

**Saigon Beer – Alcohol – Beverage
Corporation**

Consolidated Financial Statements
Quarter 3 Year 2020



Saigon Beer – Alcohol – Beverage Corporation
Corporate Information

**Enterprise Registration
Certificate No.**

0300583659

29 February 2012

The Company's Enterprise Registration Certificate ("ERC") has been amended several times, of which the most recent one is ERC No. 0300583659 dated 18 May 2020. The Enterprise Registration Certificate and its updates were issued by the Ho Chi Minh City Department of Planning and Investment.

Board of Directors

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

Board of Management

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

Audit Committee

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

Legal Representative

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

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

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
Branches	<p>Saigon - Cu Chi Brewery Lot C1, D3 Street, Northwest Cu Chi Industrial Zone, Cu Chi Town, Cu Chi District, Ho Chi Minh City, Vietnam</p> <p>Saigon - Nguyen Chi Thanh Brewery 187, Nguyen Chi Thanh Street, Ward 12, District 5 Ho Chi Minh City, Vietnam</p>

CONSOLIDATED BALANCE SHEET

As at 30 Sep 2020

VND

Code	ASSETS	Note	30/09/2020	01/01/2020
100	A. CURRENT ASSETS		19,987,611,807,533	19,164,602,511,633
110	I. Cash and cash equivalents	4	3,173,374,778,621	4,115,884,646,637
111	1. Cash		1,315,294,778,621	953,478,997,565
112	2. Cash equivalents		1,858,080,000,000	3,162,405,649,072
120	II. Short-term investments	5	14,320,669,432,877	12,393,226,750,273
123	1. Investments held-to-maturity		14,320,669,432,877	12,393,226,750,273
130	III. Short-term receivables		683,492,320,624	568,608,377,917
131	1. Short-term trade accounts receivable	6	91,140,587,236	157,654,572,653
132	2. Short-term prepayments to suppliers	7	178,668,609,412	54,679,363,371
136	3. Other short-term receivables	8	759,872,927,924	702,587,109,178
137	4. Provision for doubtful debts – short-term		(346,189,803,948)	(346,312,667,285)
140	IV. Inventories		1,703,797,088,251	1,967,137,719,907
141	1. Inventories	9	1,852,495,391,720	2,169,540,753,708
149	2. Provision for decline in value of inventories		(148,698,303,469)	(202,403,033,801)
150	V. Other current assets		106,278,187,160	119,745,016,899
151	1. Short-term prepaid expenses	11	99,082,038,664	97,129,905,121
152	2. Value Added Tax to be reclaimed		4,556,646,576	18,203,862,026
153	3. Taxes and other receivables to the State Budget		2,639,501,920	4,411,249,752

CONSOLIDATED BALANCE SHEET

As at 30 Sep 2020

VND

Code	ASSETS	Note	30/09/2020	01/01/2020
200	B. LONG-TERM ASSETS		7,698,848,831,300	7,797,873,582,412
210	I. Long-term receivables		5,907,050,566	9,110,080,970
211	1. Long-term account receivables		6,005,003,018	6,005,003,018
215	2. Long-term loan receivables		4,000,000,000	4,000,000,000
216	3. Other long-term receivables		35,292,461,371	38,495,491,775
219	4. Provision for doubtful long-term receivables		(39,390,413,823)	(39,390,413,823)
220	II. Fixed assets	10	4,826,210,959,544	4,685,440,455,287
221	1. Tangible fixed assets		3,885,046,407,482	3,743,642,558,190
222	Cost		10,765,340,348,085	10,190,230,853,202
223	Accumulated depreciation		(6,880,293,940,603)	(6,446,588,295,012)
227	2. Intangible fixed assets		941,164,552,062	941,797,897,097
228	Cost		1,097,963,312,236	1,091,733,605,211
229	Accumulated amortisation		(156,798,760,174)	(149,935,708,114)
230	III. Investment properties	10	65,840,310,748	58,433,154,033
231	1. Cost		92,668,621,947	80,830,516,128
232	2. Accumulated depreciation		(26,828,311,199)	(22,397,362,095)
240	IV. Long-term assets in progress		20,848,501,628	307,773,703,264
242	1. Construction in progress		20,848,501,628	307,773,703,264
250	V. Long-term investments	5	2,276,130,775,566	2,162,738,822,723
252	1. Investments in associates, joint ventures		1,995,287,089,793	1,878,458,174,350
253	2. Investments in other entities		665,885,700,116	665,885,700,116
254	3. Provision for long-term investments		(435,910,894,248)	(435,473,931,648)
255	4. Investments held-to-maturity		50,868,879,905	53,868,879,905
260	VI. Other long-term assets		503,911,233,248	574,377,366,135
262	1. Long-term prepaid expenses	11	284,812,118,627	328,604,633,780
262	2. Deferred income tax assets		178,577,947,674	214,736,310,715
263	3. Long-term supplies and spare parts		40,521,166,947	31,036,421,640
270	TOTAL ASSETS		27,686,460,638,833	26,962,476,094,045

CONSOLIDATED BALANCE SHEET

As at 30 Sep 2020

VND

Code	RESOURCES	Note	30/09/2020	01/01/2020
300	C. LIABILITIES		6,640,936,323,872	6,886,229,037,681
310	I. Short-term liabilities		5,837,027,977,099	6,087,830,053,039
311	1. Short-term trade accounts payable	12	1,455,840,273,132	2,427,067,853,887
312	2. Short-term advances from customers		316,491,727,743	42,587,372,642
313	3. Tax and other payables to the State Budget		1,230,117,862,937	855,960,013,165
314	4. Payable to employees		432,388,178,800	389,618,575,865
315	5. Short-term accrued expenses	13	707,631,487,722	433,170,981,720
318	6. Short-term unearned revenue		565,109,098	930,242,260
319	7. Other short-term payables	14	996,172,274,803	1,079,347,828,644
320	8. Short-term borrowings		566,354,775,300	560,511,063,296
321	9. Provision for short-term payables		554,312,916	3,710,918,283
322	10. Bonus and welfare funds		130,911,974,648	294,925,203,277
330	II. Long-term liabilities		803,908,346,773	798,298,984,642
331	1. Long-term trade accounts payable		95,017,064,000	100,000,000
332	2. Long-term advances from customers		22,183,449	22,183,449
337	4. Other long-term payables		54,411,316,000	54,073,316,000
338	5. Long-term borrowings		409,992,120,000	494,244,987,274
341	6. Deferred income tax liabilities		40,365,038,463	30,543,620,073
342	7. Provision for long-term liabilities		125,355,976,732	135,416,747,716
343	8. Fund for science and technology development		78,744,648,129	83,998,130,130

CONSOLIDATED BALANCE SHEET

As at 30 Sep 2020

VND

Code	RESOURCES	Note	30/09/2020	01/01/2020
400	D. OWNERS' EQUITY		21,045,524,314,961	20,076,247,056,364
410	I. Capital and reserves	16	21,045,524,314,961	20,076,247,056,364
411	1. Owners' capital		6,412,811,860,000	6,412,811,860,000
411a	- Ordinary shares with voting rights		6,412,811,860,000	6,412,811,860,000
414	2. Owners' other capital		3,208,666,226	3,208,666,226
417	4. Foreign exchange differences		28,122,763,944	27,272,873,771
418	5. Investment and development funds		1,122,834,056,347	1,130,372,829,157
421	7. Undistributed earnings		12,238,105,368,821	11,231,596,467,620
421a	- Undistributed earnings of the previous years		9,086,408,706,039	6,485,261,875,965
421b	- Post-tax profit of current year		3,151,696,662,782	4,746,334,591,655
429	8. Non-controlling interests		1,240,441,599,623	1,270,984,359,590
440	TOTAL RESOURCES		27,686,460,638,833	26,962,476,094,045



Hoàng Thanh Vân
Preparer

29th Oct 2020



Trần Nguyễn Trung
Chief Accountant



Teo Hong Keng
Deputy General Director



Ngo Kim Siong Bennett
General Director

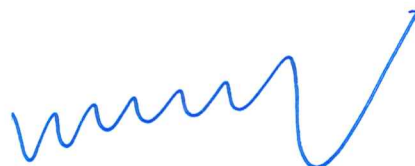
CONSOLIDATED INCOME STATEMENT

VND

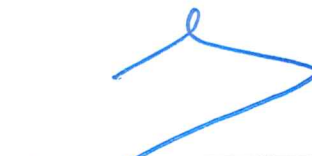
Code	ITEMS	Note	Quarter 3		For the 9 month period ended 30 Sep	
			2020	2019	2020	2019
1	1. Sales	17	8,106,584,370,341	9,804,331,840,294	20,230,302,319,168	28,321,694,365,519
2	2. Less deductions	17	54,466,296,230	58,897,471,761	134,340,578,401	151,717,861,201
10	3. Net sales (10 = 01 - 02)	17	8,052,118,074,111	9,745,434,368,533	20,095,961,740,767	28,169,976,504,318
11	4. Cost of sales	18	5,579,652,554,380	7,346,798,519,028	14,063,141,183,916	21,166,545,831,184
20	5. Gross profit (20 = 10 - 11)		2,472,465,519,731	2,398,635,849,505	6,032,820,556,851	7,003,430,673,134
21	6. Financial income	19	238,673,205,859	251,070,983,705	734,448,217,816	622,109,221,191
22	7. Financial expenses	20	24,013,836,212	(14,319,721,967)	63,198,827,841	(5,292,946,766)
	- Including: Interest expenses		12,786,266,446	5,792,155,363	47,332,232,311	19,623,150,266
24	8. Profit sharing from investment in joint ventures and associates		78,499,797,946	88,839,463,031	176,967,615,683	255,894,182,824
25	9. Selling expenses	21	750,027,856,987	763,534,225,029	2,104,741,770,061	2,099,388,963,581
26	10. General and administration expenses	22	209,279,647,616	181,277,264,334	562,272,065,670	530,703,451,093
30	11. Net operating profit		1,806,317,182,721	1,808,054,528,845	4,214,023,726,778	5,256,634,609,241
31	12. Other income		23,394,526,327	20,092,101,094	38,292,931,256	39,930,233,181
32	13. Other expenses		7,370,854,399	26,958,201,665	12,102,261,445	39,726,824,271
40	14. Net other income/(expenses) (40 = 31 - 32)		16,023,671,928	(6,866,100,571)	26,190,669,811	203,408,910
50	15. Net accounting profit before tax (50 = 30 + 40)		1,822,340,854,649	1,801,188,428,274	4,240,214,396,589	5,256,838,018,151
51	16. Business income tax - current		343,388,101,315	343,965,448,685	791,145,135,368	979,550,928,401
52	17. Business income tax - deferred		8,536,945,438	(2,084,949,429)	45,979,781,438	(2,019,783,806)
60	18. Net profit after tax		1,470,415,807,896	1,459,307,929,018	3,403,089,479,783	4,279,306,873,556
61	19. Profit after tax attributable to the Company		1,393,014,190,798	1,386,489,843,709	3,257,704,743,768	4,044,948,318,755
62	20. Profit after tax attributable to non- controlling interests		77,401,617,098	72,818,085,309	145,384,736,015	234,358,554,801
70	21. Basic earnings per share (*)		2,046	2,081	4,919	6,065



Hoàng Thanh Văn
Preparer



Trần Nguyên Trung
Chief Accountant



Teo Hong Keng
Deputy General Director



Neo Gim Siong Bennett
General Director

CONSOLIDATED CASH FLOW STATEMENT

VND

Code	ITEMS	For the 9 month period ended 30 Sep	
		2020	2019
	I. CASH FLOWS FROM OPERATING ACTIVITIES		
1	Net accounting profit before tax	4,240,214,396,589	5,256,838,018,151
	Adjustments for:		
2	Depreciation and amortisation	443,110,787,924	477,776,591,500
3	Provisions/(reversal of provisions)	(31,011,010,515)	(25,107,401,883)
4	Unrealised foreign exchange gains	6,036,836,195	172,040,315
5	Profits from investing activities	(875,774,615,329)	(864,437,961,360)
6	Interest expenses	47,332,232,311	19,623,150,266
8	Operating profit before changes in working capital		
9	Change in receivables	47,634,130,186	121,742,402,882
10	Change in inventories	284,728,760,754	28,994,760,364
11	Change in payables (exclusive of interest payables, business income tax payables)	(172,625,443,974)	(464,524,848,529)
12	Change in prepaid expenses	44,821,024,902	216,242,089,769
14	Interest paid	(49,567,505,999)	(19,724,077,499)
15	Business income tax paid	(670,762,331,801)	(925,128,842,585)
17	Other cash outflows from operating activities	(234,432,023,892)	(255,595,275,826)
20	Net cash flows from operating activities	3,079,705,237,351	3,566,870,645,565
	II. CASH FLOWS FROM INVESTING ACTIVITIES		
21	Purchases of fixed assets and other long-term assets	(323,624,613,867)	(87,396,906,176)
22	Proceeds from disposals of fixed assets and other long-term assets	888,687,000	4,175,086,416
23	Loans and purchase of debt instruments from other entities	(11,364,294,041,096)	(8,987,250,425,678)
24	Proceeds from loans and purchase of debt instruments from other entities	9,439,851,358,492	5,325,006,397,122
25	Investments in other entities		(82,000,000,000)
26	Proceeds from divestment in other entities		
27	Dividends and interest received	712,395,590,422	610,190,185,110
30	Net cash flows from investing activities	(1,534,783,019,049)	(3,217,275,663,206)

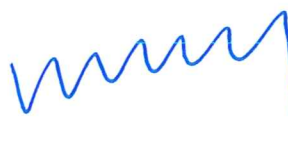
CONSOLIDATED CASH FLOW STATEMENT

VND

Code	ITEMS	For the 9 month period ended 30 Sep	
		2020	2019
	III. CASH FLOWS FROM FINANCING ACTIVITIES		
33	Proceeds from borrowings	2,208,587,857,200	2,274,200,297,392
34	Repayments of borrowings	(2,286,997,012,470)	(2,374,377,870,094)
35	Dividends paid	(2,409,047,851,671)	(1,129,824,952,213)
40	Net cash flows from financing activities	(2,487,457,006,941)	(1,230,002,524,915)
50	Net increase/(decrease) in cash and cash equivalents	(942,534,788,639)	(880,407,542,556)
60	Cash and cash equivalents at beginning of period	4,115,884,646,637	4,467,391,585,137
61	Effect of foreign exchange differences	24,920,623	8,662,766
70	Cash and cash equivalents at end of period	3,173,374,778,621	3,586,992,705,347



Hoàng Thanh Vân
Preparer



Trần Nguyên Trung
Chief Accountant



Teo Hong Keng
Deputy General Director



Ngo Gim Siong Bennett
General Director

29th Oct 2020

1. Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

(b) Basis of measurement

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

(c) Annual accounting period

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

(d) Accounting and presentation currency

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

2. Summary of significant accounting policies

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

The accounting policies that have been adopted by the Group in the preparation of these consolidated financial statements are consistent with those adopted in the preparation of the latest consolidated annual financial statements.

(a) Basis of consolidation

(i) Subsidiaries

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

(ii) Non-controlling interests

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

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

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

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

(iv) *Transactions eliminated on consolidation*

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

(b) *Foreign currency transactions*

(i) *Foreign currency transactions*

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Group most frequently conducts transactions.

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

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

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

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

(c) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(d) Investments

(i) *Held-to-maturity investments*

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

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

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investment are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Group's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(e) Accounts receivable

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

(f) Inventories

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

The Group applies the perpetual method of accounting for inventories.

(g) Tangible fixed assets

(i) *Cost*

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair,

Saigon Beer – Alcohol – Beverage Corporation
Notes to the consolidated financial statements (continued)

Form B 09 – DN/HN

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

(ii) Depreciation

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

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

(h) Intangible fixed assets

(i) Land use rights

Land use rights comprise:

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

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

(ii) Software

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

(i) Investment properties

(i) Investment property held to earn rental

Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Management. Expenditure

incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the period in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

Depreciation

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

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

(ii) *Investment property held for capital appreciation*

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

(j) *Construction in progress*

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

(k) *Long-term prepaid expenses*

(i) *Returnable packaging*

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

(ii) *Prepaid land costs*

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

(iii) Tools and instruments

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

(l) Trade and other payables

Trade and other payables are stated at their cost.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Severance allowance

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

(n) Share capital

Ordinary shares

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

(o) Taxation

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

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

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

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

(p) Revenue and other income

(i) Goods sold

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

(ii) Services rendered

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

(iii) Rental income

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

(iv) Interest income

Interest income is recognised in the consolidated statement of income on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(v) Dividend income

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

(q) Operating lease payments

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

(r) Borrowing costs

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

(s) Earnings per share

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

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

(t) Segment reporting

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

(u) Related parties

Parties are considered to be related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Group and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

4 CASH AND CASH EQUIVALENTS

	30.09.2020 VNĐ	01.01.2020 VNĐ
Cash on hand	3,136,304,559	1,999,169,826
Cash at bank	1,312,158,474,062	951,479,827,739
Cash equivalents (*)	1,858,080,000,000	3,162,405,649,072
TOTAL	3,173,374,778,621	4,115,884,646,637

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

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

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5 INVESTMENTS

(a) Investments held-to-maturity

(i) Short-term

	30.09.2020			01.01.2020		
	Cost VNĐ	Provision VNĐ	Book value VNĐ	Cost VNĐ	Provision VNĐ	Book value VNĐ
Term deposits (*)	14,320,669,432,877	-	14,320,669,432,877	12,393,226,750,273	-	12,393,226,750,273
	<u>14,320,669,432,877</u>	<u>-</u>	<u>14,320,669,432,877</u>	<u>12,393,226,750,273</u>	<u>-</u>	<u>12,393,226,750,273</u>

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

(ii) Long-term

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

	30.09.2020			01.01.2020		
	Cost VNĐ	Provision VNĐ	Book value VNĐ	Cost VNĐ	Provision VNĐ	Book value VNĐ
Shipbuilding Industry Corporation	20,868,879,905	(20,868,879,905)	-	20,868,879,905	(20,868,879,905)	-
Term deposits	30,000,000,000	-	30,000,000,000	33,000,000,000	-	33,000,000,000
	<u>50,868,879,905</u>	<u>(20,868,879,905)</u>	<u>30,000,000,000</u>	<u>53,868,879,905</u>	<u>(20,868,879,905)</u>	<u>33,000,000,000</u>

(b) Investments in other entities

	30.09.2020		01.01.2020	
	Cost VNĐ	Provision VNĐ	Cost VNĐ	Provision VNĐ
Investments in joint ventures, associates (i)	1,995,287,089,793	(97,332,469,971)	1,878,458,174,350	(97,332,469,971)
Investments in other entities (ii)	665,885,700,116	(338,578,424,277)	665,885,700,116	(338,141,461,677)
	<u>2,661,172,789,909</u>	<u>(435,910,894,248)</u>	<u>2,544,343,874,466</u>	<u>(435,473,931,648)</u>

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

5 INVESTMENTS (continued)

(b) Investments in other entities (continued)

(i) Investments in associates and joint ventures

		30.09.2020				01.01.2020			
Company name	Principal activities	Voting right	Interest	Cost	Provision	Voting right	Interest	Cost	Provision
		%	%	VND	VND	%	%	VND	VND
Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company	Construction and design consulting	28.57%	28.57%	329,653,546	-	28.57%	28.57%	329,653,546	-
Mechanical And Industrial Construction Joint Stock Company	Manufacturing, installation machinery, bridges and roads and industrial construction products	26.00%	26.00%	6,634,611,156	-	26.00%	26.00%	11,239,321,481	-
Saigon Tay Do Beer - Beverage Joint Stock Company	Produce beer, alcohol and beverage	34.92%	27.62%	102,576,575,501	-	34.92%	27.62%	112,110,621,745	-
Saigon Binh Tay Beer Group Joint Stock Company	Produce beer, alcohol and beverage	22.18%	21.80%	496,727,950,873	-	22.18%	21.80%	478,371,013,670	-
Saigon – Bac Lieu Beer Joint Stock Company	Produce beer, alcohol and beverage	20.00%	10.20%	37,659,687,997	-	20.00%	10.20%	39,413,251,891	-
Truong Sa Food - Food Business Joint Stock Company	Produce agricultural products and foods	38.98%	38.62%	4,877,957,381	-	38.98%	38.62%	5,349,040,203	-
Saigon - Phutho Beer Joint Stock Company	Produce beer, alcohol and beverage	33.85%	30.84%	79,799,524,877	-	33.85%	30.84%	79,280,455,575	-
Sai Gon – Mien Trung Beer Joint Stock Company	Produce beer, alcohol and beverage	32.41%	32.40%	176,678,817,367	-	32.41%	32.40%	149,579,209,268	-
Tan Thanh Investment Trading Company Limited	Construction and trade real estates	29.00%	29.00%	70,829,555,721	(70,829,555,721)	29.00%	29.00%	70,829,555,721	(70,829,555,721)
Sai Gon – Vinh Long Beer Joint Stock Company	Produce beer, alcohol and beverage	20.00%	20.00%	53,789,324,987	-	20.00%	20.00%	49,365,264,038	-
Sai Gon – Kien Giang Beer Joint Stock Company	Produce beer, alcohol and beverage	20.00%	20.00%	24,119,764,507	-	20.00%	20.00%	32,474,770,492	-
Me Linh Point Limited	Lease office building	25.00%	40.00%	127,862,134,497	-	25.00%	35.00%	129,777,418,614	-
Crown Beverage Cans Saigon Limited	Manufacture aluminium cans	30.00%	30.00%	382,558,860,234	-	30.00%	30.00%	300,165,809,593	-
Malaya - Vietnam Glass Limited	Manufacture glass products	30.00%	30.00%	273,624,510,241	-	30.00%	30.00%	261,432,271,091	-
San Miguel Yamamura Phu Tho Packaging Company Limited	Manufacture and trade metal packaging	35.00%	35.00%	61,004,018,194	-	35.00%	35.00%	58,224,106,724	-
Vietnam Spirits And Wine LTD.	Produce and trade alcohol and alcohol-related products	45.00%	45.00%	26,502,914,250	(26,502,914,250)	45.00%	45.00%	26,502,914,250	(26,502,914,250)
Sai Gon – Khanh Hoa Beer Joint Stock Company	Produce beer, alcohol and beverage	26.00%	26.00%	45,622,942,980	-	26.00%	26.00%	48,931,173,926	-
Saigon – Bentre Beer Joint Stock Company	Produce beer, alcohol and beverage	20.00%	20.00%	24,088,285,484	-	20.00%	20.00%	25,082,322,522	-
				1,995,287,089,793	(97,332,469,971)				
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SAIGON BEER - ALCOHOL - BEVERAGE CORPORATION
Notes to the consolidated financial statements (continued)

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5 INVESTMENTS (continued)

(b) Investments in other entities (continued)

(ii) Investments in other entities

	30.09.2020		01.01.2020	
	Cost	Provision	Cost	Provision
	VNĐ	VNĐ	VNĐ	VNĐ
Orient Commercial Joint Stock Bank	216,579,320,000	-	216,579,320,000	-
Dong A Commercial Joint Stock Bank	136,265,460,000	(136,265,460,000)	136,265,460,000	(136,265,460,000)
Sai Gon Packaging Group Joint Stock Company	50,000,000,000	-	50,000,000,000	-
PVI Holdings	51,475,140,000	(36,958,271,400)	51,475,140,000	(36,521,308,800)
Underground Space Investment Development Corporation	23,085,000,000	(23,085,000,000)	23,085,000,000	(23,085,000,000)
Phuong Dong Petroleum Tourism Joint Stock Company	30,700,950,000	(30,700,950,000)	30,700,950,000	(30,700,950,000)
Saigon Securities Investment Fund A2	35,757,720,722	(35,757,720,722)	35,757,720,722	(35,757,720,722)
Dai Viet Securities Incorporation	45,000,000,000	(45,000,000,000)	45,000,000,000	(45,000,000,000)
Sai Gon - Dong Nai Beer Joint - Stock Company	3,954,000,000	(3,954,000,000)	3,954,000,000	(3,954,000,000)
Development Investment Construction Joint Stock Company	14,992,108,200	(319,597,560)	14,992,108,200	(319,597,560)
Vietnam - Binh Tay Alcohol Joint Stock Company	300,000,000	(300,000,000)	300,000,000	(300,000,000)
Saigon Dong Ha Tourist Joint Stock Company	5,600,000,000	(1,810,837,795)	5,600,000,000	(1,810,837,795)
Nha Trang Trade Tourism Joint Stock Company	1,161,147,000	-	1,161,147,000	-
Saigon Beer Transportation Joint Stock Company	26,588,267,394	-	26,588,267,394	-
Sabeco HP Investment Company Limited	24,426,586,800	(24,426,586,800)	24,426,586,800	(24,426,586,800)
	<u>665,885,700,116</u>	<u>(338,578,424,277)</u>	<u>665,885,700,116</u>	<u>(338,141,461,677)</u>

6 SHORT-TERM TRADE ACCOUNTS RECEIVABLES

	30.09.2020 VNĐ	01.01.2020 VNĐ
Third parties	57,425,659,533	70,929,478,803
Related parties (Note 23)	33,714,927,703	86,725,093,850
TOTAL	91,140,587,236	157,654,572,653

7 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.09.2020 VNĐ	01.01.2020 VNĐ
Third parties	178,668,609,412	54,679,363,371
Related parties (Note 23)	-	-
	178,668,609,412	54,679,363,371

8 OTHER RECEIVABLES

	30.09.2020 VNĐ	01.01.2020 VNĐ
(a) Other short-term receivables		
Receivables due to difference between value of capital contribution in kind and agreed capital contribution in an associate	277,230,733,543	277,230,733,543
Interest income receivables	403,682,314,378	313,539,765,595
Dividend receivables	5,679,016,100	48,821,921,232
Other short-term receivables	73,280,863,903	62,994,688,808
TOTAL	759,872,927,924	702,587,109,178
<i>In which:</i>		
Third parties	473,351,257,069	366,937,762,809
Related parties (Note 23)	286,521,670,855	335,649,346,369
	759,872,927,924	702,587,109,178
(b) Other long-term receivables		
Deposits	27,263,696,371	30,466,726,775
Others	8,028,765,000	8,028,765,000
TOTAL	35,292,461,371	38,495,491,775

9 INVENTORIES

	30.09.2020 VNĐ	01.01.2020 VNĐ
Goods in transit	134,543,816,486	206,339,542,512
Raw materials	393,284,230,453	517,894,000,688
Tools and supplies	215,772,332,853	285,028,888,383
Work in progress	202,510,011,025	232,611,199,538
Finished goods, Merchandise inventories	906,385,000,903	927,667,122,588
TOTAL	1,852,495,391,720	2,169,540,753,708

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10 FIXED ASSETS

(a) Tangible fixed assets

	<i>Buildings and structures</i>	<i>Machinery and Equipment</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
Cost						
Beginning balance	2,078,623,291,633	7,700,011,600,756	254,634,372,155	147,640,041,984	9,321,546,674	10,190,230,853,202
Increases in the year:						-
<i>In which:</i>						
<i>New purchases</i>	31,050,000	15,914,015,907	1,145,000,000	12,201,402,797	-	29,291,468,704
<i>Transferred from construction in progress</i>	48,909,921,592	509,447,743,811	-	2,623,232,944	-	560,980,898,347
<i>Reclassification</i>	-	-	(1,895,030,928)	1,895,030,928	-	-
Decreases in the year						-
<i>In which:</i>						
<i>Transferred to investment properties</i>	(11,838,105,819)	-	-	-	-	(11,838,105,819)
<i>Transferred to Prepaid expenses</i>	-	-	-	-	(71,700,000)	(71,700,000)
<i>Sold, disposed</i>	-	(1,278,685,525)	(1,763,729,293)	(174,256,731)	-	(3,216,671,549)
<i>Other decreases</i>	-	-	(36,394,800)	-	-	(36,394,800)
Ending balance	2,115,726,157,406	8,224,094,674,949	252,084,217,134	164,185,451,922	9,249,846,674	10,765,340,348,085
Accumulated depreciation						
Beginning balance	980,892,096,872	5,153,799,156,887	191,989,917,201	114,036,300,943	5,870,823,109	6,446,588,295,012
Depreciation for the year	72,344,642,544	342,654,739,288	12,407,430,715	10,978,838,368	597,158,710	438,982,809,625
<i>Reclassification</i>	-	-	(1,869,845,742)	1,869,845,742	-	-
<i>Sold, disposed</i>	-	(1,059,382,645)	(1,763,729,293)	(174,256,731)	-	(2,997,368,669)
<i>Transferred to investment properties</i>	(2,243,400,565)	-	-	-	-	(2,243,400,565)
<i>Other decreases</i>	-	-	(36,394,800)	-	-	(36,394,800)
Ending balance	1,050,993,338,851	5,495,394,513,530	200,727,378,081	126,710,728,322	6,467,981,819	6,880,293,940,603
Net carrying amount:						
Beginning balance	1,097,731,194,761	2,546,212,443,869	62,644,454,954	33,603,741,041	3,450,723,565	3,743,642,558,190
Ending balance	1,064,732,818,555	2,728,700,161,419	51,356,839,053	37,474,723,600	2,781,864,855	3,885,046,407,482

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

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10 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land in rights	Softwares	Others	Total
Cost:				
Beginning balance	1,024,215,267,144	67,270,890,585	247,447,482	1,091,733,605,211
New purchase	-	5,201,125,000	-	5,201,125,000
Transferred from construction in progress	-	1,061,941,589	-	1,061,941,589
Reclassification	-	143,447,482	(143,447,482)	-
Other decreases	(33,359,564)	-	-	(33,359,564)
Ending balance	1,024,181,907,580	73,677,404,656	104,000,000	1,097,963,312,236
Accumulated amortisation:				
Beginning balance	83,628,234,464	66,075,272,419	232,201,231	149,935,708,114
Amortization for the year	5,104,965,019	1,752,553,553	9,714,188	6,867,232,760
Reclassification	-	143,447,482	(143,447,482)	-
Other decreases	(4,180,700)	-	-	(4,180,700)
Ending balance	88,729,018,783	67,971,273,454	98,467,937	156,798,760,174
Net carrying amount:				
Beginning balance	940,587,032,680	1,195,618,166	15,246,251	941,797,897,097
Ending balance	935,452,888,797	5,706,131,202	5,532,063	941,164,552,062



10 FIXED ASSETS (continued)

(b) Intangible fixed assets (continued)

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

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

<i>Location</i>	<i>Square (m²)</i>	<i>Revalued amount in connection with equitisation (VND)</i>
46 Ben Van Don, Ward 12, District 4, Ho Chi Minh City, Vietnam	3,872.50	55,241,212,500
187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City, Vietnam	17,406.10	418,634,111,100
474 Nguyen Chi Thanh, Ward 6, District 10, Ho Chi Minh City, Vietnam	7,729.00	247,637,160,000
18/3B Phan Huy Ich, Ward 15, Tan Binh District, Ho Chi Minh City, Vietnam	2,216.30	13,867,389,100
Total		<u>735,379,872,700</u>

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

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10 FIXED ASSETS (continued)

(c) Investment properties

	Beginning balance	Increase	Transferred from Tangibled fixed assets	Ending balance
Cost	80,830,516,128	-	11,838,105,819	92,668,621,947
- Land use rights	27,812,438,744	-	-	27,812,438,744
- Buildings	18,106,255,809	-	11,838,105,819	29,944,361,628
- Investment properties held-for-price appreciation	34,911,821,575	-	-	34,911,821,575
Accumulated depreciation	22,397,362,095	2,187,548,539	2,243,400,565	26,828,311,199
- Land use rights	7,906,274,291	453,463,694	-	8,359,737,985
- Buildings	11,340,175,886	1,734,084,845	2,243,400,565	15,317,661,296
- Investment properties held-for-price appreciation	3,150,911,918	-	-	3,150,911,918
Net carrying amount	58,433,154,033	(2,187,548,539)	9,594,705,254	65,840,310,748
- Land use rights	19,906,164,453	(453,463,694)	-	19,452,700,759
- Buildings	6,766,079,923	(1,734,084,845)	9,594,705,254	14,626,700,332
- Investment properties held-for-price appreciation	31,760,909,657	-	-	31,760,909,657

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

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11 PREPAID EXPENSES

(a) Short-term

	30.09.2020	01.01.2020
	VND	VND
Rental fee	21,418,575,603	17,831,096,101
Tools and instruments	3,231,346,964	2,976,228,969
Advertising expenses	57,789,765,143	61,446,931,219
Others	16,642,350,954	14,875,648,832
Total	99,082,038,664	97,129,905,121

(b) Long-term

	30.09.2020	01.01.2020
	VND	VND
Returnable packaging	100,039,132,614	138,132,411,556
Prepaid land costs	64,672,633,684	66,375,716,506
Property held for future investment	51,602,316,000	51,602,316,000
Tools and instruments	33,067,324,602	32,092,214,503
Others	35,430,711,727	40,401,975,215
Total	284,812,118,627	328,604,633,780

12 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.09.2020	01.01.2020
	VND	VND
Third parties	970,819,214,585	1,896,509,114,626
Related parties (Note 23)	485,021,058,547	530,558,739,261
Total	1,455,840,273,132	2,427,067,853,887

13 SHORT-TERM ACCRUED EXPENSES

	30.09.2020	01.01.2020
	VND	VND
Advertising and promotion expenses	562,554,507,009	325,832,316,250
Transportation expenses	3,960,537,656	3,338,741,362
Interest expenses	19,252,706,146	21,487,979,834
Others	121,863,736,911	82,511,944,274
Total	707,631,487,722	433,170,981,720

14 OTHER PAYABLES

(a) Short-term

	30.09.2020	01.01.2020
	VND	VND
Dividend payable	49,523,047,936	45,680,554,923
Deposits received	145,476,078,806	179,289,889,446
Estimated land use rights payable to the State in connection with equitisation	735,379,872,700	735,379,872,700
Others	65,793,275,361	118,997,511,575
- Social contribution fund	27,493,742,159	81,338,260,645
- Others	38,299,533,202	37,659,250,930
Total	996,172,274,803	1,079,347,828,644

In which:

Third parties	987,034,535,900	1,066,606,909,459
Related parties (Note 23)	9,137,738,903	12,740,919,185
	996,172,274,803	1,079,347,828,644

(b) Long-term

	30.09.2020	01.01.2020
	VND	VND
Deposits received	2,809,000,000	2,471,000,000
Land tax payable to State	51,602,316,000	51,602,316,000
	54,411,316,000	54,073,316,000

15 TAX AND OTHER PAYABLES TO THE STATE BUDGET

	01.01.2020	<i>Incurred during the period</i>	<i>Paid during the period</i>	30.09.2020
Corporate income tax	230,954,722,563	791,145,135,368	670,762,331,801	351,337,526,130
Special sales tax	492,850,292,427	5,257,680,052,204	5,052,115,422,494	698,414,922,137
Value added tax	80,273,319,726	1,248,253,548,292	1,187,916,545,224	140,610,322,794
Land tax	2,387,927,489	82,342,701,175	72,922,283,384	11,808,345,280
Personal income tax	25,708,005,849	72,117,955,056	79,082,206,823	18,743,754,082
Import-Export duties	(2,082,000)	9,510,036,143	9,510,036,143	(2,082,000)
Other taxes	1,172,715,333	3,825,129,761	2,988,919,075	2,008,926,019
TOTAL	833,344,901,387	7,464,874,557,999	7,075,297,744,944	1,222,921,714,442

During 2018, the Company received the Notification of the tax authority requesting provisional payments to the State budget in relation to the late payment penalty and late interest on special sales tax for the period from 2007 to 2015 that had been paid by the Company. The above matter has been resolved subsequently in April 2020.

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

Form B09-DN/HN

16 OWNERS' CAPITAL

16.1 Number of shares

	30.09.2020 <i>(Ordinary shares)</i>	01.01.2020 <i>(Ordinary shares)</i>
Number of shares registered	641,281,186	641,281,186
Number of shares issued	641,281,186	641,281,186
Number of existing shares in circulation	641,281,186	641,281,186

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

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16.2 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital	Owners' other capital	Foreign exchange differences	Investment and development fund	Other funds	Undistributed earnings	Total
Previous year:							
Beginning balance	6,412,811,860,000	3,208,666,226	21,099,487,654	1,130,147,220,442	5,327,112,664	7,473,777,581,426	15,046,371,928,412
Foreign currency differences			6,173,386,117				6,173,386,117
Profit for the year						5,053,363,919,165	5,053,363,919,165
Appropriation to funds				221,570,621		(221,570,621)	-
Dividends paid						(961,921,779,000)	(961,921,779,000)
Appropriation to bonus and welfare fund						(288,737,137,697)	(288,737,137,697)
Appropriation to social contribution fund						(50,512,685,007)	(50,512,685,007)
Other increases/ (decreases)				4,038,094	(5,327,112,664)	5,848,139,354	525,064,784
Ending balance	6,412,811,860,000	3,208,666,226	27,272,873,771	1,130,372,829,157	-	11,231,596,467,620	18,805,262,696,774
Current year:							
Beginning balance	6,412,811,860,000	3,208,666,226	27,272,873,771	1,130,372,829,157	-	11,231,596,467,620	18,805,262,696,774
Foreign currency differences			849,890,173				849,890,173
Profit for the year						3,257,704,743,768	3,257,704,743,768
Appropriation to funds				(7,538,772,810)		7,538,772,810	-
Dividends						(2,244,484,151,000)	(2,244,484,151,000)
Appropriation to bonus and welfare fund						(51,631,935,690)	(51,631,935,690)
Appropriation to social contribution fund						37,381,471,313	37,381,471,313
Ending balance	6,412,811,860,000	3,208,666,226	28,122,763,944	1,122,834,056,347	-	12,238,105,368,821	19,805,082,715,338

17 SALES

	30.09.2020 VNĐ	30.09.2019 VNĐ
Sales of beer	17,929,003,357,090	24,302,863,619,731
Sales of raw materials	2,058,067,071,882	3,706,571,408,038
Sales of beverages	108,644,568,760	186,687,967,907
Sales of alcohol and spirits	57,168,705,443	39,673,249,296
Others	77,418,615,993	85,898,120,547
Gross sales	20,230,302,319,168	28,321,694,365,519
Sale deductions	(134,340,578,401)	(151,717,861,201)
Trade discounts	(133,301,878,891)	(151,698,624,616)
Sales returns	(1,038,699,510)	(19,236,585)
Net sales	20,095,961,740,767	28,169,976,504,318

18 COST OF SALES

	30.09.2020 VNĐ	30.09.2019 VNĐ
Beer	11,932,992,573,276	17,322,112,128,098
Raw materials	1,995,280,776,405	3,664,116,983,370
Beverages	79,640,925,453	132,287,343,212
Alcohol and Spirits	46,112,769,836	34,449,689,879
Others	9,114,138,946	13,579,686,624
Total	14,063,141,183,916	21,166,545,831,184

19 FINANCIAL INCOME

	30.09.2020 VNĐ	30.09.2019 VNĐ
Interest income from deposits at banks, lending	697,074,387,890	597,066,888,742
Dividend income	1,092,406,500	7,489,996,873
Foreign exchange gains	36,279,493,602	17,551,289,473
Others	1,929,824	1,046,103
Total	734,448,217,816	622,109,221,191

20 FINANCIAL EXPENSES

	30.09.2020 VNĐ	30.09.2019 VNĐ
Interest expenses	47,332,232,311	19,623,150,266
Foreign exchange losses	15,429,632,930	2,089,340,055
(Reversal of provision) provision for diminution in value of investments	436,962,600	(27,005,437,087)
Others	-	-
Total	63,198,827,841	(5,292,946,766)

21 SELLING EXPENSES

	30.09.2020 VNĐ	30.09.2019 VNĐ
Advertising expenses and promotions expenses	1,164,880,920,657	978,535,716,537
Staff costs	518,205,074,493	560,072,334,897
Returnable packaging expenses	88,693,533,218	225,971,176,213
Rental expenses	106,235,660,401	110,981,243,630
Transportation expenses	26,152,752,269	24,000,217,580
Depreciation and amortisation	17,435,609,477	19,572,577,467
Others	183,138,219,546	180,255,697,257
Total	2,104,741,770,061	2,099,388,963,581

22 GENERAL AND ADMINISTRATION EXPENSES

	30.09.2020 VNĐ	30.09.2019 VNĐ
Staff costs	323,118,026,512	323,839,825,681
Depreciation and amortisation	21,212,795,728	25,111,979,163
Rental expenses	88,657,480,848	43,280,825,565
Provision and allowance	2,491,394,248	685,831,775
Others	126,792,368,334	137,784,988,909
Total	562,272,065,670	530,703,451,093

23 RELATED PARTY TRANSACTIONS

Related party transactions

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

	30.09.2020 VNĐ	01.01.2020 VNĐ
Short-term trade accounts receivable		
Saigon - Phutho Beer Joint Stock Company	2,042,044,330	8,367,162,123
Saigon Tay Do Beer - Beverage Joint Stock Company	743,502,019	6,307,906,113
Malaya - Vietnam Glass Limited	225,303,815	2,134,763,192
San Miguel Yamamura Phu Tho Packaging Company Limited	173,157,600	375,144,000
Saigon Binh Tay Beer Group Joint Stock Company	6,163,238,292	30,014,447,972
Sai Gon – Mien Trung Beer Joint Stock Company	6,422,403,668	8,673,647,771
Saigon – Bac Lieu Beer Joint Stock Company	875,120,012	-
Sai Gon – Vinh Long Beer Joint Stock Company	4,835,458,347	7,636,502,161
Sai Gon – Kien Giang Beer Joint Stock Company	5,084,417,433	10,112,131,104
Sai Gon – Khanh Hoa Beer Joint Stock Company	2,381,923,502	5,481,242,048
Saigon – Bentre Beer Joint Stock Company	4,768,358,685	7,622,147,366
	33,714,927,703	86,725,093,850
Other short-term receivables		
<i>Associates</i>		
Saigon - Tay Do Beer & Beverage Joint Stock Company	141,719,425	-
San Miguel Yamamura Phu Tho Packaging Company Limited	4,586,609,600	8,141,000,000
Saigon Binh Tay Beer Group Joint Stock Company	3,259,831,570	3,470,918,435
Sai Gon – Mien Trung Beer Joint Stock Company	70,429,239	36,311,825,665
Tan Thanh Investment Trading Company Limited	277,230,733,543	277,230,733,543
Saigon – Bac Lieu Beer Joint Stock Company	386,094,891	-
Sai Gon – Vinh Long Beer Joint Stock Company	331,380,151	6,950,307,806
Sai Gon – Kien Giang Beer Joint Stock Company	292,717,429	1,592,202,248
Sai Gon – Khanh Hoa Beer Joint Stock Company	83,916,000	83,916,000
Saigon – Bentre Beer Joint Stock Company	61,925,775	1,868,442,672
Sai Gon - Phu Tho Beer Joint Stock Company	46,395,903	-
<i>Other related party</i>		
MM Mega Market (Vietnam) Company Limited	29,917,329	-
	286,521,670,855	335,649,346,369

Short-term trade accounts payable

Associates

Saigon - Phutho Beer Joint Stock Company	17,128,592,800	24,851,400,970
Saigon Tay Do Beer - Beverage Joint Stock Company	3,626,594,290	8,441,778,004
Crown Beverage Cans Saigon Limited	230,909,385,448	235,967,453,301
San Miguel Yamamura Phu Tho Packaging Company Limited	11,227,439,080	15,764,630,891
Saigon Binh Tay Beer Group Joint Stock Company	51,950,108,565	63,993,357,149
Sai Gon – Mien Trung Beer Joint Stock Company	25,693,789,374	52,041,494,908
Saigon – Bac Lieu Beer Joint Stock Company	7,144,955,950	4,688,242,020
Sai Gon – Vinh Long Beer Joint Stock Company	10,214,042,850	21,125,716,480
Sai Gon – Kien Giang Beer Joint Stock Company	7,920,427,900	27,107,766,113
Sai Gon – Khanh Hoa Beer Joint Stock Company	19,961,091,150	5,565,963,898
Saigon – Bentre Beer Joint Stock Company	19,999,402,610	18,409,920,276
Malaya - Vietnam Glass Limited	10,922,139,973	-

23 RELATED PARTY TRANSACTIONS (continued)

Related party transactions (continued)

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

Other related party

TBC - Ball Beverage Can Vietnam Limited

68,323,088,557

52,601,015,251

485,021,058,547

530,558,739,261

30.09.2020

01.01.2020

VND

VND

Other payables

Associates

Thanh Nam Consultant Investment - Engineering and
Technology Transfer Joint Stock Company

340,000,000

340,000,000

Saigon Binh Tay Beer Group Joint Stock Company

4,604,448,849

2,854,448,349

Other related party

Super Brands Company Pte. Ltd.

2,464,423,954

6,246,344,005

Fraser and Neave, Limited

1,726,866,100

2,425,671,710

Fraser & Neave (Singapore) Pte. Limited

2,000,000

874,455,121

9,137,738,903

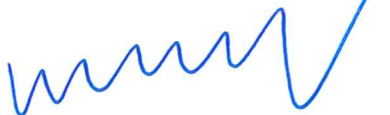
12,740,919,185

24 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The outbreak of the 2019 Novel Coronavirus ("Covid-19") pandemic from March 2020 in Vietnam and subsequent measures imposed by the Vietnam Government have had an adverse impact on production and sales of the Group. Decree 100/2019/ND-CP which is effective since 1 January 2020 has also affected the beer and alcohol businesses. The Group's management has adapted their business strategy and applied cost saving measures to reduce the financial impacts of these events. Though Vietnam has allowed all businesses to be reopened, international travel has remained primarily closed. The Group's management is continuing to monitor the situation of the Covid-19 pandemic and apply appropriate measures.



Hoàng Thanh Vân
Preparer



Trần Nguyên Trung
Chief Accountant



Teo Hong Keng
Deputy General Director



Neo Gim Siong Bennett
General Director

29th Oct 2020