

SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

**SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**



SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

CORPORATE INFORMATION

Business registration certificate

No. 4103010027 dated 17 April 2008 issued by the Department of Planning and Investment of Ho Chi Minh City.

Enterprise registration certificate

No. 0300583659 dated 29 February 2012 issued by the Department of Planning and Investment of Ho Chi Minh City.

The Business registration certificate was amended to the Enterprise registration certificate under joint stock company form on 29 February 2012. The sixth amended Enterprise registration certificate was issued on 1 September 2017.

Board of Management

Mr. Vo Thanh Ha	Chairman
Mr. Bui Ngoc Hanh	Member
Mr. Nguyen Bich Dat	Member
Mr. Nguyen Thanh Nam	Member (from 16 February 2017)
Mr. Vu Quang Hai	Member (until 16 February 2017)
Mr. Le Hong Xanh	Member (until 8 August 2017)

Board of Directors

Mr. Nguyen Thanh Nam	General Director (from 12 June 2017) Deputy General Director (until 12 June 2017) Sai Gon – Cu Chi Factory's Director (until 22 September 2017)
Mr. Le Hong Xanh	Managing Director (until 12 June 2017) Deputy General Director (until 1 July 2017)
Mr. Nguyen Minh An	Deputy General Director
Mr. Nguyen Huu Loc	Sai Gon – Cu Chi Factory's Director (From 22 September 2017)
Mr. Lam Du An	Deputy General Director (until 12 October 2017) Sai Gon – Nguyen Chi Thanh Factory's Director

Board of Supervisors

Mr. Nguyen Van Minh	Head of the Board (from 9 August 2017)
Mr. Dong Viet Trung	Head of the Board (until 8 August 2017)
Mr. Nguyen Van Minh	Member (from 16 February 2017 to 8 August 2017)
Mr. Ly Minh Hoang	Member (from 8 August 2017)
Mr. Hoang Giang Binh	Member (until 18 April 2017)
Mr. Chung Tri Dung	Member (until 16 February 2017)

Legal representative

Mr. Vo Thanh Ha	Chairman
Mr. Nguyen Thanh Nam	General Director (from 12 June 2017)

Registered office

No.187, Nguyen Chi Thanh Street, Ward 12, District 5, Ho Chi Minh City, Vietnam

Contact address

5th Floor, Vincom Commercial Centre, 72 Le Thanh Ton and 45A Ly Tu Trong, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

CORPORATE INFORMATION (continued)

Representative office The representative office of Saigon Beer – Alcohol – Beverage Corporation in Hanoi City: 6th Floor, No.97, Tran Hung Dao Street, Cua Nam Ward, Hoan Kiem District, Hanoi City, Vietnam

Branches Sai Gon – Cu Chi Beer Factory
Lot C1, D3 Street, Northwest Cu Chi Industrial Zone, Cu Chi Town,
Cu Chi District, Ho Chi Minh City, Vietnam

Saigon - Nguyen Chi Thanh Beer Factory
No.187, Nguyen Chi Thanh Street, Ward 12, District 5
Ho Chi Minh City, Vietnam

Auditor PwC (Vietnam) Limited

SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF DIRECTORS IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Board of Directors of Saigon Beer – Alcohol - Beverage Corporation (“the Company”) is responsible for preparing the separate financial statements of the Company which give a true and fair view of the financial position of the Company as at 31 December 2017, and of the results of operation and cash flows for year ended. In preparing these separate financial statements, the Board of Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the separate financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Directors is responsible for ensuring that proper accounting records are maintained, which disclose, with reasonable accuracy at any time, the financial position of the Company and which enable the separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate financial statements. We are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

We hereby approve the accompanying separate financial statements as set out on pages 6 to 63 which give a true and fair view of the financial position of the Company as at 31 December 2017 and of the results of its operations and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Company and its subsidiaries (together, “the Group”) for the year ended 31 December 2017 in order to obtain full information on the financial position and results of the operations and cash flows of the Group.

On behalf of the Board of Directors



Nguyen Thanh Nam
General Director

Ho Chi Minh City, SR Vietnam
29 March 2018



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

We have audited the accompanying separate financial statements of Saigon Beer – Alcohol – Beverage Corporation (“the Company”) which were prepared on 31 December 2017 and approved by the Board of Directors on 29 March 2018. These separate financial statements include the separate balance sheet as at 31 December 2017, the separate income statement and separate cash flow statement for the year then ended and notes to these separate financial statements, as set out on pages 6 to 63.

The Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and the true and fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements and for such internal control which the Board of Directors determines necessary to enable the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the separate 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 true and fair presentation of the separate 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 Board of Directors, as well as evaluating the overall presentation of the separate financial statements.

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



Auditor's Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2017, its separate financial performance and separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate financial statements.

Other Matters

The separate financial statements of the Company for the year ended 31 December 2016 were audited by another auditor, who expressed an unmodified opinion on those statements on 7 March 2017. The Board of Directors decided to restate the financial statements for the year ended 31 December 2016 as disclosed in Note 40.

This independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Quach Thanh Chau
Audit Practising Licence No: 0875-2018-006-1
Authorised signatory

Report reference number: HCM6910
Ho Chi Minh City, 29 March 2018



Luong Thi Anh Tuyet
Audit Practising Licence No: 3048-2017-006-1

As indicated in Note 2.1 to the separate financial statements, the accompanying separate financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than SR Vietnam, and furthermore their utilisation is not designed for those who are not informed about SR Vietnam's accounting principles, procedures and practices.

SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2017 VND	2016 VND (Restated – Note 40)
100	CURRENT ASSETS		11,323,011,283,213	7,197,862,235,245
110	Cash and cash equivalents	3	2,382,294,145,898	1,880,612,291,229
111	Cash		262,294,145,898	180,612,291,229
112	Cash equivalents		2,120,000,000,000	1,700,000,000,000
120	Short-term investments		6,374,000,000,000	2,940,000,000,000
123	Investments held-to-maturity	4(a)	6,374,000,000,000	2,940,000,000,000
130	Short-term receivables		2,156,246,766,937	1,323,984,478,709
131	Short-term trade accounts receivable	5	1,305,092,241,908	654,947,891,118
132	Short-term prepayments to suppliers	6	9,564,895,915	25,835,999,243
136	Other short-term receivables	7(a)	867,877,020,095	669,487,979,329
137	Provision for doubtful debts – short-term	8(a)	(40,787,786,892)	(40,787,786,892)
139	Shortage of assets awaiting resolution	9	14,500,395,911	14,500,395,911
140	Inventories	10(a)	388,093,755,215	395,709,326,162
141	Inventories		414,420,214,598	410,266,010,507
149	Provision for decline in value of inventories		(26,326,459,383)	(14,556,684,345)
150	Other current assets		22,376,615,163	657,556,139,145
151	Short-term prepaid expenses	11(a)	1,491,233,083	7,330,467,472
152	Value Added Tax to be reclaimed	18	20,885,169,356	9,424,137,131
153	Taxes and other payables to the State	12,		
	Budget	18	212,724	640,801,534,542

The notes on pages 11 to 63 are an integral part of these separate financial statements.

SEPARATE BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at 31 December	
			2017 VND	2016 VND (Restated – Note 40)
200	LONG-TERM ASSETS		6,156,832,349,207	6,268,339,688,713
210	Long-term receivables		319,351,652,760	320,787,195,660
215	Long-term lending		4,000,000,000	9,900,000,000
216	Other long-term receivables	7(b)	348,220,532,665	349,656,075,565
219	Provision for doubtful debts – long-term	8(b)	(32,868,879,905)	(38,768,879,905)
220	Fixed assets		1,840,303,606,752	2,052,019,379,902
221	Tangible fixed assets	13(a)	954,626,221,143	1,157,698,733,135
222	Historical cost		3,427,249,784,365	3,386,884,827,897
223	Accumulated depreciation		(2,472,623,563,222)	(2,229,186,094,762)
227	Intangible fixed assets	13(b)	885,677,385,609	894,320,646,767
228	Historical cost		989,440,803,824	987,925,803,824
229	Accumulated amortisation		(103,763,418,215)	(93,605,157,057)
230	Investment properties	14	4,354,990,620	4,747,955,124
231	Historical cost		7,859,289,977	7,859,289,977
232	Accumulated depreciation		(3,504,299,357)	(3,111,334,853)
240	Long-term assets in progress		61,211,627,837	29,216,550,436
242	Construction in progress	15	61,211,627,837	29,216,550,436
250	Long-term investments		3,810,074,657,892	3,760,530,037,279
251	Investments in subsidiaries	4(b)	2,728,068,835,029	2,728,068,835,029
252	Investments in associates, joint ventures	4(b)	687,084,845,720	666,884,845,720
253	Investments in other entities	4(b)	783,539,401,803	807,063,205,046
254	Provision for long-term investments	4(b)	(409,487,304,565)	(462,355,728,421)
255	Investments held-to-maturity	4(a)	20,868,879,905	20,868,879,905
260	Other long-term assets		121,535,813,346	101,038,570,312
261	Long-term prepaid expenses	11(b)	85,450,744,309	75,573,566,548
262	Deferred income tax assets	16	34,929,597,381	21,844,700,874
263	Long-term supplies and spare parts	10(b)	1,155,471,656	3,620,302,890
270	TOTAL ASSETS		17,479,843,632,420	13,466,201,923,958

The notes on pages 11 to 63 are an integral part of these separate financial statements.

SEPARATE BALANCE SHEET
(continued)

Code	RESOURCES	Note	For the year ended 31 December	
			2017 VND	2016 VND (Restated – Note 40)
300	LIABILITIES		5,370,277,081,680	3,425,964,930,845
310	Short-term liabilities		5,239,437,665,215	3,320,091,961,422
311	Short-term trade accounts payable	17	2,017,620,399,768	1,551,081,121,557
312	Short-term advances from customers		3,366,746,525	788,329,086
313	Tax and other payables to the State Budget	18	574,189,634,734	410,027,573,389
314	Payable to employees		53,540,955,885	105,953,656,715
315	Short-term accrued expenses	19	53,169,977,301	74,886,545,328
319	Other short-term payables	20(a)	2,440,537,137,922	988,058,331,719
322	Bonus and welfare funds	21	97,012,813,080	189,296,403,628
330	Long-term liabilities		130,839,416,465	105,872,969,423
337	Other long-term payables	20(b)	51,602,316,000	51,602,316,000
342	Provision for long-term liabilities		24,966,447,042	-
343	Fund for science and technology development		54,270,653,423	54,270,653,423
400	OWNERS' EQUITY		12,109,566,550,740	10,040,236,993,113
410	Capital and reserves		12,109,566,550,740	10,040,236,993,113
411	Owners' capital	22, 23	6,412,811,860,000	6,412,811,860,000
411a	- Ordinary shares with voting rights		6,412,811,860,000	6,412,811,860,000
418	Investment and development funds	23	760,819,802,040	760,819,802,040
421	Undistributed earnings	23	4,935,934,888,700	2,866,605,331,073
421a	- Undistributed earnings of the previous years	23	2,790,638,035,073	892,137,789,401
421b	- Post-tax profit of the current year	23	2,145,296,853,627	1,974,467,541,672
440	TOTAL RESOURCES		17,479,843,632,420	13,466,201,923,958



Le Thi Thien Thanh
Preparer



Nguyen Tien Dung
Chief Accountant



Nguyen Thanh Nam
General Director
29 March 2018

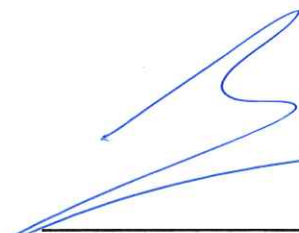
The notes on pages 11 to 63 are an integral part of these separate financial statements.

SEPARATE INCOME STATEMENT

Code	Note	For the year ended 31 December	
		2017 VND	2016 VND (Restated – Note 40)
01	Sales	34,503,890,606,310	30,895,884,089,945
02	Less deductions	-	(551,915,200)
10	Net sales	34,503,890,606,310	30,895,332,174,745
11	Cost of sales	(29,588,446,699,863)	(26,513,435,310,686)
20	Gross profit	4,915,443,906,447	4,381,896,864,059
21	Financial income	2,142,341,449,056	1,634,597,657,117
22	Financial expenses	50,027,658,964	20,775,323,891
25	Selling expenses	(1,446,841,604,384)	(650,161,156,589)
26	General and administration expenses	(370,150,098,282)	(312,759,691,123)
30	Net operating profit	5,290,821,311,801	5,074,348,997,355
31	Other income	2,310,276,092	49,587,390,746
32	Other expenses	(10,148,296,672)	(13,565,615,120)
40	Net other (expenses)/income	(7,838,020,580)	36,021,775,626
50	Net accounting profit before tax	5,282,983,291,221	5,110,370,772,981
51	Business income tax - current	(733,785,378,516)	(166,240,893,977)
52	Business income tax - deferred	13,084,896,507	(821,161,839,333)
60	Net profit after tax	4,562,282,809,212	4,122,968,039,671



Le Thi Thien Thanh
Preparer



Nguyen Tien Dung
Chief Accountant



Nguyen Thanh Nam
General Director
29 March 2018

The notes on pages 11 to 63 are an integral part of these separate financial statements.

SEPARATE CASH FLOW STATEMENT
(Indirect method)

		For the year ended 31 December	
		2017	2016
		VND	VND
			(Restated – Note 40)
	Notes		
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	5,282,983,291,221	5,110,370,772,981
	Adjustments for:		
02	Depreciation and amortisation	253,988,694,122	254,946,117,305
03	Reversal of provisions	(22,032,201,776)	(19,487,175,040)
04	Unrealised foreign exchange losses/(gains)	79,253,350	(92,331,846)
05	Profits from investing activities	(2,141,713,389,269)	(1,636,215,668,336)
08	Operating profit before changes in working capital	3,373,305,647,648	3,709,521,715,064
09	Increase in receivables	(52,854,933,835)	(195,472,347,329)
10	Increase in inventories	(1,689,372,857)	(12,973,313,994)
11	Decrease in payables	(91,685,154,119)	(3,021,378,002,920)
12	(Increase)/decrease in prepaid expenses	(4,037,943,372)	20,306,935,044
15	Business income tax paid	-	(536,500,402,568)
17	Other payments on operating activities	(210,551,412,537)	(136,029,298,204)
20	Net cash inflows/(outflows) from operating activities	3,012,486,830,928	(172,524,714,907)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(70,241,373,207)	(92,578,393,107)
22	Proceeds from disposals of fixed assets and long-term assets	-	33,427,270
23	Deposits at banks with maturity exceeding 3 months	(7,024,000,000,000)	(2,500,000,000,000)
24	Proceeds from deposits at banks with maturity exceeding 3 months	3,595,900,000,000	250,000,000,000
25	Investments in other entities	(40,000,000,000)	(449,947,945,903)
26	Proceeds from divestment in other entities	66,048,265,300	361,795,050,000
27	Dividends and interest received	1,970,351,289,322	1,727,870,978,394
30	Net cash outflows from investing activities	(1,501,941,818,585)	(702,826,883,346)
CASH FLOWS FROM FINANCING ACTIVITIES			
36	Dividends paid	24 (1,008,864,945,050)	(3,650,107,852,550)
40	Net cash outflows from financing activities	(1,008,864,945,050)	(3,650,107,852,550)
50	Net increase/(decrease) in cash and cash equivalents	501,680,067,293	(4,525,459,450,803)
60	Cash and cash equivalents at beginning of year	3 1,880,612,291,229	6,406,079,584,088
61	Effect of foreign exchange differences	1,787,376	(7,842,056)
70	Cash and cash equivalents at end of year	3 2,382,294,145,898	1,880,612,291,229

Major non-cash transactions during the year are presented in Note 36.

Le Thi Thien Thanh
Preparer

Nguyen Tien Dung
Chief Accountant

Nguyen Thanh Nam
General Director
29 March 2018



The notes on pages 11 to 63 are an integral part of these separate financial statements.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1 GENERAL INFORMATION

Saigon Beer - Alcohol - Beverage Corporation ("the Company") was established as a State-Owned General Corporation under Decision No. 74/2003/QĐ-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 Beverage Company and Phu Tho Glass Company into the Company. On 11 May 2004, the Ministry of Industry issued Decision No. 37/2004/QĐ-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/QĐ-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 Business registration certificate was amended to the Enterprise registration certificate under joint stock company form No. 0300583659 dated 29 February 2012 issued by the Department of Planning and Investment of Ho Chi Minh City. The sixth amended Enterprise registration certificate was issued on 1 September 2017 to update the information on the legal representatives of the Company.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange with trading code SAB in accordance with Decision No. 470/QĐ-SGDHCM dated 15 November 2016 issued by the Ho Chi Minh City Stock Exchange.

The principal activities of the Company are to produce and sell beer, alcohol, beverages and related products including material and packaging materials.

The normal business cycle of the Company is within 12 months.

As at 31 December 2017, the Company has 22 subsidiaries and 15 joint ventures, associates as presented in Note 4(b) – *Investment in other entities*.

SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

Form B 09 - DN

1 GENERAL INFORMATION (continued)

Additionally, the Company has indirect investments in one subsidiary and five associates as listed below:

Name	Location (Province/City)	Principal activities	2017		2016	
			% of ownership	% of voting rights	% of ownership	% of voting rights
I - Subsidiaries						
Saigon - Soc Trang Beer One Member Limited Company	Soc Trang	Produce and trade beer, yeasty malt, mineral water, bottled pure water	51	100	51	100
II - Associates						
Thanh Nam Consulting and Tranfering Technology Joint Stock Company	Ho Chi Minh	Provide consulting construction and design services	28.57	28.57	28.57	28.57
Mechical and Industrial Contrustion Joint Stock Company	Ho Chi Minh	Manufacture and install machinery, bridges and roads and industrial construction products	26	26	26	26
Saigon - Bac Lieu Beer Joint Stock Company	Bac Lieu	Produce beer, alcohol and beverages	10.2	20	10.2	20
Saigon – Binh Tay Beer Joint Stock Company	Ho Chi Minh	Produce, process and trade food, beverages, beer and alcohol	21.43	22.17	21.43	22.17
Saigon - Tay Do Beer and Beverage Joint Stock Company	Can Tho	Manufacture and trade alcohol, beer, beverages, soya milk and fruit juice	27.62	34.92	30.77	38.51

As at 31 December 2017, the Company has 845 employees (as at 31 December 2016: 817 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of separate financial statements**

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements. The separate financial statements have been prepared under the historical cost convention.

The accompanying separate financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

Separately, the Company has also prepared consolidated financial statements of the Company and its subsidiaries (together, "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiary undertakings – which are those companies in which the Group has the power to govern the financial and operating policies – have been fully consolidated.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Group for the year ended 31 December 2017 in order to obtain full information on the financial position and results of operations and cash flows of the Group.

2.2 Fiscal year

The Company's fiscal year is from 1 January to 31 December.

2.3 Currency

The separate interim financial statements are measured and presented in Vietnamese Dong ("VND").

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the separate income statement.

Monetary assets and liabilities denominated in foreign currencies at the separate balance sheet date are respectively translated at the buying and selling exchange rates at the separate balance sheet date of the commercial banks where the Company regularly trades. Foreign currencies deposited in banks at the separate balance sheet date are translated at the buying exchange rate of the commercial banks where the Company opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the separate income statement.

2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

2.5 Trade receivables

Trade receivables are carried at the original invoice amount less an estimate made for doubtful receivables based on a review by the Board of Directors of all outstanding amounts at the year end. Bad debts are written off when identified.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses. Provision is made, where necessary, for obsolete, slow-moving and defective inventory items.

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

Investments held-to-maturity are investments which the Company's Board of Directors has positive intention and ability to hold until maturity.

Investments held-to-maturity include term deposits, bonds, and other held-to-maturity investments. Those investments are accounted for at cost less provision.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that part or the whole of the investment is uncollectible.

(b) Investments in subsidiaries

Subsidiaries are all entities in which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries over which the Company has control are accounted for at cost less provision for diminution in value, except for certain investments which were revalued as at 31 December 2006 and 30 April 2008 for equitisation purposes in accordance with the Equitisation Finalisation Minutes dated 6 March 2010.

Provision for diminution in value is made when there is an impairment of the investments.

(c) Investments in joint ventures and associates

A joint venture is established by a joint venture agreement between two or more than two parties who have joint control over financial and operating policies. Associates are investments over which the Company has significant influence but not control and would generally have from 20% to under 50% voting shares of the investee.

Investments in joint ventures and associates over which the Company has significant influence are accounted for at cost less provision for diminution in value, except for certain investments which were revalued as at 31 December 2006 and 30 April 2008 for equitisation purposes in accordance with the Equitisation Finalisation Minutes dated 6 March 2010.

Provision for diminution in value is made when there is an impairment of the investments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Investments (continued)****(d) Investments in equity of other entities**

Investments in equity of other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee.

These investments are initially stated at cost of acquisition, except for certain investments which were revalued as at 31 December 2006 and 30 April 2008 for equitisation purposes in accordance with the Equitisation Finalisation Minutes dated 6 March 2010.

Provision for diminution in value of these investments is made when the entities make losses, except when the loss was anticipated in their business plan before the date of investment.

2.8 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation/amortisation, except for certain items which had been revalued in connection with the equitisation process of the State-Owned General Corporation in accordance with Prime Minister's Decision No. 1862/QD-TTg. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets. During the equitisation process of the State-Owned General Corporation, fixed assets were revalued on 31 December 2006 and on 30 April 2008.

Depreciation and amortisation

Fixed assets are depreciated/amortised using the straight-line method to write off the cost of the assets to their residual value over their estimated useful lives. The estimated useful lives of fixed assets are as below:

Buildings	5 - 25 years
Plant and machinery	5 - 12 years
Motor vehicles	3 - 8 years
Office equipment	3 - 5 years
Software	3 years

Land use rights with indefinite term which were recorded at cost or revalued during the equitisation process of the State-Owned General Corporation in accordance with the Prime Minister's Decision No. 1862/QD-TTg are not amortised.

Land use rights with definite term are amortised using the straight-line method in accordance with the terms indicated in the land use rights.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the separate income statement.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes professional fees and, for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Leased assets**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.10 Investment properties

Cost of an investment property means the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the investment property at the time of its acquisition or completion of construction.

Depreciation

Investment properties held for rental income are depreciated using the straight-line method to write off the cost of the assets over their estimated useful lives. The estimated useful lives are:

Buildings	20 years
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Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the net book value and are recognised as income or expense in the separate income statement.

2.11 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the separate balance sheet. Prepaid expenses are recorded at historical cost and allocated using the straight-line method over estimated useful lives.

2.12 Payables

Classifications of payables are based on their natures as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services.
- Other payables are non-trade payables, and do not relate to purchase of goods and services.

Payables are classified into long-term and short-term payables on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

2.13 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid for due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Provisions**

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditure expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

2.15 Provision for severance allowances

In accordance with Vietnamese labour laws, employees of the Company who have worked regularly for a full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Company less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Company.

The severance allowance is accrued at the end of the reporting period on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee's average salary for the six-month period prior to the separate balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.

2.16 Share capital

Contributed capital of the shareholders is recorded according to actual amount contributed and recorded according to par value of the shares.

Undistributed earnings record the Company's results after business income tax at the reporting date.

2.17 Appropriation of net profit

Net profit after income tax can be distributed to shareholders after approval at the Annual General Meeting, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Company's funds are as below:

(a) Investment and development fund

The investment and development fund is appropriated from the Company's net profit after tax as proposed by the Board of Management and subject to shareholders' approval at the Annual General Meeting. The fund is set aside for use in the Company's expansion of its operation or in-depth investments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.17 Appropriation of net profit (continued)****(b) Bonus and welfare fund**

The bonus and welfare fund is appropriated from the Company's net profit after tax as proposed by the Board of Management and subject to shareholders' approval at the Annual General Meeting. The fund is set aside for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' benefits.

(c) Social contribution fund

The social contribution fund is appropriated from the Company's net profit after tax as proposed by the Board of Management and subject to shareholders' approval at the Annual General Meeting. The fund is set aside for the purpose of social welfare activities, charity activities, and society and community activities of the Company.

(d) Fund for science and technology development

The fund for science and technology development is appropriated from the Company's taxable profit in accordance with prevailing regulations. The fund is set aside for the purpose of science and technology development of the Company.

2.18 Dividend distribution

Net profit after tax is available for appropriation to shareholders as proposed by the Board of Management and subject to shareholders' approval at the Annual General Meeting.

2.19 Revenue recognition**(a) Sales of goods**

Revenue from the sale of goods is recognised in the separate income statement when all five following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there is significant uncertainty regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised based on principle of "substance over form" and allocated to each sales obligation. If the Company gives promotional goods to customers associated with customers' purchases, the Company allocates the total consideration received for goods sold and promotional goods. Cost of promotional goods is recognised as cost of sales in the separate income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Revenue recognition (continued)****(b) Rendering of services**

Revenue from rendering of services is recognised in the separate income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the sale of services is only recognised when all four following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The percentage of completion of the transaction at the separate balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably

(c) Interest income

Interest income is recognised on an earned basis.

(d) Dividend income

Income from dividend is recognised when the Company has established the receiving right from investees.

2.20 Cost of sales

Cost of goods sold or cost of services rendered are cost of finished goods, merchandises, materials sold or services provided during the year, and recorded on the basis of matching with revenue and the prudent concept.

2.21 Financial expenses

Financial expenses are expenses incurred in the year for financial activities including expenses or losses relating to financial investment activity; expenses of lending; costs of capital contributed to joint ventures and associates; provision for diminution in value of investments in other entities; losses incurred when selling foreign currencies; and losses from foreign exchange differences.

2.22 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods, and providing services, which mainly include advertising and promotion expenses, and selling support expenses.

2.23 General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staff (salaries, wages, allowances, etc.); social insurance, medical insurance, labour union fees, unemployment insurance of administrative staff; expenses of office materials, tools and supplies; depreciation of fixed assets used for administration; land rental; licence tax, provision for bad debts, outside services, and other cash expenses.

2.24 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.24 Current and deferred income tax (continued)**

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided for in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.25 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

The Ministry of Industry and Trade holds a large number of shares in the Company and accordingly is regarded as a related party. However, enterprises which are controlled or significantly influenced by the Ministry of Industry and Trade are not considered as related parties of the Company for the purposes of disclosure since they do not influence, or are not influenced by, the Company.

In considering the related party relationship, the Company considers the substance of the relationship, not merely the legal form.

2.26 Use of estimates

The preparation of the separate financial statements in conformity with Vietnamese Accounting Standards requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of separate financial statements and the amounts of revenues and expenses during the year. Although these estimates are based on the Board of Directors' best knowledge of current events and actions, actual results may differ from those estimates.

2.27 Segment reporting

A segment is a component which can be separated by the Company engaged in providing products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company's business segment or the Company's geographical segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Company's separate financial statements in order to help users of separate financial statements understand and evaluate the Company's operations in a comprehensive way.

3 CASH AND CASH EQUIVALENTS

	2017	2016
	VND	VND
Cash on hand	402,517,400	437,903,500
Cash at bank (*)	261,891,628,498	180,174,387,729
Cash equivalents (**)	2,120,000,000,000	1,700,000,000,000
	<u>2,382,294,145,898</u>	<u>1,880,612,291,229</u>

(*) As at 31 December 2017, included in cash at bank is the amount of VND115,117,546,210 that the Company kept on behalf of the Ministry of Industry and Trade to settle the costs relating to the competitive bidding to divest the ownership of the State in the Company according to Report No. 158/2017/BC-BPĐDPVNN dated 29 December 2017.

(**) Cash equivalents include term deposits at banks with original maturity of less than three months and which earn interest of 5.5% per annum.

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4 INVESTMENTS

(a) Investments held-to-maturity

(i) Short-term

	2017			2016		
	Cost VND	Provision VND	Book value VND	Cost VND	Provision VND	Book value VND
Term deposits	6,374,000,000,000	-	6,374,000,000,000	2,940,000,000,000	-	2,940,000,000,000

(ii) Long-term

Long-term investments held-to-maturity represent the Company's investments in bonds of Vinashin Group. Full provision has been made for this investment as presented in Note 8(b).

(b) Long-term investments

	2017			2016		
	Cost VND	Provision VND	Book value VND	Cost VND	Provision VND	Book value VND
Investments in subsidiaries (i) Investments in joint venture companies, associates (ii)	2,728,068,835,029	(43,713,199,137)	2,684,355,635,892	2,728,068,835,029	(17,683,421,572)	2,710,385,413,457
Other long term investments (iii)	687,084,845,720	(35,304,424,247)	651,780,421,473	666,884,845,720	(20,819,504,762)	646,065,340,958
	783,539,401,803	(330,469,681,181)	453,069,720,622	807,063,205,046	(423,852,802,087)	383,210,402,959
	4,198,693,082,552	(409,487,304,565)	3,789,205,777,987	4,202,016,885,795	(462,355,728,421)	3,739,661,157,374

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4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(i) Investments in subsidiaries

The details of investments in subsidiaries are as below:

Company name	Principal activities	2017				2016			
		% of ownership and voting rights %	Cost VND	Fair value VND	Provision VND	% of ownership and voting rights %	Cost VND	Fair value VND	Provision VND
Saigon - Mien Tay Beer Joint Stock Company	Produce and trade beer	51%	100,424,933,209	399,108,150,000	-	51%	100,424,933,209	422,254,500,000	-
Chuong Duong Beverages Joint Stock Company	Produce and trade beverages	62.06%	236,167,400,000	209,670,775,000	(26,496,625,000)	62.06%	236,167,400,000	249,921,250,000	-
Saigon - Quang Ngai Beer Joint Stock Company	Produce and trade beer	66.56%	299,548,230,160	708,317,500,000	-	66.56%	299,548,230,160	(*)	-
Binh Tay Liquor Joint Stock Company	Produce and trade beer and alcohol	91.75%	208,414,271,535	(*)	-	91.75%	208,414,271,535	(*)	-
Saigon - Dong Xuan Beer Alcohol Joint Stock Company	Produce beer and beverages	51.24%	17,650,697,182	(*)	-	51.24%	17,650,697,182	(*)	-
Saigon - Nghe Tinh Beer Joint Stock Company	Produce and trade beer, and alcohol	54.73%	76,324,868,844	79,308,600,000	-	54.73%	76,324,868,844	(*)	-
Saigon - Song Lam Beer Joint Stock Company	Produce and trade beer	68.78%	314,250,000,000	501,390,000,000	-	68.78%	314,250,000,000	(*)	-
Saigon - Hanoi Beer Joint Stock Company	Produce and trade beer	52.11%	93,800,000,000	(*)	-	52.11%	93,800,000,000	(*)	-
Saigon Beer Trading One Member Company Limited	Trade beer	100%	700,000,000,000	(*)	-	100%	700,000,000,000	(*)	-
Sabeco Mechanical One Member Company Limited	Produce machinery used for drink production, provide installation and mechanical maintenance services	100%	59,365,663,690	(*)	-	100%	59,365,663,690	(*)	-
Saigon - Ha Tinh Beer One Member Company Limited	Produce and trade beer	100%	120,000,000,000	(*)	-	100%	120,000,000,000	(*)	-
Saigon Packaging Joint Stock Company	Produce canned foods, carton and metal packaging products	76.81%	55,174,824,506	(*)	(17,216,574,137)	76.81%	55,174,824,506	(*)	(17,683,421,572)

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4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(i) Investments in subsidiaries (continued)

The details of investments in subsidiaries are as below (continued):

Company name	Principal activities	% of ownership and voting rights %	2017			2016			
			Cost VND	Fair value VND	Provision VND	% of ownership and voting rights %	Cost VND	Fair value VND	Provision VND
Saigon – Song Tien Beer Trading Joint Stock Company	Trade beer	90%	36,265,364,767	(*)	-	90%	36,265,364,767	(*)	-
Saigon – Song Hau Beer Trading Joint Stock Company	Trade beer	90%	36,798,955,472	(*)	-	90%	36,798,955,472	(*)	-
Saigon - Trung Tam Beer Trading Joint Stock Company	Trade beer	94.23%	81,000,000,000	(*)	-	94%	81,000,000,000	(*)	-
Saigon - Mien Trung Beer Trading Joint Stock Company	Trade beer	91.24%	54,546,288,176	(*)	-	91.24%	54,546,288,176	(*)	-
Saigon – Tay Nguyen Beer Trading Joint Stock Company	Trade beer	90%	36,541,448,653	(*)	-	90%	36,541,448,653	(*)	-
Saigon - Nam Trung Bo Beer Trading Joint Stock Company	Trade beer	90.14%	55,799,775,209	(*)	-	90.14%	55,799,775,209	(*)	-
Saigon - Mien Dong Beer Trading Joint Stock Company	Trade beer	90.68%	36,362,195,948	(*)	-	90.68%	36,362,195,948	(*)	-
Saigon - Mien Bac Beer Trading Joint Stock Company	Trade beer	94.72%	37,422,345,046	(*)	-	94.72%	37,422,345,046	(*)	-
Saigon – Bac Trung Bo Beer Trading Joint Stock Company	Trade beer	94.92%	36,211,572,632	(*)	-	94.92%	36,211,572,632	(*)	-
Saigon – Dong Bac Beer Trading Joint Stock Company	Trade beer	90.45%	36,000,000,000	(*)	-	90.45%	36,000,000,000	(*)	-
			<u>2,728,068,835,029</u>	<u>(43,713,199,137)</u>			<u>2,728,068,835,029</u>		<u>(17,683,421,572)</u>

(*) As at 31 December 2017 and 31 December 2016, information about the fair value of these investments was not available, as these shares are not publicly traded.

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4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(ii) Investments in associates and joint ventures

The details of investments in associates and joint ventures are as below:

Company name	Principal activities	2017				2016			
		% of ownership and voting rights	Cost VND	Fair value VND	Provision VND	% of ownership and voting rights	Cost VND	Fair value VND	Provision VND
Truong Sa Food Trading Joint Stock Company	Produce agricultural products and foods	28.35%	4,725,000,000	(*)	(1,144,281,030)	28.35%	4,725,000,000	(*)	(735,405,831)
Saigon - Phu Ly Beer Joint Stock Company (Note 4(b)(iii))	Produce beer and mineral water	29.76%	53,379,495,085	(*)	-	29.76%	53,379,495,085	(*)	-
Saigon - Khanh Hoa Beer Joint Stock Company	Produce beer, alcohol and beverages	26%	26,000,000,000	(*)	-	26%	26,000,000,000	(*)	-
Saigon - Phu Tho Beer Joint Stock Company	Produce beer, alcohol and beverages	27.03%	33,787,500,000	91,361,400,000	-	27.03%	33,787,500,000	94,672,575,000	-
Saigon - Mien Trung Beer Joint Stock Company	Produce and trade beer, alcohol and beverages	32.22%	103,174,711,495	297,753,558,480	-	32.22%	103,174,711,495	290,444,362,600	-
Tan Thanh Investment Company Limited	Construction and trade of real estate	29%	72,500,000,000	(*)	(2,527,972,687)	29%	72,500,000,000	(*)	(2,233,916,447)
Saigon - Ninh Thuan Beer Joint Stock Company (**)(Note 4(b)(iii))	Produce beer, alcohol and beverages	-	-	(*)	-	20%	19,800,000,000	(*)	-
Saigon - Vinh Long Beer Joint Stock Company	Produce beer, alcohol and beverages	20%	30,000,000,000	(*)	-	20%	30,000,000,000	(*)	-
Saigon - Kien Giang Beer Joint Stock Company	Produce beer, alcohol and beverages	20%	23,000,000,000	(*)	-	20%	23,000,000,000	(*)	-
Me Linh Point Limited Company	Lease and manage office building	25%	43,111,007,200	(*)	-	25%	43,111,007,200	(*)	-
Saigon Crown Company Limited	Manufacture aluminium cans	30.04%	113,224,326,586	(*)	-	30.04%	113,224,326,586	(*)	-
Malaya Vietnam Glass Company Limited	Manufacture glass products	30%	86,338,395,824	(*)	-	30%	86,338,395,824	(*)	-
San Miguel Phu Tho Packaging Limited Company	Produce and sell metal crown products	35%	26,212,239,000	(*)	-	35%	26,212,239,000	(*)	-
Vietnam Spirits and Wine Company Limited	Produce and trade alcohol and alcohol - related products	45%	31,632,170,530	(*)	(31,632,170,530)	45%	31,632,170,530	(*)	(17,850,182,484)
Saigon - Ben Tre Beer Joint Stock Company (***)	Produce beer, alcohol and beverages	20%	20,000,000,000	(*)	-	-	-	-	-
Saigon - Lam Dong Beer Joint Stock Company (***)	Produce beer, alcohol and beverages	20%	20,000,000,000	(*)	-	-	-	-	-
			<u>687,084,845,720</u>		<u>(35,304,424,247)</u>		<u>666,884,845,720</u>		<u>(20,819,504,762)</u>

4 INVESTMENTS (continued)**(b) Long-term investments (continued)***(ii) Investments in associates and joint ventures (continued)*

- (*) As at 31 December 2017 and 31 December 2016, information about the fair value of these investments was not available, as these shares are not publicly traded.
- (**) According to Resolution No. 100/2016/QĐ-HĐQT dated 24 November 2016 of the Board of Management and the Merger Contract dated 29 September 2016 between Saigon – Ninh Thuan Beer Joint Stock Company and Sagota Saigon – Ninh Thuan Beer Joint Stock Company, on 30 November 2016, Sagota Saigon – Ninh Thuan Beer Joint Stock Company was merged with Saigon – Ninh Thuan Beer Joint Stock Company. Following the merger, ownership and voting rights of the Company decreased from 20% in 2016 to 10.26% as at 31 December 2017, as a result Saigon – Ninh Thuan Beer Joint Stock Company is no longer an associate.
- (***) According to Decision No.59/2017/QĐ - HĐQT dated 13 March 2017, the Company has invested in Saigon - Ben Tre Beer Joint Stock Company in the amount of VND20,000,000,000, accounting for 20% of the share capital of this associate.
- (****) According to Decision No.114/2017/NQ-HĐQT dated 12 October 2017, the Company has invested in Saigon - Lam Dong Beer Joint Stock Company in the amount of VND20,000,000,000, accounting for 20% of the share capital of this associate.

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4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(iii) Investments in other entities

Company name	2017				2016			
	% of ownership and voting right	Cost VND	Fair value VND	Provisions VND	% of ownership and voting right	Cost VND	Fair value VND	Provisions VND
Orient Commercial Joint Stock Bank	2.31%	216,579,320,000	172,985,865,600	(34,944,167,400)	2.75%	216,579,320,000	62,440,184,736	(154,139,135,264)
Dong A Commercial Joint Stock Bank	0.95%	136,265,460,000	(*)	(136,265,460,000)	0.95%	136,265,460,000	9,467,092,000	(126,798,368,000)
Vietnam Commercial Joint Stock Export - Import Bank	-	-	-	-	0.47%	36,603,803,243	51,552,459,000	-
Sabeco - Song Lam Packaging Joint Stock Company	15.33%	46,000,000,000	(*)	-	15.33%	46,000,000,000	(*)	-
PVI Joint Stock Company	0.21%	51,475,140,000	15,584,999,400	(35,890,140,600)	0.21%	51,475,140,000	12,089,298,600	(39,385,841,400)
Khong Gian Ngam Investment and Development Joint Stock Company	5.29%	23,085,000,000	(*)	(23,085,000,000)	5.29%	23,085,000,000	(*)	(1,721,774,410)
Orient Tourism Petroleum Joint Stock Company	9.8%	30,700,950,000	5,880,000,000	(24,820,950,000)	9.8%	30,700,950,000	6,762,000,000	(23,938,950,000)
Securities Investment Fund Saigon A2	10%	51,107,720,722	(*)	(35,757,720,722)	10%	51,107,720,722	(*)	(33,731,120,722)
Saigon Beer Delivery and Transportation Joint Stock Company	13.54%	26,588,267,394	(*)	-	13.54%	26,588,267,394	(*)	-
Saigon - Tay Do Beer & Beverage Joint Stock Company	14.41%	19,690,000,000	(*)	-	16.3%	19,690,000,000	(*)	-
Saigon - Binh Tay Beer Joint Stock Company (**)	13.26%	53,249,742,406	(*)	-	13.26%	53,249,742,406	(*)	-
Vietnam Investment Fund	7.97%	35,617,214,481	(*)	-	7.97%	42,337,214,481	(*)	(24,851,604,453)
Dai Viet Securities Joint Stock Company	7.2%	45,000,000,000	(*)	(11,407,259,277)	7.2%	45,000,000,000	(*)	(15,958,630,635)
Sabeco HP Investment Company Limited	8%	24,426,586,800	(*)	(24,426,586,800)	8%	24,426,586,800	(*)	-
Saigon – Ninh Thuan Beer Joint Stock Company (Note 4(b)(ii)(**))	10.26%	19,800,000,000	(*)	-	-	-	(*)	-
Saigon - Dong Nai Beer Beverage Joint Stock Company	10.38%	3,954,000,000	(*)	(3,872,396,382)	10.38%	3,954,000,000	(*)	(3,327,377,203)
		788,539,401,803		(330,469,681,181)		807,063,205,046		(423,852,802,087)

4 INVESTMENTS (continued)**(b) Long-term investments (continued)***(iii) Investments in other entities (continued)*

(*) As at 31 December 2017 and 31 December 2016, information about the fair value of these investments was not available, as these shares are not publicly traded.

(**) According to Resolution of Annual General Meeting of Saigon - Binh Tay Beer Joint Stock Company ("Binh Tay") on 15 April 2017, the plan to issue and swap shares in order to swap and to merge Saigon – Ninh Thuan Beer Joint Stock Company and Saigon – Phu Ly Beer Joint Stock Company into Binh Tay was approved. At the date of these separate financial statements of the Company, this swap and merger has not been completed. Thus, the Company has maintained the current ownership and voting rights in these three companies.

(iv) Provision for long-term investments

Movements in the provision for long-term investments during the year were as follows:

	2017 VND	2016 VND
Opening balance	462,355,728,421	484,448,851,445
Reversal (Note 29)	(52,868,423,856)	(22,093,123,024)
Closing balance	<u>409,487,304,565</u>	<u>462,355,728,421</u>

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2017 VND	2016 VND
Third parties		
<i>Huong Sen Group Joint Stock Company</i>	15,630,154,481	26,069,471,834
<i>Others</i>	5,519,527,147	5,245,304,857
Related parties (Note 37(b))	<u>21,149,681,628</u>	<u>31,314,776,691</u>
	<u>1,283,942,560,280</u>	<u>623,633,114,427</u>
	<u>1,305,092,241,908</u>	<u>654,947,891,118</u>

As at 31 December 2017 and 31 December 2016, the balances of short-term trade accounts receivable which were past due are presented in Note 8(a).

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2017 VND	2016 VND
Third parties	9,210,711,895	25,481,815,223
Related parties (Note 37(b))	354,184,020	354,184,020
	<u>9,564,895,915</u>	<u>25,835,999,243</u>

As at 31 December 2017 and 31 December 2016, the balances of short-term prepayments to suppliers which were past due are presented in Note 8(a).

7 OTHER RECEIVABLES**(a) Other short-term receivables**

	<u>2017</u>		<u>2016</u>	
	Book value VND	Provision VND	Book value VND (Restated – Note 40)	Provision VND
Dividend receivables from related parties (Note 37(b))	418,397,684,977	-	286,218,948,135	-
Other receivables from related parties (Note 37(b))	280,718,173,670	-	289,980,783,283	-
Interest receivables from bonds and lendings to third parties	143,965,179,122	(7,567,397,260)	56,449,079,118	(7,567,397,260)
Advances to employees	2,953,280,321	-	5,318,875,571	-
Deposits	150,775,219	-	8,150,988,774	-
Others	21,691,926,786	(15,898,709,908)	23,369,304,448	(15,898,709,908)
	<u>867,877,020,095</u>	<u>(23,466,107,168)</u>	<u>669,487,979,329</u>	<u>(23,466,107,168)</u>

As at 31 December 2017 and 31 December 2016, the balances of other short-term receivables which were past due are presented in Note 8(a).

(b) Other long-term receivables

	<u>2017</u>		<u>2016</u>	
	Book value VND	Provision VND	Book value VND	Provision VND
Receivables from related parties (Note 37(b))	328,073,502,218	-	328,073,502,218	-
Deposits	12,118,265,447	-	13,553,808,347	-
Others	8,028,765,000	(8,000,000,000)	8,028,765,000	(8,000,000,000)
	<u>348,220,532,665</u>	<u>(8,000,000,000)</u>	<u>349,656,075,565</u>	<u>(8,000,000,000)</u>

As at 31 December 2017 and 31 December 2016, the balances of other long-term receivables which were past due are presented in Note 8(b).

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8 PROVISION FOR DOUBTFUL DEBTS

(a) Short-term

	2017			2016		
	Cost VND	Recoverable amount VND	Number of overdue days	Cost VND	Recoverable amount VND	Number of overdue days
Provision for short-term trade accounts receivable (Note 5)	2,679,761,250	-	Over 1 year	2,679,761,250	-	Over 1 year
Provision for short-term prepayment to suppliers (Note 6)	141,522,563	-	Over 1 year	141,522,563	-	Over 1 year
Provision for other short-term receivables (Note 7(a))	23,466,107,168	-	Over 1 year	23,466,107,168	-	Over 1 year
Provision for shortage of assets awaiting resolution (Note 9)	14,500,395,911	-	Over 1 year	14,500,395,911	-	Over 1 year
	<u>40,787,786,892</u>	<u>-</u>		<u>40,787,786,892</u>	<u>-</u>	

(b) Long-term

	2017			2016		
	Cost VND	Recoverable amount VND	Number of overdue days	Cost VND	Recoverable amount VND	Number of overdue days
Provision for investments in Vinashin Group's bonds (Note 4(a)(ii))	20,868,879,905	-	Over 1 year	20,868,879,905	-	Over 1 year
Provision for long-term lending	4,000,000,000	-	Over 1 year	9,900,000,000	-	Over 1 year
Provision for other long-term receivables (Note 7(b))	8,000,000,000	-	Over 1 year	8,000,000,000	-	Over 1 year
	<u>32,868,879,905</u>	<u>-</u>		<u>38,768,879,905</u>	<u>-</u>	

8 PROVISION FOR DOUBTFUL DEBTS (continued)

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

	2017 VND	2016 VND
Opening balance	79,556,666,797	76,944,601,366
Increasing	-	3,521,558,334
Reversal	(5,900,000,000)	(909,492,903)
Closing balance	<u>73,656,666,797</u>	<u>79,556,666,797</u>

9 SHORTAGE OF ASSETS AWAITING RESOLUTION

	2017 VND	31.12.2016 VND
Personal income tax receivables	6,830,212,392	6,830,212,392
Other assets	7,670,183,519	7,670,183,519
	<u>14,500,395,911</u>	<u>14,500,395,911</u>

10 INVENTORIES AND SPARE PARTS**a) Inventories**

	2017		2016	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	131,384,748,899	-	138,260,752,855	-
Raw materials	184,269,878,731	(26,326,459,383)	165,073,443,484	(14,556,684,345)
Tools and supplies	5,784,199,063	-	7,590,022,766	-
Work in progress	85,575,767,882	-	81,803,631,685	-
Finished goods	7,405,620,023	-	17,538,159,717	-
	<u>414,420,214,598</u>	<u>(26,326,459,383)</u>	<u>410,266,010,507</u>	<u>(14,556,684,345)</u>

Movements in the provision for decline in value of inventories during the year were as follows:

	2017 VND	2016 VND
Opening balance	14,556,684,345	14,562,801,792
Increase	11,769,775,038	-
Written off	-	(6,117,447)
Closing balance	<u>26,326,459,383</u>	<u>14,556,684,345</u>

10 INVENTORIES AND SPARE PARTS (continued)**b) Long-term supplies and spare parts**

	2017		2016	
	Cost VND	Provision VND	Cost VND	Provision VND
Long-term supplies and spare parts	13,309,395,942	(12,153,924,286)	11,764,390,005	(8,144,087,115)

11 PREPAID EXPENSES**(a) Short-term prepaid expenses**

	2017 VND	2016 VND
Tools and supplies	1,405,149,920	3,258,333,332
Others	86,083,163	4,072,134,140
	<u>1,491,233,083</u>	<u>7,330,467,472</u>

(b) Long-term prepaid expenses

	2017 VND	2016 VND
Property held for future investment (i)	51,602,316,000	51,602,316,000
Crates and bottles (ii)	20,403,979,812	23,924,750,548
Insurance for employees	10,767,331,227	-
Others	2,677,117,270	46,500,000
	<u>85,450,744,309</u>	<u>75,573,566,548</u>

(i) Property held for future investment represents the value of land use rights awaiting transfer as part of the Company's capital investment in other entities (Note 20(b)).

(ii) The cost of crates and bottles is recognised in the separate income statement on a straight-line basis within two years.

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

	2017 VND	2016 VND
Opening balance	75,573,566,548	70,407,613,258
Increase	39,342,368,360	33,955,459,842
Allocation for the year	(29,465,190,599)	(28,789,506,552)
Closing balance	<u>85,450,744,309</u>	<u>75,573,566,548</u>

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12 TAX AND OTHER RECEIVABLES FROM THE STATE BUDGET

	2017	2016
	VND	VND
Overpaid business income tax	-	640,736,382,128
Other taxes	212,724	65,152,414
	<u>212,724</u>	<u>640,801,534,542</u>
	<u><u>212,724</u></u>	<u><u>640,801,534,542</u></u>

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13	FIXED ASSETS	Plant and buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Total VND
(a)	Tangible fixed assets					
	Historical cost					
	As at 1 January 2017	567,380,545,080	2,692,515,898,743	49,732,278,903	77,256,105,171	3,386,884,827,897
	New purchases	-	12,824,696,232	6,116,216,730	6,789,110,677	25,730,023,639
	Transfers from construction in progress (Note 15)	11,209,025,794	3,136,821,783	-	346,958,252	14,692,805,829
	Other adjustments	10,000	(51,316,000)	-	(6,567,000)	(57,873,000)
	As at 31 December 2017	578,589,580,874	2,708,426,100,758	55,848,495,633	84,385,607,100	3,427,249,784,365
	Accumulated depreciation					
	As at 1 January 2017	310,849,165,165	1,829,012,051,602	36,320,858,089	53,004,019,906	2,229,186,094,762
	Charge for the year	37,011,322,325	192,746,395,653	4,160,682,777	9,519,067,705	243,437,468,460
	As at 31 December 2017	347,860,487,490	2,021,758,447,255	40,481,540,866	62,523,087,611	2,472,623,563,222
	Net book value					
	As at 1 January 2017	256,531,379,915	863,503,847,141	13,411,420,814	24,252,085,265	1,157,698,733,135
	As at 31 December 2017	230,729,093,384	686,667,653,503	15,366,954,767	21,862,519,489	954,626,221,143

The historical cost of tangible fixed assets that the Company has leased to its subsidiaries and associates to earn rental income as at 31 December 2017 was VND151,385,511,134 (As at 31 December 2016: VND151,385,511,134).

The historical cost of fully depreciated tangible fixed assets still in use as at 31 December 2017 was VND695,378,142,021 (As at 31 December 2016: VND598,994,213,785).

The historical cost of tangible fixed assets awaiting disposal as at 31 December 2017 was VND48,892,217,212 (As at 31 December 2016: VND17,520,946,034).

13 FIXED ASSETS (continued)**(b) Intangible fixed assets**

	Land use rights (*) VND	Softwares VND	Total VND
Historical cost			
As at 1 January 2017	929,359,796,577	58,566,007,247	987,925,803,824
New purchases	-	1,515,000,000	1,515,000,000
As at 31 December 2017	<u>929,359,796,577</u>	<u>60,081,007,247</u>	<u>989,440,803,824</u>
Accumulated amortisation			
As at 1 January 2017	47,503,328,064	46,101,828,993	93,605,157,057
Charge for the year	4,623,371,664	5,534,889,494	10,158,261,158
As at 31 December 2017	<u>52,126,699,728</u>	<u>51,636,718,487</u>	<u>103,763,418,215</u>
Net book value			
As at 1 January 2017	<u>881,856,468,513</u>	<u>12,464,178,254</u>	<u>894,320,646,767</u>
As at 31 December 2017	<u><u>877,233,096,849</u></u>	<u><u>8,444,288,760</u></u>	<u><u>885,677,385,609</u></u>

The historical cost of fully amortised intangible fixed assets still in use as at 31 December 2017 was VND42,868,554,817 (As at 31 December 2016: VND42,005,258,076).

(*) Land use rights included the value of land use rights that the Company has recorded at the estimated value as part of the increase in value of the Company on the equisitation date in the "Intangible fixed assets" account and the corresponding other "Short-term payables" account with the amount of VND735,379,872,700 as stated in the Minutes of Corporate Valuation as at 31 December 2006 and the Equitisation Finalisation Minutes as at 30 April 2008 dated 6 March 2010 issued by the Equitisation Finalisation Committee consisting of representatives of the Ministry of Industry and Trade and the Ministry of Finance (Note 20(a)).

The Ministry of Industry and Trade has allowed the Company to manage and use these land use rights following the plan for Ho Chi Minh City. At the date of these separate financial statements, the Company 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 the business activities that are registered under the Company's Business registration certificate. They are temporary land use rights with restrictions on ownership and any sale, sublease and mortgage are not permitted.

13 FIXED ASSETS (continued)**(b) Intangible fixed assets (continued)**

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

No.	Location	Square metres	Revalued amount in connection with equitisation VND
1	46 Ben Van Don, Ward 12, District 4, Ho Chi Minh City, Vietnam	3,872.5	55,241,212,500
2	187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City, Vietnam	17,406.1	418,634,111,100
3	474 Nguyen Chi Thanh, Ward 6, District 10, Ho Chi Minh City, Vietnam	7,729	247,637,160,000
4	18/3B Phan Huy Ich, Ward 15, Tan Binh District, Ho Chi Minh City, Vietnam	2,216.3	13,867,389,100
			<u>735,379,872,700</u>

The Company had not amortised the above land use rights because their costs and useful lives have not been reliably measured at the separate balance sheet date. However, the Company has paid land rental expenses of VND22,192,167,572 during the period (year 2016: VND20,718,137,655) in accordance with land tax payment notices of local tax authorities.

14 INVESTMENT PROPERTIES

	Buildings VND
Historical cost	
As at 1 January 2017 and as at 31 December 2017	<u>7,859,289,977</u>
Accumulated depreciation	
As at 1 January 2017	3,111,334,853
Charge for the year	392,964,504
As at 31 December 2017	<u>3,504,299,357</u>
Net book value	
As at 1 January 2017	<u>4,747,955,124</u>
As at 31 December 2017	<u>4,354,990,620</u>

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15 CONSTRUCTION IN PROGRESS

	2017 VND	2016 VND
Opening balance	29,216,550,436	36,622,166,610
Purchases	53,686,709,627	63,087,978,416
Transfers to tangible fixed assets (Note 13(a))	(14,692,805,829)	(53,110,683,517)
Transfers to intangible fixed assets	-	(2,840,454,101)
Other decreases	(6,998,826,397)	(14,542,456,972)
Closing balance	<u>61,211,627,837</u>	<u>29,216,550,436</u>

Details of construction in progress are as follows:

	2017 VND	2016 VND
Project to upgrade the warehouse and to invest in the brewery system at Saigon - Nguyen Chi Thanh Beer Factory	56,970,919,540	16,985,510,914
Production line of premium beer project at Saigon - Cu Chi Beer Factory	-	5,795,957,288
Meeting and wedding centre at Nha Trang City	-	2,485,484,179
Others	4,240,708,297	3,949,598,055
	<u>61,211,627,837</u>	<u>29,216,550,436</u>

16 DEFERRED INCOME TAX ASSETS

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

The details of deferred income tax assets are as follows:

	2017 VND	2016 VND
Deferred income tax assets to be recovered within 12 months	<u>34,929,597,381</u>	<u>21,844,700,874</u>

The movements in the deferred income tax assets during the year were as follow:

	2017 VND	2016 VND
Opening balance	21,844,700,874	843,006,540,207
Credited/(charged) to the income statement (Note 34)	13,084,896,507	(821,161,839,333)
Closing balance	<u>34,929,597,381</u>	<u>21,844,700,874</u>

17 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2017 VND	2016 VND
Third parties		
<i>Sabeco Song Lam Packaging Joint Stock Company</i>	108,900,145,517	137,409,303,068
<i>Asia Packaging Industries (Vietnam) Limited Company</i>	129,259,408,422	71,121,875,267
<i>Thai Tan Trade and Transportation Limited Company</i>	58,746,716,645	67,784,461,002
<i>Hanaka Group Joint Stock Company</i>	78,791,183,694	51,080,263,953
<i>Others</i>	567,577,206,710	485,273,212,949
Related parties (Note 37(b))	1,074,345,738,780	738,412,005,318
	<u>2,017,620,399,768</u>	<u>1,551,081,121,557</u>

As at 31 December 2017, the Company has payables that are past due of VND6,585,825,917 (as at 31 December 2016: VND6,585,825,917), which were overdue before the equitisation.

18 TAX AND OTHER PAYABLES TO THE STATE BUDGET

	2017 VND	2016 VND (Restated – Note 40)
Special sales tax	292,044,314,989	238,954,854,273
Business income tax	248,257,813,373	155,208,816,985
Personal income tax	32,198,297,127	6,587,683,601
Land tax	1,581,049,815	1,581,049,815
Natural resource taxes	102,043,440	14,026,800
Value added taxes	-	7,493,301,534
Other taxes	6,115,990	187,840,381
	<u>574,189,634,734</u>	<u>410,027,573,389</u>

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18 TAX AND OTHER PAYABLES TO THE STATE BUDGET (continued)

Movements in Tax and other payables/receivables to the State Budget during the year were as follows:

	As at 1.1.2017 VND	Incurred during the year VND	Paid during the year VND	Net-off during the year VND	As at 31.12.2017 VND
a) Tax payables					
Value added tax	7,493,301,534	4,604,408,470,077	(811,985,741,581)	(3,799,916,030,030)	-
Special sales tax	238,954,854,273	2,994,326,009,344	(2,941,236,548,628)	-	292,044,314,989
Business income tax	155,208,816,985	733,785,378,516	-	(640,736,382,128)	248,257,813,373
Personal income tax	6,587,683,601	109,803,841,540	(84,193,228,014)	-	32,198,297,127
Import and export tax	-	25,289,907,019	(25,289,907,019)	-	-
Land tax	1,581,049,815	22,198,354,050	(22,198,354,050)	-	1,581,049,815
Natural resource tax	14,026,800	356,225,400	(268,208,760)	-	102,043,440
Other taxes	187,840,381	40,153,814	(221,878,205)	-	6,115,990
	<u>410,027,573,389</u>	<u>8,490,208,339,760</u>	<u>(3,885,393,866,257)</u>	<u>(4,440,652,412,158)</u>	<u>574,189,634,734</u>
b) Tax receivables					
Value added tax	9,424,137,131	3,811,377,062,255	-	(3,799,916,030,030)	20,885,169,356
Overpaid business income tax	640,736,382,128	-	-	(640,736,382,128)	-
Other taxes	65,152,414	-	180,443,597	(245,383,287)	212,724
	<u>650,225,671,673</u>	<u>3,811,377,062,255</u>	<u>180,443,597</u>	<u>(4,440,897,795,445)</u>	<u>20,885,382,080</u>

19 SHORT-TERM ACCRUED EXPENSES

	2017 VND	2016 VND
Advertising and promotion expenses	44,474,221,894	42,185,201,942
Others	8,695,755,407	32,701,343,386
	<u>53,169,977,301</u>	<u>74,886,545,328</u>

20 OTHER PAYABLES**(a) Other short-term payables**

	2017 VND	2016 VND (Restated – Note 40)
Dividend payable (Note 24) (*)	1,443,498,507,825	207,879,301,875
Estimated land use rights payable to the State in connection with equitisation (**)	735,379,872,700	735,379,872,700
Payables to Enterprise Restructure and Development Assistance Fund (***)	109,965,627,840	-
Other short-term payables to the related parties (Note 37(b))	99,416,647,405	3,475,310,658
Social contribution fund	22,340,343,864	18,744,225,974
Advance from liquidation process of Saigon Securities Investment Fund A2 (***)	15,350,000,000	15,350,000,000
Other payables	14,586,138,288	7,229,620,512
	<u>2,440,537,137,922</u>	<u>988,058,331,719</u>

(*) As at 31 December 2017 and 31 December 2016, dividend payable included the amount payable to related parties as presented in Note 37(b).

(**) Estimated land use rights payable to the State in connection with equitisation were determined in March 2010 by the Equitisation Finalisation Committee consisting of representatives of the Ministry of Industry and Trade and the Ministry of Finance in accordance with the Equitisation Finalisation Minutes dated 6 March 2010 (Note 13(b)).

(***) As at 30 January 2018, the Company settled to the Enterprise Restructure and Development Assistance Fund relating to the share transfer.

(***) Saigon Securities Investment Fund A2 ("SFA2") is in the process of liquidation. In accordance with Resolution of General Shareholders Meeting 2011 dated 16 December 2011 of SFA2 and the meeting minutes of the Board of Trustees of SFA2 No. 01/2012/SFA2-BDDQ dated 19 April 2012, SFA2 transferred VND15,350,000,000 from disposal of assets of this fund to the Company. The amount transferred from disposal of assets of this fund will be finalised and deducted from the cost of investment upon completion of the liquidation process. As at 31 December 2017, SFA2 has not yet completed its liquidation process.

20 OTHER PAYABLES (continued)**(b) Long-term other payables**

	2017 VND	2016 VND
Land tax payables to the State	51,602,316,000	51,602,316,000

21 BONUS AND WELFARE FUNDS

	2017 VND	2016 VND
Opening balance	189,296,403,628	191,655,580,546
Appropriation from undistributed earnings (Note 23)	127,965,804,585	192,919,939,999
Adjustment of appropriation following approval of shareholders at the Annual General Meeting (Note 23)	65,075,296,000	13,571,380,000
Transferred to subsidiaries (*)	(74,773,278,596)	(72,821,198,713)
Usage during the year	(210,551,412,537)	(136,029,298,204)
Closing balance	97,012,813,080	189,296,403,628

(*) According to Letter No. 660/TTr-BSG dated 20 June 2017 and Letter No. 449/TTr-KTTK dated 26 September 2017, the Company has transferred bonus and welfare funds to subsidiaries in which the Company owns 100% of the charter capital.

22 OWNERS' CAPITAL**(a) Number of shares**

On 17 April 2008, the Company was equitised and issued 641,281,186 ordinary shares at par value of VND10,000. The State sold 66,762,052 shares to the public on that date. All shares have the same rights, whether in regard to voting, dividends, return of capital and otherwise.

	2017 Ordinary shares	2016 Ordinary shares
Number of shares registered	641,281,186	641,281,186
Number of shares issued	641,281,186	641,281,186
Number of existing shares in circulation	641,281,186	641,281,186

22 OWNERS' CAPITAL (continued)**(b) Details of owners' shareholding**

The structure of the Company's shareholders was as follows:

	<u>2017</u>		<u>2016</u>	
	Ordinary shares	%	Ordinary shares	%
The Ministry of Industry and Trade (*)	230,876,547	36	574,519,134	89.59
Viet Nam Beverage Company Limited (*)	343,642,587	53.59	-	-
Other shareholders	66,762,052	10.41	66,762,052	10.41
	<u>641,281,186</u>	<u>100</u>	<u>641,281,186</u>	<u>100</u>

(*) According to Decision No. 1034/QĐ-BCT dated 9 November 2017 of the Ministry of Industry and Trade, during the year 2017, the Ministry of Industry and Trade divested the ownership at the Company. On 27 December 2017, the investor settled the amount of VND109,965,627,840,000 to obtain the ownership of 343,642,587 shares equivalent to 53.59% of share capital of the Company.

On 29 December 2017, Vietnam Beverage Company Limited, a company established in Vietnam, with the ownership of 343,642,587 shares equivalent to 53.59% of share capital of the Company officially became the largest shareholder of the Company; and the Ministry of Industry and Trade now only owns 36.0024% of share capital of the Company.

(c) Movement of share capital

	Number of share capital
At 1 January 2016	641,281,186
New shares issued	-
At 31 December 2016	<u>641,281,186</u>
New shares issued	-
At 31 December 2017	<u>641,281,186</u>

23 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Investment and development fund VND	Undistributed earnings VND (Restated – Note 40)	Total VND
As at 1 January 2016 (Restated – Note 40)	6,412,811,860,000	760,819,802,040	2,831,817,727,401	10,005,449,389,441
Profit for the year (Restated – Note 40)	-	-	4,122,968,039,671	4,122,968,039,671
Dividends paid (Note 24)	-	-	(3,847,690,116,000)	(3,847,690,116,000)
Adjustment for bonus and welfare fund (Note 21)	-	-	(13,571,380,000)	(13,571,380,000)
Adjustment for social contribution fund	-	-	(2,262,000,000)	(2,262,000,000)
Appropriation to bonus and welfare fund (Note 21)	-	-	(192,919,939,999)	(192,919,939,999)
Appropriation to social contribution fund	-	-	(31,737,000,000)	(31,737,000,000)
As at 31 December 2016 (Restated – Note 40)	6,412,811,860,000	760,819,802,040	2,866,605,331,073	10,040,236,993,113
Profit for the year	-	-	4,562,282,809,212	4,562,282,809,212
Dividends paid (Note 24) (*)	-	-	(2,244,484,151,000)	(2,244,484,151,000)
Adjustment for bonus and welfare fund (Note 21) (**)	-	-	(65,075,296,000)	(65,075,296,000)
Adjustment for social contribution fund (**)	-	-	(10,892,000,000)	(10,892,000,000)
Appropriation to bonus and welfare fund (Note 21) (***)	-	-	(127,965,804,585)	(127,965,804,585)
Appropriation to social contribution fund (***)	-	-	(44,536,000,000)	(44,536,000,000)
As at 31 December 2017	6,412,811,860,000	760,819,802,040	4,935,934,888,700	12,109,566,550,740

(*) According to Resolution No.152/2017/NQ-HĐQT dated 28 December 2017 of the Board of Management, the Company has advanced dividends for year 2017 at the rate of 35% share capital from the estimated post-tax profit of year 2017.

(**) According to Resolution No. 30/2017/NQ-ĐHĐCĐ of the Annual General Meeting dated 18 April 2017, the Company has additionally appropriated to the bonus and welfare fund and social contribution fund following the Letter proposing the plan to appropriate undistributed earnings of the financial year 2016 which was approved by the shareholders at the Annual General Meeting on 18 April 2017.

(***) According to Resolution No. 30/2017/NQ-ĐHĐCĐ of the Annual General Meeting dated 18 April 2017, Letter No. 449/TTr-BKTTK dated 26 September 2017, and Decision No. 238/2017/QĐ-HĐQT dated 25 July 2017, the Company has temporarily appropriated to the bonus and welfare fund and social contribution fund for the year 2017.

24 DIVIDENDS

	2017 VND	2016 VND
Opening balance	207,879,301,875	10,297,038,425
Dividend payable during the year (Note 23)	2,244,484,151,000	3,847,690,116,000
Payment in cash	(1,008,864,945,050)	(3,650,107,852,550)
Closing balance (Note 20(a))	1,443,498,507,825	207,879,301,875

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25 OFF BALANCE SHEET ITEMS

(a) Foreign currencies

	2017	2016
Foreign currencies:		
USD	48,735	113,337
Euro	12,244	31,473
	<u> </u>	<u> </u>

(b) Goods held under trust

The details are presented as follows:

Type of goods	Unit	2017 Quantity	2016 Quantity
Beer	Crate	368,206	-
Beer	Box	272,290	-
Pallet	Piece	1,027	-
Label	Piece	-	9,996,000
End	Piece	-	21,100,000
Houblon	Piece	-	7,755
Maturex	Piece	-	3,240
Plastic crates	Piece	19,680	11,800
Bottles	Piece	-	236,000
		<u> </u>	<u> </u>

As at 31 December 2017 and 31 December 2016, the above goods are in good condition and are stored in separate areas by the Company.

(c) Operating lease assets

The future minimum lease payments under non-cancellable operating leases were VND86,240,383,239 and VND137,775,778,588 for the year ended 31 December 2017 and 31 December 2016, respectively (Note 38(a)).

26 REVENUE

	2017 VND	2016 VND (Restated - Note 40)
Sales of merchandise	23,533,944,107,515	21,061,530,149,786
Sales of raw materials	6,464,489,754,643	5,986,912,105,837
Sales of finished goods	4,453,874,380,278	3,800,282,307,257
Others	51,582,363,874	47,159,527,065
	<u> </u>	<u> </u>
	<u>34,503,890,606,310</u>	<u>30,895,884,089,945</u>

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27 COST OF SALES

	2017 VND	2016 VND
Cost of merchandise sold	20,522,741,517,770	17,932,130,752,249
Cost of raw materials sold	6,467,587,858,725	5,972,660,046,758
Cost of finished goods sold	2,578,347,502,859	2,599,797,400,796
Others	5,348,192,586	8,853,228,330
Provisions/(reversals of provision) for decline in value of the inventories	14,421,627,923	(6,117,447)
	<u>29,588,446,699,863</u>	<u>26,513,435,310,686</u>

28 FINANCIAL INCOME

	2017 VND	2016 VND (Restated - Note 40)
Dividend income	1,701,380,746,146	954,776,701,688
Interest income from deposits at banks	417,607,081,066	440,857,638,246
Gain from divestments	22,725,562,057	219,891,446,174
Interest income from bonds and loans	-	17,063,470,766
Realised foreign exchange gains	628,059,787	1,878,536,328
Net gain from foreign currency translation at year-end	-	92,331,846
Others	-	37,532,069
	<u>2,142,341,449,056</u>	<u>1,634,597,657,117</u>

29 FINANCIAL EXPENSES

	2017 VND	2016 VND
Realised foreign exchange losses	2,672,517,512	768,389,098
Net loss from foreign currency translation at period-end	79,253,350	-
Reversal of provision for diminution in value of investments (Note 4(b))	(52,868,423,856)	(22,093,123,024)
Others	88,994,030	549,410,035
	<u>(50,027,658,964)</u>	<u>(20,775,323,891)</u>

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30 SELLING EXPENSES

	2017 VND	2016 VND
Selling support expenses (*)	778,777,836,282	-
Advertising and promotion costs	644,759,996,062	619,316,450,167
Material costs – bottles and crates	7,781,006,116	11,527,755,033
Staff costs	14,336,769,252	10,302,093,692
Outside service expenses	24,136,359	2,084,596,806
Other expenses	1,161,860,313	6,930,260,891
	<u>1,446,841,604,384</u>	<u>650,161,156,589</u>

(*) According to Resolution No. 87/2016/NQ-HĐQT dated 29 December 2017 of the Board of Management, starting from 1 January 2017, the selling support activities of the whole Group would be managed and controlled by the Company. Thus, the Company subsidised the selling support fund to ten trading subsidiaries to carry out selling support activities (Note 37(a)).

31 GENERAL AND ADMINISTRATION EXPENSES

	2017 VND	2016 VND (Restated - Note 40)
Staff costs	183,544,681,914	106,279,140,727
Outside service expenses	78,013,788,499	73,050,313,454
Rental expenses	25,063,570,481	24,306,954,360
Depreciation and amortisation expenses	14,261,708,087	12,235,870,475
Repair and maintenance expenses	1,721,254,403	6,705,382,382
Training expense	5,303,436,965	7,350,475,362
Office and supplies expenses	9,362,317,957	7,330,878,096
Material costs	5,131,295,468	5,776,444,865
Others	47,748,044,508	69,724,231,402
	<u>370,150,098,282</u>	<u>312,759,691,123</u>

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32 OTHER INCOME AND OTHER EXPENSES

	2017 VND	2016 VND (Restated - Note 40)
Other income		
Business advantage arising from investment in other entities	-	24,426,586,800
Income from cash support to subsidiaries	-	10,000,000,000
Income from transferring Sai Gon – Kien Giang Beer Project	-	9,688,882,754
Others	2,310,276,092	5,471,921,192
	<u>2,310,276,092</u>	<u>49,587,390,746</u>
Other expenses		
Cost of Sai Gon – Kien Giang Beer Project	-	(9,688,882,754)
Others	(10,148,296,672)	(3,876,732,366)
	<u>(10,148,296,672)</u>	<u>(13,565,615,120)</u>
Net other (expense)/income	<u>(7,838,020,580)</u>	<u>36,021,775,626</u>

33 COST OF GOODS MANUFACTURED BY FACTOR

	2017 VND	2016 VND (Restated – Note 40)
Raw materials	1,847,101,793,304	1,846,192,927,682
Outside service expenses	1,768,035,869,278	939,144,301,874
Depreciation and amortisation expenses	253,988,694,122	254,946,117,305
Labour cost	454,387,390,715	407,817,634,049
Other cash expenses	113,335,877,288	112,026,943,914
	<u>4,436,849,624,707</u>	<u>3,560,127,924,824</u>

Cost of goods manufactured by factor represents the cost of manufacturing activities of the Company.

34 BUSINESS INCOME TAX

The Company has to pay business income tax at the current rate of 20%. The tax on the Company's profit before tax differs from the theoretical amount that would arise using the current tax rate as follows:

	2017 VND	2016 VND (Restated – Note 40)
Net accounting profit before tax	5,282,983,291,221	5,110,370,772,981
Tax calculated at a rate of 20%	1,056,596,658,243	1,022,074,154,596
Effect of:		
Income not subject to tax	(340,276,149,228)	(193,191,414,007)
Expenses not deductible for tax purposes	4,379,972,994	158,519,992,721
Business income tax charge	<u>720,700,482,009</u>	<u>987,402,733,310</u>
(Credited)/charged to income statement:		
Business income tax – current	733,785,378,516	166,240,893,977
Business income tax – deferred (Note 16)	(13,084,896,507)	821,161,839,333
	<u>720,700,482,009</u>	<u>987,402,733,310</u>

The business income tax charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

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35 SEGMENT REPORTING

(a) Business activity segments

Information of revenue and cost of sales based on the business activities' segments of the Company is as follows:

	2017				Total VND
	Sales of finished goods VND	Sales of merchandise and raw materials VND	Others VND		
Revenue	4,453,874,380,278	29,998,433,862,158	51,582,363,874	34,503,890,606,310	
Cost of sales	(2,592,769,130,782)	(26,990,329,376,495)	(5,348,192,586)	(29,588,446,699,863)	
	<u>1,861,105,249,496</u>	<u>3,008,104,485,663</u>	<u>46,234,171,288</u>	<u>4,915,443,906,447</u>	
	2016				Total VND
	Sales of finished goods VND	Sales of merchandise and raw materials VND	Other VND		
Net revenue	3,799,730,392,057	27,048,442,255,623	47,159,527,065	30,895,332,174,745	
Cost of sales	(2,599,791,283,349)	(23,904,790,799,007)	(8,853,228,330)	(26,513,435,310,686)	
	<u>1,199,939,108,708</u>	<u>3,143,651,456,616</u>	<u>38,306,298,735</u>	<u>4,381,896,864,059</u>	

(b) Geographical segments

The Company operates in Vietnam.

36 ADDITIONAL INFORMATION FOR THE ITEMS OF THE SEPARATE STATEMENT OF CASH FLOWS**(a) Non-cash transactions affecting the separate statement of cash flows**

	2017 VND	2016 VND
Purchase of fixed assets and other long-term assets but not yet paid for	4,501,835,060	1,499,666,764

(b) Money held by the Company but restricted to use

	2017 VND	2016 VND
Cash held on behalf of the Ministry of Industry and Trade to settle costs relating to the divestment of the Ministry of Industry and Trade (Note 3)	115,117,546,210	-

(c) Cash received from share transfer collected on behalf of the Ministry of Industry and Trade

	2017 VND	2016 VND
Cash received from share transfer from Vietnam Beverage Company Limited	109,965,627,840,000	-
Cash received from share transfer from other investor	640,000,000	-

(d) Payment received from share transfer collected on behalf of the Ministry of Industry and Trade

	2017 VND	2016 VND
Cash transferred to the Enterprise Restructure and Development Assistance Fund relating to the share transfer	109,851,150,293,790	-

37 RELATED PARTY DISCLOSURES

Before 29 December 2017, the Company was controlled by the Ministry of Industry and Trade which owns more than 89% of the voting shares of the Company. Since 29 December 2017, the Company is controlled by Vietnam Beverage Company Limited which owns 53.59% voting shares of the Company. The ultimate parent company is Thai Beverage Public Company Limited, a company established in Thailand.

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

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

	2017 VND	2016 VND
i) Sales of goods and services		
<i>Subsidiary</i>		
Saigon Beer Trading One Member Company Limited	27,988,446,809,458	24,861,979,486,882
ii) Sales of raw materials		
<i>Subsidiaries</i>		
Saigon - Quang Ngai Beer Joint Stock Company	535,220,283,972	549,318,191,449
Saigon - Song Lam Beer Joint Stock Company	519,250,685,388	504,360,593,483
Saigon - Ha Tinh Beer One Member Company Limited	408,346,330,817	417,870,802,541
Saigon - Soc Trang Beer One Member Company Limited	356,878,026,069	365,374,522,480
Saigon - Ha Noi Beer Joint Stock Company	300,262,926,721	262,873,334,557
Saigon - Dong Xuan Beer Joint Stock Company	127,055,707,388	91,442,226,612
Saigon - Mien Tay Beer Joint Stock Company	117,334,280,803	115,085,227,852
Saigon - Nghe Tinh Beer Joint Stock Company	53,345,333,862	54,629,319,332
Saigon Beer Trading One Member Company Limited	813,721,832	626,785,480
<i>Associates</i>		
Saigon - Binh Tay Beer Joint Stock Company	607,678,966,632	661,577,735,653
Saigon - Mien Trung Beer Joint Stock Company	410,463,186,342	192,020,709,037
Saigon - Khanh Hoa Beer Joint Stock Company	408,627,837,332	30,545,676,281
Saigon - Ninh Thuan Beer Joint Stock Company	401,579,818,523	417,305,672,478
Saigon - Kien Giang Beer Joint Stock Company	392,296,108,440	155,446,418,305
Saigon - Phu Ly Beer Joint Stock Company	369,423,971,551	378,186,844,950
Saigon - Phu Tho Beer Joint Stock Company	352,585,150,375	297,949,774,288
Saigon - Tay Do Beer - Beverage Joint Stock Company	297,944,729,394	285,023,319,714
Saigon - Vinh Long Beer Joint Stock Company	268,833,512,060	262,695,362,812
Saigon - Bac Lieu Beer Joint Stock Company	101,472,242,985	107,961,272,775
<i>Other related party</i>		
Saigon Beer Transportation Joint Stock Company	4,168,790	4,908,790
	<u>6,029,416,989,276</u>	<u>5,150,298,698,869</u>

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2017 VND	2016 VND
<i>iii) Other income</i>		
<i>Subsidiaries</i>		
Saigon - Ha Tinh Beer One Member Company Limited	1,554,115,788	1,554,115,788
Saigon - Nam Trung Bo Beer Joint Stock Company	396,000,000	396,000,000
Saigon - Dong Xuan Beer Joint Stock Company	377,505,600	377,505,600
Saigon Beer Trading One Member Company Limited	111,574,131	143,110,800
Sabeco Mechanical One Member Company Limited	79,490,798	85,450,530
Saigon - Soc Trang Trading One Member Company Limited	52,510,500	-
Saigon - Mien Dong Beer Joint Stock Company	-	27,550,000
Saigon Packaging Joint Stock Company	-	3,572,884
<i>Associates</i>		
Saigon - Vinh Long Beer Joint Stock Company	3,201,716,196	3,201,716,196
Saigon - Bac Lieu Beer Joint Stock Company	2,166,304,800	2,166,304,800
Saigon Crown Company Limited	-	1,455,733,166
Saigon - Kien Giang Beer Joint Stock Company	24,664,500	-
<i>Other related party</i>		
Saigon Beer Transportation Joint Stock Company	-	100,617,176
	<u>7,963,882,313</u>	<u>9,511,676,940</u>

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2017 VND	2016 VND
<i>iv) Dividend income</i>		
<i>Subsidiaries</i>		
Saigon Beer Trading One Member Company Limited	359,795,367,326	447,634,673,222
Saigon - Nam Trung Bo Beer Trading Joint Stock Company	132,229,800,000	-
Saigon - Tay Nguyen Beer Trading Joint Stock Company	136,224,068,439	-
Saigon - Song Tien Beer Trading Joint Stock Company	120,600,000,000	-
Saigon - Mien Dong Beer Trading Joint Stock Company	108,530,811,000	-
Saigon - Song Hau Beer Trading Joint Stock Company	90,289,890,000	2,900,880,000
Saigon - Mien Trung Trading Beer Joint Stock Company	74,235,477,166	-
Saigon - Center Beer Trading Joint Stock Company	63,180,000,000	-
Saigon - Ha Tinh Beer One Member Company Limited	54,067,424,377	75,047,445,048
Saigon - Bac Trung Bo Beer Trading Joint Stock Company	49,274,762,302	-
Saigon - Ha Noi Beer Joint Stock Company	46,900,000,000	23,450,000,000
Saigon - Quang Ngai Beer Joint Stock Company	44,925,000,000	35,940,000,000
Saigon - Song Lam Beer Trading Joint Stock Company	37,140,000,000	37,140,000,000
Saigon - Mien Bac Beer Trading Joint Stock Company	29,160,000,000	-
Saigon - Mien Tay Beer Joint Stock Company	22,185,000,000	29,850,000,000
Chuong Duong Beverages Joint Stock Company	13,153,750,000	7,892,250,000
Saigon - Dong Bac Beer Trading Joint Stock Company	13,320,000,000	-
Saigon - Nghe Tinh Beer Joint Stock Company	6,896,400,000	1,149,400,000
Saigon - Dong Xuan Beer Alcohol Joint Stock Company	4,611,150,000	3,074,100,000
Sabeco Mechanical One Member Company Limited	3,834,022,300	5,398,710,070
Binh Tay Liquor Joint Stock Company	159,250,000	159,250,000
<i>Associates</i>		
Saigon Crown Company Limited	143,858,925,378	108,231,096,319
Me Linh Point Limited Company	26,431,342,966	23,198,045,240
Saigon - Mien Trung Beer Joint Stock Company	24,043,407,500	15,387,780,800
Saigon - Binh Tay Beer Joint Stock Company	18,750,000,000	15,000,000,000
Saigon - Phu Ly Beer Joint Stock Company	12,230,750,000	9,784,600,000
Saigon - Phu Tho Beer Joint Stock Company	8,446,875,000	8,446,875,999
San Miguel Phu Tho Packaging Company Limited	7,962,500,000	3,893,750,000
Saigon - Vinh Long Beer Joint Stock Company	7,500,000,000	6,000,000,000
Saigon - Ninh Thuan Beer Joint Stock Company	6,930,000,000	2,970,000,000
Saigon - Kien Giang Beer Joint Stock Company	6,600,000,000	5,000,000,000
Saigon - Tay Do Beer - Beverage Joint Stock Company	2,881,500,000	2,542,500,000
<i>Other related party</i>		
Saigon Beer Transportation Joint Stock Company	7,000,000,000	8,000,000,000
	<u>1,683,347,473,754</u>	<u>878,091,356,698</u>

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2017 VND	2016 VND
v) Purchases of raw materials		
<i>Subsidiaries</i>		
Saigon - Quang Ngai Beer Joint Stock Company	1,627,146,209,000	1,742,378,048,840
Saigon - Song Lam Beer Joint Stock Company	1,592,238,455,400	1,443,449,102,347
Saigon Ha Tinh Beer Trading One Member Company Limited	1,060,281,737,700	1,110,885,790,600
Saigon - Ha Noi Beer Joint Stock Company	1,208,238,742,220	1,094,488,572,760
Saigon Soc Trang Beer One Member Company Limited	986,595,265,368	996,001,372,620
Saigon - Mien Tay Beer Joint Stock Company	652,408,895,550	640,216,927,970
Saigon - Dong Xuan Beer - Alcohol Joint Stock Company	335,709,087,310	246,595,632,950
Saigon - Nghe Tinh Beer Joint Stock Company	295,277,965,820	295,575,613,440
Saigon Packaging Joint Stock Company	121,754,740,560	76,839,271,350
Saigon Beer Trading One Member Company Limited	41,111,222,700	51,837,330,240
<i>Associates</i>		
Saigon - Binh Tay Beer Joint Stock Company	2,157,066,418,550	2,275,264,260,690
Saigon Crown Company Limited	1,759,433,695,486	1,412,992,733,830
Saigon - Kien Giang Beer Joint Stock Company	1,345,905,441,695	732,905,681,940
Saigon - Mien Trung Beer Joint Stock Company	1,498,068,655,780	1,097,902,478,330
Saigon - Vinh Long Beer Joint Stock Company	1,099,241,068,520	1,004,725,647,050
Saigon - Ninh Thuan Beer Joint Stock Company	1,071,582,114,019	1,065,835,361,517
Saigon - Khanh Hoa Beer Joint Stock Company	1,064,942,558,317	31,897,009,000
Saigon - Phu Ly Beer Joint Stock Company	980,750,986,950	949,900,735,220
Saigon - Phu Tho Beer Joint Stock Company	942,390,180,200	786,926,263,825
Saigon - Tay Do Beer - Beverage Joint Stock Company	888,092,819,660	878,149,676,756
Saigon - Bac Lieu Beer Joint Stock Company	586,428,120,500	624,941,031,340
San Miguel Phu Tho Packaging Company Limited	159,838,360,000	162,247,328,000
	<u>21,474,502,741,305</u>	<u>18,721,955,870,615</u>
vi) Maintenance expenses		
<i>Subsidiary</i>		
Sabeco Mechanical One Member Company Limited	44,600,929,220	45,477,930,638

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2017 VND	2016 VND
vii) Other expenses		
<i>Other related party</i>		
Saigon Beer Transportation Joint Stock Company	1,009,406,025	-
viii) Material usage expenses – bottles and crates		
<i>Subsidiary</i>		
Saigon Beer Trading One Member Company Limited	7,781,006,116	11,527,755,033
ix) Capital contribution in cash		
<i>Associates</i>		
Saigon - Ben Tre Beer Joint Stock Company	20,000,000,000	-
Saigon - Lam Dong Beer Joint Stock Company	20,000,000,000	-
Saigon - Kien Giang Beer Joint Stock Company	-	3,000,000,000
	40,000,000,000	3,000,000,000
x) Cash paid for share transfer		
<i>Subsidiary</i>		
Saigon Beer Trading One Member Company Limited	-	446,947,945,903
xi) Compensation of key management		
Gross salaries and other benefits	16,441,814,751	10,811,235,903
xii) Historical cost of tangible assets, investment properties that are leased by subsidiaries and associates		
<i>Associates</i>		
Saigon - Bac Lieu Beer Joint Stock Company	63,606,926,486	63,606,926,486
Saigon - Vinh Long Beer Joint Stock Company	61,026,543,585	61,026,543,585
<i>Subsidiaries</i>		
Saigon - Ha Tinh Beer One Member Company Limited	12,432,926,293	12,432,926,293
Saigon - Dong Xuan Beer - Alcohol Joint Stock Company	12,934,793,274	12,934,793,274
Saigon - Nam Trung Bo Beer Trading Joint Stock Company	7,859,289,977	7,859,289,977
	157,860,479,615	157,860,479,615

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2017 VND	2016 VND
xiii) Selling support expenses (Note 30)		
<i>Subsidiaries</i>		
Saigon - Mien Bac Beer Trading Joint Stock Company	73,086,561,758	-
Saigon - Bac Trung Bo Beer Trading Joint Stock Company	66,964,786,366	-
Saigon - Center Beer Trading Joint Stock Company	187,535,842,778	-
Saigon - Mien Trung Beer Trading Joint Stock Company	65,641,063,923	-
Saigon - Tay Nguyen Beer Trading Joint Stock Company	59,458,871,526	-
Saigon - Nam Trung Bo Beer Trading Joint Stock Company	53,184,586,104	-
Saigon - Mien Dong Beer Trading Joint Stock Company	75,223,083,161	-
Saigon - Song Tien Beer Trading Joint Stock Company	73,106,673,324	-
Saigon - Song Hau Beer Trading Joint Stock Company	73,077,997,078	-
Saigon - Dong Bac Beer Trading Joint Stock Company	51,498,370,264	-
	<u>778,777,836,282</u>	<u>-</u>

(b) Year end balances with related parties

	2017 VND	2016 VND
Short-term trade accounts receivable (Note 5)		
<i>Subsidiaries</i>		
Saigon Beer Trading One Member Company Limited	1,205,448,082,564	89,427,898,798
Saigon - Quang Ngai Beer Joint Stock Company	13,543,926,833	55,119,710,494
Saigon - Ha Noi Beer Joint Stock Company	5,613,366,941	26,151,273,237
Saigon - Soc Trang Beer Trading One Member Company Limited	2,531,817,156	34,872,014,112
Saigon - Mien Tay Beer Joint Stock Company	-	9,997,192,692
Saigon - Song Lam Beer Joint Stock Company	-	44,744,861,095
Saigon - Ha Tinh Beer One Member Company Limited	667,086,134	36,160,902,023
Saigon - Dong Xuan Beer Alcohol Joint Stock Company	440,373,573	8,686,997,275
Saigon - Nghe Tinh Beer Joint Stock Company	-	4,843,649,388
<i>Associates</i>		
Saigon - Kien Giang Beer Joint Stock Company	10,918,868,380	28,762,901,268
Saigon - Phu Ly Beer Joint Stock Company	13,417,740,094	41,006,764,802
Saigon - Ninh Thuan Beer Joint Stock Company	2,589,344,877	33,177,905,304
Saigon - Mien Trung Beer Joint Stock Company	3,933,250,925	12,733,083,100
Saigon - Khanh Hoa Beer Joint Stock Company	3,653,742,102	28,318,206,689
Saigon - Phu Tho Beer Joint Stock Company	5,552,101,006	36,815,200,892
Saigon - Vinh Long Beer Joint Stock Company	4,420,972,066	36,256,625,474
Saigon - Bac Lieu Beer Joint Stock Company	617,388,182	7,264,443,697
Saigon - Tay Do Beer - Beverage Joint Stock Company	2,679,450,878	31,006,778,912
Saigon - Binh Tay Beer Joint Stock Company	7,915,048,569	58,286,705,175
	<u>1,283,942,560,280</u>	<u>623,633,114,427</u>

37 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties (continued)

	2017 VND	2016 VND
Short-term prepayments to suppliers (Note 6)		
<i>Subsidiaries</i>		
Saigon - Mien Bac Beer Trading Joint Stock Company	348,251,904	348,251,904
Binh Tay Liquor Joint Stock Company	4,272,916	4,272,916
Other related party		
Saigon Beer Transportation Joint Stock Company	1,659,200	1,659,200
	<u>354,184,020</u>	<u>354,184,020</u>
Other short-term receivables (Note 7(a))		
i) Dividend receivables from related parties		
<i>Subsidiaries</i>		
Saigon Beer Trading One Member Company Limited	-	253,246,673,221
Saigon - Mien Dong Beer Trading Joint Stock Company	72,378,000,000	-
Saigon - Tay Nguyen Beer Trading Joint Stock Company	71,570,880,000	-
Saigon - Nam Trung Bo Beer Trading Joint Stock Company	54,000,000,000	-
Saigon - Mien Trung Beer Trading Joint Stock Company	43,200,000,000	-
Saigon - Trung Tam Beer Trading Joint Stock Company	40,500,000,000	-
Saigon - Song Hau Beer Trading Joint Stock Company	36,261,000,000	2,900,880,000
Saigon - Song Tien Beer Trading Joint Stock Company	36,000,000,000	-
Saigon - Ha Noi Beer Joint Stock Company	18,760,000,000	-
Saigon - BacTrung Bo Beer Trading Joint Stock Company	10,800,000,000	-
Binh Tay Liquor Joint Stock Company	14,565,945,479	14,565,945,479
Saigon - Nghe Tinh Beer Joint Stock Company	6,896,400,000	1,149,400,000
Saigon - Mien Bac Beer Trading Joint Stock Company Trading	5,400,000,000	-
Saigon - Ha Tinh Beer Joint Stock Company	5,400,000,000	-
Saigon - Ha Tinh Beer Joint Stock Company	1,122,478,438	11,490,799,361
Sabeco Mechanical One Member Joint Stock Company	1,542,981,060	2,865,250,074
	<u>418,397,684,977</u>	<u>286,218,948,135</u>
ii) Other receivables from related parties		
<i>Subsidiaries</i>		
Saigon - Quang Ngai Beer Joint Stock Company	1,113,128,681	-
Chuong Duong Beverages Joint Stock Company	1,380,600,000	1,274,400,000
Saigon Beer Trading One Member Company Limited	-	351,086,615
Saigon - Mien Tay Beer Joint Stock Company	345,816,682	345,816,682
Saigon - Nam Trung Bo Trading Beer Joint Stock Company	29,700,000	29,700,000
Sabeco Mechanical One Member Joint Stock Company	5,952,378	7,359,414
<i>Associates</i>		
Tan Thanh Investment Company Limited	277,230,733,543	277,230,733,543
Saigon - Kien Giang Beer Joint Stock Company	-	10,657,771,029
Saigon - Khanh Hoa Beer Joint Stock Company	612,242,386	83,916,000
	<u>280,718,173,670</u>	<u>289,980,783,283</u>

SAIGON BEER – ALCOHOL – BEVERAGE CORPORATION

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37 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties (continued)

	2017 VND	2016 VND
Other long-term receivables (Note 7(b))		
<i>Subsidiary</i>		
Saigon - Ha Tinh Beer One Member Company Limited	328,073,502,218	328,073,502,218
Short-term trade accounts payable (Note 17)		
<i>Subsidiaries</i>		
Saigon - Centre Trading Joint Stock Company	72,045,924,191	156,123,000
Saigon - Quang Ngai Beer Joint Stock Company	48,481,610,210	43,835,031,240
Saigon - Dong Xuan Beer Alcohol Joint Stock Company	43,494,775,080	4,048,078,230
Saigon - Song Hau Beer Trading Joint Stock Company	41,616,668,462	416,400,000
Saigon - Mien Bac Beer Trading Joint Stock Company	38,335,313,745	455,296,415
Saigon - Song Tien Beer Trading Joint Stock Company	38,102,542,531	2,469,914,518
Saigon - Bac Trung Bo Beer Trading Joint Stock Company	35,946,277,635	79,563,616
Saigon - Dong Bac Beer Trading Trading Joint Stock Company	29,677,705,911	25,597,417
Saigon - Song Lam Beer Joint Stock Company	28,545,202,840	46,693,794,565
Saigon - Ha Noi Beer Joint Stock Company	28,500,230,440	14,744,382,620
Saigon - Mien Dong Beer Trading Joint Stock Company	27,419,874,358	-
Saigon - Tay Nguyen Beer Trading Joint Stock Company	25,776,883,541	35,800,000
Saigon Packagings Joint Stock Company	18,798,124,576	2,651,550,000
Saigon - Nam Trung Bo Beer Trading Joint Stock Company	18,125,960,031	386,900,000
Saigon Beer Trading One Member Company Limited	14,496,449,272	9,988,695,380
Saigon - Mien Trung Beer Trading Joint Stock Company	14,420,626,338	2,168,529,531
Saigon - Nghe Tinh Beer Joint Stock Company	6,992,501,010	8,890,070,134
Saigon - Ha Tinh Beer One Member Company Limited	6,609,147,600	26,012,879,420
Saigon - Mien Tay Beer Joint Stock Company	6,237,778,800	11,196,554,270
Saigon - Soc Trang Beer One Member Company Limited	4,573,218,320	17,387,542,700
Sabeco Mechanical One Member Company Limited	2,364,866,360	10,998,806,232
<i>Associates</i>		
Saigon Crown Company Limited	262,095,508,855	236,759,057,331
Saigon - Binh Tay Beer Joint Stock Company	56,286,113,565	87,627,901,790
Saigon - Mien Trung Beer Joint Stock Company	32,631,733,090	36,631,119,635
Saigon - Kien Gian Beer Joint Stock Company	31,049,297,290	25,921,757,290
Saigon - Ninh Thuan Beer Joint Stock Company	29,045,628,311	19,889,645,500
Saigon - Phu Tho Beer Joint Stock Company	24,891,438,000	16,276,994,800
San Miguel Phu Tho Packaging Company Limited	21,639,640,000	15,290,440,000
Saigon - Phu Ly Beer Joint Stock Company	19,571,068,000	45,929,503,334
Saigon - Bac Lieu Beer Joint Stock Company	18,116,463,860	10,899,273,770
Saigon - Khanh Hoa Beer Joint Stock Company	10,606,197,800	22,027,600,100
Saigon - Vinh Long Beer Joint Stock Company	8,908,347,338	10,055,674,640
Saigon - Tay Do Beer - Beverage Joint Stock Company	8,883,110,870	8,461,527,840
<i>Other related party</i>		
Saigon Beer Transportation Joint Stock Company	59,510,550	-
	<u>1,074,345,738,780</u>	<u>738,412,005,318</u>

37 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties (continued)

	2017 VND	2016 VND
Other short-term payables (Note 20(a))		
i) Bonus and welfare fund payables to subsidiaries		
Saigon Beer Trading One Member Company Limited	15,034,023,262	-
Saigon - Ha Tinh Beer One Member Company Limited	5,224,902,289	-
Sabeco Mechanical One Member Company Limited	6,240,050,147	-
	<u>26,498,975,698</u>	<u>-</u>
ii) Others		
<i>Subsidiaries</i>		
Saigon Beer Trading One Member Company Limited	69,442,361,049	-
Saigon - Mien Bac Beer Trading Joint Stock Company	1,522,160,540	1,522,160,540
Saigon - Song Tien Beer Trading Joint Stock Company	739,328,874	739,328,874
Saigon - Bac Trung Bo Beer Trading Joint Stock Company	437,717,745	437,717,745
Saigon - Song Hau Beer Trading Joint Stock Company	106,561,973	106,561,973
Saigon - Nam Trung Bo Trading Joint Stock Company	82,229,450	82,229,450
Saigon - Mien Dong Trading Joint Stock Company	52,063,478	52,063,478
Saigon - Soc Trang Beer One Member Company Limited	12,932,851	12,932,851
<i>Associates</i>		
Me Linh Point Limited Company	39,282,868	39,282,868
Saigon - Binh Tay Beer Trading Joint Stock Company	287,780,949	287,780,949
<i>Other related party</i>		
Saigon Beer Transportation Joint Stock Company	195,251,930	195,251,930
	<u>72,917,671,707</u>	<u>3,475,310,658</u>
	<u>99,416,647,405</u>	<u>3,475,310,658</u>
iii) Dividend payables		
<i>Parent company</i>		
Vietnam Beverage Company Limited	1,202,749,054,500	-
<i>Subsidiaries</i>		
Saigon - Mien Bac Beer Trading Joint Stock Company	-	90,000,000
Saigon - Bac Trung Bo Beer Trading Joint Stock Company	-	90,000,000
Saigon - Mien Trung Beer Joint Stock Company	-	300,000,000
Saigon - Tay Nguyen Beer Trading Joint Stock Company	-	120,000,000
Saigon - Nam Trung Bo Beer Trading Joint Stock Company	-	240,000,000
Saigon - Mien Dong Beer Trading Joint Stock Company	-	84,000,000
Saigon - Song Tien Beer Trading Joint Stock Company	-	85,500,000
Saigon - Song Hau Beer Trading Joint Stock Company	-	85,500,000
	<u>1,202,749,054,500</u>	<u>1,095,000,000</u>

38 COMMITMENTS**(a) Commitments under operating leases**

The future minimum lease payments under non-cancellable operating leases are as follows:

	<u>Office rental and land rental</u>	
	<u>2017</u> VND	<u>2016</u> VND
Within one year	22,245,364,764	36,018,693,047
Between one and five years	8,981,756,979	41,674,317,842
Over five years	55,013,261,496	60,082,767,699
	<u>86,240,383,239</u>	<u>137,775,778,588</u>

(b) Capital commitments

Capital expenditure contracted for at the separate balance sheet date but not recognised in the separate financial statements is as follows:

	<u>2017</u> VND	<u>2016</u> VND
Property, plant and equipment	41,316,856,803	70,443,335,200

39 CONTINGENT LIABILITIES

According to Notice No. 155/KTNN-TH dated 8 February 2018 of the State Audit in relation to the audit results of the financial statements for the year ended 31 December 2016 and activities relating to the management and the usage of the capital and assets of the State in 2016 of the Company and its subsidiaries, the State Audit requested the Company to make dividend payment for the undistributed post-tax profits up to 2016 (after the State Audit's adjustments) to the Ministry of Industry and Trade at the ownership of 89.59% with the amount of VND2,495 billion and to non-controlling interest shareholders at the ownership of 10.41% with the amount of VND289 billion.

According to Decision No. 1034/QĐ-BCT dated 9 November 2017 of the Ministry of Industry and Trade, during the year 2017, the Ministry of Industry and Trade divested the ownership at the Company. On 27 December 2017, the investor settled the amount of VND109,965,627,840,000, to obtain the ownership of 343,642,587 shares equivalent to 53.59% of share capital of the Company. On 29 December 2017, Vietnam Beverage Company Limited, a company established in Vietnam, with the ownership of 343,642,587 shares equivalent to 53.59% of share capital of the Company officially became the largest shareholder of the Company; and the Ministry of Industry and Trade now only owns 36.0024% of share capital of the Company.

According to Article 135 of Corporate Law No. 68/2014/QH13 dated 26 November 2014 ("Corporate Law"), the Annual General Meeting has the highest authority in a joint stock company and has the power to decide the annual dividend payout ratio for each kind of share.

Accordingly, the Board of Directors of the Company is of the view that the dividend payout ratio to the Ministry of Industry and Trade and to the non-controlling interest shareholders has not yet been approved at the Annual General Meeting. Therefore, the Company did not have sufficient basis on which to recognise these dividend payables. As a result, the Company only disclosed the matter as contingent liability on the separate financial statements. As at the date of the separate financial statements, the Company is still in the process to seek guidance from shareholders about this matter.

40 RESTATEMENTS AND COMPARATIVE FIGURES

Based on the Notice No. 155/KTNN-TH dated 8 February 2018 of the State Audit in relation to the audit results of the financial statements for the year ended 31 December 2016 and activities relating to the management and the usage of the capital and assets of the State in 2016 of the Company and its subsidiaries, the Board of Directors decided to restate certain items on the separate financial statements for the financial year ended 31 December 2016.

Additionally, certain comparative figures have been reclassified to conform to the current year's presentation following guidances of Circular No.200/2014/TT-BTC ("Circular 200") dated 24 December 2014 issued by the Ministry of Finance.

a) The impact of the reclassifications and restatements on the separate balance sheet as at 31 December 2016 is as follows:

Code	Items	As previously reported VND	Reclassified VND	Restated VND	As restated VND
100	CURRENT ASSETS	7,185,306,536,896	8,144,087,115	4,411,611,234	7,197,862,235,245
130	Short-term receivables	1,319,572,867,475	-	4,411,611,234	1,323,984,478,709
136	Other short-term receivables	665,076,368,095	-	4,411,611,234	669,487,979,329
140	Inventories	387,565,239,047	8,144,087,115	-	395,709,326,162
149	Provision for decline in value of inventories	(22,700,771,460)	8,144,087,115	-	(14,556,684,345)
200	LONG-TERM ASSETS	6,276,483,775,828	(8,144,087,115)	-	6,268,339,688,713
210	Short-term receivables	341,656,075,565	(20,868,879,905)	-	320,787,195,660
219	Provision for doubtful debts – long term	(17,900,000,000)	(20,868,879,905)	-	(38,768,879,905)
250	Long-term investments	3,739,661,157,374	20,868,879,905	-	3,760,530,037,279
254	Provision for long-term investments	(483,224,608,326)	20,868,879,905	-	(462,355,728,421)
260	Other long-term assets	109,182,657,427	(8,144,087,115)	-	101,038,570,312
263	Long-term substituted equipment, supplies and spare parts	11,764,390,005	(8,144,087,115)	-	3,620,302,890
270	TOTAL ASSETS	13,461,790,312,724	-	4,411,611,234	13,466,201,923,958
300	LIABILITIES	3,281,585,395,591	-	144,379,535,254	3,425,964,930,845
310	Short-term liabilities	3,320,091,961,422	-	-	3,320,091,961,422
311	Short-term trade accounts payable	1,407,024,034,688	144,057,086,869	-	1,551,081,121,557
313	Tax and other payables to the State Budget (*)	247,158,425,031	-	162,869,148,358	410,027,573,389
315	Short-term accrued expenses	218,943,632,197	(144,057,086,869)	-	74,886,545,328
319	Other short-term payables	1,006,547,944,823	-	(18,489,613,104)	988,058,331,719
400	OWNERS' EQUITY	10,180,204,917,133	-	(139,967,924,020)	10,040,236,993,113
410	Capital and reserves	10,180,204,917,133	-	(139,967,924,020)	10,040,236,993,113
421	Undistributed earnings	3,006,573,255,093	-	(139,967,924,020)	2,866,605,331,073
421b	- Post-tax profit of current year	2,114,435,465,692	-	(139,967,924,020)	1,974,467,541,672
440	TOTAL RESOURCES	13,461,790,312,724	-	4,411,611,234	13,466,201,923,958

40 RESTATEMENTS AND COMPARATIVE FIGURES (continued)

a) The impact of the reclassifications and restatements on the separate balance sheet as at 31 December 2016 is as follows (continued):

(*) The adjustment of VND162,869,148,358 mainly included the additional business income tax that the Company is required to pay. In the view of the State Audit, the additional special income tax ("SST") that the Company had paid for its subsidiaries and associates for the years from 2007 – 2009 was not deductible for business income tax calculation for 2016 because the Ministry of Finance instructed the Company to use the undistributed post-tax profits as of 2015 to make the payment to the State Budget for the additional SST of the years from 2007 - 2009. However, the Company treated the entire amount of additional SST of the years from 2007 – 2009 as deductible for business income tax of 2016.

b) The impact of the restatements on the separate income statement for the financial year ended 31 December 2016 is as follows:

Code	Item	As previously reported VND	Restated VND	As restated VND
1	Sales	30,896,051,119,784	(167,029,839)	30,895,884,089,945
10	Net sales	30,895,499,204,584	(167,029,839)	30,895,332,174,745
20	Gross profit	4,382,063,893,898	(167,029,839)	4,381,896,864,059
21	Financial income	1,630,537,132,498	4,060,524,619	1,634,597,657,117
26	General and administration expenses	(313,787,919,658)	1,028,228,535	(312,759,691,123)
30	Net operating profit	5,069,427,274,040	4,921,723,315	5,074,348,997,355
31	Other income	39,268,221,096	10,319,169,650	49,587,390,746
40	Net other income	25,702,605,976	10,319,169,650	36,021,775,626
50	Net accounting profit before tax	5,095,129,880,016	15,240,892,965	5,110,370,772,981
51	Business income tax - current	(11,032,076,992)	(155,208,816,985)	(166,240,893,977)
60	Net profit after tax	<u>4,262,935,963,691</u>	<u>(139,967,924,020)</u>	<u>4,122,968,039,671</u>

c) The impact of the restatement on the separate cash flows statement for the financial year ended 31 December 2016 is as follows:

Code	Item	As previously reported VND	Adjustments VND	Restated VND
CASH FLOWS FROM OPERATING ACTIVITIES				
1	Net accounting profit before tax	5,095,129,880,016	15,240,892,965	5,110,370,772,981
	Adjustments for:			
05	Profits from investing activities	(1,632,155,143,717)	(4,060,524,619)	(1,636,215,668,336)
08	Operating profit before changes in working capital	3,698,341,346,718	11,180,368,346	3,709,521,715,064
09	Increase in receivables	(195,121,260,714)	(351,086,615)	(195,472,347,329)
11	Decrease in payables	(2,978,307,230,428)	(43,070,772,492)	(3,021,378,002,920)
17	Other payments on operating activities	(168,270,788,965)	32,241,490,761	(136,029,298,204)
20	Net cash outflows from operating activities	<u>(172,524,714,907)</u>	<u>-</u>	<u>(172,524,714,907)</u>

40 RESTATEMENTS AND COMPARATIVE FIGURES (continued)

Apart from restatements of the separate financial statements for the year ending 31 December 2016 following the State Audit's result, the Company also restated disclosure for cost of goods manufactured by factor as follows:

	As previously reported VND	Restated VND	As restated VND
Merchandise costs	17,934,634,994,736	(17,934,634,994,736)	-
Raw material costs	7,755,993,869,290	(5,909,800,941,608)	1,846,192,927,682
Outside service expenses	952,173,558,156	(13,029,256,282)	939,144,301,874
Labour cost	380,758,282,795	27,059,351,254	407,817,634,049
Depreciation and amortisation expenses	257,542,284,654	(2,596,167,349)	254,946,117,305
Tools and supplies	65,038,928,375	(65,038,928,375)	-
Others	129,243,697,206	(17,216,753,292)	112,026,943,914
	<u>27,475,385,615,212</u>	<u>(23,915,257,690,388)</u>	<u>3,560,127,924,824</u>

According to Circular 200, for trading companies, disclosure for cost of goods manufactured by factor does not include merchandise costs. The Company has restated this disclosure for the year ended 31 December 2016 as required by Circular 200.

The separate financial statements were approved by the Board of Directors on 29 March 2018.



Le Thi Thien Thanh
Preparer



Nguyen Tien Dung
Chief Accountant



Nguyen Thanh Nam
General Director