% in July.
- The OECD expects that global growth would drop to 2.7% in 2024, from 2.9% this year, before increasing to 3% in 2025 due to higher real income and reduced interest rates. However, the OECD had previously forecast decreasing growth due to weak PMIs; the poll revealed business pessimism in many major nations, slowing credit growth, and consistently low consumer confidence.
- According to the IMF, the European economy will most likely avoid a recession and a "soft landing" in the near future. Rising salaries are a key factor supporting Europe's economic recovery.
- In the overall picture of the world economy, regional and international financial organizations have a positive and optimistic outlook and believe Asia to dominate global growth in 2024. The bank highlighted that the development of emerging countries in Asia is reasonably hopeful, with healthy domestic demand, ample remittances, and the tourist sector's positive recovery momentum serving as the primary drivers of economic growth.
- According to the 2024 Economic Growth Outlook Report produced by international financial institutions, Vietnam's economy is expected to recover well in 2024, following a year of "steadfastly" overcoming global economic headwinds.

³ IMF, "World Economic Outlook Update 2024"

The Ministry of Finance E-portal, National Institute for Finance, "OECD: The world economy in 2024 will grow slower than in 2023".

Government News, "The UN forecasts that the global economy will face major difficulties in 2024".

- According to the Q4 Global Economic Outlook Forecast Report (December 2023) by the Institute of Chartered Accountants of England and Wales (“ICAEW”) and Oxford Economics, despite a slowdown in growth in 2023 and 2024 compared to the pre-pandemic average of 7%, Vietnam's remarkable growth story is still ongoing.
- According to the International Monetary Fund, Vietnam's GDP is expected to rise by 5.8% in 2024, making it in the top 20 fastest-growing countries globally. One of the reasons the IMF is believing about Vietnam's development prospects is that the foundation that supported Vietnam's economic growth before the COVID-19 pandemic will remain in place in 2024, even if the export-oriented economy was hit by falling external demand in 2023. As a result, the IMF estimates Vietnam's GDP growth to reach 6.9% by 2025.
- With the newly amended Enterprise Law, Investment Law, Securities Law, and other regulations to enhance transparency in the investing environment, especially for foreign investors, Vietnam hopes to increase the stock market's capitalization equal to the country's GDP in 2024. Larger market capitalization would help Vietnam move from a frontier market to an emerging market.

1.2 Beer Market in 2024⁴

- The COVID-19 pandemic and related policies, such as the Law on Alcohol Harm Prevention and Control and Decree 100/2019/ND-CP, have led to challenges in Vietnam's beer industry, resulting in lower-than-expected business results. Furthermore, as people tighten their spending habits, consumer tastes and requirements for packaging design and quality become more stringent, putting pressure on businesses to spend heavily on advertising and promotion campaigns to increase competitiveness and boost consumption.
- The beer industry's recovery is expected to be prevented by Decree 100, as well as high production and business costs for packaging, raw materials, and transportation. These costs are expected to rise sharply, impacting profitability for businesses in the industry.
- The beer industry is still impacted by the aforementioned laws and policies. However, the Ministry of Finance (“MOF”)’s proposal to adjust excise tax rates for harmful items, such as alcohol and beer, in the latest draft of the Law on Excise Tax, will put additional pressure on businesses. The Vietnam Beer-Alcohol-Beverage Association (“VBA”) believes that tax increases will increase the financial burden on businesses, so enterprises must have enough time to prepare and plan production and business, and they should not rush, shorten, or ignore requirements when amending and supplementing such an important tax law.
- 2024 continues to present “golden” opportunities for Vietnam's beer industry: [1] Golden population structure, fast income, [2] great potential of segment “non-alcoholic beer,” [3] potential for the export market.
- The competition continues to intensify, with every beer manufacturer vying for a higher market share.
- Alcoholic beverages in Vietnam are subject to 03 taxes: import tax (from 05-80% depending on the type of FTA), value added tax - VAT (10%), and special consumption tax - SST (an increase from 50% to 65% in 2018).

2. 2024 Planning

Recognizing the opportunities and challenges ahead, in 2024, SABECO's Board of Directors will set sustainable growth goals to create tangible action for the long-term development of SABECO. Hence, the Board would like to propose the following business plan for 2024:

Categories	Unit	2023 Actual	2024 Plan	% Growth Rate
Net Sales	Billion VND	30,461	34,397	12.9%
Profit After Tax	Billion VND	4,255	4,580	7.6%

Additionally, to achieve the proposed 2024 business plan, the Board guides in the following areas:

- Implementing resolutions of the General Meeting of Shareholders, including achieving the 2024 business plan.

⁴ The Ministry of Finance E-portal, National Institute for Finance, “OECD: The world economy in 2024 will grow slower than in 2023”.

Government News, “The UN forecasts that the global economy will face major difficulties in 2024”.

- Focusing resources on branding and marketing activities, including developing brand positioning, production and distribution strategies to meet market needs, professional distribution network restructuring, and effective supporting channels and product segment control.
- Maintaining the domestic market and reaching out to the international market.
- Promoting research and development initiatives to improve product quality and new product offerings.
- Enhancing capabilities and efficiency of SABECO's supply chain system.
- Integrating effective methods of HR management and applying the Key Performance Indicators ("KPIs") reward system.
- Increasing investment and operational efficiencies and reducing costs, thereby increasing productivity.
- Focusing on E-commerce/online and the on-off premise channels according to the changing trend.
- Adopting renewable and solar energy systems for cost-effectiveness and reducing the effects of climate change.
- Establish ESG commitments covering Environmental, Social, Governance, and Economic in compliance with international standards;
- Setting base-year and base-line to define targeted initiatives for operational cost-efficient management.
- Leveraging both local and international expertise to preserve SABECO values and the Corporation's brands while constantly adapting to the dynamic market with its ever-changing business environment.

The Board respectfully proposes the BOD report to the 2024 General Meeting of Shareholders for approval.

Sincerely yours,

Ho Chi Minh City, 03 April 2024

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN



Koh Poh Tiong



SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION

REPORT ON ACTIVITIES OF THE INDEPENDENT DIRECTORS IN THE AUDIT COMMITTEE IN 2023

To: Shareholders of Saigon Beer – Alcohol – Beverage Corporation

In compliance with the provisions of the Enterprise Law 2020, the Charter and Internal Regulations on corporate governance approved by the General Meeting of Shareholders of Saigon Beer – Alcohol - Beverage Corporation, the Independent Directors in the Audit Committee would like to report the activities of the Audit Committee in 2023 to the Annual General Meeting of Shareholders (“AGM”).

I. Organizational structure of the Audit Committee

The Audit Committee (“AC”) under the Board of Directors (“BOD”) of Saigon Beer – Alcohol - Beverage Corporation (“SABECO”) comprises three Directors as follows:

- **Mr. Pramoad Phornprapha** – Independent member of the BOD, AC Chairman;
- **Mr. Nguyen Tien Vy** – Independent member of the BOD, AC member;
- **Mr. Michael Chye Hin Fah** – BOD member, AC member.

II. Remuneration, operation expenses, and other benefits of the Audit Committee

The AC members had received remuneration, operation expenses, and other benefits in accordance with the Law on Enterprises, the Charter, and the regulations of the company.

III. Meetings of the Audit Committee

During the fiscal year ended 31st December 2023, the AC held five meetings, and each committee member’s attendance is presented below:

No.	Members of the Audit Committee	Position	Number of meetings attended	Attendance rate	Voting rate	Reasons for absence
1	Mr. Pramoad Phornprapha	Chairman	5/5	100%	100%	
2	Mr. Nguyen Tien Vy	Member	5/5	100%	100%	
3	Mr. Michael Chye Hin Fah	Member	5/5	100%	100%	

IV. Supervision of the BOD and Management

- Supervising the activities of the BOD and Management directly through meetings, discussions, and communications with them as well as with Internal Audit and the Independent Auditor.
- Having regular meetings with Internal Audit and Management to discuss SABECO’s issues.
- Supervising Management’s activities in terms of compliance with the BOD’s resolutions (if any).

V. Coordination between the Audit Committee and the BOD, Management, and shareholders

- The Audit Committee always coordinated well with BOD members and Management within the scope of work of the AC.
- The Audit Committee received full support from the BOD and Management to fulfill its duties for 2023.
- The Audit Committee periodically reported the supervision results to the BOD.

- The Audit Committee supervised the periodic financial statements and financial performance results.

VI. The Audit Committee's supervision results

1. Financial Statements

The AC had reviewed quarterly, semi-annual, and annual financial statements before Management submitted them to the BOD, and then to shareholders at the AGM, or for public release as required by the law, and assessed whether they were presented fairly, completely, and timely in accordance with current accounting standards and regulations and legal requirements. For 2023, the results of the review showed that:

- Quarterly and annual financial statements were prepared and disclosed in accordance with current accounting standards and regulations.
- Although it is not required by the law, Q1/2023 and Q3/2023 Financial Statements were reviewed by the Independent Auditor, who provide assurance to the reliability and credibility of the reports before being disclosed.
- There were no major changes in accounting policies, accounting standards, or tax policies during the year, which had material impact(s) on the financial position and Financial Statements.
- No material errors were found regarding accounting estimates (provisions, goodwill valuation, etc.).
- Some comments in the management letter to improve SABECO's internal control system, which were made by the Independent Auditor, had been reviewed and considered by the AC as not having a significant impact on the preparation and disclosure of the Financial Statements. The AC also agreed with Management and relevant stakeholders on measures for improvement.

2. Related Party Transactions

The AC reviewed related party transactions that SABECO had entered into, which might lead to conflicts of interest. Such transactions were undertaken on an arm's length basis, reasonably, on standard commercial terms, and in the best interest of the Corporation with appropriate approval procedures, including information being disclosed sufficiently, accurately, and completely.

3. Compliance and Fraud Prevention

The AC would supervise the effectiveness of SABECO's internal controls to prevent fraud and ensure compliance with the law and the Corporation's charter and regulations. The AC would focus on the efficiency of internal audit and risk management systems. The AC reviewed SABECO's internal control system every quarter based on the audit report of the Internal Audit Department. The report included recommendations to improve some internal controls so that the Corporation's business operations would be adequate, effective, and comply with the provisions of law, Corporation's Charter. Together with the Sustainability and Risk Management Committee (SRMC), the AC also reviewed the quarterly report on internal controls and enterprise risk management to help safeguard the assets of the Corporation.

4. Internal Audit function

The AC had oversight of the Corporation's internal audit activities, including approving the annual audit plan, evaluating internal audit performance, and ensuring that the Internal Audit Department independently performed its duties by having it report directly to the AC and providing advice to be in accordance with the International Standards for the Professional Practice of Internal Auditing and the approved audit plan. The AC found that the internal audit activities had achieved established goals and plans. Moreover, the AC held separate meeting with the Internal Audit Director without the attendance of Management to enhance independence and transparency.

5. Independent Audit Services

The AC found that the proposed 2023 audit plan and its implementation by the Independent Auditor were suitable to meet the Corporation's requirements in terms of scope, objectives, methodology, and timeline while ensuring the auditing service quality and independence with no conflict of interest. In addition, the AC



reviewed and approved the non-assurance services pre-approval policy. The policy ensures that the AC understands the provision of non-assurance services by the Independent Auditor will not compromise the auditor's independence. Moreover, the AC held separate meetings with the Independent Auditor without the attendance of Management to enhance independence and transparency.

In implementing the 2023 audit plan, KPMG successfully fulfilled its tasks as the Independent Auditor, met the AC's expectations, and ensured the reliability and integrity of the financial statements disclosed to shareholders and relevant stakeholders.

For the financial year 2024, the BOD will submit the proposal of selecting an independent auditing firm to the AGM for approval.

Respectfully yours,

INDEPENDENT DIRECTOR



Nguyen Tien Vy

INDEPENDENT DIRECTOR



Pramoad Phornprapha





SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION

**PROPOSAL ON SELECTING THE INDEPENDENT AUDITOR
FOR THE FISCAL YEAR 2024 AND Q1 2025**

Ho Chi Minh City, April 03, 2024

To: Shareholders of Saigon Beer – Alcohol – Beverage Corporation

Pursuant to the Enterprises Law No. 59/2020/QH14 passed on June 17, 2020;
Pursuant to the Charter of Saigon Beer - Alcohol - Beverage Corporation ("SABECO");
The Board of Directors would like to submit to shareholders for approval the list of auditing companies to audit financial statements for the fiscal year 2024, Q1 2025 and all relevant periods as deemed necessary for SABECO as follows:

1. Criteria for selecting an independent auditing company:

- Selecting an international auditing firm that is authorized to operate in Vietnam and approved by the State Securities Commission for provide audit service for security issuers and listing organizations.
- Be one of the leading international auditing companies, Which has audit quality reputation and extensive experience in auditing financial statements for consumer good company in accordance with the accounting standards of Vietnam Accounting System (VAS) and International Financial Reporting Standards (IFRS) in general and for the Corporation in particular.
- Highly qualified and experienced auditors who meet the Corporation's requirements on the work scopes, audit timelines and reasonable audit fees in consistent with the audit quality based on valuating all of audit proposals and audit work scopes.

2. List of audit companies:

Based on the above selection criteria, the Board proposes the following four prestigious international auditing firms to be selected as SABECO's independent auditor:

- Ernst & Young Vietnam Limited;
- KPMG Vietnam Company Limited;
- PWC (Vietnam) Limited;
- Deloitte Vietnam Company Limited.

3. Objectives, work scopes on audit and review of financial statements for the fiscal year 2024, Q1 2025:

- Objectives:
 - Separate financial statements of the parent company and its subsidiaries.
 - Consolidated financial statements.
 - Other business upon request.
- Period:
 - For the fiscal year 2024, Q1 2025 and all relevant periods as deemed necessary.

4. Proposal on the selection of audit company:

Assigning the Board of Directors to decide on selecting one of the four independent auditing companies as proposed in this proposal and assigning the General Director to sign the audit contract with the selected company to perform the audit and review of SABECO's financial statements.

Respectfully yours,

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN



Koh Poh Tiong



SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION

PROPOSAL ON TRANSACTIONS BETWEEN SABECO AND ITS SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATES WITHIN SABECO SYSTEM

Ho Chi Minh City, April 03, 2024

To: Shareholders of Saigon Beer – Alcohol – Beverage Corporation

Pursuant to the Law on Enterprises No. 59/2020/QH14 passed on June 17, 2020;
Pursuant to the Law on Securities No. 54/2019/QH14 passed on November 26, 2019;
Pursuant to the Charter of Saigon Beer - Alcohol - Beverage Corporation (“SABECO”),
To make the business operations of SABECO more flexible but still in compliance with related laws and internal regulations in relation to related party transaction, the Board of Directors would like to submit to the General Meeting of Shareholders for approval of the followings:

1. Approve the contracts and transactions within SABECO system including but not limit to transactions between SABECO and (i) Saigon Beer Trading Limited Company (SATRACO), SA BE CO Mechanical Co., Ltd (MESAB), regional Saigon Beer Trading Joint Stock Companies; (ii) Co-production units and (iii) joint ventures, associates in SABECO system with respect to the followings:
 - a. Sale and purchase of SABECO’s beer products;
 - b. Sale and purchase of the packaging printed with SABECO trademark;
 - c. Sale and purchase of raw materials for producing SABECO’s beer;
 - d. Sale and purchase of the point of sales material (POSM) for marketing and consumption of SABECO’s beer products;
 - e. Providing transportation services to transport SABECO's raw materials and/or SABECO's beer products, packages, crates, pallets, point of sales material for SABECO's beer production and consumption.

(all contracts, transactions mentioned above are referred as “Transactions”)

The above Transactions are conducted based on the following conditions:

- These Transactions serve regular business activities and/or are essential for daily business operations of SABECO, SATRACO, MESAB, regional Saigon Beer Trading Joint Stock Companies; subsidiaries, joint ventures, associates and other companies contributing capital to SABECO within SABECO system.
 - These Transactions must be carried out in accordance with normal commercial terms and conditions and do no harm to the interests of SABECO.
2. Assign the Board of Directors to implement the contents in Section 1 mentioned above, and permit the Board of Directors to re-assign the General Director and Deputy General Directors of SABECO for the following implementations:
 - a. Decide specific terms and conditions of the Transactions and contracts, agreements, documents related to the Transactions, including agreements of amendment, supplement, replacement, termination of the Transactions (if any) in accordance with conditions prescribed in Section 1 mentioned above; and
 - b. Sign and execute the Transactions and other documents related to the Transactions, including agreements of amendment, supplement, replacement, termination of the Transactions (if any) in accordance with conditions prescribed in Section 1 mentioned above.

Respectfully yours,

ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN



Kon Poh Tiong