



Saigon - Bentre Beer Joint Stock Company

Financial Statements for the year ended
31 December 2021



Saigon - Bentre Beer Joint Stock Company Statement of the Board of Management

The Board of Management of Saigon - Bentre Beer Joint Stock Company (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2021.

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

- (a) the financial statements set out on pages 5 to 26 give a true and fair view of the financial position of the Company as at 31 December 2021, and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Management



Luu Van Tuan
Director

Ben Tre Province, 16 March 2022



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Saigon - Bentre Beer Joint Stock Company

We have audited the accompanying financial statements of Saigon - Bentre Beer Joint Stock Company ("the Company"), which comprise the balance sheet as at 31 December 2021, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 16 March 2022, as set out on pages 5 to 26.

Management's Responsibility

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

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Saigon - Bentre Beer Joint Stock Company as at 31 December 2021 and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City
Vietnam
Audit Report No.: 21-01-00459-22-1



Nguyen Thuy Ninh
Practicing Auditor Registration
Certificate No. 4623-2018-007-1
Deputy General Director

Nguyen Thi Thuy
Practicing Auditor Registration
Certificate No. 3463-2022-007-1

Ho Chi Minh City, 16 March 2022



Saigon - Bentre Beer Joint Stock Company
Balance sheet as at 31 December 2021

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2021 VND	1/1/2021 VND
ASSETS				
Current assets (100 = 110 + 130 + 140 + 150)	100		63,342,862,390	125,728,415,160
Cash and cash equivalents	110	4	2,751,711,618	76,102,841,906
Cash	111		2,751,711,618	22,102,841,906
Cash equivalents	112		-	54,000,000,000
Accounts receivable – short-term	130		2,693,797,793	9,803,628,678
Accounts receivable from customers	131	5	2,286,759,190	9,454,921,850
Prepayments to suppliers	132		306,999,501	186,799,670
Other short-term receivables	136		100,039,102	161,907,158
Inventories	140	6	57,060,022,346	38,877,293,691
Other current assets	150		837,330,633	944,650,885
Short-term prepaid expenses	151		837,330,633	944,650,885
Long-term assets (200 = 210 + 220 + 240 + 260)	200		558,385,169,837	630,045,744,229
Accounts receivable – long-term	210		25,000,000	50,000,000
Other long-term receivables	216		25,000,000	50,000,000
Fixed assets	220		538,122,424,224	609,037,929,021
Tangible fixed assets	221	7	538,122,424,224	609,037,929,021
Cost	222		740,816,446,461	740,557,501,461
Accumulated depreciation	223		(202,694,022,237)	(131,519,572,440)
Long-term work in progress	240		502,286,096	306,068,672
Construction in progress	242		502,286,096	306,068,672
Other long-term assets	260		19,735,459,517	20,651,746,536
Long-term prepaid expenses	261	8	19,082,397,481	19,628,975,435
Deferred tax assets	262		653,062,036	1,022,771,101
TOTAL ASSETS (270 = 100 + 200)	270		621,728,032,227	755,774,159,389

The accompanying notes are an integral part of these financial statements

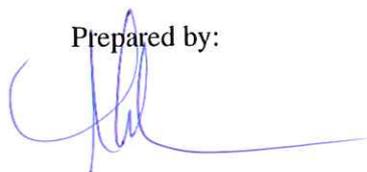
Saigon - Bentre Beer Joint Stock Company
Balance sheet as at 31 December 2021 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2021 VND	1/1/2021 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		490,374,349,359	623,096,350,911
Current liabilities	310		173,703,629,907	220,902,850,911
Accounts payable to suppliers	311	9	11,547,126,562	20,670,680,728
Advances from customers	312		91,500	27,188,273
Taxes payable to State Treasury	313	10	68,456,672,078	74,693,808,714
Accrued expenses	315	11	6,598,784,285	9,673,515,687
Other payables – short-term	319		1,040,436,424	1,035,895,880
Short-term borrowings	320	12(a)	86,000,000,000	114,750,346,637
Bonus and welfare fund	322		60,519,058	51,414,992
Long-term liabilities	330		316,670,719,452	402,193,500,000
Other payables – long-term	337		224,250,000	193,500,000
Long-term borrowings	338	12(b)	316,446,469,452	402,000,000,000
EQUITY (400 = 410)	400		131,353,682,868	132,677,808,478
Owners' equity	410	13	131,353,682,868	132,677,808,478
Share capital	411	14	100,000,000,000	100,000,000,000
- Ordinary shares with voting rights	411a		100,000,000,000	100,000,000,000
Retained profits	421		31,353,682,868	32,677,808,478
- Retained profit brought forward	421a		26,343,408,478	21,533,353,549
- Retained profit for the current year	421b		5,010,274,390	11,144,454,929
TOTAL RESOURCES (440 = 300 + 400)	440		621,728,032,227	755,774,159,389

16 March 2022

Prepared by:



Pham The Loc
Chief Accountant

Approved by:



Luu Van Tuan
Director

The accompanying notes are an integral part of these financial statements

Saigon - Bentre Beer Joint Stock Company
Statement of income for the year ended 31 December 2021

Form B 02 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2021 VND	2020 VND
Revenue from sales of goods	01	16	489,509,302,154	499,349,249,983
Cost of sales	11	17	444,929,231,629	434,944,266,830
Gross profit (20 = 01 - 11)	20		44,580,070,525	64,404,983,153
Financial income	21		386,031,103	705,773,498
Financial expenses	22		30,078,817,242	41,121,289,904
<i>In which: Interest expense</i>	23		30,078,817,242	41,097,029,104
Selling expenses	25		17,055,009	18,169,806
General and administration expenses	26	18	10,437,256,169	11,566,382,805
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		4,432,973,208	12,404,914,136
Other income	31		2,281,398,456	1,930,878,794
Other expenses	32		329,106,176	273,974,269
Results of other activities (40 = 31 - 32)	40		1,952,292,280	1,656,904,525
Accounting profit before tax (50 = 30 + 40)	50		6,385,265,488	14,061,818,661
Income tax expense – current	51	20	1,005,282,033	2,999,444,013
Income tax expense/(benefit) – deferred	52	20	369,709,065	(82,080,281)
Net profit after tax (60 = 50 - 51 - 52)	60		5,010,274,390	11,144,454,929

16 March 2022

Prepared by:

Pham The Loc
Chief Accountant

Approved by:



Luu Van Tuan
Director

The accompanying notes are an integral part of these financial statements

Saigon - Bentre Beer Joint Stock Company
Statement of cash flows for the year ended 31 December 2021
(Indirect method)

Form B 03 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code Note	2021 VND	2020 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	6,385,265,488	14,061,818,661
Adjustments for			
Depreciation	02	71,174,449,797	60,113,446,464
Interest income	05	(386,031,103)	(705,773,498)
Interest expense	06	30,078,817,242	41,097,029,104
Operating profit before changes in working capital	08	107,252,501,424	114,566,520,731
Change in receivables	09	7,134,830,885	8,838,016,848
Change in inventories	10	(18,182,728,655)	5,263,629,940
Change in payables and other liabilities	11	(14,919,572,335)	(12,245,813,021)
Change in prepaid expenses	12	653,898,206	10,303,330,242
		81,938,929,525	126,725,684,740
Interest paid	14	(31,303,808,038)	(41,892,996,135)
Corporate income tax paid	15	(3,287,947,335)	(6,610,839,900)
Other receipts from operating activities	16	-	11,920,000
Other payments for operating activities	17	(1,325,295,934)	(280,732,346)
Net cash flows from operating activities	20	46,021,878,218	77,953,036,359
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(455,162,424)	(28,005,939,417)
Receipts of interests	27	386,031,103	821,115,962
Net cash flows from investing activities	30	(69,131,321)	(27,184,823,455)

The accompanying notes are an integral part of these financial statements

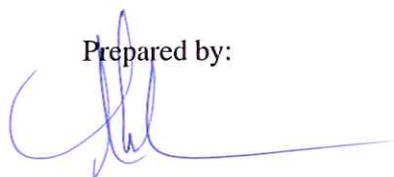
Saigon - Bentre Beer Joint Stock Company
Statement of cash flows for the year ended 31 December 2021
(Indirect method – continued)

Form B 03 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code Note	2021 VND	2020 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	491,736,674,262	323,516,841,309
Payments to settle loan principals	34	(606,040,551,447)	(357,212,964,124)
Payments of dividends	36	(5,000,000,000)	(20,000,000,000)
Net cash flows from financing activities	40	(119,303,877,185)	(53,696,122,815)
Net cash flows during the year (50 = 20 + 30 + 40)	50	(73,351,130,288)	(2,927,909,911)
Cash and cash equivalents at the beginning of the year	60	76,102,841,906	79,030,751,817
Cash and cash equivalents at the end of the year (70 = 50 + 60)	70 4	2,751,711,618	76,102,841,906

16 March 2022

Prepared by:



Pham The Loc
Chief Accountant

Approved by:



Lưu Văn Tuấn
Director

The accompanying notes are an integral part of these financial statements

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

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

1. Reporting entity

(a) Ownership structure

Saigon - Bentre Beer Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam.

(b) Principal activities

The principal activities of the Company are to produce and trade beer, alcohol and beverages.

(c) Normal operating cycle

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

(d) Company structure

As at 31 December 2021, the Company had 114 employees (1/1/2021: 121 employees).

2. Basis of preparation

(a) Statement of compliance

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

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(c) Going concern assumption

The financial statements have been prepared on a going concern basis. At the end of the annual accounting period, current liabilities exceeded current assets by VND110,361 million (1/1/2021: VND95,174 million). The Company also had significant loans that will require refinancing within the next 12 months (Note 12). Furthermore, the Company receives orders and sells its products mainly to Saigon Beer - Alcohol - Beverage Corporation, a related party. The validity of the going concern assumption fundamentally depends on the Company continuing to receive enough orders from Saigon Beer - Alcohol - Beverage Corporation, to generate positive net operating cash flows and to maintain unused credit lines to enable the Company to meet its liabilities as and when they fall due and to maintain the Company in existence as a going concern for the foreseeable future.

At the time of this report, there were unused credit lines available amounting to VND100,000 million and there is no reason for the Company's management to believe that the Company will not continue to receive enough orders from Saigon Beer - Alcohol - Beverage Corporation.

(d) Annual accounting period

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

(e) Accounting and presentation currency

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

3. Summary of significant accounting policies

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

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at 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 Company most frequently conducts transactions.

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

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(b) 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.

(c) Accounts receivable

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

(d) Inventories

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

The Company applies the perpetual method of accounting for inventories.

(e) 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 and maintenance and overhaul costs, is charged to the statement of income in the year in which the costs are 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 | 25 years |
| ▪ machinery and equipment | 5 – 10 years |
| ▪ motor vehicles | 6 years |



Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(f) Construction in progress

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(g) Long-term prepaid expenses

(i) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the statement of income on a straight-line basis over the term of the lease of 48 to 52 years.

(ii) Returnable packaging

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

(h) Trade and other payables

Trade and other payables are stated at their cost.

(i) Provisions

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

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(j) Share capital

Ordinary shares

Ordinary shares are stated at par value. Excess of cash received from shares issue 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.

(k) Taxation

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

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

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

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences 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.

(l) Revenue and other income

(i) *Goods sold*

Revenue from the sales of goods is recognised in the 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) *Interest income*

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

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(m) Borrowing costs

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

(n) Lease payments

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

(o) Related parties

Parties are considered to be related to the Company 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 Company 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.

(p) Comparative information

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

Saigon - Bentre Beer Joint Stock Company

Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

4. Cash and cash equivalents

	31/12/2021 VND	1/1/2021 VND
Cash in banks	2,751,711,618	22,102,841,906
Cash equivalents	-	54,000,000,000
	2,751,711,618	76,102,841,906

5. Accounts receivable from customers

	31/12/2021 VND	1/1/2021 VND
Saigon Beer - Alcohol - Beverage Corporation – a related party	2,178,627,388	9,454,426,850
Other customers	108,131,802	495,000
	2,286,759,190	9,454,921,850

The trade related amounts due from a related party were unsecured, interest free and are receivable upon demand.

6. Inventories

	31/12/2021		1/1/2021	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Raw materials	18,757,345,736	-	11,473,699,235	-
Tools and supplies	5,694,992,709	-	3,409,889,084	-
Work in progress	12,849,939,672	-	14,432,988,168	-
Finished goods	19,687,607,877	-	9,560,717,204	-
Merchandise inventories	70,136,352	-	-	-
	57,060,022,346	-	38,877,293,691	-

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

7. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Total VND
Cost				
Opening balance	197,811,249,918	540,710,716,452	2,035,535,091	740,557,501,461
Transfer from construction in progress	-	258,945,000	-	258,945,000
Closing balance	197,811,249,918	540,969,661,452	2,035,535,091	740,816,446,461
Accumulated depreciation				
Opening balance	16,657,179,141	114,421,762,462	440,630,837	131,519,572,440
Charge for the year	8,000,422,170	62,733,295,431	440,732,196	71,174,449,797
Closing balance	24,657,601,311	177,155,057,893	881,363,033	202,694,022,237
Net book value				
Opening balance	181,154,070,777	426,288,953,990	1,594,904,254	609,037,929,021
Closing balance	173,153,648,607	363,814,603,559	1,154,172,058	538,122,424,224

As at 31 December 2021, tangible fixed assets with net book value of VND538,122 million (1/1/2021: VND609,038 million) were pledged with banks as security for loans granted to the Company (Note 12(b)).

8. Long-term prepaid expenses

	Prepaid land costs VND	Returnable packaging VND	Tools and instruments VND	Total VND
Opening balance	18,914,868,467	269,613,015	444,493,953	19,628,975,435
Additions	-	149,500,000	260,886,727	410,386,727
Amortisation for the year	(422,012,723)	(186,381,044)	(348,570,914)	(956,964,681)
Closing balance	18,492,855,744	232,731,971	356,809,766	19,082,397,481

As at 31 December 2021, long-term prepaid expenses with carrying amount of VND18,493 million (1/1/2021: VND18,915 million) were pledged with banks as security for loans granted to the Company (Note 12(b)).

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

9. Accounts payable to suppliers

(a) Accounts payable to suppliers detailed by significant suppliers

	Cost/Amount within repayment capacity	
	31/12/2021	1/1/2021
	VND	VND
Saigon Beer - Alcohol - Beverage Corporation	7,764,480,241	863,360,275
Green Energy Investment Production Joint Stock Company	2,128,061,295	1,343,100,000
Bach Khoa Refrigeration Electrical Engineering Co., Ltd	-	15,000,000,000
Other suppliers	1,654,585,026	3,464,220,453
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	11,547,126,562	20,670,680,728

(b) Accounts payable to suppliers who are related parties

	Cost/Amount within repayment capacity	
	31/12/2021	1/1/2021
	VND	VND
Saigon Beer - Alcohol - Beverage Corporation	7,764,480,241	863,360,275
Saigon Beer Trading Company Limited	276,788,081	311,793,657
Sa Be Co Mechanical Co., Ltd	-	5,706,050
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The trade related amounts due to related parties were unsecured, interest free and payable upon demand.

Saigon - Bentre Beer Joint Stock Company

Notes to the financial statements for the year ended 31 December 2021 (continued)

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10. Taxes payable to State Treasury

	1/1/2021 VND	Incurred VND	Paid/net-off VND	31/12/2021 VND
Value added tax	8,152,464,129	94,929,321,542	(96,694,865,111)	6,386,920,560
Special sales tax	63,318,278,087	462,741,613,796	(464,782,132,292)	61,277,759,591
Corporate income tax	2,999,444,013	1,005,282,033	(3,287,947,335)	716,778,711
Personal income tax	223,622,485	581,162,972	(729,572,241)	75,213,216
Other taxes	-	3,000,400	(3,000,400)	-
	74,693,808,714	559,260,380,743	(565,497,517,379)	68,456,672,078

11. Accrued expenses

	31/12/2021 VND	1/1/2021 VND
Interest expenses	2,691,209,158	3,916,199,954
Bonus to employees	3,265,310,182	5,113,855,503
Others	642,264,945	643,460,230
	6,598,784,285	9,673,515,687

12. Borrowings

(a) Short-term borrowings

	1/1/2021 Carrying amount/ Amount within repayment capacity VND	Movements during the year		31/12/2021 Carrying amount/ Amount within repayment capacity VND
		Increase VND	Decrease VND	
Short-term borrowings (*)	38,750,346,637	491,736,674,262	(530,487,020,899)	-
Current portion of long-term borrowings (Note 12(b))	76,000,000,000	86,000,000,000	(76,000,000,000)	86,000,000,000
	114,750,346,637	577,736,674,262	(606,487,020,899)	86,000,000,000

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

	Currency	Annual interest rate	31/12/2021 VND	1/1/2021 VND
Vietnam Joint Stock Commercial Bank for Industry and Trade – Branch 4, Ho Chi Minh City	VND	4.50% - 4.80%	-	38,750,346,637

The short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade (“Vietinbank”) - Branch 4, Ho Chi Minh City has credit limit of VND100,000 million and is secured by assets as disclosed in Note 12(b).

(b) **Long-term borrowings**

	31/12/2021 VND	1/1/2021 VND
Long-term borrowings (*) Repayable within twelve months (Note 12(a))	402,446,469,452 (86,000,000,000)	478,000,000,000 (76,000,000,000)
Repayable after twelve months	316,446,469,452	402,000,000,000

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

	Currency	Annual interest rate	Year of maturity	31/12/2021 VND	1/1/2021 VND
Vietinbank - Branch 4, Ho Chi Minh City	VND	6.58% - 7.12%	2026	402,446,469,452	478,000,000,000

The short-term and long-term loans from Vietinbank – Branch 4, Ho Chi Minh City are secured by the land use rights and all assets located in the land in An Phuoc Commune, Chau Thanh District, Ben Tre Province with net book value as at 31 December 2021 of VND556,615 million (1/1/2021: VND627,953 million) (Note 7 and Note 8).



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13. Changes in owners' equity

	Share capital VND	Retained profits VND	Total VND
Balance as at 1 January 2020	100,000,000,000	41,533,353,549	141,533,353,549
Net profit for the year	-	11,144,454,929	11,144,454,929
Dividends (Note 15)	-	(20,000,000,000)	(20,000,000,000)
Balance as at 1 January 2021	100,000,000,000	32,677,808,478	132,677,808,478
Net profit for the year	-	5,010,274,390	5,010,274,390
Dividends (Note 15)	-	(5,000,000,000)	(5,000,000,000)
Appropriation to bonus and welfare fund from profit of 2020	-	(1,334,400,000)	(1,334,400,000)
Balance as at 31 December 2021	100,000,000,000	31,353,682,868	131,353,682,868

14. Share capital

The Company's authorised and issued share capital are:

	31/12/2021 and 1/1/2021	
	Number of shares	VND
Authorised and issued share capital		
Ordinary shares	10,000,000	100,000,000,000
Shares currently in circulation		
Ordinary shares	10,000,000	100,000,000,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

There were no movements share capital for the years ended 31 December 2021 and 31 December 2020.

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Notes to the financial statements for the year ended 31 December 2021 (continued)

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15. Dividends

At the meeting on 30 April 2021, the General Meeting of Shareholders of the Company resolved to declare dividends to shareholders amounting to VND5,000 million, equivalent to VND500 per share, from retained profits of 2020 (2020: VND20,000 million, equivalent to VND2,000 per share).

16. Revenue from sales of goods

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

	2021 VND	2020 VND
Total revenue		
▪ Sales of finished goods	482,692,346,461	492,196,682,598
<i>Revenue sales of finished goods inclusive special sales tax</i>	<i>945,433,960,257</i>	<i>954,842,970,439</i>
<i>Special sales tax</i>	<i>(462,741,613,796)</i>	<i>(462,646,287,841)</i>
▪ Sales of scraps	5,633,258,800	5,484,578,000
▪ Others	1,183,696,893	1,667,989,385
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	489,509,302,154	499,349,249,983
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17. Cost of sales

	2021 VND	2020 VND
Total cost of sales		
▪ Finished goods sold	444,712,144,665	434,803,655,469
▪ Merchandise goods sold	217,086,964	140,611,361
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	444,929,231,629	434,944,266,830
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18. General and administration expenses

	2021	2020
	VND	VND
Staff costs	7,575,437,207	8,741,782,517
Materials costs	176,099,562	458,973,757
Depreciation	443,232,192	187,548,648
Outside services	1,759,272,166	1,969,570,393
Other expenses	483,215,042	208,507,490
	<hr/>	<hr/>
	10,437,256,169	11,566,382,805
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19. Production and business costs by elements

	2021	2020
	VND	VND
Raw material costs included in production costs	354,560,084,844	346,770,287,588
Labour and staff costs	21,616,811,502	24,344,038,616
Depreciation	71,174,449,797	60,113,446,464
Outside services	13,385,961,517	17,358,870,005
Other expenses	675,430,497	663,820,726
	<hr/>	<hr/>

20. Corporate income tax

(a) Recognised in the statement of income

	2021	2020
	VND	VND
Current tax expense		
Current year	1,005,282,033	2,999,444,013
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences	369,709,065	(82,080,281)
	<hr/>	<hr/>
Income tax expense	1,374,991,098	2,917,363,732
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Saigon - Bentre Beer Joint Stock Company**Notes to the financial statements for the year ended 31 December 2021 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***(b) Reconciliation of effective tax rate**

	2021 VND	2020 VND
Accounting profit before tax	6,385,265,488	14,061,818,661
Tax at the Company's tax rate	1,277,053,098	2,812,363,732
Non-deductible expenses	97,938,000	105,000,000
Income tax expense	1,374,991,098	2,917,363,732

(c) Applicable tax rates

Under the terms of current Income Tax Law, the Company has an obligation to pay the government income tax at the rate of usual income tax of taxable profits. The usual income tax rate applicable to enterprises before any incentives is 20%.

21. Significant transactions with related parties

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

	Transaction value	
	2021 VND	2020 VND
Saigon Beer - Alcohol - Beverage Corporation		
Sales of finished goods (inclusive of special sales tax)	944,552,204,300	954,417,674,260
Sales of others	1,036,977,475	129,600,000
Purchases of raw materials	326,526,514,717	289,483,445,143
Dividends paid	1,000,000,000	4,000,000,000
Sai Gon Beer Trading Company Limited		
Bottle utilisation fees	251,625,528	1,316,959,000
Sa Be Co Mechanical Co., Ltd		
Purchases of services	228,408,600	104,219,327
Saigon Soc Trang Beer One Member Limited Company		
Purchases of raw materials	-	17,325,000

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	Transaction value	
	2021 VND	2020 VND
Saigon Binh Tay Beer Joint Stock Company		
Sales of others	194,512,500	195,436,500
Song Tien Saigon Beer Trading Joint Stock Company		
Sales of others	59,926,364	-
Sai Gon - Tay Do Beer - Beverage Joint Stock Company		
Sales of others	47,722,500	33,043,500
Saigon – Vinh Long Beer Joint Stock Company		
Sales of others	5,603,540	5,603,540
Saigon – Kien Giang Beer Joint Stock Company		
Sales of others	20,244,000	-
Board of Directors members		
<i>Fees</i>		
Mr. Luu Van Tuan – Chairman	104,000,000	120,000,000
Ms. Bui Thi Thuy – Member	78,000,000	96,000,000
Mr. Nguyen Son Duong – Member	78,000,000	96,000,000
Mr. Pham Tan Loi – Member	78,000,000	96,000,000
Mr. Pham Hong Minh – Member	78,000,000	96,000,000
Key management personel		
<i>Salary, bonus and remuneration</i>	2,721,488,887	3,119,355,480
Board of Supervisors members		
<i>Fees</i>		
Mr. Do Van Bien – Head of Board of Supervisors	65,000,000	60,000,000
Mr. Ha Duc Trung – Member	52,000,000	48,000,000
Ms. Luu Thanh Thao – Member	52,000,000	48,000,000

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2021 (continued)

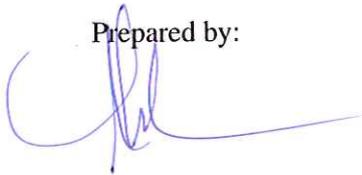
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22. Comparative information

Comparative information as at 1 January 2021 was derived from the balances and amounts reported in the Company's financial statements as at and for the year ended 31 December 2020.

16 March 2022

Prepared by:



Pham The Loc
Chief Accountant

Approved by:



Luu Van Tuan
Director