

**Saigon Beer - Alcohol - Beverage
Corporation**

Consolidated Financial Statements
Quarter 4 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 (until 28 Feb 2021)

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

CONSOLIDATED BALANCE SHEET

As at 31 Dec 2020

VND

Code	ASSETS	Note	31/12/2020	01/01/2020
100	A. CURRENT ASSETS		19,513,381,452,440	19,164,602,511,633
110	I. Cash and cash equivalents	4	2,726,137,088,387	4,115,884,646,637
111	1. Cash		844,203,088,387	953,478,997,565
112	2. Cash equivalents		1,881,934,000,000	3,162,405,649,072
120	II. Short-term financial investments	5	14,547,419,432,877	12,393,226,750,273
123	1. Held-to-maturity investments		14,547,419,432,877	12,393,226,750,273
130	III. Accounts receivable – short-term		590,846,416,109	568,608,377,917
131	1. Accounts receivable from customers	6	69,331,890,605	157,654,572,653
132	2. Prepayments to suppliers	7	164,204,071,490	54,679,363,371
136	3. Other short-term receivables	8	699,600,027,317	702,587,109,178
137	4. Allowance for doubtful short-term debts		(342,289,573,303)	(346,312,667,285)
140	IV. Inventories		1,446,832,994,933	1,967,137,719,907
141	1. Inventories	9	1,525,038,920,678	2,169,540,753,708
149	2. Allowance for inventories		(78,205,925,745)	(202,403,033,801)
150	V. Other current assets		202,145,520,134	119,745,016,899
151	1. Short-term prepaid expenses	11	143,821,768,836	97,129,905,121
152	2. Deductible value added tax		22,192,035,247	18,203,862,026
153	3. Taxes receivable from State Treasury		36,131,716,051	4,411,249,752

CONSOLIDATED BALANCE SHEET

As at 31 Dec 2020

VND

Code	ASSETS	Note	31/12/2020	01/01/2020
200	B. LONG-TERM ASSETS		7,861,591,322,918	7,797,873,582,412
210	I. Accounts receivable – long-term		11,958,390,566	9,110,080,970
211	1. Accounts receivable from customers – long-term		5,988,013,018	6,005,003,018
215	2. Loans receivable – long-term		4,000,000,000	4,000,000,000
216	3. Other long-term receivables		41,278,370,471	38,495,491,775
219	4. Allowance for doubtful long-term debts		(39,307,992,923)	(39,390,413,823)
220	II. Fixed assets	10	4,874,503,649,521	4,685,440,455,287
221	1. Tangible fixed assets		3,753,389,023,744	3,743,642,558,190
222	Cost		10,774,956,789,192	10,190,230,853,202
223	Accumulated depreciation		(7,021,567,765,448)	(6,446,588,295,012)
224	2. Finance lease tangible fixed assets		178,134,173,132	-
225	Cost		179,020,927,499	
226	Accumulated depreciation		(886,754,367)	
227	3. Intangible fixed assets		942,980,452,645	941,797,897,097
228	Cost		1,102,196,654,036	1,091,733,605,211
229	Accumulated amortisation		(159,216,201,391)	(149,935,708,114)
230	III. Investment properties	10	65,173,748,670	58,433,154,033
231	1. Cost		92,668,621,947	80,830,516,128
232	2. Accumulated depreciation		(27,494,873,277)	(22,397,362,095)
240	IV. Long-term work in progress		28,138,829,026	307,773,703,264
242	1. Construction in progress		28,138,829,026	307,773,703,264
250	V. Long-term financial investments	5	2,351,285,997,476	2,162,738,822,723
252	1. Investments in associates and jointly controlled entities		2,049,028,504,129	1,878,458,174,350
253	2. Equity investments in other entities		665,885,700,116	665,885,700,116
254	3. Allowance for diminution in the value of long-term financial investments		(444,497,086,674)	(435,473,931,648)
255	4. Held-to-maturity investments		80,868,879,905	53,868,879,905
260	VI. Other long-term assets		530,530,707,659	574,377,366,135
262	1. Long-term prepaid expenses	11	330,639,468,712	328,604,633,780
262	2. Deferred tax assets		170,769,540,051	214,736,310,715
263	3. Long-term tools, supplies and spare parts		29,121,698,896	31,036,421,640
270	TOTAL ASSETS		27,374,972,775,358	26,962,476,094,045

CONSOLIDATED BALANCE SHEET

As at 31 Dec 2020

VND


Code	RESOURCES	Note	31/12/2020	01/01/2020
300	C. LIABILITIES		6,159,696,384,430	6,886,229,037,681
310	I. Current liabilities		5,173,043,219,872	6,087,830,053,039
311	1. Accounts payable to suppliers	12	1,652,906,614,848	2,427,067,853,887
312	2. Advances from customers		64,714,811,339	42,587,372,642
313	3. Taxes payable to State Treasury		1,257,298,332,033	855,960,013,165
314	4. Payable to employees		360,587,762,596	389,618,575,865
315	5. Accrued expenses	13	237,321,466,479	433,170,981,720
318	6. Unearned revenue – short-term		781,818,369	930,242,260
319	7. Other payables – short-term	14	966,919,825,167	1,079,347,828,644
320	8. Short-term borrowings		448,791,959,859	560,511,063,296
321	9. Provisions – short-term		199,849,423	3,710,918,283
322	10. Bonus and welfare fund		183,520,779,759	294,925,203,277
330	II. Long-term liabilities		986,653,164,558	798,398,984,642
331	1. Long-term accounts payable to suppliers		167,227,272,000	100,000,000
332	2. Long-term advances from customers		-	22,183,449
337	4. Other payables – long-term		54,553,516,000	54,073,316,000
338	5. Long-term borrowings and finance lease liabilities		526,263,958,457	494,244,987,274
341	6. Deferred tax liabilities		36,606,382,644	30,543,620,073
342	7. Provisions – long-term		126,213,421,774	135,416,747,716
343	8. Science and technology development fund		75,788,613,683	83,998,130,130

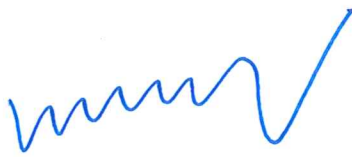
CONSOLIDATED BALANCE SHEET

As at 31 Dec 2020

VND

Code	RESOURCES	Note	31/12/2020	01/01/2020
400	D. EQUITY		21,215,276,390,928	20,076,247,056,364
410	I. Owners' equity	16	21,215,276,390,928	20,076,247,056,364
411	1. Share 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. Other capital		3,208,666,226	3,208,666,226
417	4. Foreign exchange differences		26,865,333,874	27,272,873,771
418	5. Investment and development fund		1,122,846,170,630	1,130,372,829,157
421	7. Retained profits		12,374,498,805,733	11,231,596,467,620
421a	- Retained profits brought forward		7,803,846,334,039	6,485,261,875,965
421b	- Retained profit for the current year		4,570,652,471,694	4,746,334,591,655
429	8. Non-controlling interests		1,275,045,554,465	1,270,984,359,590
440	TOTAL RESOURCES		27,374,972,775,358	26,962,476,094,045


Hoàng Thanh Vân
Preparer


Trần Nguyên Trung
Chief Accountant


Teo Hong Keng
Deputy General Director


Neo Jim Siang Bennett
General Director

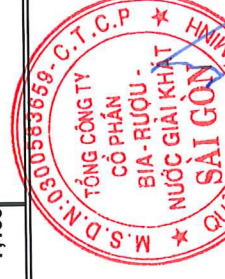
Jan 26, 2021



CONSOLIDATED INCOME STATEMENT

VND

Code	ITEMS	Note	Quarter 4		For the 12 month period ended 31 Dec	
			2020	2019	2020	2019
1	1. Revenue from sales of goods and provision of services	17	7,905,320,305,131	9,812,095,732,754	28,135,622,624,299	38,133,790,098,273
2	2. Revenue deductions	17	39,958,208,887	83,012,735,777	174,298,787,288	234,730,596,978
10	3. Net revenue (10 = 01 - 02)	17	7,865,362,096,244	9,729,082,996,977	27,961,323,837,011	37,899,059,501,295
11	4. Cost of goods sold and services provided	18	5,397,087,868,646	7,181,884,978,097	19,460,229,052,562	28,348,430,809,281
20	5. Gross profit (20 = 10 - 11)		2,468,274,227,598	2,547,198,018,880	8,501,094,784,449	9,550,628,692,014
21	6. Financial income	19	239,953,417,054	267,743,284,104	974,401,634,870	889,852,505,295
22	7. Financial expenses	20	42,250,549,725	98,302,533,226	105,449,377,566	93,009,586,460
	- In which: Interest expense		16,349,094,162	17,744,056,606	63,681,326,473	37,367,206,872
24	8. Share of profits in associates and jointly controlled entities		90,438,304,308	122,373,098,445	267,405,919,991	378,267,281,269
25	9. Selling expenses	21	754,295,011,022	903,901,753,854	2,859,036,781,083	3,003,290,717,435
26	10. General and administration expenses	22	139,733,278,845	517,138,474,052	702,005,344,515	1,047,841,925,145
30	11. Net operating profit		1,862,387,109,368	1,417,971,640,297	6,076,410,836,146	6,674,606,249,538
31	12. Other income		17,659,319,730	34,573,998,268	55,952,250,986	74,504,231,449
32	13. Other expenses		8,442,499,722	23,207,031,752	20,544,761,167	62,933,856,023
40	14. Results of other activities (40 = 31 - 32)		9,216,820,008	11,366,966,516	35,407,489,819	11,570,375,426
50	15. Accounting profit before tax (50 = 30 + 40)		1,871,603,929,376	1,429,338,606,813	6,111,818,325,965	6,686,176,624,964
51	16. Income tax expense - current		333,797,687,102	367,620,724,593	1,124,942,822,470	1,347,171,652,994
52	17. Income tax benefit - deferred		4,049,751,803	(29,122,952,766)	50,029,533,241	(31,142,736,572)
60	18. Net profit after tax		1,533,756,490,471	1,090,840,834,986	4,936,845,970,254	5,370,147,708,542
	Attributable to:					
61	19. Equity holders of the Company		1,465,792,116,422	1,008,415,600,410	4,723,496,860,190	5,053,363,919,165
62	20. Non-controlling interest		67,964,374,049	82,425,234,576	213,349,110,064	316,783,789,377
70	21. Basic earnings per share (*)		2,214	1,492	7,133	7,557



Neo Gim Siong Bennett
General Director

Teo Hong Keng
Deputy General Director

Trần Nguyễn Trung
Chief Accountant

Hoàng Thanh Vân
Preparer

Jan 26, 2021

CONSOLIDATED CASH FLOW STATEMENT


VND


Code	ITEMS	For the 12 month period ended 30 Dec	
		2020	2019
	I. CASH FLOWS FROM OPERATING ACTIVITIES		
1	Accounting profit before tax	6,111,818,325,965	6,686,176,624,962
	Adjustments for:		
2	Depreciation and amortisation	593,451,595,931	647,247,814,181
3	Allowances and provisions	(78,455,410,552)	358,145,344,743
4	Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	10,993,808,785	790,189,554
5	Profits from investing activities	(1,200,918,325,101)	(1,240,428,010,022)
6	Interest expenses	63,681,326,473	37,367,206,872
7	Other adjustments	-	322,602,195
8	Operating profit before changes in working capital		
9	Change in receivables	59,242,995,350	95,622,299,886
10	Change in inventories	611,127,749,935	(109,295,244,209)
11	Change in payables and other liabilities	(584,633,196,702)	11,238,478,499
12	Change in prepaid expenses	(44,422,006,921)	218,117,087,755
14	Interest paid	(72,029,586,806)	(36,835,510,098)
15	Corporate income tax paid	(1,038,633,850,562)	(1,398,559,753,310)
17	Other payments for operating activities	(237,145,573,484)	(264,896,575,660)
20	Net cash flows from operating activities	4,194,077,852,311	5,005,012,555,348
	II. CASH FLOWS FROM INVESTING ACTIVITIES		
21	Payments for additions to fixed assets	(445,875,687,185)	(268,997,916,043)
22	Proceeds from disposals of fixed assets	1,440,687,000	4,838,741,500
23	Placements of term deposits at banks	(16,247,323,041,096)	(14,261,677,226,631)
24	Collections of term deposits at banks	14,066,130,358,492	9,379,638,897,122
27	Receipts of interests and dividends	1,024,209,128,505	955,090,518,922
28	Acquisition of subsidiary, net of cash acquired	-	82,063,103,504
30	Net cash flows from investing activities	(1,601,418,554,284)	(4,109,043,881,626)

CONSOLIDATED CASH FLOW STATEMENT

VND

Code	ITEMS	For the 12 month period ended 30 Dec	
		2020	2019
	III. CASH FLOWS FROM FINANCING ACTIVITIES		
33	Proceeds from borrowings	3,061,076,110,807	3,235,967,733,915
34	Payments to settle loan principals	(3,309,442,411,518)	(3,346,479,516,980)
35	Payments of dividends	(3,734,027,010,258)	(1,136,965,484,108)
40	Net cash flows from financing activities	(3,982,393,310,969)	(1,247,477,267,173)
50	Net cash flows during the year (50 = 20 + 30 + 40)	(1,389,734,012,942)	(351,508,593,451)
60	Cash and cash equivalents at beginning of period	4,115,884,646,637	4,467,391,585,137
61	Effect of exchange rate fluctuations on cash and cash equivalents	(13,545,308)	1,654,951
70	Cash and cash equivalents at end of period	2,726,137,088,387	4,115,884,646,637


Hoàng Thanh Vân
Preparer


Trần Nguyên Trung
Chief Accountant


Teo Hong Keng
Deputy General Director


Neo Gim Siong Bennett
General Director



Jan 26, 2021

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.

(a) Basis of consolidation

(i) Subsidiaries

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

(ii) Non-controlling interests

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

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

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

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Associates and jointly controlled entities are accounted for using the equity method (equity accounted investees). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of the equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. The carrying amount of investments in equity accounted investees is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the income statement (such as revaluation of fixed assets, or foreign exchange translation differences, etc.). When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iv) *Transactions eliminated on consolidation*

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

(v) *Business combination*

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

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

(b) Foreign currency

(i) Foreign currency transactions

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

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

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

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

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

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

(c) Cash and cash equivalents

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

(d) Investments

(i) Held-to-maturity investments

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

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

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

(e) *Accounts receivable*

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

(f) *Inventories*

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

The Group applies the perpetual method of accounting for inventories.

(g) *Tangible fixed assets*

(i) *Cost*

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

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

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

(h) Intangible fixed assets

(i) Land use rights

Land use rights comprise:

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

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

(ii) Software

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

(i) Investment properties

(i) Investment property held to earn rental

Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Management. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the period in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

Depreciation

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

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

(ii) Investment property held for capital appreciation

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

(j) Construction in progress

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

(k) Long-term prepaid expenses

(i) Returnable packaging

Returnable packaging includes bottles and crates being used in the Group's production and business activities and is 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.

(i) 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) Leases

(i) Leased assets

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

Depreciation on finance leased assets is computed on a straight-line basis over the shorter of the lease term and the estimated useful lives of the leased assets unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. The estimated useful lives of finance leased assets are consistent with the useful lives of tangible fixed assets as described in Note 2(g).

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

(ii) Lease payments

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

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

(r) Borrowing costs

Borrowing costs are recognised as an expense in the 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.

(v) *Comparative information*

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

4 CASH AND CASH EQUIVALENTS

	31/12/2020 VNĐ	01/01/2020 VNĐ
Cash on hand	8,109,556,005	1,999,169,826
Cash in bank	836,093,532,382	951,479,827,739
Cash equivalents (*)	1,881,934,000,000	3,162,405,649,072
TOTAL	<u>2,726,137,088,387</u>	<u>4,115,884,646,637</u>

(*) Cash equivalents represented term deposits at banks with original terms to maturity of three months or less

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

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5 INVESTMENTS

(a) Held-to-maturity investments

(i) Short-term

	31/12/2020			01/01/2020		
	Cost VNĐ	Allowance VNĐ	Book value VNĐ	Cost VNĐ	Allowance VNĐ	Book value VNĐ
Term deposits (*)	14,547,419,432,877	-	14,547,419,432,877	12,393,226,750,273	-	12,393,226,750,273
	<u>14,547,419,432,877</u>	<u>-</u>	<u>14,547,419,432,877</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:

	31/12/2020			01/01/2020		
	Cost VNĐ	Allowance VNĐ	Book value VNĐ	Cost VNĐ	Allowance 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	60,000,000,000	-	60,000,000,000	33,000,000,000	-	33,000,000,000
	<u>80,868,879,905</u>	<u>(20,868,879,905)</u>	<u>60,000,000,000</u>	<u>53,868,879,905</u>	<u>(20,868,879,905)</u>	<u>33,000,000,000</u>

(b) Equity investments in other entities

	31/12/2020			01/01/2020		
	Cost VNĐ	Allowance VNĐ		Cost VNĐ	Allowance VNĐ	
Investments in associates and jointly controlled entities (i)	2,049,028,504,129	(102,210,427,352)		1,878,458,174,350	(97,332,469,971)	
Equity investments in other entities (ii)	665,885,700,116	(342,286,659,322)		665,885,700,116	(338,141,461,677)	
	<u>2,714,914,204,245</u>	<u>(444,497,086,674)</u>		<u>2,544,343,874,466</u>	<u>(435,473,931,648)</u>	

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

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5 INVESTMENTS (continued)

(b) Equity investments in other entities (continued)

(i) Investments in associates and jointly controlled entities

Company name	31/12/2020				01/01/2020			
	Voting right %	Interest %	Cost VNĐ	Allowance VNĐ	Voting right %	Interest %	Cost VNĐ	Allowance VNĐ
Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company	28.57%	28.57%	329,653,546	-	28.57%	28.57%	329,653,546	-
Mechanical And Industrial Construction Joint Stock Company	26.00%	26.00%	6,634,611,156	-	26.00%	26.00%	11,239,321,481	-
Saigon Tay Do Beer - Beverage Joint Stock Company	34.92%	27.62%	105,166,392,165	-	34.92%	27.62%	112,110,621,745	-
Saigon Binh Tay Beer Group Joint Stock Company	22.18%	21.80%	497,424,046,356	-	22.18%	21.80%	478,371,013,670	-
Saigon - Badieu Beer Joint Stock Company	20.00%	10.20%	37,736,550,074	-	20.00%	10.20%	39,413,251,891	-
Truong Sa Food - Food Business Joint Stock Company	38.98%	38.62%	4,877,957,381	(4,877,957,381)	38.98%	38.62%	5,349,040,203	-
Saigon - Phutho Beer Joint Stock Company	33.85%	30.84%	76,988,553,528	-	33.85%	30.84%	79,280,455,575	-
Sai Gon - Mien Trung Beer Joint Stock Company	32.41%	32.40%	159,912,655,618	-	32.41%	32.40%	149,579,209,268	-
Tan Thanh Investment Trading Company Limited	29.00%	29.00%	70,829,555,721	(70,829,555,721)	29.00%	29.00%	70,829,555,721	(70,829,555,721)
Sai Gon - Vinh Long Beer Joint Stock Company	20.00%	20.00%	54,828,489,105	-	20.00%	20.00%	49,365,264,038	-
Sai Gon - Kien Giang Beer Joint Stock Company	20.00%	20.00%	23,576,877,118	-	20.00%	20.00%	32,474,770,492	-
Me Linh Point Limited	25.00%	40.00%	138,972,042,458	-	25.00%	35.00%	129,777,418,614	-
Crown Beverage Cans Saigon Limited	30.00%	30.00%	421,373,260,968	-	30.00%	30.00%	300,165,809,593	-
Malaya - Vietnam Glass Limited	30.00%	30.00%	289,884,838,556	-	30.00%	30.00%	261,432,271,091	-
San Miguel Yamamura Phu Tho Packaging Company Limited	35.00%	35.00%	62,363,920,103	-	35.00%	35.00%	58,224,106,724	-
Vietnam Spirits And Wine LTD.	45.00%	45.00%	26,502,914,250	(26,502,914,250)	45.00%	45.00%	26,502,914,250	(26,502,914,250)
Sai Gon - Khanh Hoa Beer Joint Stock Company	26.00%	26.00%	45,329,335,287	-	26.00%	26.00%	48,931,173,926	-
Saigon - Bentre Beer Joint Stock Company	20.00%	20.00%	26,296,850,739	-	20.00%	20.00%	25,082,322,522	-
			2,049,028,504,129	(102,210,427,352)			1,878,458,174,350	(97,332,469,971)

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

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5 INVESTMENTS (continued)

(b) Equity investments in other entities (continued)

(ii) Equity investments in other entities

	31/12/2020		01/01/2020	
	Cost	Allowance	Cost	Allowance
	VND	VND	VND	VND
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	(36,035,794,800)	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	-	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	(5,600,000,000)	5,600,000,000	(1,810,837,795)
Nha Trang Trade Tourism Joint Stock Company	1,161,147,000	(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>(342,286,659,322)</u>	<u>665,885,700,116</u>	<u>(338,141,461,677)</u>

6 ACCOUNTS RECEIVABLE FROM CUSTOMERS

	31/12/2020 VNĐ	01/01/2020 VNĐ
Third parties	42,358,186,993	70,929,478,803
Related parties (Note 23)	26,973,703,612	86,725,093,850
TOTAL	69,331,890,605	157,654,572,653

7 PREPAYMENTS TO SUPPLIERS

	31/12/2020 VNĐ	01/01/2020 VNĐ
Third parties	164,204,071,490	54,679,363,371
Related parties (Note 23)	-	-
	164,204,071,490	54,679,363,371

8 OTHER RECEIVABLES

	31/12/2020 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	329,185,963,259	313,539,765,595
Dividend receivables	37,954,694,500	48,821,921,232
Other short-term receivables	55,228,636,015	62,994,688,808
TOTAL	699,600,027,317	702,587,109,178
<i>In which:</i>		
Third parties	383,610,245,229	366,937,762,809
Related parties (Note 23)	315,989,782,088	335,649,346,369
	699,600,027,317	702,587,109,178
(b) Other long-term receivables		
Deposits	33,259,505,471	30,466,726,775
Others	8,018,865,000	8,028,765,000
TOTAL	41,278,370,471	38,495,491,775

9 INVENTORIES

	31/12/2020 VNĐ	01/01/2020 VNĐ
Goods in transit	139,641,084,955	206,339,542,512
Raw materials	401,351,146,325	517,894,000,688
Tools and supplies	147,061,665,076	285,028,888,383
Work in progress	214,176,027,541	232,611,199,538
Finished goods, Merchandise inventories	622,808,996,781	927,667,122,588
TOTAL	1,525,038,920,678	2,169,540,753,708

10 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures	Machinery and Equipment	Motor vehicles	Office equipment	Others	Total
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>						
New purchases	31,050,000	19,050,008,585	2,283,277,272	12,860,080,170	-	34,224,416,027
Transferred from construction in progress	49,164,581,592	521,928,837,541	-	2,623,232,944	-	573,716,652,077
Reclassification	-	-	(1,895,030,928)	1,895,030,928	-	-
Decreases in the year	-	-	-	-	-	-
<i>In which:</i>						
Transferred to investment properties	(11,838,105,819)	-	-	-	-	(11,838,105,819)
Transferred to Prepaid expenses	-	-	-	-	(71,700,000)	(71,700,000)
Sold, disposed	-	(8,842,158,317)	(2,252,516,447)	(174,256,731)	-	(11,268,931,495)
Other decreases	-	-	(36,394,800)	-	-	(36,394,800)
Ending balance	2,115,980,817,406	8,232,148,288,565	252,733,707,252	164,844,129,295	9,249,846,674	10,774,956,789,192
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	97,104,134,203	459,313,382,699	16,252,231,905	14,847,108,304	792,037,305	588,308,894,416
Reclassification	-	-	(1,869,845,742)	1,869,845,742	-	-
Sold, disposed	-	(8,622,855,437)	(2,252,516,447)	(174,256,731)	-	(11,049,628,615)
Transferred to investment properties	(2,243,400,565)	-	-	-	-	(2,243,400,565)
Other decreases	-	-	(36,394,800)	-	-	(36,394,800)
Ending balance	1,075,752,830,510	5,604,489,684,149	204,083,392,117	130,578,998,258	6,662,860,414	7,021,567,765,448
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	1,040,227,986,896	2,627,658,604,416	48,650,315,135	34,265,131,037	2,586,986,260	3,753,389,023,744

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

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10 FIXED ASSETS

(b) Finance Lease Tangible fixed assets

	Buildings and structures	Machinery and Equipment	Motor vehicles	Office equipment	Others	Total
Cost						
Beginning balance	-	-	-	-	-	-
Increases in the year:						
<i>In which:</i>						
<i>New purchases</i>	179,020,927,499	-	-	-	-	179,020,927,499
Ending balance	179,020,927,499	-	-	-	-	179,020,927,499
Accumulated depreciation						
Beginning balance	-	-	-	-	-	-
Depreciation for the year	886,754,367	-	-	-	-	886,754,367
Ending balance	886,754,367	-	-	-	-	886,754,367
Net carrying amount:						
Beginning balance	-	-	-	-	-	-
Ending balance	178,134,173,132	-	-	-	-	178,134,173,132

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

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10 FIXED ASSETS (continued)

(c) Intangible fixed assets

	Land use rights	Software	Others	Total
Cost:				
Beginning balance	1,024,215,267,144	67,270,890,585	247,447,482	1,091,733,605,211
New purchase	-	9,434,466,800	-	9,434,466,800
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	77,910,746,456	104,000,000	1,102,196,654,036
Accumulated amortisation:				
Beginning balance	83,628,234,464	66,075,272,419	232,201,231	149,935,708,114
Amortization for the year	6,806,567,673	2,465,154,053	12,952,251	9,284,673,977
Reclassification	-	143,447,482	(143,447,482)	-
Other decreases	(4,180,700)	-	-	(4,180,700)
Ending balance	90,430,621,437	68,683,873,954	101,706,000	159,216,201,391
Net carrying amount:				
Beginning balance	940,587,032,680	1,195,618,166	15,246,251	941,797,897,097
Ending balance	933,751,286,143	9,226,872,502	2,294,000	942,980,452,645

10 FIXED ASSETS (continued)

(c) 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><u>735,379,872,700</u></u>

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

10 FIXED ASSETS (continued)

(d) Investment properties

	Beginning balance	Increase	Transferred from Tangible fixed assets	Ending balance
Cost				
- Land use rights	80,830,516,128	-	11,838,105,819	92,668,621,947
- Buildings	27,812,438,744	-	-	27,812,438,744
- Investment properties held-for-price appreciation	18,106,255,809	-	11,838,105,819	29,944,361,628
	34,911,821,575	-	-	34,911,821,575
Accumulated depreciation				
- Land use rights	22,397,362,095	2,854,110,617	2,243,400,565	27,494,873,277
- Buildings	7,906,274,291	604,618,259	-	8,510,892,550
- Investment properties held-for-price appreciation	11,340,175,886	2,249,492,358	2,243,400,565	15,833,068,809
	3,150,911,918	-	-	3,150,911,918
Net carrying amount				
- Land use rights	58,433,154,033	(2,854,110,617)	9,594,705,254	65,173,748,670
- Buildings	19,906,164,453	(604,618,259)	-	19,301,546,194
- Investment properties held-for-price appreciation	6,766,079,923	(2,249,492,358)	9,594,705,254	14,111,292,819
	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 prepaid expenses

	31/12/2020	01/01/2020
	VND	VND
Rental expenses	14,409,108,940	17,831,096,101
Tools and instruments	4,319,656,098	2,976,228,969
Advertising expenses	95,481,128,569	61,446,931,219
Others	29,611,875,229	14,875,648,832
Total	143,821,768,836	97,129,905,121

(b) Long-term prepaid expenses

	31/12/2020	01/01/2020
	VND	VND
Returnable packaging	138,198,807,564	138,132,411,556
Prepaid land costs	64,212,617,641	66,375,716,506
Property held for future investment	51,602,316,000	51,602,316,000
Tools and instruments	41,793,677,975	32,092,214,503
Others	34,832,049,532	40,401,975,215
Total	330,639,468,712	328,604,633,780

12 ACCOUNTS PAYABLE TO SUPPLIERS

	31/12/2020	01/01/2020
	VND	VND
Third parties	1,195,027,660,183	1,896,509,114,626
Related parties (Note 23)	457,878,954,665	530,558,739,261
Total	1,652,906,614,848	2,427,067,853,887

13 ACCRUED EXPENSES

	31/12/2020	01/01/2020
	VND	VND
Advertising and promotion expenses	159,236,197,134	325,832,316,250
Transportation expenses	2,332,463,270	3,338,741,362
Interest expenses	13,139,719,501	21,487,979,834
Others	62,613,086,574	82,511,944,274
Total	237,321,466,479	433,170,981,720

14 OTHER PAYABLES

(a) Other payables – short-term

	31/12/2020	01/01/2020
	VNĐ	VNĐ
Dividend payable	32,410,792,586	45,680,554,923
Short-term deposits received	134,765,892,226	179,289,889,446
Estimated land use rights payable to the State in connection with equitisation	735,379,872,700	735,379,872,700
Other payables	64,363,267,655	118,997,511,575
Total	<u>966,919,825,167</u>	<u>1,079,347,828,644</u>

In which:

Third parties	960,571,581,667	1,066,606,909,459
Related parties (Note 23)	6,348,243,500	12,740,919,185
	<u>966,919,825,167</u>	<u>1,079,347,828,644</u>

(b) Other payables – long-term

	31/12/2020	01/01/2020
	VNĐ	VNĐ
Long-term deposits received	2,951,200,000	2,471,000,000
Land tax payable to the State	51,602,316,000	51,602,316,000
Total	<u>54,553,516,000</u>	<u>54,073,316,000</u>

15 Taxes payable to/ receivable from State Treasury

(a) Taxes payable to State Treasury

	01/01/2020	Incurred	Paid	Net-off	Reclassified to taxes receivable	31/12/2020
	VND	VND	VND	VND	VND	VND
Value added tax	100,284,136,319	13,193,569,622,865	(1,621,338,149,919)	(11,525,111,065,529)	-	147,404,543,736
Special sales tax	492,850,292,427	7,270,730,884,112	(7,000,035,034,853)	-	-	763,546,141,686
Import-export tax	-	13,250,584,372	(13,250,584,372)	-	-	-
Corporate income tax	232,943,964,427	1,124,942,822,470	(1,038,633,850,562)	(1,989,241,864)	2,245,145,731	319,508,840,202
Personal income tax	26,171,569,215	88,271,290,543	(96,276,371,049)	(463,563,366)	3,717,307,576	21,420,232,919
Other taxes	3,710,050,777	73,785,969,957	(102,095,220,033)	(65,747,292)	30,083,520,081	5,418,573,490
	855,960,013,165	21,764,551,174,319	(9,871,629,210,788)	(11,527,629,618,051)	36,045,973,388	1,257,298,332,033

(b) Taxes receivable from State Treasury

	01/01/2020	Incurred	Paid	Net-off	Reclassified to taxes receivable	31/12/2020
	VND	VND	VND	VND	VND	VND
Value added tax	1,806,954,567	-	-	(1,806,954,567)	-	-
Corporate income tax	1,989,241,864	-	-	(1,989,241,864)	2,245,145,731	2,245,145,731
Personal income tax	463,563,366	-	-	(463,563,366)	3,717,307,576	3,717,307,576
Other taxes	151,489,955	-	-	(65,747,292)	30,083,520,081	30,169,262,744
	4,411,249,752	-	-	(4,325,507,089)	36,045,973,388	36,131,716,051

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)

16 SHARE CAPITAL
16.1 Number of shares

	31/12/2020 (Ordinary shares)	01/01/2020 (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

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

16.2 CHANGE IN OWNERS' EQUITY

	Share capital	Other capital	Foreign exchange differences	Investment and development fund	Other equity funds	Retained profits	Total
Balance as at 1 January 2019	6,412,811,860,000	3,208,666,226	21,099,487,654	1,130,147,220,442	5,327,112,664	7,473,777,581,426	15,046,371,928,412
Treasury shares							
Foreign exchange differences			6,173,386,117				6,173,386,117
Net profit for the year						5,053,363,919,165	5,053,363,919,165
Appropriation to investment and development fund				221,570,621		(221,570,621)	-
Dividends						(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 activities 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
Balance as at 31 December 2019	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
Balance as at 1 January 2020	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 exchange differences			(407,539,897)			(407,539,897)	(407,539,897)
Net profit for the year						4,723,496,860,190	4,723,496,860,190
Appropriation to investment and development fund				(7,538,772,810)		7,538,772,810	-
Dividends						(3,527,046,523,000)	(3,527,046,523,000)
Appropriation to bonus and welfare fund						(97,796,699,137)	(97,796,699,137)
Appropriation to social activities fund						35,075,213,041	35,075,213,041
Other increases/ (decreases)				12,114,283		1,634,714,209	1,646,828,492
Balance as at 31 December 2020	6,412,811,860,000	3,208,666,226	26,865,333,874	1,122,846,170,630	-	12,374,498,805,733	19,940,230,836,463

17 REVENUE FROM SALES OF GOODS AND PROVISION OF SERVICES

	31/12/2020	31/12/2019
	VNĐ	VNĐ
Sales of beer	24,825,638,007,449	32,713,860,434,875
Sales of raw materials	2,960,705,983,070	4,991,064,456,953
Sales of beverages	171,263,021,494	250,920,276,337
Sales of alcohol and spirits	71,736,427,084	55,724,630,554
Others	106,279,185,202	122,220,299,554
Total Revenue	28,135,622,624,299	38,133,790,098,273
Revenue deductions	(174,298,787,288)	(234,730,596,978)
Sale discounts	(171,883,259,341)	(234,657,207,883)
Sales returns	(2,415,527,947)	(73,389,095)
Net revenue	27,961,323,837,011	37,899,059,501,295

18 COST OF GOODS SOLD AND SERVICES PROVIDED

	31/12/2020	31/12/2019
	VNĐ	VNĐ
Beer	16,418,911,045,685	23,172,628,542,778
Raw materials	2,845,343,798,543	4,932,930,673,347
Beverages	120,956,970,990	172,072,628,372
Alcohol and Spirits	59,231,832,046	50,581,136,908
Others	15,785,405,298	20,217,827,875
Total	19,460,229,052,562	28,348,430,809,281

19 FINANCIAL INCOME

	31/12/2020	31/12/2019
	VNĐ	VNĐ
Interest income from deposits at banks	929,227,793,354	854,825,190,787
Dividend income	3,092,406,500	7,489,996,873
Foreign exchange gains	42,079,317,739	27,535,583,268
Other financial income	2,117,277	1,734,367
Total	974,401,634,870	889,852,505,295

20 FINANCIAL EXPENSES

	31/12/2020	31/12/2019
	VND	VND
Interest expenses	63,681,326,473	37,367,206,872
Foreign exchange losses	32,531,682,398	3,434,115,785
Allowance for diminution in the value of long-term financial investments	9,023,155,026	52,208,263,803
Others financial expenses	213,213,669	-
Total	105,449,377,566	93,009,586,460

21 SELLING EXPENSES

	31/12/2020	31/12/2019
	VND	VND
Advertising expenses and promotions expenses	1,563,612,031,993	1,478,600,968,196
Staff costs	727,197,975,815	783,525,063,648
Returnable packaging expenses	97,507,110,762	267,093,902,475
Rental expenses	138,836,925,600	147,384,900,248
Transportation expenses	41,332,560,798	36,639,865,534
Depreciation and amortisation	23,129,282,780	25,633,103,240
Others	267,420,893,335	264,412,914,094
Total	2,859,036,781,083	3,003,290,717,435

22 GENERAL AND ADMINISTRATION EXPENSES

	31/12/2020	31/12/2019
	VND	VND
Staff costs	415,940,713,863	456,926,050,808
Depreciation and amortisation	29,952,163,870	32,897,497,524
Rental expenses	75,269,818,546	53,761,096,307
Provision and allowance	2,370,688,995	1,366,177,262
Others	178,471,959,241	502,891,103,244
Total	702,005,344,515	1,047,841,925,145

23 RELATED PARTY TRANSACTIONS

Related party transactions

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

	31/12/2020 VNĐ	01/01/2020 VNĐ
Accounts receivable from customers		
<i>Associates</i>		
Saigon - Phutho Beer Joint Stock Company	2,672,119,652	8,367,162,123
Saigon Tay Do Beer - Beverage Joint Stock Company	1,890,142,790	6,307,906,113
Malaya - Vietnam Glass Limited	1,813,347,717	2,134,763,192
San Miguel Yamamura Phu Tho Packaging Company Limited	283,298,400	375,144,000
Saigon Binh Tay Beer Group Joint Stock Company	7,687,442,501	30,014,447,972
Sai Gon - Mien Trung Beer Joint Stock Company	1,362,991,088	8,673,647,771
Sai Gon - Vinh Long Beer Joint Stock Company	7,623,484,602	7,636,502,161
Sai Gon - Kien Giang Beer Joint Stock Company	2,771,522,337	10,112,131,104
Sai Gon - Khanh Hoa Beer Joint Stock Company	-	5,481,242,048
Saigon - Bentre Beer Joint Stock Company	869,066,325	7,622,147,366
Crown Beverage Cans Saigon Limited Company	288,200	-
	26,973,703,612	86,725,093,850
Other short-term receivables		
<i>Associates</i>		
Saigon - Tay Do Beer & Beverage Joint Stock Company	89,004,219	-
San Miguel Yamamura Phu Tho Packaging Company Limited	-	8,141,000,000
Saigon Binh Tay Beer Group Joint Stock Company	486,225,636	3,470,918,435
Sai Gon - Mien Trung Beer Joint Stock Company	34,091,873,907	36,311,825,665
Tan Thanh Investment Trading Company Limited	277,230,733,543	277,230,733,543
Saigon - Baclieu Beer Joint Stock Company	47,736,076	-
Sai Gon - Vinh Long Beer Joint Stock Company	746,494,094	6,950,307,806
Sai Gon - Kien Giang Beer Joint Stock Company	738,433,728	1,592,202,248
Sai Gon - Khanh Hoa Beer Joint Stock Company	-	83,916,000
Saigon - Bentre Beer Joint Stock Company	395,806,235	1,868,442,672
Sai Gon - Phu Tho Beer Joint Stock Company	2,163,474,650	-
	315,989,782,088	335,649,346,369
Short-term trade accounts payable		
<i>Associates</i>		
Saigon - Phutho Beer Joint Stock Company	11,483,668,900	24,851,400,970
Saigon Tay Do Beer - Beverage Joint Stock Company	6,011,317,950	8,441,778,004
Crown Beverage Cans Saigon Limited	223,084,440,143	235,967,453,301
Me Linh Point Limited	319,000,000	-
Malaya - Vietnam Glass Limited	5,611,672,105	-
San Miguel Yamamura Phu Tho Packaging Company Limited	12,707,200,000	15,764,630,891
Saigon Binh Tay Beer Group Joint Stock Company	19,812,398,470	63,993,357,149
Sai Gon - Mien Trung Beer Joint Stock Company	44,976,587,953	52,041,494,908
Saigon - Baclieu Beer Joint Stock Company	2,149,649,700	4,688,242,020
Sai Gon - Vinh Long Beer Joint Stock Company	4,825,865,000	21,125,716,480
Sai Gon - Kien Giang Beer Joint Stock Company	3,218,569,970	27,107,766,113
Sai Gon - Khanh Hoa Beer Joint Stock Company	18,108,761,000	5,565,963,898
Saigon - Bentre Beer Joint Stock Company	9,454,426,850	18,409,920,276

23 RELATED PARTY TRANSACTIONS (continued)

Related party transactions (continued)

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

Other related party

TBC - Ball Beverage Can Vietnam Limited	96,115,396,624	52,601,015,251
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457,878,954,665

530,558,739,261

31/12/2020

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
Sai Gon – Mien Trung Beer Joint Stock Company	215,350,400	-
Sai Gon – Khanh Hoa Beer Joint Stock Company	10,937,943	-
Saigon Binh Tay Beer Group Joint Stock Company	287,780,949	2,854,448,349
Saigon – Baclieu Beer Joint Stock Company	719,210	-

Other related party

Super Brands Company Pte. Ltd.	2,464,069,317	6,246,344,005
Fraser and Neave, Limited	481,446,018	2,425,671,710
Fraser & Neave (Singapore) Pte. Limited	2,000,000	874,455,121
Thai Beverage Public Co., Ltd.	1,878,375,715	-
Chang International Co., Ltd.	667,563,948	-

6,348,243,500

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



Ngo Gim Siong Bennett
General Director

Jan 26, 2021

