

SAIGON BEER - ALCOHOL - BEVERAGE
CORPORATION



TOWARDS A STRONGER FUTURE

ANNUAL REPORT 2023



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ABBREVIATIONS

4Cs	Sustainable development commitment of SABECO, including 4 pillars: Consumption, Conservation, Country and Culture
AC	Audit Committee
AGM	Annual General Meeting of Shareholders
ATL	Above-the-line (relating to mass media promotion to reach a large audience, such as radio, tivi, newspaper and magazines)
BOD/The Board	The Board of Directors
BOM/The Management	The Board of Management
BTL	Below-the-line (relating to advertising to reach a small, targeted audience, such as direct mail, flyers and sampling)
CSR	Corporate Social Responsibility
ESG	Environmental, Social and Governance
F&B	Food and Beverage
FY	Fiscal year
G&A	General and Administrative
GDP	Gross Domestic Product
HOSE	Ho Chi Minh Stock Exchange
IA	Internal Audit
IFRS	International Financial Reporting Standards
IR	Investor Relations

M&A	Mergers and Acquisitions
MOIT	Ministry of Industry and Trade
NRC	Nomination and Remuneration Committee
OOH	Out-of-home Advertising
Q	Quarter
R&D	Research and Development
ROA	Return on Assets
ROE	Return on Equity
SABECO/ The Corporation	Saigon Beer – Alcohol – Beverage Corporation
SATRACO	Sai Gon Beer Trading Company Limited
SRMC	Sustainability and Risk Management Committee
SSC	State Securities Commission of Vietnam
VAS	Vietnamese Accounting Standards
VBA	Vietnam Beer Alcohol Beverage Association
VCCI	Vietnam Chamber of Commerce and Industry
VND	Vietnamese dong
Vs	Versus
YoY	Year on year
YTD	Year to date

SABECO INTRODUCTION



GENERAL INFORMATION

Corporate Name	TONG CONG TY CO PHAN BIA – RUOU – NUOC GIAI KHAT SAI GON
English Name	SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION
Abbreviated Name	SABECO
Charter Capital	VND12,825,623,720,000
Legal Representatives	Mr. Koh Poh Tiong – Chairman of the Board of Directors Mr. Tan Teck Chuan Lester – General Director
Registered Office	187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City, Vietnam
Headquarters	5 th Floor, Vincom Center, 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
Telephone	(+84) 28 3829 4081 – 3829 4083 – 3829 6342
Fax	(+84) 028 3829 6856
Email	sabeco@sabeco.com.vn
Website	www.sabeco.com.vn
Enterprise Registration Certificate	0300583659 issued by Ho Chi Minh City Department of Planning and Investment on April 17, 2008. The 13 th amendment was made on December 22, 2023
Business Lines	Producing and selling beer, alcohol, and other beverages





VISION – MISSION – CORE VALUES

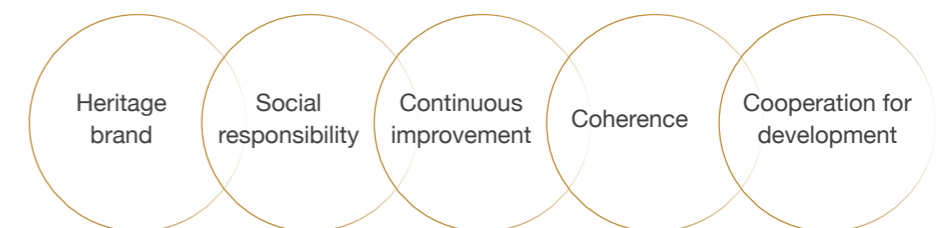
Vision

Develop SABECO to become the leading beverage group in Vietnam, having firm foothold in regional and international markets.

Mission

- Develop Vietnam’s beverage industry to keep pace with the world.
- Promote the culinary culture of Vietnamese people.
- Improve the quality of life by providing high quality, safe and healthy beverages.
- Bring practical benefits to shareholders, customers, partners, employees and society.
- Satisfy and meet the needs of beverages under the international food safety standards “Food hygiene and safety and environmental protection”.
- Fulfill obligations to the State on the basis of transparency in business.
- Actively participate in community activities.
- Ensure the development towards international integration.

Core Values



CHAIRMAN'S *Message*

Dear Shareholders,

Following a record profit year in 2022, the global economy continued to face challenges in 2023 with rising interest rates, rising raw materials cost, rising inflation rates and supply chain disruptions. Consequently, Vietnam experienced significant economic impacts, particularly in the beer and alcohol industry, as consumer tightened their non-essential spending.

Against this backdrop, SABECO achieved a full-year Profit After Tax of VND 4,255 billion. Despite a 23% drop from 2022, we are able to defend and grow our market share successfully in this challenging and highly competitive market, which was also adversely affected by the stringent enforcement of drink driving laws in Vietnam.

Creating Sustainable Value for Stakeholders

As one of Vietnam's leading beer players, SABECO has continued to make significant progress across various fronts. We take pride in our unwavering commitment to excellence in corporate governance, business performance, and product quality reflected in the numerous prestigious recognitions we received throughout the year.

This year, the Board has prioritized the Corporation's sustainability and risk management agenda through the newly established Sustainability and Risk Management Committee (SRMC). The SRMC will provide guidance to the Management team ensuring the effective implementation of ESG objectives and initiatives, while working closely with the Board and Audit Committee to ensure risk management systems are implemented effectively, safeguarding the interests of our shareholders.

To demonstrate our commitment to all shareholders, the Board has proposed a final dividend rate of 20%, resulting in a full-year dividend rate of 35%. Additionally, we have successfully completed a one-for-one share bonus issuance exercise, boosting capital returns to shareholders. This exercise not only rewards our existing shareholders but also demonstrates our confidence in the long-term growth of the company.

Acknowledgements

During the year, in line with the Corporation's succession planning efforts, Mr. Lester Tan Teck Chuan, formerly the Chief Beer Business Thailand of Thai Beverage PLC, was appointed the General Director on 1 October 2023. With Lester's in-depth knowledge and experience of the industry, we are confident in his ability to lead SABECO through our next phase of growth journey. The Board would like to thank Mr. Bennett Neo Gim Siong, who stepped down after his five-year tenure as the General Director, for his dedicated service and sterling contributions to SABECO and the Board.

In Appreciation and Going Forward

On behalf of the Board of Directors, I would like to extend our sincere appreciation to the Board of Management and all employees for the steadfast leadership, support, and dedication which you have demonstrated in steering SABECO towards a stronger future. We would also like to thank our valued Shareholders, Customers, Partners, and Stakeholders for your unwavering trust and support.

2024, the Year of the Dragon holds a very special significance to us all as it is a symbol of strength, courage and resilience that reflects the character of SABECO and Bia Saigon as we navigate and overcome future uncertainties. We look forward to your continued support and you being part of our growth journey for reaching greater heights together.



Koh Poh Tiong
Chairman of the Board

GENERAL DIRECTOR'S *Message*

Dear Shareholders,

Thank you very much for the warm welcome I have received since I assumed the position on 1 October 2023. Special appreciation goes to the Board of Directors for their advice and encouragement, as well as to the Management team and all staff, past and present, who have given me their unwavering support through the challenges in the market.

And indeed, the market welcomed me with a myriad of challenges. From strict enforcement of tough Drink Driving laws to the difficult economic situation; from the rising cost of raw and packaging materials to intense price competition. There were tests of our resilience and resolve at each turn.

While the year was trying in many ways, I am also happy to say that it revealed the depth of our collective strength and determination. Challenges were met with creativity of response, agility in execution and a steadfast commitment to fellow team members and greater company goals. On the back of this, SABECO posted a Profit After Tax of VND 4,255 billion in 2023. While this represents a 23% drop from a year ago, we remain a healthy and profitable company that continues to deliver significant dividends to our shareholders.

Commitment and Outlook

We remain committed to delivering superior product quality, having aggressive commercial activities and a dedication to sustainability. These are the core principles that will drive our actions and decisions.

We have a series of new programs to solidify our product quality offering from brewery to bar. We want to ensure that our beers are as perfect in the hands of our consumers as when they are brewed with the passion by each of our brewmasters. With this dedication to quality, we want to deepen the connection with our current consumers while attracting new ones.

Commercially, we have been putting greater focus on building stronger capabilities within our network of distributors to harness the potential of our vast coverage within Vietnam. Additionally, we have started new channels of distribution to evolve with the changing landscape in the market. All these changes are made so that regardless of changing market dynamics, Bia Saigon will stand to remain the No 1 Beer Brand in Vietnam.

In the area of sustainability, we stepped up our commitment by establishing at Board level, a Sustainability and Risk Management Committee. By setting out to meet Environmental-Social-Governance (ESG) targets, we are committed to acting beyond simply environmental stewardship but are also taking greater social and governance accountability. We are aligned with Vietnam's 2050 net zero emissions targets while continuing to work with local communities throughout Vietnam to contribute to Vietnam's socio-economic development.

Looking ahead, we must recognize the many challenges that continue to lie ahead of us. With an ever-evolving landscape of uncertainty and shifting consumer preference, we must not be afraid to push boundaries and challenge the status quo. Only then will we be correctly placed to seize any opportunities for growth.

As we push ahead into Year of the Dragon, we will do so with confidence, unity and a sense of common purpose. For when we are together, there is no goal that is too great nor any beyond our reach. I look forward to a future filled with new opportunities, growth and success for SABECO.

Yours faithfully,



Lester Tan
General Director

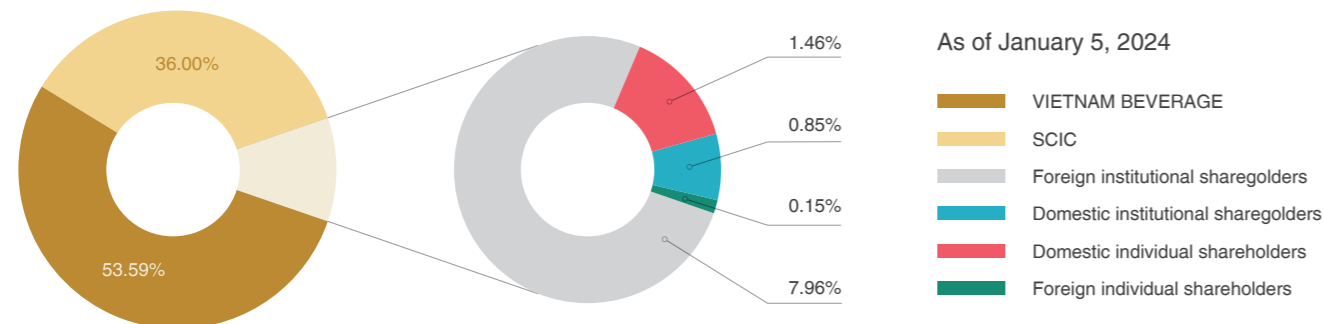


STOCK AND SHAREHOLDER INFORMATION

• Stock Information

Name of stock	Stock symbol	Stock type
Share of Saigon Beer - Alcohol - Beverage Corporation	SAB	Common stock
	Par value	Stock Exchange
	VND10,000 per share	Ho Chi Minh Stock Exchange
Outstanding shares	Treasury shares	Charter capital
1,282,562,372	None	VND12,825,623,720,000

• Shareholder Structure



	Number of institutional shareholders	Number of individual shareholders
Major shareholders	2	0
Vietnam Beverage Company Limited (VIETNAM BEVERAGE)	1	0
State Capital Investment Corporation (SCIC)	1	0
Other shareholders	209	8,464
Domestic	57	7,780
Foreign	152	684

• Change in Charter Capital

Shares issuance to increase capital from owners' equity at 1:1 ratio.

VND6,412,811,860,000
Before issuance

VND12,825,623,720,000
After issuance

• Stock Transaction

NUMBER OF SHARES OWNED BY INTERNAL PERSONS

Name	Position	Number of shares owned	Percentage
Mr. Koh Poh Tiong	Chairman of the Board	-	0%
Mr. Pramoad Phornprapha	Independent Member	-	0%
Mr. Nguyen Tien Vy	Independent Member	-	0%
Mr. Michael Chye Hin Fah	Board Member	-	0%
Ms. Tran Kim Nga	Board Member	-	0%
Mr. Le Thanh Tuan	Board Member	-	0%
Ms. Ngo Minh Chau	Board Member	-	0%
Mr. Tan Teck Chuan Lester	General Director ⁽¹⁾	-	0%
Mr. Neo Gim Siong Bennett	General Director ⁽¹⁾	-	0%
Mr. Koo Liang Kwee Alan	Deputy General Director	-	0%
Ms. Venus Teoh Kim Wei	Deputy General Director	-	0%
Mr. Ng Kuan Ngee Melvyn	Deputy General Director	-	0%
Mr. Lam Du An	Deputy General Director	-	0%
Mr. Tran Nguyen Trung	Chief Accountant	3,400	0.0003%
Ms. Teoh Jia Ee	Person in charge of Corporate Governance ⁽²⁾	-	0%
Mr. Duong Van Minh	Person in charge of Corporate Governance ⁽²⁾	-	0%
Mr. Tran Nguyen	Person in charge of Corporate Governance ⁽²⁾	-	0%

(1): Mr. Tan Teck Chuan Lester was appointed as the General Director of SABECO, replacing Mr. Neo Gim Siong Bennett from 01/10/2023.

(2): Ms. Teoh Jia Ee, Mr. Duong Van Minh and Mr. Tran Nguyen were appointed as Persons in charge of Corporate Governance from 26/10/2023.

STOCK TRANSACTION

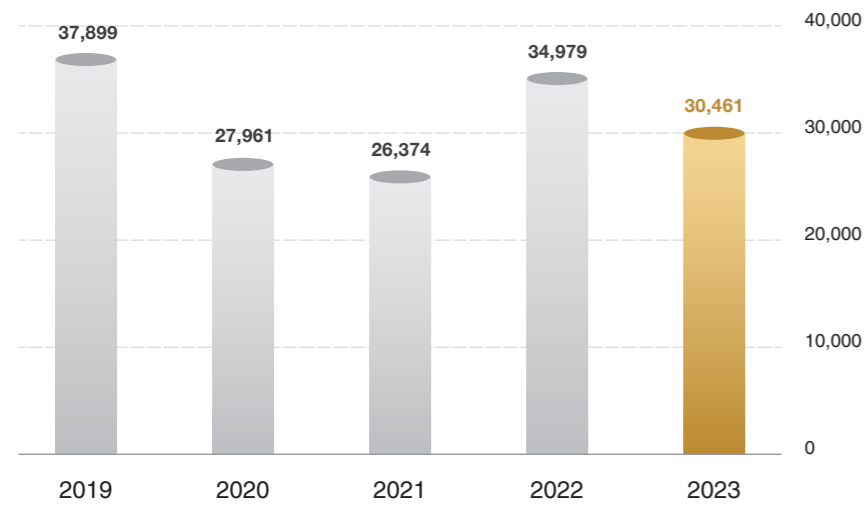
Stock transaction of internal persons: **None**

Stock transaction of related persons of internal persons: **None**

2023 FINANCIAL HIGHLIGHTS

• Net Revenue

(Billion VND)



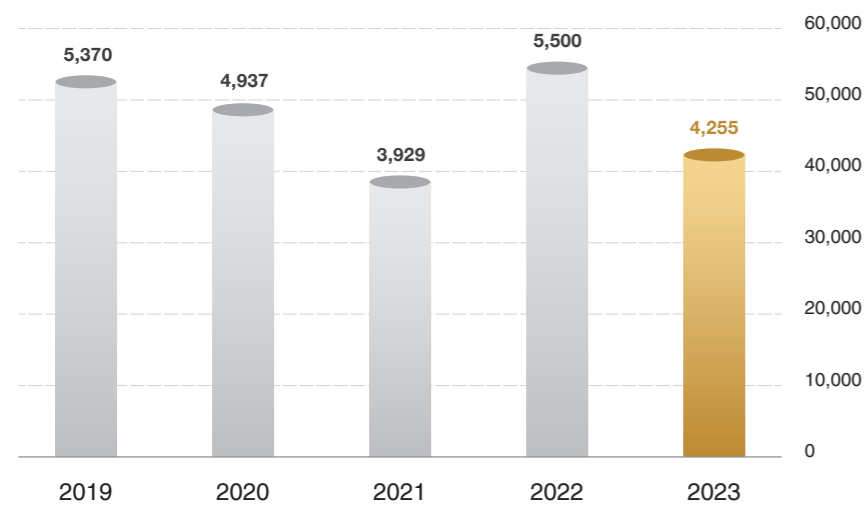
30,461
Billion VND

-13%
YoY

76%
2023 targets

• Profit After Tax

(Billion VND)



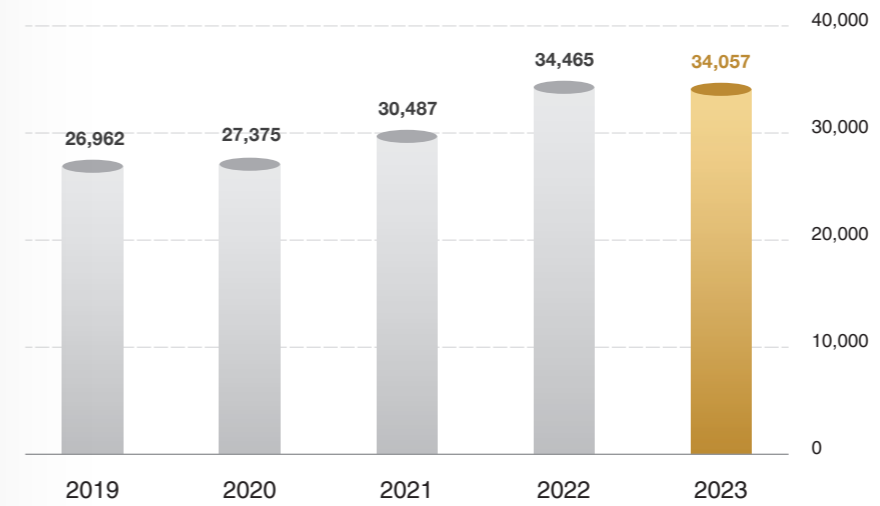
4,255
Billion VND

-23%
YoY

74%
2023 targets

• Total Assets

(Billion VND)

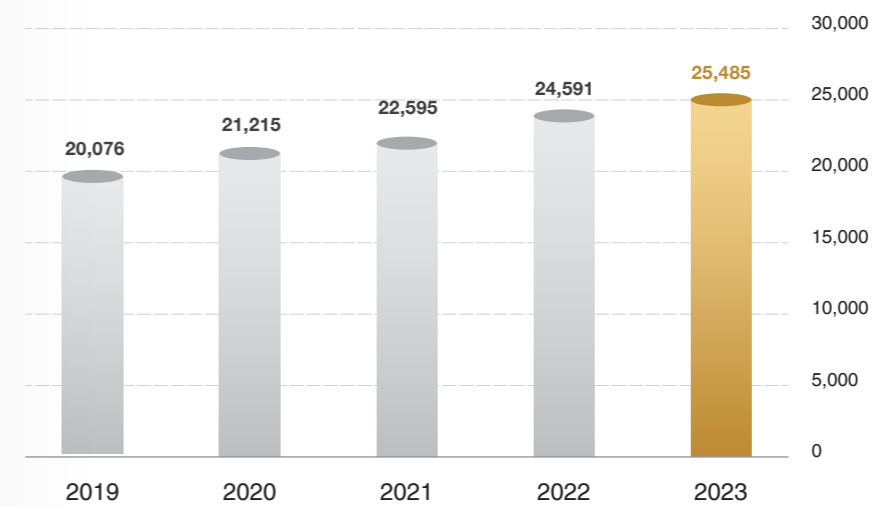


34,057
Billion VND

-1%
vs 2022

• Owners' Equity

(Billion VND)



25,485
Billion VND

+4%
vs 2022

2023 AWARDS



• Corporate Awards

01

OUTSTANDING ENTERPRISE FOR EMPLOYEES

Vietnam General Confederation of Labor, the Ministry of Labor, Invalids and Social Affairs & the Vietnam Chamber of Commerce and Industry

02

TOP 100 SUSTAINABLE BUSINESSES IN VIETNAM 2023

Vietnam Chamber of Commerce and Industry (VCCI)

03

OUTSTANDING TAXPAYER FOR THE PERIOD 2020-2022

The General Department of Taxation

04

TOP 20 ANNUAL REPORTS 2023 (Non-Financial Companies)

Vietnam Listed Company Awards (VLCA)

05

TOP 12 BOARD OF DIRECTORS COMMITTED TO CORPORATE GOVERNANCE BEST PRACTICES

Vietnam Institute of Directors (VIOD)

06

TOP 50 BEST LISTED COMPANIES IN VIETNAM 2023

Forbes Vietnam

07

BEST KEY VISUAL & MOST IMPRESSIVE OOH DESIGN "TOGETHER WE MAKE TET" CAMPAIGN

Vietnam Creative Advertisement Awards 2023

08

GOLD AWARD FOR "OMNICHANNEL MARKETING"

MMA Smarties Vietnam 2023

09

GOLD AWARD FOR "CROSS DIGITAL MEDIA MARKETING"

MMA Smarties Vietnam 2023

10

SILVER AWARD FOR "PRODUCT AND/OR SERVICE LAUNCH"

MMA Smarties Vietnam 2023

• Product Awards

World Beer Championships 2023
Organization: Beverage Testing Institute (BTI)



KEY MILESTONES

1875

A small beer workshop was set up by Mr. Victor Larue, a Frenchman in Saigon

In 1910, the workshop was then developed into a complete brewery, specialized in producing beer, beverages and ice. In September 1927, the brewery was officially incorporated into the French BGI system.

1977

The establishment of Saigon Beer Brewery

On May 17, 1977, the Minister of Food and Foodstuff issued the Decision No. 845/LTTP to place the BGI Company Brewery under management of the Southern Brewery Company. From June 1, 1977, the brewery was renamed as Saigon Beer Brewery.

1985

The launch of Saigon Export cans

In October 1985, Saigon Beer Brewery installed the first canning production line in Vietnam and launched Saigon Export cans with the size of 330ml as part of the Saigon Premium Export brand.

1989

The launch of 333 Export cans

In October 1989, 333 Export cans were produced with the size of 330ml.



1992

The launch of Saigon Lager bottles

In February 1992, Saigon Beer Brewery completely installed and put into operation a new brewing line with a capacity of 30,000 bottles/hour and started using plastic tanks instead of wooden ones. At the same time, 450ml beer bottles with a better-looking and more durable design were launched to replace the old size of 500ml.



1993

Changing from Saigon Beer Brewery to Saigon Beer Company

Saigon Beer Brewery became Saigon Beer Company after merging with Saigon Ice Factory, Beer - Alcohol Mechanical Factory and Da Kai Mineral Water Factory.

1996

The launch of Saigon Export bottles

In June 1996, Saigon Export bottles were initially produced for export purposes, yet due to the increasing domestic demand, these 355ml bottles were then sold in the domestic market.



2000

The launch of Saigon Special bottles

In July 2000, 330ml Saigon Special bottles were launched with a signature design of green glass bottle for high-income consumers.



2003

The establishment of Saigon Beer - Alcohol - Beverage Corporation (SABECO)

Saigon Beer - Alcohol - Beverage Corporation (SABECO) was established with new subsidiaries of Binh Tay Liquor Company, Chuong Duong Beverages Company, Phu Tho Glass Company and Saigon Beer - Alcohol - Beverage Trading Company.

2008

The establishment of Saigon Beer - Alcohol - Beverage Corporation as a joint stock company through equitization

The establishment of Saigon Beer - Cu Chi Brewery, which was the most modern brewery in Southeast Asia.

SABECO was awarded the Labor Hero of the Renovation Period.

2010

SABECO achieved an annual beer consumption rate of 1 billion liters

2016

Listing on HOSE



2017

The launch of Saigon Gold cans

The launch of Saigon Gold cans SABECO launched Saigon Gold cans with the size of 330ml and 5% ABV, which represented the most premium beer of SABECO and were produced in limited quantities.

MOIT successfully sold 53.59% of SABECO shares to Vietnam Beverage Company Limited and continues to hold 36% of shares.



2018

The change in structure of managerial organization of SABECO

Audit Committee was established to replace the Board of Supervisors.

2021

"Stronger Together"

SABECO prioritized on employees' health and safety, preserved jobs, rolled out vaccination programs, and gave back to the community through various CSR initiatives, including "Community Care", "Collecting Million Stars", and "Tet – One Home" programs, as well as launched the "63 Vietnamese provincial cans" collection and limited edition cans of Bia Saigon Lager.



2022

"Bring out the Best of Vietnam"

Leveraging from the economic recovery and market reopening, SABECO is stepping into its Phase 2 transformation journey which covers six strategic pillars: Sales, Brand and Marketing, Production, Supply Chain, People, and Unlock.

SABECO has consistently positioned itself as the pride of Vietnam and committed to bringing out the best of Vietnam by offering the best quality products, promoting the development of Vietnamese sports and giving back to the community through various CSR initiatives.

2019

Bia Saigon and 333 relauches

In August 2019, SABECO relaunched Bia Saigon brand including Bia Saigon Special, Bia Saigon Lager and Bia Saigon Export.

In December 2019, SABECO relaunched 333 cans.



2020

SABECO's 145th anniversary

SABECO celebrated its 145th anniversary with various initiatives throughout the year, including the "Rise with Vietnam" replay, brand-new launches of Bia Lac Viet and Bia Saigon Chill, and the redesigned Bia Saigon Gold.



2023

"Towards a Stronger Future"

SABECO launched Bia Saigon Export Premium to rejuvenate Bia Saigon Export with a new brand positioning. Continuous efforts in production and business activities towards sustainable development helped SABECO improve its competitiveness and receive various recognitions, including but not limited to Top 100 Sustainable Businesses in Vietnam 2023 by CSI100, Top 20 Annual Reports for non-financial companies by VLCA 2023, and Top 12 Board of Directors Committed to Corporate Governance Best Practices by VIOD.



Annual General Meeting of Shareholders 2023

On April 27, 2023, SABECO convened the 2023 Annual General Meeting of Shareholders to announce its outstanding business results in 2022 and plans for 2023. With a record profit, the Board of Directors proposed an additional dividend payment of 15%, increasing the total dividend for 2022 to 50%, as well as bonus shares issuance with a ratio of 1:1, which were approved, thereby demonstrating SABECO's commitment in enhancing shareholder value.

During the meeting, SABECO successfully conducted the election of Board members for the 2023 - 2028 term and announced the appointment of Mr. Lester Tan as the new General Director of SABECO, replacing Mr. Bennett Neo effective from October 1, 2023. With more than 25 years of working experience in the beer industry in various markets, Mr. Lester Tan, together with the Board of Directors and the Board of Management, will lead SABECO's next phase of transformation, focusing on promoting the Corporation's growth towards sustainable development and continuing to bring positive socio-economic impacts to local communities and to Vietnam as a whole.



Increasing ownership stake in Western - Sai Gon Beer Joint Stock Company

As part of the long-term growth strategy, on April 27, 2023, SABECO successfully acquired more than 2.8 million shares of Western – Sai Gon Beer Joint Stock Company, leading to an increase in ownership stake from 51% to 70.55%, with the intention to enhance competitive advantages, improve cost management and business performance for the Corporation.



A series of "Saigon Night" events

The series of "Saigon Night" was one of the efforts between Bia Saigon and the Central Committee of Ho Chi Minh Communist Youth Union to promote the recovery and development of Vietnamese culture, cuisine, sports, and tourism. From April to end of May 2023, Bia Saigon hosted 9 "Saigon Night" events which tailored to the fishermen communities across 3 provinces: Khanh Hoa, Phu Yen, and Binh Dinh. These events brought thousands of visitors to a vibrant entertainment space with the signature cuisine and cultural features of Saigon.

09 Events



04

Vietnam Culture - Food Festival 2023

As one of the strategic partnership programs between the Ministry of Culture, Sports and Tourism and SABECO, the Vietnam Culture and Food Festival 2023 was held in Quang Tri with more than 80 culinary booths representing North, Central, and South regions with the participation of leading culinary experts in Vietnam, thereby honoring and promoting the beauty of Vietnamese culture, tourism, and cuisine, contributing to the goal of making Vietnam a top destination in the region, while accelerating the national economic and tourism recovery after the pandemic.



05

Enhancing consumer experience with "Together We Push Boundaries" campaign



On its journey to bring out the best of a Vietnamese beer brand, Bia Saigon, along with a team of Vietnamese brewmasters, have constantly researched and improved on product quality to bring the best beer flavor to consumers while helping boost Vietnamese beer's reputation in the world through various international awards.

Following its achievements, Bia Saigon launched the campaign of "Together We Push Boundaries", engaging consumers together with brewmasters to create innovative brews by promoting the use of local ingredients such as passion fruit, durian, and dragon fruit, etc., thereby highlighting SABECO's efforts to capture and listen to consumers' need and taste.

The challenge has received a lot of attention from the community with more than 26,000 ideas from consumers within a short time-frame of 2 months, leading to opportunities for Bia Saigon's brewmasters to express their creativity and capabilities. Based on the voting result, 3 beer flavors including Salted Lemon, Sake and Lychee, Soju and Pineapple were chosen as winners and were first served to consumers at the Vung Tau Beerfest in September 2023.

26,000+ Ideas from consumers
03 Beer flavors chosen

05

Commitment towards sustainable development

By switching to renewable energy to minimize the environmental impact, ensuring long-term growth for the Corporation as well as contributing to a sustainable future for Vietnam, on May 15, 2023, SABECO officially signed a Memorandum of Understanding with SP Group (Singapore) to deploy Phase 2 of the Rooftop Solar Project at 9 breweries of SABECO with the highest capacity of up to 10.44MWp, expecting to bring the total number of breweries using solar energy to 17 breweries.

Phase 1 of the project was launched in 2020 with a total investment of more than VND107 billion for rooftop solar systems with a maximum capacity of 9 MWp at 9 breweries. Its success is the premise for expanding the project into Phase 2 with 9 additional breweries. The whole rooftop solar system is estimated to provide 23% of electricity consumption at breweries, amounting to a 25 million kWh saving of electricity, equivalent to 18,000 tons of CO₂ reduction per year, thereby contributing to SABECO's net zero emissions target by 2050.

17 Breweries with solar energy

107 Billion VND
Total investment

25 Million kWh
of electricity saved

18,000
Tons of CO₂ reduced per year



National 7-a-side football – Bia Saigon Cup 2023

Following the success of the 2022 tournament, on May 24, 2023, the National 7-a-side Football - Bia Saigon Cup 2023 officially kicked off with the cooperation between Bia Saigon brand and VietFootball. As the main sponsor of the tournament, SABECO and Bia Saigon continued to aim to develop Vietnamese football talents, promote a healthy and active lifestyle in the community, and reinforce the commitment to bringing the best to the country's football.



Promoting the excellence of Vietnamese cuisine with Michelin Guide

Michelin Guide, an international restaurant evaluation system, is officially present in Vietnam, bringing world-class recognition to Vietnam's famous culinary establishments, and also serves as an opportunity for talented Vietnamese chefs to showcase on the international arena.



Therefore, Bia Saigon proudly partnered with Michelin Guide as the official sponsor of the Michelin Guide Ceremony 2023 in Hanoi and Ho Chi Minh City, thereby honoring, recognizing, and promoting Vietnam's culinary excellence to not only locals but also international visitors, reinforcing Bia Saigon's commitment to elevating Vietnamese brands and promoting national tourism development and cultural identity.

Standing with the Vietnam Women's Football Team

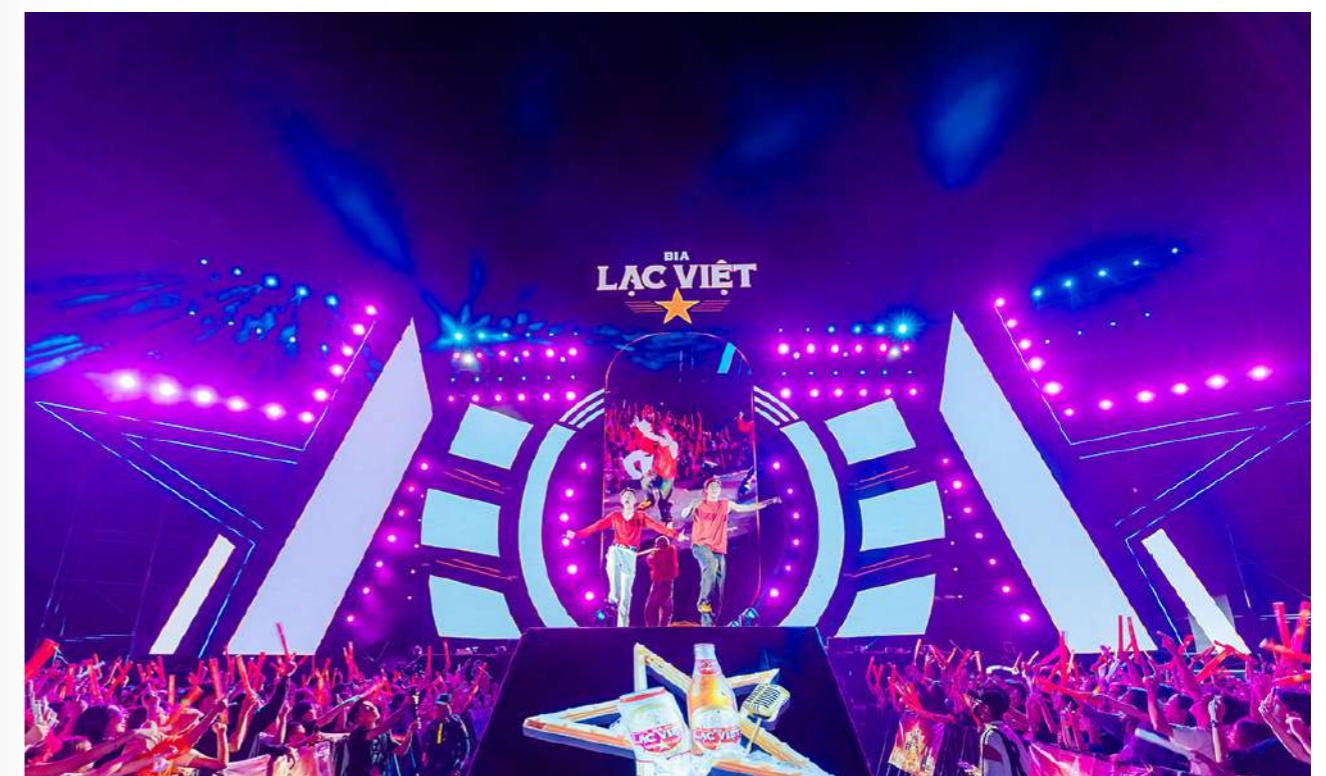
Being inspired by the historic moment for Vietnamese football when the Women's Team became the first Vietnam national football team to enter the final round of World Cup 2023, SABECO collaborated with the Vietnam Football Federation and film production company ViewFinder to introduce a documentary project called "Vietnam - Where Are You" to capture and honor the inspirational journey of the National Women's Team while rallying support for gender equality in Vietnamese sports.

During the National Women's Team's participation in the 2023 World Cup, Bia Saigon also carried out a series of campaigns calling for community support for the players, thereby fulfilling SABECO's commitment to assisting the development of talented athletes and elevating Vietnam's position in the international arena.



"Star of All Fun" singing contest

Bia Lac Viet brand launched its 3rd season of the "Star of All Fun" singing contest from June 16, 2023 in the form of online and on-the-spot with the highest prize of up to VND1 billion. With the main theme being "Sing to spread the love", the contest aimed to circulate positive and optimistic values, encouraging people to express their feelings to their families, friends, and the country, as well as inspire music lovers to shine their light.



The Chill Fest 2023 - Summer Adventure

10,000+

Participants per event

Following the success of 2022, The Chill Fest 2023 returned with a more imposing version called "Summer Adventure", taking place in 3 cities: Can Tho, Ho Chi Minh City, and Nha Trang from June 17, 2023 to July 15, 2023. This event brought a summer full of new experiences and entertaining music performances from famous local and international artists to young people, attracting more than 10,000 participants per event.



Bia Saigon Export Premium

In order to meet consumers' increasingly dynamic and modern lifestyle along with their demand for higher quality products, SABECO introduced its new product called Bia Saigon Export Premium, including bottles and sleek cans, with a more modern and premium feel, aiming to rejuvenate Bia Saigon Export with a new brand positioning. This new product utilized a slow fermentation technique for a more sessionable, refreshing, and lighter taste, which is suitable for different groups of consumers.

VỊ MỚI CHẤT



BIA CHẤT SỐNG CHẤT



07

The first pop-up bar of Bia Saigon Special

From July 19 to August 19, 2023, the first pop-up bar of SABECO was introduced with an unique bar in the shape of a giant Bia Saigon Special bottle. Throughout the event, participants got to enjoy a youthful and vibrant beer & culinary experience with various fun activities right in the heart of Saigon.



08

The Distribution Center Project in Ho Chi Minh City



Total area

31,000 M²

Capacity

30,000
pallets

On August 24, 2023, SATRACO officially inaugurated its new Distribution Center in Ho Chi Minh City, marking the first milestone of the Warehouse Master Plan Project for the 2022 – 2024 period.

The Warehouse Master Plan Project has aimed to improve the competitiveness of SABECO's supply chain and increase operational efficiency of the distribution system to supply the market in the best way possible, thereby increasing overall competitive advantages for the Corporation's business activities. After more than 6 months of implementing the integration of 6 warehouses from trading companies into 1 central warehouse, the project came into use with a total area of 31,000 m², a storage capacity of 30,000 pallets, operated by the Warehouse Management System (WMS) and Transportation Management System (TMS) to ensure optimal preservation and storage of goods, save operating costs while ensuring continuity in the production process, and meet the market demand.

09

Vung Tau Beerfest

100,000+

Visitors

As the main and exclusive beer sponsor, Bia Saigon brand accompanied the People's Committee of Vung Tau to launch the Vung Tau Beerfest with its theme of "Around the world with Bia Saigon" for two days from September 2 - 3, 2023. This was the biggest beer festival in Vietnam with almost 40 food stalls as well as the first ever all-night-long music show.

In just 2 days, the Beerfest welcomed more than 100,000 visitors to experience different cultures, architectures, music, and cuisines around the world. In addition, Bia Saigon introduced its 5 limited edition beer flavors, including Salted Lemon (Vietnam), Sake and Lychee (Japan), Soju and Pineapple (Korea), Pilsner (Germany), and Lager (USA). Through diverse experiences, Bia Saigon aimed to give visitors a fascinating insight into the Vietnamese beer culture, and promote other festivals in the future, thereby helping boost tourism in Vung Tau as well as make Vietnam a top destination in the region.

40

 Food stalls

10

Outstanding enterprise for employees



On October 29, 2023, SABECO was recognized as one of the "Outstanding enterprises for employees" for the first time by the Vietnam General Confederation of Labor in conjunction with the Ministry of Labor - Invalids and Social Affairs and the Vietnam Chamber of Commerce and Industry. Among 64 remarkable enterprises announced at the ceremony, SABECO was one of 9 enterprises honored by the Ministry of Labor - Invalids and Social Affairs thanks to its efforts in caring for its employees' well-being and improving their capabilities.

The "Outstanding enterprise for employees" award aimed to acknowledge enterprises who contributed to Vietnam's socio-economic and human development while fostering a positive work environment for their employees. Specifically, the 2023 award selected and honored enterprises who were able to maintain their growth in the challenging economic context post Covid-19, not only stabilizing production, increasing revenue and profit, but more importantly, also taking good care of physical and mental health of their employees.

Outstanding taxpayer during the period of 2020 – 2022

In the conference praising “Outstanding taxpayers during the period of 2020 - 2022” organized by the Ministry of Finance and the General Department of Taxation to honor enterprises with great contributions to the State budget amid global economic challenges, SABECO passed the strict evaluation criteria of good compliance with tax laws and having a great contribution to the State budget, while also joining hands to support the Government in pandemic prevention and socio-economic development.

According to the General Department of Taxation, SABECO contributed over VND11,000 billion to the State budget for the period 2020-2022, one of the highest in the group of beverage manufacturers.



Top 12 Board of Directors committed to corporate governance best practices

At the Board of the Year Awards 2023 ceremony organized by the Vietnam Institute of Directors (VIOD), SABECO Board of Directors was honored as one of the Top 12 Board of Directors committed to corporate governance best practices. This award was a testament to the efforts of SABECO Board of Directors in improving corporate governance quality, and integrating ESG (Environmental, Social, and Governance) standards into business activities towards sustainable development.



Joining hands to promote Vietnamese brands

SABECO and Bia Saigon proudly accompanied the "Vietnam Grand Sale 2023" campaign, which was organized by the Ministry of Industry and Trade, to connect consumers with various promotions from domestic businesses given a wide range of goods and quality.

Taking place from December 4, 2023 - January 1, 2024, the nationwide program called upon enterprises to launch different kinds of promotion for both traditional trade and e-commerce channels, pushing the domestic consumption, production, advertising, and trade as well as matching supply and demand to create a momentum for Vietnam's socioeconomic recovery and development after the pandemic.



Top 20 Annual Report 2023

On December 15, 2023, at the 16th Vietnam Listed Company Awards (VLCA 2023) co-organized by Ho Chi Minh City Stock Exchange (HOSE), Hanoi Stock Exchange (HNX), Vietnam Investment Review (VIR), and Dragon Capital, together with the participation of Big 4 auditing firms, International Finance Corporation (IFC), and Association of Chartered Certified Accountants (ACCA) to ensure accuracy and professionalism in the scoring process, SABECO was recognized as one of the Top 20 Annual Reports (for non-financial companies) among 116 enterprises in the final round, thereby demonstrating SABECO's efforts in taking the right steps towards a more professional, transparent, and standardized reporting practice as well as enhancing investors' access to information.



Welcoming the year-end holiday season with The Chill Fest White X'mas

15,000+

Participants per event

Being held in Ho Chi Minh City and Nha Trang with the participation of more than 15,000 people, The Chill Fest for the first time introduced a refreshing and cool atmosphere, along with a number of experiential activities with fantastic prizes, granting attendees surprising "early snow" moments in a truly romantic and chilly ambiance, and even transforming themselves into idols through their own X'MAS MVs.



Tet 2024 Campaign

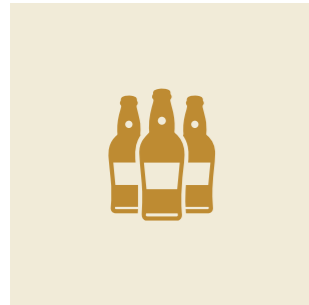
Joining the welcoming atmosphere of the Year of Dragon 2024, Bia Saigon launched its campaign called "Don Tet Rong – Nhan Boi Loc" to bring new experiences, optimism, and luck to consumers in hope for a brighter 2024.



**ĐÓN TẾT RỒNG
NHÂN BỘI LỘC**

Limited edition Tet packaging

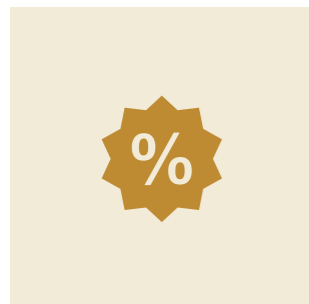
Bia Saigon introduced a limited Tet collection for cans with the image of a rising Dragon, in hope of spreading fortune and prosperity for the new year. Being exclusively targeted at corporate customers, Bia Saigon Gold, the most premium product of Bia Saigon, was re-launched with an even more luxurious design with shiny gold color representing wealth and prosperity, and continued to be the perfect Tet gift for valuable partners.



Nationwide consumer promotions

When buying Bia Saigon products, consumers not only had the opportunity to win various valuable prizes but also participated in a lucky draw via weekly livestreams to receive one out of 63 lucky money envelopes containing dragon pieces made of 99.99% gold, representing best wishes for a prosperous new year to all Vietnamese people.

In light of keeping up with virtual reality gaming, Bia Saigon also introduced the "Dragon Gem by Bia Saigon", where users can participate in the "dragon hunt" and redeem valuable rewards. Through this initiative, Bia Saigon showcased its spirit of pushing for continuous innovations to enhance the modern image of the brand and connect with young consumers as a result.



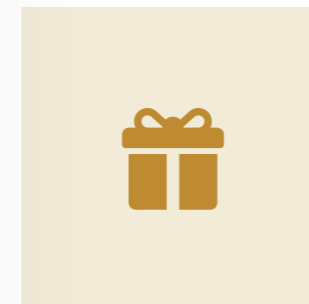
Stack Attack campaign for Tet 2024

Hundreds of SABECO employees also participated in a series of sales support activities at different supermarket channels across the country, enhancing the connection between brands and consumers, thereby solidifying Bia Saigon's position as the leading beer brand in Vietnam.



"Tet Se Chia, Nam Rong Khoi Sac" CSR campaign

In efforts to bring the best things possible to Vietnam through practical acts of kindness to help Vietnamese people overcome difficulties altogether and look forward to a brighter Year of Dragon 2024, SABECO partnered with the Central Committee of Ho Chi Minh Communist Youth Union (HCYU) to roll out a series of CSR program called "Tet Se Chia, Nam Rong Khoi Sac" on December 15, 2023. Subsequently, 10,400 Tet gift sets with a total value of VND7.4 billion were given to struggling workers, fishermen, border and coastal guards in 25 provinces and cities nationwide, in hope of delivering the Tet atmosphere with various engaging activities at selected regions.



BRAND & PRODUCT PORTFOLIO

- Beer

BIA SAIGON



Bia Saigon Gold



Bia Saigon Chill



Bia Saigon Special



Bia Saigon Export



Bia Saigon Export Premium



Bia Saigon Lager

333



BIA LAC VIET



- Alcoholic Beverages



Nang Huong Rice Liquor



Lua Thom Rice Liquor



Caravelle Red Rhum



Viva Vodka



Nep Binh Tay Rice Liquor



De Binh Tay Rice Liquor

- Non-alcoholic Beverages



Sa Xi Chuong Duong



Sa Xi Zero Chuong Duong



Nam Phuong Bird's Nest Aloe Vera

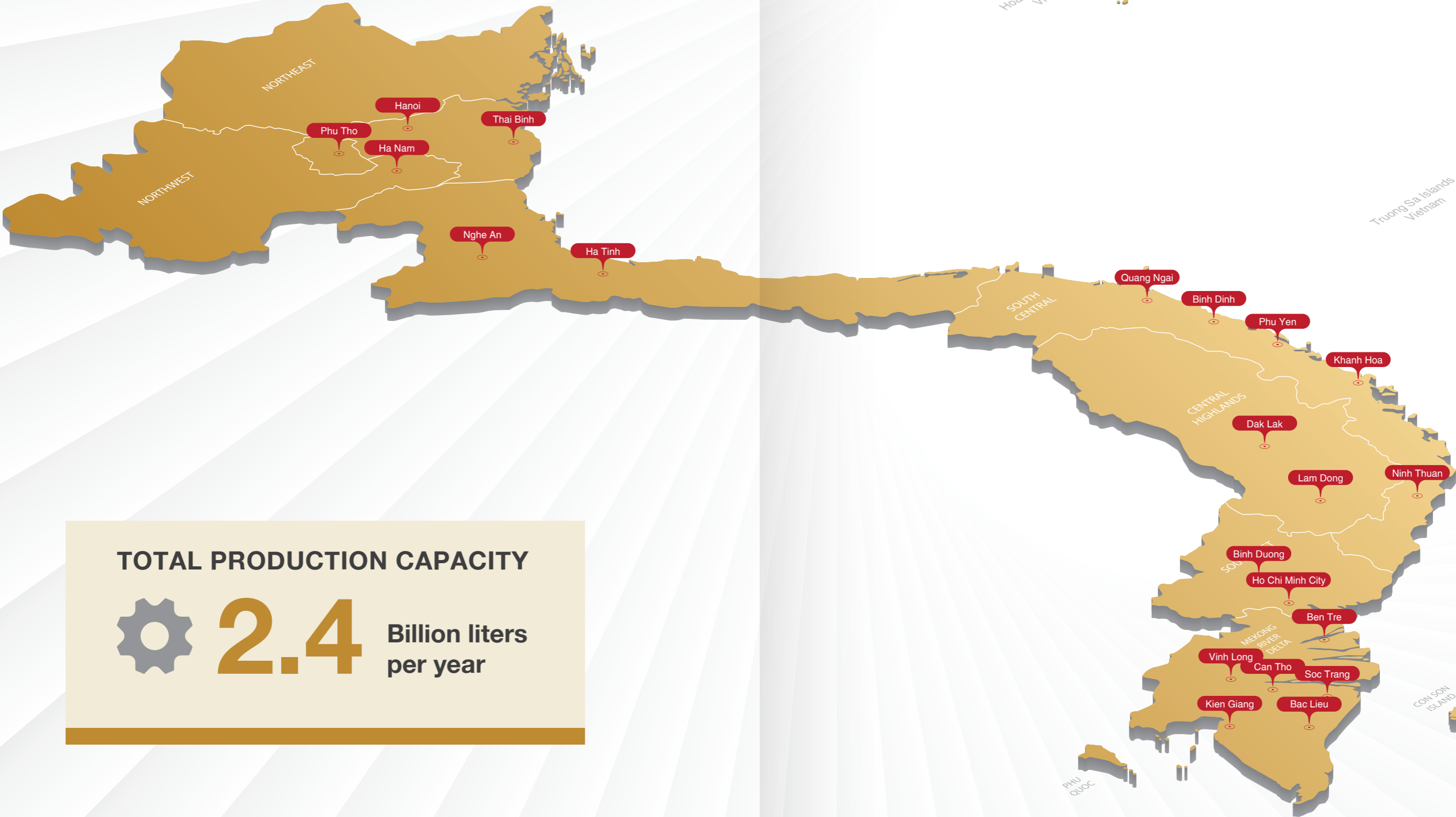


Soda Chuong Duong




Bottled Drinking Water Chuong Duong

SABECO GROUP OF COMPANIES AND NETWORK



TOTAL PRODUCTION CAPACITY

 **2.4** Billion liters per year

• Vertically Integrated Bussinesses

26 Breweries

01 Non-alcoholic beverages company

02 Liquor/alcohol companies

02 Engineering companies

05 Packaging companies

01 Real estate company

• Extensive Distribution Network

01 Supply chain company

11 Regional & nationwide trading companies

01 Transportation company

Export to **30+** Countries

Covering **200,000+** Outlets

• List of Subsidiaries

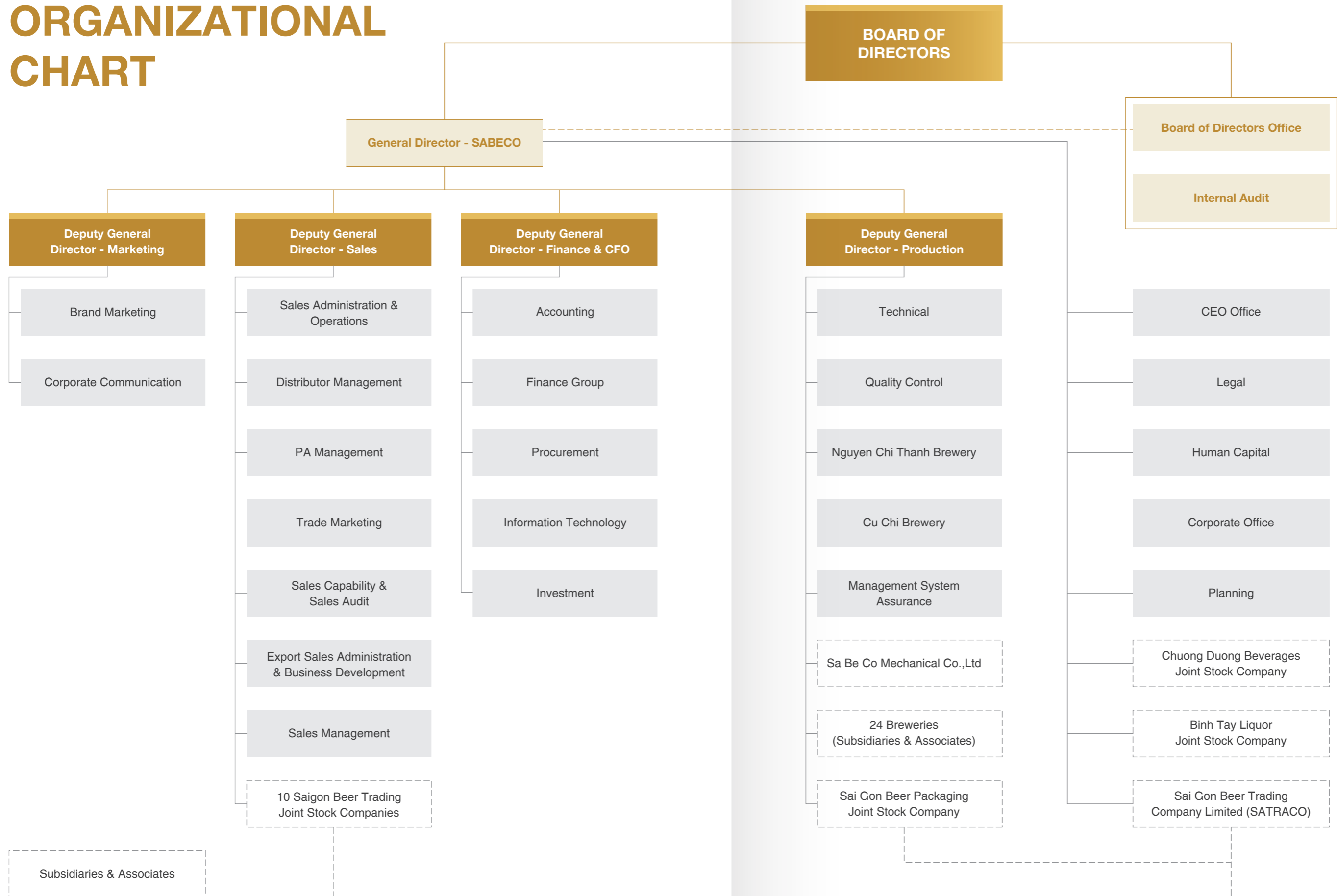
No	Company	Type of Business	Address	Paid-up capital (VND)	% of Voting Right	% of Ownership
1	Sai Gon Beer Trading Company Limited	Trading beer, alcohol and beverage	12, Dong Du Street, Ben Nghe Ward, District 1, Ho Chi Minh City	700,000,000,000	100.00%	100.00%
2	Sa Be Co Mechanical Co., Ltd	Manufacturing equipments used in food manufacturing, installing and maintaining machinery system and equipment	215 Dao Duy Tu, Ward 6, District 10, Ho Chi Minh City	59,365,663,690	100.00%	100.00%
3	Sai Gon - Ha Tinh Beer One Member Company Limited	Producing and trading beer, yeasty malt, mineral water, bottled purified water	12 th Kilometer bypass of Ha Tinh City, Tan Lam Huong Commune, Thach Ha District, Ha Tinh Province	120,000,000,000	100.00%	100.00%
4	Saigon Beer Company Limited	Wholesale of beer, alcohol and beverage	187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City	60,000,000	100.00%	100.00%
5	Saigon Beer Group Company Limited	Wholesale of beer, alcohol and beverage	187 Nguyen Chi Thanh Street, Ward 12, District 5, Ho Chi Minh City	40,000,000,000	100.00%	100.00%
6	Sai Gon Beer Bac Trung Bo Trading Joint Stock Company	Trading beer, alcohol and beverage; providing transportation and warehousing services	Dong Vinh Small Industrial Zone, Dong Vinh Ward, Vinh City, Nghe An Province	40,000,000,000	95.07%	95.07%
7	Saigon Beer Center Trading Joint Stock Company	Wholesale of beer, alcohol drinks; wholesale of non-alcohol drinks, wholesale of other chemicals, alcohol; trading packaging; providing cargo transportation by car	12, Dong Du Street, Ben Nghe Ward, District 1, Ho Chi Minh City	90,000,000,000	94.45%	94.45%
8	Binh Tay Liquor Joint Stock Company	Producing and trading alcohol	621 Pham Van Chi Street, Ward 7, District 6, Ho Chi Minh City	140,000,000,000	93.47%	93.32%
9	Saigon Beer Mien Trung Trading Joint Stock Company	Trading beer, alcohol and beverage; providing warehousing and cargo transportation by car services	No.7 1 st Street, An Don Industrial Zone, An Hai Bac Ward, Son Tra District, Da Nang City	60,000,000,000	91.24%	91.24%
10	Sai Gon Beer Eastern Trading Joint Stock Company	Trading beer, alcohol and beverages; providing cargo transportation by road and waterway services	46/19, D1 Street, Binh Phu Hamlet, Binh Chuan Commune, Thuan An Town, Binh Duong Province	40,210,000,000	90.68%	90.68%
11	Sai Gon Beer Northeast Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and cargo transportation services	No.2A Cai Lan Industrial Zone, Bai Chay Ward, Ha Long City, Quang Ninh Province	40,000,000,000	90.45%	90.45%
12	Saigon Beer Nam Trung Bo Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and cargo transportation services	National Highway No.1 , Dien Phu Commune, Dien Khanh District, Khanh Hoa Province	60,000,000,000	90.14%	90.14%
13	Northern Sai Gon Beer Trading Joint Stock Company	Trading beer, alcohol and beverages; providing transportation and warehousing services	Lot CN 01-05, Ninh Hiep Industrial Zone, Ninh Hiep Commune, Gia Lam District, Hanoi City	40,000,000,000	90.00%	90.00%
14	Sai Gon Beer Tay Nguyen Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and transportation services	190 Nguyen Van Linh Street, Ea Tu Commune, Buon Ma Thuot City, Dak Lak Province	39,761,600,000	90.00%	90.00%

No	Company	Type of Business	Address	Paid-up capital (VND)	% of Voting Right	% of Ownership
15	Song Tien Saigon Beer Trading Joint Stock Company	Trading beer, alcohol and beverage; providing warehousing and cargo transportation by road services	No. 11, Tan Vinh Thuan Hamlet, Tan Ngai Commune, Vinh Long City, Vinh Long Province	40,000,000,000	90.00%	90.00%
16	Saigon Song Hau Beer Trading Joint Stock Company	Trading beer, alcohol and beverages; providing cargo transportation by road and waterway services	No.15 - 25, 26 Vo Nguyen Giap Street, Phu Thu Ward, Cai Rang District, Can Tho City	40,290,000,000	90.00%	90.00%
17	Sai Gon Beer Packaging Joint Stock Company	Producing and trading tin lid rings and metal packaging, packaging for food and beverage industry	621 Pham Van Chi Street, Ward 7, District 6, Ho Chi Minh City	71,770,160,000	76.81%	76.81%
18	Western - Sai Gon Beer Joint Stock Company	Producing and trading beer	Tra Noc Industrial Zone, Tra Noc Ward, Binh Thuy District, Can Tho City	145,000,000,000	70.55%	70.55%
19	Saigon - Songlam Beer Joint Stock Company	Producing and trading beer and beverages; importing and exporting related materials	Block 1, Hung Dao Commune, Hung Nguyen District, Nghe An Province	450,000,000,000	68.78%	68.78%
20	Sai Gon-Quang Ngai Beer Joint Stock Company	Producing and trading beer	Quang Phu Industrial Zone, Quang Ngai City, Quang Ngai Province	450,000,000,000	66.56%	66.56%
21	Chuong Duong Beverages Joint Stock Company	Producing and trading beverages, canned food and accessories	606 Vo Van Kiet Street, Cau Kho Ward, District 1, Ho Chi Minh City	85,000,000,000	62.06%	62.06%
22	Sai Gon - Dong Xuan Beer, Alcohol Joint Stock Company	Producing and trading beer, alcohol and soft drinks	Zone 6, Thanh Ba Town, Thanh Ba District, Phu Tho Province	30,000,000,000	56.24%	55.90%
23	Saigon - Nghetinh Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	54 Phan Dang Luu Street, Truong Thi Ward, Vinh City, Nghe An Province	105,000,000,000	54.73%	54.73%
24	Saigon - Lamdong Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	Lot CN5, Loc Son Industrial Zone, Loc Son Ward, Bao Loc City, Lam Dong Province	200,000,000,000	52.91%	52.91%
25	Sai Gon - Ha Noi Beer Corporation	Producing and trading beer and beverages; importing and exporting related materials	Lot A2 - CN8, Tu Liem Industrial Zone, Phuong Canh Ward, Nam Tu Liem District, Hanoi City	180,000,000,000	52.11%	52.11%
26	Saigon Soc Trang Beer One Member Limited Company	Producing and trading beer, yeasty malt, mineral water, bottled purified water	Lot S, An Nghiep Industrial Zone, An Hiep Commune, Chau Thanh District, Soc Trang Province	200,000,000,000	100.00%	70.55%

• List of Associates and Joint Ventures


No	Company	Type of Business	Address	Paid-up capital (VND)	% of Voting Right	% of Ownership
1	Truong Sa Food - Food Business Joint Stock Company	Producing agricultural products and foods	6A, Truong Sa Street, Ward 17, Binh Thanh District, Ho Chi Minh City	17,700,000,000	38.98%	38.62%
2	Sai Gon-Mien Trung Beer Joint Stock Company	Producing and trading beer, alcohol, beverages and spare parts	1 Nguyen Van Linh Street, Tan An Ward, Buon Ma Thuot City, Dak Lak Province	298,466,480,000	32.41%	32.40%
3	Saigon - Phutho Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	Trung Ha Industrial Zone, Dan Quyen Commune, Tam Nong District, Phu Tho Province	125,000,000,000	33.85%	30.84%
4	Tan Thanh Investment Trading Company Limited	Construction and real estates	66 Tan Thanh Street, Ward 12, District 5, Ho Chi Minh City	250,000,000,000	29.00%	29.00%
5	Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company	Providing and consulting construction and designing services	50A Bui Thi Xuan Street, Ben Thanh Ward, District 1, Ho Chi Minh City	1,400,000,000	28.57%	28.57%
6	Saigon Tay Do Beer - Beverage Joint Stock Company	Producing and trading beer, alcohol and beverages, soya milk and fruit Juice	Lot 22, Tra Noc 1 Industrial Zone, Tra Noc Ward, Binh Thuy District, Can Tho City	200,000,000,000	34.92%	29.47%
7	Mechanical and Industrial Construction Joint Stock Company	Manufacturing, installing machinery, bridges and roads and industrial construction products	929 - 931, National Highway No.1A, Thoi An Ward, District 12, Ho Chi Minh City	35,999,480,000	26.00%	26.00%
8	Sai Gon - Khanh Hoa Beer Joint Stock Company	Producing and trading beer, alcohol, beverages and spare parts	Dien Phu Industrial Section, Dien Phu Commune, Dien Khanh District, Khanh Hoa Province	100,000,000,000	26.00%	26.00%
9	Saigon Binh Tay Beer Group Joint Stock Company	Producing, processing and trading food, beverages, beer and alcohol drinks	08 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City	875,245,360,000	22.18%	21.80%
10	Sai Gon - Vinh Long Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	No.11, Tan Vinh Thuan Hamlet, Tan Ngai Commune, Vinh Long City, Vinh Long Province	150,000,000,000	20.00%	20.00%
11	Sai Gon - Kien Giang Beer Joint Stock Company	Producing and trading beer, alcohol, beverages and spare parts	D1-D2 Street, Thanh Loc Industrial Zone, Thanh Loc Commune, Chau Thanh District, Kien Giang Province	115,000,000,000	20.00%	20.00%
12	Saigon - Bentre Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	Phuoc Hau Hamlet, An Phuoc Commune, Chau Thanh District, Ben Tre Province	100,000,000,000	20.00%	20.00%
13	Saigon-Bac Lieu Beer Joint Stock Company	Producing and trading beer, alcohol and beverage	Lot B5, Tra Kha Industrial Zone, Ward 8, Bac Lieu City, Bac Lieu Province	120,120,000,000	20.00%	14.11%
14	Vietnam Spirits and Wine LTD.	Producing and trading alcohol and alcohol - related products	621 Pham Van Chi, Ward 7, District. 6, Ho Chi Minh City	65,461,973,000	45.00%	45.00%
15	San Miguel Yamamura Phu Tho Packaging Company Limited	Manufacturing and trading metal packaging	1 Le Van Khuong Street, Hiep Thanh Ward, District 12, Ho Chi Minh City	51,882,792,000	35.00%	35.00%
16	Crown Beverage Cans Saigon Limited	Manufacturing aluminium cans	Ha Noi Route, Hiep Phu Ward, Thu Duc City, Ho Chi Minh City	256,369,900,000	30.00%	30.00%
17	Malaya - Vietnam Glass Limited	Manufacturing glass products	Suite 11.1, Floor 11, REE Building No. 9, Doan Van Bo Street, Ward 12, District 4, Ho Chi Minh City	322,209,160,000	30.00%	30.00%
18	Me Linh Point Limited	Providing office building leasing and managements services	2 Ngo Duc Ke, Ben Nghe Ward, District 1, Ho Chi Minh City	221,066,150,400	25.00%	25.00%



ORGANIZATIONAL CHART



THE BOARD OF DIRECTORS & THE MANAGEMENT

MR. KOH POH TIONG

 Chairman of the Board of Directors
Chairman of the Sustainability and Risk Management Committee
Member of the Nomination and Remuneration Committee

 **Year of birth:** 1946
 **Nationality:** Singaporean
 **Effective date:** From April 23, 2018

Academic and Professional Qualifications

- Bachelor of Science, University of Singapore, Singapore
- Listed Entity Director (LED) Program - Environmental, Social & Governance Essentials, Singapore Institute of Directors (SID)

WORK EXPERIENCES

Current positions include:


- Director, Asia Breweries Limited
- Chairman, Bukit Sembawang Estates Limited,
- Director, Cambodia Breweries Pte Ltd
- Director and Adviser of the Board, Fraser and Neave Limited
- Chairman, Times Publishing Limited
- Chairman, BeerCo Limited
- Member of Executive Committee, Thai Beverage Public Company Limited




Past positions include:

- Director/Member - Audit Committee/Chairman – Strategy Working Group/Member - Investment Review Working Group, The Great Eastern Life Assurance Company Limited
- Director/Member – Executive Committee/ Chairman - Nominating Committee/Member - Remuneration and Human Resource Committee, SATS Ltd
- Director/Member - Remuneration Committee, United Engineers Ltd
- Chairman, National Kidney Foundation
- Chairman, Yunnan Yulinquan Liquor Co., Ltd
- Chairman, Singapore Kindness Movement
- Lead Independent Director/Member - Audit and Risk Committee/Member - Nomination and Compensation Committee/Senior Adviser to the Board, Raffles Medical Group Ltd
- Director/Chairman – Remuneration Committee/Member - Audit Committee/Member - Nominating Committee/Member – Risk Management Committee/Member – Market Sustainability and Strategy Committee, Delfi Limited
- Independent Director/Member - Board Nominations and Remuneration Committee, Great Eastern Life Assurance (Malaysia) Berhad
- Independent Director/Chairman – Board Nominations and Remuneration Committee, Great Eastern General Insurance (Malaysia) Berhad



MR. PRAMOAD PHORNPRAPHA

 **Independent Director**
Chairman of the Audit Committee


 **Year of birth:** 1966
 **Nationality:** Thai
 **Effective date:** From July 21, 2018




Academic and Professional Qualifications

- Bachelor of Science in Electrical Engineering (Honors), Northwestern University, USA
- MBA in Marketing (Honors), J.L. Kellogg Graduate School of Management, Northwestern University, USA
- MPA in Business and Government (Honors), J.F. Kennedy School of Government, Harvard University, USA
- Listed Entity Director (LED) Program, Singapore Institute of Directors (SID)



MR. NGUYEN TIEN VY

 **Independent Director**
Member of the Audit Committee
Chairman of the Nomination and Remuneration Committee

 **Year of birth:** 1955
 **Nationality:** Vietnamese
 **Effective date:** From July 21, 2018

Academic and Professional Qualifications

- Master of Laws
- Director Certificate Program (DCP2), Vietnam Institute of Directors (VIOD)
- Audit Committee Master Program, Vietnam Institute of Directors (VIOD)
- Remuneration for Board Program, Vietnam Institute of Directors (VIOD)



WORK EXPERIENCES

Current positions include:

- Independent Director/Chairman of Nomination and Remuneration Committee/Member of Corporate Governance Committee, Amarin Printing and Publishing Public Company Limited
- Independent Director/Member of Corporate Governance Committee/Member of Nominating and Remuneration Committee/Member of Sustainability and Risk Management Committee, Sermasuk Public Company Limited
- Audit Committee/Independent Director, Univanich Palm Oil Public Company Limited
- Managing Partner/Director, Claris Co., Ltd
- Director, Claris EA Co., Ltd
- Director, Danpundao Co., Ltd
- Director, EcoFuture Co., Ltd
- Chairman/Independent Director, Food and Beverage United Co., Ltd
- Non-Executive and Independent Director/Member of Board Executive Committee/Chairman of Nominating Committee/Chairman of Sustainability and Risk Management Committee, Frasers Property Limited
- Managing Director, myDNA Co., Ltd
- Director, Pornmit Co., Ltd
- Director, Plimboonluck Co., Ltd
- Director, Plim369 Co., Ltd
- Director, PLandscape Co., Ltd
- Director, The Conservatory Company Limited
- Chairman, Talaypu Natural Products Co., Ltd
- Managing Director, Wanwarin and Associate Co., Ltd

Past positions include:

- Independent Director/Member - Audit Committee, Thai Summit Harness Public Company Limited
- Partner/Managing Director, The Boston Consulting Group
- Director, Progress Watch Company Limited

WORK EXPERIENCES

Current positions include:

- Independent Member, Vietnam Engine and Agricultural Machinery Corporation – Joint Stock Company
- Independent Lawyer, Hanoi Bar Association
- Member of the Standing Committee, Vietnam Beer - Alcohol – Beverage Association

Past positions include:

- Chairman, Vietnam Association for Responsible Drinking (VARD)
- Vice President, Vietnam Beer – Alcohol – Beverage Association
- Advisor of the Board of Directors, Vietnam Electrical Equipment Corporation
- Director, Vietnam Electrical Equipment Joint Stock Corporation
- Member, Board of Enterprise Renovation and Development, Ministry of Industry and Trade.
- Director, Legal Department, Ministry of Industry
- Chief of Office, Ministry of Industry
- Chief of Office, Ministry of Industry and Trade
- Director, The Planning Department of Ministry of Industry and Trade

MR. MICHAEL CHYE HIN FAH

Member of the Board of Directors
Member of the Audit Committee
Member of the Sustainability and Risk Management Committee

Year of birth: 1959
Nationality: Singaporean
Effective date: From July 21, 2018

Academic and Professional Qualifications

- Bachelor of Business Studies with First Class Honors in Accounting and Finance, Massey University, New Zealand
- Master of Business Studies with Distinction in Accounting and Finance, Massey University, New Zealand
- Fellow, Institute of Singapore Chartered Accountants
- Associate Member, Institute of Chartered Secretaries and Administrators
- Member, Singapore Institute of Directors
- Associate Member, Chartered Secretaries Institute of Singapore



MS. TRAN KIM NGA

Member of the Board of Directors
Member of the Nomination and Remuneration Committee

Year of birth: 1961
Nationality: Vietnamese
Effective date: From May 9, 2018

Academic and Professional Qualifications

- Bachelor of Foreign Language
- Bachelor of Business Administrative - Commerce
- Director Certificate Program (DCP3), Vietnam Institute of Directors (VIOD)
- Chief Pit Stop Officer Certificate, Mentally Fit



WORK EXPERIENCES

Current positions include:

- Alternate Director, Fraser and Neave, Limited
- Non-Independent and Non-Executive Director, Fraser & Neave Holdings Bhd
- Non-Executive Director, Vietnam Dairy Products Joint Stock Company
- Director, Alliance Asia Investment Private Limited
- Director, Alliance Strategic Investments Pte. Ltd.
- Director, Asia Breweries Limited
- Director, ASM International Limited
- Director, Beer Chang International Limited
- Chairman, BeerCo (Cambodia) Co., Ltd
- Director, BeerCo Limited (Hong Kong)
- Director/CEO, BeerCo Limited (Singapore)
- Director, BevCo Limited (Hong Kong)
- Director, BevCo Limited
- Director, BevFood Holding Pte. Ltd
- Director, Cambodia Breweries Pte Ltd
- Director, Chang Beer (Cambodia) Co., Ltd
- Director, Chang Beer Company Limited
- Director, Chang Beer UK Limited
- Director, Chang Corporation Co., Ltd.
- Director, Chang Holding Co., Ltd.
- Director, Chang International Co., Ltd.
- Director, F&N Retail Connection Co., Ltd.
- Director, Grand Royal Group International Company Limited
- Director, Havi Food Distribution (Thailand) Co., Ltd.
- Director, Havi Logistics (Thailand) Limited
- Non-Executive Director, Heritas Capital Management Pte. Ltd.
- Non-Executive Director, IMC Pan Asia Alliance Corporation
- Non-Executive Director, InterBev (Singapore) Limited
- Director, InterBev (Singapore) 2019 Limited
- Non-Executive Director, International Beverage Holdings Limited
- Director, International Beverage Holdings (New Zealand) Limited
- Director, International Beverage Holdings (Singapore) Pte. Limited
- Director, International Beverage Holdings (UK) Limited
- Director, International Beverage Trading (Hong Kong) Limited
- Director, International Breweries Limited
- Director, InterF&B Pte. Ltd.

- Director, Inver House Distillers Limited
- Director, Inver House Distillers (ROI) Limited
- Director, Max Asia Food and Beverage (Thailand) Co., Ltd
- Director, MLSC Myanmar Logistics and Supply Chain Company Limited
- Director, Myanmar Supply Chain and Marketing Services Company Limited
- Non-Executive Director, Prudence Holdings Limited
- Director, SEA Logistics & Technology Pte. Ltd.
- Director, Siam Breweries Limited
- Director, So Water Company Limited
- Director, South East Asia Logistics Pte. Ltd.
- Director, Super Beer Brands Limited
- Non-Executive Director, Super Brands Company Pte. Ltd.
- Director, Super Food Brands Company Pte. Ltd
- Director, Thai Breweries Limited
- Executive Committee, Thai Beverage Public Company Limited
- Director, VietBev Company Limited
- Legal Representative/Director, Vietnam Beverage Company Limited
- Legal Representative/Chairman of Board of Management, Vietnam F&B Alliance Investment Joint Stock Company
- Director, Vietnam Logistics and Supply Chain Company Limited
- Director, Wellwater Limited
- Member of the Supervisory Board, Larsen le Cognac des Vikings

Past positions include:

- Director, Sermsuk Beverage Co., Ltd
- Director, Sermsuk Holdings Co., Ltd
- Director, Sermsuk Public Company Limited
- Director, Wrangyer Beverage (2008) Company Limited
- Director, CAC Co., Ltd
- Executive Vice President of Finance and Accounting Group/Deputy Group CFO/Chief Finance Officer – International Business/Brand Investment Management, Thai Beverage Public Company Limited
- Director, International Beverage Trading Limited
- Director, Marketing Magic Pte. Ltd
- Executive Director, Super Brands Company Pte. Ltd

WORK EXPERIENCES


Current positions include:



- Legal Representative/General Director, Vietnam Beverage Company Limited
- Legal Representative/General Director, Vietnam F&B Alliance Investment Joint Stock Company
- Legal Representative/Director, B-S MART Co., Ltd
- Director, Victory Link Co., Ltd
- Legal Representative/General Director, TBC Ball Beverage Can Vietnam Company Limited
- Member of the Members' Council/Corporate Development Director, MM Mega Market Vietnam Co., Ltd
- Chief Representative, BJC Resident Representative Office in Ho Chi Minh City
- Director, SAS - CTAMAD
- Legal Representative/Director, Lina Investment Company Limited
- Chairwoman, Phu Thai Food Vietnam Limited
- Chairwoman, Phu Thai Central Vietnam One Member Limited
- Director, Vietnam Logistic and Supply Chain Company Limited
- Legal Representative/Director, Phu Vina Property Co., Ltd
- General Director, VIETBEV Company Limited

Past positions include:

- Business Development Manager, BJC Resident in Hanoi
- Officer Manager, Vina Glass Industries Limited
- Senior Officer, Itochu Corporation Resident Representative Office in Ho Chi Minh City
- Chairwoman, Phu Thai Food North Limited

MR. LE THANH TUAN

 **Member of the Board of Directors**
Member of the Nomination and Remuneration Committee


 **Year of birth:** 1979
 **Nationality:** Vietnamese
 **Effective date:** From April 28, 2021




Academic and Professional Qualifications

- Master of Finance, University of Sydney, Australia



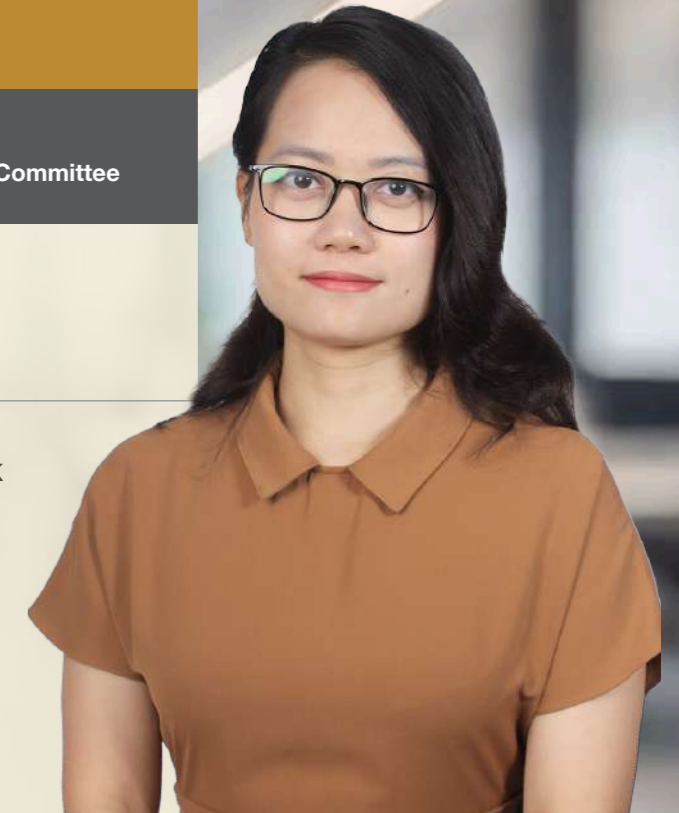
MS. NGO MINH CHAU

 **Member of the Board of Directors**
Member of the Sustainability and Risk Management Committee

 **Year of birth:** 1988
 **Nationality:** Vietnamese
 **Effective date:** From April 28, 2021

Academic and Professional Qualifications

- Master of Finance – Investment, University of Edinburgh, UK
- CFA Charterholder, CFA Institute
- Director Certificate Program (DCP1), Vietnam Institute of Directors (VIOD)



WORK EXPERIENCES

Current positions include:

- Deputy General Director/Capital Representative at SABECO, State Capital Investment Corporation
- Chairman, Vietnam Electronics and Informatics Corporation
- Chairman, Transport Hospital Joint Stock Company

Past positions include:

- Head of Investment Department 4, State Capital Investment Corporation
- Chairman, Dien Bien Tourism – Trade – Services Joint Stock Company,
- Chairman, Electric Machine Joint Stock Company
- Deputy Head, Investment Department 4, State Capital Investment Corporation
- Deputy Head, Investment Department 3, State Capital Investment Corporation
- Chairman, Vietnam Steel Corporation

WORK EXPERIENCES

Current positions include:

- Capital Representative at SABECO/ Specialist, Investment Department 3, State Capital Investment Corporation

Past positions include:

- Member of the Supervisory Board, Benovas Cancer Drugs Joint Stock Company

MR. TAN TECK CHUAN LESTER

 General Director

 **Year of birth:** 1966
 **Nationality:** Singaporean
 **Effective date:** From October 1, 2023

Academic and Professional Qualifications

- MSc in Marketing, City University of New York, New York, USA
- Bachelor of Economics and Political Science, Willamette University, Oregon, USA
- Heineken Leadership Campus, INSEAD, Fontainebleau, France
- Heineken Leadership Campus, Harvard University, Boston, USA



MR. NEO GIM SIONG BENNETT

 General Director

 **Year of birth:** 1969
 **Nationality:** Singaporean
 **Effective date:** August 1, 2018 - September 30, 2023

Academic and Professional Qualifications

- Bachelor of Engineering in Mechanical and Production, Nanyang Technological University, Singapore
- Heineken International Senior Management Course, Insead Business School (Fontainebleau - France)
- SEM Singapore Executive Program, Tsinghua University, Beijing, China



WORK EXPERIENCES

Current positions include:

- Director, BeerCo Training Co., Ltd
- Director/ Executive Director, Chang International Co., Ltd
- Director/Executive Director, Cash Van Management Co., Ltd
- Director/Executive Director, Modern Trade Management Co., Ltd
- Director/Executive Director, Horeca Management Co., Ltd
- Director/Executive Director, Traditional Trade Management Co., Ltd
- Director/Executive Director, Thai Drinks Co., Ltd
- Chairman, Chuong Duong Beverages Joint Stock Company
- Chairman, Western – Sai Gon Beer Joint Stock Company
- Chairman, Saigon-Songlam Beer Joint Stock Company
- Chairman, Sai Gon Beer Trading Company Limited
- Chairman, Me Linh Point Limited
- Chairman, Saigon Beer Company Limited
- Board Member, Malaya - Vietnam Glass Limited

Past positions include:


- Executive Committee Member/Chief Beer Business (Thailand)/Senior Vice President/Chief Non-Alcohol Beverage Business, Thai Beverage Public Company Limited
- CEO Beer Thailand, Chang Beer Company Limited
- CEO Beer Thailand, Chang International Co., Ltd
- Deputy Chief Executive Officer - Non-Alcoholic Beverage (Thailand), Fraser and Neave Limited
- President, Sermsuk Public Company Limited
- Director, Great Brands Limited
- Director, Sermsuk Training Co., Ltd
- Director, Sermsuk Holding Co., Ltd
- Director, Sermsuk Beverage Co., Ltd
- Director, Wrangyer Beverage (2008) Co., Ltd
- Deputy Chief Executive Officer - Operation, Thai Drinks Co., Ltd

WORK EXPERIENCES

Past positions include:

- Chairman, Saigon Song Hau Beer Trading Joint Stock Company
- CEO - Food, Fraser and Neave Limited
- CEO, YCH Group
- CEO - Marine, EMAS Offshore Services Pte Ltd
- Regional Director, Asia Pacific Breweries Ltd (Singapore)
- General Director, ExxonMobil Unique (Vietnam) Co., Ltd
- Board Member, National Kidney Foundation (Singapore)
- Chairman, Sai Gon Beer Company Limited
- Chairman, Chuong Duong Beverages Joint Stock Company
- Chairman, Western - Sai Gon Beer Joint Stock Company
- Chairman, Me Linh Point Limited
- Chairman, Malaya – Vietnam Glass Limited
- Chairman, Sai Gon Beer Trading Company Limited
- Chairman, Saigon – Songlam Beer Joint Stock Company

MR. KOO LIANG KWEE ALAN

 Deputy General Director in charge of Accounting, Finance and other support functions

 **Year of birth:** 1970
 **Nationality:** Singaporean
 **Effective date:** From October 1, 2021




Academic and Professional Qualifications

- Master of Business Administration, Macquarie Graduate School of Business, Australia
- Bachelor of Accountancy, Nanyang Technological University, Singapore
- Ordinary Member, Singapore Institute of Directors
- Heineken International Management Executive Course, Insead Business School
- Leadership Excellence in Action Program (Heineken Asia Pacific), Insead Business School
- Afton Chemical Leadership Development Course
- Novartis HBS Finance Excellence Program, Harvard Business School
- Non-Practising CPA, Institute of Singapore Chartered Accountants



MS. VENUS TEOH KIM WEI

 Deputy General Director in charge of Marketing

 **Year of birth:** 1974
 **Nationality:** Malaysian
 **Effective date:** April 1, 2021 – March 31, 2024

Academic and Professional Qualifications

- Bachelor of Business in Finance and Marketing, University of Southern Queensland, Australia
- Senior Leadership Program, Insead Business School (France)



WORK EXPERIENCES

Current positions include:

- Chairman, Binh Tay Liquor Joint Stock Company
- Chairman, Saigon Beer Group Company Limited
- Chairman, Song Tien Saigon Beer Trading Joint Stock Company
- Chairman, Sai Gon - Quang Ngai Beer Joint Stock Company
- Chairman, Saigon - Lamdong Beer Joint Stock Company
- Vice Chairman, San Miguel Yamamura Phu Tho Packaging Company Limited

Past positions include:

- Board Member, Sai Gon – Kien Giang Beer Joint Stock Company
- Senior Vice President (Group Finance)/Board Member, Yeo Hiap Seng Subsidiaries
- Group Chief Financial Officer/Board Member of 2 joint ventures and 3 Malaysian subsidiaries, Delfi Limited
- Finance Director (China)/Board Member/Legal Representative of 2 trading companies, Heineken Asia Pacific Pte Ltd
- Finance Director (Vietnam)/Board Member of 3 breweries, Heineken Asia Pacific Pte Ltd
- Finance Director (Asia Pacific), Afton Chemical Asia Pte Ltd
- Financial Controller (North China Cluster), Asia Pacific Breweries Limited
- Financial Controller (Asia Pacific), Novartis Consumer Health Group
- Regional Business Planning and Analysis Manager, Novartis Consumer Health Group




WORK EXPERIENCES

Past positions include:

- Chairman, Saigon Song Hau Beer Trading Joint Stock Company
- Chairman, Binh Tay Liquor Joint Stock Company
- International Brand Director (Tiger Beer), The Heineken Company
- Marketing Director, Asia Pacific Breweries (Singapore) Pte Ltd
- Head of Global Brands, Innovation and Mainstream Brands (Asia Pacific), The Heineken Company
- Regional Marketing Manager (Asia Pacific), The Heineken Company
- Senior Marketing Manager, Asia Pacific Breweries Limited
- Tiger Brand Development Manager, Asia Pacific Breweries Limited
- Channel Development Manager, Asia Pacific Breweries Limited
- Product and Marketing Manager, Philip Lighting
- Trade Marketing Manager, Sara Lee Household and Body Care (Malaysia)
- Category Analyst, Sara Lee Household and Body Care (UK)
- Key Account Executive, Sara Lee Household and Body Care (Malaysia)

MR. NG KUAN NGEE MELVYN

 Deputy General Director in charge of Sales


 **Year of birth:** 1969
 **Nationality:** Singaporean
 **Effective date:** From July 1, 2018

Academic and Professional Qualifications

- Bachelor of Business in Marketing, Monash University, Australia
- Heineken International Management Executive Course, INSEAD Business School
- Heineken Brewing Course, Amsterdam
- Advanced Finance Course, National University of Singapore



MR. LAM DU AN

 Deputy General Director in charge of Technology - Production

 **Year of birth:** 1967
 **Nationality:** Vietnamese
 **Effective date:** From October 18, 2017

Academic and Professional Qualifications

- Mechanical Engineer, University of Technology



WORK EXPERIENCES

Current positions include:

- Chairman, Saigon Song Hau Beer Trading Joint Stock Company
- Chairman, Saigon Beer Center Trading Joint Stock Company
- Chairman, Sai Gon Beer Northeast Trading Joint Stock Company
- Chairman, Sai Gon Beer Tay Nguyen Trading Joint Stock Company
- Chairman, Sai Gon - Ha Tinh Beer One Member Company Limited

Past positions include:

- Area Business Director Asia, Warsteiner International KG (Singapore)
- General Manager, Heineken Asia Pacific Brewery (Guangzhou)
- Commercial Director, Hainan Asia Pacific Brewery
- Marketing Manager, Riche Monde (Moet-Hennessy) Pte Ltd

WORK EXPERIENCES

Current positions include:

- Director, Saigon Beer - Nguyen Chi Thanh Brewery
- Chairman, Sai Gon - Ha Noi Beer Corporation
- Chairman, Sa Be Co Mechanical CO., LTD
- Director, Sai Gon - Vinh Long Beer Joint Stock Company
- Chairman, Sai Gon - Mien Trung Beer Joint Stock Company
- Chairman, Saigon - Nghetinh Beer Joint Stock Company

Past positions include:

- Director, Sai Gon - Vinh Long Beer Joint Stock Company
- Project Manager of plant construction of Saigon Beer - Bac Lieu Brewery
- Project Manager of plant construction of Saigon Beer - Vinh Long Brewery

MR. TRAN NGUYEN TRUNG

 Chief Accountant

 **Year of birth:** 1967
 **Nationality:** Vietnamese
 **Effective date:** From September 1, 2018

Academic and Professional Qualifications

- Bachelor of Economics



MR. NGUYEN HOANG GIANG

 General Director - SATRACO

 **Year of birth:** 1966
 **Nationality:** Vietnamese
 **Effective date:** From August 6, 2018

Academic and Professional Qualifications

- Navigation Engineer, University of Vietnam Maritime, Hai Phong, Vietnam
- Program on Investment Appraisal (Distinction), Inservice Training College and Harvard Institute for Int'l Development, Ho Chi Minh City, Vietnam
- Course on Shipping and Port Management (Excellent Certificate), Shipping Transport College/Int'l Maritime Transport Academy Rotterdam Holland
- Customer service and operation practice, P&O Nedlloyd Singapore Office
- Refresher course of Shipping and Port Management, Vietnam Maritime/Int'l Maritime Transport Academy
- Document and revenue system, P&O Nedlloyd Singapore Office
- Course on Finance operation and customer service, P&O Nedlloyd Singapore Office
- Soft skills training on negotiation, project management and leadership
- Project management, IKEA ASEA training
- Supply chain, IKEA training
- Leadership, IKEA global training
- Inventory management, IKEA global training
- Art of Sales, Dale Carnegie
- Leadership skill, Dale Carnegie

WORK EXPERIENCES

Current positions include:

- Chairman, Sai Gon Beer Packaging Joint Stock Company
- Chairman, Sai Gon Beer Eastern Trading Joint Stock Company
- Chairman, Sai Gon Beer Bac Trung Bo Trading Joint Stock Company
- Chairman, Bia Saigon Mien Trung Trading Joint Stock Company
- Chairman, Saigon – Phutho Beer Joint Stock Company
- Director, Sai Gon – Khanh Hoa Beer Joint Stock Company

Past positions include:

- CEO, Vinafco Joint Stock Company
- Regional Logistic Manager of South East Asia Area, IKEA Trading South East Asia Area
- National Manager Customer Service and Operations, Toll Vietnam Limited

WORK EXPERIENCES

Current positions include:

- Chairman, Saigon Soc Trang Beer One Member Limited Company
- Member of Board of Supervisors, Saigon Beer Center Trading Joint Stock Company
- Director, Sai Gon - Quang Ngai Beer Joint Stock Company
- Director, Western - Sai Gon Beer Joint Stock Company
- Director, Saigon - Baclieu Beer Joint Stock Company
- Chief Accountant, Saigon Beer Company Limited
- Chief Accountant, Saigon Beer Group Company Limited

Past positions include:





- Deputy Chief Accountant, Saigon Beer – Alcohol – Beverage Corporation
- Head of Board of Supervisors, Saigon Beer Center Trading Joint Stock Company
- Head of Board of Supervisors, Sai Gon - Kien Giang Beer Joint Stock Company
- Head of Board of Supervisors, Sai Gon - Quang Ngai Beer Joint Stock Company

DEVELOPMENT PLANNING

• Points of Focus

<p>SALES</p>		<ul style="list-style-type: none"> • Boost domestic and export market sales. • Diversify distribution channels and expand e-commerce. • Improve capacity and operational efficiency of the distribution system. • Improve salesforce competencies.
<p>BRANDS & MARKETING</p>		<ul style="list-style-type: none"> • Focus on brand expansion and innovations. • Enhance corporate sustainability development.
<p>PRODUCTION</p>		<ul style="list-style-type: none"> • Ensure and improve product quality. • Enhance the efficiency of breweries. • Continuous improvement on production norms.
<p>SUPPLY CHAIN</p>		<ul style="list-style-type: none"> • Rationalize warehouses and transportation. • Optimize route planning. • Improve delivery services.

SABECO has continued to boost business activities towards effectiveness and sustainability to affirm its market leading position.

<p>PEOPLE</p>		<ul style="list-style-type: none"> • Enhance employees engagement. • Promote open and transparent communications. • Develop policies to manage and evaluate work effectiveness. • Strengthen employees' performances through annual training programs. • Implement a performance-based salary structure. • Implement succession planning.
<p>UNLOCK</p>		<ul style="list-style-type: none"> • Unlock the value of strategic assets. • Enhance Corporation's image, position and share value. • Process optimization and reengineering.
<p>SABECO 4.0</p>		<ul style="list-style-type: none"> • Transform the way of working by standardization, simplification and centralization.
<p>GOVERNANCE</p>		<ul style="list-style-type: none"> • Strengthen corporate governance. • Implement Manual of Authority (MOA). • Enhance risk management and sustainability initiatives.



OPERATION REPORT

REPORT OF THE BOARD OF DIRECTORS

Assessment of 2023 Performance



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.

01

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%.

03

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.

02

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.

04

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.

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"

- 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.
- 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:

01

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.

03

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.

05

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.

02

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.

04

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.

06

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 MARKET ²

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%.

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.

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.

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"

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.

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:

01

Governing advertising for alcohol below 15% and beer.

02

Restricting the use of actors drinking alcohol in cinematographic, theatrical and television works.

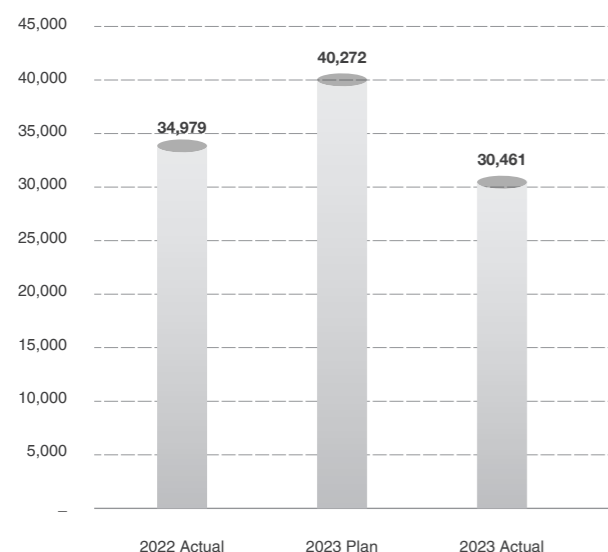
03

Taking measures to prevent under 18 from accessing information and buying wine.

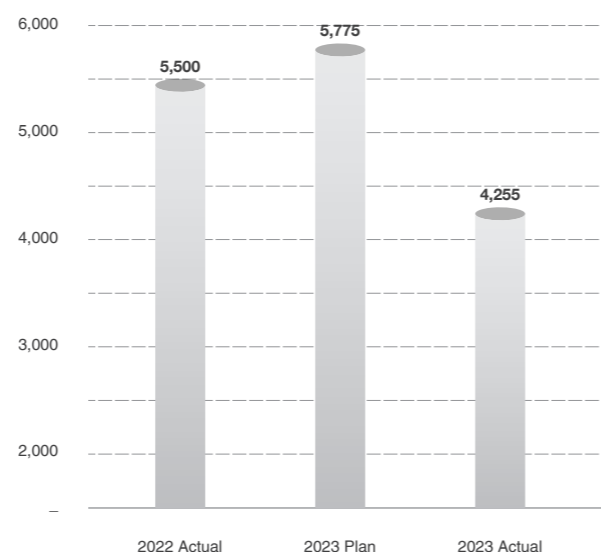
BUSINESS PERFORMANCE IN 2023

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

Net Sales (Billion VND)



Profit After Tax (Billion VND)



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.

Raised the charter capital by issuing

641,281,186 shares

Dividend payment of up to

35% of par value



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.

06 hybrid meetings



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.

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

01

Financial statements and SABECO's internal control system.

03

Supervising compliance and fraud prevention, overseeing and evaluating internal audit performed in accordance with the International Standards for the Professional Practice of Internal Auditing.

02

Reviewing related party transactions which might lead to a conflict of interest.

04

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:

01

Review the structure, size, and composition of the Board and Board Committees.

03

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.

05

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.

07

Review the framework of remuneration for the Board, Board Committees, and Executives of SABECO, and positions under the decision-making authority of the Board.

02

Review succession plans for the Chairman, members of the Board, and Executives of SABECO.

04

Review training and professional development programs for the Board, members of the Board, and positions under the decision-making authority of the Board.

06

Review and confirm the independence of each member of the Board.

08

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:

01

Assist the Board in carrying out its responsibility of overseeing the risk management framework and policies.

03

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.

02

Report to the Board and provide appropriate updates and recommendations on sustainability issues.

04

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.



• 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.



In addition to transactions serving regular production and business activities within the SABECO group of companies, the RPTs occurred in 2023 are as follows:

Company	Transaction Detail	SABECO Board's approval
	Contracts for lease of works on land between SABECO and SATRACO	Resolution No.61/2023/NQ-HDQT dated 03 May 2023.
Sai Gon Beer Trading Company Limited (SATRACO)	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.
	To extend CDBECO's loan from SABECO	Resolution No.71/2023/NQ-HDQT dated 19 July 2023.
Chuong Duong Beverages Joint Stock Company (CDBECO)	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.

• **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:

01 Board Composition	02 Strategy and Performance	03 Director Development
04 Board Function Information management	05 Top Management Performance and Succession Planning	06 Governance Board risk management and internal controls

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.



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.

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.



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.



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.

• **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:

Organizational Structure

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

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 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 through out the launch campaign of the Bia Saigon Export Premium brand “Quality Beer - Quality Life”.



- Be the exclusive beer sponsor for “Vung Tau Beer Festival” with the theme “All Around the World with Bia Saigon”.

- 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 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).
- Honored at the Mobile Marketing - Global Smarties Award, selected by the Jury Panel of the MMA Smarties Vietnam 2023.

02 GOLD PRIZE

“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”

01 SILVER PRIZE

“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”.

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.

04 GOLD MEDALS

Bia Lac Viet, Bia Saigon Gold, Bia Saigon Lager and Bia Saigon Export

04 SILVER MEDALS

Bia Saigon Special, Bia Saigon Chill, 333 and Bia Saigon Coffee Infused Beer.

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.

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.

Subsidiaries, Associates, and Joint Ventures' Activities

As of 31 December 2023

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.



REPORT OF THE INDEPENDENT DIRECTORS

• 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. Michael Chye Hin Fah

BOD member, AC member

Mr. Pramoad Phornprapha

Independent member of the BOD
AC Chairman

Mr. Nguyen Tien Vy

Independent member of the BOD
AC member

• 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.

• Meetings of the Audit Committee

During the fiscal year ended December 31, 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%	

• 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).

• Coordination between the Audit Committee and the BOD, Management, and shareholders

The AC always coordinated well with BOD members and Management within the scope of work of the AC.

The AC received full support from the BOD and Management to fulfill its duties for 2023.

The AC periodically reported the supervision results to the BOD.

The AC supervised the periodic financial statements and financial performance results.

- The Audit Committee's supervision results

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.

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.

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.

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.

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.



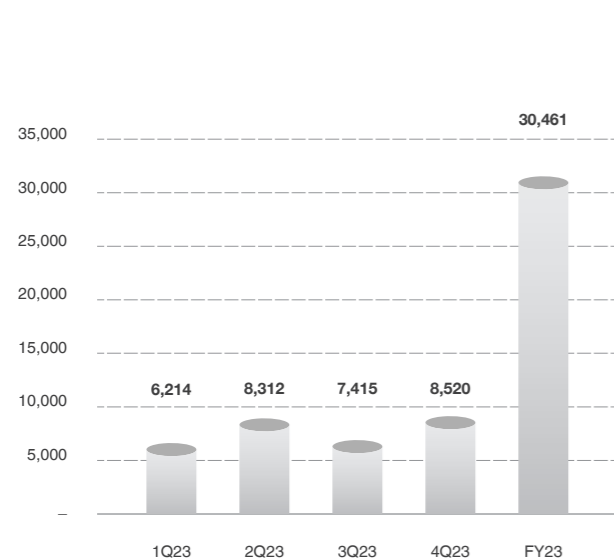
REPORT OF THE BOARD OF MANAGEMENT

• Evaluation of 2023 Business Performance

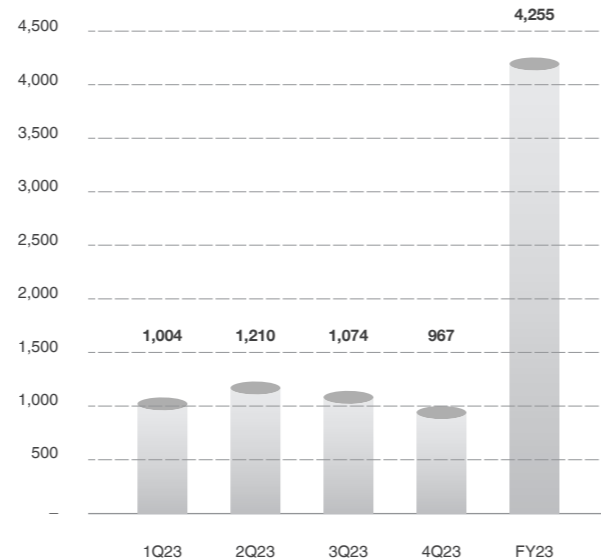
2023 economic challenges posed unfavorable impacts to the overall beer and alcohol industry, including weak consumption, intensifying competition, tightening regulations on beer and alcohol consumption, as well as increasing prices of raw materials and packaging. SABECO was no exception and took a hit as a result, merely fulfilling 76% and 74% of the net revenue and net profit targets, respectively. Nevertheless, the Corporation strived to enhance the quality of its products and manage profitability through improving production efficiencies and implementing cost management initiatives.



Net Revenue (Billion VND)



Profit After Tax (Billion VND)



SALES PERFORMANCE

Facing a steep decline in consumption due to global economic difficulties which led to reduced purchasing power, coupled with the unfavorable impact of a stricter enforcement of Decree 100, SABECO's net sales of 2023 reached VND30,461 billion, decreased by 13% YoY due to lower sales volume.

GROSS PROFIT

Gross profit reached VND9,091 billion, decreased by 16% YoY due to lower volume and higher input costs.

OPERATING EXPENSES

Selling expenses for the year were VND4,479 billion, decreased by 1% YoY due to the tighter control of marketing expenses, that was partially off-set by higher other expenses. G&A expenses were VND801 billion, increased by 8% YoY mainly from higher staff expenses.

PROFIT AFTER TAX

Profit after tax reached VND4,255 billion, decreased by 23% YoY due to lower gross profit and lower profit sharing from associates, which was partially offset by higher interest income and lower selling expenses.

ASSETS

Long-term assets were VND7,503 billion, decreased by 1% YTD, due to depreciation during the period that was partially offset by the increase in long-term prepaid expenses of returnable packaging.

Current assets were VND26,553 billion, slightly down by 1% YTD, due to lower short-term investment despite higher short-term receivables and inventories arising from pre-Tet preparation in 2024.

Total assets were VND34,057 billion, decreased by 1% YTD.

LIABILITIES

Liabilities were VND8,571 billion, decreased by 13% YTD, mainly due to lower payables (trade and tax) and accruals of advertising & promotion, dividend payables by SABECO, and repayment of short-term loans.

OWNERS' EQUITY

Owners' equity was VND25,485 billion, increased by 4% YTD as a result of the profit after tax of the current year. The movement between capital and retained earnings was driven by the bonus shares issuance completed in October 2023.

INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As of December 31, 2023, SABECO wholly owned 5 companies, 21 subsidiaries with at least 51% of ownership, and 18 associates and joint ventures. SABECO's subsidiaries, associates and joint ventures, which operated in the main business (e.g., beer production and sales) and those in related businesses (e.g., packaging and mechanics), generally achieved positive results in 2023.

In April 2023, SABECO completed the acquisition of more than 2.8 million shares of Western – Sai Gon Beer Joint Stock Company, leading to an increase in ownership stake from 51% to 70.55%.

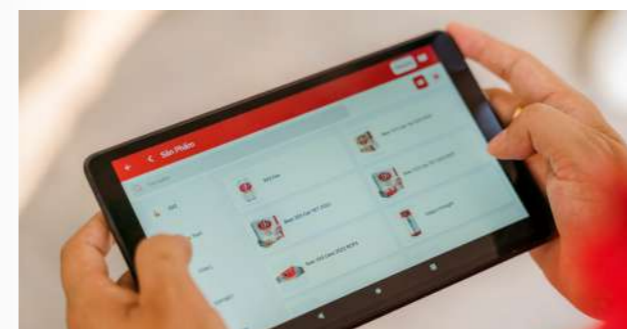
While the Corporation has been working to increase its ownership stake in Saigon Binh Tay Beer Group Joint Stock Company (Sabibeco Group) and Saigon Packaging Group Joint Stock Company (Saigon Packaging Group), it is expected that these two companies will become subsidiaries of SABECO in 2024 after completing the required procedures.

CONSOLIDATED FINANCIAL INDICATORS

FINANCIAL RATIO	UNIT	2022	2023
Growth Ratio			
Net Revenue		32.6%	-12.9%
Gross Profit		41.6%	-15.6%
Net Profit	%	40.0%	-22.6%
Total Asset		13.0%	-1.2%
Equity		8.8%	3.6%
Liquidity Ratio			
Current Ratio		2.92	3.23
Quick Ratio	Time	2.65	2.92
Cash Ratio		2.55	2.77
Turnover Ratio			
Inventory Turnover Ratio		12.02	9.16
Receivable Turnover Ratio	Time	159.42	75.66
Payable Turnover Ratio		9.37	8.15
Total Asset Turnover Ratio		1.08	0.89
Operating Profitability Ratio			
Gross Margin		30.8%	29.8%
Net Margin		15.7%	14.0%
ROE		23.3%	17.0%
ROA	%	16.9%	12.4%
Cost of Goods Sold/ Net Sales		69.2%	70.2%
G&A/ Net Sales		2.1%	2.6%
Selling Expense/ Net Sales		13.0%	14.7%
Risk Ratio			
Debt Equity Ratio	Time	0.38	0.37
Interest Coverage Ratio		163.02	107.95

2023 Highlights

• Sales



In 2023, SABECO continued to focus on sustaining its market share in the economy and mainstream segments while boosting its mass premium segment. Various activities were assessed to have a positive effect on business performance including:

Improved visibility and distribution in all regions

Improving and evolving brand visibility from single outlets to reference streets with big and impactful signages at strategic locations in cities as well as continuing to expand distribution coverage with a focus on building medium and big outlets in the system.

Pulling in demand

Building Bia Saigon clusters for a greater visual impact and opening more premium, trendy outlets targeted at younger drinkers to drive brand image and promote higher margin products.

Skills upgrading

Continuously conducting various training courses for sales team and promoter agents.

Professionalized business structure, people, and process

Digitalizing sales operation via Distributor Management System (DMS) and Sales Force Automation (SFA) solutions to enhance productivity and customer services.

Strengthened engagement with distributors

Applying attractive sales-based incentives, as well as building long-term relationships through annual distributor conferences to recognize and reward high-performing distributors, along with other distributor support programs.

Channel expansion

Increasing product visibility and availability in modern trade and e-commerce channels, thereby facilitating customers with more convenience and access to the Corporation's products.

Consumer promotions

Implementing consumer promotions at a larger scale, i.e., better prizes and higher winning rates across all brands, with integrated communication plans involving ATL and BTL support.

● Brand & Marketing

One of the key highlights in 2023 was the introduction of a new product called **“Bia Saigon Export Premium”** which aimed to rejuvenate Bia Saigon Export with a more modern and premium look, new taste, and new positioning. Bia Saigon Export Premium utilized slow fermentation and offered a more sessionable, refreshing, and lighter taste, targeting different groups of consumers.

In terms of building brand equity and awareness, SABECO leveraged music and beer festivals on a larger scale in key cities throughout the year, including:

01

“Saigon Night” events which brought Saigon nightlife experiences to targeted fishermen communities in the South Central coastal provinces

02

“The Chill Fest” with entertaining music performances from famous local and international artists, attracting more than 10,000 participants per event

03

“Star of All Fun” singing contest to inspire music lovers to shine their light, and especially

04

“Vung Tau Beerfest”, the biggest beer festival in Vietnam, to promote Vietnamese beer culture and introduce limited edition beer flavors made by Bia Saigon’s talented brewmasters using consumers’ suggestions from the **“Together We Push Boundaries”** campaign

The Corporation continued to foster the development of Vietnam’s sports through investment and sponsorship activities contributed to Vietnam national teams. Besides, Bia Saigon was the main sponsor of **“Bia Saigon Cup 2023”** for the second consecutive year, aiming to develop Vietnamese football talents, promote a healthy and active lifestyle in the community, and reinforce the commitment to bringing the best to the country’s football.

In order to welcome 2024, Year of the Dragon, SABECO introduced a limited collection for cans with the image of a rising Dragon, in hope of spreading fortune and prosperity for the new year, as well as promoting Bia Saigon Gold with a more luxurious design, being the perfect Tet gift for valuable partners.



● Production

One of the top priorities in 2023 was the continuous improvement on production norms to achieve world-class standards by enhancing production quality and efficiencies, along with focusing on sustainability via managing raw materials and energy consumption in the brewing process.

In May 2023, SABECO officially signed a Memorandum of Understanding with SP Group (Singapore) to deploy Phase 2 of the Rooftop Solar Project at 9 breweries of SABECO with the highest capacity of up to 10.44 MWp. In addition to energy and water control, SABECO also invested in modern equipment and technology systems that consume less energy throughout the production process.



● Supply Chain

With the objectives of **“Technology innovation, digital transformation, and supply chain diversification”** for the 2024 – 2025 period, SABECO focuses on building and growing its Bia Saigon brand, aiming to develop the Corporation’s supply chain to be more sustainable and highly adaptable to market fluctuations, thereby ensuring stable production activities and effectively participating in the global value chain.



STREAMLINING THE WAREHOUSE SYSTEM AND OPERATION

Continue to implement the Warehouse Master Plan project to optimize the warehouse network and operating costs.

Improve the efficiency and capacity for SABECO’s supply chain through optimizing, standardizing, and automating warehouse operations, sales and business processes.

OPTIMIZING, IMPROVING, AND CHANGING TRANSPORT MODELS

Continue with the direct delivery project to distributors of regional trading companies to ensure the fastest supply of beer to the market with the highest quality.

Diversify means of transportation to ensure adequate supply during peak market occasions, support sales, and enhance SABECO’s competitiveness.

ENHANCING THE OPERATIONAL MANAGEMENT SYSTEM

Continuously improve the Transportation Management System (TMS) and Warehouse Management System (WMS) to ensure stability and respond to changes in operating models, while boosting productivity, monitoring, and operating accuracy.

● People



In 2023, SABECO continued to expedite the rollout of its performance-based salary structure for the whole group of companies, as well as re-evaluate the competitiveness of salary ranges and employee benefits to attract and retain good talents.

The Corporation also focused on conducting various training courses and activities to build a stronger workforce and boost employee engagement. In addition, SABECO has been working closely with ThaiBev Group to conduct the Talent Development Program to accelerate high potential employees’ capabilities, industry knowledge, and leadership mindset with various learning methods such as exchange programs, coaching, site visits, and group projects.



• SABECO 4.0 & Governance

During the past few years, SABECO rolled out several digital initiatives, such as Track & Trace, Warehouse Management System (WMS), Transportation Management System (TMS), Sales Force Automation (SFA) and Distribution Management System (DMS).



For 2023 and beyond, the Corporation has planned for a strong pipeline of other initiatives to further transform its business, including but not limited to Sales and Operations Planning (S&OP) to systemize the production planning, Enterprise Resource Planning (ERP) to standardize processes and data management, and Manufacturing Production System to improve the efficiency of production lines and quality management.

In terms of governance, the Board and the Management have focused on enhancing risk management and sustainability standards, including establishment of the Nomination and Remuneration Committee and the Sustainability and Risk Management Committee, as well as streamlining SABECO's governance through adopting the Manual of Authority (MOA) across the Corporation and its group of companies.

• Unlock



The Unlock pillar was related to mid to long-term strategies with the following key focuses:

Breweries consolidation



To strengthen the overall production capability and sustainability of SABECO's manufacturing system, including consolidation initiatives taken in 2023 for Western - Sai Gon Beer Joint Stock Company, Saigon Binh Tay Beer Group JSC, and Sai Gon Packaging Group JSC.

Share value enhancement



To improve the Corporation's image, position, and value within the Vietnam equity market. In late 2023, SABECO has successfully issued its 1:1 bonus shares to existing shareholders, with the intention to maximize shareholder value and improve the overall share liquidity.

Process optimization



To shorten processes and be more efficient in the way of working by utilizing digital solutions.

Real estate



SABECO has been working actively with its joint ventures, subsidiaries, and associates to explore opportunities for different income streams for the Corporation in the coming years.



2024 OUTLOOK

• Macroeconomics Overview & the Beer Market

OVERVIEW ³

- 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.
- 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.

BEER MARKET IN 2024 ⁴

- 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, etc. 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:

01	02	03
Golden population structure, fast income	Great potential of segment “non-alcoholic beer”	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).



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”.

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”.

• 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 guides in the following areas:

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

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.



CORPORATE GOVERNANCE



REPORT ON CORPORATE GOVERNANCE

- Responsibilities of the Board of Directors

PRINCIPLE 1

ESTABLISHING CLEAR ROLES, RESPONSIBILITIES, AND COMMITMENTS OF THE BOARD

In SABECO, the Board has always acted on an informed basis and in the best interests of the Corporation and its shareholders, along with good faith, loyalty, integrity, and diligence.



Roles, responsibilities, and accountabilities of the Board are specified in the Charter, Internal Regulation on Corporate Governance, and Operation Regulation of the Board of Directors. These regulations were approved during AGM 2021 and then published on SABECO's website. In addition, the Board also approved the Corporation's Business Ethics and Code of Conduct.

The Board has recognized its crucial duties to administer SABECO businesses and oversee operations in the best interest of the Corporation. This includes the administration of subsidiaries to be in line with the Corporation's core business plans to ensure legal compliance and commitment to shareholders' resolutions, relevant laws and regulations, and the Corporation's business objectives. The Board has also been responsible for determining SABECO's vision and business strategies, monitoring the Management's performance in accordance with the Corporation's policies, and reporting financial statements and general information to shareholders and investors in an accurate and timely manner.

All Board members have participated in quarterly meetings and effectively communicated through written opinions. For the fiscal year ended December 31, 2023, the Board has organized a total of six meetings in the form of physical and hybrid meetings.



No	Board member	Position	Attendance	Percentage	Reason for absence
1	Mr. Koh Poh Tiong	Chairman	4/6	67%	Personal reasons
2	Mr. Pramoad Phornprapha	Independent Director	6/6	100%	
3	Mr. Nguyen Tien Vy	Independent Director	6/6	100%	
4	Mr. Michael Chye Hin Fah	Director	6/6	100%	
5	Ms. Tran Kim Nga	Director	6/6	100%	
6	Mr. Le Thanh Tuan	Director	6/6	100%	
7	Ms. Ngo Minh Chau	Director	6/6	100%	



As of December 31, 2023, the Board has issued

98 resolutions

In addition to the meetings above, the Board has discussed and voted by circulation on a number of business matters throughout the year.

List of 2023 resolutions:

No	Resolution	Date	Content
1	01/2023/NQ-HĐQT	06/01/2023	Approved the proposal on application for foreign exchange hedging at SABECO and its subsidiaries Approved draft of the Foreign Exchange Hedging Policy
2	02/2023/NQ-HĐQT	12/01/2023	Approved for Sai Gon - Kien Giang Beer Joint Stock Company to extend and renew short-term credit line contract at Vietnam Prosperity Joint Stock Commercial Bank
3	03/2023/NQ-HĐQT	30/01/2023	Approved the organization of 2023 AGM of SABECO
4	04/2023/NQ-HĐQT	31/01/2023	Approved in-principle Saigon Export Relaunch Plan; Approved in-principle on liquidation of bottle and crate for Saigon Export Relaunch Plan of Saigon Beer Trading Company Limited
5	05/2023/NQ-HĐQT	02/02/2023	Approved 2023 budget plan
6	06/2023/NQ-HĐQT	03/02/2023	Approved proposal of the Management regarding the investment project of Saigon - Quang Ngai Beer Joint Stock Company
7	07/2023/NQ-HĐQT	08/02/2023	Approved in-principle the proposal on the increase SABECO's ownership in Saigon Binh Tay Beer Group Joint Stock Company and Saigon Packaging Group Joint Stock Company
8	08/2023/NQ-HĐQT	21/02/2023	Disapproved proposal of Saigon - Bentre Beer Joint Stock Company on the advance payment of dividend in cash
9	09/2023/NQ-HĐQT	10/03/2023	Approved draft of meeting minutes of Council Members of Crown Beverage Cans Saigon Limited Approved proposal to adjust the operation term of Joint Venture in the members' agreement with Crown Asia Pacific Holdings Pte. Ltd.
10	10/2023/NQ-HĐQT	13/03/2023	Approved proposal of the Management on the contents to vote at the meeting of the Board of Directors of Sai Gon - Kien Giang Beer Joint Stock Company
11	11/2023/NQ-HĐQT	14/03/2023	Approved the contents to vote at Sai Gon - Dong Xuan Beer Alcohol Joint Stock Company's AGM in 2023
12	12/2023/NQ-HĐQT	21/03/2023	Approved the contents to vote at Sai Gon - Vinh Long Beer Joint Stock Company's AGM in 2023
13	13/2023/NQ-HĐQT	21/03/2023	Approved the contents to vote at Saigon - Bac Lieu Beer Joint Stock Company's AGM in 2023
14	14/2023/NQ-HĐQT	22/03/2023	Approved Solar Power Project for 2 breweries of SABECO and companies in the SABECO's system
15	15/2023/NQ-HĐQT	22/03/2023	Approved proposal to adjust the extension timeline for Sai Gon - Kien Giang Beer Joint Stock Company to renew short-term credit line contract at Vietnam Prosperity Joint Stock Commercial Bank

No	Resolution	Date	Content
16	16/2023/NQ-HĐQT	22/03/2023	Approved for adding and changes of business lines to Enterprise registration certificate and amending the Charter of Sai Gon Beer Trading Company Limited
17	17/2023/NQ-HĐQT	23/03/2023	Approved the contents to vote at Binh Tay Liquor Joint Stock Company's AGM in 2023
18	18/2023/NQ-HĐQT	24/03/2023	Approved proposal on personnel matters at subsidiaries and associates of SABECO
19	19/2023/NQ-HĐQT	24/03/2023	Abstained proposal of Sai Gon Packaging Group Joint Stock Company on short-term credit line at Vietnam Joint Stock Commercial Bank for industry and trade
20	20/2023/NQ-HĐQT	24/03/2023	Approved the contents to vote at Northern Sai Gon Beer Trading Joint Stock Company's AGM in 2023
21	21/2023/NQ-HĐQT	27/03/2023	Approved draft of letter of comfort for Chuong Duong Beverages Joint Stock Company
22	22/2023/NQ-HĐQT	27/03/2023	Approved the contents to vote at Sai Gon Beer Tay Nguyen Trading Joint Stock Company's AGM in 2023
23	23/2023/NQ-HĐQT	28/03/2023	Approved the contents to vote at Sai Gon Beer Bac Trung Bo Trading Joint Stock Company's AGM in 2023
24	24/2023/NQ-HĐQT	28/03/2023	Approved the contents to vote at Sai Gon Beer Northeast Trading Joint Stock Company's AGM in 2023
25	25/2023/NQ-HĐQT	29/03/2023	Approved the draft of audited Financial Statements 2022 of SABECO
26	26/2023/NQ-HĐQT	29/03/2023	Approved the revised 2023 budget plan
27	27/2023/NQ-HĐQT	29/03/2023	Approved the draft of audited Financial Statements 2022 of SABECO
28	28/2023/NQ-HĐQT	29/03/2023	Approved in principle the Bonus share issuance to seek approval of the General Shareholders Meeting in accordance with Proposal of the Management
29	29/2023/NQ-HĐQT	29/03/2023	Approved the draft of Operation Regulation and remuneration for members of the Nomination and Remuneration Committee, the Sustainability and Risk Management Committee
30	30/2023/NQ-HĐQT	29/03/2023	Approved the contents of 2023 AGM of SABECO
31	31/2023/NQ-HĐQT	29/03/2023	Approved in-principle proposal on the increase of SABECO's ownership in Western - Saigon Beer Joint Stock Company

No	Resolution	Date	Content
32	32/2023/NQ-HĐQT	31/03/2023	Approved the contents to vote at Saigon Beer Mien Trung Trading Joint Stock Company's AGM in 2023
33	33/2023/NQ-HĐQT	03/04/2023	Approved the contents to vote at Sai Gon - Kien Giang Beer Joint Stock Company's AGM in 2023
34	34/2023/NQ-HĐQT	03/04/2023	Approved the proposal of the Management regarding the project implementation plan at Saigon - Cu Chi Brewery
35	35/2023/NQ-HĐQT	05/04/2023	Approved the contents to vote at Saigon Song Tien Beer Trading Joint Stock Company's AGM in 2023
36	36/2023/NQ-HĐQT	05/04/2023	Approved the contents to vote at Sai Gon - Ha Noi Beer Corporation's AGM in 2023
37	37/2023/NQ-HĐQT	06/04/2023	Approved the contents to vote at Sai Gon Beer Eastern Trading Joint Stock Company's AGM in 2023
38	38/2023/NQ-HĐQT	06/04/2023	Approved the contents to vote at Saigon Beer Center Trading Joint Stock Company's AGM in 2023
39	39/2023/NQ-HĐQT	06/04/2023	Approved the contents to vote at Saigon Beer Nam Trung Bo Trading Joint Stock Company's AGM in 2023
40	40/2023/NQ-HĐQT	07/04/2023	Approved the contents to vote at Sai Gon Beer Packaging Joint Stock Company's AGM in 2023
41	41/2023/NQ-HĐQT	07/04/2023	Approved the contents to vote at Sai Gon - Quang Ngai Beer Joint Stock Company's AGM in 2023
42	42/2023/NQ-HĐQT	07/04/2023	Approved the contents to vote at tSaigon Song Hau Beer Trading Joint Stock Company's AGM in 2023
43	43/2023/NQ-HĐQT	07/04/2023	Approved the contents to vote at Saigon - Songlam Beer Joint Stock Company's AGM in 2023
44	44/2023/NQ-HĐQT	12/04/2023	Approved the contents to vote at Chuong Duong Beverages Joint Stock Company's AGM in 2023
45	45/2023/NQ-HĐQT	12/04/2023	Approved the contents of 2023 AGM of SABECO (part 2)
46	46/2023/NQ-HĐQT	13/04/2023	Approved the contents to vote at Sai Gon - Lamdong Beer Joint Stock Company's AGM in 2023
47	47/2023/NQ-HĐQT	13/04/2023	Approved the contents to vote at Sai Gon - Mien Trung Beer Joint Stock Company's AGM in 2023
48	48/2023/NQ-HĐQT	14/04/2023	Approved the contents to vote at Saigon - Phutho Beer Joint Stock Company's AGM in 2023
49	49/2023/NQ-HĐQT	17/04/2023	Approved the contents to vote at Sai Gon - Khanh Hoa Beer Joint Stock Company's AGM in 2023

No	Resolution	Date	Content
50	50/2023/NQ-HĐQT	17/04/2023	Approved the contents of 2023 AGM of SABECO (part 3)
51	51/2023/NQ-HĐQT	17/04/2023	Approved the contents to vote at Western - Saigon Beer Joint Stock Company's AGM in 2023
52	52/2023/NQ-HĐQT	18/04/2023	Approved the contents to vote at Saigon - Bentre Beer Joint Stock Company's AGM in 2023
53	53/2023/NQ-HĐQT	18/04/2023	Approved the contents to vote at Saigon Tay Do Beer - Beverage Joint Stock Company's AGM in 2023
54	54/2023/NQ-HĐQT	18/04/2023	Approved the contents to vote at Saigon - Nghetinh Beer Joint Stock Company's AGM in 2023
55	55/2023/NQ-HĐQT	21/04/2023	Approved proposal on personnel matters at Chuong Duong Beverages Joint Stock Company
56	56/2023/NQ-HĐQT	25/04/2023	Approved the contents to vote at Dai Viet Securities Joint Stock Company's AGM in 2023
57	57/2023/NQ-HĐQT	25/04/2023	Approved the contents to vote at Mechanical and Industrial Construction Joint Stock Company's AGM in 2023
58	58/2023/NQ-HĐQT	26/04/2023	Approved resignation and appointment new General Director of SABECO
59	60/2023/NQ-HĐQT	27/04/2023	Elected Chairman of the Board of Directors of SABECO for the new term of 2023 - 2028; Established and appointed members of Board's Committees
60	61/2023/NQ-HĐQT	03/05/2023	Approved the draft of contracts of SABECO for lease of works on land between SABECO and SATRACO, SABECO and Saigon Beer Nam Trung Bo Trading Joint Stock Company
61	62/2023/NQ-HĐQT	09/05/2023	Approved the additional budget for SABECO's office renovation
62	63/2023/NQ-HĐQT	15/05/2023	Approved proposal for SABECO to sublease the Office space to SATRACO
63	64/2023/NQ-HĐQT	15/05/2023	Approved draft of meeting minutes of Council Members of Crown Beverage Cans Saigon Limited
64	65/2023/NQ-HĐQT	29/05/2023	Approved the contents to vote at Saigon Beer Transportation Joint Stock Company's AGM in 2023
65	66/2023/NQ-HĐQT	01/06/2023	Approved proposal of Management on approval of an appendix for renewal and amendments to the consultancy services agreement with Me Linh Point Limited

No	Resolution	Date	Content
66	67/2023/NQ-HĐQT	14/06/2023	Approved to select Independent Auditor for SABECO and its group of companies' financial statements and other businesses upon request for the fiscal year 2023, Q1/2024, and all relevant periods as deemed necessary
67	68/2023/NQ-HĐQT	26/06/2023	Disapproved Proposal on merger of a subsidiary - Sai Gon - Kien Giang Beer Warehousing Joint Stock Company to Sai Gon - Kien Giang Beer Joint Stock Company
68	69/2023/NQ-HĐQT	10/07/2023	Approved proposal on personnel matters at San Miguel Yamamura Phutho Packaging Company Limited, Sai Gon - Kien Giang Beer Joint Stock Company and Crown Beverage Cans Saigon Limited
69	70/2023/NQ-HĐQT	18/07/2023	Approved to implement the bonus share issuance plan to increase share capital for existing shareholders from owner's equity
70	71/2023/NQ-HĐQT	19/07/2023	Approved proposal of the Management on loan of Chuong Duong Beverages Joint Stock Company from SABECO and an inter-company loan between Sai Gon Beer Trading Company Limited and Chuong Duong Beverages Joint Stock Company
71	72/2023/NQ-HĐQT	07/08/2023	Approved in principle to adopt Thaibev's Investment Guidelines into SABECO ways of working
72	73/2023/NQ-HĐQT	15/08/2023	Approved proposal on personnel matters at SABECO's subsidiaries and associates
73	74/2023/NQ-HĐQT	15/08/2023	Approved proposal of the Management on short-term credit line contracts at banks per proposal of Sai Gon - Khanh Hoa Beer Joint Stock Company
74	75/2023/NQ-HĐQT	15/08/2023	Obtained regarding applying for credit at Vietnam Prosperity Joint Stock Commercial Bank per the proposal of Saigon Binh Tay Beer Group Joint Stock Company
75	76/2023/NQ-HĐQT	28/08/2023	Approved the audited half-year Financial Statements 2023 of SABECO
76	77/2023/NQ-HĐQT	30/08/2023	Approved proposal on personnel matters at Tan Thanh Investment Trading Company Limited
77	78/2023/NQ-HĐQT	05/09/2023	Approved proposal on personnel matters at Western - Saigon Beer Joint Stock Company
78	79/2023/NQ-HĐQT	14/09/2023	Approved an intercompany loan from SABECO to Chuong Duong Beverages Joint Stock Company
79	80/2023/NQ-HĐQT	14/09/2023	Approved proposal for SABECO to sign warehouse rental services contract with Chuong Duong Beverages Joint Stock Company and to lease pallets from Sai Gon Beer Trading Company Limited on Malt storage demand for years 2023 - 2024

No	Resolution	Date	Content
80	81/2023/NQ-HĐQT	27/09/2023	Approved proposal of the Management to write-off surplus Special bottles and green crate 20s in SABECO's system
81	82/2023/NQ-HĐQT	03/10/2023	Approved proposal on personnel matters at Sai Gon - Quang Ngai Beer Joint Stock Company
82	83/2023/NQ-HĐQT	03/10/2023	Approved the draft of Regulation on nomination, self-nomination, and election for additional Board members for the term of 2022 - 2027 at Saigon - Songlam Beer Joint Stock Company
83	84/2023/NQ-HĐQT	03/10/2023	Approved the draft of Regulation on nomination, self-nomination, and election for additional Board members for the term of 2022 - 2027 at Western - Saigon Beer Joint Stock Company
84	85/2023/NQ-HĐQT	17/10/2023	Approved in principle to transfer of all assets of the My Phuoc 3 Project of Chuong Duong Beverages Joint Stock Company
85	86/2023/NQ-HĐQT	26/10/2023	Approved the organization structure of SABECO
86	87/2023/NQ-HĐQT	26/10/2023	Approved proposal on appointment of the Person in charge of Corporate Governance
87	88/2023/NQ-HĐQT	26/10/2023	Approved the Sustainability Strategy and Targets covering Environmental, Social, Governance and Economic
88	89/2023/NQ-HĐQT	26/10/2023	Approved for SABECO to waive its first right of refusal to acquire Diageo Holdings Netherlands B.V ("Diageo")'s capital contribution in Vietnam Spirits and Wine Ltd. and for SABECO to negotiate with Diageo regarding SABECO's capital contribution in Vietnam Spirits and Wine Ltd
89	90/2023/NQ-HĐQT	30/10/2023	Disapproved proposal on registration of stock trading on the unlisted stock exchange of Saigon Tay Do Beer - Beverage Joint Stock Company
90	91/2023/NQ-HĐQT	31/10/2023	Approved proposal on amending the Information Disclosure Regulation of SABECO
91	92/2023/NQ-HĐQT	31/10/2023	Approved in principle to increase capacity to 70 million liters/year for Sai Gon - Ha Tinh Beer One Member Company Limited
92	93/2023/NQ-HĐQT	03/11/2023	Approved refunding the amount being recorded by Tan Thanh Investment Trading Company Limited ("Tan Thanh")'s financial statement as a short-term payable to SABECO and the audit report and recognize the investment capital of Thanh Tao Company in Tan Thanh
93	94/2023/NQ-HĐQT	20/11/2023	Approved the contents to vote on the written form of Dai Viet Securities Joint Stock Company

No	Resolution	Date	Content
94	95/2023/NQ-HĐQT	20/11/2023	Approved proposal of the Management regarding the contents to vote for the Board Meeting's agenda of Saigon Binh Tay Beer Group Joint Stock Company
95	96/2023/NQ-HĐQT	20/11/2023	Approved proposal of the Management regarding the contents to vote at San Miguel Yamamura Phu Tho Packaging Company Limited's Council Members Meeting in 2023
96	97/2023/NQ-HĐQT	27/11/2023	Approved proposals of Crown Asia Pacific Holdings Pte. Ltd. on the situation of Crown Beverage Cans Saigon Limited
97	98/2023/NQ-HĐQT	28/11/2023	Approved the registration of charter capital increase and amendment to the SABECO's Charter
98	99/2023/NQ-HĐQT	04/12/2023	Approved the 2023 advance dividend payment in cash

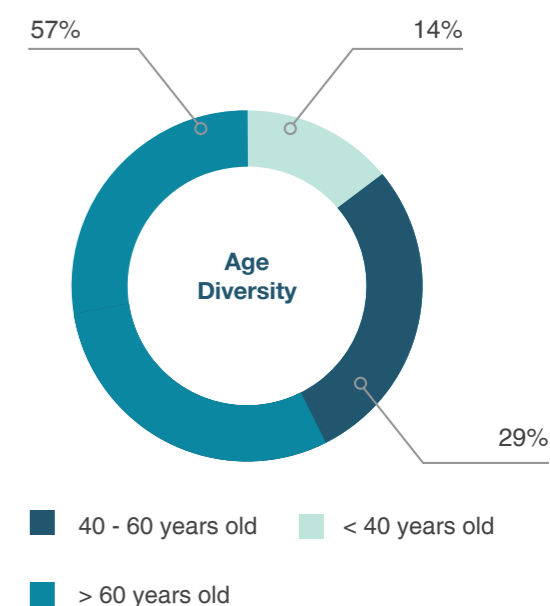
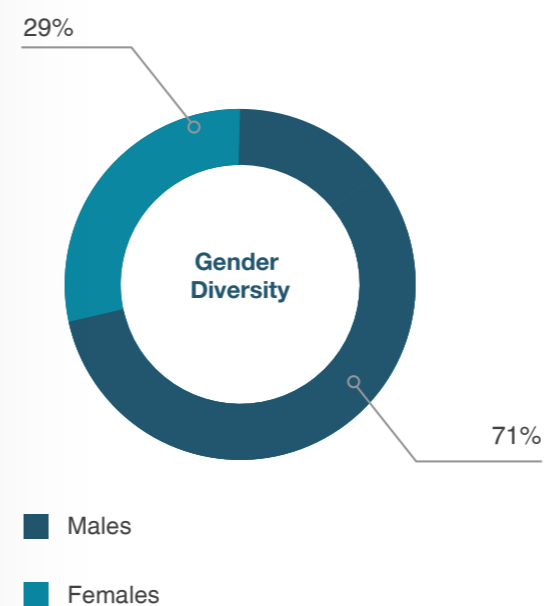
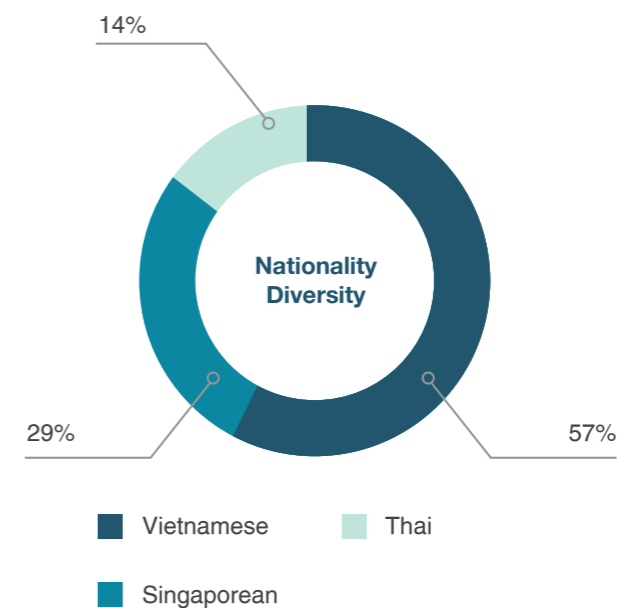
PRINCIPLE 2

ESTABLISHING A COMPETENT AND PROFESSIONAL BOARD

All members of the Board of Directors ended their 2018 – 2023 term. On April 27, 2023, the 2023 Annual General Meeting of Shareholders elected the Board of Directors for the 2023 – 2028 term, where all seven Board members were re-elected. Mr. Koh Poh Tiong has been elected as the Chairman of the Board in the first Board meeting of the new term.

SABECO Board of Directors represents a diversified and broad range of viewpoints, expertise, skills, and competencies in order to provide effective leadership and oversight for SABECO, while committing to the Corporation's best interests and maximizing shareholder value.

STT	Board member	Position
1	Mr. Koh Poh Tiong	Chairman
2	Mr. Pramoad Phornprapha	Independent Director
3	Mr. Nguyen Tien Vy	Independent Director
4	Mr. Michael Chye Hin Fah	Director
5	Ms. Tran Kim Nga	Director
6	Mr. Le Thanh Tuan	Director
7	Ms. Ngo Minh Chau	Director



All members of the Board are non-executive Directors who possess necessary qualifications to effectively participate in securing business objectives, independent judgments on corporate affairs, and carrying out proper checks and balances. The Board seeks to maintain an appropriate balance of expertise, skills, and attributes among the Directors, including relevant competencies in areas such as accounting, finance, legal, trading, industry knowledge, and strategic planning.

In October 2023, in order to fully comply with the law and apply best practices to corporate governance, the Board of Directors appointed three persons in charge of corporate governance as follows:

- Ms. Teoh Jia Ee – Director of Board of Directors Office
- Mr. Duong Van Minh – Director of Legal Department
- Mr. Tran Nguyen – Investor Relations Manager

Board members have been participating in at least one corporate governance or director training program organized by the Vietnam Institute of Directors (VIOD), an accredited and professional organization that aims to raise awareness and contribute to promoting the application of good corporate governance standards and practices in Vietnamese enterprises, in order to ensure high standards of business ethics and transparency and keep track of the latest governance trend and requirements.

In addition, Mr. Koh Poh Tiong, Mr. Pramoad Phornprapha, Mr. Michael Chye Hin Fah, Mr. Tan Teck Chuan Lester, and Ms. Teoh Jia Ee completed a sustainability training program called the Cambridge - Earth on Board Advanced Board Director Programme.

PRINCIPLE 3

ENSURING EFFECTIVE BOARD LEADERSHIP AND INDEPENDENCE

The Board has endeavored to exercise objective and independent judgments on all corporate affairs and prevent conflicts of interest by not participating in discussions or decisions in which they may have an interest. Board members have never served as paid consultants or advisors to the Corporation.

Two members of the Board have been reelected as Independent Directors for the second time, including Mr. Pramoad Phornprapha and Mr. Nguyen Tien Vy, who possess the necessary qualifications and full eligibility to hold such positions.

The Chairman of the Board and the General Director are not the same person to ensure appropriate checks and balances, accountability, and greater capacity for the Board to make independent decisions.



PRINCIPLE 4

ESTABLISHING BOARD COMMITTEES

The Board has set up specialized sub-committees to help the Board fulfill its inherent functions and avoid any conflicts of interest. In 2023, SABECO Board of Directors established and issued the Operation Regulations for the Nomination and Remuneration Committee and the Sustainability and Risk Management Committee. The Board of Directors has also appointed the following members to its sub-committees for the 2023 – 2028 term:

Audit Committee

Member	Board position	AC position
Mr. Pramoad Phornprapha	Independent Director	Chairman
Mr. Nguyen Tien Vy	Independent Director	Member
Mr. Michael Chye Hin Fah	Director	Member



The operation of the Audit Committee (AC) complied with the Charter, BOD Operation Regulation, and AC Operation Regulation, supporting the Board in fulfilling its duties, including but not limited to:

Reviewing quarterly, semi-annual, and annual financial statements before the Management submitted them to the Board.

Supervising the effectiveness of the Corporation's internal controls to prevent fraud, manage risks, and ensure compliance with the law and the Corporation's Charter and regulations.

Reviewing the proposal and execution of 2023 audit plan carried out by the Independent Auditor.

The Audit Committee consists of three non-executive Board members, of whom two out of three members, including the Chairman of AC, are Independent Directors of the Board. All AC members have sufficient knowledge in terms of internal audit, IFRS and VAS accounting standards, compliance, financial reporting and control.

Reviewing related party transactions that the Corporation had entered into, which might lead to conflicts of interest.

Ensuring the operation of the Corporation's Internal Audit Department, i.e., to oversee the Corporation's internal audit activities, including approval of the annual audit plan, evaluating internal audit performance.

The roles and responsibilities of AC are covered in the AC Operation Regulation which has been approved by the Board. The authorities, composition, and working procedures specified in the AC Operation Regulation have been developed as a practical benchmark to measure and evaluate AC performance. In 2021, the AC Operation Regulation has been revised to reflect changes in current laws and regulations.

Nomination and Remuneration Committee

Member	Board position	NRC position
Mr. Nguyen Tien Vy	Independent Director	Chairman
Mr. Koh Poh Tiong	Chairman of the Board	Member
Ms. Tran Kim Nga	Director	Member
Mr. Le Thanh Tuan	Director	Member

The Nomination and Remuneration Committee (NRC) is appointed by the Board of Directors. The primary function of NRC is to assist the Board in fulfilling its oversight responsibilities of key areas including:

To review the structure, size, and composition of the Board and Board Committees.

To 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.

To 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.

To review the framework of remuneration for the Board, Board Committees, and Executives of SABECO, and positions under the decision-making authority of the Board.

To review succession plans for the Chairman, members of the Board, and Executives of SABECO.

To review training and professional development programs for the Board, members of the Board, and positions under the decision-making authority of the Board.

To review and confirm the independence of each member of the Board.

To review specific remuneration packages for each member of the Board, Board Committees, and Executives of SABECO.



Sustainability and Risk Management Committee

Member	Board position	SRMC position
Mr. Koh Poh Tiong	Chairman of the Board	Chairman
Mr. Michael Chye Hin Fah	Director	Member
Ms. Ngo Minh Chau	Director	Member

The Sustainability and Risk Management Committee (SRMC) is appointed by the Board of Directors. The primary function of SRMC is to assist the Board in fulfilling its oversight responsibilities of key areas including:

To assist the Board in carrying out its responsibility of overseeing the risk management framework and policies.

To 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.

To assist the Board in carrying out its responsibility in determining environmental, social, and governance factors (ESG factor) identified as material to the business, monitoring and managing ESG factors, and overseeing standards, management processes, and strategies to achieve sustainability practices.

To report to the Board and provide appropriate updates and recommendations on sustainability issues.

PRINCIPLE 5

ENSURING EFFECTIVE BOARD PERFORMANCE

The determination of levels and pay grades for members of the Board and the Management has been linked to SABECO's business performance, fulfillment of duties and responsibilities, as well as individual performance and compliance with applicable laws. Remuneration for members of the Board and the Management shall be included in business expenses of the Corporation and recorded as a separate item under audited full-year financial statements.

Remuneration packages for the Board and the Management of SABECO for the year ended December 31, 2023 are presented in the form of percentage breakdown which includes the following categories: (1) Salary; (2) Remuneration; and (3) Bonus paid based on the Corporation's performance.

Name	Position	Salary	Remuneration	Bonus	Total
The Board of Directors					
Mr. Koh Poh Tiong (*)	Chairman	-	-	-	-
Mr. Pramoad Phornprapha	Independent Director	-	100%	-	100%
Mr. Nguyen Tien Vy	Independent Director	-	100%	-	100%
Mr. Michael Chye Hin Fah	Director	-	100%	-	100%
Ms. Tran Kim Nga	Director	-	100%	-	100%
Mr. Le Thanh Tuan	Director	-	100%	-	100%
Ms. Ngo Minh Chau	Director	-	100%	-	100%
The Board of Management					
Mr. Tan Teck Chuan Lester (**)	General Director	69%	-	31%	100%
Mr. Neo Gim Siong Bennett (**)	General Director	100%	-	-	100%
Mr. Koo Liang Kwee Alan	Deputy General Director	88%	-	12%	100%
Ms. Venus Teoh Kim Wei	Deputy General Director	88%	-	12%	100%
Mr. Ng Kuan Ngee Melvyn	Deputy General Director	88%	-	12%	100%
Mr. Lam Du An	Deputy General Director	74%	-	26%	100%
Mr. Tran Nguyen Trung	Chief Accountant	81%	-	19%	100%

(*) Mr. Koh Poh Tiong, Chairman of the Board, waived his remuneration in 2023.

(**) Mr. Tan Teck Chuan Lester has been appointed as SABECO General Director, replacing Mr. Neo Gim Siong Bennett since 01/10/2023.

PRINCIPLE 6

ESTABLISHING AND MAINTAINING AN ETHICAL CORPORATE CULTURE



A Code of Conduct and Business Ethics formalizing ethical values has been an important tool to instill an ethical corporate culture that pervades throughout the Corporation. The main responsibility is to create and design a Code of Conduct and Business Ethics which is suitable to the needs of the Corporation and its organizational culture. Currently at SABECO, the Board has approved the Code of Conduct and Business Ethics which has been put into practice since 2021.

• **Control Environment**

PRINCIPLE 7

ESTABLISHING A SOUND RISK MANAGEMENT AND CONTROL ENVIRONMENT

The Board has recognized its responsibility to ensure a sound system of risk management and internal control to safeguard shareholders' investments and the Corporation's assets. In 2023, the Board has established SRMC to assist the Board in overseeing the risk management framework and policies as well as to provide appropriate advice and recommendations on material risk issues. During the year, the Board, through the AC and the SRMC reviewed the adequacy and effectiveness for the Corporation's internal controls and risk management systems. The SRMC reviews and reports to the Board on the adequacy and effectiveness of the Corporation's risk management framework to ensure that robust risk management and internal controls are in place. Key risks and mitigating measures are identified, reviewed and monitored. Key risk indicators are in place to track risk exposures.

The Board has established the Internal Audit Department which provides objective assurance and consultancy in order to add value and improve the Corporation's operations. IA authorities, compositions, remunerations, annual budgets, working processes and other relevant matters have been regulated under a separate IA Charter which has been approved by the Audit Committee. The Director of IA, who is a senior executive of the Corporation but not a member of the Management, has directly reported to AC. The appointment of IA Director was also approved by AC.

In addition, the Audit Committee provides the Board with recommendations in respect of selecting the Independent Auditor, as well as engagement fees and overall terms of services to be provided by the Independent Auditor. During SABECO AGM 2023, shareholders approved the Board's proposal to select KPMG Vietnam to be in charge of auditing SABECO's Financial Statements for the fiscal year 2023 and all relevant periods as deemed necessary. Moreover, all SABECO subsidiaries and some of its associated companies also opted for KPMG Vietnam as the Independent Auditor.

• Disclosure and Transparency

PRINCIPLE 8

STRENGTHENING DISCLOSURE PRACTICES

SABECO has ensured adequate communications with shareholders, investors, regulators, and the general public by committing to a transparent and effective disclosure policy, which has been carried out by the Corporation's Investor Relations Department.

In 2023, SABECO has revised its Information Disclosure Regulation to comply with the latest regulations of listed companies. Information has always been published in two languages including Vietnamese and English, and usually after trading hours. The Corporation's disclosure system has guaranteed fair access to information for shareholders, investors, and other stakeholders while not supporting any abuse of internal information or insider trading.

All quarterly financial statements were published within 30 days of the end of each quarter. The audited first half financial statements were published within 60 days of the end of the second quarter, while the audited full year financial statements were released within 90 days of the end of the fiscal year. SABECO has complied with all information disclosure deadlines in 2023.



Information disclosure	Latest deadline by the law	Actual date of disclosure
Q1 2023 Financial Statements	30/04/2023	26/04/2023
Q2 2023 Financial Statements	30/07/2023	26/07/2023
Audited H1 2023 Financial Statements	29/08/2023	29/08/2023
Q3 2023 Financial Statements	30/10/2023	26/10/2023
Q4 2023 Financial Statements	30/01/2024	30/01/2024
Audited FY 2023 Financial Statements	30/03/2024	28/03/2024
2023 Annual Report	19/04/2024	17/04/2024

• Shareholders' Rights

PRINCIPLE 9

ESTABLISHING A FRAMEWORK FOR THE EFFECTIVE EXERCISE OF SHAREHOLDERS' RIGHTS

SHAREHOLDERS' RIGHTS

SABECO has acknowledged and respected the rights of all shareholders, who are the Corporation's owners.

The Corporation has ensured equal and fair treatment towards every shareholder through its accurate, transparent, and timely disclosure of information. SABECO has also paid great attention to the sufficiency and accuracy of information disclosed so that shareholders would be able to make well-informed decisions at AGM, including casting their votes and expressing their opinions on the Corporation's changes, proposals, and the election of members of the Board.

CONVENING THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

The 2023 Annual General Meeting of Shareholders was held physically in Ho Chi Minh City on April 27, 2023. The invitation was sent to shareholders at least 21 days before the AGM date. The Corporation also posted all relevant information on HOSE's and SABECO's websites for easy access and shareholders to have sufficient time to carefully study those documents. For the new term election of the Board of Directors, all information of candidates includes age, academic qualifications, experience, and directorship were disclosed 10 days before the AGM date. All AGM documents were presented simultaneously in Vietnamese and English.

At AGM 2023, except for Mr. Koh Poh Tiong and Ms. Ngo Minh Chau, who were absent due to personal reasons, other Board members and the Management were available to address shareholders' concerns at the meeting. The Corporation's Independent Auditor, KPMG Vietnam, also participated to report on their auditing preparations and contents of these audited reports. During the meeting, shareholders were encouraged to make inquiries and express their opinions as well as offer recommendations.

The AGM Minutes were accurately and fully recorded in a timely manner as required by the law, including live questions and answers at the meeting, vote counting results with specific numbers and percentages of approval. The AGM Minutes were then disclosed together with the AGM Resolution to SSC, HOSE, and posted on SABECO's website within 24 hours of the AGM date, and eventually sent to each shareholder via post within 15 days of the AGM date, thereby ensuring full compliance with current laws and regulations.

DIVIDEND PAYOUT

SABECO has paid all declared dividends within six months of the AGM date.

Per the AGM Resolution on 2023 dividend plan and the Corporation's performance, the Board of Directors has approved the first 2023 advance dividend payment in cash of 15% in February 2024.

Year	Payment type	Payout ratio
2018	By cash	50%
2019	By cash	35%
2020	By cash	35%
2021	By cash	35%
2022	By cash	50%
2023 (plan)	By cash	35%

ALL SHAREHOLDERS SHALL BE TREATED EQUALLY

Shareholders' votes have been on a "one share, one vote" basis. All rights pertaining to each class of shares were also publicly disclosed. In addition, AGM materials such as invitation letters, documents, the Resolution and Minutes, were provided in both Vietnamese and English to facilitate all shareholders including foreigners.

BUSINESS TRANSACTIONS BETWEEN SABECO AND ITS RELATED PERSONS

All related party transactions that occurred were subject to strict reviews and approval processes by following the pre-defined approval matrix under the Charter of SABECO. The Audit Committee would then review and discuss with the Independent Auditor and the Management in regard to any complex and unusual related party transactions if necessary and required.

Members of the Board and the Management are required to disclose to the Board whether they directly, indirectly, or on behalf of third parties, had material interests in any transactions or matters which directly affected the Corporation. The Board must ensure that transactions between related parties were carried out on normal commercial terms and did no harm to the interests of the Corporation.

For the fiscal year 2023, all transactions between SABECO and related parties were fully presented in the audited financial statements.



PRINCIPLE 10

BUILDING EFFECTIVE STAKEHOLDER ENGAGEMENTS

The Board has always considered and taken into account all stakeholders' interests, who would be affected by the Corporation's operations and decisions. The Board has also ensured that the Corporation would respect all legitimate interests and rights of stakeholders as established by the law or contractual commitments. The Board has already come up with interactive plans for different stakeholders, in hope of demonstrating the Corporation's commitments to stakeholder engagements in the Code of Conduct and Business Ethics. In order to do that, SABECO would adopt a transparent and publicly accessible communication procedure which allows the Corporation to:

01 Receive and acknowledge communication from external stakeholders

02 Recognize issues and come up with responses

03 Provide relevant documents if necessary



The Corporation has also continued to focus on strengthening and expanding investor relations functions to ensure benefits for shareholders and meet the increasing demand of engagement from domestic and international investors. After disclosing quarterly financial statements, the Investor Relations Department usually organized meetings for investors and analysts to have the opportunities for direct conversations with the Management to address related concerns. In 2023, four meetings were held in total in the form of online meetings, along with engaging side events including brewery tours, dinners, and market visits.

In addition, SABECO's website and its latest Annual Report have also been updated in terms of contents, design, and format in order to be in line with the corporate identity and market's best practices, thereby providing investors with reliable data and a comprehensive picture of the Corporation's current business activities. Many other communication platforms and channels such as press releases, analyst reports, and quarterly analyst briefings have been put into place as part of the Corporation's efforts to meet the ever-increasing demand of investors.

RISK MANAGEMENT

The Corporation continuously monitors the business environment for risks and opportunities, develops strategies to mitigate risks and seizes emerging opportunities. The Management diligently tracks and promptly reports key risks and ensures timely issue resolution. The primary objective is to safeguard the interests of shareholders, while also considering the interests of other stakeholders, to achieve long-term sustainable performance. The Sustainability and Risk Management Committee (SRMC) assists the Board in overseeing the Corporation's risk management framework and policies. SABECO adopts a cohesive risk management system to manage risks in a sustainable, structured and consistent manner. The Corporation identifies risks from various sources, including ESG sources. The responsibility for identifying, evaluating and monitoring risks and material ESG factors lies with the Management team. They also report regularly to the SRMC and Board the status and effectiveness of risk mitigation measures, sustainability practices and strategy implementation.

• Key risks in 2023

The key risks have been identified and mitigation measures developed. The key risks faced by the Corporation are summarized as follows. The risk overview below does not necessarily capture all risks and uncertainties, but rather highlights the key risks that could hinder SABECO's business operation. As new risks emerge and existing immaterial risks evolve, SABECO's risk management system shall identify and evaluate them with care and come up with mitigation measures.

Risks	Mitigation Measures
<p>MARKET</p> <p>The beer and alcohol industry saw a decline in production and business due to weak demand for alcoholic products in all consumption channels. As a result, beer players have been even more aggressive with advertising, promotion, and discount campaigns to boost sales and protect market share. In addition, market penetration and competition from imported beer brands in the premium and mass premium segments have slightly affected SABECO's market share, who is strong in the mainstream segment.</p> <p>On the other hand, consumers have been increasingly concerned about health and safety, so they tend to consume more non-alcoholic and healthy beverage products. These may lead to a change in competitive dynamics in the beer market.</p>	<ul style="list-style-type: none"> Invest in brand visibility and awareness to protect and gain market share. Launch various consumer promotions to boost sales. Expand modern trade and e-commerce channels. Focus on product innovation and product portfolio expansion to cater to the needs of consumers in all age groups. Perform market research to understand consumer preferences. Invest in building SABECO's image.
<p>TAX</p> <p>Special sales tax (SST) is a form of excise tax that applies to selected goods and services including cigars/cigarettes, spirits, wine and beer, automobiles, motorcycles, air conditioners, airplanes, petrol, etc. The amendment project of the Law on SST has continued to receive comments from relevant Ministries and organizations to complete the dossier, to increase tax on beer and alcoholic beverages in order to curb drinking behaviors and consumption.</p>	<ul style="list-style-type: none"> Proactively engage and discuss/ negotiate with local authorities and other beer players about potential changes. Carefully review the excise tax impact on SABECO's performance for a suitable business strategy.
<p>HUMAN CAPITAL</p> <p>SABECO is on its journey to build a stronger workforce, including attracting, retaining, and developing talent with the required skills and capabilities as well as identifying successors for key positions.</p>	<ul style="list-style-type: none"> Prepare succession plans and identify a talent pool for the development of SABECO. Set strategies to retain high-potential employees and provide talent development programs to build up their capacity. Review the compensation scheme and performance evaluation system.

Risks	Mitigation Measures
<p>INFORMATION SECURITY</p> <p>A growing number of cyber-attacks have caused business interruption, financial or reputational damage, loss of confidential information, unauthorized access to data as well as breach of the data privacy regulation.</p>	<ul style="list-style-type: none"> Issue the Information Security and Confidentiality Policy. Strengthen cyber security. Engage employees with security training and awareness sessions.
<p>COMPLIANCE</p> <p>The government has continued to draft amendments and promulgate new legal documents to further improve the legal framework and prevent social consequences of uncontrolled consumption of beer and alcohol products. The draft Law on Road Traffic Order and Safety has also been discussed at the National Assembly. Although there is still much controversy, the plan to absolutely ban alcohol concentration when participating in traffic also receives many unanimous opinions from parliamentarians.</p> <p>The Law on Prevention of Harmful Effects of Alcohol and Beer and Decree 100 related to the penalties for violations of alcohol concentration have been in effect for more than 3 years, however, in 2023, the authorities have specifically tightened control of alcohol use when participating in traffic with continuous alcohol testing campaigns across the country. This has strongly affected consumers' behavior towards beer and wine products.</p> <p>In addition, in 2023, the Ministry of Natural Resources and Environment has drafted a Decision of the Prime Minister approving a reasonable and valid rate of recycling costs for a unit volume of product and packaging and administrative costs to support the implementation of waste collection and treatment responsibilities of manufacturers and importers. Accordingly, when the Decision is officially issued, it will increase production and sales costs of businesses.</p>	<ul style="list-style-type: none"> Closely monitor existing and emerging regulations to ensure awareness and compliance as well as prepare the business for future changes. Review and amend internal regulations in order to better respond to the current legal system. Work closely with stakeholders to prevent and reduce the harm caused by underage drinking or drunk driving.
<p>CLIMATE CHANGE</p> <p>The intensifying climate change and global warming could negatively impact the availability of natural resources, leading to production interruption as well as urging businesses to reduce greenhouse gas emissions.</p>	<ul style="list-style-type: none"> Commit to clean and renewable energy. Utilize resources for production (e.g., water, energy, packaging) on the basis of a circular economy and waste reduction. Effectively manage production norms. Ensure compliance with environmental legislation.

• Overall Assessment on Risk Management

	Information technology has been applied in a number of fields to improve work efficiency and control.
	Risk identification has been implemented in a comprehensive and systematic way.
	The IA Department, who works directly under the AC, is currently in charge of SABECO internal audit coverage in terms of corporate governance, compliance, risk management and internal control processes, as well as any significant issues which may arise from the internal audit and the Management's responses and actions.
	The Management has received training to raise awareness of risk management responsibilities as well as risk management competencies.

• Measures to Prevent and Minimize Risks

Risk management should be considered as one of the top priorities which needs to be improved further in the following years. SABECO has taken measures to prevent and minimize risks as follows:

PRINCIPLES

- Risk management should be implemented thoroughly and consistently for the entire system.
- Risk control measures should be established on the principle of prevention and linked to the Corporation's value chain.
- The Management would direct and appoint persons in charge of risk management in each area.
- The risk management system should be established with the use of information technology and efficient working procedures.

MAIN SOLUTIONS

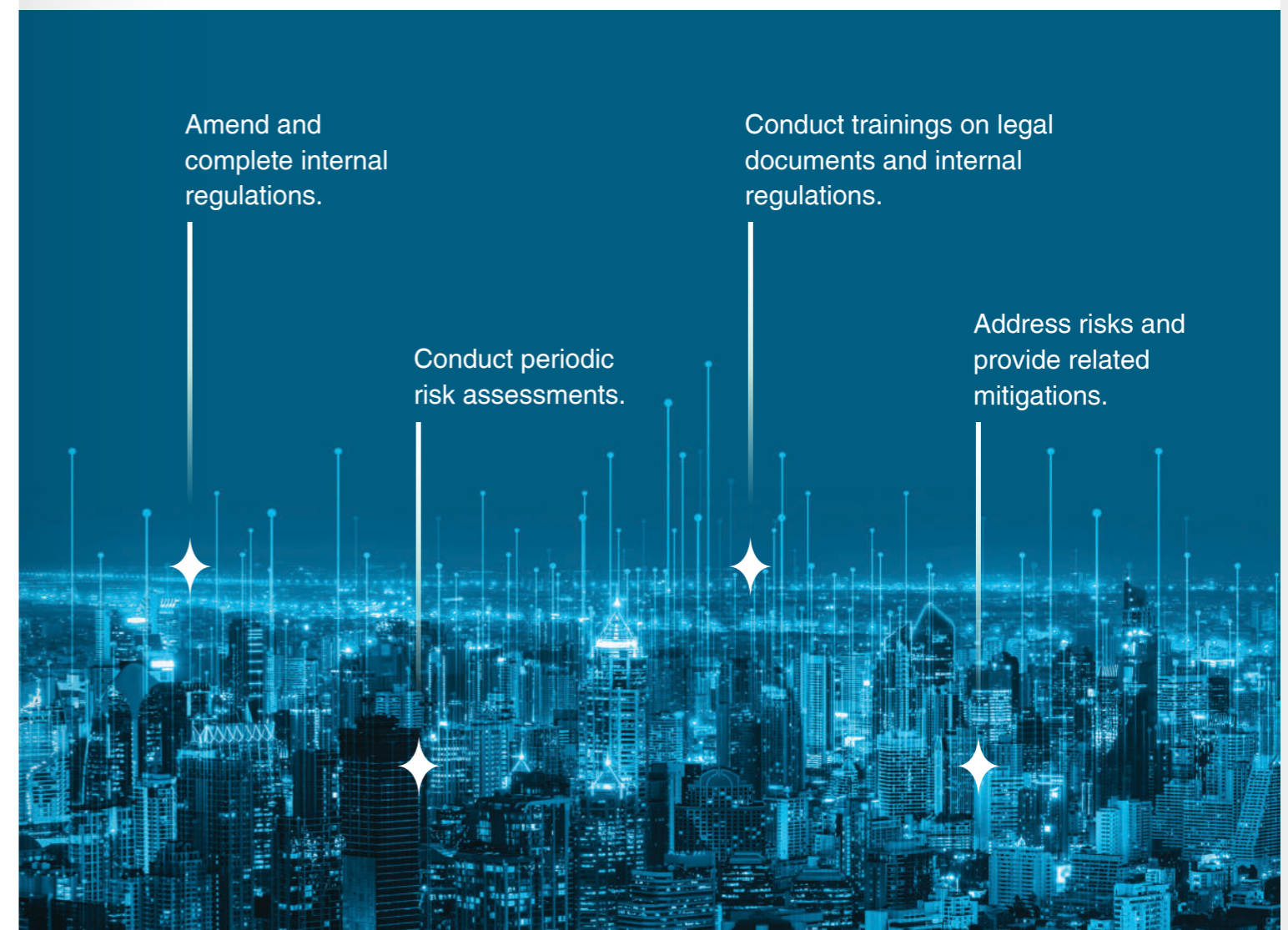
Appoint personnel for risk management and assessment as well as inspection and supervision in the entire system.

Finalize internal governance documents including risk management policies, disseminate and train relevant people for implementation.

Develop a comprehensive risk management system with regular and periodic assessment plans, establish an information management system and grant access to relevant personnel to review the operational information in order to detect and timely prevent potential risks, which would be a basis for:

- Organize a system of risk identification and analysis.
- Establish and implement risk control measures.
- Develop standards and uniform risk assessment methods.
- Establish plans and organize internal evaluation and control programs.
- Organize risk identification, analyze, classify, and develop a risk matrix to provide appropriate management measures.

• Action plans for 2024



SUSTAINABLE DEVELOPMENT REPORT



OVERVIEW

• Introduction

Sustainable Development Report is prepared on an annual basis to present and disclose official information on sustainable development objectives, planning, and activities of SABECO. Throughout this report, SABECO commits to the transparency in announcing sustainable development contents, thereby strengthening the trust of stakeholders and affirming the Corporation's leading position.

OBJECTIVES



The report confirms the inter-relationship between the sustainable development objectives of SABECO and its stakeholders, thus providing innovative strategies and measures to enhance the Corporation's values as well as stakeholders' benefits by measuring and evaluating indicators annually.

METHOD OF COMPOSING



The report is developed in reference to Global Reporting Initiative (GRI) standards and the Guideline of Information Disclosure on Environment and Society from the State Securities Commission of Vietnam (SSC) and International Finance Corporation (IFC).

In preparation for the report, SABECO takes into account its activities and impacts as well as interests and expectations of stakeholders in relation to the Corporation's strategies on the operation and sustainable development.

SCOPE OF THE REPORT



The report is presented independently as part of the SABECO Annual Report and includes the Corporation's results and achievements related to its sustainable development strategies from January 1, 2023 to December 31, 2023, as well as plans and objectives for the future. The report covers the entire operation scope of SABECO and its subsidiaries and associates when applicable.

RELIABILITY OF THE REPORT



SABECO consults and applies national and international standards for presenting and disclosing information in the report. In addition, some of the eligible third parties who guarantee the reliability and accuracy of the Corporation's information and data are as follows:

- 2023 Financial Statements were audited by KPMG Limited Vietnam.
- Certificates in the fields of quality management, food hygiene, and safety were evaluated and granted by top assessment organizations.

CONTACT INFORMATION



SABECO is making efforts to satisfy those expectations of its stakeholders in terms of information disclosure and transparency. Therefore, the Corporation looks forward to receiving everyone's sincere comments on sustainable development. If you have any suggestions or inquiries, please contact:

Investor Relations Department

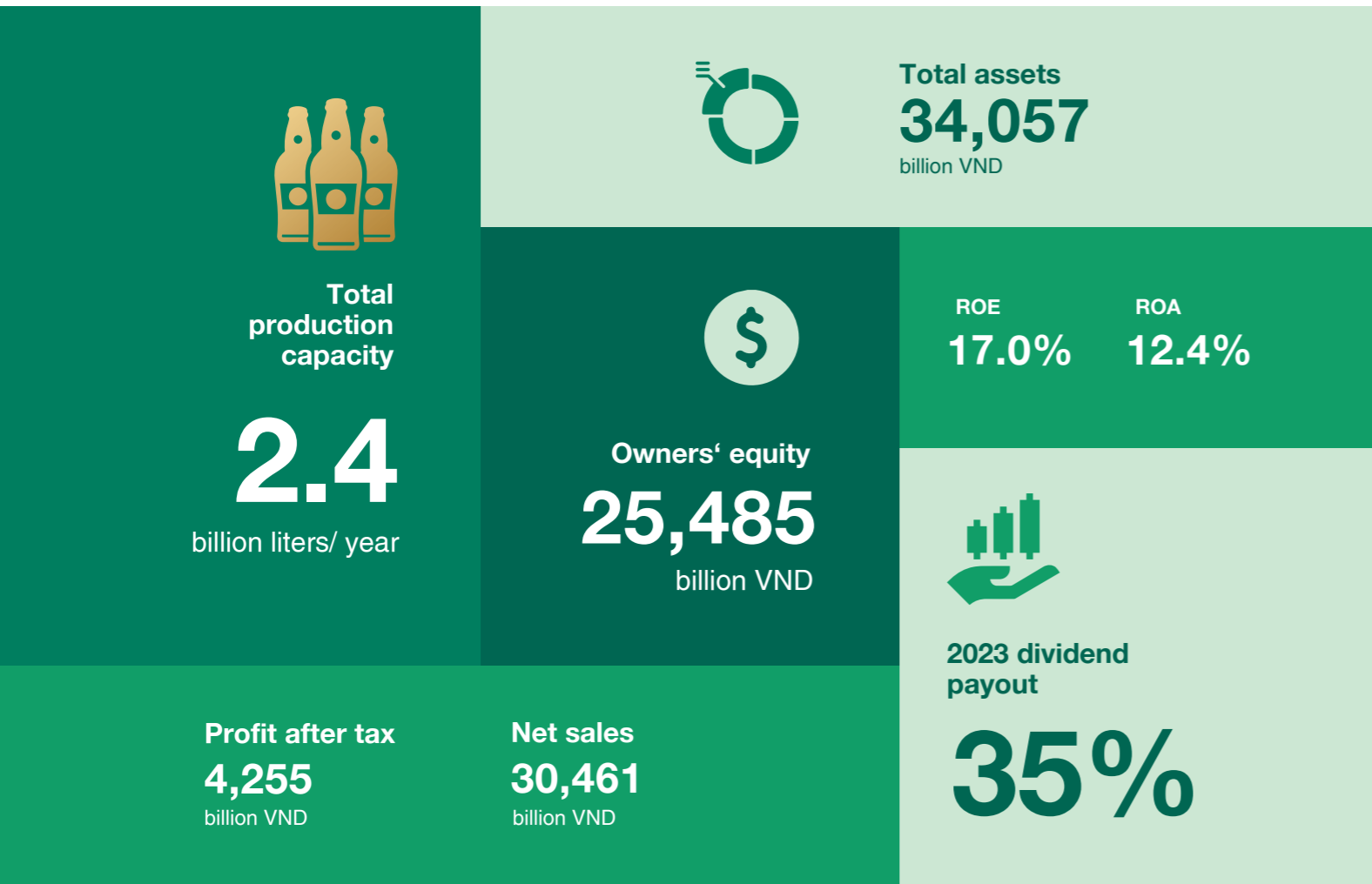
Tel: (+84) 28 3829 4081 (Ext: 504)

Email: ir@sabeco.com.vn

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SUSTAINABLE DEVELOPMENT INDICATORS

• Financial indicators



• Non-financial indicators



2023 AWARDS



SUSTAINABLE DEVELOPMENT STRATEGIES

• Vision

Develop SABECO to become the leading beverage group in Vietnam, having a firm foothold in regional and international markets.

With the above mission, SABECO's sustainable development strategy aims to maintain a balanced development between ESG pillars, i.e., Environment, Social, and Governance & Economy. SABECO commits to promoting the ESG sustainable development strategy by identifying and evaluating key topics that impact stakeholders in production and business development activities as well as ESG priorities and goals.



• SOCIAL

Human capital development

SABECO believes that sustainable development is closely linked to the development journey and value sharing of each employee. Therefore, SABECO commits to maintaining safe working conditions, taking care of both physical and mental health and welfare of employees, focusing on employee development, attracting talents as well as respecting differences and diversity in the workplace.

Community development

Being one of the leading companies, in addition to making a great contribution to the State budget, SABECO strives to help create jobs for workers in provinces and cities nationwide, improve people's living conditions, and contribute to the sustainable development of communities and localities through 5 key areas: Public Health, Art & Culture, Community Development, Education, and Sports.

ENVIRONMENT

SABECO commits to complying with environmental protection laws, actively participates in responding to climate change and reducing greenhouse gas emissions, along with focusing on finding solutions and initiatives for continuous improvements to minimize environmental impacts and effectively use resources, raw materials, packaging, energy, and water.

GOVERNANCE & ECONOMY

SABECO focuses on strengthening corporate governance and maintaining an efficient management system, complying with current laws and regulations, ensuring business efficiency to contribute sustainably to the economy as well as committing to a transparent implementation of sustainable development.

Sustainability Policy

Keep the balance of economy, society and environment, including stakeholders who are working towards the implementation of sustainable growth of the business.

Adhere to the good conduct of its business and risk management by covering all dimensions that have an impact on an appropriate manner in business operation and compliance with applicable laws and regulations.

Commit and conduct sustainable performance transparently for continuous development.

Place importance on and care of the quality and safety of the food chain by serving consumers healthy and safety products, with the responsibility to society and environment.

Reduce the impacts from the implementation of the Corporation's value chain to align with the growth of the business by covering dimensions of society, environment, and occupational health and safety.

Support the development of innovation and technologies to sustain operations, deliver growth and shape the future for the Corporation.

Recognize the importance of natural resources and the environment by encouraging the use of resources effectively along with developing innovation and technologies in order to increase efficiency and reduce any environmental impact.

Compliance with the sustainability policy throughout the Corporation's value chain.

• Corporate Social Responsibility Policy

SABECO have committed to maintaining the highest standards of corporate social responsibility in business activities through the following principles:

- Create product excellence and provide consumers with better and higher standard products.
- Create greater value and deliver more sustainable returns to shareholders.
- Enlarge opportunities for employees.
- Focus on the development of corporate excellence, i.e., creating values and being a role model for the society and all stakeholders.

SABECO has applied this policy through activities with different short-term and long-term strategic goals in order to promote positive changes to the society, community and environment, improve SABECO's credibility, and support sustainable business operations.

MAIN OBJECTIVES OF THE POLICY

- Affirm that corporate social responsibility is an indispensable component of SABECO's core business operations, which will bring about benefits to the community, business partners, the government, non-governmental organizations, shareholders, and the Corporation.
- Integrate citizen's rights with social responsibility that align with the Sustainable Development Goals (SDG) and the comprehensive strategy of SABECO, including the environmental policy, principles applicable to the supply chain, and the Code of Conduct applying to all business sectors of the Corporation.
- Become a Global Citizen Company through contributions to the sustainable development of communities where SABECO has business operations.
- Encourage the participation of the Board, the Management, and employees in community activities, charity programs as well as all social activities or programs sharing common objectives.
- Constantly develop, innovate and/or comply with SABECO's regulations on managing, measuring, supervising, and reporting the progress of the Corporate Social Responsibility Policy's impact on the satisfaction of relevant parties, at the same time improving the responsibility and awareness of the Board, the Management, and employees regarding the Corporation's commitments and actions for sustainable development.
- Respect and support internationally recognized human rights standards in every place where SABECO has business operations and take all measures to prevent all actions considered to be in violation of human rights.
- Consider the balance between economic, environmental, and social factors in making business decisions for SABECO, on the basis of sustainable development principles.
- Regularly address the Corporation's management track records related to social and environmental issues, including those that impact its business operations.

4Cs COMMITMENT

To become an industry-leading business and a pioneer in innovation for positive development and common prosperity, the Corporate Social Responsibility Policy focuses on the following 4Cs commitment:

CONSUMPTION



SABECO commits to cooperating with government authorities and relevant partners in raising the consumers' awareness of responsible drinking, and delivering fresh products to meet different consumers' tastes and needs while ensuring compliance with environmental and labor safety regulations.

CONSERVATION



SABECO emphasizes cutting costs and reducing water and energy consumption in business operations, also utilizing sustainable resources such as solar energy and environmentally friendly packaging materials.

COUNTRY



SABECO encourages the creativity and efforts of the Vietnamese. SABECO supports the rising spirit of Vietnam through various activities to promote the working capability of talents in Vietnam, while continuing to invest in the Corporation's brands and products to create positive values which will contribute to the overall development and prosperity of the country, thereby bringing pride to Vietnam.

CULTURE



SABECO supports activities to preserve and promote the traditional cultural values of Vietnam.

Management of Sustainable Development

The Board of Directors

- Provide an overall strategy and approve key objectives and plans for sustainable development.
- Take the highest responsibility for the sustainable development strategies of SABECO.

Subsidiaries and functional departments

- Implement sustainable development tasks assigned by the Board and the Management.

The Board of Management

- Research, build, and propose key objectives and plans for sustainable development based on the Board guidance.
- Communicate objectives and detailed plans to member companies and functional departments through task assignments and supervising the implementation.

Risk management of sustainable development

- Integrate business strategies and objectives into a sustainable development model.
- Identify and analyze short-term and long-term risks on a regular basis including risks from changes in the environment and society, and evaluate the frequency and extent of those risks in order to provide the Management with appropriate and timely recommendations.



STAKEHOLDER ENGAGEMENT

SABECO has been building and strengthening its collaborative and close engagement with all stakeholders based on trust, transparency, and mutual benefits. A strong stakeholder engagement will form a solid foundation for pursuing and maintaining the Corporation's sustainable development.

• Customers/ Consumers

Main concerns	SABECO's action	Results in 2023	Interactive channels
Product's quality and safety	<ul style="list-style-type: none"> Apply advanced science and technology to improve products 'quality and designs Comply with production standards and regulations 	<ul style="list-style-type: none"> Beer freshness was ensured in the market SABECO products won various international awards, a testament towards beer quality and continuous improvement 	<ul style="list-style-type: none"> Annual distributors conference SABECO website and social networks Via phone and emails Market visits Surveys
Customer care	<ul style="list-style-type: none"> Launch new products Expand the distribution system Launch various attractive consumer promotions Collect feedback from consumers Conduct research to meet the dynamic market demands 	<ul style="list-style-type: none"> SABECO received various positive feedback from consumers SABECO products were easy to find Brand awareness and brand equity were improved 	
Sales policies for distributors	<ul style="list-style-type: none"> Apply motivated incentive schemes 	<ul style="list-style-type: none"> Distributors were encouraged to invest in SABECO and their own businesses 	

• Shareholders/ Investors

Main concerns	SABECO's action	Results in 2023	Interactive channels
Information transparency	<ul style="list-style-type: none"> Comply with regulations of information disclosure 	<ul style="list-style-type: none"> Information was disclosed timely and sufficiently 	<ul style="list-style-type: none"> Quarterly Investor Briefings AGM SABECO website Third-party conferences Market visits / company events Via phone and emails Surveys
Benefits for shareholders and investors	<ul style="list-style-type: none"> Declare a special dividend of 15% in cash at AGM 2023 Issue 1:1 bonus shares Ensure fairness for all shareholders and investors 	<ul style="list-style-type: none"> Total dividend payout for 2022 reached 50% Shareholders will receive double dividend effectively going forward, had payout ratio maintained at 35% per year 	
Management capability and corporate value	<ul style="list-style-type: none"> Continue to restructure and improve corporate governance Enhance the overall operational efficiency 	<ul style="list-style-type: none"> SABECO received awards and recognitions for its corporate brand and products The Corporation's leading position was reaffirmed 	

• Suppliers/ Partners

Main concerns	SABECO's action	Results in 2023	Interactive channels
Long-term partnership, fairness, and openness in cooperation	<ul style="list-style-type: none"> Involve legal consulting in all contracts Ensure data confidentiality for all suppliers Select suppliers based on their qualifications, experience, and reputation Resolve conflicts on the basis of goodwill and respect Maintain and strengthen the long-term partnership between SABECO and suppliers Information sharing for better work efficiency Forward buying of raw materials for hedging purposes 	<ul style="list-style-type: none"> SABECO was considered a reliable partner for various suppliers in the market Close and mutually beneficial relationships were maintained and developed Stable and high-quality sources of raw materials were ensured Pricing was competitive and transparent 	<ul style="list-style-type: none"> Suppliers network within SABECO group of companies Negotiation meetings Virtual meetings Via phone and emails



• Employees

Main concerns	SABECO's action	Results in 2023	Interactive channels
Remuneration, welfare, training, and promotion policies	<ul style="list-style-type: none"> Apply a performance-based salary structure to ensure the competitiveness and fairness Recognize and evaluate contributions and achievements of employees Organize training courses to improve the professionalism for employees Communicate viewpoints and aspirations of employees to the Communist Party and Labor Union 	<ul style="list-style-type: none"> Employees' security and motivation were maintained Employees were supported in developing their career paths Work efficiency was comparable to salary and bonus 	<ul style="list-style-type: none"> Bi-annual Town Hall Meetings Annual training courses SABECO website Internal newsletters Meetings with the Communist Party and Labor Union
Working environment	<ul style="list-style-type: none"> Ensure a professional, collaborative, safe, and clean working environment Organize regular discussions and talks between the Management and employees Apply open-door policy Issue policies related to Corporate Occupational Health Safety, Human Rights, and Anti-Corruption Issue the Whistleblowing policy Conduct conflict of interest declaration 	<ul style="list-style-type: none"> Safety and wellness of employees were ensured Employee's communication and bonding were improved throughout the Corporation Employees were encouraged to raise their voices on suspected practices, and protected from any dangers of doing so 	

• Authorities/ Government/ Associations

Main concerns	SABECO's action	Results in 2023	Interactive channels
Compliance with the law and regulations	<ul style="list-style-type: none"> Comply with laws and regulations related to SABECO businesses Update relevant legal documents 	<ul style="list-style-type: none"> SABECO was considered one of the largest contributors to the State budget The Corporation's brand reputation and value were maintained 	<ul style="list-style-type: none"> Conferences and forums hosted by State agencies, including provincial governments Activities organized by VBA and VCCI
Support for State policies and activities	<ul style="list-style-type: none"> Participate in contributing ideas to policies and regulations that affect the production and business activities of the industry Partnership with the Ministry of Culture, Sports & Tourism Accompany Vietnam national football team at both domestic and international tournaments Carry out community projects to help improve the local economy and culture 	<ul style="list-style-type: none"> SABECO created stable jobs for local people, promoted the beauty of the country, as well as brought pride to Vietnam SABECO was one of the strategic partners of State agencies and organizations under the Central Committee 	

• Press/ Media

Main concerns	SABECO's action	Results in 2023	Interactive channels
Information and image of SABECO	<ul style="list-style-type: none"> Issue and implement regulations on public speeches and information to be given to the press Increase the number of high-quality articles given to the press and media Build and maintain strong relationships with the media, especially local newspapers 	<ul style="list-style-type: none"> SABECO news was released timely, accurately, and transparently Clear messages of SABECO were conveyed The reputation and position of the Corporation was strengthen 	<ul style="list-style-type: none"> Press releases Press conferences SABECO website and social networks Interviews Partnership programs

• Community

Main concerns	SABECO's action	Results in 2023	Interactive channels
<p>Contributions to the society</p>	<ul style="list-style-type: none"> • Launch various large-scale CSR activities • Focus on the development of young talents through youth empowerment programs and sponsorships for Vietnamese young entrepreneurs and sports talents, and other projects that contribute to national goals 	<ul style="list-style-type: none"> • The reputation and image of SABECO and Bia Saigon brand were strengthened within local communities • SABECO was recognized as a strategic partner who plays a major role in community sustainable development projects • Young talents had more opportunities to improve their capability, contributing to their hometown's development 	<ul style="list-style-type: none"> • Meeting with provincial authorities • Projects of sustainable development • CSR activities • National and local media and social networks
<p>Environmental protection</p>	<ul style="list-style-type: none"> • Comply with regulations on environmental protection • Conduct various initiatives to cut down on raw materials, energy, and natural resources • Raise awareness of environmental protection among employees 	<ul style="list-style-type: none"> • Environmental impacts were minimized 	

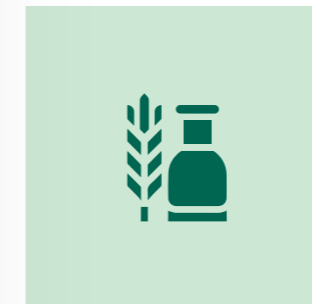


KEY HIGHLIGHTS OF 4Cs COMMITMENT

• Consumption

PRODUCT QUALITY ASSURANCE

With a system of breweries and distribution nationwide, SABECO has always been aware of its crucial duty to ensure the consistency of product quality in order to bring the best products to consumers. Raw materials are strictly managed based on the following methods:



- Meet product quality requirements in accordance with the product quality declaration as delivering quality and safe products to consumers is the main responsibility and objective of the entire quality control process across the whole system.
- Maintain the best quality for all raw materials to produce high-quality products that meet the increasing demands and expectations of consumers as well as the Corporation's requirements of improving the effectiveness of the quality management system.
- Issue specific quality inspection and determination methods for each type of raw materials and ensure strict compliance throughout the entire quality control process.
- Control raw materials, semi-finished goods, and finished goods through stringent technical requirements, based on Vietnam's applicable laws, regulations, standards, international practices, and reference information from specialized organizations in the field of food and beverage such as the European Brewery Convention (EBC), Mitteleuropäische Brautechnische Analysenkommision (MEBAK), American Society of Brewing Chemists (ASBC), and Deutsches Institut für Normung (DIN). Ingredients that affect product quality, food hygiene and safety such as barley malt, hops, cans, ends, bottles, crown corks, etc., have been purchased directly from suppliers, which means the quality control of raw materials has been assured before re-distributing to breweries. Auxiliary ingredients, which do not affect the beer quality, food safety and hygiene, have been purchased by breweries in accordance with the list of suppliers, brands, and technical requirements approved by SABECO.
- Continuously update if there are any changes in production (e.g. new materials, new production technique...) and sustain production efficiency.
- Conduct training courses to improve the knowledge and skills in quality control as well as implement periodical programs to evaluate employee capacity and quality control effectiveness to continuously improve the current quality management system.
- Work closely with suppliers to ensure the source of raw materials with stable quality.
- Set up specialized laboratories with a full range of modern equipment to fully analyze the technical requirements of input materials such as Skalar malt analyzer, HPLC, GC and Trumac nitrogen analyzer. All inputs have been subject to "Qualified" certification issued by the Quality Control Department before being put into use. This "Qualified" certification has taken into account the right supplier, the right country/origin of production under the approved list, and requirements of quality, food safety, and environment under relevant regulations.
- Conduct relevant risk management for the Corporation's supply chain, including periodically reviewing suppliers at their manufacturing sites to ensure process compliance among the related parties.

48

Brewmasters across the whole system

The Corporation has issued and applied a self-contained and highly automated production process which is managed by a team of experienced technical engineers and Brewmasters to ensure product quality. Several technical staffs attended Brewmaster courses in the United States and Germany. In 2023, SABECO had a total of 48 Brewmasters across the whole system. SABECO has also invited many reputable organizations and specialists to provide technical training for managers and plant operators to improve their skills. In addition, technicians also participated in advanced training courses on yeast propagation, chemical and microbiology analysis, beer sensory analysis, maintenance and management systems and management systems according to international standards, along with technical seminars the on beer and beverage industry to access and continuously update advanced techniques around the world.

26 breweries have achieved reputable certificates of ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 22000 (Food Safety Management System) and HACCP (Hazard Analysis and Critical Control Points). In addition, the breweries have had laboratories accredited with ISO 17025 to ensure beer quality throughout the entire system. Some breweries have also achieved ISO 50001 (Energy Management System) in 2023, while all employees have been trained frequently on labor safety, food hygiene and safety as required by the law.



ISO 9001

Quality Management System

ISO 22000

Food Safety Management System

HACCP

Hazard Analysis and Critical Control Points

ISO 14001

Environmental Management System

ISO 50001

Energy Management System

ISO 17025

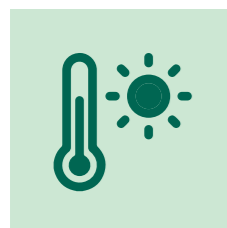
General requirements for the competence of testing and calibration laboratories



• Conservation

ENVIRONMENTAL PROTECTION

CLIMATE CHANGE



As an enterprise that commits to investing in business activities together with sustainable development, SABECO has always focused on its roles and responsibilities in environmental protection, especially in the context of climate change being one of the biggest challenges of the world. Therefore, the Corporation has proactively implemented various green initiatives as well as encouraged stakeholders to mitigate short-term and long-term negative impacts on the environment through the following guidelines:

Ensure compliance with environmental legislation.

Set a clear target for environmental protection manners such as reduction of water consumption, energy consumption, pollutant emissions, effluents, and waste.

Continuously review and rectify the Corporation's performance which may affect the environment, especially the matter which may affect nature and climate change.

Develop and implement the environmental protection policy and have the environmental management system in accordance with national and international standards.

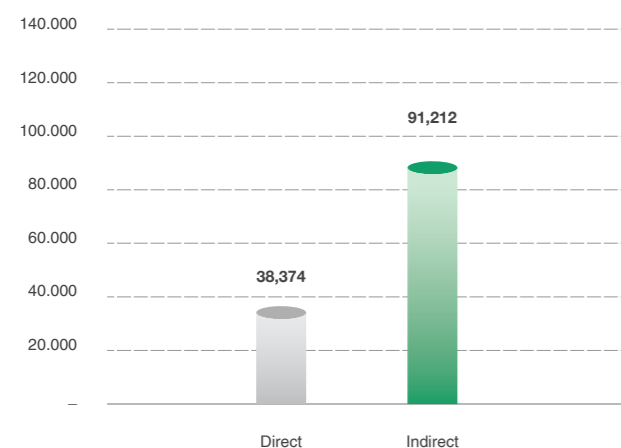
Implement the sustainable development of packaging by using returnable glass bottles, recycled cullet and aluminum can, and eco-friendly packaging design, reducing the materials consumption from natural resources.

Encourage to continuously improve the environmental management of the production process to prevent and mitigate negative impacts on the environment and climate change.

Issue internal regulations to guide good environmental management, implement manners to reduce the impact of climate change, and do the best practices among companies in the group.

Encourage the efficient and conservative use of natural resources to keep the balance of the environment and society.

The total amount of greenhouse gas emissions from SABECO breweries in 2023 (unit: tCO₂e)



Initiatives for reducing greenhouse gas emissions

- Switch from diesel forklifts to liquefied petroleum gas forklifts which are eco-friendly.
- Use BIOMASS boilers instead of fossil fuel boilers.
- Invest in rooftop solar energy for breweries within the system.
- Utilize downgauging and recyclable packaging.

RAW MATERIALS CONSUMPTION

Raw materials consumption 2023 vs 2022:

	Malt	Rice	Hops extract	Hops pellets
	-16.9%	-15.2%	-22.3%	-16.6%
	Crown cork	Cans	Carton	
	-24.6%	-13.7%	-14.0%	

In general, raw materials and packaging consumption decreased compared to 2022 due to SABECO being proactive in controlling raw materials usage throughout the entire production process at all breweries to achieve a modern and effective management solution, along with continuously researching and adopting new initiatives towards global sustainable development goals. Specially, the sharp decrease in packaging wastage came from standardizing equipment maintenance procedures across the system, ensuring the stability of all equipment in production operations, minimizing incidents and reducing defective products, saving raw materials and optimizing the overall efficiency. SABECO also focused on raising awareness of reasonable use of raw materials for all employees by strictly following internal sustainable development goals, which played an important role in effectively implementing raw materials control.

In the context of economic recession and political instability in Europe leading to a shortage of raw materials for beer production, SABECO has flexibly changed and diversified the Corporation's supply of raw materials to ensure a stable production. The Production team has built data collection systems and intuitive quantitative reports to be able to communicate the raw material usage situation of each brewery and the entire system as well. On that basis, breweries set quantitative goals and specific action programs that were appropriate to their actual production situation in order to closely monitor, supervise, and continuously evaluate their raw materials usage to achieve their goals.

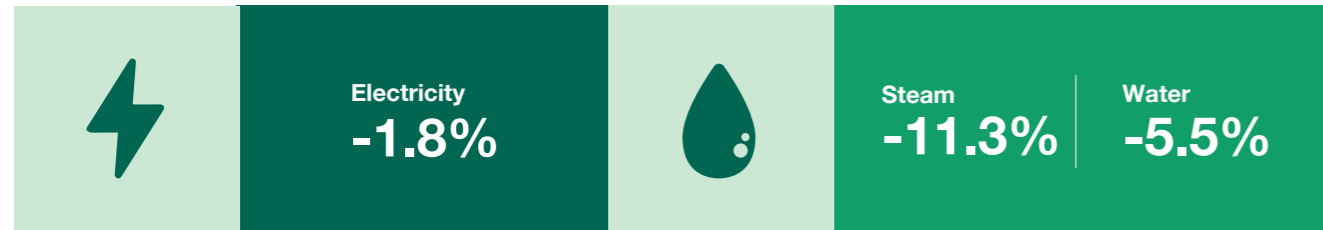
SABECO actively implemented improvements in equipment and production processes to enhance the efficiency of raw materials usage. At the same time, the Corporation's experts and engineers continued to attend in-depth training programs on modern beer production technology and equipment, share information and provide technical support among breweries when there was a need to improve or optimize production process and equipment to increase the overall operating efficiency.

In addition, SABECO issued KPIs (Key Performance Indicators) related to raw materials norms for breweries and relevant departments to continuously monitor and evaluate as well as ensure the effective management of raw materials usage across the system, thereby contributing to fulfilling the Corporation's sustainable development goals.

Initiatives for saving and using raw materials effectively

- Research on using nitrogen gas to replace CO₂ in beer production, thereby saving CO₂.
- Improve the management of CO₂ recovery and utilization system.
- Improve the beer filtration process to prolong filtration cycle, reduce waste of beer, and filter aid powder.

ENERGY AND WATER



In 2023, SABECO made efforts to research and apply various saving initiatives to reduce energy and water norms (calculated per 1,000 liters of beer) compared to 2022.

Initiatives for saving energy

- Maintain and upgrade machinery, technology, and infrastructure to save energy.
- Adjust the aeration time of aeration tanks in the wastewater treatment area.
- Use compressed air to blow dry the bottom of cans in the extraction area.
- Automatically stop the wrapping machine when there is no load.
- Invest in the inverter running air compressor.
- Reduce the evaporation rate of wort boiling kettles.
- Pipes insulation and heat exchangers.
- Utilize the exhaust fumes of coal boilers to dry the waste filter powder from the beer filtration system.
- Insulate the hot chamber of the bottle/can sterilizer to save steam.
- Recover residual heat from the boiling pot and raise the temperature of hot water.
- Circulate and reuse water in surge chamber.
- Maintain the number of empty fermentation tanks to reduce power loss during operation.
- Invest in a high-pressure plate-frame press to save on electricity and costs of transporting and treating sludge.
- Optimize the operation of the compressed air system, separate the compressed air system to remove dust to save electricity.
- Use BIOMASS boilers from plant materials (e.g., rice husks, sawdust, cashew shells and leaves).
- Invest in rooftop solar power systems.
- Streamline the operating process of the CO₂ capture system.
- Produce cold water during off-peak and normal hours for peak-hour use.
- Recover energy from the CO₂ vaporization process.
- Renovate the control room of the cooling system to create air convection.
- Improve the operation process of the refrigerant air dryer of air compressors.
- Centralize condensers of the cooling system.

Initiatives for saving water

- Recover and reuse water.
- Recover and reuse rainwater.
- Renovate the vacuum pump cooling system.
- Adopt the improved cleaning-in-place (CIP) system to reduce water usage compared to the initial CIP process.
- Reduce the water pressure of the bottle washer to an appropriate level to clean bottles and save water.
- Use heat pumps to limit the discharge of water in pasteurizers.
- Recover all condensates and return to the boiler.
- Recover and de-alkaline concentrate water for the RO water filtration system.

SABECO has developed plans for the efficient use of energy and water sources for each brewery with specific criteria, as well as applying the 3R (Reduce – Reuse – Recycle) formula to appropriately save energy and water, bringing high economic efficiencies to the system. Wastewater treatment systems for reuses of plant watering and cleaning have been invested to meet SABECO's goal of enhancing water protection. In addition to controlling the actual use of energy and water, the Corporation has invested in modern equipment and technology systems that consume less energy during operation and production processes.

To invest in renewable energy and protect water sources, SABECO has approached sustainable development programs of the United Nations as well as aggressively invested in projects to make use of renewable energy sources and reuse water in the production process. By the end of 2023, 11 breweries have installed rooftop solar panels, which accounted for 7% of electricity used in production.





ADVANCED TECHNOLOGY



SABECO has been constantly improving and applying modern technology and equipment in production processes.

One of the factors leading to SABECO's success today is its boldness in investing and applying science and technology to production and environmental protection. Placing technologies and techniques as foundations of the Corporation's competitive and development strategies, SABECO breweries have been equipped with state-of-the-art machinery and equipment imported from European industry leaders such as Kronos AG, KHS, etc., integrated into a highly automated production system to reduce energy consumption.

SABECO has been constantly improving and applying modern technology and equipment in production processes. Since 2017, the breweries have been equipped with equipment for checking bottles, codes, testing labels, and CO₂ stripping equipment to ensure the quality of fresh beer being delivered to consumers. Investments have been made in membrane filtration systems (without the use of filter aid powder) to reduce solid waste emissions to the environment, protect operators' health, and reduce the consumption of inputs (e.g., electricity, water, chemicals, solvents, etc.)

The Corporation has applied a system of uniform standards and regulations to all breweries, and to the entire production process from raw materials to finished goods to meet both Vietnamese and SABECO's standards of beverage products.

INVESTMENT IN WASTEWATER AND WASTE TREATMENT SYSTEM



Wastewater from all breweries has met the QCVN 40:2011 standard (type A or B) before being discharged into the environment or the wastewater collection systems of industrial zones. The monitoring of the wastewater environment has been regularly conducted to be in line with the approved frequency as stated in environmental impact assessment reports.

In addition, the breweries have had silos containing spent grains and scrap packaging. Domestic waste has always been stored in covered bins and waste storage before being processed. For hazardous waste, there are contractors who deal with transport and treatment. The system of collecting and fermenting microorganism sludge from the wastewater treatment system has also been invested to generate electricity and make compost.

ENVIRONMENTAL MANAGEMENT SYSTEM



All breweries have been approved for the Environmental Impact Assessment/ Environmental Protection Commitment/ Environmental Protection Scheme, and achieved the certificate of the environmental management system according to ISO 14001:2015.

Environmental documents including procedures, appendices, and instructions for control and operation related to the environment have been issued and are required for all member companies to commit to and organize audits every six months to ensure compliance.

- Country

ACCOMPANYING THE DEVELOPMENT OF SPORTS IN VIETNAM

SUPPORTING NATIONAL ATHLETES



Awarded to outstanding athletes and coaches:

230
million VND

Accompanying the "Vietnam Sports Glory" campaign organized by the General Department of Sports and Physical Training in March 2023, SABECO awarded VND230 million to 23 outstanding athletes and coaches in 2022 from a wide range of sports such as athletics, swimming, football, and weightlifting, who have made significant contributions to the overall achievements of Vietnamese sports.

Awarded to Gold medal winners at SEA Games 32

2.89
billion VND

In July 2023, SABECO and Bia Saigon together with the Vietnam Sports Delegation honored and awarded VND2.89 billion to athletes who won Gold Medals at SEA Games 32. This was also a sequence of the "Vietnam Wins Gold" initiative which SABECO coordinated with

the Ministry of Culture, Sports, and Tourism and the General Department of Sports and Physical Training to call on the community to cheer for national players at SEA Games 32.

In addition, Bia Saigon also cooperated with ViewFinder, a film production company, to publish a documentary called "Vietnam - Where are you?", reflecting the inspiring journey to the 2023 World Cup of the National Women's Football Team, thereby encouraging and recognizing the team's achievements, while spreading the spirit of perseverance and constant efforts to pursue their dream of bringing glory to the country.

NATIONAL 7-A-SIDE FOOTBALL- BIA SAIGON CUP 2023

Being a long-term supporter of Vietnamese sports, SABECO and Bia Saigon have always strived to make practical contributions to Vietnamese sports. Realizing the importance of developing professional tournaments in local areas, Bia Saigon continued to accompany the National 7-a-side football, Bia Saigon Cup 2023 (season 4) as the main sponsor in collaboration with Vietfootball. Bia Saigon Cup 2023 continued to capture the hearts of many football lovers and spectators, was fueled with fiery passion and sportsmanship of competing teams across provinces, and created a playground for young players to showcase their talents while encouraging a healthy lifestyle in local communities.



SUPPORTING THE DEVELOPMENT OF VIETNAMESE YOUNG TALENTS

YOUTH EMPOWERMENT

300+

Young people attended



As a responsible corporate citizen and a reliable partner in practical initiatives and projects to bring opportunities to the younger generation to develop their potentials, in 2023, SABECO collaborated with the Central Youth Union to organize a series of programs including in-depth training sessions with the participation of economic experts and leading enterprises to foster knowledge and share experience on entrepreneurship and digital transformation for more than 300 young people in Khanh Hoa, Can Tho, and Ha Nam. The programs aimed to enhance the competitiveness of rural youth and connect them with potential investors and partners, while providing more access to the latest digital transformation technologies, thereby contributing to improving their business models and promoting the development of Vietnamese brands.

LUONG DINH CUA AWARD



Luong Dinh Cua Award is an annual event to recognize, praise, and honor rural youths with outstanding achievements in production, business, technology, occupational development, environmental protection, and rural construction. In 2023, SABECO continued to cooperate with the Central Committee of Ho Chi Minh Communist Youth Union and the People's Committee of Soc Trang province to organize the 18th Luong Dinh Cua Award Ceremony and award the Startup Project Contest of Rural youth in 2023. With outstanding achievements in the fields of business, entrepreneurship, and production, contributing to solving employment problems and bringing many positive values to the local socio-economic development, 42 young people and 9 excellent startup projects of rural youth were awarded at the ceremony.

PROMOTING ECONOMIC DEVELOPMENT AND POSITIVE LIVING ENVIRONMENT FOR THE COMMUNITY

"LIGHT UP THE RURAL"

Launched in July 2022, "Light up the rural" was one of the key cooperation projects between Bia Saigon and the Central Youth Union to support Vietnam's green growth goals (2021 – 2023), and the National campaign of facilitating new rural areas for the 2021 – 2025 period. In May 2023, phase 1 was completed with the installation of 34 km of solar streetlights, thereby improving the infrastructure in 34 rural areas and contributing to a safer living environment for more than 210,000 households, as well as indirectly supporting hundreds of thousands of people in neighboring areas.

Moving to Phase 2, the project will be expanded with an additional 39 km of solar streetlights in 29 provinces, expected to be completed in early 2024, contributing to creating positive values for the community and the overall socio-economic development of Vietnam.

39 km

Solar streetlights



29

Provinces



"FOSTERING SPORTS"

Handed over

10

community sport playgrounds



In order to encourage the spirit of sports and contribute to promoting a healthy and active lifestyle in the community, the "Fostering Sports" project committed to upgrading and building 30 community sport playgrounds in 30 provinces and cities nationwide over a 3-year period (2022 – 2024). By August 2023, the project completed and handed over 10 community sport playgrounds in Thai Binh, Khanh Hoa, Bac Giang, Binh Dinh, Tuyen Quang, Dak Lak, Soc Trang, Dong Thap, Thanh Hoa, and Nghe An provinces.

TIEN PHONG MARATHON NATIONAL CHAMPIONSHIP

SABECO and Bia Saigon accompanied the 64th Tien Phong Marathon National Championship held from March 24 – 26, 2023 in Lai Chau City, marking 3 consecutive years that SABECO has stood side by side with one of the most professional, long-standing and large-scale tournaments in Vietnam. The tournament attracted more than 4,000 amateur and semi-professional participants along with national athletes. In addition to the official competition, the tournament also organized extra running events for students, youth union members, armed forces, workers and locals in Lai Chau with the participation of 1,300 people. Through this tournament, SABECO and Bia Saigon reaffirmed the long-term commitment to bringing out the best of Vietnam by creating positive values for the community, including raising public awareness of the importance of regular exercising for a healthier life.



"TET SE CHIA, NAM RONG KHOI SAC" CSR CAMPAIGN

22

Tet engaging activities



25

Local authorities engaged

\$ 7.4
billion VND

25
Provinces and cities

250+
People from SABECO group of companies

10,400
Tet gifts

13

Subsidiaries engaged

As an effort to continue the meaningful Tet programs which SABECO and Bia Saigon carry out annually, from January 6, 2024 to February 5, 2024, the community program called "Tet Se Chia, Nam Rong Khoi Sac" was launched with the participation of employees throughout SABECO's system, Youth Unions, and local authorities to award Tet gifts to local people across the country.

In the context of global economic slowdown impacting Vietnam's recovery in 2023, the program specifically focused on supporting workers who were affected by job cuts, along with fishermen in areas affected by climate change, border and coastal guards working tirelessly to safeguard the national sovereign territory. Through this program, SABECO together with the Central Youth Union wished to continue to honor the traditional Tet culture of Vietnamese people, spreading positiveness and solidarity to overcome difficulties in order to welcome a brighter year ahead. Besides, SABECO also showed its commitment to bringing out the best of Vietnam and contributing to the development of localities where SABECO has been operating.

• Culture

JOINING HANDS TO PROMOTE THE CULTURE AND TOURISM OF VIETNAM

VIETNAM CULTURE AND FOOD FESTIVAL 2023

80

Culinary booths

30,000+

Visitors

As a leading enterprise in response to the national strategy of accelerating Vietnam's economic and tourism recovery after the Covid-19 pandemic, from April 28 – 30, 2023, SABECO and Bia Saigon brand accompanied the Vietnam Culture - Food Festival in Quang Tri with activities honoring the diversity and uniqueness of North – Central – South cuisines through more than 80 culinary booths with the participation of leading Vietnamese culinary experts. The festival attracted a total number of over 30,000 visitors, providing an opportunity for Quang Tri province in particular and Vietnam in general to introduce and promote cultural, culinary, and tourism values to domestic and foreign tourists, thereby boosting a deeper international integration and enhancing the position and image of Vietnam.



HUMAN CAPITAL DEVELOPMENT

Along with its business activities, SABECO has always placed employees at its core as the Corporation believes that people play a vital role in sustaining development for enterprises, as well as respects diversified values and dedications from all employees who have contributed to the success of SABECO thus far. In order to maintain the leading position in Vietnam and reach out to international markets, SABECO has always focused on building and fortifying its "WARM" workforce along with creating a professional, motivated, dynamic, and fair working environment, thereby boosting the Corporation's competitive advantages and strengthening engagement with employees



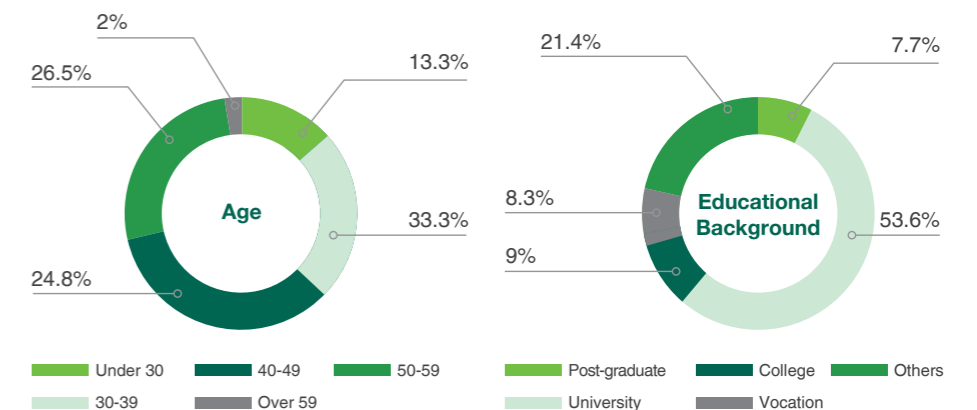
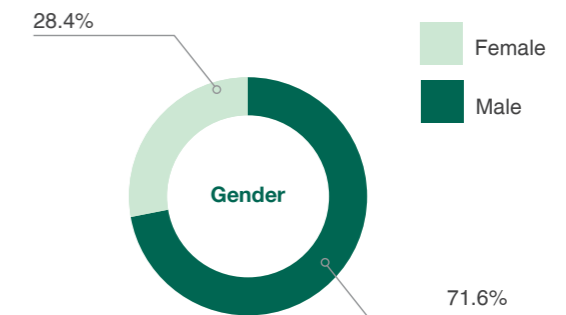
The comprehensive transformation has brought SABECO, a Vietnamese organization with its long-standing culture, an opportunity to reach out and adopt global practices, i.e., Global Values. The program with three key elements including Collaboration - Creating Values - Caring for Stakeholders, has been designed with intentions to engage and connect all employees as well as promote solidarity and trust while working towards common goals, thereby bringing out the best in employees and at the same time, creating sustainable values for the Corporation.

• Overview of labor force

Total number of employees

8,139

Employees (according to the latest Audited Consolidated Financial Statements, in which 738 are direct employees of the Corporation)



Recruitment

88

New staff in 2023

SABECO has always looked for talented, dedicated and hardworking employees, who would most likely fit into the Corporation's culture.

In 2023, SABECO recruited a total of 88 new employees spanning across different departments. The "Onboarding Program for Newcomers" has been designed to help new hires familiarize themselves with the way of working in SABECO, important policies, and the Corporation's organizational culture. In addition, newcomers have also received active guidelines and timely support from the Human Capital team during their probation periods, so that they can quickly adapt to the new working environment and do their best. SABECO also guided its member companies through the recruitment process and standard salary package for newcomers for a consistent and professional recruitment process.



Recruitment plan

SABECO arranges appropriate recruitments based on the approved annual business plan and personnel demand of each functional department.



Recruitment method

Admission tests and direct interviews with the Human Capital team and line managers.

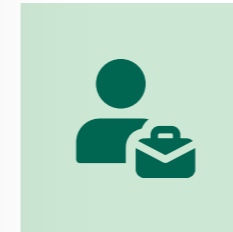


Recruitment notice

Detailed information will be posted on recruitment channels.



Remuneration and welfare



SABECO has placed high importance on creating a performance-based culture, meaning the new salary structure has been strictly related to job positions and individual performance in order to motivate employees to work hard and perform well. In terms of bonus, it has now been distributed based on task completion, as well as the performances of individuals and the Corporation as a whole. Besides, SABECO has also offered extra allowances to help facilitate employees' best performances.

Apart from regular employees' benefits under the law such as social insurance, health insurance and 24-hour accident insurance, SABECO has constantly improved its welfare regimes through various activities such as extra health insurance, outing trips, birthday and holiday gifts. In addition, SABECO has also taken good care of employees' relatives such as giving gifts to their children on the occasions of International Children's Day or End of the School Year.

Training

In 2023, SABECO continued to implement a thorough training process for functional departments and its two owned breweries to ensure a uniform management mechanism across all business units as well as develop competencies for all levels of staff. The total number of training hours of the Corporation was 14,611 hours.



• Safety and healthy working environment



SABECO has always aimed to constantly improve its working environment and mitigate workplace risks in order to ensure occupational safety and health for all employees as well as facilitate them for performance optimization.

The Corporation has complied with occupational safety laws and regulations and opted for high standards of occupational health and safety, and shall work hard to prevent accidents, injuries, and work-related illnesses from happening during its operation.

In addition, SABECO has also issued the Whistleblowing policy to encourage all employees to report any suspected wrongdoings or dangers at work that are harmful to the Corporation's interests, health and safety of people or the working environment. SABECO has advocated for employees to raise their concerns in good faith, even if they are caused by misunderstandings, and reasonable measures shall be taken to protect employees from detriment, retribution, or harassment from doing so.

• Human right

SABECO has always operated in compliance with both Vietnamese and international human rights principles and labor standards, including the United Nations Universal Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. All executives and employees in the entire system are required to comply with the Corporation's human rights policy, including:



DISCRIMINATION AND HARASSMENT

SABECO has opted against harassment and discrimination on race, gender, color, language, religion, political opinion, social origin, union affiliation, sexual orientation, age, or other personal characteristics. Decisions related to all employees shall be based on the provisions of relevant laws and regulations.

FORCED LABOR AND CHILD LABOR

SABECO has prohibited forced labor. The use of prison labor and bonded labor is strictly forbidden. All employees have the right to withdraw from employment given their withdrawals comply with relevant laws and regulations and their labor contracts. The Corporation has also prohibited any employment and exploitation of child labor in its workplace and will give no tolerance towards such acts. Instead, SABECO has engaged youngsters in apprenticeship programs for the purpose of capability and talent development.

FREEDOM OF ASSOCIATION

SABECO has respected the employees' right to join or not to join a trade union, labor union, or another organization of their choice to bargain collectively on their mutual interests in accordance with the law.

WORKING HOURS

SABECO has urged its employees to have a balance between work and personal life. The Corporation's working hours and overtime shall comply with the Labor Code, applicable laws and regulations related to salary, remuneration, and other benefits. In general, all employees shall be entitled to at least one day off per week.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS



210.95
149.16
3.26
1.41%

CORPORATE INFORMATION

Enterprise Registration Certificate No.	0300583659	29 February 2012
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The Company's Enterprise Registration Certificate ("ERC") has been amended several times, of which the most recent one is ERC No. 0300583659 dated 22 December 2023. 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. Le Thanh Tuan	Member
	Ms. Ngo Minh Chau	Member

Board of Management	Mr. Tan Teck Chuan Lester	General Director (from 1 October 2023)
	Mr. Neo Gim Siong Bennett	General Director (until 30 September 2023)
	Mr. Koo Liang Kwee	Deputy General Director
	Ms. Teoh Kim Wei	Deputy General Director (until 31 March 2024)
	Mr. Ng Kuan Ngee Melvyn	Deputy General Director
	Mr. Lam Du An	Deputy General Director Saigon - Nguyen Chi Thanh Brewery's Director

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

Legal Representative	Mr. Koh Poh Tiong	Chairman
	Mr. Tan Teck Chuan Lester	General Director (from 1 October 2023)
	Mr. Neo Gim Siong Bennett	General Director (until 30 September 2023)

Registered Office	No. 187, Nguyen Chi Thanh Street Ward 12, District 5, Ho Chi Minh City, Vietnam
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Auditor	KPMG Limited Vietnam
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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Saigon Beer - Alcohol - Beverage Corporation (“the Company”) presents this statement and the accompanying consolidated financial statements of the Company and its subsidiaries (collectively “the Group”) for the year ended 31 December 2023.

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

- (a) the consolidated financial statements set out on pages 5 to 72 give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorised the accompanying consolidated financial statements for issue.

On behalf of the Board of Management



Tan Teck Chuan Lester
General Director

Ho Chi Minh City, 28 March 2024

INDEPENDENT AUDITOR’S REPORT

To the Shareholders Saigon Beer - Alcohol - Beverage Corporation

We have audited the accompanying consolidated financial statements of Saigon Beer - Alcohol - Beverage Corporation (“the Company”) and its subsidiaries (collectively “the Group”), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Management on 28 March 2024, as set out on pages 5 to 72.

Management’s Responsibility

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

Auditor’s Responsibility

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

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

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

Auditor’s Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Saigon Beer - Alcohol - Beverage Corporation and its subsidiaries as at 31 December 2023 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.



KPMG Limited’s Branch
in Ho Chi Minh City Vietnam
Audit Report No.: 23-01-00360-24-4
Ho Chi Minh City, 28 March 2024

Trieu Tich Quyen
Practicing Auditor Registration
Certificate No. 4629-2023-007-1
Deputy General Director

Chang Hung Chun
Practicing Auditor Registration
Certificate No. 0863-2023-007-1

Consolidated balance sheet as at 31 December 2023

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2023 (VND)	1/1/2023 (VND)
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		26,553,405,591,714	26,860,224,573,663
Cash and cash equivalents	110	6	5,039,908,030,600	4,069,464,160,642
Cash	111		1,423,048,778,559	985,364,551,928
Cash equivalents	112		3,616,859,252,041	3,084,099,608,714
Short-term financial investments	120		17,741,052,417,665	19,411,469,500,000
Held-to-maturity investments	123	7(a)	17,741,052,417,665	19,411,469,500,000
Accounts receivable – short-term	130		1,229,401,278,553	897,692,694,315
Accounts receivable from customers	131	8	467,366,764,227	337,852,269,601
Prepayments to suppliers	132		33,281,517,536	68,059,544,421
Other short-term receivables	136	9(a)	1,024,557,397,376	787,397,107,956
Allowance for doubtful short-term debts	137	10(a)	(295,804,400,586)	(295,616,227,663)
Inventories	140	11(a)	2,317,504,988,808	2,193,521,139,336
Inventories	141		2,393,084,700,363	2,272,494,533,814
Allowance for inventories	149		(75,579,711,555)	(78,973,394,478)
Other current assets	150		225,538,876,088	288,077,079,370
Short-term prepaid expenses	151	12(a)	172,231,752,858	181,976,694,088
Deductible value added tax	152		39,069,181,550	83,098,195,190
Taxes receivable from State Treasury	153	20(b)	14,237,941,680	23,002,190,092
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		7,503,219,247,991	7,604,851,042,093
Accounts receivable – long-term	210		34,701,581,051	37,720,028,871
Accounts receivable from customers – long-term	211		5,948,610,516	5,948,610,516
Other long-term receivables	216	9(b)	35,152,681,051	46,171,128,871
Allowance for doubtful long-term debts	219	10(b)	(6,399,710,516)	(14,399,710,516)

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

	Code	Note	31/12/2023 (VND)	1/1/2023 (VND)
Fixed assets	220		3,969,724,119,615	4,454,982,147,731
Tangible fixed assets	221	13	2,889,608,860,338	3,368,981,633,235
• Cost	222		11,488,317,326,965	11,440,080,558,923
• Accumulated depreciation	223		(8,598,708,466,627)	(8,071,098,925,688)
Finance lease tangible fixed assets	224	14	157,031,248,423	162,261,801,964
• Cost	225		173,582,726,065	173,582,726,065
• Accumulated depreciation	226		(16,551,477,642)	(11,320,924,101)
Intangible fixed assets	227	15	923,084,010,854	923,738,712,532
• Cost	228		1,114,711,740,504	1,104,146,819,271
• Accumulated amortisation	229		(191,627,729,650)	(180,408,106,739)
Investment properties	230	16	279,064,752,080	153,128,987,010
• Cost	231		311,098,622,085	182,935,850,984
• Accumulated amortisation	232		(32,033,870,005)	(29,806,863,974)
Long-term work in progress	240		143,919,308,285	133,548,179,000
Construction in progress	242	17	143,919,308,285	133,548,179,000
Long-term financial investments	250		2,287,392,366,503	2,214,115,381,757
Investments in associates and jointly controlled entities	252	7(c)	2,230,183,930,616	2,187,829,955,465
Equity investments in other entities	253	7(c)	434,314,271,916	434,314,271,916
Allowance for diminution in the value of long-term financial investments	254	7(c)	(416,325,836,029)	(410,128,845,624)
Held-to-maturity investments	255	7(b)	39,220,000,000	2,100,000,000
Other long-term assets	260		788,417,120,457	611,356,317,724
Long-term prepaid expenses	261	12(b)	550,304,398,466	383,451,267,863
Deferred tax assets	262	18	206,419,744,522	208,458,818,061
Long-term tools, supplies and spare parts	263	11(b)	31,692,977,469	19,446,231,800
TOTAL ASSETS (270 = 100 + 200)	270		34,056,624,839,705	34,465,075,615,756

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

Consolidated balance sheet as at 31 December 2023 (continued)

	Code	Note	31/12/2023 (VND)	1/1/2023 (VND)
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		8,571,466,944,838	9,874,229,696,363
Current liabilities	310		8,224,608,450,196	9,213,862,412,096
Accounts payable to suppliers	311	19(a)	2,476,372,806,838	2,766,280,031,591
Advances from customers	312		44,800,935,324	36,931,211,976
Taxes payable to State Treasury	313	20(a)	1,358,515,637,834	1,621,018,056,957
Payables to employees	314		235,426,444,878	190,033,628,709
Accrued expenses	315	21	486,177,414,768	514,267,263,343
Unearned revenue – short-term	318		-	229,844,154
Other payables – short-term	319	22(a)	2,898,696,098,647	3,204,086,244,845
Short-term borrowings and finance lease liabilities	320	23(a)	530,129,396,183	658,625,815,321
Provisions – short-term	321		119,220,000	-
Bonus and welfare fund	322	24	194,370,495,724	222,390,315,200
Long-term liabilities	330		346,858,494,642	660,367,284,267
Long-term accounts payable to suppliers	331	19(b)	100,000,000	120,060,956,800
Other payables – long-term	337	22(b)	55,725,069,062	55,421,713,745
Long-term borrowings and finance lease liabilities	338	23(b)	170,828,414,155	374,432,513,250
Deferred tax liabilities	341	18	50,792,760,595	36,557,237,521
Provisions – long-term	342	25	69,412,250,830	73,894,862,951

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

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2023 (VND)	1/1/2023 (VND)
EQUITY (400 = 410)	400		25,485,157,894,867	24,590,845,919,393
Owners' equity	410	26	25,485,157,894,867	24,590,845,919,393
Share capital	411	27	12,825,623,720,000	6,412,811,860,000
• Ordinary shares with voting rights	411a		12,825,623,720,000	6,412,811,860,000
Other capital	414		3,208,666,226	3,208,666,226
Foreign exchange differences	417		43,954,201,299	37,136,373,047
Investment and development fund	418	28	1,122,241,373,127	1,122,241,373,127
Retained profits	421		10,217,284,050,181	15,564,895,669,872
• Retained profits brought forward	421a		6,222,786,077,389	10,484,212,358,663
• Retained profit for the current year	421b		3,994,497,972,792	5,080,683,311,209
Non-controlling interest	429		1,272,845,884,034	1,450,551,977,121
TOTAL RESOURCES (440 = 300 + 400)	440		34,056,624,839,705	34,465,075,615,756

Prepared by:

Approved by:

28 March 2024

Hoang Thanh Van
Accountant

Tran Nguyen Trung
Chief Accountant

Koo Liang Kwee
Deputy General Director

Tan Teck Chuan Lester
General Director

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

Consolidated statement of income the year ended 31 December 2023

Form B 02 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2023 (VND)	2022 (VND)
Revenue from sales of goods and provision of services	01	31	30,706,760,090,689	35,235,899,123,781
Revenue deductions	02	31	245,392,808,474	256,815,129,946
Net revenue (10 = 01 - 02)	10	31	30,461,367,282,215	34,979,083,993,835
Cost of goods sold and services provided	11	32	21,370,004,777,980	24,208,377,066,751
Gross profit (20 = 10 - 11)	20		9,091,362,504,235	10,770,706,927,084
Financial income	21	33	1,432,568,520,354	1,090,560,762,647
Financial expenses	22	34	73,433,682,681	81,993,117,030
In which: Interest expense	23		50,214,725,919	45,517,297,000
Share of profits in associates and jointly controlled entities	24	7(c)	232,053,894,657	323,119,361,276
Selling expenses	25	35	4,479,227,839,581	4,532,068,273,139
General and administration expenses	26	36	800,691,619,935	740,665,660,468
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		5,402,631,777,049	6,829,660,000,370
Other income	31		17,484,692,469	20,990,166,318
Other expenses	32		49,706,065,223	37,232,847,726
Results of other activities (40 = 31 - 32)	40		(32,221,372,754)	(16,242,681,408)
Accounting profit before tax (50 = 30 + 40)	50		5,370,410,404,295	6,813,417,318,962
Income tax expense – current	51	38	1,099,082,811,973	1,323,982,218,726
Income tax expense/(benefit) - deferred	52	38	16,274,596,613	(10,362,877,048)
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		4,255,052,995,709	5,499,797,977,284

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

	Code	Note	2023 (VND)	2022 (VND)
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60		4,255,052,995,709	5,499,797,977,284
Attributable to:				
Equity holders of the Company	61		4,117,605,068,688	5,223,851,427,095
Non-controlling interest	62		137,447,927,021	275,946,550,189
Earnings per share				(Restated)
Basic earnings per share	70	39	3,132	3,974

Prepared by:

Approved by:

28 March 2024




Hoang Thanh Van
Accountant

Tran Nguyen Trung
Chief Accountant

Koo Liang Kwee
Deputy General Director

Tan Teck Chuan Lester
General Director

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

Consolidated statement of cash flows for the year ended 31 December 2023 (Indirect method)

Form B 03 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2023 (VND)	2022 (VND)
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit before tax	01		5,370,410,404,295	6,813,417,318,962
Adjustments for				
Depreciation and amortisation	02		570,032,022,357	561,105,325,398
Allowances and provisions	03		3,417,866,623	(375,364,909)
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04		8,344,264,858	(6,770,234,675)
Profits from investing activities	05		(1,393,861,414,492)	(1,030,693,700,071)
Shared profits in associates and jointly controlled entities	05		(232,053,894,657)	(323,119,361,276)
Interest expense	06		50,214,725,919	45,517,297,000
Operating profit before changes in working capital	08		4,376,503,974,903	6,059,081,280,429
Change in receivables and other assets	09		(39,584,410,728)	(318,889,338,291)
Change in inventories	10		(135,490,197,099)	(524,913,148,727)
Change in payables and other liabilities	11		(787,119,601,677)	739,396,642,915
Change in prepaid expenses	12		(146,695,187,651)	(94,057,434,127)
			3,267,614,577,748	5,860,618,002,199
Interest paid	14		(50,352,399,174)	(48,765,455,244)
Corporate income tax paid	15		(1,099,769,434,435)	(1,329,727,378,601)
Other payments for operating activities	17		(177,428,635,660)	(103,607,745,314)
Net cash flows from operating activities	20		1,940,064,108,479	4,378,517,423,040
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(283,734,894,513)	(533,164,261,997)
Proceeds from disposals of fixed assets	22		2,485,031,224	4,266,273,000
Placements of term deposits at banks	23		(17,562,407,857,117)	(22,641,269,675,342)

	Code	Note	2023 (VND)	2022 (VND)
Collections of term deposits at banks	24		19,195,704,939,452	20,288,539,175,342
Receipts of interests and dividends	27		1,363,536,248,562	1,013,860,242,106
Net cash flows from investing activities	30		2,715,583,467,608	(1,867,768,246,891)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		4,130,545,304,850	3,279,890,701,619
Payments to settle loan principals	34		(4,461,477,622,999)	(2,908,733,012,244)
Payments of dividends	36		(3,354,092,726,063)	(2,418,865,072,091)
Net cash flows from financing activities	40		(3,685,025,044,212)	(2,047,707,382,716)
Net cash flows during the year (50 = 20 + 30 + 40)	50		970,622,531,875	463,041,793,433
Cash and cash equivalents at the beginning of the year	60		4,069,464,160,642	3,606,454,403,209
Effect of exchange rate fluctuations on cash and cash equivalents	61		(178,661,917)	(32,036,000)
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70	6	5,039,908,030,600	4,069,464,160,642

Prepared by:

Approved by:

28 March 2024



Hoang Thanh Van
Accountant

Tran Nguyen Trung
Chief Accountant

Koo Liang Kwee
Deputy General Director

Tan Teck Chuan Lester
General Director

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

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

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

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

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

1. Reporting entity

a. Ownership structure

Saigon Beer - Alcohol - Beverage Corporation (“the Company”) was established as a State-Owned General Corporation under Decision No. 74/2003/QD-BCN dated 6 May 2003 of the Ministry of Industry (now the Ministry of Industry and Trade) by restructuring Saigon Beer Company and merging it with Binh Tay Liquor Company, Chuong Duong Beverages Company and Phu Tho Glass Company. On 11 May 2004, the Ministry of Industry issued Decision No. 37/2004/QD-BCN to restructure the Company into a parent - subsidiary structure. The Company’s operation was licenced in accordance with Business Registration Certificate No. 4106000286 issued by the Department of Planning and Investment of Ho Chi Minh City on 1 September 2006.

The Company was equitised as per Decision No. 1862/QD-TTg dated 28 December 2007 of the Prime Minister and was approved under Joint Stock Business Registration Certificate No. 4103010027 dated 17 April 2008 by the Department of Planning and Investment of Ho Chi Minh City. As at that date, the newly established joint stock company assumed control over all assets and liabilities from the former State-Owned General Corporation.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange with trading code SAB in accordance with Decision No. 470/QD-SGDHCM dated 25 November 2016 issued by the Ho Chi Minh City Stock Exchange.

The consolidated financial statements of the Company for the year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates and jointly controlled entities.

b. Principal activities

The principal activities of the Group are to produce and sell beer, alcohol, beverages and related products including material and packaging materials; to provide warehousing, logistics and transportation services; to manufacture mechanical equipment, structural steel construction, and mechanical equipment installation services; and to construct and provide real estates services.

c. Normal operating cycle

The normal operating cycle of the Group is generally within 12 months.

d. Group structure

As at 31 December 2023, the Group had 26 subsidiaries and 18 associates and jointly controlled entities (1/1/2023: 26 subsidiaries and 18 associates and jointly controlled entities) as follows:

No	Company name	Principal activities	31/12/2023		1/1/2023	
			% of equity interest	% of voting rights	% of equity interest	% of voting rights
I SUBSIDIARIES						
1	Western - Sai Gon Beer Joint Stock Company	Producing and trading beer	70.55%	70.55%	51.00%	51.00%
2	Chuong Duong Beverages Joint Stock Company	Producing and trading beverages, canned food and accessories	62.06%	62.06%	62.06%	62.06%
3	Sai Gon - Quang Ngai Beer Joint Stock Company	Producing and trading beer	66.56%	66.56%	66.56%	66.56%
4	Binh Tay Liquor Joint Stock Company	Producing and trading alcohol	93.32%	93.47%	93.32%	93.47%
5	Sai Gon - Dong Xuan Beer, Alcohol Joint Stock Company	Producing and trading beer and soft drinks	55.90%	56.24%	55.90%	56.24%
6	Saigon - Ngheinh Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	54.73%	54.73%	54.73%	54.73%
7	Saigon - Songlam Beer Joint Stock Company	Producing and trading beer and beverages; importing and exporting related materials	68.78%	68.78%	68.78%	68.78%
8	Sai Gon - Ha Noi Beer Corporation	Producing and trading beer and beverages; importing and exporting related materials	52.11%	52.11%	52.11%	52.11%
9	Sai Gon Beer Trading Company Limited	Trading beer, alcohol and beverages	100%	100%	100%	100%
10	Northern Sai Gon Beer Trading Joint Stock Compa	Trading beer, alcohol and beverages; providing transportation and warehousing services	90.00%	90.00%	90.00%	90.00%
11	Sai Gon Beer Bac Trung Bo Trading Joint Stock Company	Trading beer, alcohol and beverages; providing transportation and warehousing services	95.07%	95.07%	95.07%	95.07%
12	Saigon Beer Center Trading Joint Stock Company	Wholesale of beer, alcohol drinks; wholesale of nonalcohol drinks, wholesale of other chemicals, alcohol; trading packaging; providing cargo transportation by car	94.45%	94.45%	94.45%	94.45%
13	Saigon Beer Mien Trung Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and cargo transportation by car services	91.24%	91.24%	91.24%	91.24%
14	Sai Gon Beer Tay Nguyen Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and transportation services	90.00%	90.00%	90.00%	90.00%
15	Saigon Beer Nam Trung Bo Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and cargo transportation services	90.14%	90.14%	90.14%	90.14%

31/12/2022

1/1/2022

No	Company name	Principal activities	% of equity interest	% of voting rights	% of equity interest	% of voting rights
16	Sai Gon Beer Eastern Trading Joint Stock Company	Trading beer, alcohol and beverages; providing cargo transportation by road and waterway services	90.68%	90.68%	90.68%	90.68%
17	Song Tien Saigon Beer Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and cargo transportation by road services	90.00%	90.00%	90.00%	90.00%
18	Saigon Song Hau Beer Trading Joint Stock Company	Trading beer, alcohol and beverages; providing cargo transportation by road and waterway services	90.00%	90.00%	90.00%	90.00%
19	Sa Be Co Mechanical Co., Ltd	Manufacturing equipment used in food manufacturing, installing and maintaining machinery system and equipment	100%	100%	100%	100%
20	Saigon Soc Trang Beer One Member Limited Company (**)	Producing and trading beer, yeasty malt, mineral water, bottled purified water	70.55%	100%	51.00%	100%
21	Sai Gon Beer Northeast Trading Joint Stock Company	Trading beer, alcohol and beverages; providing warehousing and cargo transportation services	90.45%	90.45%	90.45%	90.45%
22	Sai Gon - Ha Tinh Beer One Member Company Limited	Producing and trading beer, yeasty malt, mineral water, bottled purified water	100%	100%	100%	100%
23	Sai Gon Beer Packaging Joint Stock Company	Producing and trading tin lid rings and metal packaging, packaging for food and beverage industry	76.81%	76.81%	76.81%	76.81%
24	Saigon Beer Company Limited	Wholesale of beer, alcohol and beverages	100%	100%	100%	100%
25	Saigon Beer Group Company Limited	Wholesale of beer, alcohol and beverages	100%	100%	100%	100%
26	Saigon - Lamdong Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	52.91%	52.91%	52.91%	52.91%
II JOINTLY CONTROLLED ENTITIES						
1	Me Linh Point Limited (*)	Providing office building leasing and management services	25.00%	25.00%	25.00%	25.00%
2	Crown Beverage Cans Saigon Limited	Manufacturing aluminium cans	30.00%	30.00%	30.00%	30.00%
3	Malaya - Vietnam Glass Limited	Manufacturing glass products	30.00%	30.00%	30.00%	30.00%
4	San Miguel Yamamura Phu Tho Packaging Company Limited	Manufacturing and trading metal packaging	35.00%	35.00%	35.00%	35.00%
5	Vietnam Spirits and Wine Ltd	Producing and trading alcohol and alcohol-related products	45.00%	45.00%	45.00%	45.00%

III ASSOCIATES

6	Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company (**)	Providing consulting construction and designing services	28.57%	28.57%	28.57%	28.57%
7	Truong Sa Food - Food Business Joint Stock Company	Producing agricultural products and foods	38.62%	38.98%	38.62%	38.98%
8	Saigon - Phutho Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	30.84%	33.85%	30.84%	33.85%
9	Sai Gon - Mien Trung Beer Joint Stock Company	Producing and trading beer, alcohol, beverage and spare parts	32.40%	32.41%	32.40%	32.41%
10	Tan Thanh Investment Trading Company Limited	Construction and real estates	29.00%	29.00%	29.00%	29.00%
11	Mechanical and Industrial Construction Joint Stock Company (**)	Manufacturing, installing machinery, bridges and roads and industrial construction products	26.00%	26.00%	26.00%	26.00%
12	Sai Gon - Vinh Long Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	20.00%	20.00%	20.00%	20.00%
13	Sai Gon - Kien Giang Beer Joint Stock Company	Producing and trading beer, alcohol, beverage and spare parts	20.00%	20.00%	20.00%	20.00%
14	Sai Gon - Khanh Hoa Beer Joint Stock Company	Producing and trading beer, alcohol, beverage and spare parts	26.00%	26.00	26.00%	26.00%
15	Saigon - Bentre Beer Joint Stock Company	Producing and trading beer, alcohol and beverages	20.00%	20.00%	20.00%	20.00%
16	Saigon Binh Tay Beer Group Joint Stock Company(**)	Producing, processing and trading food, beverage, beer and alcohol drinks	21.80%	22.18%	21.80%	22.18%
17	Saigon Tay Do Beer - Beverage Joint Stock Company(**)	Producing and trading beer, alcohol, beverage, soya milk and fruit juice	29.47%	34.92%	27.62%	34.92%
18	Saigon - Bac Lieu Beer Joint Stock Company(**)	Producing and trading beer, alcohol and beverages	14.11%	20.00%	10.20%	20.00%

(*) The ownership of the Group in the joint venture with Me Linh Point Limited was stated in the joint venture agreement dated 24 November 1994 between Chuong Duong Beverages Joint Stock Company ("Chuong Duong"), a subsidiary of the Company, and the counter party Centrepoint Properties Ltd., a company established in Singapore. At the equitisation of Chuong Duong in 2014, the ownership of this joint venture agreement was transferred from Chuong Duong to the Company following the approval of the Ministry of Industry (now the Ministry of Industry and Trade). According to the joint venture agreement, profit allocated to each party in the joint venture follows a schedule stated in this agreement. For the year ended 31 December 2023, the ratios are 40% and 60% (2022: 40% and 60%) for the Group and the counter party, respectively.

(**) Indirectly owned subsidiary and associates.

The percentage of equity interest represents both directly and indirectly effective equity interests of the Group in the subsidiaries, associates and jointly controlled entities. All subsidiaries, associates and jointly controlled entities are incorporated in Vietnam.

As at 31 December 2023, the Group had 8,139 employees (1/1/2022: 8,550 employees).

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

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dated 22 December 2014 of the Ministry of Finance)

2. 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.

3. 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). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss 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. The carrying amount of investments in equity accounted investees is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the income statement (such as revaluation of fixed assets, or foreign exchange translation differences, etc.).

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.

Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date.

Any goodwill that arises representing the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree is recognised in consolidated balance sheet, then amortised through to the consolidated statement of income. When the excess is negative (gain from bargain purchase), it is recognised in the consolidated statement of income for the acquired year after a reassessment has been performed to ensure that the measurement of identifiable assets acquired, liabilities and contingent liabilities assumed and the cost of the business combination appropriately reflects consideration of all available information as of the acquisition date.

b. Foreign currency

(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 rate, 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 exchange differences arising from the translation of financial statements of associate which denominated in currency other than VND are recognised in the consolidated 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 Company’s or its subsidiaries’ management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. 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 investments 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 which may cause the Group to lose their invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment’s carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(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 estimated costs to sell.

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

(ii) Depreciation

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

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

h. Intangible fixed assets

(i) Land use rights

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 13 to 50 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 repair and maintenance, is charged to the consolidated statement of income in the year in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

Depreciation

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

- land use rights 16 – 47 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 tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction 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 initially stated at costs. Returnable packaging is amortised on a straight-line basis over 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 prevailing laws and regulations, 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 Group 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 is 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 recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognised as a deduction from share premium.

o. Taxation

Income tax on the profit or loss for the year 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 year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

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

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

p. Revenue and other income

(i) Goods sold

Revenue from the sales 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. Leases

(i) Leased assets

Leases in terms of which the Group, as lessee, assumes substantially all the risks and rewards of ownership are classified as finance leases. Tangible fixed assets acquired by way of finance leases are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation.

Depreciation on finance leased assets is computed on a straight-line basis over the shorter of the lease term and the estimated useful lives of the leased assets unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. The estimated useful lives of finance leased assets are consistent with the useful lives of tangible fixed assets as described in Note 3(g).

Assets held under other leases are classified as operating leases and are not recognised in the Group's consolidated balance sheet.

(ii) 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, over the term of the lease.

Lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

r. Borrowing costs

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

s. 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 annual accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year.

The Group did not have potentially dilutive shares and therefore does not present diluted earnings per share.

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.

v. Comparative information

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

4. Segment reporting

a. Business segments

The Group's business segments are distinguished based on the principal activities as follows:

- Sales of beers;
- Sales of raw materials; and
- Other activities include sales of alcohol, beverages and other products; and provision of rental and other services.

During the year, other business activities accounted for an insignificant proportion of total revenue and operating results of the Group and the Group's assets and liabilities as at reporting dates were mainly related to beer manufacturing and trading activities. Accordingly, the financial information presented in the consolidated balance sheet as at 31 December 2023 and 1 January 2023 were mainly related to the Group's sales of beers activities. Note 31 and Note 32 disclosed breakdown of revenue and cost of sales per each category of products, which provided sufficient information as to the performance of each segment as identified above.

b. Geographical segments

The Group's geographical segments are distinguished based on the locations of customers, being the local or foreign customers, in which, export segments only accounted for an insignificant proportion of the Group's revenue and did not require a separate report. Accordingly, the financial information presented mainly reflected the business activities of the Group in the territory of Vietnam.

5. Transaction with non-controlling interests

On 27 April 2023, the Company acquired additional 2,834,750 shares of Western - Sai Gon Beer Joint Stock Company ("Western"), a directly owned subsidiary of the Company, from the existing shareholders. As a result of this transaction, the Company's equity interest in Western has increased from 51.00% to 70.55%.

The transactions with non-controlling interests have the following effects:

	(VND)
Proportionate carrying amount of net assets acquired	143,004,301,816
Consideration paid	(164,654,149,300)
Difference recorded in retained profits (Note 26)	(21,649,847,484)

6. Cash and cash equivalents

	31/12/2023 (VND)	1/1/2023 (VND)
Cash on hand	1,738,713,116	1,754,761,797
Cash in banks	1,421,310,065,443	983,609,790,131
Cash equivalents	3,616,859,252,041	3,084,099,608,714
	5,039,908,030,600	4,069,464,160,642

Cash equivalents represented term deposits at banks with original terms to maturity of three months or less. Cash equivalents were denominated in VND and earned interest at rates ranging from 2.30% to 4.00% per annum (1/1/2023: 5.50% to 6.00% per annum).

7. Investments

a. Held-to-maturity investments – short-term

Held-to-maturity investments – short-term represented term deposits at banks with terms to maturity of more than 3 months from their transaction dates but less than 12 months from the reporting date. Term deposits were denominated in VND and earned interest at rates ranging from 3.90% to 9.20% per annum (1/1/2023: 4.00% to 9.20% per annum).

b. Held-to-maturity investments – long-term

Held-to-maturity investments – long-term represented term deposits at banks with terms to maturity of more than 12 months from the reporting date. Term deposits were denominated in VND and earned interest at rate of 4.90% per annum (1/1/2023: 9.20% per annum).

c. Equity investments in other entities

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	31/12/2023		1/1/2023	
	Equity accounted/ Cost (VND)	Allowance (VND)	Carrying amount (VND)	Equity accounted/ Cost (VND)
				Allowance (VND)
				Carrying amount (VND)
Investments in associates and jointly controlled entities (i)	2,230,183,930,616	(75,707,513,102)	2,154,476,417,514	2,187,829,955,465
				(75,707,513,102)
Equity investments in other entities (ii)	434,314,271,916	(340,618,322,927)	93,695,948,989	434,314,271,916
				(334,421,332,522)
	2,664,498,202,532	(416,325,836,029)	2,248,172,366,503	2,622,144,227,381
				(410,128,845,624)
				2,212,015,381,757

(i) Investments in associates and jointly controlled entities

	31/12/2023		1/1/2023	
	Equity accounted/ Cost (VND)	Allowance (VND)	Carrying amount (VND)	Equity accounted/ Cost (VND)
				Allowance (VND)
				Carrying amount (VND)
Truong Sa Food - Food Business Joint Stock Company	4,877,957,385	(*)	(4,877,957,381)	4,877,957,385
				(*)
Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company	329,653,546	(*)	-	329,653,546
				(*)
Saigon - Phutho Beer Joint Stock Company	67,293,680,882	46,363,600,800	-	68,198,352,285
				71,094,240,000
Mechanical and Industrial Construction Joint Stock Company	6,863,792,917	(*)	-	6,863,792,917
				(*)

Saigon Tay Do Beer - Beverage Joint Stock Company	94,249,459,836	(*)	-	97,657,207,690
				(*)
Me Linh Point Limited	116,489,270,590	(*)	-	115,508,698,730
				(*)
Crown Beverage Cans Saigon Limited	700,702,322,675	(*)	-	583,115,732,032
				(*)
Malaya - Vietnam Glass Limited	316,511,068,418	(*)	-	337,365,757,373
				(*)
San Miguel Yamamura Phu Tho Packaging Company Limited	67,001,146,482	(*)	-	60,017,545,712
				(*)
Vietnam Spirits and Wine Ltd	22,831,353,000	(*)	-	37,827,987,750
				(*)
Saigon Binh Tay Beer Group Joint Stock Company	412,814,261,765	335,588,389,429	-	445,504,575,352
				(*)
Sai Gon - Mien Trung Beer Joint Stock Company	192,997,567,729	357,892,231,000	-	196,057,912,124
				429,954,315,350
Tan Thanh Investment Trading Company Limited	70,829,555,721	(*)	(70,829,555,721)	70,829,555,721
				(*)
Saigon - Baclieu Beer Joint Stock Company	37,280,572,663	19,788,568,800	-	39,038,793,663
				23,575,552,000
Sai Gon - Vinh Long Beer Joint Stock Company	45,606,308,837	(*)	-	50,022,757,187
				(*)
Sai Gon - Kien Giang Beer Joint Stock Company	-	(*)	-	288,988,004
				(*)
Sai Gon - Khanh Hoa Beer Joint Stock Company	47,812,472,419	(*)	-	47,826,134,802
				(*)
Saigon - Bentre Beer Joint Stock Company	25,693,485,751	(*)	-	26,498,553,192
				(*)
	2,230,183,930,616		(75,707,513,102)	2,187,829,955,465
				(75,707,513,102)

Movements of investment in associates and jointly controlled entities during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	2,187,829,955,465	2,010,071,605,619
Share of profits during the year	232,053,894,657	323,119,361,276
Dividends income during the year	(196,517,747,758)	(155,158,091,616)
Foreign exchange differences	6,817,828,252	9,797,080,186
Closing balance	2,230,183,930,616	2,187,829,955,465

(ii) Equity investments in other entities

Company name	31/12/2023			1/1/2023		
	Cost (VND)	Fair value (VND)	Allowance (VND)	Cost (VND)	Fair value (VND)	Allowance (VND)
Dong A Commercial Joint Stock Bank	136,265,460,000	(*)	(136,265,460,000)	136,265,460,000	(*)	(136,265,460,000)
Saigon Packaging Group Joint Stock Company	50,000,000,000	(*)	(4,643,345,605)	50,000,000,000	(*)	-
PVI Holdings	51,475,140,000	21,751,027,200	(29,724,112,800)	51,475,140,000	23,304,672,000	(28,170,468,000)
Underground Space Investment Development Corporation	23,085,000,000	(*)	(23,085,000,000)	23,085,000,000	(*)	(23,085,000,000)
Phuong Dong Petroleum Tourism Joint Stock Company	30,700,950,000	8,068,340,000	(30,700,950,000)	30,700,950,000	6,721,909,091	(30,700,950,000)
Saigon Securities Investment Fund A2	35,757,720,722	(*)	(35,757,720,722)	35,757,720,722	(*)	(35,757,720,722)
Saigon Beer Transportation Joint Stock Company	26,588,267,394	(*)	-	26,588,267,394	(*)	-
Vietnam - Binh Tay Alcohol Joint Stock Company	300,000,000	(*)	(300,000,000)	300,000,000	(*)	(300,000,000)
Nha Trang Trade Tourism Joint Stock Company	1,161,147,000	(*)	(1,161,147,000)	1,161,147,000	(*)	(1,161,147,000)
Dai Viet Securities Incorporation	45,000,000,000	(*)	(45,000,000,000)	45,000,000,000	(*)	(45,000,000,000)
Sabeco HP Investment Company Limited	24,426,586,800	(*)	(24,426,586,800)	24,426,586,800	(*)	(24,426,586,800)
Sai Gon - Dong Nai Beer Joint Stock Company	3,954,000,000	(*)	(3,954,000,000)	3,954,000,000	(*)	(3,954,000,000)
Saigon Dong Ha Tourist Joint Stock Company	5,600,000,000	(*)	(5,600,000,000)	5,600,000,000	(*)	(5,600,000,000)
	434,314,271,916		(340,618,322,927)	434,314,271,916		(334,421,332,522)

(*) The Group has not determined fair values of these investments for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these investments may differ from their carrying amounts. The fair values of the equity investments as at 31 December 2023 and 1 January 2023 were determined by reference to the quoted prices.

(iii) Allowance for diminution in the value of long-term financial investments

Movements of allowance for diminution in the value of long-term financial investments during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	410,128,845,624	409,691,883,024
Allowance made during the year	6,196,990,405	436,962,600
Closing balance	416,325,836,029	410,128,845,624

8. Accounts receivable from customers

a. Accounts receivable from customers detailed by significant customers

	31/12/2023 (VND)	1/1/2023 (VND)
Sai Gon - Khanh Hoa Beer Joint Stock Company	61,408,565,384	47,712,205,892
Sai Gon - Kien Giang Beer Joint Stock Company	55,929,157,290	81,621,820,149
Saigon - Bentre Beer Joint Stock Company	53,683,357,283	396,148,320
Saigon Co.op	49,891,712,167	46,483,714,760
Other customers	246,453,972,103	161,638,380,480
	467,366,764,227	337,852,269,601

b. Accounts receivable from customers who are related parties

	31/12/2023 (VND)	1/1/2023 (VND)
Associates and jointly controlled entities		
Sai Gon - Khanh Hoa Beer Joint Stock Company	61,408,565,384	47,712,205,892
Sai Gon - Kien Giang Beer Joint Stock Company	55,929,157,290	81,621,820,149
Saigon - Bentre Beer Joint Stock Company	53,683,357,283	396,148,320
Saigon Binh Tay Beer Group Joint Stock Company	23,156,420,318	18,235,841,934
Sai Gon - Vinh Long Beer Joint Stock Company	14,541,400,794	-
Sai Gon - Mien Trung Beer Joint Stock Company	14,424,596,896	27,720,000
Saigon Tay Do Beer - Beverage Joint Stock Company	4,121,659,864	562,429,272
Saigon - Bac Lieu Beer Joint Stock Company	1,592,388,000	1,693,498,004
Saigon - Phutho Beer Joint Stock Company	1,122,677,027	-
Malaya - Vietnam Glass Limited	694,010,673	2,305,022,406
Me Linh Point Limited	1,719,360	18,737,083
Crown Beverage Cans Saigon Limited	-	6,601,241
Other related parties		
MM Mega Market (Vietnam) Company Limited	15,520,421,888	17,047,133,954
TBC-Ball Beverage Can Vietnam Co., Ltd	592,810,727	27,976,872
F&N Global Marketing Pte. Ltd.	126,919,035	776,246,103
S.A.S. CTAMAD Co., Ltd	48,535,322	-

9. Other receivables

a. Other short-term receivables

	31/12/2023 (VND)	1/1/2023 (VND)
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	580,854,072,162	433,941,800,973
Dividends receivable	119,965,992,576	43,976,923,301
Other short-term receivables	46,506,599,095	32,247,650,139
	1,024,557,397,376	787,397,107,956

Other short-term receivables from related parties

	31/12/2023 (VND)	1/1/2023 (VND)
The intermediate parent company		
BeerCo Limited	49,197,000	-
Associates and jointly controlled entities		
Tan Thanh Investment Trading Company Limited	277,230,733,543	277,230,733,543
Malaya - Vietnam Glass Limited	64,200,000,000	-
Me Linh Point Limited	43,802,647,026	40,476,923,301
Vietnam Spirits and Wine Ltd	6,971,692,050	-
Saigon Tay Do Beer - Beverage Joint Stock Company	3,679,866,661	-
Sai Gon - Vinh Long Beer Joint Stock Company	2,021,512,801	1,500,000,000
Saigon Binh Tay Beer Group Joint Stock Company	634,992,585	-
Sai Gon - Mien Trung Beer Joint Stock Company	512,007,664	857,192,703
Saigon - Baclieu Beer Joint Stock Company	388,815,441	937,901,548
Sai Gon - Kien Giang Beer Joint Stock Company	380,140,249	-
Sai Gon - Khanh Hoa Beer Joint Stock Company	223,638,844	6,807,822
Saigon - Phutho Beer Joint Stock Company	172,648,858	1,000,910,851
Saigon - Bentre Beer Joint Stock Company	166,210,711	1,232,504,912

b. Other long-term receivables

	31/12/2023 (VND)	1/1/2023 (VND)
Long-term deposits	35,152,681,051	38,171,128,871
Other long-term receivables	-	8,000,000,000
	35,152,681,051	46,171,128,871

10. Allowance for doubtful debts

a. Short-term

Unit: VND

31/12/2023					1/1/2023				
	Overdue days	Cost	Allowance	Recoverable amount		Overdue days	Cost	Allowance	Recoverable amount
Other short-term receivables	Over 4 years	284,428,344,141	(284,428,344,141)	-		Over 3 years	284,428,344,141	(284,428,344,141)	-
Prepayments to suppliers	Over 4 years	6,216,712,505	(6,216,712,505)	-		Over 3 years	6,219,868,824	(6,219,868,824)	-
Accounts receivable from customers	Over 4 years	4,578,708,940	(4,578,708,940)	-		Over 3 years	4,968,014,698	(4,968,014,698)	-
	From 6 to 12 months	580,635,000	(580,635,000)	-		N/A	-	-	-
		295,804,400,586	(295,804,400,586)	-			295,616,227,663	(295,616,227,663)	-

b. Long - term

Unit: VND

31/12/2023					1/1/2023				
	Overdue days	Cost	Allowance	Recoverable amount		Overdue days	Cost	Allowance	Recoverable amount
Accounts receivable from customers – long-term	Over 4 years	5,948,610,516	(5,948,610,516)	-		Over 3 years	5,948,610,516	(5,948,610,516)	-
Other long-term receivables	Over 4 years	451,100,000	(451,100,000)	-		Over 3 years	8,451,100,000	(8,451,100,000)	-
		6,399,710,516	(6,399,710,516)	-			14,399,710,516	(14,399,710,516)	-

Movements of allowance for doubtful debts – short-term and long-term during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	310,015,938,179	381,548,376,815
Allowance made during the year	580,635,000	112,342,026
Allowance reversed during the year	(8,392,462,077)	(191,124,170)
Allowance written off during the year	-	(71,453,656,492)
Closing balance	302,204,111,102	310,015,938,179

11. Inventories

a. Inventories

	31/12/2023		1/1/2023	
	Cost (VND)	Allowance (VND)	Cost (VND)	Allowance (VND)
Goods in transit	199,108,408,976	-	275,661,225,968	-
Raw materials	1,013,795,593,509	(17,509,240,895)	646,760,359,805	(21,735,860,324)
Tools and supplies	211,486,826,724	(52,464,325,082)	263,477,907,901	(53,759,024,004)
Work in progress	234,557,963,220	-	231,921,624,124	-
Finished goods	719,643,645,770	(4,718,641,940)	838,446,480,017	(2,726,048,079)
Merchandise inventories	14,492,262,164	(887,503,638)	16,226,935,999	(752,462,071)
	2,393,084,700,363	(75,579,711,555)	2,272,494,533,814	(78,973,394,478)

Included in inventories as at 31 December 2023 was VND75,580 million (1/1/2023: VND78,973 million) of obsolete or slow-moving inventories that were difficult to sell.

Movements of allowance for inventories during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	78,973,394,478	87,710,082,208
Allowance made during the year	11,453,883,862	12,622,250,849
Allowance reversed during the year	(10,650,693,235)	(16,336,007,382)
Allowance utilised during the year	(2,291,181,878)	(4,600,840,939)
Transfer to allowance for long-term tools, supplies and spare parts	(1,905,691,672)	(422,090,258)
Closing balance	75,579,711,555	78,973,394,478

b. Long-term tools, supplies and spare parts

Unit: VND

	31/12/2023		1/1/2023	
	Cost (VND)	Allowance (VND)	Cost (VND)	Allowance (VND)
Long-term tools, supplies and spare parts	90,682,803,729	(58,989,826,260)	74,929,732,263	(55,483,500,463)

Movements of allowance for long-term tools, supplies and spare parts during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	55,483,500,463	51,727,289,968
Allowance made during the year	8,293,913,089	13,938,781,076
Allowance reversed during the year	(6,693,278,964)	(10,604,660,839)
Transfer from allowance for inventories	1,905,691,672	422,090,258
Closing balance	58,989,826,260	55,483,500,463

12. Prepaid expenses

a. Short-term prepaid expenses

	31/12/2023 (VND)	1/1/2023 (VND)
Advertising expenses	142,932,694,839	141,228,156,925
Rental expenses	10,839,896,618	15,781,994,109
Tools and instruments	13,843,638,728	15,209,943,650
Others	4,615,522,673	9,756,599,404
	172,231,752,858	181,976,694,088

b. Long-term prepaid expenses

	31/12/2023 (VND)	1/1/2023 (VND)
Returnable packaging	192,507,450,988	37,675,092,876
Prepaid land costs	229,209,631,772	227,179,123,604
Land use rights awaiting transfer (*)	51,602,316,000	51,602,316,000
Tools and instruments	29,033,969,285	26,046,425,359
Others	47,951,030,421	40,948,310,024
	550,304,398,466	383,451,267,863

(*) Land use rights awaiting transfer represented the value of land tax payable to the State (Note 22(b)).

Movements of long-term prepaid expenses during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	383,451,267,863	263,131,483,984
Additions during the year	280,065,224,269	212,893,881,171
Transfer from construction in progress	8,949,693,943	9,672,946,441
Amortisation for the year	(127,484,787,186)	(99,407,099,148)
Transfer from/(to) tangible fixed assets	3,143,514,936	(2,839,944,585)
Transfer from short-term prepaid expenses	2,179,484,641	-
Closing balance	550,304,398,466	383,451,267,863

13. Tangible fixed assets

Unit: VND

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
COST						
Opening balance	2,201,445,261,235	8,817,189,366,741	239,476,610,325	171,996,538,981	9,972,781,641	11,440,080,558,923
Additions	2,456,953,522	26,049,931,976	1,308,181,818	4,492,046,746	-	34,307,114,062
Transfer from construction in progress	3,034,527,092	31,348,497,230	109,789,493	951,008,220	-	35,443,822,035
Transfer from investment properties	5,374,645,816	-	-	-	-	5,374,645,816
Transfer to long-term prepaid expenses	(2,280,037,663)	(863,477,273)	-	-	-	(3,143,514,936)
Reclassification	-	(406,808,331)	-	406,808,331	-	-
Disposals	(674,124,101)	(16,354,064,804)	(4,749,758,237)	(1,967,351,793)	-	(23,745,298,935)
Closing balance	2,209,357,225,901	8,856,963,445,539	236,144,823,399	175,879,050,485	9,972,781,641	11,488,317,326,965
ACCUMULATED DEPRECIATION						
Opening balance	1,271,919,935,121	6,433,084,220,444	207,897,643,646	149,543,012,413	8,654,114,064	8,071,098,925,688
Charge for the year	93,835,138,089	431,288,782,706	10,426,975,293	10,045,533,227	471,741,096	546,068,170,411
Transfer from investment properties	5,286,669,463	-	-	-	-	5,286,669,463
Reclassification	-	(16,852,808)	-	16,852,808	-	-
Disposals	(674,124,101)	(16,354,064,804)	(4,749,758,237)	(1,967,351,793)	-	(23,745,298,935)
Closing balance	1,370,367,618,572	6,848,002,085,538	213,574,860,702	157,638,046,655	9,125,855,160	8,598,708,466,627
NET BOOK VALUE						
Opening balance	929,525,326,114	2,384,105,146,297	31,578,966,679	22,453,526,568	1,318,667,577	3,368,981,633,235
Closing balance	838,989,607,329	2,008,961,360,001	22,569,962,697	18,241,003,830	846,926,481	2,889,608,860,338

Included in tangible fixed assets as at 31 December 2023 were assets costing VND4,170,864 million (1/1/2023: VND3,868,048 million) which were fully depreciated but still in active use.

The historical cost of tangible fixed assets retired from active use and held for disposal was VND135,359 million as at 31 December 2023 (1/1/2023: VND70,821 million).

The historical cost of tangible fixed assets that the Group leased to its associates to earn rental income as at 31 December 2023 was nil (1/1/2023: VND61,027 million).

14. Finance lease tangible fixed assets

Buildings and structures (VND)

COST	
Opening and closing balance	173,582,726,065
ACCUMULATED DEPRECIATION	
Opening balance	11,320,924,101
Charge for the year	5,230,553,541
Closing balance	16,551,477,642
NET BOOK VALUE	
Opening balance	162,261,801,964
Closing balance	157,031,248,423

15. Intangible fixed assets

Unit: VND

	Land use rights (*)	Software	Others	Total
COST				
Opening balance	1,024,181,907,580	79,860,911,691	104,000,000	1,104,146,819,271
Additions	-	716,661,468	-	716,661,468
Transfer from construction in progress	-	9,848,259,765	-	9,848,259,765
Closing balance	1,024,181,907,580	90,425,832,924	104,000,000	1,114,711,740,504
ACCUMULATED AMORTISATION				
Opening balance	103,919,108,395	76,384,998,344	104,000,000	180,408,106,739
Charge for the year	6,660,390,149	4,559,232,762	-	11,219,622,911
Closing balance	110,579,498,544	80,944,231,106	104,000,000	191,627,729,650
NET BOOK VALUE				
Opening balance	920,262,799,185	3,475,913,347	-	923,738,712,532
Closing balance	913,602,409,036	9,481,601,818	-	923,084,010,854

Included in intangible fixed assets as at 31 December 2023 were assets costing VND77,771 million (1/1/2023: VND67,697 million) which were fully amortised but still in active use.

The historical cost of intangible fixed assets retired from active use and held for disposal was VND304 million as at 31 December 2023 (1/1/2023: VND304 million).

(*) Land use rights as at 31 December 2023 included the value of land use rights of VND735,380 million that the Group has additionally recorded on the equitisation date following the Minutes of Corporate Valuation dated 31 December 2007 and the Equitisation Finalisation Minute, which was performed by representative of the Ministry of Industry and Trade and the Ministry of Finance on 30 April 2008, who issued the report on 6 March 2010. The Group has recorded the increase in value of land use rights in "Intangible fixed assets" with a corresponding payable to State Treasury in "Other short-term payables" account (Note 22(a)).

The Ministry of Industry and Trade has allowed the Group to manage and use these land use rights following the plan of the People's Committee of Ho Chi Minh City. At the date of these consolidated financial statements, the Group is in the process of preparing the land rental contracts with the People's Committee of Ho Chi Minh City. Currently, those land lots are used for principal activities of the Group. They are temporary land use rights with restrictions on ownership and are not permitted for sale, sublease or mortgage.

Details of land use rights recorded at the estimated increased value on 6 March 2010 were as follows:

No	Location	Square meters (m ²)	Revalued amount in connection with equitisation (VND)
1	46 Ben Van Don Street, Ward 12, District 4, Ho Chi Minh City, Vietnam	3,872.5	55,241,212,500
2	187 Nguyen Chi Thanh Street, Ward 12, District 5, Ho Chi Minh City, Vietnam	17,406.1	418,634,111,100
3	474 Nguyen Chi Thanh Street, Ward 6, District 10, Ho Chi Minh City, Vietnam	7,729.0	247,637,160,000
4	18/3B Phan Huy Ich Street, Ward 15, Tan Binh District, Ho Chi Minh City, Vietnam	2,216.3	13,867,389,100
			735,379,872,700

The Group has not amortised the above land use rights because their costs and useful lives have not been measured reliably at the balance sheet date. During the year, the Group has also recognised land rental and land tax expenses to the consolidated statement of income with an amount of VND44,857 million (2022: VND29,947 million) following the tax payment notices from local tax authorities.

16. Investment properties

	Investment property held to earn rental	Investment property held for capital appreciation	Unit: VND	
	Land use rights	Buildings and structures	Land use rights	Total
COST				
Opening balance	27,812,438,744	141,612,101,345	13,511,310,895	182,935,850,984
Transfer from construction in progress	-	133,537,416,917	-	133,537,416,917
Transfer to tangible fixed assets	-	(5,374,645,816)	-	(5,374,645,816)
Closing balance	27,812,438,744	269,774,872,446	13,511,310,895	311,098,622,085
ACCUMULATED DEPRECIATION				
Opening balance	9,720,129,042	16,935,823,014	3,150,911,918	29,806,863,974
Charge for the year	606,038,092	6,907,637,402	-	7,513,675,494
Transfer to tangible fixed assets	-	(5,286,669,463)	-	(5,286,669,463)
Closing balance	10,326,167,134	18,556,790,953	3,150,911,918	32,033,870,005
NET BOOK VALUE				
Opening balance	18,092,309,702	124,676,278,331	10,360,398,977	153,128,987,010
Closing balance	17,486,271,610	251,218,081,493	10,360,398,977	279,064,752,080

The fair values of investment properties have not been determined as the Group has not performed a valuation.

17. Construction in progress

	2023 (VND)	2022 (VND)
Opening balance	133,548,179,000	551,470,893,844
Additions during the year	198,150,321,945	301,760,853,416
Transfer to tangible fixed assets	(35,443,822,035)	(586,908,875,872)
Transfer to intangible fixed assets	(9,848,259,765)	(964,000,000)
Transfer to long-term prepaid expenses	(8,949,693,943)	(9,672,946,441)
Transfer to investment properties	(133,537,416,917)	(111,615,730,291)
Transfer to expenses	-	(10,522,015,656)
Closing balance	143,919,308,285	133,548,179,000

During the year, interest expenses capitalised in construction in progress amounted to VND6,791million (2021: VND3,766 million).

Major constructions in progress were as follows:

	31/12/2023 (VND)	1/1/2023 (VND)
Site clearance project at Saigon - Cu Chi Brewery	43,296,363,636	-
Project Sabeco 4.0	37,720,470,291	-
Project for construction of commercial and service center	9,798,307,815	2,154,816,792
Buildings and structures	-	88,565,800,836
Other projects	53,104,166,543	42,827,561,372
	143,919,308,285	133,548,179,000

18. Deferred tax assets and deferred tax liabilities

	Tax rate	31/12/2023 (VND)	1/1/2023 (VND)
Deferred tax assets recognised on:			
• Accrued expenses and provisions	20%	75,764,978,027	82,836,932,862
• Allowance for diminution in the value of long-term financial investments	20%	61,171,007,842	56,440,548,637
• Unrealised profits	20%	36,318,967,688	40,671,418,069
• Allowance for inventories and long-term tools, supplies and spare parts	20%	25,404,880,205	24,150,582,076
• Allowance for doubtful debts	20%	68,345,726	1,672,286,338
• Others	20%	7,691,565,034	2,687,050,079
Total deferred tax assets		206,419,744,522	208,458,818,061
Deferred tax liabilities recognised on:			
• Allowance for diminution in the value of long-term financial investments	20%	49,057,251,548	34,353,293,866
• Tools and instruments	20%	1,735,509,047	2,203,943,655
Total deferred tax liabilities		50,792,760,595	36,557,237,521

19. Accounts payable to suppliers

a. Accounts payable to suppliers – short-term

(i) Accounts payable to suppliers detailed by significant suppliers

	Cost/Amount within repayment capacity	
	31/12/2023 (VND)	1/1/2023 (VND)
Crown Beverage Cans Saigon Limited	340,029,230,853	305,360,233,763
Hanacans Joint Stock Company	190,695,559,901	304,818,946,067
Other suppliers	1,945,648,016,084	2,156,100,851,761
	2,476,372,806,838	2,766,280,031,591

(ii) Accounts payable to suppliers who are related parties

	Cost/Amount within repayment capacity	
	31/12/2023 (VND)	1/1/2023 (VND)
Associates and jointly controlled entities		
Crown Beverage Cans Saigon Limited	340,029,230,853	305,360,233,763
Sai Gon - Mien Trung Beer Joint Stock Company	42,265,734,352	22,886,473,799
Saigon - Baclieu Beer Joint Stock Company	23,721,022,787	4,994,118,630
Saigon Binh Tay Beer Group Joint Stock Company	22,880,091,999	41,300,276,271
Saigon Tay Do Beer - Beverage Joint Stock Company	20,065,301,363	5,279,828,400
Sai Gon - Khanh Hoa Beer Joint Stock Company	16,318,251,791	11,062,497,600
Saigon - Bentre Beer Joint Stock Company	14,542,263,749	6,734,475,000
Sai Gon - Kien Giang Beer Joint Stock Company	13,375,869,188	15,170,889,800
Saigon - Phutho Beer Joint Stock Company	11,047,322,230	2,798,730,000
Sai Gon - Vinh Long Beer Joint Stock Company	9,769,995,674	10,029,404,000
Malaya - Vietnam Glass Limited	9,736,707,168	227,050,024
San Miguel Yamamura Phu Tho Packaging Company Limited	7,531,158,800	6,599,377,008

	Cost/Amount within repayment capacity	
	31/12/2023 (VND)	1/1/2023 (VND)
Other related parties		
TBC-Ball Beverage Can Vietnam Co., Ltd	193,898,011,154	214,422,322,551
MM Mega Market (Vietnam) Company Limited	1,013,401,146	194,577,349
Fraser & Neave (Malaya) Sdn Bhd	-	865,316,841

b. Accounts payable to suppliers – long-term

Accounts payable to suppliers detailed by significant suppliers

	Cost/Amount within repayment capacity	
	31/12/2023 (VND)	1/1/2023 (VND)
Krones AG (*)	-	119,960,956,800
Others	100,000,000	100,000,000
	100,000,000	120,060,956,800

20. Taxes payable to/receivable from State Treasury

a. Taxes payable to State Treasury

Unit: VND

	1/1/2023	Incurred	Paid		Net-off	Reclassified to taxes	31/12/2023
Special sales tax	1,008,651,110,119	8,871,917,712,802	(9,041,549,818,574)		-	-	839,019,004,347
Corporate income tax	349,173,660,448	1,099,082,811,973	(1,099,769,434,435)		(1,537,857,641)	40,765,796	346,989,946,141
Value added tax	239,800,238,740	15,285,903,064,394	(1,936,511,181,787)		(13,443,940,324,331)	-	145,251,797,016
Personal income tax	15,108,109,964	117,750,546,206	(119,529,746,190)		(453,562,640)	622,449,342	13,497,796,682
Import-export tax	-	9,602,187,035	(9,602,187,035)		-	-	-
Other taxes	8,284,937,686	204,008,663,648	(191,100,464,417)		(8,399,087,947)	963,044,678	13,757,093,648
	1,621,018,056,957	25,588,264,986,058	(12,398,062,832,438)		(13,454,330,832,559)	1,626,259,816	1,358,515,637,834

b. Taxes receivable from State Treasury

Unit: VND

	1/1/2023	Net-off	Reclassified from taxes payable	31/12/2023
Corporate income tax	1,696,305,444	(1,537,857,641)	40,765,796	199,213,599
Personal income tax	640,448,151	(453,562,640)	622,449,342	809,334,853
Import-export tax	2,082,000	-	-	2,082,000
Other taxes	20,663,354,497	(8,399,087,947)	963,044,678	13,227,311,228
	23,002,190,092	(10,390,508,228)	1,626,259,816	14,237,941,680

21. Accrued expenses

	31/12/2023 (VND)	1/1/2023 (VND)
Advertising and promotion expenses	378,785,149,667	451,188,293,275
Interest expenses	12,972,502,687	16,492,560,977
Others	94,419,762,414	46,586,409,091
	486,177,414,768	514,267,263,343

There were no accrued interest expenses capitalised to construction in progress as at 31 December 2023 (1/1/2023: VND2,588 million).

22. Other payables

a. Other payables – short-term

	31/12/2023 (VND)	1/1/2023 (VND)
Estimated land use rights payable to the State in connection with equitisation (*)	735,379,872,700	735,379,872,700
Short-term deposits received	110,819,225,846	102,232,625,059
Dividends payable	1,976,916,845,051	2,293,425,159,012
Other payables	75,580,155,050	73,048,588,074
	2,898,696,098,647	3,204,086,244,845

(*) Estimated land use rights payable to the State in connection with equitisation was recorded in accordance with Equitisation Finalisation Minute issued by representative of Ministry of Industry and Trade and Ministry of Finance dated 6 March 2010 (Note 15).

Other payables – short-term to related parties

	31/12/2023 (VND)	1/1/2023 (VND)
The ultimate parent company		
Thai Beverage Public Company Limited	1,267,545,263	485,483,412
The intermediate parent company		
BeerCo Limited	12,133,885,468	2,789,159,001
The parent company		
Vietnam Beverage Company Limited	1,030,927,761,000	1,202,749,054,500
Associates and jointly controlled entities		
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	287,780,949	1,765,382,715
Sai Gon - Kien Giang Beer Joint Stock Company	5,977,173	173,579,908
Saigon Tay Do Beer - Beverage Joint Stock Company	-	1,149,981,557
Sai Gon - Vinh Long Beer Joint Stock Company	-	1,126,841,511
Sai Gon - Mien Trung Beer Joint Stock Company	-	275,548,580
Saigon - Phutho Beer Joint Stock Company	-	3,867,537
Other related parties		
Chang International Co., Ltd	800,960,616	242,690,389
Thipchalothorn Co., Ltd.	32,597,100	-

b. Other payables – long-term

	31/12/2023 (VND)	1/1/2023 (VND)
Land tax payable to the State (Note 12(b))	51,602,316,000	51,602,316,000
Long-term deposits received	4,122,753,062	3,819,397,745
	55,725,069,062	55,421,713,745

23. Borrowings and finance lease liabilities

a. Short-term borrowings and finance lease liabilities

Unit: VND

	Movements during the year		Carrying amount/ Amount within repayment capacity	31/12/2023
	Increase	Decrease		
Short-term borrowings	4,130,545,304,850	(4,236,627,979,502)	528,900,000,000	
Current portion of long-term borrowings (Note 23(b))	44,949,881,167	(67,424,821,750)	-	
Current portion of long-term finance lease liabilities (Note 23(b))	16,162,726,917	(16,101,530,820)	1,229,396,183	
	4,191,657,912,934	(4,320,154,332,072)	530,129,396,183	

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

	Currency	31/12/2022 (VND)	1/1/2022 (VND)
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ky Dong Branch	VND	198,000,000,000	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Quang Ngai Branch	VND	120,000,000,000	119,961,278,869
Vietnam Joint Stock Commercial Bank for Industry and Trade – Quang Ngai Branch	VND	116,500,000,000	199,800,000,000
Bank for Investment and Development of Vietnam – My Dinh Branch	VND	47,600,000,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade – Quang Minh Branch	VND	29,800,000,000	18,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade – Branch 4	VND	17,000,000,000	-
Bangkok Bank Public Company Limited – Ho Chi Minh Branch	VND	-	155,749,287,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thanh Xuan Branch	VND	-	58,257,450,063
Shinhan Bank Vietnam Ltd – Pham Hung Branch	VND	-	49,734,282,814
Standard Chartered Bank (Vietnam) Limited – Ho Chi Minh City Branch	VND	-	19,980,375,906
Shinhan Bank Vietnam Ltd – Ha Noi Branch	VND	-	13,500,000,000
		528,900,000,000	634,982,674,652

The short-term VND denominated borrowings bore interest at rates ranging from 2.80% to 3.50% per annum (1/1/2023: from 6.00% to 8.30% per annum).

b. Long-term borrowings and finance lease liabilities

	31/12/2023 (VND)	1/1/2023 (VND)
Long-term borrowings (i)	-	224,849,643,497
Finance lease liabilities (ii)	172,057,810,338	173,226,010,422
	172,057,810,338	398,075,653,919
Long-term borrowings repayable within twelve months	-	(22,474,940,583)
Long-term finance lease liabilities repayable within twelve months	(1,229,396,183)	(1,168,200,086)
	(1,229,396,183)	(23,643,140,669)
Repayable after twelve months	170,828,414,155	374,432,513,250

(i) Long-term borrowings

Terms and conditions of outstanding long-term borrowings were as follows:

	Currency	Year of maturity	31/12/2023 (VND)	1/1/2023 (VND)
Standard Chartered Bank (Vietnam) Limited – Ho Chi Minh City Branch	VND	2026	-	134,849,643,497
Vietnam Joint Stock Commercial Bank for Industry and Trade – Branch 4	VND	2027	-	90,000,000,000
			-	224,849,643,497

These long-term borrowings were early settled during the year.

(ii) Finance lease liabilities

The minimum lease payments under non-cancellable finance leases were as follows:

	31/12/2023			1/1/2023		
	Payments (VND)	Interest (VND)	Principal (VND)	Payments (VND)	Interest (VND)	Principal (VND)
Within one year	16,101,530,820	14,872,134,637	1,229,396,183	16,101,530,820	14,933,330,734	1,168,200,086
Within two to five years	64,406,123,280	58,119,444,837	6,286,678,443	64,406,123,280	58,639,889,965	5,766,233,315
More than five years	402,538,270,500	237,996,534,788	164,541,735,712	418,639,801,319	252,348,224,298	166,291,577,021
	483,045,924,600	310,988,114,262	172,057,810,338	499,147,455,419	325,921,444,997	173,226,010,422

24. Bonus and welfare fund

This fund is established by appropriating from retained profits as approved by the shareholders at the Company's General Meeting of shareholders. This fund is used to pay bonus and welfare to the Group's employees in accordance with the Group's bonus and welfare policies.

Movements of bonus and welfare fund during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	222,390,315,200	238,251,448,078
Appropriation during the year (Note 26)	116,321,315,199	121,347,892,894
Adjustments to bonus and welfare fund (Note 26)	26,095,230,321	(40,710,637,133)
Utilisation during the year	(170,436,364,996)	(96,498,388,639)
Closing balance	194,370,495,724	222,390,315,200

25. Provisions – long-term

Provisions – long-term represented provision for severance allowance. Movements of provision for severance allowance during the year were as follows:

	2023 (VND)	2022 (VND)
Opening balance	73,894,862,951	81,358,128,695
Provision made during the year	7,205,619,112	686,788,031
Provision reversed during the year	(4,695,960,569)	(1,040,697,100)
Provision utilised during the year	(6,992,270,664)	(7,109,356,675)
Closing balance	69,412,250,830	73,894,862,951

26. Changes in owners' equity

Unit: VND

	Share capital	Other capital	Foreign exchange differences	Investment and development fund		Retained profits	Total equity attributable to owners of the Company	Non-controlling interest	Total
Balance as at 1 January 2022	6,412,811,860,000	3,208,666,226	27,339,292,861	1,122,241,373,127		13,655,871,142,263	21,221,472,334,477	1,373,313,368,684	22,594,785,703,161
Net profit for the year	-	-	-	-		5,223,851,427,095	5,223,851,427,095	275,946,550,189	5,499,797,977,284
Appropriation to bonus and welfare fund (Note 24)	-	-	-	-		(104,662,591,910)	(104,662,591,910)	(16,685,300,984)	(121,347,892,894)
Adjustments to bonus and welfare fund (Note 24)	-	-	-	-		34,660,971,609	34,660,971,609	6,049,665,524	40,710,637,133
Cash dividends (Note 29)	-	-	-	-		(3,206,405,930,000)	(3,206,405,930,000)	(187,069,103,338)	(3,393,475,033,338)
Foreign exchange differences	-	-	9,797,080,186	-		-	9,797,080,186	-	9,797,080,186
Appropriation to social activities fund	-	-	-	-		(38,505,523,976)	(38,505,523,976)	(1,062,271,314)	(39,567,795,290)
Adjustments to social activities fund	-	-	-	-		86,174,791	86,174,791	59,068,360	145,243,151
Balance as at 31 December 2022	6,412,811,860,000	3,208,666,226	37,136,373,047	1,122,241,373,127		15,564,895,669,872	23,140,293,942,272	1,450,551,977,121	24,590,845,919,393

Unit: VND

	Share capital	Other capital	Foreign exchange differences	Investment and development fund		Retained profits	Total equity attributable to owners of the Company	Non-controlling interest	Total
Balance as at 1 January 2023	6,412,811,860,000	3,208,666,226	37,136,373,047	1,122,241,373,127		15,564,895,669,872	23,140,293,942,272	1,450,551,977,121	24,590,845,919,393
Net profit for the year	-	-	-	-		4,117,605,068,688	4,117,605,068,688	137,447,927,021	4,255,052,995,709
Appropriation to bonus and welfare fund (Note 24)	-	-	-	-		(100,704,276,928)	(100,704,276,928)	(15,617,038,271)	(116,321,315,199)
Adjustments to bonus and welfare fund (Note 24)	-	-	-	-		(22,040,207,391)	(22,040,207,391)	(4,055,022,930)	(26,095,230,321)
Bonus shares (Note 29)	6,412,811,860,000	-	-	-		(6,412,811,860,000)	-	-	-
Cash dividends (Note 29)	-	-	-	-		(2,885,765,337,000)	(2,885,765,337,000)	(151,819,075,102)	(3,037,584,412,102)
Foreign exchange differences	-	-	6,817,828,252	-		-	6,817,828,252	-	6,817,828,252
Appropriation to social activities fund	-	-	-	-		(22,402,818,968)	(22,402,818,968)	(790,976,515)	(23,193,795,483)
Adjustments to social activities fund	-	-	-	-		157,659,392	157,659,392	132,394,526	290,053,918
Change in proportion of non-controlling interests (Note 5)	-	-	-	-		(21,649,847,484)	(21,649,847,484)	(143,004,301,816)	(164,654,149,300)
Balance as at 31 December 2023	12,825,623,720,000	3,208,666,226	43,954,201,299	1,122,241,373,127		10,217,284,050,181	24,212,312,010,833	1,272,845,884,034	25,485,157,894,867

27. Share capital

The Company's authorised and issued share capital are:

	31/12/2023		1/1/2023	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	1,282,562,372	12,825,623,720,000	641,281,186	6,412,811,860,000
Shares in circulation				
Ordinary shares	1,282,562,372	12,825,623,720,000	641,281,186	6,412,811,860,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at shareholders' meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Group's residual assets. In respect of shares bought back by the Group, all rights are suspended until those shares are reissued.

Movements of share capital during the year were as follows:

	2023		2022	
	Number of shares	VND	Number of shares	VND
Opening balance	641,281,186	6,412,811,860,000	641,281,186	6,412,811,860,000
Bonus shares	641,281,186	6,412,811,860,000	-	-
Closing balance	1,282,562,372	12,825,623,720,000	641,281,186	6,412,811,860,000

28. Investment and development fund

Investment and development fund was appropriated from retained profits in accordance with the resolution of General Meeting of shareholders. This fund was established for the purpose of future business expansion.

There was no movement in investment and development fund during the year.

29. Bonus shares and cash dividends

The Resolution of the Board of Directors of the Company on 22 August 2023 resolved to increase the share capital by issuing bonus shares from its retained profits. The issuance ratio is 1:1 and number of new share issued are 641,281,186 with a par value of VND10,000 per share (2022: Nil).

The Resolutions of the Board of Directors of the Company on 10 May 2023 and 4 December 2023 resolved to declare dividends to shareholders amounting to VND961,922 million (equivalent to VND1,500 per share) and VND1,923,843 million (equivalent to VND1,500 per share), respectively, from retained profits of previous years (2022: VND3,206,406 million, equivalent to VND5,500 per share).

30. Off balance sheet items

a. Leases

The future minimum lease payments under non-cancellable operating leases were:

	31/12/2023 (VND)	1/1/2023 (VND)
Within one year	253,934,913,246	225,062,100,817
Within two to five years	298,147,891,422	326,669,667,463
More than five years	440,669,147,610	419,873,433,558
	992,751,952,278	971,605,201,838

b. Assets, materials and goods held for third parties

	Unit	31/12/2023	1/1/2023
Beers	box/crate	3,660,033	4,320,242
Plastic crates	piece	107,379	29,805
Beverages	box/crate	21,318	167,896

c. Foreign currencies

	31/12/2023		1/1/2023	
	Original currency	VND Equivalent	Original currency	VND Equivalent
USD	522,215	12,578,215,875	204,406	4,785,158,964
EUR	4,359	115,189,513	1,371	33,937,446
AUD	828	13,576,957	838	13,204,025
		12,706,982,345		4,832,300,435

d. Capital expenditure commitments

At the reporting date, the Group had the following outstanding capital commitments approved but not provided for in the consolidated balance sheet:

	31/12/2023 (VND)	1/1/2023 (VND)
Approved and contracted	89,469,062,639	122,437,311,161

31. Revenue from sales of goods and provision of services

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

Net revenue comprised:

	2023 (VND)	2022 (VND)
TOTAL REVENUE		
Sales of beers	26,923,335,647,669	30,600,241,088,454
Sales of raw materials	3,419,079,837,272	4,234,476,864,391
Sales of beverages	121,969,337,649	171,441,602,260
Sales of alcohol and wine	51,639,844,884	57,164,680,586
Others	190,735,423,215	172,574,888,090
	30,706,760,090,689	35,235,899,123,781
LESS REVENUE DEDUCTIONS		
Sales discounts	234,124,908,263	244,043,598,902
Sales returns	11,267,900,211	12,771,531,044
	245,392,808,474	256,815,129,946
Net revenue	30,461,367,282,215	34,979,083,993,835

32. Cost of goods sold and services provided

	2023 (VND)	2022 (VND)
Total cost of goods sold and services provided:		
Beers sold	17,755,201,404,635	19,772,096,905,685
Raw materials sold	3,423,775,394,518	4,229,718,951,023
Beverages sold	93,978,648,486	134,076,918,348
Alcohol and wine sold	49,883,352,225	50,654,309,212
Others	47,165,978,116	21,829,982,483
	21,370,004,777,980	24,208,377,066,751

33. Financial income

	2023 (VND)	2022 (VND)
Interest income from term deposits at banks	1,389,919,841,268	1,023,929,564,017
Foreign exchange gains	41,183,584,850	64,016,836,334
Dividends income	1,456,542,000	2,602,196,200
Other financial income	8,552,236	12,166,096
	1,432,568,520,354	1,090,560,762,647

34. Financial expenses

	2023 (VND)	2022 (VND)
Interest expense	50,214,725,919	45,517,297,000
Foreign exchange losses	16,862,534,322	36,019,062,129
Allowance for diminution in the value of long-term financial investments	6,196,990,405	436,962,600
Other financial expenses	159,432,035	19,795,301
	73,433,682,681	81,993,117,030

35. Selling expenses

	2023 (VND)	2022 (VND)
Advertising and promotion expenses	2,813,915,372,738	3,067,916,950,856
Staff costs	1,002,362,614,119	888,213,668,314
Rental expenses	175,747,335,919	144,950,305,651
Transportation expenses	78,831,229,420	30,397,825,123
Returnable packaging expenses	49,653,453,731	59,889,929,259
Depreciation and amortisation	29,494,593,306	28,036,723,004
Others	329,223,240,348	312,662,870,932
	4,479,227,839,581	4,532,068,273,139

36. General and administration expenses

	2023 (VND)	2022 (VND)
Staff costs	474,323,461,012	416,173,686,311
Rental expenses	71,294,599,828	64,114,164,821
Depreciation and amortisation	24,962,456,814	23,249,063,129
Others	230,111,102,281	237,128,746,207
	800,691,619,935	740,665,660,468

37. Production and business costs by elements

	2023 (VND)	2022 (VND)
Raw material costs included in production cost	7,257,576,280,580	7,461,216,523,155
Labour costs and staff costs	1,885,467,873,714	1,736,598,759,810
Depreciation and amortisation	570,032,022,357	561,105,325,398
Outside services	4,200,413,292,415	4,533,881,056,404
Other expenses	619,071,592,457	522,704,798,166

38. Corporate income tax

a. Recognised in the consolidated statement of income

	2023 (VND)	2022 (VND)
Current tax expense		
Current year	1,086,023,220,161	1,321,034,937,188
Under provision in prior years	13,059,591,812	2,947,281,538
	1,099,082,811,973	1,323,982,218,726
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences	16,274,596,613	(10,362,877,048)
Income tax expense	1,115,357,408,586	1,313,619,341,678

b. Reconciliation of effective tax rate

	2023 (VND)	2022 (VND)
Accounting profit before tax	5,370,410,404,295	6,813,417,318,962
Tax at the Company's tax rate	1,074,082,080,859	1,362,683,463,792
Effect of different tax rates in subsidiaries	(6,126,525,328)	(15,744,373,190)
Tax incentives	(2,278,033,847)	(10,322,653,997)
Tax exempt income	(46,702,087,331)	(65,144,311,495)
Non-deductible expenses	40,380,077,482	34,123,076,905
Changes in unrecognised deferred tax assets	37,793,687,280	7,004,440,892
Under provision in prior years	13,059,591,812	2,947,281,538
Others	5,148,617,659	(1,927,582,767)
	1,115,357,408,586	1,313,619,341,678

c. Applicable tax rates

Under the terms of Corporate Income Tax Law, the Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits. Subsidiaries have the obligation to pay the Government income tax at rates ranging from 10% to 20% of taxable profits.

39. Basic earnings per share

The calculation of basic earnings per share for the years ended 31 December 2023 and 31 December 2022 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare fund and a weighted average number of ordinary shares, calculated as follows:

(i) Net profit attributable to ordinary shareholders

	2023 (VND)	2022 (VND) (Restated)
Net profit for the year	4,117,605,068,688	5,223,851,427,095
Appropriation to bonus and welfare fund	(100,704,276,928)	(126,702,799,301)
Net profit attributable to ordinary shareholders	4,016,900,791,760	5,097,148,627,794

The appropriation of bonus and welfare fund for the year ended 31 December 2023 was estimated based on the budgeted amount that was approved by shareholders at Annual General Meeting of shareholders.

The appropriation of bonus and welfare fund for the year ended 31 December 2022 was restated based on the actual appropriation which was approved by shareholders at Annual General Meeting.

(ii) Weighted average number of ordinary shares

	2023 Number of shares	2022 Number of shares (Restated)
Ordinary shares issued at the beginning of the year	641,281,186	641,281,186
Effect of bonus shares for the year ended 31 December 2023	641,281,186	641,281,186
Weighted average number of ordinary shares	1,282,562,372	1,282,562,372

(iii) Basic earnings per share

	2023 (VND)	2022 (VND) As restated (*)	2022 (VND) As previously reported
Basic earnings per share	3,132	3,974	7,983

(*) The restatement represented the impact of bonus shares issued after the annual accounting period and the restatement of bonus and welfare fund as mentioned above.

40. Significant transactions with related parties

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

	Transaction value	
	2023 (VND)	2022 (VND)
The ultimate parent company		
Thai Beverage Public Company Limited		
Payments on behalf of the Group	1,267,545,263	938,472,331
The intermediate parent company		
BeerCo Limited		
Payments on behalf of the Group	16,590,451,838	12,283,947,646
Other transactions	111,744,000	-
The parent company		
Vietnam Beverage Company Limited		
Sales of finished goods	-	6,662,880
Dividends	1,546,391,641,500	1,718,212,935,000
Associates and jointly controlled entities		
Sai Gon - Khanh Hoa Beer Joint Stock Company		
Sales of raw materials	295,466,785,546	277,210,617,190
Provision of services	-	50,400,000
Sales of finished goods	-	94,473,400
Purchases of merchandise goods	778,055,911,200	687,039,271,270
Purchases of raw materials	687,869,923	-
Other transactions	93,981,918	115,579,743
Sai Gon - Kien Giang Beer Joint Stock Company		
Sales of goods	32,791,500	-
Sales of raw materials	325,563,423,603	426,200,166,761
Provision of services	6,378,912	160,968,241
Sales of tools and supplies	-	4,198,000
Purchases of merchandise goods	879,507,165,000	1,134,943,493,990
Purchases of packaging materials	558,857,740	99,246,875
Other transactions	180,400,179	53,541,966
Warehouse rental fee	41,248,000	-

	Transaction value	
	2023 (VND)	2022 (VND)
Saigon - Phutho Beer Joint Stock Company		
Sales of finished goods	7,173,000	-
Sales of raw materials	165,114,725,959	273,511,135,232
Provision of services	421,672,000	47,600,000
Purchases of merchandise goods	488,674,820,020	656,439,445,070
Dividends received	2,115,900,000	6,347,700,000
Other transactions	135,876,714	95,461,677
Sai Gon - Mien Trung Beer Joint Stock Company		
Sales of finished goods	-	233,380,000
Sales of raw materials	344,450,537,598	476,504,344,503
Provision of services	1,018,917,000	582,211,991
Sales of tools and supplies	139,916,000	177,125,000
Purchases of merchandise goods	1,073,382,319,260	1,417,094,941,070
Purchases of raw materials	1,228,498,719	1,711,060,750
Purchases of services	100,000,000	-
Warehouse rental fee	743,291,259	918,607,770
Dividends received	43,527,333,500	33,854,670,500
Advertising and promotion expenses	158,814,480	46,869,072
Other transactions	22,006,976	308,747,843
Sai Gon - Vinh Long Beer Joint Stock Company		
Sales of goods	129,486,611	63,680,311
Sales of raw materials	342,787,576,481	419,398,830,067
Provision of services	-	3,235,716,196
Purchases of merchandise goods	849,780,900,170	1,097,108,428,970
Purchases of packaging materials	554,592,332	-
Dividends received	4,500,000,000	7,500,000,000
Other transactions	110,277,456	9,049,697
Saigon Binh Tay Beer Group Joint Stock Company		
Sales of other goods	141,340,500	37,694,000
Sales of raw materials	662,728,097,085	715,673,570,927

	Transaction value	
	2023 (VND)	2022 (VND)
Provision of services	5,736,452,754	6,291,233,462
Purchases of merchandise goods	1,756,634,387,300	1,886,988,653,950
Purchases of packaging materials	3,847,827,825	-
Warehouse rental fee	170,182,007	-
Dividends received	9,706,300,732	9,706,300,732
Dividends	-	3,866,721,000
Other transactions	-	446,055,216
Saigon - Baclieu Beer Joint Stock Company		
Sales of finished goods	135,330,000	135,027,000
Sales of other goods	33,295,500	46,746,000
Sales of raw materials	49,348,198,953	66,411,900,714
Provision of services	665,243,578	2,153,547,847
Purchases of merchandise goods	276,598,490,120	328,820,709,400
Purchases of raw materials	545,913,300	314,350,000
Purchases of services	-	860,403,596
Warehouse rental fee	110,918,843	-
Dividends received	2,402,400,000	-
Advertising and promotion expenses	-	1,568,053,707
Income from sales support	1,474,433,333	-
Saigon Tay Do Beer - Beverage Joint Stock Company		
Sales of finished goods	498,687,960	239,219,780
Sales of raw materials	214,729,785,873	288,114,957,233
Sales of tools and supplies	284,019,468	217,235,000
Provision of services	93,400,000	68,800,000
Purchases of merchandise goods	596,434,545,450	784,675,703,760
Purchases of raw materials	-	195,398,652
Purchases of packaging materials	2,871,946,875	75,936,000
Warehouse rental fee	200,920,046	-
Dividends received	6,983,307,000	10,474,960,500
Advertising and promotion expenses	111,326,484	-

	Transaction value	
	2023 (VND)	2022 (VND)
Malaya - Vietnam Glass Limited		
Sales of goods	530,656,425	-
Provision of services	-	50,000,000
Sales of scrap	1,744,439,225	2,604,401,129
Purchases of packaging materials	67,252,307,280	11,224,105,758
Dividends received	64,200,000,000	-
Me Linh Point Limited		
Sales of finished goods	34,374,535	52,173,330
Purchases of services	8,039,704,613	6,366,069,000
Dividends received	43,802,647,026	76,929,654,084
San Miguel Yamamura Phu Tho Packaging Company Limited		
Sales of finished goods	16,546,000	-
Sales of raw materials	-	446,703,600
Purchases of packaging materials	73,230,314,000	97,339,738,000
Dividends received	-	7,344,805,800
Advertising and promotion expenses	12,938,182	314,133,644
Other transactions	31,185,234	14,940,000
Crown Beverage Cans Saigon Limited		
Sales of raw materials and other goods	-	67,951,518
Provision of services	-	766,032,852
Purchases of packaging materials	3,209,834,287	2,654,739,461,213
Other purchases	3,209,834,287	9,249,359,585
Advertising and promotion expenses	2,562,282,644	-
Other transactions	-	23,222,000
Saigon - Bentre Beer Joint Stock Company		
Sales of finished goods	74,214,000	239,286,000
Sales of raw materials	330,086,946,844	416,746,033,180
Sales of tools and supplies	162,200,000	257,920,000
Provision of services	192,610,000	34,000,000
Purchases of merchandise goods	915,125,207,400	1,169,420,458,490

	Transaction value	
	2023 (VND)	2022 (VND)
Purchases of raw materials	-	97,214,574
Motor vehicles rental fee	120,920,578	-
Dividends received	1,000,000,000	3,000,000,000
Advertising and promotion expenses	189,150,369	-
Vietnam Spirits and Wine Ltd		
Dividends received	18,279,859,500	-
Mechanical and Industrial Construction Joint Stock Company		
Sales of finished goods	-	122,648,300
Other related parties		
TBC-Ball Beverage Can Vietnam Co., Ltd		
Sales of finished goods	110,487,265	31,646,400
Provision of services	10,134,638,440	1,743,904,000
Purchases of packaging materials	1,443,551,707,367	1,429,658,932,761
Other transactions	173,910,751	3,043,137,416
S.A.S. CTAMAD Co., Ltd		
Sales of finished goods	304,656,260	-
Other purchases	38,732,482	59,672,970
Payments on behalf of the Group	29,249,994	-
MM Mega Market (Vietnam) Company Limited		
Sales of finished goods	178,882,188,065	74,658,239,269
Advertising and promotion expenses	3,752,523,258	13,913,803,770
Purchases of goods	1,063,451,283	1,258,897,112
Payments on behalf of the Group	42,486,605	-
Fraser and Neave, Limited		
Payments on behalf of the Group	-	46,567,151
Thipchalothorn Co., Ltd.		
Sales of finished goods	293,015,812	390,089,520
Advertising and promotion expenses	48,988,870	125,445,992
Chang International Co., Ltd		
Payments on behalf of the Group	800,594,316	3,610,841,300

	Transaction value	
	2023 (VND)	2022 (VND)
Chang Beer Co., Ltd.		
Payments on behalf of the Group	1,082,366,141	3,640,908,349
F&N Global Marketing Pte. Ltd.		
Income from sales support	867,208,502	1,091,737,849
Fraser & Neave (Malaya) Sdn Bhd		
Purchases of merchandise goods	337,788,216	1,065,935,109
C.A.I Co., Ltd.		
Purchases of services	759,058,000	732,415,000
Dhospaak Co., Ltd.		
Purchases of services	164,402,411	45,051,141
Board of Directors		
Salary, bonus and remuneration		
Mr. Koh Poh Tiong – Chairman	-	-
Mr. Pramoad Phornprapha – Member	676,000,000	676,000,000
Mr. Nguyen Tien Vy – Member	988,000,000	988,000,000
Mr. Michael Chye Hin Fah – Member	838,000,000	676,000,000
Ms. Tran Kim Nga – Member	838,000,000	676,000,000
Mr. Le Thanh Tuan – Member	838,000,000	676,000,000
Ms. Ngo Minh Chau – Member	838,000,000	676,000,000
Board of Management		
Salary and bonus	31,119,357,392	32,099,546,562
Audit Committee		
Remuneration	1,014,000,000	1,014,000,000

41. Non-cash investing activities

	2023 (VND)	2022 (VND)
Purchases of fixed assets and construction in progress but not yet paid	191,066,890,050	231,824,368,575

42. Comparative information

Except for the restatement of EPS as disclosed in Note 39, other comparative information as at 1 January 2023 were derived from the balances and amounts reported in the Group's consolidated financial statements as at and for the year ended 31 December 2022.

Prepared by:

Approved by:

28 March 2024

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Accountant

Tran Nguyen Trung
Chief Accountant

Koo Liang Kwee
Deputy General Director

Tan Teck Chuan Lester
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