



Saigon - Bentre Beer Joint Stock Company

Financial Statements for the year ended
31 December 2022



Saigon - Bentre Beer Joint Stock Company Corporate Information

Enterprise Registration Certificate No.	1301026370 1301026370	17 March 2017 31 May 2018
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The Company's enterprise registration certificate has been amended two times, the most recent of which is by Enterprise Registration Certificate No. 1301026370 dated 31 May 2018. The enterprise registration certificate and its amendment were issued by Business Registration Department of Ben Tre Province.

Board of Management	Mr. Luu Van Tuan Ms. Bui Thi Thuy Mr. Dinh Van Thuan Mr. Nguyen Son Duong Mr. Pham Tan Loi Mr. Pham Hong Minh	Chairman Member Member (from 22 April 2022) Member (until 22 April 2022) Member Member
Board of Supervisors	Mr. Do Van Bien Mr. Ha Duc Trung Ms. Luu Thanh Thao	Head of Board of Supervisors Member Member
Board of Directors	Mr. Luu Van Tuan Ms. Le Thi To Uyen	Director Deputy Director
Registered Office	Phuoc Hau Hamlet (Plot No. 379, Map No. 7) An Phuoc Commune, Chau Thanh District Ben Tre Province Vietnam	
Auditor	KPMG Limited Vietnam	

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

The Board of Directors 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 2022.

The Board of Directors 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 Directors:

- (a) the financial statements set out on pages 5 to 27 give a true and fair view of the financial position of the Company as at 31 December 2022, 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 Directors has, on the date of this statement, authorised the accompanying financial statements for issue.

On behalf of the Board of Directors



Luu Van Tuan
Director

Ben Tre Province, 15 March 2023



KPMG Limited Branch
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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 2022, 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 Directors on 15 March 2023, as set out on pages 5 to 27.

Management's Responsibility

The Company's Board of Directors 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 Directors 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 Directors, 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 2022 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.

Emphasis of Matter

We draw attention to Note 3(e)(ii) to the financial statements which describes that from 1 February 2022, the Company re-assessed and prospectively revised the estimated useful lives of certain buildings, structures, machinery and equipment to more accurately reflect their economic useful lives. The impact of changing estimated useful lives of these fixed assets on the financial statement of the Company for the year ended 31 December 2022 is presented in Note 3(e)(ii). Our opinion is not qualified in respect of this matter.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 22-01-00584-23-1



Nguyen Thuy Ninh
Practicing Auditor Registration
Certificate No. 4623-2023-007-1
Deputy General Director

Ho Chi Minh City, 15 March 2023

Nguyen Thi Thu Ha
Practicing Auditor Registration
Certificate No. 2236-2023-007-1



Saigon - Bentre Beer Joint Stock Company
Balance sheet as at 31 December 2022

Form B 01 – DN

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

	Code	Note	31/12/2022 VND	1/1/2022 VND
ASSETS				
Current assets (100 = 110 + 130 + 140 + 150)	100		65,233,651,532	63,342,862,390
Cash	110	4	2,353,858,186	2,751,711,618
Cash	111		2,353,858,186	2,751,711,618
Accounts receivable – short-term	130		6,953,786,784	2,693,797,793
Accounts receivable from customers	131	5	6,818,833,942	2,286,759,190
Prepayments to suppliers	132		31,480,080	306,999,501
Other short-term receivables	136		103,472,762	100,039,102
Inventories	140	6	55,187,063,312	57,060,022,346
Other current assets	150		738,943,250	837,330,633
Short-term prepaid expenses	151		738,943,250	837,330,633
Long-term assets (200 = 210 + 220 + 240 + 260)	200		515,313,176,267	558,385,169,837
Accounts receivable – long-term	210		20,000,000	25,000,000
Other long-term receivables	216		20,000,000	25,000,000
Fixed assets	220		495,847,931,984	538,122,424,224
Tangible fixed assets	221	7	495,847,931,984	538,122,424,224
Cost	222		741,044,944,828	740,816,446,461
Accumulated depreciation	223		(245,197,012,844)	(202,694,022,237)
Long-term work in progress	240		-	502,286,096
Construction in progress	242		-	502,286,096
Other long-term assets	260		19,445,244,283	19,735,459,517
Long-term prepaid expenses	261	8	18,489,399,614	19,082,397,481
Deferred tax assets	262	9	955,844,669	653,062,036
TOTAL ASSETS (270 = 100 + 200)	270		580,546,827,799	621,728,032,227

The accompanying notes are an integral part of these financial statements

Saigon - Bentre Beer Joint Stock Company
Balance sheet as at 31 December 2022 (continued)

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

	Code	Note	31/12/2022 VND	1/1/2022 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		446,996,028,736	490,374,349,359
Current liabilities	310		216,048,256,032	173,703,629,907
Accounts payable to suppliers	311	10	6,252,850,834	11,547,126,562
Advances from customers	312		10,591,500	91,500
Taxes payable to State Treasury	313	11	70,614,422,204	68,456,672,078
Accrued expenses	315	12	7,898,618,372	6,598,784,285
Other payables – short-term	319	13	8,136,604,517	1,040,436,424
Short-term borrowings	320	14(a)	121,178,369,547	86,000,000,000
Bonus and welfare fund	322	15	1,956,799,058	60,519,058
Long-term liabilities	330		230,947,772,704	316,670,719,452
Other payables – long-term	337		-	224,250,000
Long-term borrowings	338	14(b)	226,446,469,452	316,446,469,452
Deferred tax liabilities	341	9	4,501,303,252	-
EQUITY (400 = 410)	400		133,550,799,063	131,353,682,868
Owners' equity	410	16	133,550,799,063	131,353,682,868
Share capital	411	17	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		33,550,799,063	31,353,682,868
- Retained profits brought forward	421a		19,752,402,868	26,343,408,478
- Profit for the current year	421b		13,798,396,195	5,010,274,390
TOTAL RESOURCES (440 = 300 + 400)	440		580,546,827,799	621,728,032,227

15 March 2023

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
Statement of income for the year ended 31 December 2022

Form B 02 – DN

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

	Code	Note	2022 VND	2021 VND
Revenue from sales of goods	01	19	592,466,300,344	489,509,302,154
Cost of sales	11	20	527,890,224,965	444,929,231,629
Gross profit (20 = 01 - 11)	20		64,576,075,379	44,580,070,525
Financial income	21		269,374,875	386,031,103
Financial expenses	22		24,013,497,015	30,078,817,242
<i>In which: Interest expense</i>	23		24,013,497,015	30,078,817,242
Selling expenses	25		7,449,802	17,055,009
General and administration expenses	26	21	11,533,327,809	10,437,256,169
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		29,291,175,628	4,432,973,208
Other income	31		1,077,291,554	2,281,398,456
Other expenses	32	22	3,937,121,703	329,106,176
Results of other activities (40 = 31 - 32)	40		(2,859,830,149)	1,952,292,280
Accounting profit before tax (50 = 30 + 40)	50		26,431,345,479	6,385,265,488
Income tax expense – current	51	24	1,884,428,665	1,005,282,033
Income tax expense – deferred	52	24	4,198,520,619	369,709,065
Net profit after tax (60 = 50 - 51 - 52)	60		20,348,396,195	5,010,274,390

15 March 2023

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 2022
(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	2022 VND	2021 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	26,431,345,479	6,385,265,488
Adjustments for			
Depreciation	02	42,502,990,607	71,174,449,797
Interest income	05	(269,374,875)	(386,031,103)
Interest expense	06	24,013,497,015	30,078,817,242
Operating profit before changes in working capital	08	92,678,458,226	107,252,501,424
Change in receivables	09	(4,254,988,991)	7,134,830,885
Change in inventories	10	1,872,959,034	(18,182,728,655)
Change in payables and other liabilities	11	(13,467,090)	(14,919,572,335)
Change in prepaid expenses	12	965,172,979	653,898,206
		91,248,134,158	81,938,929,525
Interest paid	14	(24,381,455,530)	(31,303,808,038)
Corporate income tax paid	15	(1,457,276,482)	(3,287,947,335)
Other payments for operating activities	17	(1,255,000,000)	(1,325,295,934)
Net cash flows from operating activities	20	64,154,402,146	46,021,878,218
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	-	(455,162,424)
Receipts of interests	27	269,374,875	386,031,103
Net cash flows from investing activities	30	269,374,875	(69,131,321)

The accompanying notes are an integral part of these financial statements



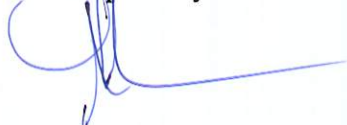
Saigon - Bentre Beer Joint Stock Company
Statement of cash flows for the year ended 31 December 2022
(Indirect method – continued)

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

	Code Note	2022 VND	2021 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	554,439,262,367	491,736,674,262
Payments to settle loan principals	34	(609,260,892,820)	(606,040,551,447)
Payments of dividends	36	(10,000,000,000)	(5,000,000,000)
Net cash flows from financing activities	40	(64,821,630,453)	(119,303,877,185)
Net cash flows during the year (50 = 20 + 30 + 40)	50	(397,853,432)	(73,351,130,288)
Cash at the beginning of the year	60	2,751,711,618	76,102,841,906
Cash at the end of the year (70 = 50 + 60)	70 4	2,353,858,186	2,751,711,618

15 March 2023

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
Notes to the financial statements for the year ended 31 December 2022

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 2022, the Company had 88 employees (1/1/2022: 114 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 2022 (continued)

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

(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 VND150,815 million (1/1/2022: VND110,361 million). The Company also had significant loans that will require refinancing within the next 12 months (Note 14). 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 VND46,322 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 and not continue to generate positive net operating cash flows.

(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.

(b) Cash

Cash comprises call deposits.

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN

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

(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	10 – 46 years
▪ machinery and equipment	6 – 15 years
▪ motor vehicles	6 years

From 1 February 2022, the Company re-assessed and prospectively revised the estimated useful lives of certain buildings, structures, machinery and equipment to more accurately reflect their economic useful lives. The revised useful lives are within the acceptable ranging of useful lives mentioned in Circular 45/2013/TT-BTC dated 25 April 2013 and guidance in Article 38 of Circular 200/2014/TT-BTC dated 22 December 2014. The useful lives of these fixed assets are revised as follows:

▪ buildings and structures	from 25 years to 10 – 46 years
▪ machinery and equipment	from 4 – 10 years to 15 years



Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2022 (continued)

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

As a result, the depreciation charge and profit before tax were respectively decreased and increased by VND28,727 million for the year ended 31 December 2022.

(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 2 liters 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 2022 (continued)

Form B 09 – DN

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

(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 2022 (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 2022 (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	540,969,661,452	2,035,535,091	740,816,446,461
Transfer from construction in progress	228,498,367	-	-	228,498,367
Closing balance	198,039,748,285	540,969,661,452	2,035,535,091	741,044,944,828
Accumulated depreciation				
Opening balance	24,657,601,311	177,155,057,893	881,363,033	202,694,022,237
Charge for the year	5,860,649,147	36,201,609,264	440,732,196	42,502,990,607
Closing balance	30,518,250,458	213,356,667,157	1,322,095,229	245,197,012,844
Net book value				
Opening balance	173,153,648,607	363,814,603,559	1,154,172,058	538,122,424,224
Closing balance	167,521,497,827	327,612,994,295	713,439,862	495,847,931,984

As at 31 December 2022, tangible fixed assets with net book value of VND495,848 million (1/1/2022: VND538,122 million) were pledged with banks as security for loans granted to the Company (Note 14(b)).

8. Long-term prepaid expenses

	Prepaid land costs VND	Returnable packaging VND	Tools and instruments VND	Total VND
Opening balance	18,492,855,744	232,731,971	356,809,766	19,082,397,481
Additions	-	-	259,010,439	259,010,439
Disposal	-	9,660,000	-	9,660,000
Amortisation for the year	(409,433,652)	(122,437,461)	(310,477,193)	(842,348,306)
Closing balance	18,083,422,092	100,634,510	305,343,012	18,489,399,614

As at 31 December 2022, long-term prepaid expenses with carrying amount of VND18,083 million (1/1/2022: VND18,493 million) were pledged with banks as security for loans granted to the Company (Note 14(b)).

Saigon - Bentre Beer Joint Stock Company**Notes to the financial statements for the year ended 31 December 2022 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***9. Deferred tax assets**

	Tax rate	31/12/2022 VND	1/1/2022 VND
Deferred tax assets:			
Accruals and provisions	20%	955,844,669	653,062,036
Deferred tax liabilities:			
Temporary differences arising from depreciation of tangible fixed assets	20%	(4,501,303,252)	-
Net deferred tax (liabilities)/assets		<u>(3,545,458,583)</u>	<u>653,062,036</u>

10. Accounts payable to suppliers**(a) Accounts payable to suppliers detailed by significant suppliers**

	Cost/Amount within repayment capacity	
	31/12/2022 VND	1/1/2022 VND
Green Energy Investment Production Joint Stock Company	1,916,662,005	2,128,061,295
Phuoc Thanh IV Trading and Production Co., Ltd	1,818,134,500	-
Le Loi Trading and Production One Member Co., Ltd	932,677,200	-
Saigon Beer - Alcohol - Beverage Corporation	396,148,320	7,764,480,241
Other suppliers	1,189,228,809	1,654,585,026
	<u>6,252,850,834</u>	<u>11,547,126,562</u>

Saigon - Bentre Beer Joint Stock Company

Notes to the financial statements for the year ended 31 December 2022 (continued)

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(b) Accounts payable to suppliers who are related parties

	Cost/Amount within repayment capacity	
	31/12/2022 VND	1/1/2022 VND
Saigon Beer - Alcohol - Beverage Corporation	396,148,320	7,764,480,241
Saigon Beer Trading Company Limited	-	276,788,081

The trade related amounts due to related parties were unsecured, interest free and payable upon demand.

11. Taxes payable to State Treasury

	1/1/2022 VND	Incurred VND	Paid/net-off VND	31/12/2022 VND
Value added tax	6,386,920,560	117,268,958,719	(116,057,257,915)	7,598,621,364
Special sales tax	61,277,759,591	585,011,715,649	(584,551,194,705)	61,738,280,535
Corporate income tax	716,778,711	1,884,428,665	(1,457,276,482)	1,143,930,894
Personal income tax	75,213,216	493,276,098	(434,899,903)	133,589,411
Other taxes	-	3,000,000	(3,000,000)	-
	68,456,672,078	704,661,379,131	(702,503,629,005)	70,614,422,204

12. Accrued expenses – short term

	31/12/2022 VND	1/1/2022 VND
Interest expenses	2,323,250,643	2,691,209,158
Bonus to employees	4,779,223,345	3,265,310,182
Others	796,144,384	642,264,945
	7,898,618,372	6,598,784,285

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Notes to the financial statements for the year ended 31 December 2022 (continued)

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13. Other payables – short term

	31/12/2022 VND	1/1/2022 VND
Dividend payables	5,000,000,000	-
Accrued purchases	2,384,030,984	164,883,580
Others	752,573,533	875,552,844
	8,136,604,517	1,040,436,424

14. Borrowings

(a) Short-term borrowings

	1/1/2022 Carrying amount/ Amount within repayment capacity VND	Movements during the year Increase VND	Decrease VND	31/12/2022 Carrying amount/ Amount within repayment capacity VND
Short-term borrowings (*)	-	554,439,262,367	(500,760,892,820)	53,678,369,547
Current portion of long-term borrowings (Note 14(b))	86,000,000,000	90,000,000,000	(108,500,000,000)	67,500,000,000
	86,000,000,000	644,439,262,367	(609,260,892,820)	121,178,369,547

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

	Currency	Annual interest rate	31/12/2022 VND	1/1/2022 VND
Vietnam Joint Stock Commercial Bank for Industry and Trade – Branch 4, Ho Chi Minh City	VND	3.30% - 8.00%	53,678,369,547	-

The short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 4, Ho Chi Minh City has credit limit of VND100,000 million and is secured by assets as disclosed in Note 14(b).

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(b) Long-term borrowings

	31/12/2022	1/1/2022
	VND	VND
Long-term borrowings (*)	293,946,469,452	402,446,469,452
Repayable within twelve months (Note 14(a))	(67,500,000,000)	(86,000,000,000)
	<hr/>	<hr/>
Repayable after twelve months	226,446,469,452	316,446,469,452
	<hr/>	<hr/>

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

	Annual	Year of	31/12/2022	1/1/2022
Currency	interest rate	maturity	VND	VND
Vietinbank - Branch 4, Ho Chi Minh City	VND 6.67% - 7.40%	2026	293,946,469,452	402,446,469,452
			<hr/>	<hr/>

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 2022 of VND513,931 million (1/1/2022: VND556,615 million) (Note 7 and Note 8).

15. Bonus and welfare fund

This fund is established by appropriating amounts from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to the Company's employees in accordance with the Company bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

	2022	2021
	VND	VND
Opening balance	60,519,058	51,414,992
Appropriation to bonus and welfare fund from profit of 2022 (Note 16)	1,550,000,000	1,334,400,000
Appropriation to bonus and welfare fund from profit of 2021 (Note 16)	1,601,280,000	-
Utilisation during the year	(1,255,000,000)	(1,325,295,934)
	<hr/>	<hr/>
Closing balance	1,956,799,058	60,519,058
	<hr/>	<hr/>

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Notes to the financial statements for the year ended 31 December 2022 (continued)

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16. Changes in owners' equity

	Share capital VND	Retained profits VND	Total VND
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 18)	-	(5,000,000,000)	(5,000,000,000)
Appropriation to bonus and welfare fund from profit of 2020 (Note 15)	-	(1,334,400,000)	(1,334,400,000)
Balance as at 1 January 2022	100,000,000,000	31,353,682,868	131,353,682,868
Net profit for the year	-	20,348,396,195	20,348,396,195
Dividends (Note 18)	-	(15,000,000,000)	(15,000,000,000)
Appropriation to bonus and welfare fund from profit of 2022 (Note 15)	-	(1,550,000,000)	(1,550,000,000)
Appropriation to bonus and welfare fund from profit of 2021 (Note 15)	-	(1,601,280,000)	(1,601,280,000)
Balance as at 31 December 2022	100,000,000,000	33,550,799,063	133,550,799,063

17. Share capital

The Company's authorised and issued share capital are:

	31/12/2022 and 1/1/2022 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 was no movement share capital for the years ended 31 December 2022 and 31 December 2021.

Saigon - Bentre Beer Joint Stock Company**Notes to the financial statements for the year ended 31 December 2022 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***18. Dividends**

At the meeting on 22 April 2022, the General Meeting of Shareholders of the Company resolved to declare dividends to shareholders amounting to VND10,000 million (equivalent to VND1,000 per share) from retained profits of 2021 (2021: VND5,000 million, equivalent to VND500 per share).

It is also resolved to advance interim dividends to shareholders in the amount of VND5,000 million from the retained profits of 2022 (equivalent to VND500 per share).

19. 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.

	2022 VND	2021 VND
Total revenue		
▪ Sales of finished goods	585,193,803,444	482,692,346,461
<i>Revenue sales of finished goods inclusive special sales tax</i>	<i>1,170,204,641,684</i>	<i>945,433,960,257</i>
<i>Special sales tax</i>	<i>(585,010,838,240)</i>	<i>(462,741,613,796)</i>
▪ Sales of scraps	7,186,702,700	5,633,258,800
▪ Others	85,794,200	1,183,696,893
	<hr/>	<hr/>
	592,466,300,344	489,509,302,154
	<hr/>	<hr/>

20. Cost of sales

	2022 VND	2021 VND
Total cost of sales		
▪ Finished goods sold	527,890,224,965	444,712,144,665
▪ Merchandise goods sold	-	217,086,964
	<hr/>	<hr/>
	527,890,224,965	444,929,231,629
	<hr/>	<hr/>

Saigon - Bentre Beer Joint Stock Company**Notes to the financial statements for the year ended 31 December 2022 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***21. General and administration expenses**

	2022 VND	2021 VND
Staff costs	8,505,090,909	7,575,437,207
Raw materials costs	108,171,341	176,099,562
Depreciation	443,232,192	443,232,192
Outside services	1,963,994,591	1,759,272,166
Other expenses	512,838,776	483,215,042
	<hr/> 11,533,327,809	<hr/> 10,437,256,169

22. Other expenses

	2022 VND	2021 VND
Depreciation of idle tangible fixed assets	3,498,900,943	-
Others	438,220,760	329,106,176
	<hr/> 3,937,121,703	<hr/> 329,106,176

23. Production and business costs by elements

	2022 VND	2021 VND
Raw material costs included in production costs	467,757,423,084	354,560,084,844
Labour and staff costs	24,219,565,998	21,616,811,502
Depreciation	42,502,990,607	71,174,449,797
Outside services	12,882,895,362	13,385,961,517
Other expenses	671,347,760	675,430,497
	<hr/>	<hr/>



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Notes to the financial statements for the year ended 31 December 2022 (continued)

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24. Corporate income tax

(a) Recognised in the statement of income

	2022 VND	2021 VND
Current tax expense		
Current year	1,884,428,665	1,005,282,033
Deferred tax expense		
Origination and reversal of temporary differences	4,198,520,619	369,709,065
	<hr/>	<hr/>
Income tax expense	6,082,949,284	1,374,991,098
	<hr/>	<hr/>

(b) Reconciliation of effective tax rate

	2022 VND	2021 VND
Accounting profit before tax	26,431,345,479	6,385,265,488
	<hr/>	<hr/>
Tax at the Company's tax rate	5,286,269,096	1,277,053,098
Non-deductible expenses	796,680,188	97,938,000
	<hr/>	<hr/>
Income tax expense	6,082,949,284	1,374,991,098
	<hr/>	<hr/>

(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%.

Saigon - Bentre Beer Joint Stock Company
Notes to the financial statements for the year ended 31 December 2022 (continued)

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25. 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	
	2022	2021
	VND	VND
Saigon Beer - Alcohol - Beverage Corporation		
Sales of finished goods (inclusive of special sales tax)	1,169,420,458,490	944,552,204,300
Sales of others	58,334,574	1,036,977,475
Purchases of raw materials	418,406,027,972	326,526,514,717
Dividends paid	2,000,000,000	1,000,000,000
Sai Gon Beer Trading Company Limited		
Bottle utilisation fees	-	251,625,528
Sa Be Co Mechanical Co., Ltd		
Purchases of services	258,070,000	228,408,600
Board of Management members		
<i>Fees</i>		
Mr. Luu Van Tuan – Chairman	104,000,000	104,000,000
Ms. Bui Thi Thuy – Member	78,000,000	78,000,000
Mr. Nguyen Son Duong – Member	24,000,000	78,000,000
Mr. Pham Tan Loi – Member	78,000,000	78,000,000
Mr. Pham Hong Minh – Member	78,000,000	78,000,000
Mr. Dinh Van Thuan – Member	54,000,000	-
Key management personel		
<i>Salary, bonus and remuneration</i>	2,234,447,691	2,721,488,887
Board of Supervisors members		
<i>Fees</i>		
Mr. Do Van Bien – Head of Board of Supervisors	65,000,000	65,000,000
Mr. Ha Duc Trung – Member	52,000,000	52,000,000
Ms. Luu Thanh Thao – Member	52,000,000	52,000,000

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26. Comparative information

Comparative information as at 1 January 2022 was derived from the balances and amounts reported in the Company's financial statements as at and for the year ended 31 December 2021.

15 March 2023

Prepared by:

Pham The Loc
Chief Accountant

Approved by:



Luu Van Tuan
Director

