

**Saigon Beer – Alcohol – Beverage  
Corporation**

Consolidated Financial Statements  
Quarter 1 Year 2020



## Saigon Beer – Alcohol – Beverage Corporation Corporate Information

### Enterprise Registration Certificate No.

0300583659

29 February 2012

The Company's Enterprise Registration Certificate ("ERC") has been amended several times, of which the most recent one is ERC No. 0300583659 dated 7 August 2018. The Enterprise Registration Certificate and its updates were issued by the Ho Chi Minh City Department of Planning and Investment.

### Board of Directors

Mr. Koh Poh Tiong	Chairman
Mr. Pramoad Phornprapha	Member
Mr. Nguyen Tien Vy	Member
Mr. Michael Chye Hin Fah	Member
Ms. Tran Kim Nga	Member
Mr. Nguyen Tien Dung	Member
Mr. Luong Thanh Hai	Member

### Board of Management

Mr. Neo Gim Siong Bennett	General Director
Mr. Teo Hong Keng	Deputy General Director
Mr. Ng Kuan Ngee Melvyn	Deputy General Director
Mr. Lam Du An	Deputy General Director
	Saigon – Nguyen Chi Thanh
	Brewery's Director
Mr. Hoang Dao Hiep	Deputy General Director

### Audit Committee

Mr. Pramoad Phornprapha	Head of Audit Committee
Mr. Nguyen Tien Vy	Member
Mr. Michael Chye Hin Fah	Member

### Legal Representative

Mr. Koh Poh Tiong	Chairman
Mr. Neo Gim Siong Bennett	General Director

**Saigon Beer – Alcohol – Beverage Corporation**  
**Corporate Information (continued)**

<b>Registered Office</b>	No. 187, Nguyen Chi Thanh Street, Ward 12, District 5 Ho Chi Minh City, Vietnam
<b>Contact address</b>	5th Floor, Vincom Commercial Centre, 72 Le Thanh Ton and 45A Ly Tu Trong, Ben Nghe Ward, District 1 Ho Chi Minh City, Vietnam
<b>Branches</b>	Saigon - Cu Chi Brewery Lot C1, D3 Street, Northwest Cu Chi Industrial Zone, Cu Chi Town, Cu Chi District, Ho Chi Minh City, Vietnam  Saigon - Nguyen Chi Thanh Brewery 187, Nguyen Chi Thanh Street, Ward 12, District 5 Ho Chi Minh City, Vietnam

## CONSOLIDATED BALANCE SHEET

As at 31 March 2020

VND

Code	ASSETS	31/03/2020	01/01/2020
<b>100</b>	<b>A. CURRENT ASSETS</b>	<b>16,346,544,224,916</b>	<b>19,164,602,511,633</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>2,447,101,994,565</b>	<b>4,115,884,646,637</b>
111	1. Cash	935,646,309,626	953,478,997,565
112	2. Cash equivalents	1,511,455,684,939	3,162,405,649,072
<b>120</b>	<b>II. Short-term investments</b>	<b>10,824,541,791,369</b>	<b>12,393,226,750,273</b>
123	1. Investments held-to-maturity	10,824,541,791,369	12,393,226,750,273
<b>130</b>	<b>III. Short-term receivables</b>	<b>642,624,842,634</b>	<b>568,608,377,917</b>
131	1. Short-term trade accounts receivable	132,254,975,342	157,654,572,653
132	2. Short-term prepayments to suppliers	60,253,994,024	54,679,363,371
136	3. Other short-term receivables	795,478,140,553	702,587,109,178
137	4. Provision for doubtful debts – short-term	(345,362,267,285)	(346,312,667,285)
<b>140</b>	<b>IV. Inventories</b>	<b>2,256,885,560,175</b>	<b>1,967,137,719,907</b>
141	1. Inventories	2,455,702,115,734	2,169,540,753,708
149	2. Provision for decline in value of inventories	(198,816,555,559)	(202,403,033,801)
<b>150</b>	<b>V. Other current assets</b>	<b>175,390,036,173</b>	<b>119,745,016,899</b>
151	1. Short-term prepaid expenses	115,008,673,194	97,129,905,121
152	2. Value Added Tax to be reclaimed	52,886,515,488	18,203,862,026
153	3. Taxes and other receivables to the State Budget	7,494,847,491	4,411,249,752



## CONSOLIDATED BALANCE SHEET

As at 31 March 2020

VND

Code	ASSETS	31/03/2020	01/01/2020
<b>200</b>	<b>B. LONG-TERM ASSETS</b>	<b>7,840,025,726,497</b>	<b>7,797,873,582,412</b>
<b>210</b>	<b>I. Long-term receivables</b>	<b>8,006,246,929</b>	<b>9,110,080,970</b>
211	1. Long-term account receivables	6,005,003,018	6,005,003,018
215	2. Long-term loan receivables	4,000,000,000	4,000,000,000
216	3. Other long-term receivables	37,391,657,734	38,495,491,775
219	4. Provision for doubtful long-term receivables	(39,390,413,823)	(39,390,413,823)
<b>220</b>	<b>II. Fixed assets</b>	<b>4,648,518,350,088</b>	<b>4,685,440,455,287</b>
221	1. Tangible fixed assets	3,708,691,067,864	3,743,642,558,190
222	Cost	10,297,329,971,606	10,190,230,853,202
223	Accumulated depreciation	(6,588,638,903,742)	(6,446,588,295,012)
227	2. Intangible fixed assets	939,827,282,224	941,797,897,097
228	Cost	1,091,700,245,647	1,091,733,605,211
229	Accumulated amortisation	(151,872,963,423)	(149,935,708,114)
<b>230</b>	<b>III. Investment properties</b>	<b>67,178,409,358</b>	<b>58,433,154,033</b>
231	1. Cost	92,668,621,947	80,830,516,128
232	2. Accumulated depreciation	(25,490,212,589)	(22,397,362,095)
<b>240</b>	<b>IV. Long-term assets in progress</b>	<b>396,035,487,886</b>	<b>307,773,703,264</b>
242	1. Construction in progress	396,035,487,886	307,773,703,264
<b>250</b>	<b>V. Long-term investments</b>	<b>2,157,288,522,438</b>	<b>2,162,738,822,723</b>
252	1. Investments in associates, joint ventures	1,874,755,724,465	1,878,458,174,350
253	2. Investments in other entities	665,885,700,116	665,885,700,116
254	3. Provision for long-term investments	(437,221,782,048)	(435,473,931,648)
255	4. Investments held-to-maturity	53,868,879,905	53,868,879,905
<b>260</b>	<b>VI. Other long-term assets</b>	<b>562,998,709,798</b>	<b>574,377,366,135</b>
261	1. Long-term prepaid expenses	323,898,986,625	328,604,633,780
262	2. Deferred income tax assets	210,575,683,346	214,736,310,715
263	3. Long-term supplies and spare parts	28,524,039,827	31,036,421,640
<b>270</b>	<b>TOTAL ASSETS</b>	<b>24,186,569,951,413</b>	<b>26,962,476,094,045</b>

## CONSOLIDATED BALANCE SHEET

As at 31 March 2020

VND


Code	RESOURCES	31/03/2020	01/01/2020
<b>300</b>	<b>C. LIABILITIES</b>	<b>5,699,870,082,414</b>	<b>6,886,229,037,681</b>
<b>310</b>	<b>I. Short-term liabilities</b>	<b>4,816,868,251,712</b>	<b>6,087,830,053,039</b>
311	1. Short-term trade accounts payable	1,279,594,287,060	2,427,067,853,887
312	2. Short-term advances from customers	39,101,765,099	42,587,372,642
313	3. Tax and other payables to the State Budget	686,710,412,287	855,960,013,165
314	4. Payable to employees	339,229,756,110	389,618,575,865
315	5. Short-term accrued expenses	486,231,734,412	433,170,981,720
318	6. Short-term unearned revenue	452,987,635	930,242,260
319	7. Other short-term payables	1,069,366,439,203	1,079,347,828,644
320	8. Short-term borrowings	591,938,871,910	560,511,063,296
321	9. Provision for short-term payables	3,473,383,715	3,710,918,283
322	10. Bonus and welfare funds	320,768,614,281	294,925,203,277
<b>330</b>	<b>II. Long-term liabilities</b>	<b>883,001,830,702</b>	<b>798,298,984,642</b>
331	1. Long-term trade accounts payable	88,793,875,350	100,000,000
332	2. Long-term advances from customers	22,183,449	22,183,449
337	4. Other long-term payables	53,916,316,000	54,073,316,000
338	5. Long-term borrowings	494,244,987,274	494,244,987,274
341	6. Deferred income tax liabilities	30,409,944,918	30,543,620,073
342	7. Provision for long-term liabilities	131,616,393,581	135,416,747,716
343	8. Fund for science and technology development	83,998,130,130	83,998,130,130

## CONSOLIDATED BALANCE SHEET

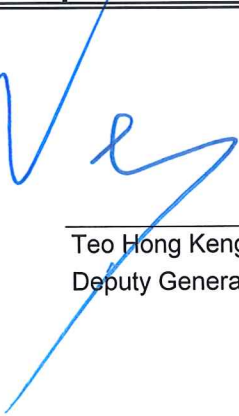
As at 31 March 2020


VND

Code	RESOURCES	31/03/2020	01/01/2020
<b>400</b>	<b>D. OWNERS' EQUITY</b>	<b>18,486,699,868,999</b>	<b>20,076,247,056,364</b>
<b>410</b>	<b>I. Capital and reserves</b>	<b>18,486,699,868,999</b>	<b>20,076,247,056,364</b>
411	1. Owners' capital	6,412,811,860,000	6,412,811,860,000
411a	- Ordinary shares with voting rights	6,412,811,860,000	6,412,811,860,000
414	2. Owners' other capital	3,208,666,226	3,208,666,226
417	4. Foreign exchange differences	28,325,079,836	27,272,873,771
418	5. Investment and development funds	1,130,372,829,157	1,130,372,829,157
421	7. Undistributed earnings	9,656,784,992,051	11,231,596,467,620
421a	- Undistributed earnings of the previous years	8,996,511,917,933	6,485,261,875,965
421b	- Post-tax profit of current year	660,273,074,118	4,746,334,591,655
429	8. Non-controlling interests	1,255,196,441,729	1,270,984,359,590
<b>440</b>	<b>TOTAL RESOURCES</b>	<b>24,186,569,951,413</b>	<b>26,962,476,094,045</b>

  
Hoàng Thanh Vân  
Preparer

  
Trần Nguyên Trung  
Chief Accountant

  
Teo Hong Keng  
Deputy General Director

  
Neo Gim Siong Bennett  
General Director

 April 2020



## CONSOLIDATED INCOME STATEMENT

VND

Code	ITEMS	Note	Quarter 1		For the 3 month period ended 31 March	
			2020	2019	2020	2019
1	1. Sales	17	4,938,749,407,435	9,337,984,767,378	4,938,749,407,435	9,337,984,767,378
2	2. Less deductions	17	29,929,806,755	1,208,760,447	29,929,806,755	1,208,760,447
10	3. Net sales (10 = 01 - 02)	17	4,908,819,600,680	9,336,776,006,931	4,908,819,600,680	9,336,776,006,931
11	4. Cost of sales	18	3,555,604,046,684	7,145,543,584,727	3,555,604,046,684	7,145,543,584,727
20	5. Gross profit (20 = 10 - 11)		1,353,215,553,996	2,191,232,422,204	1,353,215,553,996	2,191,232,422,204
21	6. Financial income	19	269,044,219,200	172,258,343,686	269,044,219,200	172,258,343,686
22	7. Financial expenses	20	20,079,097,127	(3,773,973,299)	20,079,097,127	(3,773,973,299)
	- Including: Interest expenses		18,040,511,955	7,860,067,347	18,040,511,955	7,860,067,347
24	8. Profit sharing from investment in joint ventures and associates		40,918,827,464	75,686,042,224	40,918,827,464	75,686,042,224
25	9. Selling expenses	21	560,208,611,348	691,688,565,982	560,208,611,348	691,688,565,982
26	10. General and administration expenses	22	141,385,006,840	166,142,369,393	141,385,006,840	166,142,369,393
30	11. Net operating profit		941,505,885,345	1,585,119,846,038	941,505,885,345	1,585,119,846,038
31	12. Other income	23	5,931,223,157	7,402,638,487	5,931,223,157	7,402,638,487
32	13. Other expenses	24	2,142,455,597	8,451,904,331	2,142,455,597	8,451,904,331
40	14. Net other income/(expenses) (40 = 31 - 32)		3,788,767,560	(1,049,265,844)	3,788,767,560	(1,049,265,844)
50	15. Net accounting profit before tax (50 = 30 + 40)		945,294,652,905	1,584,070,580,194	945,294,652,905	1,584,070,580,194
51	16. Business income tax - current		224,285,763,426	348,382,972,646	224,285,763,426	348,382,972,646
52	17. Business income tax - deferred		4,026,952,214	(54,245,603,731)	4,026,952,214	(54,245,603,731)
60	18. Net profit after tax		716,981,937,265	1,289,933,211,279	716,981,937,265	1,289,933,211,279
61	19. Profit after tax attributable to the Company		700,230,101,246	1,220,719,093,709	700,230,101,246	1,220,719,093,709
62	20. Profit after tax attributable to non- controlling interests		16,751,836,019	69,214,117,570	16,751,836,019	69,214,117,570
70	21. Basic earnings per share (*)		1,031	1,806	1,031	1,806

Hoàng Thanh Vân  
Preparer

Trần Nguyên Trung  
Chief Accountant

Teo Hong Keng  
Deputy General Director

Neo Gim Siong Bennett  
General Director



## CONSOLIDATED CASH FLOW STATEMENT


VND

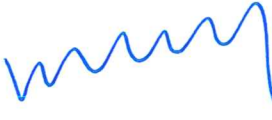
Code	ITEMS	Note	For the 3 month period ended 31 Mar	
			2020	2019
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1	Net accounting profit before tax		945,294,652,905	1,584,070,580,194
	Adjustments for:			
2	Depreciation and amortisation		148,739,781,261	159,084,466,890
3	Provisions/(reversal of provisions)		(909,208,722)	(20,421,421,681)
4	Unrealised foreign exchange gains		(1,885,806,981)	280,109,949
5	Profits from investing activities		(283,642,983,979)	(248,175,666,140)
6	Interest expenses		18,040,511,955	7,860,067,347
8	<b>Operating profit before changes in working capital</b>			
9	Change in receivables		(39,183,408,962)	17,740,246,171
10	Change in inventories		(284,593,301,997)	(262,603,180,880)
11	Change in payables (exclusive of interest payables, business income tax payables)		(1,268,205,938,907)	(554,282,601,707)
12	Change in prepaid expenses		(13,101,420,918)	67,623,660,492
14	Interest paid		(18,820,222,172)	(7,972,824,921)
15	Business income tax paid		(287,756,782,647)	(325,082,377,855)
17	Other cash outflows from operating activities		(11,036,921,001)	(40,069,461,689)
20	<b>Net cash flows from operating activities</b>		<b>(1,097,061,050,165)</b>	<b>378,051,596,170</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets and other long-term assets		(130,676,330,707)	(26,995,881,481)
22	Proceeds from disposals of fixed assets and other long-term assets		672,000,000	2,022,065,916
23	Loans and purchase of debt instruments from other entities		(1,856,965,041,096)	(1,008,000,000,000)
24	Proceeds from loans and purchase of debt instruments from other entities		3,425,650,000,000	1,055,781,972,222
27	Dividends and interest received		211,542,955,575	103,304,376,622
30	<b>Net cash flows from investing activities</b>		<b>1,650,223,583,772</b>	<b>126,112,533,279</b>

## CONSOLIDATED CASH FLOW STATEMENT

VND

Code	ITEMS	Note	For the 3 month period ended 31 Mar	
			2020	2019
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Proceeds from borrowings		678,488,955,343	836,278,712,579
34	Repayments of borrowings		(647,061,146,729)	(836,278,712,579)
35	Dividends paid		(2,254,139,739,003)	(25,902,537,157)
40	<b>Net cash flows from financing activities</b>		<b>(2,222,711,930,389)</b>	<b>(25,902,537,157)</b>
50	<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,669,549,396,782)</b>	<b>478,261,592,292</b>
60	Cash and cash equivalents at beginning of period		4,115,884,646,637	4,467,391,585,137
61	Effect of foreign exchange differences		766,744,710	280,109,949
70	Cash and cash equivalents at end of period		2,447,101,994,565	4,945,933,287,378

  
Hoàng Thanh Vân  
Preparer

  
Trần Nguyễn Trung  
Chief Accountant

  
Teo Hong Keng  
Deputy General Director

  
Neo Gim Siong Bennett  
General Director

 April 2020





**Saigon Beer – Alcohol – Beverage Corporation**  
**Notes to the consolidated financial statements**

Form B 09 – DN/HN

**1. Basis of preparation**

**(a) Statement of compliance**

These consolidated 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.

**(b) Basis of measurement**

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

**(c) Annual accounting period**

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

**(d) Accounting and presentation currency**

The Group's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statements presentation purpose.

**2. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated financial statements.

**(a) Basis of consolidation**

**(i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are consolidated in the consolidated financial statements from the date that control commences until the date that control ceases.

**(ii) Non-controlling interests**

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.



**(iii) *Associates and jointly controlled entities (equity accounted investees)***

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Associates and jointly controlled entities are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of the equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

**(iv) *Transactions eliminated on consolidation***

Intra-group transactions, balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

**(v) *Business combination***

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

**(b) *Foreign currency transactions***

**(i) *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 account transfer selling rates, respectively, at the end of the annual accounting period quoted by the commercial bank where the Group most frequently conducts transactions.

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

**(ii) *Translation of financial statements of associate from the accounting currency to the presentation currency***

Assets and liabilities of associate which denominated in currency other than VND are translated to VND at exchange rates at the end of the annual accounting period. Income and expenses of this associate are translated to VND at exchange rates at the dates of transactions.

Foreign currency differences arising from the translation of financial statements of associate which denominated in currency other than VND are recognised in the balance sheet under the caption "Foreign exchange differences" in equity.

**(c) *Cash and cash equivalents***

Cash comprises cash balances and call deposits. 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.

**(d) *Investments***

**(i) *Held-to-maturity investments***

Held-to-maturity investments are those that the Group's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks, bonds and loans receivable held to maturity. These investments are stated at costs less allowance for doubtful debts.

**(ii) *Investments in equity instruments of other entities***

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investment are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Group's management before making the investment. 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.

**(e) *Accounts receivable***

Trade and other receivables are stated at cost less allowance for doubtful debts.

**(f) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and direct selling expenses.

The Group applies the perpetual method of accounting for inventories.

**(g) 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 consolidated statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**(ii) Depreciation**

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

▪ buildings and structures	5 – 45 years
▪ machinery and equipment	5 – 30 years
▪ motor vehicles	3 – 10 years
▪ office equipment	3 – 15 years
▪ others	2 – 20 years

**(h) Intangible fixed assets**

**(i) Land use rights**

Land use rights comprise:

- those granted by the State for which land use payments are collected;
- those acquired in a legitimate transfer; and
- rights to use leased land obtained before the effective date of Land Law (2003) for which payments have been made in advance for more than 5 years and supported by land use right certificate issued by competent authority.



Land use rights with indefinite term are stated at cost and not amortised. Land use rights with definite term are stated at cost less accumulated amortisation. The initial cost of land use rights comprises the purchase price and any direct attributable costs incurred in conjunction with securing the land use rights. Land use rights with definite term are amortised on a straight-line basis over the term of the land use rights ranging from 32 to 49 years.

**(ii) Software**

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 years.

**(i) Investment properties**

**(i) 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 expenditure 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 consolidated statement of income in the period in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

*Depreciation*

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

▪ land use rights	46 years
▪ buildings and structures	5 – 45 years

**(ii) Investment property held for capital appreciation**

Investment property held for capital appreciation is stated at cost less any devaluation in market price. The carrying amount of an investment property item held for capital appreciation is reduced when there is evidence that its market price falls below its carrying amount and the loss can be measured reliably. Any reduction in value of investment property held for capital appreciation is charged to cost of sales.

**(j) Construction in progress**

Construction in progress represents the cost of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

**(k) Long-term prepaid expenses**

**(i) Returnable packaging**

Returnable packaging includes bottles and crates being used in the Group's production and business activities and is stated at costs. Returnable packaging is amortised on a straight-line basis over 2 to 3 years.

**(ii) Prepaid land costs**

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease of 32 to 48 years.

**(iii) Tools and instruments**

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Costs of tools and instruments are amortised on a straight-line basis over 2 to 3 years.

**(l) Trade and other payables**

Trade and other payables are stated at their cost.

**(m) Provisions**

A provision is recognised if, as a result of a past event, the Group 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.

**Severance allowance**

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more ("the eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Group are excluded.



**(n) Share capital**

***Ordinary shares***

Ordinary shares are stated at par value. The excess of cash received from share insurance over par value is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

**(o) Taxation**

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

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

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

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

**(p) Revenue and other income**

**(i) *Goods sold***

Revenue from the sale of goods is recognised in the consolidated statement of income when significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

**(ii) *Services rendered***

Revenue from services rendered is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(iii) *Rental income***

Rental income from leased property is recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

**(iv) Interest income**

Interest income is recognised in the consolidated statement of income 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. Share dividends are not recognised as income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

**(q) Operating lease payments**

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense.

**(r) Borrowing costs**

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

**(s) Earnings per share**

The Group presents basic earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare fund for the accounting period) by the weighted average number of ordinary shares outstanding during the period.

The Group did not have potentially dilutive shares and regulations on presentation of diluted earnings per share are not applied.

**(t) Segment reporting**

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segments.

**(u) Related parties**

Parties are considered to be related to the Group 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 Group 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.



4 CASH AND CASH EQUIVALENTS

	31.03.2020 VNĐ	01.01.2020 VNĐ
Cash on hand	1,761,279,274	1,999,169,826
Cash at bank	933,885,030,352	951,479,827,739
Cash equivalents (*)	1,511,455,684,939	3,162,405,649,072
<b>TOTAL</b>	<b>2,447,101,994,565</b>	<b>4,115,884,646,637</b>

(\*) Cash equivalents include term deposits at banks with the original maturity within three months

**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**5 INVESTMENTS**

**(a) Investments held-to-maturity**

**(i) Short-term**

	31.03.2020			01.01.2020		
	Cost VNĐ	Provision VNĐ	Book value VNĐ	Cost VNĐ	Provision VNĐ	Book value VNĐ
Term deposits (*)	10,824,541,791,369	-	10,824,541,791,369	12,393,226,750,273	-	12,393,226,750,273
	<u>10,824,541,791,369</u>	<u>-</u>	<u>10,824,541,791,369</u>	<u>12,393,226,750,273</u>	<u>-</u>	<u>12,393,226,750,273</u>

(\*) Term deposits represent deposits at banks with the remaining maturity from 3 months to 12 months.

**(ii) Long-term**

Long-term investments held-to-maturity represent investments of the Group into bonds. The details are as follows:

	31.03.2020			01.01.2020		
	Cost VNĐ	Provision VNĐ	Book value VNĐ	Cost VNĐ	Provision VNĐ	Book value VNĐ
Shipbuilding Industry Corporation	20,868,879,905	(20,868,879,905)	-	20,868,879,905	(20,868,879,905)	-
Term deposits	33,000,000,000	-	33,000,000,000	33,000,000,000	-	33,000,000,000
	<u>53,868,879,905</u>	<u>(20,868,879,905)</u>	<u>33,000,000,000</u>	<u>53,868,879,905</u>	<u>(20,868,879,905)</u>	<u>33,000,000,000</u>

**(b) Investments in other entities**

	31.03.2020		01.01.2020	
	Cost VNĐ	Provision VNĐ	Cost VNĐ	Provision VNĐ
Investments in joint ventures, associates (i)	1,874,755,724,465	(97,332,469,971)	1,878,458,174,350	(97,332,469,971)
Investments in other entities (ii)	665,885,700,116	(339,889,312,077)	665,885,700,116	(338,141,461,677)
	<u>2,540,641,424,581</u>	<u>(437,221,782,048)</u>	<u>2,544,343,874,466</u>	<u>(435,473,931,648)</u>

**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**5 INVESTMENTS (continued)**

**(b) Investments in other entities (continued)**

**(i) Investments in associates and joint ventures**

Company name	31.03.2020				01.01.2020			
	Voting right	Interest	Cost	Provision	Voting right	Interest	Cost	Provision
	%	%	VNĐ	VNĐ	%	%	VNĐ	VNĐ
Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company	28.57%	28.57%	329,653,546	-	28.57%	28.57%	329,653,546	-
Mechanical And Industrial Construction Joint Stock Company	26.00%	26.00%	6,634,611,156	-	26.00%	26.00%	11,239,321,481	-
Saigon Tay Do Beer - Beverage Joint Stock Company	34.92%	27.62%	106,034,051,754	-	34.92%	27.62%	112,110,621,745	-
Saigon Binh Tay Beer Group Joint Stock Company	22.18%	21.80%	488,100,718,355	-	22.18%	21.80%	478,371,013,670	-
Saigon – Bac Lieu Beer Joint Stock Company	20.00%	10.20%	36,923,763,284	-	20.00%	10.20%	39,413,251,891	-
Truong Sa Food - Food Business Joint Stock Company	38.98%	38.62%	4,877,957,381	-	38.98%	38.62%	5,349,040,203	-
Saigon - Phutho Beer Joint Stock Company	33.85%	30.84%	78,933,658,447	-	33.85%	30.84%	79,280,455,575	-
Sai Gon – Mien Trung Beer Joint Stock Company	32.41%	32.40%	144,549,961,988	-	32.41%	32.40%	149,579,209,268	-
Tan Thanh Investment Trading Company Limited	29.00%	29.00%	70,829,555,721	(70,829,555,721)	29.00%	29.00%	70,829,555,721	(70,829,555,721)
Sai Gon – Vinh Long Beer Joint Stock Company	20.00%	20.00%	49,999,772,404	-	20.00%	20.00%	49,365,264,038	-
Sai Gon – Kien Giang Beer Joint Stock Company	20.00%	20.00%	28,618,945,837	-	20.00%	20.00%	32,474,770,492	-
Me Linh Point Limited	25.00%	40.00%	104,642,354,366	-	25.00%	35.00%	129,777,418,614	-
Crown Beverage Cans Saigon Limited	30.00%	30.00%	329,385,854,113	-	30.00%	30.00%	300,165,809,593	-
Malaya - Vietnam Glass Limited	30.00%	30.00%	269,717,494,486	-	30.00%	30.00%	261,432,271,091	-
San Miguel Yamamura Phu Tho Packaging Company Limited	35.00%	35.00%	58,713,600,452	-	35.00%	35.00%	58,224,106,724	-
Vietnam Spirits And Wine LTD.	45.00%	45.00%	26,502,914,250	(26,502,914,250)	45.00%	45.00%	26,502,914,250	(26,502,914,250)
Sai Gon – Khanh Hoa Beer Joint Stock Company	26.00%	26.00%	47,760,314,967	-	26.00%	26.00%	48,931,173,926	-
Saigon – Bentre Beer Joint Stock Company	20.00%	20.00%	22,200,541,958	-	20.00%	20.00%	25,082,322,522	-
			<u>1,874,755,724,465</u>	<u>(97,332,469,971)</u>			<u>1,878,458,174,350</u>	<u>(97,332,469,971)</u>

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**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**5 INVESTMENTS (continued)**

**(b) Investments in other entities (continued)**

**(ii) Investments in other entities**

	31.03.2020			01.01.2020		
	Ownership	Cost	Provision	Ownership	Cost	Provision
	%	VNĐ	VNĐ	%	VNĐ	VNĐ
Orient Commercial Joint Stock Bank	2.01%	216,579,320,000	-	2.01%	216,579,320,000	-
Dong A Commercial Joint Stock Bank	0.95%	136,265,460,000	(136,265,460,000)	0.95%	136,265,460,000	(136,265,460,000)
Sai Gon Packaging Group Joint Stock Company	8.88%	50,000,000,000	-	8.88%	50,000,000,000	-
PVI Holdings	0.21%	51,475,140,000	(38,269,159,200)	0.21%	51,475,140,000	(36,521,308,800)
Underground Space Investment Development Corporation	4.91%	23,085,000,000	(23,085,000,000)	4.91%	23,085,000,000	(23,085,000,000)
Phuong Dong Petroleum Tourism Joint Stock Company	9.80%	30,700,950,000	(30,700,950,000)	9.80%	30,700,950,000	(30,700,950,000)
Saigon Securities Investment Fund A2	10.00%	35,757,720,722	(35,757,720,722)	10.00%	35,757,720,722	(35,757,720,722)
Dai Viet Securities Incorporation	7.20%	45,000,000,000	(45,000,000,000)	7.20%	45,000,000,000	(45,000,000,000)
Sai Gon - Dong Nai Beer Joint - Stock Company	10.38%	3,954,000,000	(3,954,000,000)	10.38%	3,954,000,000	(3,954,000,000)
DIC Tourist and Trade Joint Stock Company	7.74%	14,992,108,200	(319,597,560)	7.74%	14,992,108,200	(319,597,560)
Vietnam - Binh Tay Alcohol Joint Stock Company	5.60%	300,000,000	(300,000,000)	5.60%	300,000,000	(300,000,000)
Saigon Dong Ha Tourist Joint Stock Company	3.02%	5,600,000,000	(1,810,837,795)	3.02%	5,600,000,000	(1,810,837,795)
Nha Trang Trade Tourism Joint Stock Company	0.52%	1,161,147,000	-	0.52%	1,161,147,000	-
Saigon Beer Transportation Joint Stock Company	13.54%	26,588,267,394	-	13.54%	26,588,267,394	-
Sabeco HP Investment Company Limited	8.00%	24,426,586,800	(24,426,586,800)	8.00%	24,426,586,800	(24,426,586,800)
		<u>665,885,700,116</u>	<u>(339,889,312,077)</u>		<u>665,885,700,116</u>	<u>(338,141,461,677)</u>



**6 SHORT-TERM TRADE ACCOUNTS RECEIVABLES**

	<b>31.03.2020</b>	<b>01.01.2020</b>
	<b>VNĐ</b>	<b>VNĐ</b>
Third parties	44,497,121,200	70,929,478,803
Related parties (Note 23)	87,757,854,142	86,725,093,850
<b>TOTAL</b>	<b>132,254,975,342</b>	<b>157,654,572,653</b>

**7 SHORT-TERM PREPAYMENTS TO SUPPLIERS**

	<b>31.03.2020</b>	<b>01.01.2020</b>
	<b>VNĐ</b>	<b>VNĐ</b>
Third parties	60,253,994,024	54,679,363,371
Related parties (Note 23)	-	-
	<b>60,253,994,024</b>	<b>54,679,363,371</b>

**8 OTHER RECEIVABLES**

	<b>31.03.2020</b>	<b>01.01.2020</b>
	<b>VNĐ</b>	<b>VNĐ</b>
(a) Other short-term receivables		
Receivables due to difference between value of capital contribution in kind and agreed capital contribution in an associate	277,230,733,543	277,230,733,543
Interest income receivables	359,892,081,666	313,539,765,595
Dividend receivables	79,049,546,915	48,821,921,232
Other short-term receivables	79,305,778,429	62,994,688,808
<b>TOTAL</b>	<b>795,478,140,553</b>	<b>702,587,109,178</b>
<i>In which:</i>		
Third parties	431,555,667,076	366,937,762,809
Related parties (Note 23)	363,922,473,477	335,649,346,369
	<b>795,478,140,553</b>	<b>702,587,109,178</b>
(b) Other long-term receivables		
Deposits	29,362,892,734	30,466,726,775
Others	8,028,765,000	8,028,765,000
<b>TOTAL</b>	<b>37,391,657,734</b>	<b>38,495,491,775</b>

9 INVENTORIES

	31.03.2020 VNĐ	01.01.2020 VNĐ
Goods in transit	130,112,467,814	206,339,542,512
Raw materials	552,738,586,017	517,894,000,688
Tools and supplies	283,027,860,631	285,028,888,383
Work in progress	226,739,566,132	232,611,199,538
Finished goods	1,263,083,635,141	927,667,122,588
<b>TOTAL</b>	<b>2,455,702,115,734</b>	<b>2,169,540,753,708</b>

**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**10 FIXED ASSETS**

**(a) Tangible fixed assets**

	<i>Buildings and structures</i>	<i>Machinery and Equipment</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
<b>Cost</b>						
Beginning balance	2,078,623,291,633	7,700,011,600,756	254,634,372,155	147,640,041,984	9,321,546,674	10,190,230,853,202
Increases in the year:	1,764,268,931	112,719,880,180	-	6,337,069,271	-	120,821,218,382
<i>In which:</i>						
<i>New purchases</i>	-	3,216,204,200	-	6,227,069,271	-	9,443,273,471
<i>Transferred from construction in progress</i>	1,764,268,931	109,503,675,980	-	110,000,000	-	111,377,944,911
Decreases in the year	(11,838,105,819)	(743,674,039)	(1,068,620,120)	-	(71,700,000)	(13,722,099,978)
<i>In which:</i>						
<i>Transferred to investment properties</i>	(11,838,105,819)	-	-	-	-	(11,838,105,819)
<i>Transferred to Prepaid expenses</i>	-	-	-	-	(71,700,000)	(71,700,000)
<i>Sold, disposed</i>	-	(743,674,039)	(1,068,620,120)	-	-	(1,812,294,159)
Ending balance	2,068,549,454,745	7,811,987,806,897	253,565,752,035	153,977,111,255	9,249,846,674	10,297,329,971,606
<b>Accumulated depreciation</b>						
Beginning balance	980,892,096,872	5,153,799,156,887	191,989,917,201	114,036,300,943	5,870,823,109	6,446,588,295,012
Depreciation for the year	24,610,050,425	113,393,402,960	4,299,291,278	3,447,006,158	199,144,502	145,948,895,323
<i>Sold, disposed</i>	-	(586,265,908)	(1,068,620,120)	-	-	(1,654,886,028)
<i>Transferred to investment properties</i>	(2,243,400,565)	-	-	-	-	(2,243,400,565)
Ending balance	1,003,258,746,732	5,266,606,293,939	195,220,588,359	117,483,307,101	6,069,967,611	6,588,638,903,742
<b>Net carrying amount:</b>						
Beginning balance	1,097,731,194,761	2,546,212,443,869	62,644,454,954	33,603,741,041	3,450,723,565	3,743,642,558,190
Ending balance	1,065,290,708,013	2,545,381,512,958	58,345,163,676	36,493,804,154	3,179,879,063	3,708,691,067,864





**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**10 FIXED ASSETS (continued)**

**(b) Intangible fixed assets**

	Land in rights	Softwares	Others	Total
<b>Cost:</b>				
Beginning balance	1,024,215,267,144	67,270,890,585	247,447,482	1,091,733,605,211
<i>Reclassification</i>	-	143,447,482	(143,447,482)	-
<i>Other decreases</i>	(33,359,564)	-	-	(33,359,564)
Ending balance	1,024,181,907,580	67,414,338,067	104,000,000	1,091,700,245,647
<b>Accumulated amortisation:</b>				
Beginning balance	83,628,234,464	66,075,272,419	232,201,231	149,935,708,114
Amortization for the year	1,701,759,715	236,438,232	3,238,062	1,941,436,009
<i>Reclassification</i>	0	143,447,482	(143,447,482)	-
<i>In which:</i>				
<i>Other decreases</i>	(4,180,700)	-	-	(4,180,700)
Ending balance	85,325,813,479	66,455,158,133	91,991,811	151,872,963,423
<b>Net carrying amount:</b>				
Beginning balance	940,587,032,680	1,195,618,166	15,246,251	941,797,897,097
Ending balance	938,856,094,101	959,179,934	12,008,189	939,827,282,224

10 FIXED ASSETS (continued)

(b) Intangible fixed assets (continued)

Land use rights included the value of land use rights that the Company has recorded at the estimated value into the increase in value of the Company on the equitisation date at "Intangible fixed assets" account and the corresponding "Other short-term payables" account as stated in the Minutes of Corporate Valuation as at 31 December 2007 and the Equitisation Finalisation Minutes as at 30 April 2008 dated 6 March 2010 issued by the Equitisation Finalisation Committee consisting of representatives of the Ministry of Industry and Trade and the Ministry of Finance

Those land lots are used for principal activities of the Company. They are temporary land use rights with restrictions on ownership and are not permitted for sale, sublease and mortgage.

<i>Location</i>	<i>Square (m<sup>2</sup>)</i>	<i>Revalued amount in connection with equitisation (VND)</i>
46 Ben Van Don, Ward 12, District 4, Ho Chi Minh City, Vietnam	3,872.50	55,241,212,500
187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City, Vietnam	17,406.10	418,634,111,100
474 Nguyen Chi Thanh, Ward 6, District 10, Ho Chi Minh City, Vietnam	7,729.00	247,637,160,000
18/3B Phan Huy Ich, Ward 15, Tan Binh District, Ho Chi Minh City, Vietnam	2,216.30	13,867,389,100
<b>Total</b>		<b>735,379,872,700</b>

**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**10 FIXED ASSETS (continued)**

**(c) Investment properties**

	<b>Beginning balance</b>	<b>Increase</b>	<b>Transferred from Tangibled fixed assets</b>	<b>Ending balance</b>
<b>Cost</b>	<b>80,830,516,128</b>	-	<b>11,838,105,819</b>	<b>92,668,621,947</b>
- Land use rights	27,812,438,744	-	-	27,812,438,744
- Buildings	18,106,255,809	-	11,838,105,819	29,944,361,628
- Investment properties held-for-price appreciation	34,911,821,575	-	-	34,911,821,575
<b>Accumulated depreciation</b>	<b>22,397,362,095</b>	<b>849,449,929</b>	<b>2,243,400,565</b>	<b>25,490,212,589</b>
- Land use rights	7,906,274,291	151,154,564	-	8,057,428,855
- Buildings	11,340,175,886	698,295,365	2,243,400,565	14,281,871,816
- Investment properties held-for-price appreciation	3,150,911,918	-	-	3,150,911,918
<b>Net carrying amount</b>	<b>58,433,154,033</b>	<b>(849,449,929)</b>	<b>9,594,705,254</b>	<b>67,178,409,358</b>
- Land use rights	19,906,164,453	(151,154,564)	-	19,755,009,889
- Buildings	6,766,079,923	(698,295,365)	9,594,705,254	15,662,489,812
- Investment properties held-for-price appreciation	31,760,909,657	-	-	31,760,909,657

**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**11 PREPAID EXPENSES**

(a) Short-term

	31.03.2020	01.01.2020
	VND	VND
Rental fee	41,666,968,181	17,831,096,101
Tools and instruments	2,814,480,091	2,976,228,969
Advertising expenses	62,214,854,206	61,446,931,219
Others	8,312,370,716	14,875,648,832
<b>Total</b>	<b>115,008,673,194</b>	<b>97,129,905,121</b>

(b) Long-term

	31.03.2020	01.01.2020
	VND	VND
Returnable packaging	141,758,410,463	138,132,411,556
Prepaid land costs	65,596,232,404	66,375,716,506
Property held for future investment	51,602,316,000	51,602,316,000
Tools and instruments	28,653,605,032	32,092,214,503
Others	36,288,422,726	40,401,975,215
<b>Total</b>	<b>323,898,986,625</b>	<b>328,604,633,780</b>

**12 SHORT-TERM TRADE ACCOUNTS PAYABLE**

	31.03.2020	01.01.2020
	VND	VND
Third parties	855,281,415,673	1,896,509,114,626
Related parties (Note 23)	424,312,871,387	530,558,739,261
<b>Total</b>	<b>1,279,594,287,060</b>	<b>2,427,067,853,887</b>

**13 SHORT-TERM ACCRUED EXPENSES**

	31.03.2020	01.01.2020
	VND	VND
Advertising and promotion expenses	355,459,227,751	325,832,316,250
Transportation expenses	1,799,325,415	3,338,741,362
Interest expenses	20,708,269,617	21,487,979,834
Others	108,264,911,629	82,511,944,274
<b>Total</b>	<b>486,231,734,412</b>	<b>433,170,981,720</b>

**14 OTHER PAYABLES**

(a) Short-term

	31.03.2020	01.01.2020
	VND	VND
Dividend payable	65,959,966,920	45,680,554,923
Deposits received	152,059,766,208	179,289,889,446
Estimated land use rights payable to the State in connection with equitisation	735,379,872,700	735,379,872,700
Others	115,966,833,375	118,997,511,575
<b>Total</b>	<b>1,069,366,439,203</b>	<b>1,079,347,828,644</b>

*In which:*

Third parties	1,053,765,731,441	1,066,606,909,459
Related parties (Note 23)	15,600,707,762	12,740,919,185
	<b>1,069,366,439,203</b>	<b>1,079,347,828,644</b>

(b) Long-term

	31.03.2020	01.01.2020
	VND	VND
Deposits received	2,314,000,000	2,471,000,000
Land tax payable to State	51,602,316,000	51,602,316,000
	<b>53,916,316,000</b>	<b>54,073,316,000</b>

**15 TAX AND OTHER PAYABLES TO THE STATE BUDGET**

	<i>01.01.2020</i>	<i>Incurred during the period</i>	<i>Paid during the period</i>	<i>31.03.2020</i>
Corporate income tax	230,954,722,563	224,285,763,426	287,756,782,647	167,483,703,342
Special sales tax	492,850,292,427	1,386,614,367,876	1,468,966,307,185	410,498,353,118
Value added tax	80,273,319,726	271,187,849,417	319,152,863,153	32,308,305,990
Land tax	2,387,927,489	1,100,847,076	289,024,576	3,199,749,989
Personal income tax	25,708,005,849	21,087,305,054	35,277,087,675	11,518,223,228
Import-Export duties	(2,082,000)	3,349,653,097	3,355,182,342	(7,611,245)
Other taxes	1,172,715,333	1,312,555,214	1,156,945,660	1,328,324,887
<b>TOTAL</b>	<b>833,344,901,387</b>	<b>1,908,938,341,160</b>	<b>2,115,954,193,238</b>	<b>626,329,049,309</b>

During 2018, the Company received the Notification of the tax authority requesting provisional payments to the State budget in relation to the late payment penalty and late interest on special sales tax for the period from 2007 to 2015 that had been paid by the Company. The above matter has been resolved subsequent to the quarter end.



**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**16 OWNERS' CAPITAL**

**16.1 Number of shares**

	<b>31.03.2020</b> <i>(Ordinary shares)</i>	<b>01.01.2020</b> <i>(Ordinary shares)</i>
Number of shares registered	641,281,186	641,281,186
Number of shares issued	641,281,186	641,281,186
Number of existing shares in circulation	641,281,186	641,281,186

**SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION**  
**Notes to the consolidated financial statements (continued)**

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**16.2 MOVEMENTS IN OWNERS' EQUITY**

	Owners' capital	Owners' other capital	Foreign exchange differences	Investment and development fund	Other funds	Undistributed earnings	Total
<b>Previous year:</b>							
Beginning balance	6,412,811,860,000	3,208,666,226	21,099,487,654	1,130,147,220,442	5,327,112,664	7,473,777,581,426	15,046,371,928,412
Treasury shares							-
Foreign currency differences			6,173,386,117				6,173,386,117
Profit for the year						5,053,363,919,165	5,053,363,919,165
Appropriation to funds				221,570,621		(221,570,621)	-
Dividends paid						(961,921,779,000)	(961,921,779,000)
Appropriation to bonus and welfare fund						(288,737,137,697)	(288,737,137,697)
Appropriation to social contribution fund						(50,512,685,007)	(50,512,685,007)
Other increases/ (decreases)				4,038,094	(5,327,112,664)	5,848,139,354	525,064,784
<b>Ending balance</b>	<b>6,412,811,860,000</b>	<b>3,208,666,226</b>	<b>27,272,873,771</b>	<b>1,130,372,829,157</b>	<b>-</b>	<b>11,231,596,467,620</b>	<b>18,805,262,696,774</b>
<b>Current year:</b>							
Beginning balance	6,412,811,860,000	3,208,666,226	27,272,873,771	1,130,372,829,157	-	11,231,596,467,620	18,805,262,696,774
Foreign currency differences			1,052,206,065				1,052,206,065
Profit for the year						700,230,101,246	700,230,101,246
Appropriation to funds				-		-	-
Dividends						(2,244,484,151,000)	(2,244,484,151,000)
Appropriation to bonus and welfare fund						(29,687,148,169)	(29,687,148,169)
Appropriation to social contribution fund						(870,277,646)	(870,277,646)
<b>Ending balance</b>	<b>6,412,811,860,000</b>	<b>3,208,666,226</b>	<b>28,325,079,836</b>	<b>1,130,372,829,157</b>	<b>-</b>	<b>9,656,784,992,051</b>	<b>17,231,503,427,270</b>



17 SALES

	31.03.2020 VNĐ	31.03.2019 VNĐ
Sales of beer	4,350,660,878,175	7,905,456,456,030
Sales of raw materials	513,406,339,531	1,329,391,750,729
Sales of beverages	32,408,578,826	66,741,792,795
Sales of alcohol and spirits	22,288,762,727	10,618,941,783
Others	19,984,848,176	25,775,826,041
<b>Gross sales</b>	<b>4,938,749,407,435</b>	<b>9,337,984,767,378</b>
<b>Sale deductions</b>	<b>(29,929,806,755)</b>	<b>(1,208,760,447)</b>
Trade discounts	(29,929,806,755)	(1,199,975,202)
Sales returns	-	-
Sale discounts	-	(8,785,245)
<b>Net sales</b>	<b>4,908,819,600,680</b>	<b>9,336,776,006,931</b>

18 COST OF SALES

	31.03.2020 VNĐ	31.03.2019 VNĐ
Beer	3,028,660,220,463	5,767,415,501,614
Raw materials	483,187,042,064	1,321,371,029,823
Beverages	22,747,526,685	43,539,460,213
Alcohol and Spirits	18,338,860,022	9,951,604,444
Others	2,670,397,450	3,265,988,633
<b>Total</b>	<b>3,555,604,046,684</b>	<b>7,145,543,584,727</b>

19 FINANCIAL INCOME

	31.03.2020 VNĐ	31.03.2019 VNĐ
Interest income from deposits at banks, lending	242,209,564,646	168,086,714,825
Dividend income	-	2,500,000,000
Foreign exchange gains	26,833,756,174	1,671,628,861
Others	898,380	-
<b>Total</b>	<b>269,044,219,200</b>	<b>172,258,343,686</b>

**20 FINANCIAL EXPENSES**

	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>VNĐ</b>	<b>VNĐ</b>
Interest expenses	18,040,511,955	7,860,067,347
Foreign exchange losses	290,734,772	411,300,938
(Reversal of provision) provision for diminution in value of investments	1,747,850,400	(12,045,341,584)
Others	-	-
<b>Total</b>	<b>20,079,097,127</b>	<b>(3,773,973,299)</b>

**21 SELLING EXPENSES**

	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>VNĐ</b>	<b>VNĐ</b>
Advertising expenses and promotions expenses	238,068,919,834	344,938,302,090
Staff costs	185,766,058,146	163,684,185,125
Returnable packaging expenses	33,450,859,133	78,783,793,217
Rental expenses	36,307,506,213	39,065,473,042
Transportation expenses	7,420,843,369	6,072,439,774
Depreciation and amortisation	5,854,723,170	6,697,481,604
Others	53,339,701,483	52,446,891,130
<b>Total</b>	<b>560,208,611,348</b>	<b>691,688,565,982</b>

**22 GENERAL AND ADMINISTRATION EXPENSES**

	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>VNĐ</b>	<b>VNĐ</b>
Staff costs	80,383,178,091	100,673,946,823
Depreciation and amortisation	6,889,913,902	8,426,526,237
Rental expenses	16,411,342,565	12,807,880,849
Provision and allowance	1,359,190,007	1,335,184,596
Others	36,341,382,275	42,898,830,888
<b>Total</b>	<b>141,385,006,840</b>	<b>166,142,369,393</b>

23 RELATED PARTY TRANSACTIONS

**Related party transactions**

During the period, the following transactions were carried out with related parties:

	31.03.2020 VND	01.01.2020 VND
<b>Short-term trade accounts receivable</b>		
Saigon - Phutho Beer Joint Stock Company	3,139,340,552	8,367,162,123
Saigon Tay Do Beer - Beverage Joint Stock Company	8,988,297,601	6,307,906,113
Malaya - Vietnam Glass Limited	291,197,801	2,134,763,192
San Miguel Yamamura Phu Tho Packaging Company Limited	295,680,000	375,144,000
Saigon Binh Tay Beer Group Joint Stock Company	16,807,740,086	30,014,447,972
Sai Gon - Mien Trung Beer Joint Stock Company	18,267,597,759	8,673,647,771
Saigon - Bac Lieu Beer Joint Stock Company	1,245,609,172	-
Sai Gon - Vinh Long Beer Joint Stock Company	10,142,181,455	7,636,502,161
Sai Gon - Kien Giang Beer Joint Stock Company	4,884,194,262	10,112,131,104
Sai Gon - Khanh Hoa Beer Joint Stock Company	11,649,101,603	5,481,242,048
Saigon - Bentre Beer Joint Stock Company	12,046,913,851	7,622,147,366
	<b>87,757,854,142</b>	<b>86,725,093,850</b>
<b>Other short-term receivables</b>		
<i>Associates</i>		
Me Linh Point Limited	29,987,776,415	-
San Miguel Yamamura Phu Tho Packaging Company Limited	8,141,000,000	8,141,000,000
Saigon Binh Tay Beer Group Joint Stock Company	4,763,949,521	3,470,918,435
Sai Gon - Mien Trung Beer Joint Stock Company	35,015,164,035	36,311,825,665
Tan Thanh Investment Trading Company Limited	277,230,733,543	277,230,733,543
Saigon - Bac Lieu Beer Joint Stock Company	-	-
Sai Gon - Vinh Long Beer Joint Stock Company	6,950,307,806	6,950,307,806
Sai Gon - Kien Giang Beer Joint Stock Company	1,592,202,248	1,592,202,248
Sai Gon - Khanh Hoa Beer Joint Stock Company	83,916,000	83,916,000
Saigon - Bentre Beer Joint Stock Company	157,423,909	1,868,442,672
	<b>363,922,473,477</b>	<b>335,649,346,369</b>
<b>Short-term trade accounts payable</b>		
<i>Associates</i>		
Saigon - Phutho Beer Joint Stock Company	2,670,045,840	24,851,400,970
Saigon Tay Do Beer - Beverage Joint Stock Company	14,208,500,020	8,441,778,004
Crown Beverage Cans Saigon Limited	189,638,070,375	235,967,453,301
San Miguel Yamamura Phu Tho Packaging Company Limited	11,685,678,400	15,764,630,891
Saigon Binh Tay Beer Group Joint Stock Company	34,216,902,760	63,993,357,149
Sai Gon - Mien Trung Beer Joint Stock Company	27,582,385,820	52,041,494,908
Saigon - Bac Lieu Beer Joint Stock Company	2,415,099,500	4,688,242,020
Sai Gon - Vinh Long Beer Joint Stock Company	15,892,495,520	21,125,716,480
Sai Gon - Kien Giang Beer Joint Stock Company	18,593,451,360	27,107,766,113
Sai Gon - Khanh Hoa Beer Joint Stock Company	5,831,040,600	5,565,963,898
Saigon - Bentre Beer Joint Stock Company	19,993,149,000	18,409,920,276

23 RELATED PARTY TRANSACTIONS (continued)

**Related party transactions (continued)**

During the period, the following transactions were carried out with related parties:

*Other related party*

TBC - Ball Beverage Can Vietnam Limited	81,586,052,192	52,601,015,251
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<u>424,312,871,387</u>	<u>530,558,739,261</u>
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31.03.2020

01.01.2020

VNĐ

VNĐ

**Other payables**

*Associates*

Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company	340,000,000	340,000,000
Saigon Binh Tay Beer Group Joint Stock Company	2,854,448,349	2,854,448,349

*Other related party*

Super Brands Company Pte. Ltd.	7,174,116,724	6,246,344,005
Fraser and Neave, Limited	4,293,978,752	2,425,671,710
Fraser & Neave (Singapore) Pte. Limited	876,455,121	874,455,121
MM Mega Market (Vietnam) Company Limited	61,708,816	-

<u>15,600,707,762</u>	<u>12,740,919,185</u>
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24 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



Hoàng Thanh Vân  
Preparer



Trần Nguyên Trung  
Chief Accountant



Teo Hong Keng  
Deputy General Director



Neo Gim Siong Bennett  
General Director

29 April 2020

