

CÔNG TY CỔ PHẦN BIA  
SÀI GÒN – MIỀN TRUNG  
*SAI GON - MIEN TRUNG  
BEER JOINT STOCK  
COMPANY*

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc  
*THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness*

Số/No.: 70 /TB-CT

DakLak, ngày 11 tháng 03 năm 2025  
DakLak, March 11<sup>th</sup>, 2025

**CÔNG BỐ THÔNG TIN**  
**TRÊN CỔNG THÔNG TIN ĐIỆN TỬ CỦA ỦY BAN CHỨNG KHOÁN**  
**NHÀ NƯỚC VÀ SỞ GDCK HỒ CHÍ MINH**  
***DISCLOSURE OF INFORMATION***  
***ON THE STATE SECURITIES COMMISSION'S PORTAL AND***  
***HOCHIMINH STOCK EXCHANGE'S PORTAL***

**Kính gửi/To:** - Ủy ban Chứng khoán Nhà nước  
- Sở Giao dịch Chứng khoán Hồ Chí Minh (HSX)  
- *The State Securities Commission*  
- *Ho Chi Minh Stock Exchange (HSX)*

- Tên tổ chức/*Name of company*: CÔNG TY CỔ PHẦN BIA SÀI GÒN – MIỀN TRUNG/*SAI GON - MIEN TRUNG BEER JOINT STOCK COMPANY*

- Mã chứng khoán/*Stock symbol*: SMB

- Địa chỉ/*Address of head office*: 01 Nguyễn Văn Linh, P. Tân An, Tp Buôn Ma Thuột, tỉnh DakLak/*No.1 Nguyen Van Linh, Tan An Ward, Buon Ma Thuot City, DakLak Province*

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Chức vụ/*Position*: Tổng Giám đốc/*General Director*

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**Công ty cổ phần Bia Sài Gòn - Miền Trung** trân trọng công bố thông tin Báo cáo thường niên năm 2024 của Công ty cổ phần Bia Sài Gòn - Miền Trung/ *Sai Gon - Mien Trung Beer Joint Stock Company discloses information Annual Report 2024.*

Thông tin này đã được công bố trên trang thông tin điện tử của Công ty tại website/ *This information was published on the Company's website at the link: [www.biasaigonmt.com](http://www.biasaigonmt.com).*

Tôi cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố/ *I declare that all information provided in this paper is true and accurate; I shall be legally responsible for any mispresentation.*

**\* Tài liệu đính kèm/**  
**Attached documents:**  
Báo cáo thường niên năm 2024/  
*Annual Report 2024.*

**Đại diện tổ chức/ Organization representative**

**Tổng Giám đốc/ General Director**

  
  
  
**Huỳnh Văn Dũng**



The report's  
message //

# BEYOND THE LINE POWER SHINE

//

2024 continues to be a challenging year for the global economy, with price volatility, supply chain disruptions, and geopolitical factors still having profound impacts. However, amidst this turbulent landscape, **Sai Gon - Mien Trung Beer Joint Stock Company** has transcended limits, continuously breaking through strongly to **maintain stability and sustainable development**. With a spirit of creativity, flexibility, and high determination, the Company has implemented new strategies to enhance production efficiency, optimize costs, and expand markets.

As one of the leading units in the beer industry, our company continues to promote innovative activities, from improving production processes to developing products, to meet market demands and enhance brand value. Our company not only aims for sustainable growth but also commits to delivering quality products that suit consumers, while continuing to move firmly on the path of development with the determination to overcome all challenges, to break through even stronger in 2025 and the following years.



# THE GENERAL DIRECTOR'S MESSAGE

**Dear Authorities, Partners, and Shareholders,**

First and foremost, on behalf of **Sai Gon - Mien Trung Beer Joint Stock Company**, I extend my sincere greetings and heartfelt gratitude to all Agencies, Customers, and Partners for your invaluable cooperation and support over the past time. We deeply appreciate and acknowledge all these contributions, as your partnership has been a crucial factor in our company's success.

2024 has been a year of challenges, yet it has also presented significant opportunities for Sai Gon - Mien Trung Beer Joint Stock Company. Amidst the continuous fluctuations in the global and regional economy, stemming from shifts in geopolitical factors, supply chain difficulties, and the impacts of global issues such as climate change, we have remained steadfast in our resilience and aspirations for growth. Under the theme **"Beyond the line, power shine"**, we confidently affirm that our Company will continuously strive to overcome all challenges, not only in 2024 but also in the years to come.

Company has been implementing innovative and flexible strategies to improve production processes, optimize costs, and expand our self-operated beer market. Innovation in product development and technological advancement remains a core element in maintaining our competitiveness and sustainable growth in the industry. We will relentlessly improve product quality to meet the increasingly sophisticated demands of our customers while delivering products that provide the best value to the community.

Throughout our development, we have consistently received support and trust from authorities, partners, and customers. Close coordination with state agencies, coupled with full compliance with legal regulations, has always been a vital factor in our company's efficient and stable operations. We are proud to be a positive contributor to local budgets, while also maintaining strong relationships with the community through social welfare activities.

One of the core values that Sai Gon - Mien Trung Beer Joint Stock Company always strives for is sustainable development. We are committed to maintaining social responsibility policies, ensuring the rights of our employees, and contributing to the overall development of society and the country's economy. In particular, in 2025, we will continue to strengthen community support and environmental programs, building a fair and developed society. With a long-term vision and sustainable development strategy, we are confident that Sai Gon - Mien Trung Beer Joint Stock Company will continue to be a leading brand in the beer industry, delivering the highest value to our customers and society.

We also express our deepest gratitude to our dedicated employees and partners who have accompanied the Company throughout our journey. Your contributions have enabled us to overcome all difficulties and move forward steadily. With determination and a strong spirit, Sai Gon - Mien Trung Beer Joint Stock Company will continue to reach new heights, achieve breakthroughs, and contribute even more to the development of the community and the nation.

Sincerely,

**General Director - Huynh Van Dung**



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## EXPLANATION OF TERMS & LIST OF ABBREVIATIONS

BOD	Board of Directors
BOM	Board of Management
BOS	Board of Supervisors
Ltd.Co	Limited Company
JSC	Joint Stock Company
SMB	Saigon - MienTrung Beer
HOSE	HoChiMinh Stock Exchange
Mem.	Member
GD	General Director
CG	Corporate Governance
VND	Viet Nam Dong
ROA	Return on Assets
ROE	Return on Equity
ROS	Return on Sales
Houblon	Houblon are the female flower cones of the Humulus lupulus vine, used in the beer brewing process.
Malt	Malted barley is barley grain that has undergone germination and drying, used in the production of beer, spirits, and various other food products.
On - trade	On-premise consumption channels, where products are sold and consumed at the point of sale. Examples: restaurants, bars, clubs...
Off - trade	Off-premise retail channels, where customers purchase products for consumption at home. Examples: retail outlets, convenience stores, supermarkets...

# CHAPTER 1

## GENERAL INFORMATION



# 1. GENERAL INFORMATION

- **Company name:** SAI GON - MIEN TRUNG BEER JOINT STOCK COMPANY
- **Trading name:** SMB
- **Business Registration Certificate No.:** 4100739909 (old No. 3503000233) issued by the Department of Planning and Investment of Binh Dinh Province for the first time on September 26, 2008, and changed for the 9th time by the Department of Planning and Investment of Dak Lak Province on February 24, 2023.

**Charter capital** VND **298,466,480,000**

- **Owner's capital:** 599,386,688,381 VND (According to the 2024 audited Consolidated Financial Statements).
- **Address:** No. 01 Nguyen Van Linh, Tan An Ward, Buon Ma Thuot City, Dak Lak Province
- **Phone:** 0262 3877 519
- **Fax:** 0262 3877 455
- **Website:** www.biasaigonmt.com
- **Email:** smb@biasaigonmt.com
- **Stock code:** SMB
- **Stock exchange:** HOSE



# AWARDS ACHIEVED

- MAY 27, 2019**  
Decision No. 1243/QD-UBND dated May 27, 2019, of the People's Committee of Dak Lak Province awarded the emulation flag for leading achievements in the 2018 emulation movement.
- MAY 20, 2020**  
Decision No. 1117 of the Dak Lak Provincial People's Committee awarding a Certificate of Merit for excellent achievements in implementing tax policies and laws in 2019.
- SEPTEMBER 16, 2020**  
Decision No. 2177, dated September 16, 2020, of the Dak Lak Provincial People's Committee awarding a Certificate of Merit for excellent achievements in the province's patriotic emulation movement in the 2015-2020 period.
- OCTOBER 05, 2021**  
Decision No. 166/QD-HMTg dated October 5, 2021, of the Vietnam Association for Conservation of Nature and Environment, awarding a Certificate of Merit for numerous achievements in contributing to environmental protection during the summary of the III term (2017-2021).
- JUNE 03, 2022**  
Decision No. 1258/QD-UBND dated June 3, 2022, of the Dak Lak Provincial People's Committee, awarding a Certificate of Merit for excellent achievements in fulfilling the emulation agreements of Clusters and Blocks organized by the province in 2021.
- JULY 13, 2023**  
Decision No. 834/QD-TTg dated July 13, 2023, of the Prime Minister on awarding the Emulation Flag to the Quy Nhon Branch of Saigon – Mien Trung Beer Joint Stock Company.
- 2018 - 2023**  
The PROFIT500 Certification from Vietnam Report Ranking Organization and Vietnamnet Newspaper: Saigon Beer - Central Region Joint Stock Company is honored to be among the 'Top 500 Most Profitable Private Enterprises in Vietnam' for 5 consecutive years.
- MAY 28, 2024**  
Decision No. 456/QD-TTg dated May 28, 2024, of the Prime Minister on awarding the National Quality Award.





## ESTABLISHMENT AND DEVELOPMENT PROCESS

# BIA SAIGON®

SAIGON - MIEN TRUNG

**2020 - Present**

Despite facing many difficulties from the long-term impacts of Decree No. 100/2019/ND-CP and the effects of the Covid-19 pandemic, SMB has maintained its position in the market.

**August 6, 2019**

Sabeco held a press conference to launch the Saigon Beer brand, marking a milestone in brand identity change with new packaging for products across the system in general and Saigon - Mien Trung Beer in particular.

**June 27, 2018**

The Company was approved to list 29,846,648 shares on the Ho Chi Minh City Stock Exchange and officially traded its first shares on August 3, 2018.

**September 20, 2017**

Saigon - Mien Trung Beer Joint Stock Company established its first subsidiary, Quy Nhon Beer Trading - Service One Member Limited Liability Company, operating in the main business line of beverage trading.

**September 8, 2010**

The first trading day of Saigon - Mien Trung Beer Joint Stock Company's shares on the UPCOM with the stock code SMB.

**July 9, 2010**

Saigon - Mien Trung Beer Joint Stock Company was granted the first-time Securities Registration Certificate No. 162/2010/GCNCP-VSD by the Vietnam Securities Depository Center

**September 6, 2009**

Saigon - Mien Trung Beer Joint Stock Company increased the capacity of Saigon - Dak Lak Brewery from 25 to 70 million liters/year.

**October 1, 2008**

Saigon - Mien Trung Beer Joint Stock Company officially commenced operations.

**September 20, 2008**

Saigon - Mien Trung Beer Joint Stock Company was established through the merger of three companies following the resolution of the General Meeting of Shareholders of the three companies: Saigon - Quy Nhon Beer Joint Stock Company, Saigon - Phu Yen Beer Joint Stock Company, and Saigon - Dak Lak Beer Joint Stock Company, inheriting all rights and obligations of the merged companies.



## 2. BUSINESS LINES AND LOCATIONS

### BUSINESS LINES

#### 01 Beer and beverage production



Industry Name	Industry Code
1103 (Main)	Beer and malt manufacturing Details: Production of various beer types
1101	Distilling, rectifying, and blending spirits Details: Alcohol production
1104	Production of non-alcoholic beverages and mineral water Details: Beverage production
2825	Manufacture of food, beverage, and tobacco.

#### 02 Wholesale and distribution



Industry Name	Industry Code
4633	Wholesale of beverages Details: Trading in various types of beer, wine, and beverages
4659	Wholesale of machinery, equipment, and other machine parts* Details: Trading in equipment and spare parts for the food industry.
4662	Wholesale of metals and metal ores* Details: Wholesale of titanium minerals (excluding the exercise of export rights, import rights, and distribution rights for goods: cigarettes and cigars, books, newspapers and magazines, recorded items, precious metals and gemstones, pharmaceuticals, explosives, crude oil and processed oil, rice, cane sugar and beet sugar)
4620	Wholesale of raw agricultural and forestry products (excluding wood, bamboo, and rattan) and live animals* Details: Trading in raw rubber latex (not stored at the head office location) (excluding the exercise of export rights, import rights, and distribution rights for goods: cigarettes and cigars, books, newspapers and magazines, recorded items, precious metals and gemstones, pharmaceuticals, explosives, crude oil and processed oil, rice, cane sugar and beet sugar)
4669	Wholesale of other specialized goods n.e.c.* Details: Wholesale of alcohol and raw materials for the food industry (excluding the exercise of export rights, import rights, and distribution rights for goods: cigarettes and cigars, books, newspapers and magazines, recorded items, precious metals and gemstones, pharmaceuticals, explosives, crude oil and processed oil, rice, cane sugar and beet sugar).

#### 04 Electricity services and energy



Industry Name	Industry Code
8560	Education support services Details: Consulting, training, manufacturing of machinery and equipment, and construction of projects for the food industry
5510	Short-term accommodation services Details: Hotels
5610	Restaurants and mobile food services Details: Restaurants
3511	Electricity production* Details: Production of wind power, solar power, and other electricity sources (excluding national electricity system transmission and dispatch; construction and operation of multi-purpose hydropower and nuclear power plants of special socio-economic significance)
3512	Electricity transmission and distribution* Details: Electricity transmission and distribution (excluding national electricity system transmission and dispatch; construction and operation of multi-purpose hydropower and nuclear power plants of special socio-economic significance)
4933	Road freight transport
2023	Manufacture of cosmetics, soaps, detergents, polishes, and cleaning products Details: Production of soaps, detergents, polishing and cleaning preparations
2029	Manufacture of other chemical products n.e.c. Details: Production of alcohol, raw materials for the food industry

#### 03 Real estate and construction

Industry Name	Industry Code
6810	Real estate business, land use rights owned, used, or leased* Details: Real estate business, warehousing, office leasing (excluding investment in the construction of cemetery and burial ground infrastructure for the transfer of land use rights associated with infrastructure)
4101	Residential building construction Details: Construction of civil and industrial works
4102	Non-residential building construction

### LOCATION OF BUSINESS

The Company's Saigon Beer production and business activities are mainly concentrated in three main locations: **Dak Lak Province, Phu Yen Province, and Quy Nhon City**. At these locations, the Company implements advanced production processes and strict quality control to ensure that products meet the requirements and standards of the market.

In addition, the Company also expands its consumer market by developing and supplying self-produced products such as Quy Nhon Beer and Draught Beer. These products not only meet the special needs of local areas but also offer diversity to customers. The provinces of **Gia Lai, Kon Tum, Lam Dong, Khanh Hoa, Ninh Thuan, Binh Phuoc, and Dong Nai** are strategic locations chosen to consume these products.

Expanding the market to neighboring regions not only helps increase sales but also provides an opportunity for the Company to access and understand local consumption trends. In this way, the Company can take advantage of the cultural and taste diversity of each region, creating products suitable to the specific needs and characteristics of each market. This enhances brand value and strengthens the Company's position in the beer industry in general.

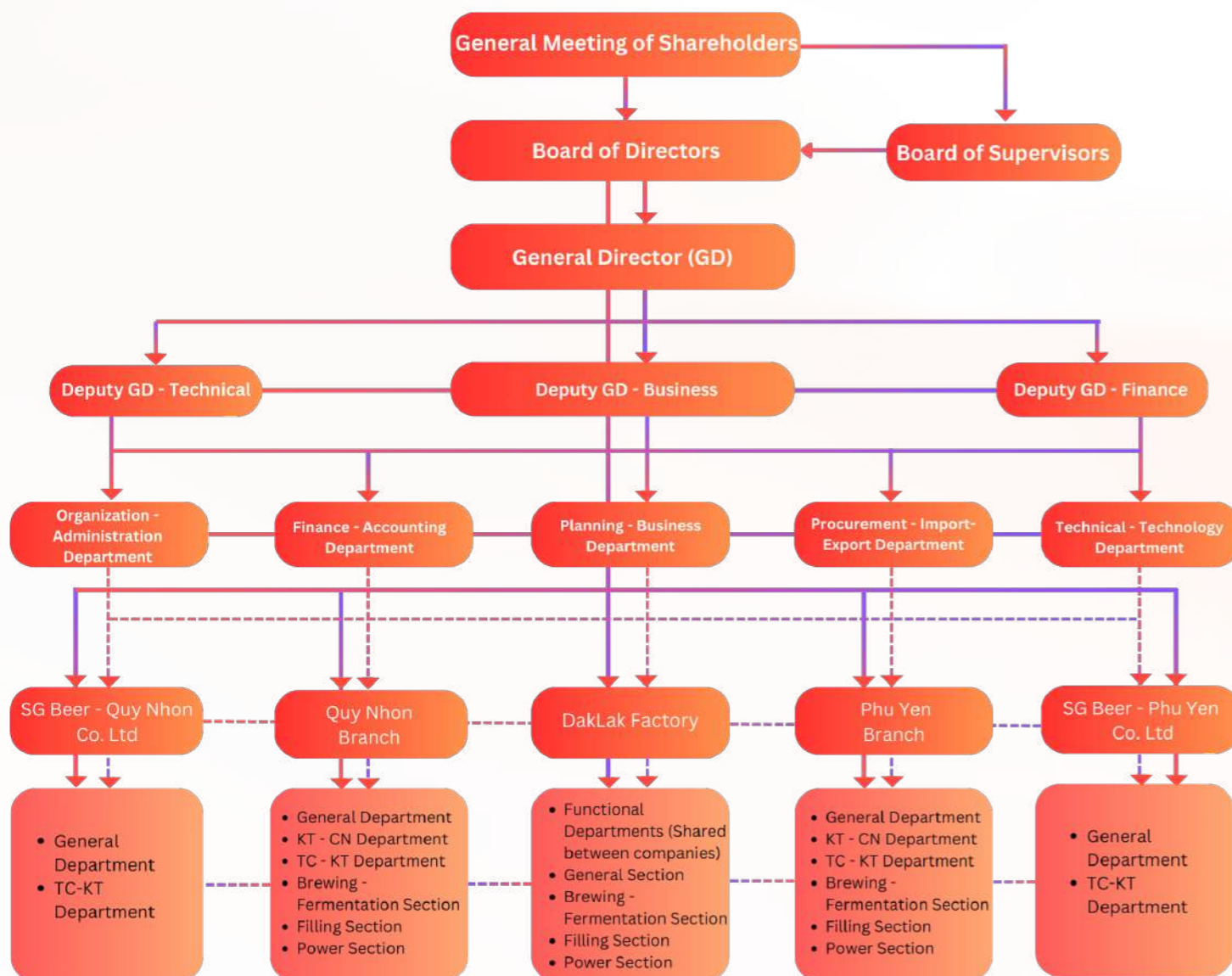
### 3. CORPORATE GOVERNANCE, BUSINESS ORGANIZATION, AND MANAGEMENT STRUCTURE

#### GOVERNANCE MODEL

Saigon – Mien Trung Beer Joint Stock Company operates as a Joint Stock Company. The Company’s governance model is organized according to the Law on Enterprises and the

Company’s Charter, including the following components: General Meeting of Shareholders, Board of Directors, Supervisory Board, Executive Board, and Professional service Departments.

#### MANAGEMENT STRUCTURE



#### HEAD OFFICE, SUBSIDIARIES, AND AFFILIATES

##### SAIGON – MIEN TRUNG BEER JOINT STOCK COMPANY (SMB)

**HEAD OFFICE** **Address:** No. 01 Nguyen Van Linh Street, Tan An Ward, Buon Ma Thuot City, Dak Lak.  
**Business Products:** Saigon Beer, Draught Beer, Serepok Purified Drinking Water, Serepok Wine, Vietnamese Ginseng Wine, Bazan Corn Milk, Bazan Brown Rice Milk, Export Beverages, and Dry Hand Sanitizer.

01

#### HEAD OFFICE, SUBSIDIARIES, AND AFFILIATES

(CONTINUE)

02

##### Quy Nhon Beer Trading – Service One Member Limited Liability Company

**SUBSIDIARIES** **Address:** Office of Saigon – Mien Trung Beer Joint Stock Company Branch in Quy Nhon, Phu Tai Industrial Park, Area 5, Tran Quang Dieu Ward, Quy Nhon City, Binh Dinh Province.  
**Established:** September 20, 2017  
**Charter Capital:** 23,036,081,821 VND  
**Ownership Ratio (as of December 31, 2024):** 100% of charter capital  
**Main Business Line:** Trading beer, alcohol, and soft drinks  
**Business Products:** Distribution of self-produced beer, alcohol, and soft drinks such as Quy Nhon Beer, Lowen Beer, Draught Beer, Bottled Drinking Water, Alcohol, and Warehousing Services.

03

##### Phu Yen Beer Trading – Service One Member Limited Liability Company

**SUBSIDIARIES** **Address:** 265 Nguyen Tat Thanh, Ward 2, Tuy Hoa City, Phu Yen Province  
**Established:** November 27, 2024  
**Charter Capital:** 3,000,000,000 VND  
**Ownership Ratio (as of December 31, 2024):** 100% of charter capital  
**Main Business Line:** Trading beer, alcohol, and soft drinks  
**Business Products:** Distribution of self-produced beer, alcohol, and soft drinks such as Quy Nhon Beer, Lowen Beer, Draught Beer, Bottled Drinking Water, Alcohol, and Warehousing Services.

04

##### Phu Yen Printing – Trading Joint Stock Company

**AFFILIATE** **Address:** No. 396 Hung Vuong, Ward 7, Tuy Hoa City, Phu Yen Province  
**Ownership Ratio (as of December 31, 2024):** 20.02% of charter capital  
**Main Business Line:** Printing

#### COMPANY BRANCHES

##### Saigon – Mien Trung Beer Joint Stock Company Branch in Quy Nhon

- Address: Phu Tai Industrial Park, Area 5, Tran Quang Dieu Ward, Quy Nhon City, Binh Dinh Province.
- Business Products: Saigon Beer, Quy Nhon Beer, Lowen Beer, Draught Beer, and Bottled Drinking Water.

##### Saigon – Mien Trung Beer Joint Stock Company Branch in Phu Yen

- Address: No. 265 Nguyen Tat Thanh, Ward 8, Tuy Hoa City, Phu Yen Province.
- Business Products: Saigon Beer, Draught Beer, and Sapy Purified Drinking Water.

## 4. DEVELOPMENT ORIENTATION

### COMPANY'S MAIN OBJECTIVES

SMB's operational goal is to develop the Vietnamese beverage industry to a world-class level through continuous improvement, innovation, and product quality enhancement. The Company aims to achieve customer satisfaction and trust, committing to providing high-quality, safe, and nutritious beverages.

The Company is not only a business enterprise but also a reliable partner, always ready to cooperate with domestic and foreign units, organizations, and individuals. SMB is dedicated to the spirit of equality for the common good, ensuring that all partners benefit from the development of both sides.

The Company's production activities not only provide stable employment for all employees but also increase shareholder benefits. SMB is committed to maintaining transparency in information disclosure, complying with current regulations on corporate governance and obligations of a public company.

The Company's development is always associated with a sense of responsibility towards the environment, society, and community interests. SMB actively contributes to local economic and tourism development, creating more income and jobs for people, thereby increasing the State budget. SMB is proud to be an active member in the sustainable development of the community and the country.

### DEVELOPMENT STRATEGIES IN MEDIUM AND LONG TERM

The Company implements a strategy to promote production development according to the direction set by SABECO as well as the industry development planning schemes of the Ministry of Industry and Trade to have appropriate business plans. The Company will continue to research new products in the soft drink segment and implement sustainable development policies.

In the past, the steering committee has approved the implementation of many major projects, mainly to meet the purpose of in-depth investment serving production and business activities, improving product quality, and protecting the environment through the use of solar power systems at the Company's factories.

### SUSTAINABLE DEVELOPMENT OBJECTIVES

SMB's brand orientation is associated with the goal of building and maintaining the image of a responsible and sustainable enterprise that actively contributes to the common interests of the community, specifically:

#### 01 For the Environment

SMB focuses on developing and implementing cleaner production methods to minimize negative impacts on the environment. The Company not only implements environmentally friendly solutions but also builds effective waste management systems, helping to minimize waste and optimize recycling. This not only helps protect the environment but also contributes to a circular economy where resources are used to their fullest and waste is minimized. SMB is committed to fully complying with regulations related to the Law on Environmental Protection and has not been penalized for violating environmental regulations. This affirms the company's social responsibility in protecting and maintaining the sustainable development of the planet.



#### 02 For Society and the Community

In addition to business development, SMB always aims to maintain and increase employment opportunities for the local community. The company is not only a workplace but also an organization that actively contributes to the development of the community, helping to improve the quality of life for local people. Each year, SMB allocates a portion of its budget to support important community projects such as education and training, social security, healthcare, and support for families in difficult circumstances. The company also actively participates in programs like building houses for those in need, providing shelter for those in difficult circumstances. These actions not only help SMB maintain a strong relationship with the community but also demonstrate the company's social responsibility for overall development.



#### 03 For Food Safety and Hygiene

SMB constantly strives to ensure food quality and safety in all stages of production. The company applies and continuously improves advanced quality management systems to meet international standards for quality, food safety, and the environment. Specifically, SMB uses ISO 9001 (Quality Management), ISO 14001 (Environmental Management), ISO 22000 (Food Safety Management), ISO 50001 (Energy Management), and FSSC 22000 (Food Safety Certification) systems to ensure that all beer production, packaging, and transportation processes comply with necessary food safety standards. The company is committed to providing standard and safe products for consumers while meeting strict requirements for hygiene and food safety, protecting public health.

## 5. RISK FACTORS

### Economic Risks

The global economy in 2024 suffered many negative impacts from major events such as the tense geopolitical conflicts between countries, the escalating US-China trade war, and the ever-increasing global public debt. As a component of the global economy, Vietnam's economy is also not immune to the above effects. In addition, the domestic economy also faces risks such as exchange rate fluctuations as the US dollar strengthens, the value of exports declines due to weaker import demand from major markets, and fierce competition from countries in the same region in attracting FDI. However, the above difficulties cannot hinder the recovery of Vietnam's processing and manufacturing industry.



Specifically, according to data from the General Statistics Office, the industrial production index (IIP) of the industry is estimated to increase by 9.6%. Besides, in the increase in the total added value of the whole economy, this industry also contributed 2.49 percentage points. However, the domestic processing and manufacturing industry still faces some challenges such as limited infrastructure, declining export value of goods due to weaker import demand from major markets, and increased production costs across the industry.

With the volatile economic context, the company's leadership has proactively monitored and regularly updated domestic and international economic information. Thanks to that, the company can come up with flexible and effective solutions, helping businesses respond promptly to all current challenges as well as prepare for potential risks in the future.

### Exchange Rate Risks

Malt, barley, and hops are the main raw materials used for beer production. These materials are mainly imported by Saigon Beer – Alcohol – Beverage Corporation (SABECO), then redistributed to subsidiaries according to the percentage of ownership of the Corporation in that subsidiary. Therefore, although not directly importing raw materials for production, the exchange rate still indirectly affects the cost of goods and revenue pressure of SMB.

### Policy and Legal Risks

Legal risk is the risk arising from the untimely or inappropriate application of legal documents in the process of implementing the Company's business activities. As a joint stock company listed on the Ho Chi Minh City Stock Exchange, SMB complies with legal regulations for business activities in general such as the Enterprise Law, Accounting Law, or Labor Code.

In addition, SMB is also governed by a number of legal documents related to production and business industries such as: Decree 100/2019/ND-CP on administrative sanctions for people drinking alcohol and beer driving vehicles participating in traffic or Decree 24/2020/ND-CP on the law on prevention and control of harmful effects of alcohol and beer. Besides, the beer industry faces many risks related to taxes such as: special consumption tax (TTDB), import tax, export tax, etc. Special consumption tax is constantly adjusted to increase while the alcoholic beverage industry does not enjoy preferential policies such as a 2% reduction in value-added tax (VAT).

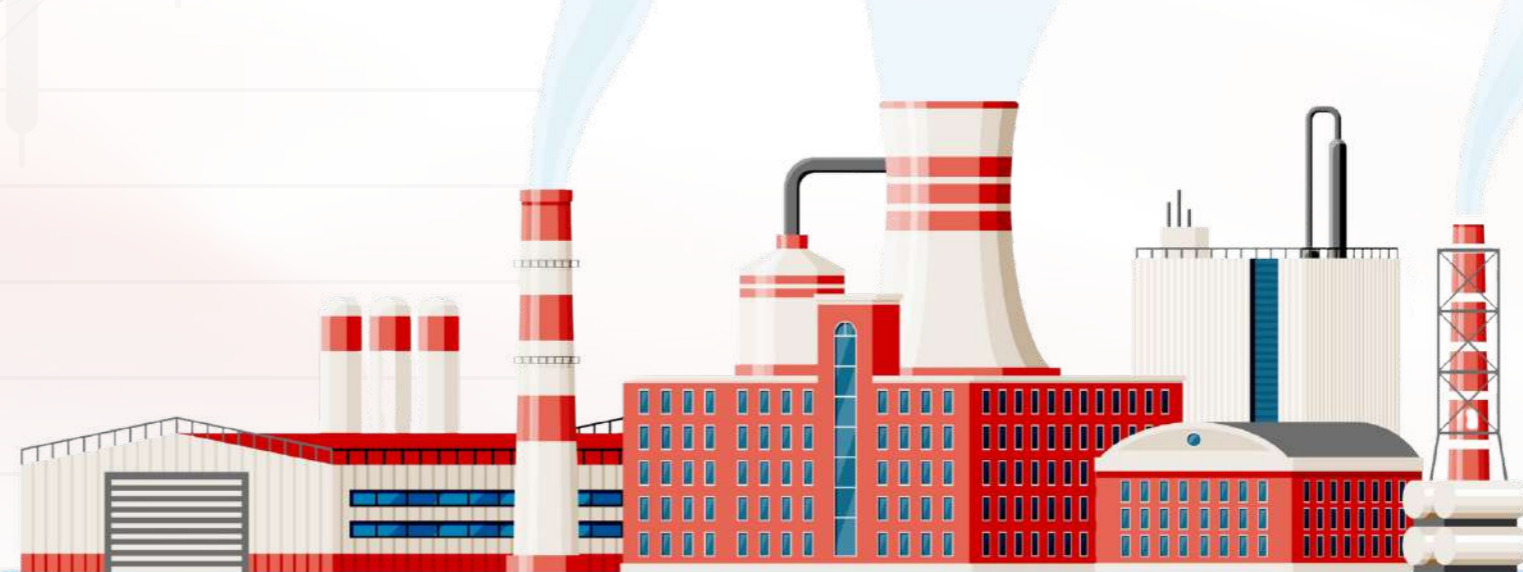
*Therefore, the Company always focuses on reviewing operations and updating information to come up with timely measures and changes. Saigon – Mien Trung Beer Joint Stock Company is committed to complying with the law in its field of operation.*



### Environmental Risks

For a company producing alcohol, beer, and soft drinks like SMB, the biggest environmental risk that the Company faces is the risk of waste discharge. Due to the nature of the industry, SMB needs to use a large amount of water in production. After use, if this water is not treated properly according to the process and directly discharged into the environment, it will cause pollution of water sources, soil, and air in the Company's operating area, thereby forming negative impacts on the environment and the health of the residential community.

Recognizing the potential risks as well as the Company's responsibility to the environment and society, SMB proactively invests in a wastewater treatment system. Besides, SMB also focuses on researching and applying advanced technologies and techniques to minimize the negative impacts of production and business activities on the local environment.



## 5. RISK FACTORS (CONTINUE)

### Competitive Risks

Vietnam is one of the leading countries in alcohol and beer consumption. However, this also means fierce competition from many famous brands with large market shares such as Heineken, Habeco, etc. In addition, the Vietnamese beer and alcohol market has also seen the participation of major brands in the world such as Budweiser, Corona, Carlsberg, etc. These products have a certain position in the international market, having advantages in brand, reputation, and product quality, creating a diverse and challenging market for businesses in the industry.

To face the replacement, SMB not only constantly updates its product portfolio with new options for customers but also focuses on market research. This includes increasing interaction with customers to better understand their needs and wants. SMB's leadership constantly improves product quality and updates technology in production techniques, helping to maintain and enhance the company's reputation, while quickly adapting to market fluctuations. In today's competitive market, continuous innovation and effective management strategies not only help Saigon - Mien Trung Beer Joint Stock Company overcome challenges but also maintain its position in the minds of consumers, while contributing to the sustainable development of Vietnam's beverage industry.

### Raw Material Risks

In 2024, global food security faced serious challenges due to the combination of many factors such as conflict, climate change, and economic recession. The price of grains has also undergone many fluctuations. SMB's main production materials are imported grains and hops, so it is inevitable to avoid the general price fluctuations in the world.

To minimize this risk, SMB diversifies its supply sources, and at the same time makes predictions about the price and output fluctuations of raw materials in recent years to reserve a quantity of raw materials to stabilize production and product costs.

### Force Majeure Risks

In addition to the above risks, the Company also faces force majeure risks such as natural disasters, fires, epidemics, etc., which have a very low probability of occurring but are always present and cause great damage to people and the Company's operations. To limit these force majeure risks, the company's management also regularly monitors, inspects, and maintains machinery and equipment... to prevent unnecessary risks in the future.

## RISK MANAGEMENT POLICY

### OBJECTIVE

To identify, assess, and manage risks that may affect SMB's production, finance, and sustainable development, the Company is committed to implementing timely preventive and responsive measures, ensuring stable and sustainable business operations.

### PRINCIPLE

- **Risk Assessment and Identification:** SMB will periodically assess risks from the economic environment, exchange rates, legal policies, environment, competition, and company's internal environment to identify and forecast potential risks.
- **Proactive Risk Management:** SMB is committed to proactively seeking flexible and creative solutions to minimize the impact of risk factors, including applying new technologies, maintaining strategic raw material reserves, and implementing asset protection measures.
- **Compliance with Legal Regulations:** The company is committed to complying with all legal regulations and guiding documents related to production and business, environmental protection, tax, and other requirements.
- **Maintaining Sustainable Development:** SMB always puts sustainable development first, ensuring that economic growth is not only aimed at profit but also contributes to protecting the environment and the community.
- **Managing and Responding to Unforeseen Risks:** To deal with force majeure risks such as natural disasters and epidemics, the company will implement preventive measures, maintain an insurance system, and have a post-incident recovery plan.

## RISK MANAGEMENT PROCESS



# CHAPTER 2

## COMPANY'S YEARLY BUSINESS OPERATION



# 1. BUSINESS AND MANUFACTURING ACTIVITIES

## RESULTS OF BUSINESS OPERATIONS IN 2024

### STRUCTURE OF SALES REVENUE AND SERVICE PROVISION

Unit: Million VND

Revenues	2023		2024		Change	
	Amount	Proportion	Amount	Proportion	Amount	%Change
Revenues from the sales of finished goods	1,213,710	91.95%	1,325,840	91.66%	112,130	9.24%
Provision of services	79,273	6.01%	77,319	5.35%	(1,954)	(2.46%)
Others	26,953	2.04%	43,380	3.00%	16,427	60.95%
<b>Total</b>	<b>1,319,935</b>	<b>100.00%</b>	<b>1,446,539</b>	<b>100.00%</b>	<b>126,604</b>	<b>9.59%</b>

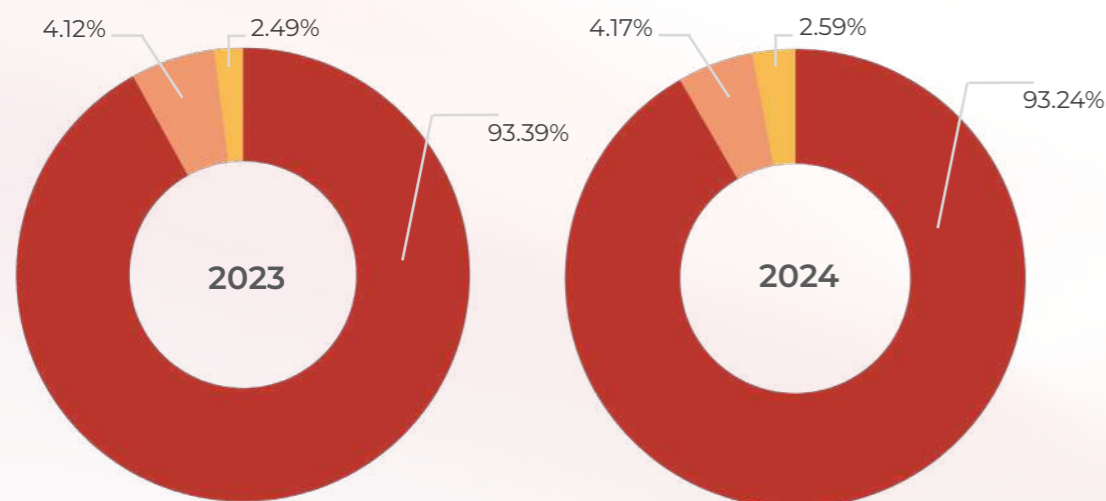
(Source: Consolidated Financial Statement 2024)

Unit: Million VND

Revenues	2023		2024		Change	
	Amount	Proportion	Amount	Proportion	Amount	%Change
Revenues from the sales of finished goods	1,154,826	93.39%	1,273,203	93.24%	118,377	10.25%
Provision of services	50,924	4.12%	35,341	2.59%	(15,583)	(30.60%)
Others	30,776	2.49%	56,964	4.17%	26,188	85.09%
<b>Total</b>	<b>1,236,526</b>	<b>100.00%</b>	<b>1,365,508</b>	<b>100.00%</b>	<b>128,982</b>	<b>10.43%</b>

(Source: Separate Financial Statement 2024)

### Structure of Sales Revenue and Service Provision



Revenues from product sales

Service Provision

Others

## OVERVIEW

In 2024, the Company's total revenue reached 1,365,508 million VND, an increase of 128,982 million VND, corresponding to a growth rate of 10.43% compared to 2023. This is a positive result in the context of the global economic situation continuing to fluctuate and affect production and consumption activities. Although external factors such as geopolitical conflicts and natural disasters negatively affected production and consumption, the Company still maintained stability and significant growth in 2024.



Accordingly, finished product sales increased by 118,377 million VND, corresponding to an increase of 10.25% compared to 2023.

Although the proportion of finished product sales in total revenue decreased slightly from 93.39% to 93.24%, it shows that the Company's main products still maintained stable consumption and increased. This reflects the ability to effectively reach the market and meet consumer needs, despite the difficulties of the economy.

On the other hand, service revenue decreased sharply by 15,583 million VND, corresponding to a decrease of 30.60% compared to the previous year, reflecting the difficulties in maintaining service operations in a volatile market environment. Although revenue from main sales decreased in some segments, revenue from other activities increased sharply by 85.09%, reflecting the Company's efforts in finding and developing new revenue sources, helping to reduce dependence on finished product sales.

In general, the Company has demonstrated flexibility and good adaptability to economic difficulties, and the ability to develop self-produced beer products besides Saigon Beer is a positive sign for sustainable development in the future.



# 1. BUSINESS AND MANUFACTURING ACTIVITIES (CONTINUE)

## RESULTS OF BUSINESS OPERATIONS IN 2024

### STRUCTURE OF PRODUCTION AND BUSINESS COSTS

Unit: Million VND

Costs	2023		2024		Change	
	Amount	Proportion	Amount	Proportion	Amount	%Change
Raw material costs	778,906	69.15%	839,587	68.58%	60,681	7.79%
Labour costs and staff costs	132,660	11.78%	139,961	11.43%	7,301	5.50%
Depreciation of fixed assets	50,836	4.51%	51,227	4.18%	391	0.77%
Outside services	86,916	7.72%	90,017	7.35%	3,101	3.57%
Other expenses	77,004	6.84%	103,445	8.45%	26,441	34.34%
<b>Total</b>	<b>1,126,323</b>	<b>100.00%</b>	<b>1,224,237</b>	<b>100.00%</b>	<b>97,915</b>	<b>8.69%</b>

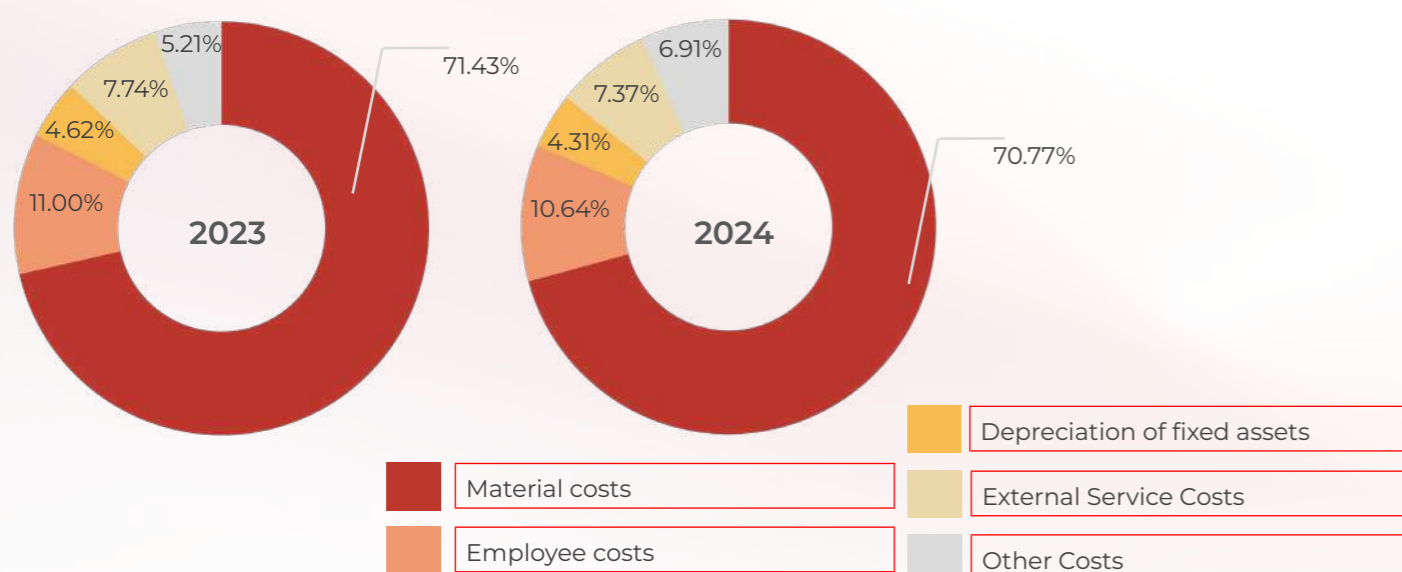
(Source: Consolidated Financial Statement 2024)

Unit: Million VND

Costs	2023		2024		Change	
	Amount	Proportion	Amount	Proportion	Amount	%Change
Raw material costs	768,485	71.43%	828,353	70.77%	59,868	7.79%
Labour costs and staff costs	118,303	11.00%	124,499	10.64%	6,196	5.24%
Depreciation of fixed assets	49,733	4.62%	50,479	4.31%	746	1.50%
Outside services	83,303	7.74%	86,237	7.37%	2,934	3.52%
Other expenses	56,004	5.21%	80,940	6.91%	24,936	44.53%
<b>Total</b>	<b>1,075,827</b>	<b>100.00%</b>	<b>1,170,509</b>	<b>100.00%</b>	<b>94,682</b>	<b>8.80%</b>

(Source: Separate Financial Statement 2024)

### Structure of Production and Business Costs



## OVERVIEW

In 2024, the total cost of production and business by element of the Company reached 1,170,509 million VND, an increase of 94,682 million VND, corresponding to a growth rate of 8.80% compared to 2023. This relatively low increase reflects the Company's efforts in maintaining good management of raw material norms while costs and material prices increased compared to the same period in 2023, and efforts to develop production in the context of economic difficulties combined with many external factors. Despite facing many challenges, the Company has applied effective strategies to control costs and ensure operational efficiency.



Accordingly, raw material costs increased by 59,868 million VND, corresponding to an increase of 7.79% compared to 2023. Although raw material costs increased, the proportion of this cost in the total cost structure remained high. This growth is mainly due to the impact of rising input material prices, including grains and hops. However, the Company has applied cost-saving measures and optimized the procurement process, helping to limit the excessive increase in this cost.

Besides, employee costs continued to increase by 6,196 million VND, equivalent to 5.24% compared to 2023. This increase reflects a reasonable salary increase for employees to cope with inflation and improve working conditions. The Company still maintains a reasonable labor level while improving productivity and work efficiency, helping to somewhat offset the decline in beer output from traditional products.

In general, the Company has controlled costs well in 2024 and has appropriate strategies to cope with challenges from the market and the economy. In the coming time, the Company needs to continue monitoring cost factors and adjusting strategies when necessary to maintain stability and long-term development.

The depreciation costs of fixed assets and external service costs also increased by 746 million VND and 2,934 million VND, respectively, equivalent to increases of 1.50% and 3.52% compared to 2023. This increase is mainly due to the Company's additional investment in new production items, improvement of infrastructure and production equipment, helping to improve production efficiency in the long term, and partly due to increased operating and service costs, especially raw material prices and transportation services. However, the proportion of external service costs in total costs decreased slightly, reflecting the Company's proactive control of input costs.



# 1. BUSINESS AND MANUFACTURING ACTIVITIES (CONTINUE)

## RESULTS OF SUBSIDIARIES' BUSINESS OPERATIONS

### QUY NHON BEER TRADING – SERVICE ONE MEMBER LIMITED LIABILITY COMPANY

Unit: Million VND

No.	Indicator	Actual 2023	Actual 2024	2024/2023
1	Total Assets	65,695	76,161	116%
2	Net Revenue	1,031,431	1,197,703	116%
3	Cost of Goods Sold	953,454	1,122,341	118%
4	Financial Activities Revenue	14.75	7.84	53%
5	Selling Expenses, Enterprise Management, Finance	47,597	50,776	107%
6	Profit from Business Activities	30,393	24,593	81%
7	Other Profit	32.13	20.55	64%
8	Profit Before Tax	30,425	24,614	81%
9	Profit After Tax	23,939	19,362	81%

In 2024, the total assets of Quy Nhon Beer Trading – Service One Member Limited Liability Company, a subsidiary of SMB, increased by about 16% from 65,695 million VND to 76,161 million VND. Similarly, the Company's net revenue also increased by nearly 16% from 1,031,431 million VND. However, profit from business activities, financial activities revenue, other profit, profit before tax, and profit after tax all decreased compared to the same period last year. This downward trend reflects a 7% increase in selling expenses, enterprise management expenses, and financial expenses from 47,597 million VND to 50,776 million VND.



### PHU YEN BEER TRADING – SERVICE ONE MEMBER LIMITED LIABILITY COMPANY

On November 27, 2024, the Company's Board of Directors issued Resolution No. 11/2024/NQ-HDQT on approving the establishment of a subsidiary, Phu Yen Beer Trading – Service One Member Limited Liability Company, expected to come into operation from January 1, 2025. Therefore, the Company has not incurred any financial figures in the accounting period ending on December 31, 2024.

## RESULTS OF AFFILIATES' BUSINESS OPERATIONS

### PHU YEN PRINTING – TRADING JOINT STOCK COMPANY

Unit: Million VND

No.	Indicator	Actual 2023	Actual 2024	2024/2023
1	Total Assets	14,834	13,825	93%
2	Net Revenue	28,046	23,178	83%
3	Cost of Goods Sold	21,406	17,346	81%
4	Financial Activities Revenue	58.42	15.88	27%
5	Selling Expenses, Enterprise Management, Finance	5,099	4,911	96%
6	Profit from Business Activities	1,599	936	59%
7	Other Profit	202	405	201%
8	Profit Before Tax	1,801	1,342	74%
9	Profit After Tax	1,391	1,027	75%

In the year, the total assets of Phu Yen Printing - Trading Joint Stock Company, which is an associate company of SMB, decreased by nearly 7%, from 14,834 million VND to 13,825 million VND. The Company's net revenue and cost of goods sold decreased by 17% (from 28,046 million VND to 23,178 million VND) and 19% (from 21,406 million VND to 17,346 million VND), respectively. Revenue from financial activities dropped sharply by nearly 74%, from 58.42 million VND to 15.88 million VND. Both pre-tax and after-tax profits decreased by approximately 25%.



# 1. BUSINESS AND MANUFACTURING ACTIVITIES (CONTINUE)

## IMPLEMENTATION ACTUAL PROGRESS AGAINST THE PLAN

No.	Indicator	Unit	Actual 2020	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Target 2024	Actual 2024/Target 2024	Actual 2024/Actual 2023
1	Total sales volume	Million liters	184.88	176.73	190.20	174.93	186.54	178.07	104.76%	106.64%
	Various types of beer	Million liters	175.20	167.34	181.55	166.42	177.65	168.50	105.43%	106.75%
1.1	Saigon Beer	Million liters	88.81	82.45	82.33	59.92	56.39	71.00	79.42%	94.10%
	+ SG Larger 450ml bottle	Million liters	29.73	24.16	21.89	20.64	19.15	20.00	95.75%	92.79%
	+ SG Larger 355ml bottle	Million liters	10.33	9.91	4.90	0.09	-	-	-	-
	+ SG Export 355ml bottle	Million liters	0.77	0.31	0.05	-	-	-	-	-
	+ SG Larger 330ml can	Million liters	46.74	46.98	54.08	39.20	37.24	50.00	74.47%	95.00%
	+ SG Chill 330ml bottle	Million liters	0.32	0.44	0.24	-	-	-	-	-
	+ SG Chill 330ml can	Million liters	0.82	0.64	1.17	-	-	1.00	-	-
1.2	Proprietary beer brands	Million liters	86.49	84.91	99.02	106.41	120.23	95.50	125.90%	112.99%
	+ Lowen 330ml Pils bottle	Million liters	0.98	0.61	0.73	0.67	0.68	1.00	67.78%	100.95%
	+ Lowen Silver 330ml can	Million liters	-	-	-	-	0.93	-	-	-
	+ Qui Nhon 330ml bottle	Million liters	57.92	57.89	66.89	70.26	81.74	59.00	-	-
	+ Qui Nhon 330ml can	Million liters	-	-	-	3.43	3.50	8.00	138.55%	116.34%
	+ DAKLAK bottle	Million liters	-	-	-	-	0.02	-	-	-
	+ Draught beer	Million liters	27.59	26.41	28.17	32.05	33.37	27.50	-	-
1.3	Exported beverages	Million liters	-	0.13	0.20	0.09	1.03	2.00	51.33%	1,147.23%
1.4	Bottled beverages, Wine, Milk	Million liters	9.68	9.25	8.65	8.50	8.89	9.57	92.97%	104.60%
2	Total revenue	Million VND	1,207.15	1,165.63	1,310.05	1,236.53	1,365.51	1,378.85	99.03%	110.43%
3	Profit before tax	Million VND	163.80	213.92	220.46	184.69	214.17	97.25	220.23%	115.96%
4	Profit after tax	Million VND	130.88	179.51	180.42	149.79	174.11	77.40	224.95%	116.24%
5	Tax contribution	Million VND	1,093.94	1,064.06	1,248.55	1,098.22	1,177.20	1,185.74	99.27%	107.19%

### Total Sales Volume:

The total consumption volume of SMB in 2024 reached 186.54 million liters, exceeding the plan by 8.47 million liters, equivalent to 4.76%. This result also increased by 6.64% compared to the actual volume of 174.93 million liters in the same period last year, reflecting the recovery of consumer purchasing power.



# BIA SAIGON®

## SAIGON-MIENTRUNG

### SAIGON BEER

Saigon Beer's sales volume was very low, reaching only 56.39 million liters, equal to 79.42% of the 2024 plan and 94.10% compared to the same period in 2023. Dak Lak factory alone achieved only 37.2 million liters, equal to 73.0% of the 2024 plan and 95.0% compared to the same period in 2023. Of which, Saigon Larger 450 bottled beer achieved 19.15 million liters (plan of 20 million liters), Saigon Larger 330 canned beer achieved 37.24 million liters (plan of 50 million liters), and Saigon Chill 330 canned beer did not reach the plan of 1 million liters.

In addition to the general difficulties of the market, Sabeco Corporation continues to apply a discriminatory policy towards production factories based on the percentage of the Corporation's capital contribution, leading to a decrease in Saigon Beer's sales volume at SMB factories, especially Dak Lak factory, which achieved a very low result compared to the plan assigned by the Corporation (only 73.91% of the 2023 plan).





### LOWEN BOTTLED BEER

Lowen bottled beer is mainly consumed on-trade, which is a channel with many competing products in the same segment, so Lowen beer's sales volume is currently facing many difficulties.

### LOWEN SILVER CANNED BEER

Lowen Silver canned beer was launched in early 2024 and has been well received by customers in the initial assessment. However, this is also a new product facing competition from products in the same segment, so the sales volume is still low, reaching only 0.93 million liters.



### QUY NHON BEER

Thanks to focusing on increasing coverage on both on-trade and off-trade channels, Quy Nhon bottled beer's sales volume grew quite well compared to the same period in 2023 (reaching 138.5% of the 2024 plan and 116.3% compared to the same period in 2023). On the other hand, Quy Nhon bottled beer is a product in the low (very low) segment, so its price is suitable for the purchasing power of the majority of the poor and low-middle-income working class.

Besides, the Company promotes marketing and product promotion, boldly expands the market, especially new markets and out-of-province markets, and flexibly operates sales policies, so the self-produced beer market share is maintained and somewhat developed (sales volume in new markets reached 15.76 million liters, accounting for 19.45% of total output). Thanks to that, the Quy Nhon bottled beer brand has also become more famous, its recognition has increased, and it has appeared at many retail points, creating favorable conditions for consumers when they need to use it, especially in the rural market.



### DAK LAK BOTTLED BEER

The first batch was produced on November 19, 2024, and this product was launched on November 20, 2024. Initially, there were many positive comments about the product such as beautiful design, easy to drink, and reasonable price.

### DRAUGHT BEER

Although the weather last year (prolonged rain and storms) was not favorable for draught beer consumption, thanks to the promotion of marketing activities, especially expanding the market to other provinces and new markets, draught beer consumption still maintained market share and grew compared to the same period (reaching 123.6% of the 2024 plan and 106.1% compared to the same period in 2023).

### QUY NHON CANNED BEER

Launched in late August 2022, Quy Nhon canned beer is a new product and faces many competitors, so the sales volume is still low compared to the same period (only reaching 43.07% of the 2024 plan).



## 2. INVESTMENT ACTIVITIES

Unit: VND

No.	Indicator	Investment plan	Contract/approval value	Total payment value	Project completion rate
<b>1</b>	<b>Dak Lak Office and Factory</b>	<b>14,218,260,000</b>	<b>16,570,915,014</b>	<b>16,474,915,870</b>	<b>99%</b>
	Projects carried over from 2023	7,292,200,000	3,019,000,000	3,035,642,597	101%
	New projects in 2024	6,926,060,000	6,926,060,000	13,551,915,014	99%
<b>2</b>	<b>Quy Nhon Factory</b>	<b>50,118,266,000</b>	<b>24,248,408,947</b>	<b>14,794,638,245</b>	<b>61%</b>
	Projects carried over from 2023	34,918,266,000	22,795,983,555	13,421,287,689	59%
	New projects in 2024	15,200,000,000	1,452,425,392	1,373,350,556	95%
<b>3</b>	<b>Phu Yen Factory</b>	<b>11,670,000,000</b>	<b>5,793,020,492</b>	<b>4,558,707,000</b>	<b>79%</b>
	Projects carried over from 2023	8,720,000,000	1,750,209,492	1,679,500,000	96%
	New projects in 2024	2,950,000,000	4,042,811,000	2,879,811,000	71%
	<b>TOTAL</b>	<b>76,006,526,000</b>	<b>46,612,344,453</b>	<b>35,828,261,115</b>	<b>77%</b>

In 2024, the Company continued to focus on prioritizing investment in equipment for urgent projects to ensure product quality, especially for the Company's strategic projects. With the goal of not only maintaining but also promoting production and business efficiency, while focusing on saving energy, electricity, water, and maintenance costs, and improving the efficiency of the Company's management and administration.

### Financial Investments:

**Short-term:** As of December 31, 2024, the Company has VND 113,000,000,000 invested in holdings to maturity, which are term deposits at banks with maturity dates more than three months from the deposit date and less than twelve months from the reporting date. The term deposits are made in VND and earn annual interest rates ranging from 5.35% to 6.1% (January 1, 2024: from 4.1% to 9.3%).

**Long-term:** SMB's long-term financial investments are focused on investments in subsidiaries and affiliates, details of which are presented on page 17.

## 3. FINANCIAL SITUATION

Unit: Million VND

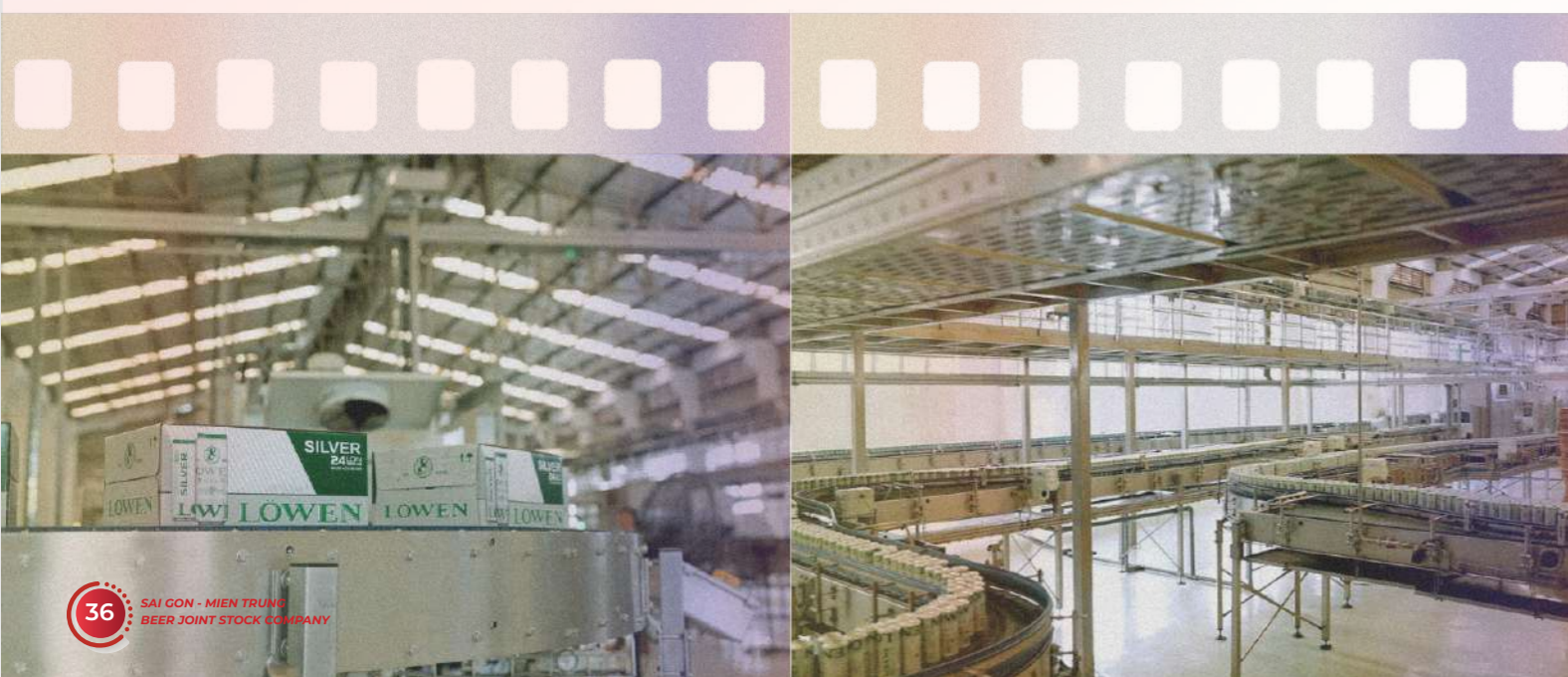
No.	Indicator	Actual 2023	Actual 2024	2024/2023
1	Total Assets	1,016,567	1,039,782	102.28%
2	Revenue from sales of goods and provision of services	1,319,918	1,446,431	109.58%
3	Gross Profit	341,449	404,111	118.35%
4	Results of other activities	1,300	29	2.23%
5	Accounting Profit Before Tax	195,659	223,819	114.39%
6	Net Profit After Tax	154,277	178,505	115.70%
7	Dividend Payout Ratio	35%*	50%	142.86%

(\* ) The company has fully paid the 2024 dividends. (Source: Consolidated Financial Statement 2024)

Unit: Million VND

No.	Indicator	Actual 2023	Actual 2024	2024/2023
1	Total Assets	1,002,115	1,039,425	103.72%
2	Revenue from sales of goods and provision of services	1,236,526	1,365,507	110.43%
3	Gross Profit	263,472	328,749	124.78%
4	Results of other activities	1,268	8	0.63%
5	Accounting Profit Before Tax	184,687	214,174	115.97%
6	Net Profit After Tax	149,792	174,113	116.24%
7	Dividend Payout Ratio	35%*	50%	142.86%

(\* ) The company has fully paid the 2024 dividends. (Source: Separate Financial Statement 2024)



# 3. FINANCIAL SITUATION (CONTINUE)

## MAJOR FINANCIAL INDICATORS

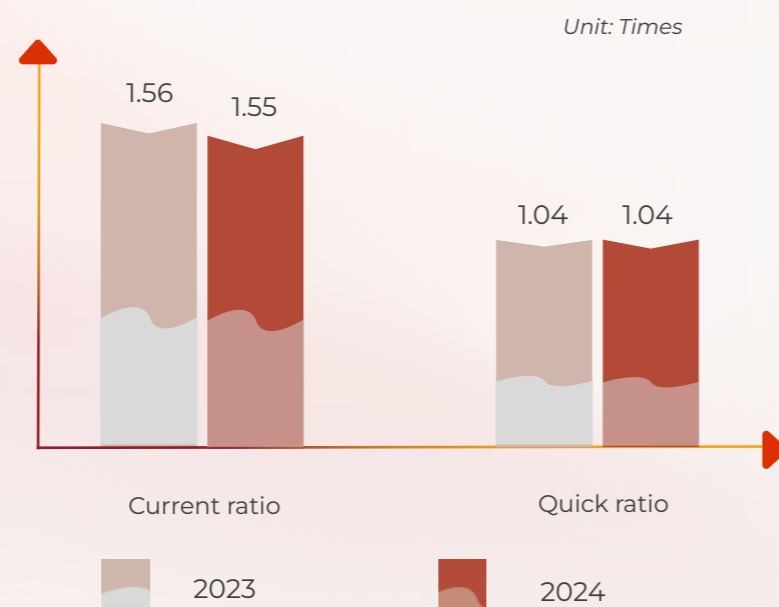
Indicator	Unit	2023	2024
<b>Solvency ratio</b>			
Current ratio	Times	1.56	1.55
Quick ratio	Times	1.04	1.04
<b>Capital structure Ratio</b>			
Debt/Total assets ratio	%	40.79%	42.91%
Debt/Owner's Equity ratio	%	68.89%	75.16%
<b>Operation capability Ratio</b>			
Inventory turnover	Times	4.36	4.93
Total asset turnover	Times	1.24	1.34
<b>Profitability Ratio</b>			
Profit after tax/ Net revenue Ratio (ROS)	%	12.11%	12.75%
Profit after tax/ total capital Ratio (ROE)	%	25.04%	29.34%
Profit after tax/ Total assets Ratio (ROA)	%	15.04%	16.75%
Profit from business activities/ Net revenue Ratio	%	14.83%	15.68%

(Source: data processed according to the Separate Financial Statement 2024)

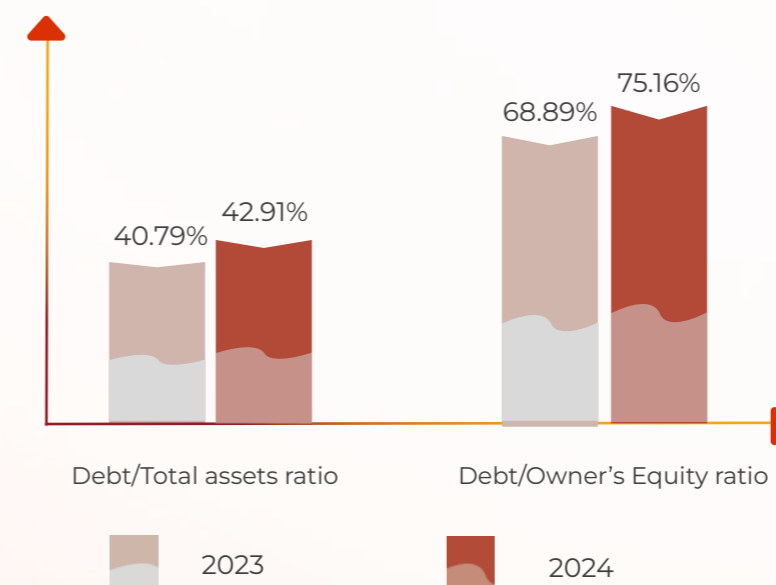
### Solvency ratio

The indicators reflecting SMB's payment ability in 2024 almost showed no change compared to 2023. The quick ratio remained the same at 1.04 times, while the current ratio decreased very slightly by nearly 0,01 times to 1.56 times.

Although these two ratios did not change, the value of SMB's current assets and current liabilities still changed. Specifically, SMB's current assets and current liabilities changed by almost the same amount of 8.82%. Current assets increased from 621,188 million VND to 672,070 million VND, and current liabilities increased from 398,268 million VND to 433,354 million VND.



### Capital structure Ratio



In 2023, SMB's Debt/Total Assets ratio reached 40.79% and increased to 42.91% in 2024. This reflects an increase in the proportion of debt in the company's total assets, showing that the company tends to increase the use of debt to finance business activities. SMB's Debt/Equity ratio in 2023 was 68.89% and increased to 75.16% in 2024.

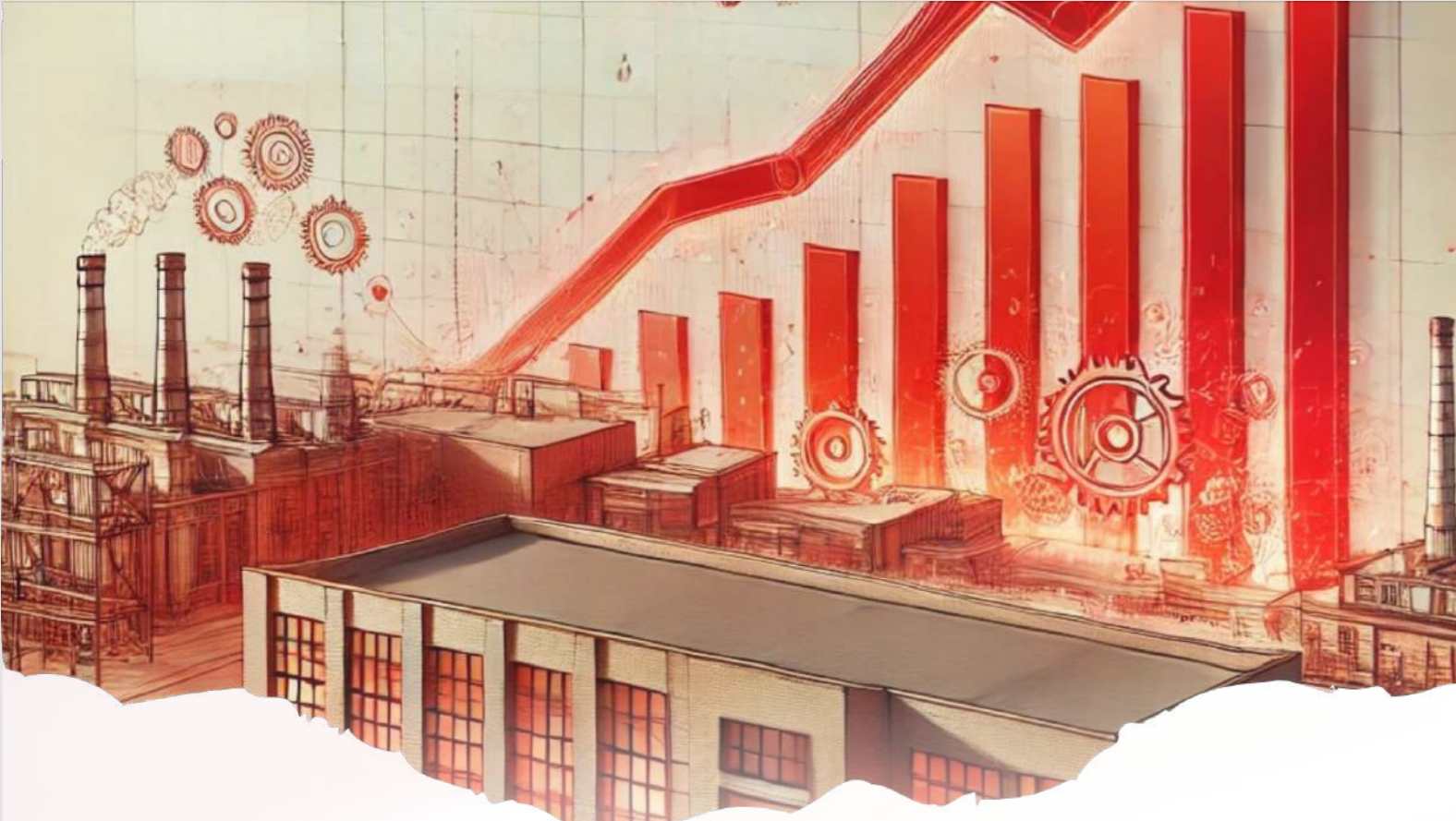
This indicator shows the level of debt usage compared to equity, and the increase from 68.89% to 75.16% indicates that the company is relying more on debt to finance its operations.

This could be a sign of investment expansion, but it also means increased financial risk if there is no strict control over cash flow and solvency. The increase in the debt ratio needs to be closely monitored to ensure that the company can maintain financial stability and not face difficulties in debt repayment in the future.

Specifically, for current assets, cash increased sharply by 134.38% from 9.672 million VND to 22,670 million VND, while short-term financial investments decreased sharply by nearly 50% from 223,614.39 million VND to 113,000 million VND. This change reflects a cautious financial policy in the Company's asset allocation: increasing the proportion of low-risk assets and reducing the proportion of higher-risk assets. This is an appropriate policy in the context of an economy with many fluctuations and unpredictable developments in the future.

Regarding current liabilities, other short-term payables increased the most, about 273%, from 16,268 million VND to 60,590 million VND. The increase in short-term payables helps businesses postpone cash payments, reduce capital costs, and optimize operating cash flow, thereby taking advantage of short-term cash flow for other purposes.





### Profitability Ratio

The profitability indicators of SMB continued to show a strong upward trend compared to the same period last year, reflecting the company's effective business operations and superior financial management. Specifically, the ROS ratio slightly increased from 12.11% to 12.75%, indicating that SMB has optimized cost management, improved profit margins, and enhanced operational efficiency. This reflects tight control over material costs, production operations, and optimized financial expenses.

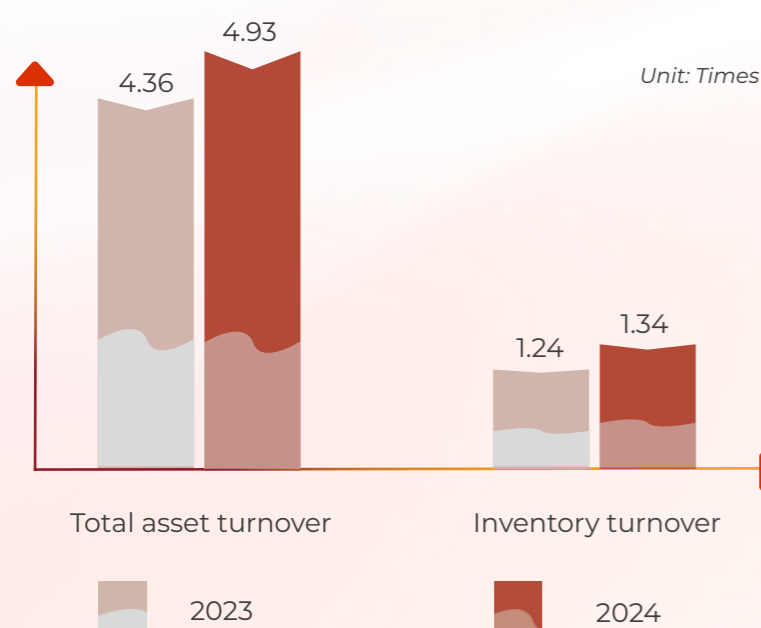
Additionally, both ROE and ROA showed impressive increases, rising from 25.04% to 29.34% (an increase of 17.18%) and from 15.04% to 16.75% (an increase of 11.38%), respectively. This increase demonstrates that the company is using assets and capital more efficiently to generate superior profits, even amidst economic fluctuations. Furthermore, the operating profit

margin/revenue ratio also saw a strong increase of nearly 6%, from 14.83% to 15.68%, reflecting a breakthrough in core business activities, thanks to measures optimizing production processes, increasing sales performance, and controlling costs effectively.

With all financial indicators in a favorable range, SMB is solidifying its position as a company with efficient financial management, optimized capital use, and maintained high profitability. This not only helps the company increase value for its shareholders but also establishes a strong foundation to continue expanding the market and seizing growth opportunities in the future. As consumer demand for alcoholic beverages gradually recovers, SMB is well-positioned to maintain growth momentum, improve business efficiency, and strengthen its competitive position in the market.



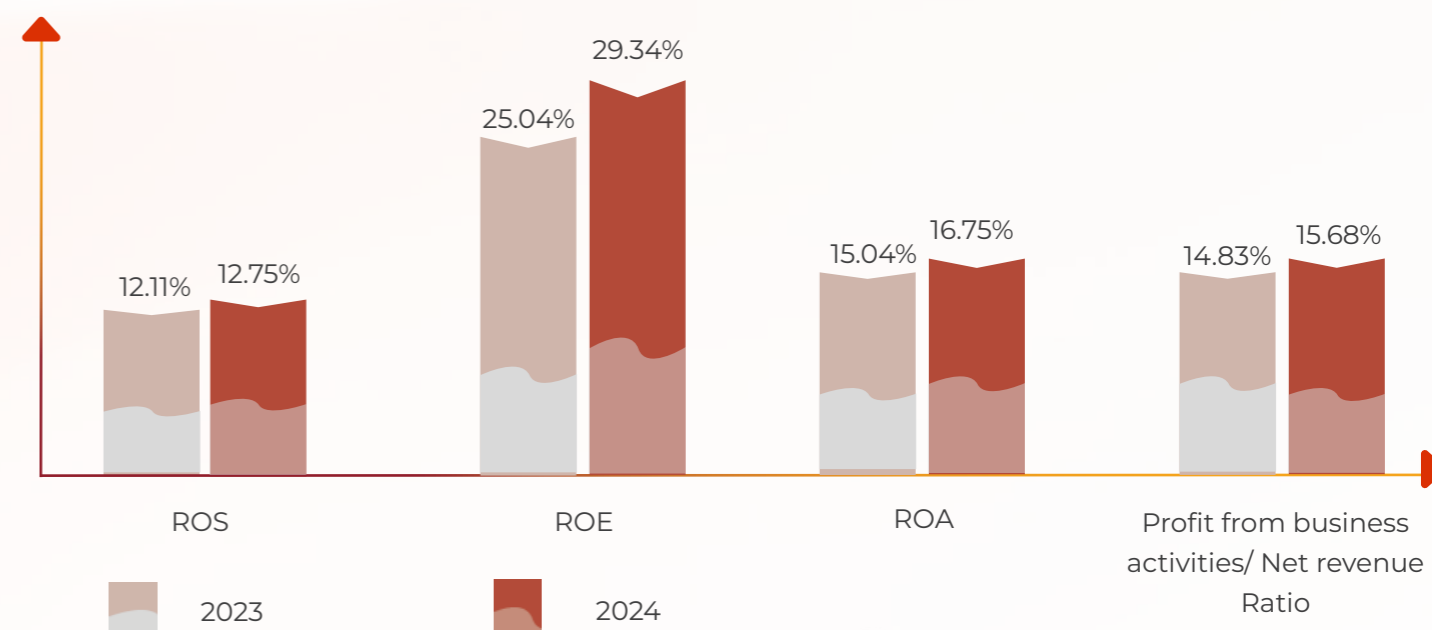
### Operation capability Ratio



SMB's inventory turnover ratio in 2024 reached 4.93 times, an increase of 0.57 times compared to 4.36 times in 2023. This increase shows that SMB has improved its inventory management ability, making the consumption of goods more efficient. An increase in inventory turnover means that the company has reduced the storage time of goods, reduced storage costs, and can increase revenue without maintaining too much inventory. This shows that SMB is optimizing the production and distribution process, helping to improve financial efficiency.

SMB's total asset turnover ratio also increased from 1.24 times in 2023 to 1.34 times in 2024. This improvement reflects that the company has used its overall assets more efficiently to generate revenue. The increase in total asset turnover shows that SMB has the ability to use existing assets to produce and consume goods optimally, helping to increase productivity and minimize waste. This also indicates that the company has better asset management capabilities and makes the most of resources to drive business growth in 2024.

In general, both SMB's inventory turnover and total asset turnover ratios increased in 2024, reflecting a significant improvement in asset and inventory management capacity. This improvement not only helps optimize costs but also increases production and business efficiency, while enhancing the company's operating capacity in a volatile economic context.



## 4. SHAREHOLDERS STRUCTURE CHANGE IN THE OWNER'S EQUITY.

### SHARES

**Charter Capital: 298,466,480,000 VND**

**Total Shares Issued: 29,846,648 shares**

**Number of Outstanding Shares:**

29,846,648 shares

**Number of Treasury Shares:** 0 shares

**Number of Restricted Shares:** 0 shares

**Par Value:** 10,000 VND/share

**Common Shares:**  
29,846,648 shares

**Preferred Shares:** 0 shares

### LISTING INFORMATION

First Listing Date	03/08/2018
Current Listing Exchange	HOSE
Face Value	10,000
Reference Price	31,300
Current Listing Volume	29,846,648
Total Listing Value	298,466,480,000



### SHAREHOLDER STRUCTURE

As of December 31, 2024

No.	Type of Shareholder	Number of Shareholders	Number of Shares	Value (Million VND)	Ownership Ratio (%)
I	State Shareholder	1	719,848	7,198.48	2.41%
II	Domestic Shareholders	2,038	25,762,401	257,624.01	83.32%
	Institutional	16	17,033,116	170,331.16	57.07%
	Individual	2,022	8,729,285	872,292.85	29.25%
III	Foreign Shareholders	92	4,084,247	40,842.47	16.68%
	Institutional	21	2,277,141	22,771.41	7.63%
	Individual	71	1,807,106	18,071.06	9.05%
Total (II+III)		2,130	29,846,648	298,466.48	100%

Maximum Foreign Ownership Ratio: 49%

### LIST OF MAJOR SHAREHOLDERS

As of December 31, 2024

No.	Shareholder Name	Business Registration No.	Address	Number of Shares Hold	Ratio (%)
1	Saigon Beer – Alcohol – Beverage Corporation	0300583659	06 Hai Ba Trung - Ben Nghe Ward - 1 District - Ho Chi Minh City	9,617,363	32.22%
2	Vietcomreal Real Estate Joint Stock Company	0305376818	68 Nguyen Hue, Ben Nghe Ward, District 1, Ho Chi Minh City	3,745,550	12.54%
3	PhuYen Lottery OneMember Limited Liability Company	4400116969	204 Tran Hung Dao, Ward 4, Tuy Hoa City, Phu Yen Province	1,602,940	5.37%
4	CAPITAL SHINE LIMITED	CA3453	9 North Buona Vista Drive # 12-01 The Metropolis Tower 1, Singapore, 138588	1,587,271	5.32%

**Changes in Owner's Equity:** No change

**Treasury Stock Transactions:** None

**Other Securities:** None



# CHAPTER 3

## ORGANIZATION AND HUMAN RESOURCES



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# 1. BOARD OF DIRECTORS

No.	Board of Directors	Position	Ownership Representation		Personal Ownership		Related Party Ownership	
			Number of Shares	Ownership Ratio	Number of Shares	Ownership Ratio	Number of Shares	Ownership Ratio
1	Mr. Lam Du An	Chairman	3.647.363	12,22%	0	0	0	0
2	Mr. Huynh Van Dung	Executive Member	2.985.000	10,00%	412.495	1,38%	32.200	0,11%
3	Mr. Doan Tien Dung	Non-Executive Member	2.985.000	10,00%	0	0	0	0
4	Ms. Nguyen Thi Phuoc	Non-Executive Member	4.663.777	15,61%	0	0	0	0
5	Mr. Pham Van Phong	Independent Member	0	0	0	0	0	0



**Mr. Lam Du An**  
HEAD BOD

Date of Birth : January 5, 1967  
 Place of Birth : Ho Chi Minh City  
 Nationality : Vietnam  
 Professional Qualification : Mechanical Engineer  
 Current Position : Chairman of the Board of Directors

**Current Position in Other Organizations:**

- Deputy General Director of Saigon Beer – Alcohol – Beverage Corporation (SABECO)
- Chairman of the Board of Directors of Saigon – Hanoi Beer Joint Stock Company
- Chairman of the Board of Directors of Sabeco Mechanical One Member Limited Liability Company
- Member of the Board of Directors of Saigon – Vinh Long Beer Joint Stock Company
- Chairman of the Board of Directors of Saigon – Nghe Tinh Beer Joint Stock Company

**Work Experience:**

Time	Position
• From 10/1989 to 06/1990	Engineer at Ben Thanh Cigarette Factory
• From 06/1990 to 10/1991	Engineer at Ham Tu Ice Factory
• From 10/1991 to 10/2004	Engineer, Maintenance Team Leader at Saigon Beer Company
• From 10/2004 to 4/2006	Deputy Manager of Maintenance Workshop at Saigon Beer – Alcohol – Beverage Corporation (SABECO)
• From 4/2006 to 05/2007	Head of Project Management Board of Saigon – Bac Lieu Beer
• From 05/2007 to 10/2012	Head of Project Management Board of Saigon – Vinh Long Beer
• From 10/2012 to 06/2016	Director of Saigon – Vinh Long Beer Joint Stock Company
• From 06/2016 to 10/2017	Director of Saigon – Nguyen Chi Thanh Beer Factory under Saigon Beer – Alcohol – Beverage Corporation (SABECO)
• From 10/2017 to Present	Deputy General Director of SABECO concurrently Director of Saigon – Nguyen Chi Thanh Beer Factory

<b>Number of Shares Owned:</b>	<b>3,647,363</b>	<b>Ownership Ratio</b>	<b>12.22%</b>
Personal Ownership	0	Ownership Ratio	0%
Ownership Representation (Ownership representative of Saigon Beer - Alcohol - Beverage Corporation)	3,647,363	Ownership Ratio	12.22%
Related Party Ownership	0	Ownership Ratio	0%



# 1. BOARD OF DIRECTORS (CONTINUE)



Mr. Huynh Van Dung  
MEM. BOD - GD

Date of Birth : January 30, 1962  
Place of Birth : Quang Ngai  
Nationality : Vietnam  
Professional Qualification: Food Chemistry Engineer, Bachelor of English  
Current Position : Executive Board Member, General Director

**Current Position in Other Organizations:**

- Member of the Board of Directors of Phu Yen Printing – Trading Joint Stock Company
- Member of the Board of Directors of Saigon – Tay Nguyen Beer Trading Joint Stock Company

**Awards:** Prime Minister’s Certificate of Merit; Third-Class Labor Order

**Work Experience:**

Time	Position
• From 08/1984 to 12/1995	Professional Staff, Deputy Head, Head of Goods Inspection Department, Deputy Head of Processing Workshop at Dak Lak Import - Export Investment Company
• From 12/1995 to 02/2005	Deputy Director of Dak Lak Import-Export Investment Company
• From 02/2005 to 9/2008	Director of Saigon – Dak Lak Beer Joint Stock Company
• From 09/2008 to 11/2013	Director of Saigon – Mien Trung Beer Joint Stock Company Branch in Dak Lak
• From 12/2013 to Present	- Member of the Board of Directors, General Director of Saigon – Mien Trung Beer Joint Stock Company - Member of the Board of Directors of Saigon – Tay Nguyen Beer Trading Joint Stock Company - Chairman of the Board of Directors of An Hung Trading – Service Joint Stock Company - Chairman of Dak Lak Business Association

Number of Shares Owned:	3,430,495	Ownership Ratio	11.49%
Personal Ownership	412,495	Ownership Ratio	1.38%
Ownership Representation (Ownership representative of Saigon Beer - Alcohol - Beverage Corporation)	2,985,000	Ownership Ratio	10.00%
Related Party Ownership	33,000	Ownership Ratio	0.11%
• Huynh Thi Kim Thuy (Sister)	2,000	Ownership Ratio	0.01%
• Huynh Van Trien (Brother)	31,000	Ownership Ratio	0.10%



Mr. Doan Tien Dung  
MEM. BOD

Date of Birth : June 05, 1977  
Place of Birth : Hai Phong City  
Nationality : Vietnam  
Professional Qualification : Master of Commerce  
Current Position : Non-Executive Board Member

**Current Position in Other Organizations:**

- Financial Director of Saigon Beer - Alcohol - Beverage Corporation
- Member of the Board of Directors of Saigon Beer Trading Joint Stock Company – MienTrung
- Member of the Board of Directors of Saigon Beer Trading Joint Stock Company – Dong Nam Bo
- Member of the Board of Directors of Saigon Beer Trading Joint Stock Company – Nghe Tinh
- Member of the Board of Directors of Saigon Beer - Hanoi Joint Stock Company
- Member of the Supervisory Board of Saigon Beer - Mien Tay Joint Stock Company

**Work Experience:**

Time	Position
• From 2013 to Present	Financial Director of Saigon Beer - Alcohol - Beverage Corporation
• From 2017 to Present	Member of BOD of Saigon Beer - Mien Tay Joint Stock Company
• From 2019 to Present	Member of the BOD of Saigon Beer Trading Joint Stock Company – Mien Trung and Dong Nam Bo
• From 2021 to Present	Member of BOD of Saigon Beer Trading Joint Stock Company – Nghe Tinh
• From 2023 to Present	Member of BOD of Saigon Beer - Hanoi Joint Stock Company

Number of Shares Owned:	2,985,000	Ownership Ratio	10.00%
Personal Ownership	0	Ownership Ratio	0%
Ownership Representation (Ownership representative of Saigon Beer - Alcohol - Beverage Corporation)	2,985,000	Ownership Ratio	10.00%
Related Party Ownership	0	Ownership Ratio	0%

# 1. BOARD OF DIRECTORS (CONTINUE)



Date of Birth : April 25, 1959  
 Place of Birth : Khanh Hoa  
 Nationality : Vietnam  
 Professional Qualification : Bachelor of Economics  
 Current Position : Non-Executive Board Member

**Current Position in Other Organizations:**

- Capital Representative of Viet Real Estate Trading Joint Stock Company
- Member of BOD of Viet Gia Phu Real Estate Business Investment Limited Company

**Work Experience:**

Time	Position
• From 1996 to 2007	Director of Hiep Phuc Investment - Trading - Tourism Ltd. Company
• From 2008 to 2023	General Director of Viet Real Estate Trading Joint Stock Company
• From 05/2013 to Present	Member of BOD of Saigon - Mien Trung Beer Joint Stock Company

Number of Shares Owned:	4,663,777	Ownership Ratio	15.61%
Personal Ownership	0	Ownership Ratio	0%
Ownership Representation	4,663,777	Ownership Ratio	15.61%
• Viet Real Estate Trading Joint Stock Company	3,745,550	Ownership Ratio	12.54%
• Viet Gia Phu Real Estate Business Investment Limited Company	918,227	Ownership Ratio	3.07%
Related Party Ownership	0	Ownership Ratio	0%



Date of Birth : October 07, 1962  
 Place of Birth : Thanh Hoa  
 Nationality : Vietnam  
 Professional Qualification : Master of Business Administration  
 Current Position : Independent Board Member

**Current Position in Other Organizations:**

- Executive Vice Chairman of the Board of Directors of Sacombank

**Work Experience:**

Time	Position
• From 1993 to 1996	Director of Krong Buk Dak Lak Regional Agricultural Bank
• From 10/1996 to 10/2002	Deputy Director of Vietcombank Dak Lak Branch
• From 2002 to 2017	Director of Vietcombank Dak Lak Branch
• From 2017 to 2018	Vice Chairman, Vice Chairman of BOD of Sacombank
• From 2018 to 2022	- Executive Vice Chairman of BOD of Sacombank - Independent Member of BOD of Saigon Beer - MienTrung JSC
• From 2022 to Present	- Vice Chairman of BOD of Sacombank - Independent Member of BOD of Saigon Beer - MienTrung JSC

Number of Shares Owned:	0	Ownership Ratio	0%
Personal Ownership	0	Ownership Ratio	0%
Ownership Representation	0	Ownership Ratio	0%
Related Party Ownership	0	Ownership Ratio	0%

## 2. ORGANIZATION AND HUMAN RESOURCES

No.	BOARD OF MANAGEMENT	Position	Ownership Representation		Personal Ownership		Related Party Ownership	
			Number of Shares	Ownership Ratio	Number of Shares	Ownership Ratio	Number of Shares	Ownership Ratio
1	Mr. Huynh Van Dung	Executive Member, General Director	2,985,000	10%	412,495	1.38%	32,200	0.11%
2	Mr. Vo Thanh Dien	Deputy General Director	-	-	35,843	0.12%	28,002	0.09%
3	Mr. Nguyen Thanh Nguyen	Chief Accountant	-	-	-	-	-	-
4	Mr. Tran Huu Phu	Head of Corporate Governance	-	-	11,200	0.03%	-	-
5	Mr. Nguyen Hoang Long	Branch Director	-	-	5,008	0.02%	20,900	0.07%
6	Mr. Dang Sanh Dinh	Branch Director	-	-	9,702	0.03%	2,695	0.01%



Date of Birth : April 12, 1966  
 Place of Birth : Khanh Hoa  
 Nationality : Vietnam  
 Professional Qualification : Bachelor of Economics  
 Current Position : Deputy General Director  
 Current Position in Other Organizations: None  
 Awards: Certificate of Merit from the Prime Minister  
 Work Experience:

Time	Position
• From 06/1993 to 07/1994	Deputy Head of Investment and Debt Department, Dak Lak Import-Export Investment Company
• From 07/1994 to 06/2002	Director of Dak Lak Import-Export Investment Company Branch in Krong Nang, Krong Buk, Chu Se District
• From 6/2002 to 05/2007	Deputy Head, Head of Planning and Operations Department, Dak Lak Import-Export Investment Company
• From 7/2007 to 12/2007	In charge of Sales Department, Saigon – Dak Lak Beer JSC
• From 1/2008 to 09/2009	Head of Planning and Sales Department, Saigon – Dak Lak Beer JSC
• From 10/2009 to 12/2013	Head of Planning and Sales Department, Saigon – Mien Trung Beer Joint Stock Company Branch in Dak Lak
• From 01/2014 to 12/2017	Sales Director, Head of Planning and Sales Department, Saigon – Mien Trung Beer Joint Stock Company
• From 12/2017 to Present	Deputy General Director, Saigon – Mien Trung Beer JSC

<b>Number of Shares Owned</b>	<b>35,843</b>	<b>Ownership Ratio</b>	<b>0.12%</b>
Personal Ownership	35,843	Ownership Ratio	0.12%
Ownership Representation	0	Ownership Ratio	0%
Related Party Ownership	28,002	Ownership Ratio	0.09%
Dang Thi Loan (Wife)	28,002	Ownership Ratio	0.09%



## 2. BOARD OF MANAGEMENT AND OTHER EXECUTIVES



**Mr. Nguyen Thanh Nguyen**  
CHIEF ACCOUNTANT

Date of Birth : September 24, 1981  
Place of Birth : Binh Dinh  
Nationality : Vietnam  
Professional Qualification : Bachelor of Finance and Banking  
Current Position : Chief Accountant  
Current Position in Other Organizations: None  
Work Experience:

Time	Position
• From 03/2007 to 2008	Accounting Staff, General Accountant of the Finance and Accounting Department, Saigon Beer - DakLak JSC.
• From 2008 to 2013	General Accountant of the Dak Lak Branch, Saigon Beer - Mien Trung Joint Stock Company
• From 2013 to Present	Deputy Head of the Finance and Accounting Department of Saigon Beer - Mien Trung Joint Stock Company
• From 2024 to Present	Chief Accountant of Saigon Beer - Mien Trung Joint Stock Company

Number of Shares Owned	Ownership Ratio	Ownership Ratio
Personal Ownership	0	0%
Ownership Representation	0	0%
Related Party Ownership	0	0%



**Mr. Tran Huu Phu**  
MANAGER CG

Date of Birth : October 15, 1976  
Place of Birth : Ha Tinh  
Nationality : Vietnam  
Professional Qualification : Bachelor of English, Bachelor of Business Administration  
Current Position: Manager of Corporate Governance and Organization-Administration Department  
Current Position in Other Organizations: None  
Work Experience:

Time	Position
• From 04/2004 to 11/2007	Staff of the Labor Export and Expert Center, DakLak Import-Export Investment Company
• From 12/2007 to 12/2008	Sales Department Staff in DakLak Import-Export Investment Company
• From 03/2008 to 12/2008	Planning and Sales Department Staff, DakLak Branch, Saigon Beer - Mien Trung Joint Stock Company
• From 01/2009 to 12/2013	Organization and Administration Department Staff, DakLak Branch, Saigon Beer - Mien Trung Joint Stock Company
• From 01/2014 to 12/2019	Deputy Head of the Organization and Administration Department, Saigon Beer - Mien Trung Joint Stock Company
• From 11/2019 to 12/2020	Corporate Governance Officer and Deputy Head of the Organization and Administration Department, Saigon Beer - Mien Trung JSC
• From 01/2021 to Present	Corporate Governance Officer and Head of the Organization and Administration Department, Saigon Beer - Mien Trung JSC

Number of Shares Owned	Ownership Ratio	Ownership Ratio
Personal Ownership	11,200	0.03%
Ownership Representation	0	0%
Related Party Ownership	0	0%

### CHANGES IN THE BOARD OF MANAGEMENT IN 2024

On December 28, 2023, the Board of Directors issued Resolution No. 28/2023/QĐ-HĐQT on appointing Mr. Nguyen Thanh Nguyen to the position of Chief Accountant of Saigon – Mien Trung Beer Joint Stock Company for a term of 3 years, effective from January 1, 2024.

## 2. BOARD OF MANAGEMENT AND OTHER EXECUTIVES

Date of Birth : December 14, 1962  
 Place of Birth : Hoai An, Binh Dinh  
 Nationality : Vietnam

**Current Position:**

- Branch Director of Saigon Beer - MienTrung Joint Stock Company in Quy Nhon
- Director of Quy Nhon Beer Trade - Service One Member Limited Company

**Current Position in Other Organizations:** None

<b>Number of Shares Owned</b>	<b>25,908</b>	<b>Ownership Ratio</b>	<b>0.09%</b>
Personal Ownership	5,008	Ownership Ratio	0.02%
Ownership Representation	0	Ownership Ratio	0%
Related Party Ownership	20,900	Ownership Ratio	0.07%
• Huynh Thi Bich Tien (Wife)	20,900	Ownership Ratio	0.07%



Date of Birth : January 02, 1973  
 Place of Birth : Dong Hoa, Phu Yen  
 Nationality : Vietnam

**Current Position:**

- Branch Director of Saigon Beer - MienTrung Joint Stock Company in Phu Yen
- Director of Phu Yen Beer Trade - Service One Member Limited Company

**Current Position in Other Organizations:** None

<b>Number of Shares Owned</b>	<b>12,397</b>	<b>Ownership Ratio</b>	<b>0.04%</b>
Personal Ownership	9,702	Ownership Ratio	0.03%
Ownership Representation	0	Ownership Ratio	0%
Related Party Ownership	2,695	Ownership Ratio	0.01%
• Huynh Thi Tuong Van (Wife)	2,695	Ownership Ratio	0.01%



## 3. BOARD OF SUPERVISORS

No.	Board of Supervisors	Position	Ownership Representation		Personal Ownership		Related Party Ownership	
			Number of Shares	Ownership Ratio	Number of Shares	Ownership Ratio	Number of Shares	Ownership Ratio
1	Mr. Nguyen Van Dung	Head	0	0	0	0	3,069	0.01%
2	Mr. Trinh Van Thao	Member	0	0	0	0	0	0
3	Mr. Bui Quang Dang	Member	1,602,940	5.37%	0	0	0	0

Date of Birth : February 8, 1971  
 Place of Birth : Da Nang  
 Nationality : Vietnam

**Professional Qualification** : Bachelor of Accounting

**Current Position** : Head of the Board of Supervisors

**Current Position in Other Organizations:** None

**Work Experience:**

Time	Position
• From 1996 to 2003	Chief Accountant, Hiep Phuc Investment – Trading – Tourism Company Limited
• From 2004 to 2009	Director of Hiep Phuc Investment – Trading – Tourism Company Limited Branch in Quang Nam (Tam Ky Toll Station)
• From 2010 to 04/2016	Deputy General Director, Vietcomreal Joint Stock Company
• From 05/2016 to Present	Head of Supervisory Board, Saigon – Mien Trung Beer Joint Stock Company

<b>Number of Shares Owned</b>	<b>3,069</b>	<b>Ownership Ratio</b>	<b>0.01%</b>
Personal Ownership	0	Ownership Ratio	0%
Ownership Representation	0	Ownership Ratio	0%
Related Party Ownership	3,069	Ownership Ratio	0.01%
• Pham Ha Thai Uyen (Wife)	3,069	Ownership Ratio	0.01%



### 3. BOARD OF SUPERVISORS



**Mr. Trinh Van Thao**  
MEM. BOS

Date of Birth : February 2, 1973  
 Place of Birth : Thanh Hoa  
 Nationality : Vietnam  
 Professional Qualification : Bachelor of Economics  
 Current Position : Member of the Board of Supervisors

**Current Position in Other Organizations:**

Staff in Internal Control Department of Saigon Beer – Alcohol – Beverage Corporation (SABECO)

**Work Experience:**

Time	Position
• From 1996 to 2001	Accounting Assistant, Finance and Accounting Department, Truong Son Construction Corporation, Ministry of National Defense
• From 2001 to 2006	General Accountant, Finance and Accounting Department, TOSECO Tourism – Service and Trading Company, Ministry of National Defense
• From 2006 to 2010	Chief Accountant, Phuong Nam Trading – Service Center, Ministry of National Defense
• From 2011 to Present	- Internal Audit Specialist, Internal Audit Department, Saigon Beer – Alcohol – Beverage Corporation; - Member of Supervisory Board, Saigon – Mien Trung Beer Joint Stock Company

Number of Shares Owned	Ownership Ratio	Ownership Ratio
Personal Ownership	0	0%
Ownership Representation	0	0%
Related Party Ownership	0	0%



**Mr. Bui Quang Dang**  
MEM. BOS

Date of Birth : October 5, 1965  
 Place of Birth : Phu Yen  
 Nationality : Vietnam  
 Professional Qualification : Master of Economics  
 Current Position : Member of the Board of Supervisors

**Current Position in Other Organizations:**

Chairman of Phu Yen Lottery One Member Limited Liability Company

**Work Experience:**

Time	Position
• From 1986 to 1991	Worked at Song Cau Trading Company, Phu Yen
• From 08/1993 to 2014	Chief Accountant, Phu Yen Lottery Company
• From 2014 to 10/2016	Deputy Director, Phu Yen Lottery One Member Ltd.Liability Company
• From 11/2016 to Present	Chairman, Phu Yen Lottery One Member Limited Liability Company
• From 04/2017 to Present	Member of Supervisory Board, Saigon – Mien Trung Beer Joint Stock Company

Number of Shares Owned	Ownership Ratio	Ownership Ratio
Personal Ownership	1.602.940	5,37%
Ownership Representation (Ownership Representative of Phu Yen Lottery One Member Limited Company)	0	0%
Related Party Ownership	0	0%



## 4. HUMAN RESOURCES AND LABOR POLICIES

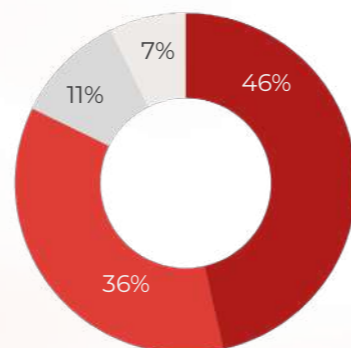
### HUMAN RESOURCES SITUATION

#### NUMBER OF EMPLOYEES

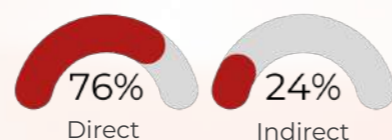
As of December 31, 2024

No.	Classification	Number (people)	Percentage (%)
<b>I</b>	<b>By Labor Qualification</b>	<b>495</b>	<b>100%</b>
1	University Degree and Above	230	46%
2	College, Professional Secondary	177	36%
3	Primary and Technical Workers	52	11%
4	Unskilled Laborers	36	7%
<b>II</b>	<b>By Labor Category</b>	<b>495</b>	<b>100%</b>
1	Direct Labor	378	76%
2	Indirect Labor	117	24%
<b>III</b>	<b>By Gender</b>	<b>495</b>	<b>100%</b>
1	Male	410	83%
2	Female	85	17%
<b>IV</b>	<b>By Labor Contract Term</b>	<b>495</b>	<b>100%</b>
1	Short-term Contract Under 1 Year	0	0%
2	Fixed-term Contract from 1 to 3 Years	34	7%
3	Indefinite-term Contract	461	93%
<b>V</b>	<b>By Age</b>	<b>495</b>	<b>100%</b>
1	From 18 to 25 Years Old	4	1%
2	From 26 to 35 Years Old	105	21%
3	From 36 to 45 Years Old	189	38%
4	Over 45 Years Old	197	40%

By Labor Qualification



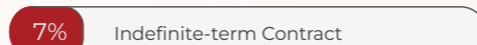
By Labor Category



By Gender



By Labor Contract Term



By Age



#### AVERAGE INCOME PER CAPITA IN 2024

Indicator	2020	2021	2022	2023	2024
Total Number of Employees (people)	487	493	490	492	495
Average Income (million VND/person/month)	13.8	14.5	15.2	15.9	16.7

## TRAINING, REMUNERATION, AND WELFARE POLICIES

### RECRUITMENT POLICY

Identifying 'People' as the core, deciding the long-term development of the Company, SMB regularly has a flexible recruitment policy, full of fairness, constantly attracting good employees and talents to the Company. Search for excellent and talented individuals, capable and dedicated to the Company. In addition, to ensure that all SMB employees are always in the best condition and meet the increasingly high job requirements, SMB has continuously organized intensive training sessions on professional skills. These training courses not only help improve professional skills but also create opportunities for knowledge and experience sharing among members in the organization.



### TRAINING

Quality human resources are a key factor in sustainable development. To ensure that human resources are increasingly professional, SMB continuously organizes training and development programs to improve employee skills and work performance. This is done periodically and is planned by the company's leadership.

Each year, SMB implements training programs according to job requirements and each department, aiming to provide knowledge and professional skills suitable for each job position. The goal is to help employees develop a deep understanding of their work and complete tasks excellently. The company is fully responsible for all costs related to training,

coaching, and improving employee skills. If employees want to self-develop and learn additional skills outside the company's training plan, SMB will consider and approve, as long as this does not affect the company's operations and production process. SMB encourages active learning and professional development.

In the case of employees self-paying for tuition fees and achieving good results after completing the course, the company will consider supporting a part of the cost or consider arranging a job suitable for their training profession. This is an opportunity for personal development and the transfer of new skills into the daily work process. To ensure that human resources are increasingly professional, we continuously organize training and development programs to improve employee skills and work performance. This is done periodically and is planned by the company's leadership. Programs to foster and improve skills are organized periodically by the leadership. Each year, the company organizes training programs according to job requirements and each department to improve professional skills suitable for each job position and ensure that employees complete their assigned tasks excellently.





## OCCUPATIONAL SAFETY

The company's equipment and factory systems are regularly inspected and evaluated according to regulations. This is to ensure that all equipment operates properly, does not pose risks to employees, and fully complies with occupational safety standards. The inspection process not only focuses on protective equipment but also includes inspection of facilities, working environment, and other related factors.

## REMUNERATION AND WELFARE POLICIES

The salary payment policy is built on the principle of complying with legal regulations and accurately reflecting the Company's operating industry. Remuneration is determined fairly and transparently, based on the qualifications, rank, and skills of each individual and department. This is to ensure that each employee is properly evaluated for their contribution and receives appropriate recognition. The deduction and payment of Social Insurance and Health Insurance are also carried out by the Company in accordance with current regulations, helping to protect the rights and social welfare of employees.

## HEALTHCARE

The company regularly organizes periodic health check-ups for employees to detect and treat health risks, thereby offering appropriate support policies. This helps improve the overall health of the workforce, while minimizing health risks in the workplace.

By focusing on employee healthcare, SMB hopes to create a positive working environment, improve the quality of life, and motivate everyone to work effectively and contribute to the company's development.

## WORKING REGIME

The Company operates 8 hours/day; 6 days/week. The working time of direct production workshops is divided into 3 shifts. Ensuring the rights of employees when working overtime and extra shifts according to the provisions of the Labor Code and providing adequate compensation.

## LEAVE, HOLIDAYS, AND TET

Employees are entitled to holidays and Tet holidays according to the provisions of the Labor Code. Employees with a working time of 12 months or more are entitled to 12 days of leave per year; if working less than 12 months, the number of leave days is calculated in proportion to the working time. In addition, for every 5 years of work, employees are entitled to an additional 1 day of leave.

## SICK LEAVE, MATERNITY LEAVE

Employees will be entitled to sick leave benefits according to the provisions of the law, medical examination and treatment at medical facilities according to the regulations of Vietnam Social Security.

## WORKING CONDITIONS

The Company has fully equipped with equipment, machinery, protective equipment for direct laborers. The office is spacious, the factory is spacious, airy, designed and built according to standards to ensure safety for employees. Occupational safety principles are implemented and strictly adhered to.



# CHAPTER 4

## REPORT OF THE BOARD OF MANAGEMENT



 Maximize efficiency by optimizing all innovations

# 1. ASSESSMENT ON BUSINESS AND PRODUCTION OUTCOMES

## GENERAL ANALYSIS

### General Overview

In 2024, despite the Covid-19 pandemic being under control, the prolonged Russia-Ukraine military conflict and instability in the Middle East led to disruptions in the supply chain. The prices of materials, raw materials, and energy continued to fluctuate significantly, mostly increasing, affecting the supply of raw materials and fuel for production and daily life. This directly impacted inflation and economic growth. Domestically, natural disasters and floods occurred complexly and unusually, causing difficulties for people's lives, especially workers and informal workers in rural areas. The recent storm Yagi caused severe damage to infrastructure, landslides, and floods in many

localities, reducing consumer demand in the market, making beer consumption increasingly difficult. In addition, Decree 100 of the Government, strictly applied to traffic participants, significantly affected beer and alcohol consumption last year.

### Advantages

In the context of a volatile world, Vietnam maintained its position as a country with political stability, relatively high economic growth, and an increasingly improved investment and business environment. This is a significant advantage, making Vietnam an attractive destination for investment capital and a favorable environment to attract factories and manufacturing enterprises in the region. The shift in the supply chain and international investment flows is creating many opportunities for domestic enterprises to develop more robustly. Locally, SABECO and local authorities have always paid close attention and created favorable conditions for businesses in many aspects, especially in technical work and product consumption. This is an important foundation for businesses to stabilize production and expand market share.

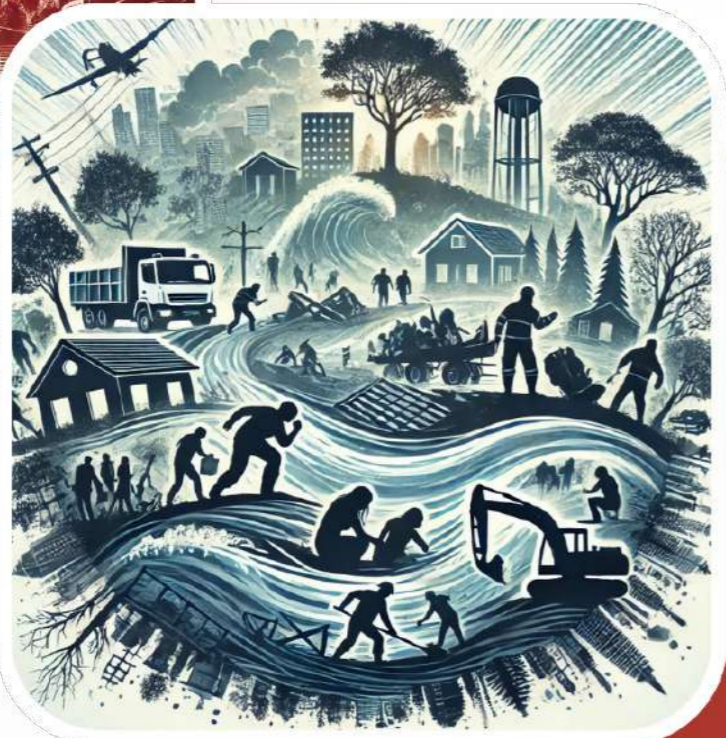
Besides, the staff and employees of the Company are highly qualified and experienced, meeting job requirements well. The spirit of responsibility and solidarity within the business is the core factor contributing to the sustainable development of the Company. In addition, the Saigon Beer brand still maintains a strong position in the market thanks to its stable quality and reasonable selling price, meeting consumer demand. Notably, the Company's self-produced beer is increasingly favored by local workers, contributing to improving brand awareness and expanding market share in the region.

### Disadvantages

Geopolitical factors such as the Russia-Ukraine war, tensions between Russia and the West, and instability in the Middle East are putting great pressure on global inflation, increasing risks in the financial market. Besides, the domestic economy still has a certain dependence on the international market, so it is inevitable to avoid the decline following the slowdown of the world economy.

Domestically, Decree 100/ND-CP continues to affect beer and alcohol consumption, causing many challenges for the beverage industry. In addition, natural disasters and climate change are increasingly unpredictable, irregular, and difficult to forecast, directly affecting people's lives and consumption behavior.

Not only that, consumer purchasing power also declined after more than three years of struggling with the Covid-19 pandemic, making the demand for goods in general and the beer and alcohol industry in particular face many difficulties. Besides, SABECO continues to implement a discriminatory policy, prioritizing allocating output to subsidiaries and significantly reducing the output supplied to affiliates, making competition in the industry increasingly fierce.



# 1. ASSESSMENT ON BUSINESS AND PRODUCTION OUTCOMES

## ACHIEVEMENTS OF THE COMPANY

2024 marks a significant step forward for SMB with positive business results. Total consumption volume reached 186.54 million liters, exceeding the planned target and showing strong growth compared to the previous year, indicating a recovering market purchasing power. Notably, in-house beer brands such as Qui Nhon bottled beer and Draught Beer recorded outstanding growth, thanks to effective market expansion strategies and creative marketing activities. The company's revenue and profit also demonstrated impressive growth. Although total revenue showed a slight discrepancy compared to the plan, the growth compared to 2023 is encouraging. Both pre-tax and after-tax profits surpassed expectations, demonstrating effective cost management and optimized production operations. Remarkably, gross profit from service provision increased sharply, reflecting improvements in the company's core operations. SMB's financial performance also improved significantly. Indicators such as inventory turnover and total asset turnover all showed optimization in asset management and business operations. ROS, ROE, and ROA increased, proving the company's profitability and capital efficiency.

SMB not only focuses on existing products but also emphasizes new product development and market expansion. The launch of Lowen Silver canned beer and DAKLAK bottled beer received positive feedback, while the exploitation of rural and suburban markets yielded favorable results. Additionally, the company continued to invest in strategic equipment and projects to enhance product quality and optimize production processes.

However, alongside the achievements, SMB also faced several challenges. Saigon Beer consumption volume decreased compared to the plan and the previous year, requiring adjustments in business strategy. Fluctuations in other profits also need to be addressed.



# 2024

Overall, 2024 was a successful year for SMB, with strong growth in production volume, revenue, and profit, along with improvements in financial performance. Despite some remaining challenges, the achieved results provide a solid foundation for the company's sustainable development in the future.

1. Total consumption volume increased

2. Revenue and profit growth

3. Improved financial operational efficiency

4. Developing new products and expanding markets

5. Investing in equipment and projects



## 2. FINANCIAL SITUATION

### ASSETS

Unit: Million VND

Indicator	2023		2024		Change	
	Value	Proportion	Value	Proportion	Value	% Change
<b>Short-term Assets</b>	<b>638.196</b>	<b>62,78%</b>	<b>674,490</b>	<b>64.87%</b>	<b>36,294</b>	<b>5.69%</b>
Cash and Cash Equivalents	139.302	21,83%	267,019	39.59%	127,717	91.68%
Short-term Financial Investments	223.614	35,04%	113,000	16.75%	(110,614)	(49.47%)
Short-term Receivables	56.955	8,92%	52,600	7.80%	(4,355)	(7.65%)
Inventory	213.591	33,47%	237,954	35.28%	24,363	11.41%
Other Short-term Assets	4.733	0,74%	3,916	0.58%	(817)	(17.26%)
<b>Long-term Assets</b>	<b>378.371</b>	<b>37,22%</b>	<b>365,291</b>	<b>35.13%</b>	<b>(13,080)</b>	<b>(3.46%)</b>
Fixed Assets	313.486	82,85%	286,752	78.50%	(26,734)	(8.53%)
Investment Real Estate	6.468	1,71%	6,120	1.68%	(348)	(5.39%)
Long-term Asset in Progress	215	0,06%	11,045	3.02%	10,830	5,037.29%
Long-term Financial Investments	976	0,26%	976	0.27%	0	(0.01%)
Other Long-term Assets	57.226	15,12%	60,399	16.53%	3,173	5.54%
<b>Total Assets</b>	<b>1.016.567</b>	<b>100,00%</b>	<b>1,039,782</b>	<b>100.00%</b>	<b>23,215</b>	<b>2.28%</b>

(Source: Consolidated Financial Statements of 2024)

Unit: Million VND

Indicator	2023		2024		Change	
	Value	Proportion	Value	Proportion	Value	% Change
<b>Short-term Assets</b>	<b>621.119</b>	<b>61,98%</b>	<b>672.071</b>	<b>64,66%</b>	<b>50.952</b>	<b>8,20%</b>
Cash and Cash Equivalents	135.037	21,74%	265.171	39,46%	130.134	96,37%
Short-term Financial Investments	223.614	36,00%	113.000	16,81%	(110.614)	(49,47%)
Short-term Receivables	57.494	9,26%	70.725	10,52%	13.231	23,01%
Inventory	200.620	32,30%	219.956	32,73%	19.336	9,64%
Other Short-term Assets	4.354	0,70%	3.219	0,48%	(1.135)	(26,06%)
<b>Long-term Assets</b>	<b>380.997</b>	<b>38,02%</b>	<b>367.354</b>	<b>35,34%</b>	<b>(13.643)</b>	<b>(3,58%)</b>
Fixed Assets	309.921	81,34%	283.889	77,28%	(26.032)	(8,40%)
Investment Real Estate	6.468	1,70%	6.120	1,67%	(348)	(5,39%)
Long-term Asset in Progress	215	0,06%	11.045	3,01%	10.830	5.037,29%
Long-term Financial Investments	24.012	6,30%	24.012	6,54%	0	0,00%
Other Long-term Assets	40.380	10,60%	42.288	11,51%	1.908	4,73%
<b>Total Assets</b>	<b>1.002.115</b>	<b>100,00%</b>	<b>1.039.425</b>	<b>100,00%</b>	<b>37.310</b>	<b>3,72%</b>

(Source: Separate Financial Statements of 2024)

According to the consolidated financial statements, in 2024, SMB's total assets reached 1.039.425 million VND, an increase of 3,72% compared to the value of 1.002.115 million VND in the same period last year. SMB's asset situation shows a strong increase in short-term assets, especially cash flow and receivables, reflecting the development in production and business activities and the ability to meet financial needs. Although long-term assets decreased, the strong increase in long-term work in progress and long-term financial investments shows that the company is shifting its investment strategy towards long-term opportunities with high profitability potential.

### SHORT-TERM ASSETS

In 2024, SMB's current assets reached VND 672,070.93 million, an increase of 8.20% compared to VND 621,119 million in 2023. This indicates that the company has strengthened its use of current assets, primarily cash and receivables, to support production and sales activities.

Cash and cash equivalents have increased sharply from VND 135,037 million to VND 265,171 million, representing a 90.37% increase. This is a positive sign showing that the company has a stronger cash flow, enhancing its ability to pay short-term liabilities and providing more room for short-term investments. This growth also reflects a strategy of optimizing cash flow and reducing dependence on short-term borrowings.

The company's short-term receivables increased from VND 57,494 million to VND 70,725 million, a rise of 23.01%. This shows that the company is growing its revenue but needs to manage its receivables well to avoid impacting future cash flow. This increase may be a positive sign of revenue growth, but the company must closely monitor its debt collection to avoid high outstanding balances.

SMB's inventory increased by 9.64%, from VND 200,620 million to VND 219,956 million, indicating stability in maintaining appropriate inventory levels in line with market demand and production. This increase may reflect preparations for the peak beer consumption season, allowing the company to meet customer demand without facing product shortages.



### LONG-TERM ASSETS

In 2024, SMB's long-term assets amounted to VND 367,354 million, a decrease of 3.58% compared to VND 380,997 million in 2023. Although there was a slight decline, the majority of long-term assets have remained stable.

Fixed assets decreased by 8.40%, from VND 309,921 million to VND 283,889 million, accounting for 77.28% of total long-term assets. Investment properties slightly decreased by 5.39%, from VND 6,468 million to VND 6,120 million, indicating that the company has not made significant changes in its real estate investments.

Notably, construction in progress and long-term financial investments saw a significant increase. Construction in progress rose by 5,037.29%, from VND 215 million to VND 11,045 million, indicating that the company has new investments underway, reflecting its strategy to expand financial investments into long-term profitable opportunities.

## 2. FINANCIAL SITUATION

### LIABILITIES

Unit: Million VND

Indicator	2023		2024		Change	
	Value	Proportion	Value	Proportion	Value	% Change
<b>Short-term Liabilities</b>	<b>400.973</b>	<b>95,88%</b>	<b>421.490</b>	<b>95,71%</b>	<b>20.517</b>	<b>5,12%</b>
Short-term accounts payable	48.269	11,54%	38.562	9,15%	(9.707)	(20,11%)
Short-term advances from customers	2.492	0,60%	3.211	0,76%	719	28,85%
Taxes payable	153.315	36,66%	136.288	32,33%	(17.027)	(11,11%)
Employee payable	31.863	7,62%	35.848	8,51%	3.985	12,51%
Short-term accrued expenses	2.817	0,67%	2.937	0,70%	120	4,27%
Short-term deferred revenue	0	0,00%	263	0,06%	263	-
Other short-term payables	25.027	5,98%	69.110	16,40%	44.083	176,14%
Short-term debt	129.000	30,85%	130.400	30,94%	1.400	1,09%
Reward and welfare fund	8.190	1,96%	4.871	1,16%	(3.319)	(40,52%)
<b>Long-term liabilities</b>	<b>17.216</b>	<b>4,12%</b>	<b>18.905</b>	<b>4,29%</b>	<b>1.689</b>	<b>9,81%</b>
Long-term deferred revenue	0	0,00%	1.050	5,55%	1.050	-
Other long-term payables	8.008	46,51%	7.936	41,98%	(72)	(0,90%)
Long term provision for payable	9.208	53,49%	9.920	52,47%	712	7,73%
<b>Total liabilities</b>	<b>418.188</b>	<b>100,00%</b>	<b>440.395</b>	<b>100,00%</b>	<b>22.207</b>	<b>5,31%</b>

(Source: Consolidated Financial Statements of 2024)

Unit: Million VND

Indicator	2023		2024		Change	
	Value	Proportion	Value	Proportion	Value	% Change
<b>Short-term Liabilities</b>	<b>398.269</b>	<b>97,44%</b>	<b>433.354</b>	<b>97,16%</b>	<b>35.085</b>	<b>8,81%</b>
Short-term accounts payable	41.949	10,26%	38.770	8,95%	(3.179)	(7,58%)
Short-term advances from customers	25.637	6,27%	34.092	7,87%	8.455	32,98%
Taxes payable	150.757	36,88%	134.099	30,94%	(16.658)	(11,05%)
Employee payable	28.026	6,86%	31.928	7,37%	3.902	13,92%
Short-term accrued expenses	2.229	0,55%	2.636	0,61%	407	18,27%
Short-term deferred revenue	0	0,00%	263	0,06%	263	-
Other short-term payables	16.268	3,98%	60.590	13,98%	44.322	272,45%
Short-term debt	129.000	31,56%	130.400	30,09%	1.400	1,09%
Reward and welfare fund	4.403	1,08%	577	0,13%	(3.826)	(86,89%)
<b>Long-term liabilities</b>	<b>10.483</b>	<b>2,56%</b>	<b>12.666</b>	<b>2,84%</b>	<b>2.183</b>	<b>20,83%</b>
Long-term deferred revenue	0	0,00%	1.050	5,55%	1.050	-
Other long-term payables	1.380	13,16%	1.827	14,43%	447	32,41%
Long term provision for payable	9.103	86,84%	9.789	77,28%	686	7,53%
<b>Total liabilities</b>	<b>408.751</b>	<b>100,00%</b>	<b>446.021</b>	<b>100,00%</b>	<b>37.270</b>	<b>9,12%</b>

(Source: Separate Financial Statements of 2024)

In 2024, SMB increased its use of short-term debt to finance production and business operations, while maintaining stable long-term debt levels. The increase in the ratio of short-term debt and other payables helps the Company optimize cash flow and reduce capital costs, but also requires close monitoring to avoid financial risks. Therefore, accounts payable and bad debts do not affect the Company's business operations.



### SHORT-TERM LIABILITIES

SMB's short-term liabilities in 2024 were 433.354 million VND, an increase of 8,81% compared to 2023 (398.269 million VND). This shows that the company is using more short-term debt to finance its production and business activities. In the structure of short-term liabilities, short-term borrowings accounted for a large proportion of 30,09%, equivalent to 130.400 million VND, a slight increase of 1,09% compared to 2023. Maintaining a stable level of short-term borrowings helps the Company's production and business activities to take place smoothly.

In particular, a notable factor is that other short-term payables increased sharply by 272,45%, from 16.268 million VND to 60.590 million VND, showing that SMB has used a large part of short-term debt to optimize cash flow and reduce capital costs. Along with the increase in short-term debt, SMB also increased short-term assets to ensure that the company can pay these debts without facing liquidity difficulties.



### LONG-TERM LIABILITIES

SMB's long-term liabilities in 2024 were 12,666 million VND, an increase of 20.83% compared to 2023 (10,483 million VND). This increase mainly came from long-term provisions, up 7.53%, from 9,103 million VND to 9,789 million VND. This is a positive sign, showing that the Company has proactively created provisions for future financial obligations to reduce long-term financial risks.

Although long-term debt still accounts for a small proportion of total liabilities (only about 2.84% of total liabilities), this increase also reflects a cautious financial strategy in preparing for long-term payments.

#### Debt interest

SMB's short-term loans are primarily from Vietcombank and BIDV, with a fixed interest rate of 3.5% per annum. This stable interest rate allows SMB to effectively control short-term interest expenses. However, if market interest rates rise, SMB may face difficulties in refinancing or obtaining new loans at equivalent rates.



#### Currency exchange rate

#### Currency Fluctuations:

**EUR:** The EUR balance decreased from 502 EUR (equivalent to 13,245,745 VND) on January 1, 2024, to 481 EUR (equivalent to 12,586,643 VND) on December 31, 2024. This indicates that SMB utilized a portion of its EUR holdings during the year.

**USD:** The USD balance increased significantly from 45,556 USD (equivalent to 1,096,990,542 VND) on January 1, 2024, to 494,480 USD (equivalent to 12,486,151,873 VND) on December 31, 2024. This substantial growth may be attributed to export activities, USD borrowing, or other transactions.

#### Impact on Business Results:

The impact of current exchange rate differences on the company's business results is negligible

**Limited Export Activities:** SMB primarily focuses on the domestic market, with very limited beverage export activities. Therefore, exchange rate fluctuations do not significantly affect export revenue.

**Raw Material Purchases Through the Corporation:** SMB does not directly import raw materials but purchases them from the Corporation. This transfers exchange rate risks to the Corporation.

**No Foreign Currency Debt:** SMB does not have any foreign currency loans, eliminating the risk associated with debt repayment costs when exchange rates change.

**Insignificant Other Profits:** According to the 2024 consolidated financial statements, SMB's other profits are relatively small. This demonstrates that in 2024, the impact of exchange rate differences on SMB's business operations was not significant.

Therefore, despite the current stable interest rates, SMB needs to closely monitor interest rate fluctuations and effectively manage cash flow to ensure solvency and maintain profitability.



### 3. IMPROVEMENTS IN POLICIES, ORGANIZATIONAL STRUCTURE, AND MANAGEMENT

In 2024, SMB continued to maintain a stable organizational structure, while implementing personnel adjustments to suit the actual situation, consolidating and perfecting the operational apparatus. A bright spot of the year was the bold exploration of new and suburban markets, along with effective marketing activities, which contributed to the impressive growth of in-house beer consumption, reaching 17.40 million liters in new markets.

The company effectively managed production and business operations, saved costs, norms, and labor, and made good forecasts and predictions to optimize the purchase of supplies and raw materials. The emulation movement for good labor, creative labor, and promoting technical improvement initiatives continued to be strengthened, with 42 topics by 62 individuals recognized as initiatives, bringing efficiency to the Company (rewarding VND 529,400,000 for 62 individuals with recognized initiatives), contributing to improving operational efficiency.

Management policies were maintained and continued to actively support operational work, ensuring stability and sustainable development for SMB.

### 4. FUTURE DEVELOPMENT PLAN

#### Organization, Training, Labor, and Salary

- Continue to consolidate and improve organizational work.
- Develop policies to attract highly qualified employees, and implement planning, training, and development plans for management personnel and employees with competence, dedication, and long-term commitment to the company.
- Continue to supplement and improve legal documents applicable to the entire company.

#### Production and Technical Management

- Closely coordinate with the STS Team (Sabeco) to implement measures to improve the consumption norms of raw materials and energy, ensuring compliance with the Corporation's standards
- Implement economical operating practices at all production stages, while optimizing rational labor allocation.
- Focus on implementing energy-saving solutions, minimizing consumption.
- Conduct regular reviews of supplies and raw materials to limit supply chain disruptions, especially for imported raw materials.
- Ensure that the maintenance of machinery and equipment is fully implemented, helping to ensure smooth operations and timely delivery of goods to Sabeco, while utilizing excess capacity to produce in-house products, contributing to improved production and business efficiency.
- Enhance the inspection and supervision of production processes at all stages, ensuring product quality meets Sabeco's requirements.
- Effectively coordinate production, supplies, tools, and human resources across all company units to ensure overall work efficiency.
- Continue to seek and expand new suppliers of raw materials and chemicals with competitive prices, applicable to all three factories to minimize input costs.





### Investments

- Proceed with reducing investments, focusing only on essential items related to the environment and projects that help reduce production costs and improve product quality.
- Invest in a draught beer filling line at the Phu Yen factory to meet the market demand in Phu Yen and the Central region.

### Financial Work

- Manage quarterly and monthly production and business performance at affiliated units, focusing particularly on input factors, expenditures, capital utilization, payroll costs, and production consumption norms, to make timely adjustments and ensure compliance with company regulations and procedures
- Develop financial solutions to effectively mobilize capital, seek low-cost loan sources, and minimize financial expenses by transferring capital between units, serving the company's overall business operations.

- "Invest in renovating the filling line B (filling 20 bottles/crate) at the DakLak factory to match the Qui Nhon bottled beer filling line (filling 24 bottles/crate) to ensure timely supply when the market requires.
- Invest in a 30-can (2-layer) packing machine at the DakLak factory to diversify product packaging, meeting the requirements for processing beer for export..
- PCoordinate with Chuong Duong Joint Stock Company to implement a project to produce bottled glass drinking water

### Other Work

- Build and strengthen internal solidarity within the company, considering it as a corporate culture and a foundation for sustainable development.
- Enhance company brand recognition and improve quality management systems according to ISO 9001:2015, ISO 14001:2015, ISO 22000:2018, and ISO 50001:2018 standards.
- Pay attention to and effectively implement food safety, fire prevention and fighting, environmental protection, and labor policies in accordance with legal regulations.
- Participate in local social security programs to promote the company's brand and products to consumers.

### Consumption

#### For Saigon Beer Products:

- Proactively coordinate with departments within Sabeco Corporation and the Commerce - Transportation division to overcome challenges, boost production and consumption of Saigon Beer.
- Collaborate with the Trading Company and regional units to implement programs promoting and introducing products to stimulate consumption of Saigon Beer.
- Organize welcoming delegations to visit the factory, while enhancing product promotion efforts towards various social strata within and outside the province.
- Connect with local economic, political, and social organizations to promote and boost consumption of Saigon Beer.

#### For in-house beer:

- Maintain the current market share and expand into new markets, especially in other provinces; boost consumption through flexible sales policies.
- Enhance marketing activities, participate in product displays and introductions at trade fairs, and connect with political/social organizations to promote products at conferences and sports events.
- Apply flexible sales policies that align with market demand to boost consumption of in-house products..
- Boost production and consumption of in-house products with good development potential, such as Qui Nhon bottled beer and draft beer
- Proactively coordinate Qui Nhon Beer production across three factories, optimizing factory capacity to meet consumption demand.
- Continue to research and develop diverse products that suit consumer preferences
- Recruit and train a high-quality staff to develop the Lowen Silver beer market in Buon Ma Thuot City

#### For export beer:

In addition to the partner Pomegranate Perspectives Pte, Ltd., which is currently exporting to the Australian and Malaysian markets, the company has proactively expanded its search for Lowen beer export partners through Dongxing (China); East Africa; Malaysia and the processing of Lager beer to the Korean, Dubai markets, and is currently negotiating for implementation

### Emulation of good labor, promoting initiatives for technical improvement

Promote the movement of excellent labor emulation, creative labor, and expand effective work models among employees to increase labor productivity, technical improvements, and enhance production and business efficiency.

## 5. EXPLANATION OF THE BOARD OF MANAGEMENT ON AUDITING OPINIONS

According to the 2024 Audited Consolidated Financial Statements and the 2024 Audited Separate Financial Statements, the auditing firm KPMG Limited has issued an unqualified audit opinion on the Company's reports, therefore the General Management Board has no further explanatory comments.



# CHAPTER 5

## ASSESSMENT OF THE BOARD OF DIRECTORS



 Orienting towards sustainable growth targets

# 1. ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S BUSINESS PERFORMANCE

## On Production and Business

The Board of Directors acknowledges that 2024 was a challenging year for the Company, facing numerous adverse factors from both the business environment and internal policies. The unstable geopolitical situation worldwide, unpredictable natural disasters, and especially the discriminatory policies from TCT significantly affected the Company's Saigon Beer production and consumption volume. Additionally, Decree 100 with strict alcohol concentration regulations also created considerable difficulties for the consumption of beer and alcohol products, greatly impacting beer and alcohol sales at restaurants and points of sale (ON channel).

However, under the close guidance of the Board of Directors and the relentless efforts of all employees, the Company overcame these difficulties and achieved encouraging results. Production and business management were well-executed, helping to save costs and optimize resources. The proactive forecasting and procurement of raw materials, along with the search for reputable and competitively priced suppliers, contributed significantly to the Company's business performance in 2024.

## On Technical Management and Energy Saving

In the field of technical management, the Company strictly adheres to Sabeco's processes and regulations, while also focusing on product quality management. Energy-saving solutions, machinery maintenance, and environmental hygiene are implemented decisively, delivering practical results. In particular, the rooftop solar power project continues to operate effectively, contributing to cost reduction and generating additional revenue for the Company.

## On Profit

Profit achieved outstanding results compared to the plan and increased compared to the previous year, demonstrating the proactive and effective implementation of solutions to respond to difficulties. Investment activities were carried out in accordance with the policy of reducing expenditures, focusing on essential items, ensuring efficient use of capital.

## On Investment Activities

Continue to implement the policy of reducing investment: Only invest in truly essential items related to the environment, and projects that contribute to reducing production costs and improving product quality.

## On Sales and Distribution

Despite the decline in Saigon Beer production due to objective factors and policies from Sabeco, the Company has made significant strides in the consumption of its own beer products, especially Qui Nhon Beer and draft beer. Expanding into new markets, strengthening marketing efforts, and implementing flexible sales policies have helped maintain and grow market share, while also expanding the customer network. A highlight of the year was the impressive growth in new and out-of-province markets, demonstrating the Company's market acumen and effective strategies.

## Other Activities

Other activities such as organizing the General Meeting of Shareholders, the Employee Conference, emulation movements, and social security activities were all thoughtfully carried out, contributing to a positive and cohesive working environment. Occupational safety, fire prevention and fighting, and environmental protection are always prioritized, ensuring that production and business activities are conducted safely and sustainably. In addition to the positive business results, the Board of Directors particularly emphasizes the commendable efforts of the Company's collective in fulfilling social responsibilities and environmental protection. Specifically:

### Community Engagement

The successful coordination with the Sabeco Trade Union to organize the Central - Central Highlands regional sports festival not only created a healthy playground for employees but also served as an opportunity for the Company to celebrate its 16th anniversary, contributing to strengthening solidarity and building corporate culture.

The Company proactively enhanced brand recognition by participating in cultural, sports, and especially social welfare programs in the Central - Central Highlands region. This demonstrates the Company's commitment to building good relationships with the local community.

### Environmental Protection and Occupational Safety

The Company always prioritizes occupational safety, fire prevention and fighting, food safety and hygiene, and environmental protection. The regular consolidation and maintenance of these activities demonstrate the Company's commitment to protecting employee

health and minimizing environmental impact.

The maintenance and improvement of management systems according to ISO standards demonstrate the company's concern for ensuring compliance with legal regulations and international standards.

### Social Responsibility

The Company has implemented policies and benefits for employees in accordance with regulations, while also focusing on community and social welfare activities. With VND 1,881 million (Dak Lak: VND 1,023 million; Quy Nhon: VND 600 million; Phu Yen: VND 258 million) contributed to these activities in 2024, the Company has demonstrated its role as a socially responsible enterprise.

The Board of Directors highly appreciates the efforts of all employees in 2024 and believes that with solidarity and determination, the Company will continue to overcome all challenges and achieve new successes in the future.



## 2. ASSESSMENT OF THE BOARD OF DIRECTORS ON THE BOARD OF MANAGEMENT'S PERFORMANCE

The Board of Directors highly appreciates the role of the Board of Management in leading the Company to achieve positive results in 2024. The Board of Management has demonstrated effective leadership, management, and operational capabilities, strictly adhering to the directives and resolutions of the General Meeting of Shareholders and the Board of Directors. Specifically, the Board of Management has:

### Effective Management and Administration

- Effectively implement measures to execute the 2024 plan, ensuring the fulfillment of key targets.
- Proactively report and seek the Board of Directors' opinions on matters exceeding their authority, ensuring close coordination between the Board of Management and the Board of Directors.
- The Company has fully met its financial obligations to the State, including tax payments, social insurance, health insurance, unemployment insurance, and ensuring employees' statutory rights.

### Ensuring Effective Production and Business Operations

- The Board of Management has effectively conducted production and business management, cost savings, and the efficient management of norms and labor, contributing to improved production and business efficiency.
- The proactive anticipation, forecasting, and effective procurement of materials and raw materials have helped ensure the supply for production and business activities.

### Effective Technical Management

- Strictly adhere to technology procedures and Sabeco's regulations in Saigon Beer production.
- Maintain a constant focus on product quality management.
- Proactively coordinate with Sabeco to reduce consumption norms and improve energy efficiency.
- Promote thrift practices in production and circulation.
- Effectively carry out the maintenance and

servicing of machinery and equipment.

- Significantly improve environmental sanitation.
- Effectively utilize the rooftop solar power project.

### Boosting Sales and Distribution

- Implement flexible solutions to boost consumption, especially for self-branded beer.
- Expand into new and out-of-province markets and enhance marketing activities.

### Effective Investment Activities

- Implement investment reduction policies, focusing on essential items.

### Effective Implementation of Other Activities

- Reorganize departments and promote emulation movements for excellent and creative labor.
- Successfully organized the 2024 Annual and Extraordinary General Meetings of Shareholders and ensured accurate and transparent information disclosure in compliance with legal regulations.
- Enhance brand recognition.
- Effectively manage occupational safety, food safety and hygiene, and environmental protection.
- Care for employees' material and spiritual well-being and actively participate in social welfare activities.

*In general, the Board of Management has made significant contributions to the Company's stable and sustainable development in 2024. The Board of Directors believes that with their capabilities and experience, the Board of Management will continue to lead the Company through challenges and achieve new successes in the future.*

## 3. PLAN AND DIRECTION OF THE BOARD OF DIRECTORS

No.	Indicator	Unit	2024 Actual	2025 Plan				5
				Total	Dak Lak	Quy Nhon	Phu Yen	
I	<b>Production &amp; Consumption Volume</b>	Million Liters	<b>186.54</b>	<b>188.07</b>	<b>91.07</b>	<b>52.00</b>	<b>45.00</b>	<b>100.82%</b>
1	<b>Beer of all types</b>	Million Liters	<b>177.65</b>	<b>178.00</b>	<b>86.00</b>	<b>52.00</b>	<b>40.00</b>	<b>100.20%</b>
1.1	<b>Saigon Beer</b>	Million Liters	<b>56.39</b>	<b>66.00</b>	<b>46.00</b>	<b>10.00</b>	<b>10.00</b>	<b>117.05%</b>
-	SG Lager 450 Bottle Beer	Million Liters	19.15	20.00	-	10.00	10.00	104.44%
-	SG Lager 330 Can Beer	Million Liters	37.24	46.00	46.00	-	-	123.53%
1.2	<b>Self-Branded Beer</b>	Million Liters	<b>120.23</b>	<b>110.00</b>	<b>38.00</b>	<b>42.00</b>	<b>30.00</b>	<b>91.49%</b>
-	Lowen Pils Bottle Beer	Million Liters	0.68	1.00	-	1.00	-	147.53%
-	Lowen Silver Can Beer	Million Liters	0.93	4.00	4.00	-	-	429.14%
-	Qui Nhon 330 Bottle Beer	Million Liters	81.74	69.00	19.00	40.00	10.00	84.41%
-	Qui Nhon 330 Can Beer	Million Liters	3.50	4.00	4.00	-	-	114.31%
-	DAKLAK Bottle Beer	Million Liters	0.02	1.00	1.00	-	-	6111.45%
-	Draught Beer	Million Liters	33.37	31.00	10.00	1.00	20.00	92.91%
1.3	<b>Exported Beverages</b>	Million Liters	<b>1.03</b>	<b>2.00</b>	<b>2.00</b>	-	-	<b>194.83%</b>
2	<b>Bottled Water, Wine, Milk</b>	Million Liters	<b>8.89</b>	<b>10.07</b>	<b>5.07</b>	-	<b>5.00</b>	<b>113.18%</b>
III	<b>Total Revenue</b>	Billion VND	<b>1,365.51</b>	<b>1,425.26</b>	<b>832.64</b>	<b>349.64</b>	<b>242.98</b>	<b>104.38%</b>
IV	<b>Pre-tax Profit</b>	Billion VND	<b>214.17</b>	<b>152.60</b>	<b>45.60</b>	<b>85.60</b>	<b>21.40</b>	<b>71.25%</b>
V	<b>Budget Contribution</b>	Billion VND	<b>1,177.20</b>	<b>1,237.64</b>	<b>779.50</b>	<b>284.60</b>	<b>173.54</b>	<b>105.13%</b>

### Directions for Implementing and Completing the 2025 Plan

#### Labor Activities:

The Company focuses on optimizing human resources by reviewing and evaluating labor efficiency, streamlining underperforming departments, and recruiting high-quality personnel for management and specialized positions. Simultaneously, it emphasizes training and enhancing the skills of employees, ensuring competitive compensation and benefits, and building a professional working environment. The Company also strengthens talent attraction, refines legal documents, and promotes brand recognition.

#### Production and Business Management Activities:

Flexible business strategies, focusing on exports and optimizing production costs. The Company develops risk response scenarios, enhances the promotion of Saigon Beer products, reduces raw material consumption, diversifies products, and operates efficiently. Equipment maintenance and quality control are prioritized, along with the search for competitive suppliers.

#### Other Activities:

The Company strengthens risk management and internal control, ensures compliance with legal regulations and occupational safety and environmental standards. Emulation movements and initiatives are encouraged, and food safety and fire prevention and fighting activities are emphasized.

#### Investment and Disbursement Activities:

Urgent and strategic projects will be prioritized for investment to ensure product quality and reduce costs. Investment capital will be disbursed according to the planned VND 86.45 billion. Working capital loans will be used effectively to serve production and business activities and ensure proper utilization.

# CHAPTER 6

## SUSTAINABLE DEVELOPMENT



## 1. PRINCIPLES OF SUSTAINABLE DEVELOPMENT

### “Responsibility”

- The Company commits to complying with all legal regulations related to the rights of stakeholders.
- Fulfilling social and environmental responsibilities, participating in social activities, and maintaining commitments to the community.

### “Fairness”

Ensure that all shareholders in the Company are treated fairly, without discrimination based on factors such as position, gender, or origin.

## ESG

### “Sustainability”

- Focusing on ensuring sustainable benefits for all stakeholders, including customers, investors, employees, and the community.
- Supporting projects and activities that can help harmonize the Company’s business development with socio-economic development and environmental protection.

### “Transparency”

- Ensuring that information disclosure is a priority, fully and promptly meeting the information requirements of stakeholders.
- Implementing measures to enhance transparency in all aspects of business operations, including finance, management, and development strategy.

The Company is committed to continuous improvement and innovation to ensure the provision of high-quality products to consumers. This includes researching and applying new technologies, efficient production processes, and maintaining high-quality standards. Simultaneously, the Company will continue to create a stable working environment, helping to ensure employment for all employees and increase benefits for shareholders.

#### **Innovation & Improvement:**

- Research and apply new technologies in the production process to enhance product quality and efficiency.
- Continuously train employees to improve skills and knowledge, ensuring they are always up-to-date with the latest industry advancements.

#### **Job Stability & Employee Benefits:**

- Create a positive working environment that encourages employee creativity and contribution.
- Enhance welfare policies, insurance, and other benefits to strengthen employee rights and commitment.

#### **Transparency & Compliance:**

- Maintain information transparency on business-related matters, including finance, strategy, and governance.
- Adhere to current management regulations and standards to ensure responsibility and transparency in business operations.

#### **Contribution to Economic and Social Development:**

- Support social projects and activities to contribute to local economic and tourism development.
- Create more jobs and train the local workforce, enhance the State budget, and improve the community’s quality of life.

## 2. COMPANY’S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS

### ENVIRONMENTAL IMPACT

## 01 Environmental Impact Policies

To further demonstrate SMB’s commitment to the environment, the company’s environmental policy is built on the foundation of sustainability and responsibility. SMB deeply recognizes that all production and business activities have an impact on the environment; therefore, minimizing negative impacts is a top priority.

SMB’s environmental policies are not just empty statements, but are reflected throughout all aspects of the company’s operations. This begins with ensuring product quality, not only meeting stringent market standards but also complying with environmental protection regulations. The company continuously strives to find and apply cleaner production solutions, from selecting environmentally friendly raw materials to optimizing production processes to minimize waste and emissions.

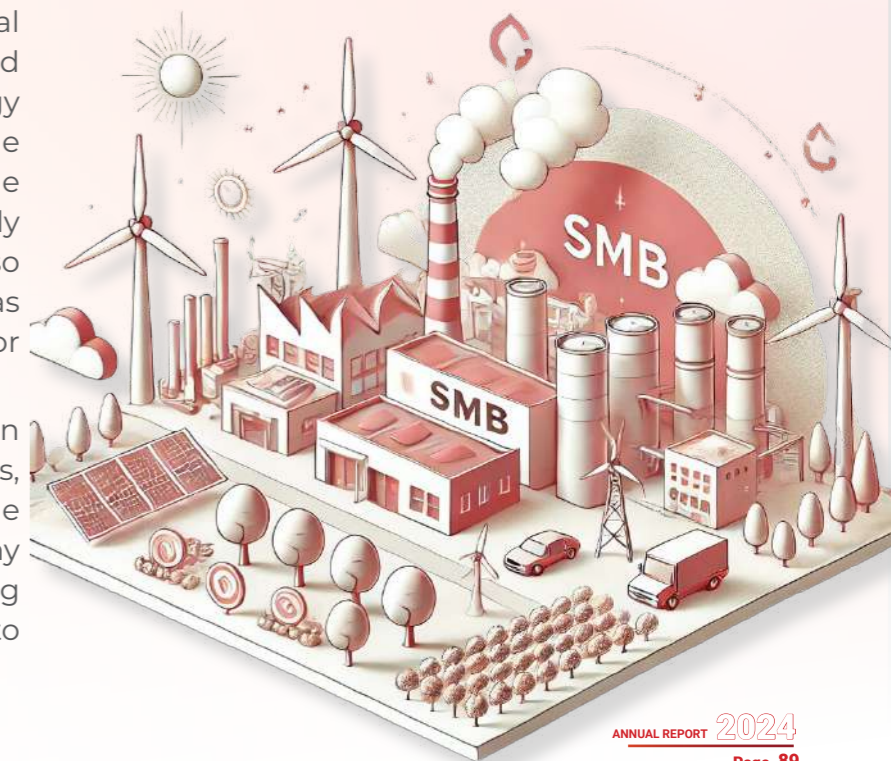
Energy saving and the use of clean energy are a crucial pillar of SMB’s environmental policy. The company invests in advanced technologies to reduce energy consumption during production, while gradually shifting to the use of renewable and cleaner energy sources. This not only helps reduce production costs but also contributes to reducing greenhouse gas emissions, protecting the environment for future generations.

In addition, SMB pays particular attention to reducing greenhouse gas emissions, one of the biggest challenges to the environment today. The company implements measures from optimizing energy efficiency and using clean fuels to

investing in emission treatment technology. SMB is committed to transparency in reporting emissions and continuously strives to minimize its carbon footprint.

SMB’s environmental policy is not just legal compliance, but a voluntary commitment, a responsibility to the community and the planet. SMB believes that, through practical actions, the company can contribute to sustainable development, creating value not only for the business but also for society.

SMB is committed to minimizing environmental impact through specific policies, which are clearly stated in the company’s sustainable development goals. These policies include ensuring product and environmental quality, reducing energy consumption and using cleaner energy, as well as reducing greenhouse gas emissions. **Ms. Huynh Thi Kim Chi, Deputy Director of the factory, is the highest responsible person for the implementation and supervision of these environmental policies.**



## 2. COMPANY'S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS

### ENVIRONMENTAL IMPACT

#### 02 Total direct and indirect GHG emission

SMB acknowledges the importance of controlling and minimizing greenhouse gas emissions in its production activities. According to the inventory report, the company's total greenhouse gas emissions are recorded as follows:

##### Specific Emissions:

- CO<sub>2</sub> used for fire prevention and fighting (FP&F): 57 kg.
- CO<sub>2</sub> gas from the recovery and utilization process in production: 1,316,540 kg.
- Biogas generated from the anaerobic treatment process: 68,433 Nm<sup>3</sup>.

##### Emissions from Factories:

- Dak Lak Factory: 5,563 tons CO<sub>2</sub>e.
- Quy Nhon Factory: Currently in the measurement and reporting process.
- Phu Yen Factory: Currently in the measurement and reporting process.

#### 03 Measures and initiatives to reduce GHG emission

In 2024, SMB has been implementing various initiatives and effective measures to reduce greenhouse gas emissions, including:

##### Energy Saving and Renewable Energy Use:

- Cooling System Improvement: Enhancing condenser efficiency, improving control systems, using inverters for air conditioners.
- Optimizing the dust removal system and fermentation cooking process to save compressed air.
- Implementing an energy management system according to ISO 50001:2018 standards, optimizing production stages, and monitoring energy efficiency daily.
- Thoroughly utilizing the filtered boiler water to return for rice soaking.

##### Production Process Optimization:

- Readjusting the compressed air pressure supplied to the ET cabinets.
- Improving the compressed air valve control system in the central CIP area.
- Reducing heat loss from the beer pipeline to the A-filling system through insulation and optimizing beer supply pump control.
- Optimizing the pasteurization process and pipeline water drainage during wort transfer.

**Fuel Conversion:** Gradually converting from high-emission fuels to more environmentally friendly fuels.

**Clean Energy Use:** Implementing a rooftop solar power system.

These efforts not only help SMB minimize environmental impact but also contribute to improving operational efficiency and reducing production costs.

### MANAGEMENT OF RAW MATERIALS

#### Total Raw Materials Used

No.	Raw Material	Unit	Quantity
1	Malt	Kg	12,415,286
2	Barley	Kg	2,095,888
3	Rice	Kg	8,701,641
4	Hops	Kg	7,608
5	NaOH	Kg	571,973
6	Acid	Kg	129,116
7	Electricity	KWh	15,708,954
8	Water	M <sup>3</sup>	543,383
9	Steam	Ton	45,465

#### Recycled Raw Materials

*SMB currently does not use recycled raw materials in its main product manufacturing process.*

This is because the beer production industry demands stringent food hygiene and safety standards, and input raw materials must meet the highest quality to ensure the production of top-quality products. Sourcing and ensuring a supply of recycled materials that meet the quality and safety standards for beer production is a significant challenge. However, SMB is committed to continuously researching and evaluating opportunities to use recycled materials in the future, when technology and conditions allow, while still ensuring product quality and compliance with safety regulations.

#### Product Recycling and Recovery

The majority of the factory's products are bottled beer and stainless steel kegs, accounting for approximately 70% of the product structure, with a 100% recovery rate. About 1% of these are damaged and are sorted and recycled (these products are not subject to mandatory recycling under the Ministry's regulations).

SMB implements a closed-loop process to recover and reuse used beer bottles. This demonstrates the company's strong commitment to minimizing environmental impact by reducing waste and conserving resources.

For the remaining products, the Company has declared production volumes for recycling as required; the Company chooses to authorize the recycling process according to the Ministry's regulations.

This activity helps SMB reduce the amount of glass bottles released into the environment, while also reducing the need for new materials and saving energy compared to producing completely new bottles.

#### Fluctuations in Raw Material Prices in 2024:

The year 2024 witnessed significant fluctuations in raw material prices due to the influence of factors such as:

- Weather Fluctuations: Affecting the harvest and yield of crops like barley and rice.
- Global Economic Situation: Inflation, exchange rate fluctuations, and geopolitical issues impacting raw material prices and supply.
- Impact of Legal Changes: Changes in laws and regulations in raw material exporting and importing countries.

In response, SMB has proactively established long-term contracts with suppliers to stabilize prices, while implementing measures to conserve raw materials during production and employing effective raw material management strategies to ensure the stability and sustainability of production and business operations.





## 2. COMPANY'S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS

### ENERGY CONSUMPTION

#### Energy Consumption in the Year

No.	Total Electricity Consumption Classified by Source (KWh)	2024		
		EVN Electricity	Solar Electricity	Total
1	Dak Lak Factory	5,483,930	1,100,135	6,584,065
2	Quy Nhon Factory	3,754,857	1,180,457	4,935,314
3	Phu Yen Factory	3,091,216	1,098,359	4,189,575
Total Electricity Consumption		12,330,003	3,378,951	15,708,954

#### Water Savings

No.	Water Sources	Total Water Volume (Unit: m <sup>3</sup> )	Total Water Savings (Unit: m <sup>3</sup> /year)
1	Dak Lak Factory	212,659	5,827
2	Quy Nhon Factory	167,732	32,480
3	Phu Yen Factory	162,992	0
Total Water (m <sup>3</sup> )		543,383	38,307



#### Tình hình tiêu thụ năng lượng hơi

No.	Total Steam Energy Consumption Classified by Source (Tons)	2024
1	Dak Lak Factory	18,991
2	Quy Nhon Factory	13,888
3	Phu Yen Factory	12,586
Total Steam Energy Consumption		45,465



#### Energy Savings Through Efficient Energy Use Initiatives

In 2024, SMB achieved significant results in energy savings:

**Electricity:** SMB đã giảm từ 5% đến 12,21% lượng điện tiêu thụ/1000 lít bia so với năm 2023.

- Dak Lak Factory: 10.16%
- Quy Nhon Factory: 12.21%
- Phu Yen Factory: 4.65%

In addition, the factories have invested in rooftop solar power systems, with a replacement rate of 20-36%, contributing to the reduction of CO2e emissions.

#### Steam:

- Dak Lak Factory: 3.36%
- Quy Nhon Factory: 12.22%
- Phu Yen Factory: 0.2%

The company has switched to completely biomass-fueled boilers, which are environmentally friendly... this contributes significantly to the reduction of greenhouse gas emissions.

#### Reports on Energy-Saving Initiatives and Results

**SMB continuously implements initiatives to save energy and use renewable energy:**

##### Cooling System Improvement:

- Enhancing the condenser capacity of the A cooling system.
- Improving the control system for the A, B, and tiered cooling systems.
- Using inverters for the 500 air conditioner..

##### Production Process Optimization:

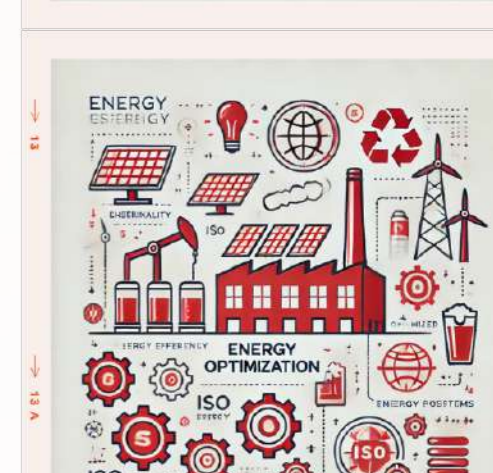
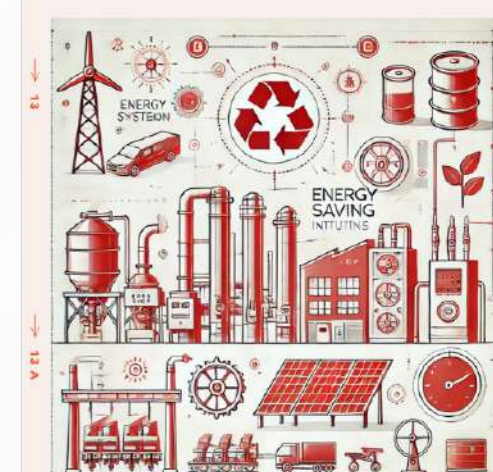
- Improving the dust removal system in the Grinding Mill of the Brewing Fermentation Workshop to save compressed air.
- Thoroughly recovering filtered boiler water for rice soaking.
- Adjusting the compressed air supply to the ET cabinets.
- Improving the compressed air valve control system in the central CIP area.
- Reducing heat loss from the beer pipeline to the A filling system through insulation and optimizing beer supply pump control.
- Optimizing pasteurization and pipeline drainage for the first and last batches during wort transfer.

##### Energy Management System Implementation:

- Applying ISO 50001:2018.
- Optimizing each production stage.
- Setting target programs for energy consumers accounting for up to 80% of cumulative consumption.
- Daily statistical monitoring to oversee and identify improvement/reduction opportunities.

**Renewable Energy Use:** Investing in rooftop solar power to replace 20-36% of grid electricity.

These initiatives have significantly contributed to reducing SMB's energy consumption and CO<sub>2</sub> emissions.



## 2. COMPANY'S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS

### WATER CONSUMPTION

#### Water Supply and Usage

##### SMB uses water from two main sources:

- City water supply: 26,722 m<sup>3</sup>.
- Groundwater: 233,384 m<sup>3</sup>.

The company has also implemented measures to reduce water consumption per unit of product and recover solids such as spent yeast for drying, thereby reducing emissions from the wastewater treatment system due to methane gas combustion.

SMB has a wastewater treatment system before discharge into the environment, and an online monitoring system connected to the Department of Natural Resources and Environment to monitor wastewater quality.

#### Percentage and Total Volume of Water Recycled and Reused

##### SMB has implemented water recycling and reuse measures, including:

- Hot water from the brewing process is recovered and reused: 14,035 m<sup>3</sup>.
- Water recovered from the RO water filtration system: 30% of the total water from the RO filtration system.

These measures demonstrate SMB's commitment to managing and using water efficiently and sustainably.

### COMPLIANCE WITH THE LAW ON ENVIRONMENTAL PROTECTION

#### Number of Violations for Non-Compliance with Environmental Laws and Regulations

SMB consistently maintains full compliance with current environmental protection regulations. The company adheres to the requirements of its discharge permits, operates an online monitoring system to supervise discharges, and conducts environmental impact assessments for each production and business activity. As a result, in 2024, the Company did not receive any violation penalties related to environmental laws and regulations.

#### Total Amount of Fines for Non-Compliance with Environmental Laws and Regulations

Due to no violations, SMB did not incur any fines related to non-compliance with environmental laws and regulations.

#### Environmental Risk Assessment and Management

SMB applies an environmental management system according to ISO 14001:2018 standards. The company conducts periodic environmental impact assessments for each production and business activity to identify environmental aspects that need to be controlled and to minimize impacts. Based on this, SMB develops target plans and conducts implementation monitoring.

#### Waste Management

SMB strictly implements internal waste sorting and collection. The company contracts with qualified and capable units to handle each type of waste in accordance with regulations.

### POLICIES RELATED TO EMPLOYEES

#### Policies related to employees

##### SMB places great emphasis on training and developing the capabilities of its employees.

##### Professional Training and Instruction:

- Organizes annual training on professional skills, occupational health and safety, and prevention of occupational diseases.
- Sends employees to participate in specialized training courses on chemical safety, wastewater treatment, and other relevant fields.

##### Continuous Skill and Educational Development:

- Provides opportunities for employees to participate in skill development programs such as Brewing courses, Brewmaster training, and sales skills development.
- Establishes training plans to improve professional skills and expertise.

##### Training Support and Costs:

- The company covers all training costs according to the plan.
- Provides partial financial support or arranges suitable work arrangements for employees who wish to pursue further education outside the plan.

##### Conditions for Off-Plan Study:

- Considers and decides on training support based on relevance to needs and ensuring no disruption to production. Data on average training hours needs to be added to the report.

Information about the number of employees, the average salary for employees, and the labor policies aimed at ensuring the health, safety, and welfare of employees has been presented in Chapter 3. Organization and Human Resources - Part 4. Personnel and Employee Policies, pages 60-61.



## 2. COMPANY'S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS

### COMPLIANCE WITH THE LAW ON ENVIRONMENTAL PROTECTION

SMB consistently prioritizes responsibility to the local community in its business operations. In 2024, the company implemented numerous practical community investment and development activities, demonstrating a strong commitment to supporting and improving the lives of local residents.

SMB has participated in social welfare activities in the areas where its factories operate with a total amount of 1,881 million VND. Specifically:

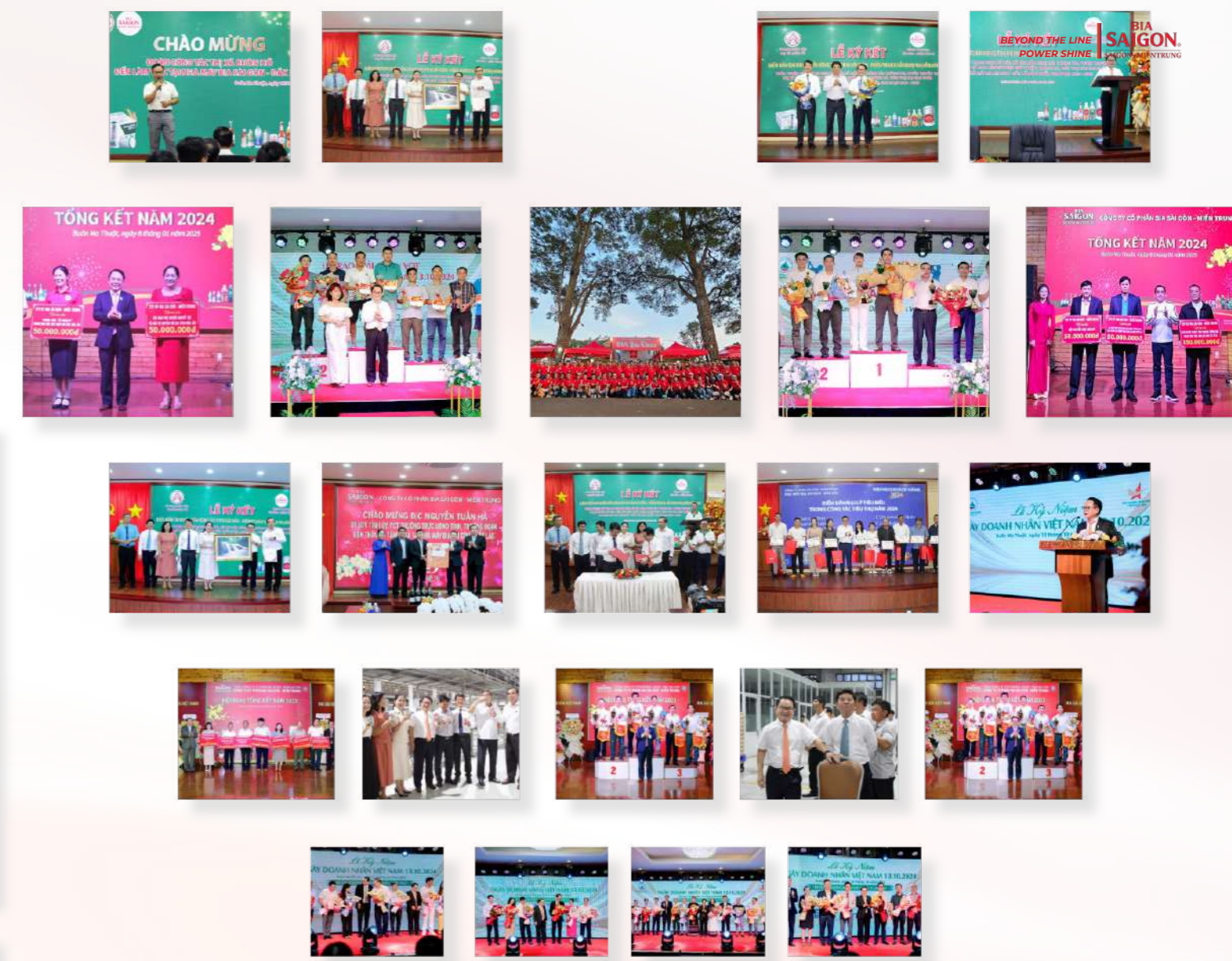
- Dak Lak Factory: 1,023 million VND.
- Quy Nhon Factory: 600 million VND.
- Phu Yen Factory: 258 million VND.

These activities demonstrate SMB's care and compassion for the local community, contributing to the sustainable development of society.



### REPORT ON GREEN CAPITAL MARKET ACTIVITIES UNDER THE GUIDANCE OF THE SSC

While SMB has not yet participated in capital mobilization activities from the green capital market, the company always pays special attention and closely monitors developments in this area. SMB wishes to gain access and learn more through seminars and events organized by the State Securities Commission and relevant agencies. In the future, SMB aims to further explore the issuance of green bonds as part of its sustainable development strategy. SMB is committed to continuously striving to improve the legal framework and infrastructure, creating favorable conditions for green investment activities and contributing to common sustainable development.



### 3. ASSESSMENT REPORTS ON THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

#### Assessment concerning the environmental indicators

In the context of increasingly complex climate change, the Board of Directors recognizes the critical importance of environmental protection in production and business operations. SMB has proactively implemented numerous solutions and initiatives to minimize negative impacts on the environment, focusing on efficient resource management and emission reduction.

##### Resource Conservation:

- SMB has successfully implemented energy and water-saving initiatives, contributing to reduced production costs and resource conservation.
- Optimizing production processes and adopting new technologies have helped reduce electricity and water consumption per unit of product.

##### Emission Reduction:

- SMB has implemented measures to control and reduce greenhouse gas emissions, complying with environmental protection regulations.
- Wastewater and exhaust gas treatment systems are operated efficiently, ensuring compliance with environmental standards.

##### Waste Management:

- SMB has implemented a systematic solid and hazardous waste management system, ensuring proper treatment and recycling processes.

#### Assessment concerning the corporate responsibility for the local community

SMB values its close relationship with the local community and recognizes social responsibility as an integral part of the company's sustainable development strategy. We aim to contribute to the overall development of the community through practical investment, support, and cooperation activities.

##### Community Investment:

- SMB has actively participated in community investment and development activities, contributing to improving the lives of local residents.
- The company focuses on programs that support education, health, and culture.

##### Job Creation and Economic Development:

- SMB creates many job opportunities for local people, contributing to economic development.
- The company prioritizes the use of local suppliers, promoting the development of the supply chain.

##### Community Relations:

- SMB builds and maintains good relationships with the local community.
- The company listens and responds to feedback from the community.

#### Assessment concerning the labor issues

Employees are SMB's valuable asset. The Board of Directors is committed to building a safe, healthy, and fair working environment and creating conditions for employees to develop comprehensively. We focus on ensuring employee rights, benefits, and capacity building through specific policies and programs.

##### Occupational Safety:

- SMB has implemented measures to ensure occupational safety, minimizing the risk of accidents and occupational diseases.
- The company focuses on training and raising employee awareness of occupational safety.

##### Benefits and Training:

- Welfare and remuneration regimes are fully implemented, ensuring the livelihoods of employees.
- SMB has invested in training and skills development programs, helping employees improve their capabilities and skills.

##### Working Environment:

- SMB creates a friendly, fair, and transparent working environment.
- The company focuses on building a positive corporate culture that connects employees.



# SMB

# CHAPTER 7

## CORPORATE GOVERNANCE



 Transparent governance leading in all sectors

# 1. BOARD OF DIRECTORS

## Composition and Structure of the Board of Directors

No.	Board Member	Position	Number of Individually Owned Shares	Ownership Percentage
1	Mr. Lam Du An	Chairman of the Board	0	0%
2	Mr. Huynh Van Dung	Executive Member of the Board	412,495	1.38%
3	Mr. Doan Tien Dung	Non-Executive Member of the Board	0	0%
4	Ms. Nguyen Thi Phuoc	Non-Executive Member of the Board	0	0%
5	Mr. Pham Van Phong	Independent Member of the Board	0	0%

## Subcommittees of the Board of Directors

The Company's Board of Directors operates as a unified body and has not established any subcommittees. However, the Company has contracted with an independent audit firm to conduct annual internal audits in accordance with regulations.

## Activities of the Board of Directors

**Board Meetings:** In 2024, the Company's Board of Directors held 04 regular meetings in person and 07 meetings through written resolutions. The Board issued 12 Resolutions and 19 Decisions to direct the Company's operations related to: organizing the 2024 Annual General Meeting of Shareholders; organizing and staffing the Company; issuing raw material consumption norms; issuing production, business, and investment plans; and implementing investment projects to meet market demands.

o.	Board Member	Meetings Attended	Attendance Rate	Reason for Absence
1	Mr. Lam Du An	11/11	100%	
2	Mr. Huynh Van Dung	11/11	100%	
3	Mr. Doan Tien Dung	2/11	100%	Appointed on October 18, 2024
4	Ms. Nguyen Thi Phuoc	11/11	100%	
5	Mr. Pham Van Phong	11/11	100%	

\*Ms. Nguyen Thi Thuy Linh - Member of the Board of Directors - Dismissed on October 18, 2024, attended 9/11 meetings of the Board of Directors in 2024.

**Resolutions and Decisions of the Board of Directors:** The specific content of the meetings and the corresponding Resolutions/Decisions issued are as follows

No.	Resolution/ Decision No.	Date	Content	Approval rate
1	01/2024/ NQ-HDQT	06/01/2024	<ul style="list-style-type: none"> <li>- Approval of 2023 business performance results, 2024 business plan, and the proposed profit distribution for 2023.</li> <li>- Approval of the 2023 investment and disbursement report, and the 2024 plan.</li> <li>- Approval of bonuses for the Board of Management and key management positions.</li> <li>- Approval of the Company's technical and economic norms for 2024.</li> <li>- Approval of preparations for the 2024 Annual General Meeting of Shareholders.</li> </ul>	5/5
2	02/2024/ NQ-HDQT	05/4/2024	Approval of collateralizing deposit contracts for working capital loans.	5/5
3	03/2024/ NQ-HDQT	17/4/2024	Approval of advance dividend payments for 2024	5/5
4	04/2024/ NQ-HDQT	03/6/2024	Approval of implementing the project: Construction of Warehouse No. 9 in Zone D at Quy Nhon Branch.	5/5
5	05/2024/ NQ-HDQT	25/6/2024	Approval of reappointment of the General Director of the Company.	5/5
6	06/2024/ NQ-HDQT	26/6/2024	Approval of the contractor selection plan for the project: Construction of Warehouse No. 9 in Zone D at Quy Nhon Branch.	5/5
7	07/2024/ NQ-HDQT	08/7/2024	<ul style="list-style-type: none"> <li>- Approval of 2024 first half-year business results and solutions for the second half of 2024.</li> <li>- Approval of investment and disbursement activities.</li> <li>- Approval of the issuance of the amended Information Disclosure Regulation.</li> <li>- Approval of the second advance dividend payment for 2024.</li> </ul>	5/5
8	08/2024/ NQ-HDQT	06/8/2024	Execution of the second dividend payment for 2024.	5/5

## 1. BOARD OF DIRECTORS

No.	Resolution/ Decision No.	Date	Content	Approval rate
9	09/2024/ NQ-HDQT	08/8/2024	Approval of the plan to organize the Extraordinary General Meeting of Shareholders in 2024.	5/5
10	10/2024/ NQ-HDQT	18/10/2024	- Approval of the 2024 nine-month business performance results and solutions for the last three months of 2024. - Agreement to split the Planning and Business Department into two new departments. - Addition of voting items for the 2024 Extraordinary General Meeting of Shareholders.	5/5
11	11/2024/ NQ-HDQT	27/11/2024	Approval of the establishment of Phu Yen Beer Trade-Service One Member Limited Company.	5/5
12	12/2024/ NQ-HDQT	11/12/2024	Approval of the purchase of a 5-seater car for operational purposes	5/5
13	13/2024/ NQ-HDQT	26/12/2024	Approval of the technical-economic report and contractor selection plan; approval of delegation of authority for the investment item: Upgrading the Braumat control system at Saigon - Phu Yen Brewery.	5/5

### Activities of Independent Board Members:

#### Participation in Board Meetings:

- Attend all Board of Directors meetings, contributing opinions on important issues such as financial reports, business strategies, and risk management.
- Ensure that decisions are made based on complete and objective information.

#### Supervising the Executive Board:

- Supervise the activities of the Executive Board, ensuring compliance with legal regulations and company policies.
- Evaluate business performance and provide recommendations for improvement.

#### Reviewing Financial Reports:

- Thoroughly review the company's financial reports, ensuring transparency and compliance with accounting standards.
- Assess the independence and objectivity of the audit firm.

#### Contributing to Corporate Governance:

- Participate in developing and improving corporate governance regulations to enhance transparency and operational efficiency.
- Ensure that the company complies with regulations on insider trading and protects shareholder rights.

### The list of members of the Board of Directors possessing certificates on corporate governance

Mr. Pham Van Phong, an independent member of the Board of Directors of SMB and also the Vice Chairman of the Board of Directors of Sacombank, has been granted a certificate of completion for the Board of Directors training program by the Vietnam Institute of Directors (VIOD).

## 2. BOARD OF SUPERVISORS

### Composition and Structure of the Supervisory Board

No.	Supervisory Board Member	Position	Number of Individually Owned Shares	Ownership Percentage
1	Mr. Nguyen Van Dung	Head of the Board	0	0%
2	Mr. Trinh Van Thao	Member	0	0%
3	Mr. Bui Quang Dang	Member	0	0%

### Activities of the Supervisory Board

#### Evaluation of the Supervisory Board's activities during the year:

##### *Proactive, Comprehensive, and Responsible:*

- The Supervisory Board has fully and seriously fulfilled the tasks assigned by the Annual General Meeting of Shareholders (AGM), as evidenced by its comprehensive monitoring, inspection, and supervision of the company's activities.
- The specific assignment of tasks to each member, the appointment of representatives to attend Board of Directors meetings, and the development of implementation plans demonstrate professionalism and responsibility in their work.
- Regular meetings at branches (Quy Nhon, Phu Yen) indicate proactiveness and a focus on monitoring activities at each unit.

##### *Rigorous Inspection and Supervision:*

- The Supervisory Board has thoroughly audited financial reports (quarterly, semi-annual), ensuring accuracy and transparency.
- The inspection of documents, accounting books, debt status, asset management, and investment activities at branches demonstrates rigorous supervision of financial and business activities.
- The supervision of the AGM (annual and extraordinary) organization process ensures the company operates in compliance with regulations.

##### *Supervising Compliance and Operations of the Board of Directors and Executive Board:*

- The Supervisory Board has monitored and inspected the implementation of resolutions and decisions of the AGM, Board of Directors, and Executive Board, ensuring the company complies with the law and regulations.
- Participation in Board of Directors meetings and frequent exchanges with the Executive Board demonstrate effective coordination and continuous supervision.
- The Supervisory Board highly appreciates the serious and full compliance with information disclosure by the Board of Directors and Executive Board.

##### *Efficiency and Coordination:*

- The Supervisory Board's activities have contributed to ensuring the company's healthy operations, transparent financial situation, and efficient capital management.
- Close coordination between the Supervisory Board, Board of Directors, and Executive Board, along with support from departments, has helped the Supervisory Board complete its tasks effectively.

## 2. BOARD OF SUPERVISORS

### Meetings of the Supervisory Board:

In 2024, the Supervisory Board fully participated in the Board of Directors meetings, reviewing and scrutinizing the Resolutions issued by the Board of Directors to verify their legality and compliance with current legal regulations and the Company's Charter. To ensure that the Company always operates effectively, bringing more benefits to shareholders, the Supervisory Board has seriously exercised its functions and powers in supervising the goals and activities set by the General Meeting of Shareholders.

No.	Supervisory Board Member	Number of meetings attended	Attendance rate
1	Mr. Nguyen Van Dung	3/3	100%
2	Mr. Trinh Van Thao	3/3	100%
3	Mr. Bui Quang Dang	3/3	100%

No.	Meeting	Meeting Date	Content - Meeting Results
1	Meeting 1	March 1-2, 2024	1. Verification of the 2023 financial statements and business results; 2. Opinions on the governance and management activities of the Board of Directors and Management in 2023, through the implementation of the 2023 AGM Resolutions; 3. Review of the 2023 Activity Report and the 2024 Activity Plan of the Supervisory Board for submission to the 2024 AGM for consideration and decision.
2	Meeting 2	August 14-15, 2024	1. Inspection of documents, accounting, books, and accounting data for the first seven months of 2024 at the Quy Nhon branch; 2. Results of production and business activities for the first seven months of 2024 at the Quy Nhon branch (mainly reviewing factors of output, revenue, and expenses affecting profits in the first seven months of 2024 at the Quy Nhon branch); 3. Inspection of debt status, asset management and utilization, investment activities of the Quy Nhon branch, and other related matters (if any). 4. Inspection of the implementation of the 2024 AGM Resolutions; Resolutions and Decisions of the Board of Directors; Decisions of the General Director; and the direction and management of production and business activities of the Quy Nhon branch in the first seven months of 2024.
3	Meeting 3	September 11-12, 2024	1. Inspection of documents, accounting, books, and accounting data for the first seven months of 2024 at the Phu Yen branch; 2. Results of production and business activities for the first seven months of 2024 at the Phu Yen branch (mainly reviewing factors of output, revenue, and expenses affecting profits in the first seven months of 2024 at the Phu Yen branch); 3. Inspection of debt status, asset management and utilization, investment activities of the Phu Yen branch, and other related matters (if any). 4. Inspection of the implementation of the 2024 AGM Resolutions; Resolutions and Decisions of the Board of Directors; Decisions of the General Director; and the direction and management of production and business activities of the Phu Yen branch in the first seven months of 2024.

## 3. TRANSACTIONS, REMUNERATIONS, BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT, AND THE BOARD OF SUPERVISORS

### Salary, rewards, remuneration and benefits

No.	Full name	Position	Remuneration	Salary + Other	Total Income
<b>I. Board of Directors</b>					
1	Mr. Lam Du An	Chairman of the Board	130,000,000		130,000,000
2	Mr. Huynh Van Dung	Member of the Board and General Director	91,000,000	796,320,000	887,320,000
3	Ms. Nguyen Thi Phuoc	Member of the Board	91,000,000		91,000,000
4	Mr. Pham Van Phong	Member of the Board	91,000,000		91,000,000
5	Mr. Doan Tien Dung	Member of the Board (appointed from October 18, 2024)	21,000,000		21,000,000
6	Ms. Nguyen Thi Thuy Linh	Member of the Board (dismissed from October 18, 2024)	70,000,000		70,000,000
<b>II. Board of Supervisors</b>					
1	Mr. Nguyen Van Dung	Head of the Board	260,000,000		260,000,000
2	Mr. Bui Quang Dang	Member	52,000,000		52,000,000
3	Mr. Trinh Van Thao	Member	52,000,000		52,000,000
<b>III. Board of Management and Chief Accountant</b>					
1	Mr. Huynh Van Dung	Member of the Board and General Director			887,320,000
2	Mr. Vo Thanh Dien	Deputy General Director			529,680,000
3	Mr. Nguyen Thanh Nguyen	Chief Accountant			346,200,000



### 3. TRANSACTIONS, REMUNERATIONS, BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT, AND THE BOARD OF SUPERVISORS

Share transactions by internal shareholders

No.	Transaction executor	Relationship with internal persons	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Number of shares	%	Number of shares	%	
<b>I. Internal person</b>							
1	Tran Huu Phu	Person in charge of corporate governance	9,100	0.03%	11,200	0.03%	Investment
<b>II. Related Parties of Mr. Huynh Van Dung - General Director of the Company</b>							
1	Huynh Van Trien	Huynh Van Dung's younger sibling	10,230	0.03%	31,000	0.10%	Financial needs
<b>III. Related Parties of Mr. Nguyen Hoang Long - Director of Quy Nhon Branch</b>							
1	Huynh Thi Bich Tien	Nguyen Hoang Long's wife	2,400	0.02%	20,900	0.07%	Investment

Transaction between internal persons of the Company, affiliated persons of internal persons and the Company's subsidiaries in which the Company takes controlling power: None

Transactions between the Company and other objects: None

### 4. ASSESSMENT OF THE BOARD OF CORPORATE GOVERNANCE REGULATIONS:

**1. Compliance and Corporate Governance (CG) Standards Assessment:** SMB prioritizes "compliance with legal regulations," particularly in information transparency and shareholder rights protection. However, the Company has not yet conducted an assessment and comparison of its CG practices against specific standards like the Vietnam CG Code, ASEAN CG Scorecard, or other international standards. Currently, SMB is focused on legal compliance, and in the future, will implement more in-depth compliance with CG according to higher standards.

**2. Internal Control and Systems:** SMB has implemented and utilized internal management systems such as IBOS software (finance - accounting) and HRM software (human resource management), demonstrating efforts to improve operational efficiency. The application of ISO standards (ISO 9001, ISO 22000, ISO 14001, ISO 50001, FSSC 22000) shows SMB's focus on quality management and environmental and energy aspects. The company also plans to hire a consulting firm to conduct a greenhouse gas inventory to maintain its sustainable development orientation in the coming years.

**3. Investor Relations Activities:**

Based on the information provided, the report does not clearly present specific investor relations activities. SMB is building a solid CG foundation by complying with legal regulations and investing in internal management systems. To further enhance the quality of CG, SMB will consider assessing and reporting on compliance with higher standards, as well as strengthening investor relations activities.

Contracts or transactions with internal shareholders:

Transactions between the Company and its affiliated persons or between the Company and its major shareholders, internal persons and affiliated persons:

No	Name of organization/ individual	Relationship with the Company	NSH No.* date of issue, place of issue	Address	Time of transactions with the Company	Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors (if any, specifying date of issue)	Content, quantity, total value of transaction
1	Saigon Beer - Alcohol - Beverage Corporation (SAB)	Shareholder owning 32.22%	0300583659, Ho Chi Minh City Department of Planning and Investment	187 Nguyen Chi Thanh, Ward 12, District 5, Ho Chi Minh City	01/01/2024 - 31/12/2024	01/2024/NQ-DHDCD	Purchase and sale of Saigon Beer, purchase of raw materials, and dividend payments. Total value: 1,002,395,074,545 VND
2	Saigon Beer Trading One-Member Limited Liability Company	Subsidiary of Sabeco	0303140574, Ho Chi Minh City Department of Planning and Investment	12 Dong Du, Ben Nghe Ward, District 1, Ho Chi Minh City	01/01/2024 - 31/12/2024	01/2024/NQ-DHDCD	Revenue from providing services. Total value: 884,507,682 VND
3	Sai Gon Beer Tay Nguyen Trading Joint Stock Company	Subsidiary of Sabeco	6000514616, Dak Lak Department of Planning and Investment	190 Nguyen Van Linh, Buon Ma Thuot City, Dak Lak Province	01/01/2024 - 31/12/2024	According to the Company's financial management regulations	Circulating packaging, revenue from providing services. Total value: 317,962,800 VND
4	Sabeco Mechanical One-Member Limited Liability Company	Subsidiary of Sabeco	0305815166, Ho Chi Minh City Department of Planning and Investment	215 Dao Duy Tu, Ward 6, District 10, Ho Chi Minh City	01/01/2024 - 31/12/2024	According to the Company's financial management regulations	Purchase of tools, equipment, and services. Total value: 8,272,074,000 VND
5	Phu Yen Printing and Trading Joint Stock Company	Associated Company of SMB	4400117828, Phu Yen Department of Planning and Investment	396 Hung Vuong, Ward 7, Tuy Hoa City, Phu Yen Province	01/01/2024 - 31/12/2024	According to the Company's financial management regulations	Purchase of tools. Total value: 4,955,269,500 VND

# CHAPTER 8

## FINANCIAL STATEMENTS



 Basis for assessing breakthrough potential



# 1. AUDITOR'S OPINION CONSOLIDATED FINANCIAL STATEMENTS

KPMG Limited Branch  
10th Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
+84 (28) 3821 9266 | kpmg.com.vn

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders Sai Gon - Mien Trung Beer Joint Stock Company

We have audited the accompanying consolidated financial statements of Sai Gon - Mien Trung Beer Joint Stock Company ("the Company") and its subsidiary (together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statements of income and cash flows for year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 14 February 2025, as set out on pages 5 to 45.

### Management's Responsibility

The Company's Board of Management is responsible for the preparation and true and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated 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 true 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.

KPMG Limited Branch, a branch of KPMG Limited, a Vietnamese one member limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.



## Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Sai Gon - Mien Trung Beer Joint Stock Company and its subsidiary as at 31 December 2024 and of its consolidated results of operations and its consolidated 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.: 24-04-00030-25-4



Pham Huy Cuong  
Practicing Auditor Registration  
Certificate No. 2675-2024-007-1  
Deputy General Director

Ho Chi Minh City, 14 February 2025

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





# 1. AUDITOR'S OPINION SEPARATE FINANCIAL STATEMENTS

KPMG Limited Branch  
10th Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
+84 (28) 3821 9266 | kpmg.com.vn

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders  
Sai Gon - Mien Trung Beer Joint Stock Company

We have audited the accompanying separate financial statements of Sai Gon - Mien Trung Beer Joint Stock Company ("the Company"), which comprise the separate balance sheet as at 31 December 2024, the separate 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 14 February 2025, as set out on pages 5 to 43.

### Management's Responsibility

The Company's Board of Management is responsible for the preparation and true and fair presentation of these separate 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 separate financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate 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 true 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 separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of Sai Gon - Mien Trung Beer Joint Stock Company as at 31 December 2024 and of its unconsolidated results of operations and its unconsolidated 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.: 24-04-00030-25-5



Phạm Huy Cường  
Practicing Auditor Registration  
Certificate No. 2675-2024-007-1  
Deputy General Director

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

Ho Chi Minh City, 14 February 2025

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## 2. AUDITED FINANCIAL STATEMENTS

### AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR 2024

- **The audited consolidated financial statements for 2024 of Saigon Beer - Mien Trung Joint Stock Company include:** Management Report, Independent Auditor's Report, Statement of Financial Position as of December 31, 2024, Income Statement for 2024, Cash Flow Statement for the period from January 1 to December 31, 2024, and Notes to the Financial Statements for the period from January 1 to December 31, 2024.
- **Explanatory Content:** Profit after corporate income tax on the audited consolidated income statement for 2024 showed a difference of 10% or more compared to the same period in 2023. Specifically, profit after tax in 2024 increased by 15.7% compared to 2023, equivalent to VND 24.23 billion. This was mainly due to consumption volume in 2024 increasing by 11.5 million liters compared to 2023. The Company managed material norms well despite higher material costs compared to 2023. This explanatory report is enclosed with the audited consolidated financial statements for 2024 to serve the required information disclosure.

Website Address for Full Financial Statement Publication: [https:// biasaigonmt.com](https://biasaigonmt.com), or at the report link: [https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/02/22/File\\_1\\_4720\\_20250221-SMB-BCTC\\_HOP\\_NHAT\\_KIEM\\_TOAN\\_2024\\_VN.pdf](https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/02/22/File_1_4720_20250221-SMB-BCTC_HOP_NHAT_KIEM_TOAN_2024_VN.pdf)

### AUDITED SEPARATE FINANCIAL STATEMENTS FOR 2024

- **The audited separate financial statements for 2024 of Saigon Beer - Mien Trung Joint Stock Company include:** Management Report, Independent Auditor's Report, Statement of Financial Position as of December 31, 2024, Income Statement for 2024, Cash Flow Statement for the period from January 1 to December 31, 2024, and Notes to the Financial Statements for the period from January 1 to December 31, 2024.
- **Explanatory Content:** Profit after corporate income tax on the audited separate income statement for 2024 showed a difference of 10% or more compared to the same period in 2023. Specifically, profit after tax in 2024 increased by 16.2% compared to 2023, equivalent to VND 24.32 billion. This was mainly due to consumption volume in 2024 increasing by 11.5 million liters compared to 2023. The Company managed material norms well despite higher material costs compared to 2023. This explanatory report is enclosed with the audited separate financial statements for 2024 to serve the required information disclosure.

Website Address for Full Financial Statement Publication: <https:// biasaigonmt.com>, or at the report link: [https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/02/22/File\\_1\\_1039\\_20250221-SMB-BCTC\\_TONG\\_HOP\\_KIEM\\_TOAN\\_2024\\_VN.pdf](https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/02/22/File_1_1039_20250221-SMB-BCTC_TONG_HOP_KIEM_TOAN_2024_VN.pdf)

### ANNUAL REPORT 2024

#### Sai Gon - Mien Trung Beer Joint Stock Company

Dak Lak, March 11<sup>th</sup>, 2025

CONFIRMATION BY THE COMPANY'S LEGAL REPRESENTATIVE



**GENERAL DIRECTOR  
HUYNH VAN DUNG**

# BIA SAIGON®

## SAIGON-MIENTRUNG



#### Contact Information:

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**Stock code:** SMB