



Thai Beverage Public Company Limited

## ANNOUNCEMENT

**Date:** 5 May 2022  
**To:** Singapore Exchange Securities Trading Limited  
**Subject:** Potential Spin-Off and Listing of BeerCo Limited, a subsidiary of ThaiBev

### 1. INTRODUCTION

We, Thai Beverage Public Company Limited ("**ThaiBev**", and together with our subsidiaries, the "**ThaiBev Group**"), refer to our previous announcements:

- (a) dated 4 February 2021 ("**4 February 2021 Announcement**") in relation to the receipt of a no-objection letter from Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the potential listing of the beer businesses of ThaiBev (the "**Spin-off Business**"), which is currently held by BeerCo Limited ("**BeerCo**", and together with its subsidiaries, the "**BeerCo Group**"), an indirect wholly-owned subsidiary of ThaiBev, on the Main Board of the SGX-ST (the "**Proposed Spin-off Listing**"); and
- (b) dated 16 April 2021 in relation to the deferment of the Proposed Spin-off Listing.

ThaiBev is pleased to announce its intention for BeerCo to resume its seeking of the Proposed Spin-off Listing and that in connection therewith, International Beverage Holdings Limited, a wholly-owned subsidiary of ThaiBev which holds all of the issued ordinary shares of BeerCo, will conduct a public offering of up to approximately 20% of the total number of issued ordinary shares of BeerCo ("**BeerCo Shares**") (subject to a potential over-allotment option (if any)) (the proposed sale of such shares being the "**Proposed Vendor Sale**")<sup>1</sup>.

ThaiBev has received confirmation from the SGX-ST that the SGX-ST's no-objection letter as described in the 4 February 2021 Announcement will continue to apply to the resumption of the Proposed Spin-off Listing.

The SGX-ST reserves the right to amend and/or vary the above decision and such decision is subject to changes in the SGX-ST's policies.

For the avoidance of doubt, ThaiBev will not be convening a general meeting to seek the approval of Shareholders for the Proposed Spin-off Listing.

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<sup>1</sup> The terms of the Proposed Spin-off Listing (if any) and the Proposed Vendor Sale (if any) remain subject to finalisation. While it is possible that an over-allotment option may be granted as part of the Proposed Vendor Sale and an additional amount of BeerCo Shares may be sold pursuant thereto, please note that there is no clarity on the grant of any potential over-allotment or on the size thereof at this stage, nor any certainty that any such over-allotment (if granted) could be sold.



## 2. INFORMATION ON THE BEERCO GROUP AND ITS CONTRIBUTION TO THE THAIBEV GROUP

BeerCo is a company incorporated in Singapore as an investment holding company. An internal restructuring exercise within the ThaiBev Group was undertaken and completed in 2020 to substantially streamline and consolidate the ThaiBev Group's beer business and operations under BeerCo, except for the sale of Thai beer products outside Thailand (the "**International Beer Sales Business**")<sup>2</sup>. The BeerCo Group's business includes the production, distribution and sales of beer, including "Chang", "Archa" and "Federbräu", in Thailand, and through our interest in Saigon Beer-Alcohol-Beverage Corporation, the production, distribution and sales of beer, including "Bia Saigon" and "333", in Vietnam. The BeerCo Group has a total of three breweries in Thailand and a network of 26 breweries in Vietnam. For the financial year ended 30 September 2021 ("FY2021"), the revenue of the BeerCo Group was approximately S\$4,207.9 million, and profit after tax was approximately S\$342.5 million. The indicative group structure of the BeerCo Group for the purposes of the Proposed Spin-off Listing is set out in Appendix A to this announcement.

To allow Shareholders to better understand the scope of the Proposed Spin-off Listing, the following information about the BeerCo Group and its contribution to the ThaiBev Group have been included:

- (a) Appendix B to this announcement contains details on the contribution of the Spin-off Business to the ThaiBev Group's gross profit, EBITDA and Profit After Tax for each of the financial years ended 30 September 2019 ("FY2019"), 30 September 2020 ("FY2020") and FY2021; and
- (b) Appendix C1 to this announcement contains a commentary on the financial performance of the BeerCo Group for FY2019, FY2020 and FY2021, and Appendix C2 to this announcement contains the BeerCo Group's unaudited combined financial statements for FY2019, FY2020 and FY2021.

ThaiBev will also be releasing the unaudited combined financial statements of BeerCo and unaudited consolidated financial statements of ThaiBev for the second quarter and six months ended 31 March 2022, on or about 13 May 2022 after the market closes, to provide Shareholders with an update of the financial performance of the BeerCo Group and the ThaiBev Group, and the BeerCo Group's contribution to the ThaiBev Group.

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<sup>2</sup> The International Beer Sales Business will continue to be operated by the ThaiBev Group following the Proposed Spin-off Listing. For completeness, Bia Saigon is also sold in Singapore under the International Beer Sales Business, but such sales were insignificant and amounted to only approximately SGD26,400 for the last financial year ended 30 September 2021.

### 3. RATIONALE FOR AND BENEFITS OF A PROPOSED SPIN-OFF LISTING

As stated in the 4 February 2021 Announcement, the Board of Directors of ThaiBev ("**Board**") believes that the Proposed Spin-off Listing would be in the interests of Shareholders. The business and commercial reasons for the Proposed Spin-off Listing as well as the benefits to Shareholders include:

(a) Significant growth potential in the beer business to be better harnessed by a separate board of directors and management team

The Board sees significant growth potential in the beer business and believes that the potential can better be developed with a dedicated board of directors and management team focused solely on growing the beer business. The management team for BeerCo will comprise members with extensive experience in the beer industry and BeerCo will be led by a board of directors which will contribute to the growth and strategy of BeerCo.

Appendix D to this announcement sets out details of the board of directors and management team of BeerCo.

As a separately-listed entity, BeerCo will have direct access to debt and equity capital markets and be able to independently leverage on a wider range of funding options to finance its existing operations as well as its future business expansion plans.

(b) Improvement of the financial position of the ThaiBev Group and increased financial flexibility to grow its other business segments

It is anticipated that the ThaiBev Group could use part of the proceeds generated from the Proposed Vendor Sale to *inter alia* repay interest-bearing debt. A reduction of the ThaiBev's Group's interest-bearing debt to equity ratio and in its overall debt level will be beneficial to the ThaiBev Group as a whole; this will strengthen the ThaiBev Group financially and increase its ability to invest in future business expansion. The ThaiBev Group will also be able to better utilise its financial resources for its other business segments.

(c) Unlocking Shareholder Value

The Proposed Spin-off Listing will provide a transparent valuation benchmark for the Spin-off Business under the BeerCo Group and will allow the core businesses of the ThaiBev Group to be assessed and valued more distinctly. ThaiBev believes that the BeerCo Group's position as one of the leading beer players in Southeast Asia and its growth potential offers a distinct and compelling growth story.

Shareholders will be able to benefit from improvement in Shareholder value resulting from any gain on disposal that ThaiBev will receive from the Proposed Vendor Sale.

In addition, Shareholders can continue to participate in the growth of the BeerCo Group through ThaiBev as ThaiBev intends to retain a significant majority shareholding in the BeerCo Group after the Proposed Spin-off Listing. Shareholders and new investors will have the flexibility to invest in the shares of either or both of ThaiBev and/or BeerCo in accordance with, among others, their risk appetites, investment preferences and other factors. Having BeerCo separately listed will allow investors more opportunity for

diversification of their investments. The Proposed Spin-off Listing may also attract new investors in either or both of ThaiBev and/or BeerCo who are seeking investment opportunities in a more focused business model, thereby creating a wider, deeper and more diverse investor base for the ThaiBev Group as a whole.

#### **4. CAUTIONARY STATEMENT**

**The Board wishes to highlight that the Proposed Spin-off Listing is subject to, *inter alia*, requisite approvals from the relevant regulatory authorities, as well as the prevailing market conditions. Accordingly, there is no certainty or assurance that the Proposed Spin-off Listing will materialise or that the SGX-ST and the Monetary Authority of Singapore will grant their approval for the listing of BeerCo Shares on the Main Board of the SGX-ST or the registration of the final prospectus of BeerCo. Further, the Board may, notwithstanding that all requisite regulatory approvals have been obtained or will be obtained in due course, decide not to proceed with the Proposed Spin-off Listing if, having regard to investors' interests and responses at any material time and taking into consideration any other relevant factors, the Board deems it not in the interests of Shareholders to proceed with the same. Accordingly, there is no certainty or assurance that the Proposed Spin-off Listing will materialise in due course, at all, or in the form as described in this announcement.**

**Shareholders and potential investors are advised to exercise caution at all times and seek appropriate professional advice when dealing in the shares in and securities of ThaiBev, and to refrain from taking any action in respect of their investments which may be prejudicial to their interests.**

In accordance with the relevant Thai and Singapore regulations, ThaiBev will announce material updates in respect of the Proposed Spin-off Listing or Spin-off Business where appropriate.

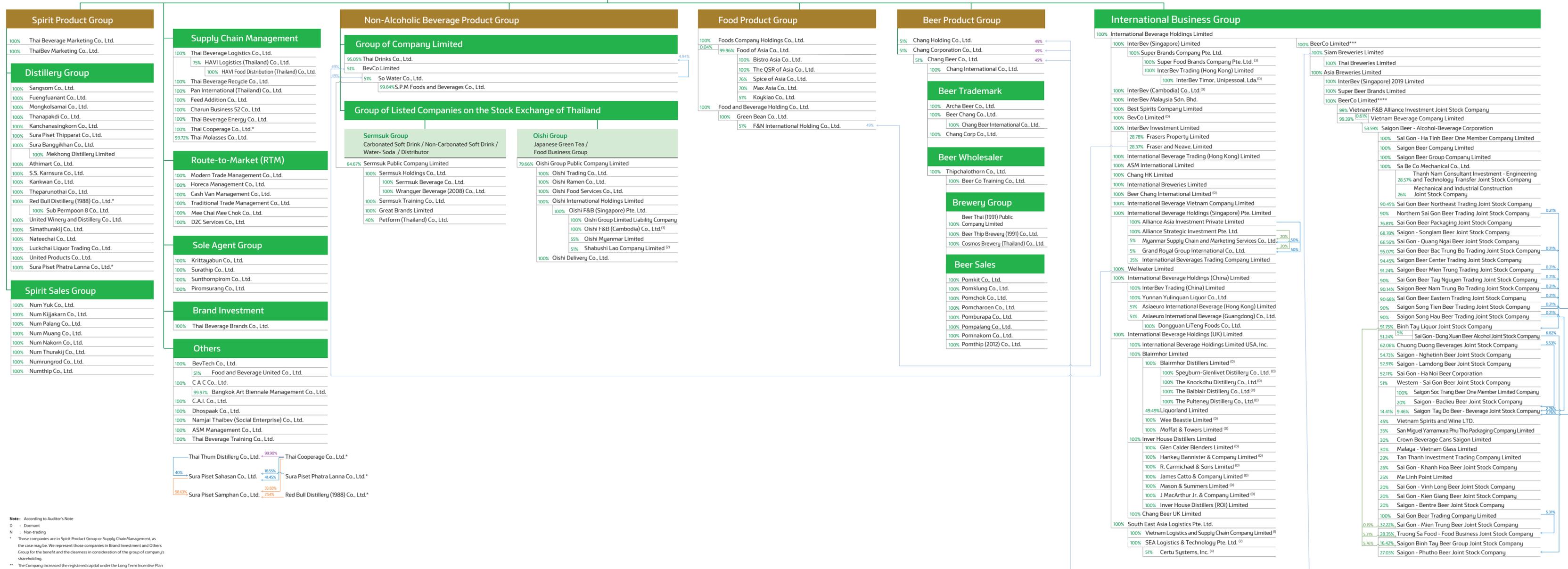
Please be informed accordingly.

Yours faithfully,  
Nantika Ninvoraskul  
Company Secretary

**APPENDIX A**  
**INDICATIVE GROUP STRUCTURE CHART**

# Shareholding Structure

As at 4 May 2022



**Note:** According to Auditor's Note  
D : Dormant  
N : Non-trading  
\* Those companies are in Spirit Product Group or Supply Chain Management, as the case may be. We represent those companies in Brand Investment and Others Group for the benefit and the clearness in consideration of the group of company's shareholding.  
\*\* The Company increased the registered capital under the Long Term Incentive Plan (LTIP) on 31 January 2022.  
\*\*\* BeerCo Limited was incorporated in Singapore on 17 December 2019.  
\*\*\*\* BeerCo Limited was incorporated in Hong Kong on 9 December 2015.

**Remarks: Period 1 October 2021 - 5 May 2022**  
(1) Vietnam Logistics and Supply Chain Company Limited was incorporated in Socialist Republic of Vietnam on 11 October 2021.  
(2) SEA Logistics & Technology Pte. Ltd. was incorporated in Singapore on 5 April 2022.  
(3) Super Food Brands Company Pte. Ltd. was incorporated in Singapore on 19 April 2022.  
(4) SEA Logistics & Technology Pte. Ltd. acquired 51% of the shares of ChyData, Inc. on 25 April 2022.  
ChyData, Inc. registered the change of Company's name to Certu Systems, Inc. on 29 April 2022.

**APPENDIX B**  
**SPIN-OFF BUSINESS' CONTRIBUTION**

**SPIN-OFF BUSINESS'S CONTRIBUTION TO THE THAIBEV GROUP**

The relative contribution of the Spin-off Business to the ThaiBev Group's gross profit, EBITDA and Profit After Tax in the financial year ended 30 September 2021 ("FY2021") is 28%, 28% and 29%, respectively.

The following table summarises the relative contribution of the Spin-off Business, to the ThaiBev Group's financial results for the financial years ended 30 September 2019 ("FY2019"), 30 September 2020 ("FY2020") and FY2021. Historical financial information on the Spin-off Business has also been provided in Appendix C2.

	Financial Year Ended 30 September		
	2019	2020	2021
<b>BeerCo Group's % Contribution to ThaiBev Group<sup>(1)</sup></b>			
Gross Profit	31%	29%	28%
EBITDA <sup>(2)</sup>	21%	29%	28%
Profit After Tax <sup>(2)</sup>	19%	30%	29%

<sup>(1)</sup> The ThaiBev Group's financial information was extracted from ThaiBev's annual reports for the respective financial years and has been converted to SGD for this calculation at a THBSGD rate of 0.0431, 0.0443, and 0.0428 for FY2019, FY2020 and FY2021, respectively.

<sup>(2)</sup> The BeerCo Group's financial information used in these calculations was extracted from the unaudited combined financial statements of the BeerCo Group included in Appendix C2. In calculating the % contribution, no elimination was made to the BeerCo Group's financial information for transactions between companies of the BeerCo Group and those of the ThaiBev Group (outside the BeerCo Group). BeerCo's EBITDA applied in this calculation includes interest income, past service cost for employee benefits from amendment of the Thai Labor Protection Act, management fees paid to companies of the ThaiBev Group (outside the BeerCo Group) in FY2019, FY2020 and FY2021 and costs relating to business acquisition. The BeerCo Group's Profit After Tax applied in this calculation includes non-recurring finance costs, past service cost for employee benefits from amendment of the Thai Labor Protection Act, management fees paid to companies of the ThaiBev Group (excluding the BeerCo Group) in FY2019, FY2020 and FY2021 and costs relating to business acquisition.

## RECONCILIATION OF KEY FINANCIALS BETWEEN THE THAIBEV GROUP'S BEER SEGMENT AND THE BEERCO GROUP

The following table sets forth selected income statement data between the ThaiBev Group's beer segment and the BeerCo Group for FY2019, FY2020 and FY2021:

	ThaiBev Group's Beer Segment <sup>(1)</sup> (As Reported)			BeerCo Group			Commentary on Reconciliation
	Financial Year Ended 30 September			Financial Year Ended 30 September			
	2019 (S\$ in millions)	2020 (S\$ in millions)	2021 (S\$ in millions)	2019 (S\$ in millions)	2020 (S\$ in millions)	2021 (S\$ in millions)	
Revenue	5,190	4,734	4,244	5,151	4,716	4,208	<ul style="list-style-type: none"> <li>ThaiBev Group's beer segment recognises additional revenues between FY2019 and FY2021 through the distribution of BeerCo products to third parties by Cash Van Management Co., Ltd. ("CVM"), Horeca Management Co., Ltd. ("HORECA") and International Beverage Holdings Limited ("IBHL")</li> <li>ThaiBev Group's beer segment only included sales of Chang drinking water from FY2019 onwards while BeerCo Group revenues included sales of Chang drinking water between FY2019 and FY2021</li> </ul>
Gross profit	1,158	1,057	935	1,034	969	857	<ul style="list-style-type: none"> <li>ThaiBev Group's beer segment recognises additional gross profits between FY2019 and FY2021 from the distributor margin earned for sales by CVM, HORECA and IBHL to third parties</li> </ul>
EBITDA <sup>(2)</sup>	537	568	534	403	588	557	<ul style="list-style-type: none"> <li>Head office expenses and corporate sponsorship expenses were allocated across various business segments in ThaiBev Group for FY2019 to FY2021, resulting in lower expenses for the beer segment</li> <li>BeerCo Group absorbed all corporate sponsorship expenses incurred at BeerCo entities for FY2019 to FY2021. In FY2020 and FY2021, corporate sponsorship expenses were lower than FY2019 due to the cancelation or postponement of events amid the Covid-19 pandemic</li> </ul>
Profit after tax	141	156	133	218	348	342	<ul style="list-style-type: none"> <li>ThaiBev Group's beer segment incurred interest expenses between FY2019 and FY2021 for loans taken on for the acquisition of SABECO in FY2018</li> <li>BeerCo Group did not incur interest expenses for loans taken on for the acquisition of SABECO between FY2019 and FY2021</li> </ul>

<sup>(1)</sup> The ThaiBev Group's financial information was extracted from ThaiBev's annual reports for the respective financial years and has been converted to SGD for this calculation at a THBSGD rate of 0.0431, 0.0443 and 0.0428 for FY2019, FY2020 and FY2021, respectively.

<sup>(2)</sup> EBITDA for both ThaiBev Group's beer segment and BeerCo Group include interest income.

**APPENDIX C1**  
**THE FINANCIAL PERFORMANCE OF THE BEERCO GROUP**  
**FOR THE FINANCIAL YEARS ENDED**  
**30 SEPTEMBER 2019, 30 SEPTEMBER 2020 AND 30 SEPTEMBER 2021<sup>(1)</sup>**

**BeerCo Group's FY2019, FY2020 and FY2021 Financial Performance**

*Revenue from sale of goods*

Revenue from sale of goods decreased by 8.4% YoY from S\$5,150.7 million in FY2019 to S\$4,716.0 million in FY2020 and decreased by 10.8% YoY to S\$4,207.9 million in FY2021. The decrease in FY2020 was attributable to a decrease in revenue from sale of goods in Vietnam which was only partially offset by an increase in revenue from sale of goods in Thailand. The decrease in FY2021 was primarily attributable to lower sales volumes in both Thailand and Vietnam as a result of the Covid-19 pandemic.

Revenue from sale of goods in Thailand increased by 2.7% YoY from S\$2,452.8 million in FY2019 to S\$2,519.0 million in FY2020, and decreased by 7.2% YoY to S\$2,338.0 million in FY2021. The increase in FY2020 was largely the result of an increase in sales volumes of "Chang" beer, due to BeerCo's continued brand-building efforts in Thailand and its initiative to strengthen its distribution channels and intensify engagement with its agents, which helped it gain market share. The decrease in FY2021 was primarily attributable to the impact of the lockdowns and restrictions caused by the Covid-19 pandemic and exchange rate translation.

Revenue from sale of goods in Vietnam decreased by 18.6% YoY from S\$2,697.9 million in FY2019 to S\$2,197.0 million in FY2020 and decreased by 14.9% YoY to S\$1,869.9 million in FY2021. The decrease in FY2020 was primarily due to a decrease in sales volumes as a result of the Covid-19 pandemic, which halted business and social activities and lowered total consumption levels in Vietnam, and other adverse factors such as false rumors against BeerCo and Decree No. 100/2019/ND-CP on administrative penalties for road traffic offenses and rail transport offenses ("**Decree 100**"). The Vietnamese government implemented Decree 100, effective 1 January 2020, which introduced tighter restrictions on marketing and advertising for beer in Vietnam and implemented strict penalties and remedial actions for operating a vehicle on the road under the influence of alcohol, without any tolerance or legal limits. The decrease in FY2021 was primarily due to lower volume impacted by natural disasters in Vietnam and worsening impacts from different waves of COVID-19, despite being mitigated by increased sales as a result of higher trade and consumer promotions.

*Cost of sale of goods*

Cost of sale of goods decreased by 9.0% YoY from S\$4,116.5 million in FY2019 to S\$3,747.3 million in FY2020 and decreased by 10.6% YoY to S\$3,351.3 million in FY2021. The decrease in FY2020 was generally in line with the decrease in its revenue from sale of goods. The decrease in FY2021 was primarily due to lower sale of goods in both Thailand and Vietnam. In Vietnam, BeerCo's cost of sale of goods decreased by 19.7% YoY to S\$1,694.6 million in FY2020 and decreased by 14.9% YoY to S\$1,442.3 million in FY2021, also as a result of cost saving initiatives that BeerCo continued to implement since the SABECO Acquisition, leading to lower costs for raw materials, cans and bottles, as well as lower sales volume coupled with packaging cost savings and reduced overheads costs. BeerCo also introduced key performance indicators for lowering energy consumption for its Vietnam breweries.

*Other income*

Other income was relatively stable in FY2020 and increased by 8.3% YoY from S\$22.5 million in FY2020 to S\$24.4 million in FY2021, primarily as a result of a reversal of the Science and Technology Development Fund charges in Vietnam as BeerCo no longer needed those funds.

*Distribution costs*

Distribution costs decreased by 13.0% YoY from S\$529.9 million in FY2019 to S\$461.1 million in FY2020 and decreased by 9.5% YoY to S\$417.1 million in FY2021.

The decrease in FY2020 was primarily as a result of (i) a decrease in marketing and advertising expenses by 8.1% YoY from S\$205.8 million in FY2019 to S\$189.2 million in FY2020 due to lockdowns and other countermeasures against Covid-19; (ii) a decrease in transportation expenses by 27.3% YoY to S\$103.2 million in FY2020 due to cost saving initiatives in Vietnam, where BeerCo has improved its tender process for transportation, which was helped by a decrease

in oil prices, and (iii) a decrease in rental fee by 90.4% YoY to S\$1.7 million in FY2020 due to a change in accounting policy which led to a reclassification of rental fee to "depreciation and amortization." The decrease was partially offset by a 23.6% YoY increase in depreciation and amortisation charges to S\$43.9 million in FY2020 partly as a result of adoption of IFRS 16 in FY2020. The decrease in FY2021 was primarily as a result of a 20.8% YoY decrease in distribution costs for Thailand from S\$268.2 million in FY2020 to S\$212.4 million in FY2021 due to lower marketing and advertising expenses in Thailand from closely monitoring such spendings during lockdowns, which was partially offset by a 6.2% YoY increase in distribution costs for Vietnam from S\$192.9 million in FY2020 to S\$204.7 million in FY2021, primarily as a result of higher advertising and promotion expenses in football sponsorship, advertisement in social and Out-Of-Home channels supported by trade and consumer promotional programs and activities.

Marketing and advertising expenses decreased by 10.8% YoY from S\$189.2 million in FY2020 to S\$168.7 million in FY2021, primarily as a result of sales and marketing plans to compete with the rivalries in Vietnam.

Transportation expenses decreased by 10.7% YoY from S\$103.2 million in FY2020 to S\$92.1 million in FY2021, primarily as a result of transportation costs saving in Vietnam from improved route management, efficiency gains and also lower sales.

Employee benefit expenses decreased by 2.1% YoY from S\$86.4 million in FY2020 to S\$84.6 million primarily as a result of decrease in headcount and sales commission.

#### *Administrative expenses*

Administrative expenses decreased by 13.5% YoY from S\$144.0 million in FY2019 to S\$124.6 million in FY2020 and decreased by 22.6% YoY to S\$96.4 million in FY2021.

The decrease in FY2020 was primarily as a result of (i) a decrease in employee benefit expenses by 32.9% YoY to S\$54.5 million in FY2020 primarily due to the reversal of accrued bonus provisions in Vietnam after the finalization of bonus payouts in FY2020, and (ii) a decrease in other administrative expenses by 48.9% YoY to S\$11.2 million in FY2020, partially due to losses relating to assets disposed in Vietnam and lower bottles write-off costs in FY2020. The decrease was partially offset by increases in (i) allowance for doubtful debt of other receivables from related parties to S\$16.5 million in FY2020, from nil in FY2019, in relation to management's assessment of the recoverability of certain investments in associates and provision for investment in a real estate associated company in Vietnam; (ii) depreciation and amortisation charges to S\$9.1 million in FY2020, from S\$4.5 million in FY2019, primarily as a result of adoption of IFRS16, and (iii) donation to S\$7.0 million in FY2020, from S\$3.9 million in FY2019, primarily for medical funds. The decrease in FY2021 was primarily due to decreases in administrative expenses in Vietnam, which was partially offset by the increase in employee benefit expenses by 1.2% YoY from S\$54.5 million in FY2020 to S\$55.1 million in FY2021 due to the appointment of BeerCo's own management personnel.

Administrative expenses in Thailand increased by 1.7% YoY to S\$46.7 million in FY2020 primarily due to an increase in hire and service fees and increased by 2.1% YoY to S\$47.6 million in FY2021, whereas administrative expenses in Vietnam decreased by 20.6% YoY to S\$77.9 million in FY2020 primarily due to a decrease in employee benefit expenses in Vietnam and continued efforts to contain costs and implement a cost-conscious culture, and decreased by 37.4% YoY from S\$77.9 million in FY2020 to S\$48.8 million in FY2021 as a result of better management of operating expenses and a one-off provision related to a real estate investment incurred in FY2020 but not in FY2021.

#### *Management fees*

Management fees decreased by 82.9% YoY from S\$170.1 million in FY2019 to S\$29.1 million in FY2020 and decreased by 89.7% YoY to S\$3.0 million in FY2021. The decrease in FY2020 was a result of the new management fee schemes implemented with ThaiBev. BeerCo amended its management fee scheme with ThaiBev in FY2020 to phase out the fees in anticipation of BeerCo using its own management personnel. In November 2019, BeerCo terminated the service fee agreement with effect from 1 December 2019. In March 2020, BeerCo entered into a new supporting service agreement effective from 1 April 2020, which resulted in significantly lower service fees than what BeerCo has historically paid to ThaiBev, resulting a decrease in management fees in FY2020. The decrease in FY2021 was primarily as a result of the change of management fee structure by terminating the supporting service agreement with ThaiBev with effect from December 1, 2019. In March 2020, BeerCo entered into a new supporting service agreement effective from April 1, 2020, which was in line with BeerCo's plan to have its own management personnel.

#### *Past service cost for employee benefits from amendment of Thai Labor Protection Act*

BeerCo did not incur any service cost for employee benefits from amendment of Thai Labor Protection Act in FY2020 and FY2021. The past service cost in relation to this item amounted to S\$4.5 million in FY2019. This cost was a one-off cost relating to a change in Thai labor laws, which now require companies to accrue for up to 400 post-service days of employee benefits instead of 300 days.

#### *Interest income*

Interest income increased by 15.2% YoY from \$59.5 million in FY2019 to S\$68.6 million in FY2020, primarily as a result of higher cash balances in Vietnam and decreased by 17.9% YoY to S\$56.3 million in FY2021, primarily as a result of lower interest rate for both short-term and long-term deposits in Vietnam.

#### *Finance costs*

Finance costs increased by 35.4% YoY from S\$9.3 million in FY2019 to S\$12.7 million in FY2020 and decreased by 30.9% YoY to S\$8.7 million in FY2021. The increase in FY2020 was primarily as a result of BeerCo's increased stake in the LamDong brewery in Vietnam such that it became a subsidiary of BeerCo, while the decrease in FY2021 was primarily as a result of lower loans and interest rate in both Thailand and Vietnam. Finance costs in Vietnam was S\$9.6 million in FY2020 as compared to S\$7.9 million in FY2021.

#### *Costs relating to beer business reorganisation*

BeerCo recognized a cost related to the beer business reorganization of S\$8.7 million in FY2020. In FY2021, the cost relating to the beer business reorganization was included in administrative expenses.

#### *Tax expenses*

Tax expenses increased by 53.9% YoY from S\$62.0 million in FY2019 to S\$95.4 million in FY2020, as taxable income, which depends on profits, increased in FY2020. Tax expenses decreased by 14.4% YoY to S\$81.7 million in FY2021, resulting principally from tax benefits relating to BeerCo's subsidiary, Chang Beer's status as an International Business Center in Thailand and lower profits in Vietnam.

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<sup>(1)</sup> Any discrepancies between the listed amounts and totals in this Appendix C-1 and the financial statements set out in Appendix C-2 are due to rounding.

**APPENDIX C2**  
**THE BEERCO GROUP'S UNAUDITED COMBINED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEARS ENDED**  
**30 SEPTEMBER 2019, 30 SEPTEMBER 2020 AND 30 SEPTEMBER 2021**

## BeerCo Limited and its Subsidiaries

### Combined statements of financial position

As at September 30	Note	2021	2020 (in thousand SGD)	2019
<b>Assets</b>				
Other long-term investments	33	8,243	22,706	21,119
Other non-current assets	19	8,204	8,221	12,707
Deferred tax assets	32	2,609	3,494	2,768
Other intangible assets	18	1,089,329	1,087,133	1,203,410
Goodwill	17, 26	5,328,304	5,256,233	5,306,252
Right-of-use assets	16	166,360	166,884	-
Property, plant and equipment	15, 26	668,159	722,010	756,040
Investment properties	14	25,894	24,817	20,371
Long-term loans to and other receivables from related parties	6	312	109,399	590,461
Investments in associates and joint ventures	12	250,962	249,576	245,665
<b>Non-current assets</b>		<b>7,548,376</b>	<b>7,650,473</b>	<b>8,158,793</b>
Other current assets	11	29,486	25,689	21,021
Inventories	10, 26	219,043	217,162	262,010
Short-term loans to and other receivables from related parties	6	148,799	4,453	64,828
Other receivables	9	27,905	40,791	39,208
Trade receivables	6, 9	37,046	28,190	31,713
Current investments	8	918,251	844,572	665,232
Cash and cash equivalents	7	428,840	299,327	249,916
<b>Current assets</b>		<b>1,809,370</b>	<b>1,460,184</b>	<b>1,333,928</b>
<b>Total assets</b>		<b>9,357,746</b>	<b>9,110,657</b>	<b>9,492,721</b>
<b>Equity</b>				
Net parents investment (issued capital and reserves)	35	7,188,308	7,012,573	7,418,804
Non-controlling interests	13	1,439,567	1,252,946	1,300,639
<b>Total equity</b>		<b>8,627,875</b>	<b>8,265,519</b>	<b>8,719,443</b>
<b>Liabilities</b>				
Long-term loans from and other payables to related parties	6	274	258	37,667
Long-term loans from financial institutions	20	12,579	24,180	-
Lease liabilities	16, 20, 33	58,422	54,701	-
Deferred tax liabilities	32	53,829	54,000	55,491
Employee benefit obligations	24	29,377	33,356	33,123
Other non-current liabilities		20,670	8,783	12,528
<b>Non-current liabilities</b>		<b>175,151</b>	<b>175,278</b>	<b>138,809</b>
Short-term promissory notes	20	21,516	32,837	30,285
Trade payables	6, 21	102,251	119,240	145,045
Other payables	22	311,844	356,047	358,830
Current portion of long-term loans from financial institutions	20	572	565	-
Current portion of lease liabilities	16, 20, 33	20,886	21,660	-
Short-term loans from and other payables to related parties		16,159	61,492	33,256
Income tax payable	6, 20	24,348	36,128	31,887
Other current liabilities		57,144	41,891	35,166
<b>Current liabilities</b>		<b>554,720</b>	<b>669,860</b>	<b>634,469</b>
<b>Total liabilities</b>		<b>729,871</b>	<b>845,138</b>	<b>773,278</b>
<b>Total liabilities and equity</b>		<b>9,357,746</b>	<b>9,110,657</b>	<b>9,492,721</b>

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Combined statements of profit or loss**  
**For the years ended September 30, 2019, 2020 and 2021**

Years ended September 30	Note	2021	2020	2019
			<i>(in thousand SGD)</i>	
Revenue from sale of goods	6, 26	4,207,928	4,716,038	5,150,672
Cost of sale of goods	6, 10, 26	(3,351,269)	(3,747,268)	(4,116,457)
<b>Gross profit</b>		<b>856,659</b>	<b>968,770</b>	<b>1,034,215</b>
Dividend income		117	65	467
Net gain on foreign exchange		2,260	1,544	188
Other income	6	24,387	22,518	23,190
Distribution costs	6, 27	(417,094)	(461,090)	(529,903)
Administrative expenses	6, 28	(96,420)	(124,587)	(144,048)
Management fees	6	(2,986)	(29,103)	(170,108)
Past service cost for employee benefits from the amendment of Thai Labor Protection Act	24, 26	-	-	(4,451)
<b>Results from operating activities</b>		<b>366,923</b>	<b>378,117</b>	<b>209,550</b>
Interest income	6	56,299	68,600	59,536
Finance costs	6, 31	(8,741)	(12,657)	(9,349)
<b>Net finance income</b>		<b>47,558</b>	<b>55,943</b>	<b>50,187</b>
Share of profit of investments in associates and joint ventures, net of tax	12	9,698	17,833	20,117
<b>Profit before income tax expense and non-operating items</b>		<b>424,179</b>	<b>451,893</b>	<b>279,854</b>
<b>Non-operating items:</b>				
Other cost related to beer business reorganisation		-	(8,725)	-
<b>Profit before income tax expense</b>		<b>424,179</b>	<b>443,168</b>	<b>279,854</b>
Income tax expense	32	(81,717)	(95,434)	(61,993)
<b>Profit for the year</b>		<b>342,462</b>	<b>347,734</b>	<b>217,861</b>
<b>Profit attributable to:</b>				
Owners of the Company		205,956	198,777	124,034
Non-controlling interests	13	136,506	148,957	93,827
<b>Profit for the year</b>		<b>342,462</b>	<b>347,734</b>	<b>217,861</b>
<b>Basic and diluted earnings per share attributable to owners of the Company (cents)</b>	37	<b>3.02</b>	<b>2.91</b>	<b>1.82</b>

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Combined statements of comprehensive income**  
**For the years ended September 30, 2019, 2020 and 2021**

Years ended September 30	Note	2021	2020	2019
			(in thousand SGD)	
<b>Profit for the year</b>		<b>342,462</b>	<b>347,734</b>	<b>217,861</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to profit or loss</i>				
Defined benefit plan remeasurements	24	826	(1,296)	(3,797)
Gain on revaluation of land	15	5,437	-	-
Equity investments at FVOCI - net change in fair value		9,286	1,902	880
Related tax	32	(1,240)	270	765
		<u>14,309</u>	<u>876</u>	<u>(2,152)</u>
<i>Items that are or may be reclassified subsequently to profit or loss</i>				
Effective portion of changes in fair value of cash flow hedges		(402)	-	-
Foreign currency translation differences for foreign operations		71,070	(83,080)	123,518
Related tax	32	80	-	-
		<u>70,748</u>	<u>(83,080)</u>	<u>123,518</u>
<b>Other comprehensive income for the year, net of tax</b>		<b>85,057</b>	<b>(82,204)</b>	<b>121,366</b>
<b>Total comprehensive income for the year</b>		<b>427,519</b>	<b>265,530</b>	<b>339,227</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company		176,045	75,634	313,527
Non-controlling interests	13	251,474	189,896	25,700
<b>Total comprehensive income for the year</b>		<b>427,519</b>	<b>265,530</b>	<b>339,227</b>

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Combined statements of changes in equity**  
**For the years ended September 30, 2019, 2020 and 2021**

Year ended September 30, 2019	Other components of equity				Total other components of equity	Net parents investment	Non-controlling interests	Total equity
	Contributed capital	Currency translation reserve	Revaluation reserve	Fair value reserve <i>(in thousand SGD)</i>				
<b>Balance at October 1, 2018</b>	<b>7,114,006</b>	<b>9,420</b>	<b>13,628</b>	<b>301</b>	<b>23,349</b>	<b>7,137,355</b>	<b>1,288,432</b>	<b>8,425,787</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Contributions by and distributions to owners of the Company</i>								
Capital contributed from Thai Beverage PCL	130,636	-	-	-	-	130,636	46,304	176,940
Dividends	(87,725)	-	-	-	-	(87,725)	(114,401)	(202,126)
<b>Total contributions by and distributions to owners of the Company</b>	<b>42,911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,911</b>	<b>(68,097)</b>	<b>(25,186)</b>
<i>Changes in ownership interests in subsidiaries</i>								
Acquisition of non-controlling interests without a change in control	(74,989)	-	-	-	-	(74,989)	54,604	(20,385)
<b>Total changes in ownership interests in subsidiaries</b>	<b>(74,989)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(74,989)</b>	<b>54,604</b>	<b>(20,385)</b>
<b>Total transactions with owners, recorded directly in equity</b>	<b>(32,078)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(32,078)</b>	<b>(13,493)</b>	<b>(45,571)</b>
<b>Comprehensive income for the year</b>								
Profit for the year	124,034	-	-	-	-	124,034	93,827	217,861
Other comprehensive income	(2,243)	190,670	-	1,066	191,736	189,493	(68,127)	121,366
<b>Total comprehensive income for the year</b>	<b>121,791</b>	<b>190,670</b>	<b>-</b>	<b>1,066</b>	<b>191,736</b>	<b>313,527</b>	<b>25,700</b>	<b>339,227</b>
<b>Balance at September 30, 2019</b>	<b>7,203,719</b>	<b>200,090</b>	<b>13,628</b>	<b>1,367</b>	<b>215,085</b>	<b>7,418,804</b>	<b>1,300,639</b>	<b>8,719,443</b>

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Combined statements of changes in equity**  
**For the years ended September 30, 2019, 2020 and 2021**

		Other components of equity				Total other components of equity	Net parents investment	Non-controlling interests	Total equity
		Contributed capital	Currency translation reserve	Revaluation reserve	Fair value reserve <i>(in thousand SGD)</i>				
<b>Year ended September 30, 2020</b>									
	<i>Note</i>								
<b>Balance at October 1, 2019</b>		<b>7,203,719</b>	<b>200,090</b>	<b>13,628</b>	<b>1,367</b>	<b>215,085</b>	<b>7,418,804</b>	<b>1,300,639</b>	<b>8,719,443</b>
<b>Transactions with owners, recorded directly in equity</b>									
<i>Contributions by and distributions to owners of the Company</i>									
Capital contributed from Thai Beverage PCL		(302,892)	-	-	-	-	(302,892)	(118,472)	(421,364)
Dividends		(178,989)	-	-	-	-	(178,989)	(124,726)	(303,715)
<b>Total contributions by and distributions to owners of the Company</b>		<b>(481,881)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(481,881)</b>	<b>(243,198)</b>	<b>(725,079)</b>
<i>Changes in ownership interests in subsidiaries</i>									
Acquisition of non-controlling interests through business combination with a change in control	5	-	-	-	-	-	-	5,783	5,783
Acquisition of non-controlling interests without a change in control		16	-	-	-	-	16	(174)	(158)
<b>Total changes in ownership interests in subsidiaries</b>		<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>5,609</b>	<b>5,625</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>(481,865)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(481,865)</b>	<b>(237,589)</b>	<b>(719,454)</b>
<b>Comprehensive income for the year</b>									
Profit for the year		198,777	-	-	-	-	198,777	148,957	347,734
Other comprehensive income		(759)	(123,403)	-	1,019	(122,384)	(123,143)	40,939	(82,204)
<b>Total comprehensive income for the year</b>		<b>198,018</b>	<b>(123,403)</b>	<b>-</b>	<b>1,019</b>	<b>(122,384)</b>	<b>75,634</b>	<b>189,896</b>	<b>265,530</b>
<b>Balance at September 30, 2020</b>		<b>6,919,872</b>	<b>76,687</b>	<b>13,628</b>	<b>2,386</b>	<b>92,701</b>	<b>7,012,573</b>	<b>1,252,946</b>	<b>8,265,519</b>

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Combined statements of changes in equity**  
**For the years ended September 30, 2019, 2020 and 2021**

Year ended September 30, 2021	Other components of equity					Total other components of equity	Net parents investment	Non-controlling interests	Total equity
	Contributed capital	Currency translation reserve	Revaluation reserve	Fair value reserve	Hedging reserve <i>(in thousand SGD)</i>				
<b>Balance at October 1, 2020</b>	<b>6,919,872</b>	<b>76,687</b>	<b>13,628</b>	<b>2,386</b>	<b>-</b>	<b>92,701</b>	<b>7,012,573</b>	<b>1,252,946</b>	<b>8,265,519</b>
<b>Transactions with owners, recorded directly in equity</b>									
<i>Contributions by and distributions to owners of the Company</i>									
Capital contributed from Thai Beverage PCL	(158)	-	-	(53)	-	(53)	(211)	182	(29)
Dividends	-	-	-	-	-	-	-	(65,308)	(65,308)
<b>Total contributions by and distributions to owners of the Company</b>	<b>(158)</b>	<b>-</b>	<b>-</b>	<b>(53)</b>	<b>-</b>	<b>(53)</b>	<b>(211)</b>	<b>(65,126)</b>	<b>(65,337)</b>
<i>Changes in ownership interests in subsidiaries</i>									
Acquisition of non-controlling interests without a change in control	(99)	-	-	-	-	-	(99)	273	174
<b>Total changes in ownership interests in subsidiaries</b>	<b>(99)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(99)</b>	<b>273</b>	<b>174</b>
<b>Total transactions with owners, recorded directly in equity</b>	<b>(257)</b>	<b>-</b>	<b>-</b>	<b>(53)</b>	<b>-</b>	<b>(53)</b>	<b>(310)</b>	<b>(64,853)</b>	<b>(65,163)</b>
<b>Comprehensive income for the year</b>									
Profit for the year	205,956	-	-	-	-	-	205,956	136,506	342,462
Other comprehensive income	498	(38,365)	3,218	4,976	(238)	(30,409)	(29,911)	114,968	85,057
<b>Total comprehensive income for the year</b>	<b>206,454</b>	<b>(38,365)</b>	<b>3,218</b>	<b>4,976</b>	<b>(238)</b>	<b>(30,409)</b>	<b>176,045</b>	<b>251,474</b>	<b>427,519</b>
Transfer to retained earnings from disposal of equity instruments at FVOCI	6,033	-	-	(6,033)	-	(6,033)	-	-	-
<b>Balance at September 30, 2021</b>	<b>7,132,102</b>	<b>38,322</b>	<b>16,846</b>	<b>1,276</b>	<b>(238)</b>	<b>56,206</b>	<b>7,188,308</b>	<b>1,439,567</b>	<b>8,627,875</b>

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Combined statements of cash flows**  
**For the years ended September 30, 2019, 2020 and 2021**

Years ended September 30	Note	2021	2020 (in thousand SGD)	2019
<b>Cash flows from operating activities</b>				
Profit for the year		342,462	347,734	217,861
Adjustments for:				
Depreciation and amortisation		123,945	132,552	113,397
Interest income		(56,299)	(68,600)	(59,536)
Finance costs		8,741	12,657	9,349
Unrealised (gain) loss on foreign exchange rates		(371)	402	(29)
Impairment losses on trade receivables		-	2	282
Impairment losses on other receivables from related parties	6, 12, 28	-	16,516	-
(Reversal of) allowance for decline in value of inventories		(1,248)	(3,524)	6,659
Loss on disposal and write-off of other long-term investments		-	-	5,087
Unrealised loss (gain) on fair value adjustment of other investments		-	60	(1,002)
(Reversal of) impairment loss on investment in associates and joint ventures	12	(1,260)	4,189	465
Impairment loss on property, plant and equipment	15	17	-	1,021
Loss (gain) on disposal and write-off of property, plant and equipment, investment properties and other intangible assets		260	(591)	2,950
Gain on bargain purchase		-	(153)	-
Dividend income		(117)	(65)	(467)
Employee benefit expenses	24	2,197	2,330	1,182
Past service cost for employee benefits from amendment of Thai Labor Protection Act	24	-	-	4,451
Share of profit of investment in associates and joint ventures, net of income tax	12	(9,698)	(17,833)	(20,117)
Income tax expense	32	81,717	95,434	61,993
		<u>490,346</u>	<u>521,110</u>	<u>343,546</u>
Changes in:				
- Trade receivables		(11,306)	3,794	6,293
- Other receivables from related parties		(307)	11,625	(4,818)
- Other receivables		9,094	1,604	1,041
- Inventories		(17,375)	40,320	16,102
- Other current assets		(6,019)	(5,722)	5,298
- Other non-current assets		(611)	(1,028)	(275)
- Trade payables		(8,424)	(21,229)	(20,343)
- Other payables to related parties		(36,644)	22,888	(19,433)
- Other payables		(17,593)	3,737	160,705
- Other current liabilities		14,024	8,361	(3,855)
- Employee benefit paid		(1,073)	(1,921)	(718)
- Other non-current liabilities		1,008	(9,020)	(97)
Cash generated from operating activities		<u>415,120</u>	<u>574,519</u>	<u>483,446</u>
Tax paid		<u>(88,066)</u>	<u>(91,538)</u>	<u>(74,919)</u>
<b>Net cash from operating activities</b>		<b><u>327,054</u></b>	<b><u>482,981</u></b>	<b><u>408,527</u></b>

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Combined statements of cash flows**  
**For the years ended September 30, 2019, 2020 and 2021**

Years ended September 30	Note	2021	2020	2019
			(in thousand SGD)	
<b>Cash flows from investing activities</b>				
Interest received		57,837	62,728	51,361
Dividends received		13,058	6,285	16,872
Increase in current investments		(60,544)	(187,500)	(193,946)
Drawdown of short-term loans to related parties	6	(1,271,187)	(1,521,866)	(1,399,724)
Repayment of short-term loans to related parties	6	1,116,994	1,440,882	1,269,329
Repayment of long-term loans to related parties	6	108,147	579,418	3,966
Proceeds from disposal of other long-term investment		23,837	-	-
Purchase of property, plant and equipment		(42,660)	(36,238)	(30,414)
Proceeds from property, plant and equipment		1,137	2,693	2,829
Purchase of other intangible assets		(1,117)	(498)	(56)
Proceeds from other intangible assets		5	3	3
Net cash inflow on acquisition of business		-	4,886	-
<b>Net cash (used in) from investing activities</b>		<b>(54,493)</b>	<b>350,793</b>	<b>(279,780)</b>
<b>Cash flows from financing activities</b>				
Interest paid		(8,916)	(12,274)	(9,417)
Dividends paid to owners of the Company		-	(151,270)	(87,725)
Dividends paid to non-controlling interests		(65,561)	(124,726)	(114,401)
Drawdown of short-term promissory notes	20	182,090	186,059	178,615
Repayment of short-term promissory notes	20	(193,567)	(186,403)	(188,507)
Drawdown of short-term loans from related parties	6	2,150	1,060,980	49,756
Repayment of short-term loans from related parties	6	(9,535)	(1,053,402)	(155,756)
Repayment of long-term loans from related parties	6	-	(36,738)	-
Drawdown of long-term loans from financial institutions	20	-	2,818	-
Repayment of long-term loans from financial institutions	20	(11,633)	(7,761)	(1,587)
Repayment of lease liabilities		(16,879)	(18,808)	-
Net cash (outflow) inflow on capital increase/distribution from parent		(29)	(421,364)	176,940
Acquisition of non-controlling interests		174	(158)	(20,385)
<b>Net cash used in financing activities</b>		<b>(121,706)</b>	<b>(763,047)</b>	<b>(172,467)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>				
Cash and cash equivalents at October 1, 2020/2019/2018		<b>150,855</b>	<b>70,727</b>	<b>(43,720)</b>
Foreign currency translation differences for foreign operation		299,327	249,916	277,156
<b>Cash and cash equivalents at September 30</b>		<b>(21,342)</b>	<b>(21,316)</b>	<b>16,480</b>
	7	<b>428,840</b>	<b>299,327</b>	<b>249,916</b>
<b>Non-cash transactions</b>				
Gain on revaluation of land	15	5,437	-	-

The accompanying notes are an integral part of these combined financial statements.

**BeerCo Limited and its Subsidiaries**  
**Notes to the combined financial statements**  
**For the years ended September 30, 2019, 2020 and 2021**

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**BeerCo Limited and its Subsidiaries**  
**Notes to the combined financial statements**  
**For the years ended September 30, 2019, 2020 and 2021**

These notes form an integral part of the combined financial statements.

**1 General information, basis of preparation and group reorganisation**

**(a) General information**

BeerCo Limited (the “Company”) was incorporated in Singapore and has its registered office at 438 Alexandra Road #07-03 Alexandra Point, Singapore 119958. The immediate parent company is International Beverage Holdings Limited (“IBHL”) which was incorporated in Hong Kong.

Pursuant to a reorganisation exercise on March 12, 2020 and August 14, 2020, the Company acquired the beer brewing and distribution business (the “Listing Business”) from Thai Beverage Public Company Limited (referred to as “ThaiBev” or the “Ultimate Parent”) (the “reorganisation exercise”).

The reorganisation exercise was accounted for under the as-if pooling method, as the transaction was conducted under common control.

Thai Beverage Public Company Limited is a publicly traded company on Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal entities comprising the Listing Business are set out below:

Name	Country of incorporation	Effective interest held by BeerCo Limited			Principal activities and place of operation
		2021	2020	2019	
1. Beer Thai (1991) Plc. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer brewery and production of drinking water and soda water
2. Beer Thip Brewery (1991) Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer brewery and production of drinking water and soda water
3. Cosmos Brewery (Thailand) Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer brewery and production of drinking water and soda water
4. Pomkit Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
5. Pomklung Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
6. Pomchok Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
7. Pomcharoen Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
8. Pomburapa Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
9. Pompalang Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
10. Pomnakorn Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
11. Pomthip (2012) Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer, drinking water and soda water distributor
12. Beer Chang Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Trademark holding and production of beer concentrate
13. Archa Beer Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Trademark holding and production of beer concentrate
14. Chang Corporation Company Limited <sup>6</sup>	Thailand	49.00%	49.00%	49.00%	Holding company
15. Chang Beer Co., Ltd.	Thailand	73.99%	73.99%	73.99%	Holding company

**BeerCo Limited and its Subsidiaries**  
**Notes to the combined financial statements**  
**For the years ended September 30, 2019, 2020 and 2021**

Name	Country of incorporation	Effective interest held by BeerCo Limited			Principal activities and place of operation
		2021	2020	2019	
16. Chang Beer International Co., Ltd. <sup>2</sup>	Thailand	73.99%	73.99%	73.99%	Dormant
17. Chang International Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Advertising and marketing services
18. Chang Corp Co., Ltd.	Thailand	73.99%	73.99%	73.99%	Advertising and marketing services
19. Thipchalothorn Co., Ltd. <sup>4</sup>	Thailand	73.99%	73.99%	73.99%	Beer distributor
20. BeerCo Training Co., Ltd. <sup>2</sup>	Thailand	73.99%	73.99%	-	Training
21. BeerCo Limited <sup>1,5</sup>	Hong Kong	100.00%	100.00%	100.00%	Holding company
22. Siam Breweries Limited	Singapore	100.00%	100.00%	-	Holding company
23. Asia Breweries Limited	Singapore	100.00%	100.00%	-	Holding company
24. Thai Breweries Limited	Singapore	100.00%	100.00%	-	Holding company
25. Chang Holding Co., Ltd <sup>6</sup>	Thailand	49.00%	49.00%	-	Holding company
26. Super Beer Brands Limited <sup>1</sup>	Singapore	100.00%	100.00%	-	Beer trademark holding
27. InterBev (Singapore) 2019 Limited <sup>1</sup>	Singapore	100.00%	100.00%	-	Marketing and trading of alcoholic and non-alcoholic beverages
28. Vietnam F&B Alliance Investment Joint Stock Company <sup>1,3</sup>	Socialist Republic of Vietnam	99.00%	99.00%	99.00%	Holding company
29. Vietnam Beverage Company Limited <sup>1,3</sup>	Socialist Republic of Vietnam	99.99%	99.99%	99.99%	Holding company
30. Saigon Beer - Alcohol - Beverage Corporation <sup>1,3</sup>	Socialist Republic of Vietnam	53.58%	53.58%	53.58%	Production and distribution of beverage products, logistics, mechanical equipment manufacturing and property development
31. Western - Saigon Beer Joint Stock Company <sup>1,6</sup>	Socialist Republic of Vietnam	27.33%	27.33%	27.33%	Production and distribution of beer
32. Chuong Duong Beverages Joint Stock Company <sup>1,6</sup>	Socialist Republic of Vietnam	33.25%	33.25%	33.25%	Production and distribution of beverages, canned foods and sub-materials
33. Sai Gon - Quang Ngai Beer Joint Stock Company <sup>1,6</sup>	Socialist Republic of Vietnam	35.66%	35.66%	35.66%	Production and distribution of beer
34. Binh Tay Liquor Joint Stock Company <sup>1</sup>	Socialist Republic of Vietnam	50.00%	50.00%	50.00%	Production and distribution of alcohol

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Name	Country of incorporation	Effective interest held by BeerCo Limited			Principal activities and place of operation
		2021	2020	2019	
35. Sai Gon - Dong Xuan Beer Alcohol Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	29.95%	29.95%	29.95%	Production of beer and beverages, and provide transportation services
36. Saigon - Nghetinh Beer Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	29.32%	29.32%	29.32%	Production and distribution of beverages, canned foods and sub-materials
37. Saigon - Songlam Beer Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	36.85%	36.85%	36.85%	Production and distribution of beer and beverages, import and export related materials
38. Sai Gon - Ha Noi Beer Corporation <sup>1, 6</sup>	Socialist Republic of Vietnam	27.92%	27.92%	27.92%	Production and distribution of beer and beverages, import and export related materials
39. Sai Gon Beer Trading Company Limited <sup>1</sup>	Socialist Republic of Vietnam	53.58%	53.58%	53.58%	Distribution of alcohol, beer and beverages
40. Northern Sai Gon Beer Trading Joint Stock Company <sup>1</sup>	Socialist Republic of Vietnam	48.22%	50.75%	50.75%	Distribution of alcohol and beverages, warehousing and transportation
41. Sai Gon Beer Bac Trung Bo Trading Joint Stock Company <sup>1</sup>	Socialist Republic of Vietnam	50.94%	50.86%	50.86%	Distribution of alcohol, beer, beverages, warehousing and transportation
42. Saigon Beer Center Trading Joint Stock Company <sup>1</sup>	Socialist Republic of Vietnam	50.61%	50.59%	50.59%	Trading of alcohol and non-alcoholic drink, trading chemical, packaging, trade transportation by car
43. Bia Saigon Mien Trung Trading Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	48.89%	48.89%	48.89%	Distribution of alcohol, beer, beverages, warehousing and transportation by car
44. Sai Gon Beer Tay Nguyen Trading Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	48.22%	48.22%	48.22%	Distribution of alcohol, beer, beverages, warehousing and transportation
45. Saigon Beer Nam Trung Bo Trading Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	48.30%	48.30%	48.30%	Distribution of alcohol, beer, beverages, warehousing and transportation
46. Sai Gon Beer Eastern Trading Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	48.59%	48.59%	48.59%	Distribution of alcohol, beer, beverages, warehousing and transportation
47. Saigon Song Tien Beer Trading Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	48.22%	48.22%	48.22%	Distribution of alcohol, beer, beverages, warehousing and road transportation
48. Saigon Song Hau Beer Trading Joint Stock Company <sup>1, 6</sup>	Socialist Republic of Vietnam	48.22%	48.22%	48.22%	Distribution of alcohol, beer, beverages, warehousing, road and water-way transportation

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Name	Country of incorporation	Effective interest held by BeerCo Limited			Principal activities and place of operation
		2021	2020	2019	
49. Sa Be Co Mechanical Co., Ltd. <sup>1</sup>	Socialist Republic of Vietnam	53.58%	53.58%	53.58%	Production of equipments used in food manufacturing, installation and maintain machinery system and equipment
50. Saigon Soc Trang Beer One Member Limited Company <sup>1,6</sup>	Socialist Republic of Vietnam	27.33%	27.33%	27.33%	Production and distribution of beer, malt, yeast, mineral water, bottled pure water
51. Sai Gon Beer Northeast Trading Joint Stock Company <sup>1,6</sup>	Socialist Republic of Vietnam	48.46%	48.46%	48.46%	Distribution of alcohol, beer, beverages, warehousing and transportation
52. Sai Gon - Ha Tinh Beer One Member Company Limited <sup>1</sup>	Socialist Republic of Vietnam	53.58%	53.58%	53.58%	Production and distribution of beer, malt, yeast, mineral water, bottled pure water
53. Sai Gon Beer Packaging Joint Stock Company <sup>1,6</sup>	Socialist Republic of Vietnam	41.15%	41.15%	41.15%	Production of canned foods, carton and metal packaging products
54. Saigon Beer Company Limited <sup>1</sup>	Socialist Republic of Vietnam	53.58%	53.58%	53.58%	Beverage wholeseller
55. Saigon Beer Group Company Limited <sup>1</sup>	Socialist Republic of Vietnam	53.58%	53.58%	53.58%	Beverage wholeseller
56. Saigon - Lamdong Beer Joint Stock Company <sup>1,6</sup>	Socialist Republic of Vietnam	28.35%	28.35%	10.72%	Production of alcohol, beer and beverages
<b><i>Associates of Listing Business</i></b>					
57. Thanh Nam Consultant Investment - Engineering and Technology Transfer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	15.31%	15.31%	15.31%	Provide consulting construction and designing services
58. Mechanical and Industrial Contrustion Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	13.93%	13.93%	13.93%	Production and installation of machinery, bridges and roads and industrial construction products
59. Saigon Tay Do Beer - Beverage Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	14.80%	14.80%	14.80%	Production and distribution of alcohol, beer, beverages, soy milk, fruit juice
60. Saigon Binh Tay Beer Group Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	11.68%	11.68%	11.68%	Production and distribution of food, beverages, beer, alcohol, construction materials, provide industrial and civil construction services
61. Saigon - Bacieu Beer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	5.47%	5.47%	5.47%	Production of alcohol, beer and beverages

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Name	Country of incorporation	Effective interest held by BeerCo Limited			Principal activities and place of operation
		2021	2020	2019	
62. Truong Sa Food - Food Business Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	20.69%	20.69%	20.69%	Production of agricultural products and foods
63. Saigon - Phutho Beer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	16.53%	16.53%	16.53%	Production of alcohol, beer and beverages
64. Sai Gon - Mien Trung Beer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	17.36%	17.36%	17.36%	Production and distribution of beer, alcohol, beverages and spare parts
65. Tan Thanh Investment Trading Company Limited <sup>7</sup>	Socialist Republic of Vietnam	15.54%	15.54%	15.54%	Construction and real estates
66. Sai Gon - Vinh Long Beer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	10.72%	10.72%	10.72%	Production of alcohol, beer and beverages
67. Sai Gon - Kien Giang Beer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	10.72%	10.72%	10.72%	Production and distribution of beer, alcohol, beverages and spare parts
68. Sai Gon - Khanh Hoa Beer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	13.93%	13.93%	13.93%	Production and distribution of beer, alcohol, beverages and spare parts
69. Saigon - Bentre Beer Joint Stock Company <sup>7</sup>	Socialist Republic of Vietnam	10.72%	10.72%	10.72%	Production of alcohol, beer and beverages
<b>Joint Ventures of Listing Business</b>					
70. Me Linh Point Limited <sup>8</sup>	Socialist Republic of Vietnam	13.40%	13.40%	13.40%	Real estate managements and office leasing
71. Crown Beverage Cans Saigon Limited <sup>8</sup>	Socialist Republic of Vietnam	16.07%	16.07%	16.10%	Production of aluminium cans
72. Malaya - Vietnam Glass Limited <sup>8</sup>	Socialist Republic of Vietnam	16.07%	16.07%	16.07%	Production of glass products
73. San Miguel Yamamura Phu Tho Packaging Company Limited <sup>8</sup>	Socialist Republic of Vietnam	18.75%	18.75%	18.75%	Production and distribution of metal packaging
74. Vietnam Spirits and Wine Ltd. <sup>8</sup>	Socialist Republic of Vietnam	24.11%	24.11%	24.11%	Production and distribution of alcohol and alcohol-related products

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- <sup>1</sup> Direct or indirect subsidiaries of Asia Breweries Limited
- <sup>2</sup> Direct subsidiary of Beer Chang Co., Ltd.
- <sup>3</sup> BeerCo Limited, which was incorporated in Hong Kong (“BeerCo Hong Kong”), has acquired shares in Vietnam F&B Alliance Investment Joint Stock Company of SGD 20.38 million and completed debt conversion with Vietnam Beverage Company Limited. The transaction is legally effective on January 2, 2019. Consequently, the Group has ownership interest in Saigon Beer - Alcohol - Beverage Corporation (“SABECO”) of 53.58% and recognised the change in ownership interests in subsidiaries without a change in control in an equity component.
- <sup>4</sup> These companies were acquired by the Group on March 12, 2020.
- <sup>5</sup> The company was acquired by the Group on August 14, 2020.
- <sup>6</sup> These companies are treated as subsidiaries of the Group by virtue of management control over financial and operating policies of the company.
- <sup>7</sup> These companies are treated as joint ventures of the Group by virtue of shared control.
- <sup>8</sup> These companies are treated as associates of the Group by virtue of significant influence.

**(b) Basis of preparation**

The combined financial statements of the Listing Business comprise the combined information of profit or loss, the combined statements of comprehensive income, the combined information of changes in equity and the combined statements of cash flows for the years ended September 30, 2019, 2020 and 2021, and the combined statements of financial position of the Listing Business as of September 30, 2019, 2020 and 2021. The Listing Business was under the common control and management of ThaiBev and had been managed as a single business by ThaiBev throughout the years ended September 30, 2019, 2020 and 2021 (“Track Record Period”).

The Listing Business represents the beer business of ThaiBev, and includes the assets, liabilities, revenue, expenses and cash flows attributable to all entities in the segment which are primarily in Thailand and Socialist Republic of Vietnam, and relevant operations of ThaiBev entities outside of the beer business that are part of the Listing Business.

The net assets and results of the Listing Business were combined using the existing book values from ThaiBev’s perspective.

Intercompany transactions, balances and unrealised gains/losses on transactions between Group companies are eliminated on combination.

During the Track Record Period, the Listing Business functioned as part of the larger group of companies controlled by ThaiBev, and accordingly, a process has been completed to specifically identify assets, liabilities, revenues, expenses and cash flows associated with the Listing Business in preparing the combined financial information.

Assets, liabilities, revenues, expenses and cash flows associated with the legal entities transferred to BeerCo in connection with the reorganisation exercise have been included in the combined financial information.

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There were certain other assets, liabilities, revenues, expenses and cash flows that were not associated with the legal entities to be transferred to BeerCo, but included within the larger business of ThaiBev. However, these are directly related to the business of the Group and their operations will subsequently transfer to entities within the Group. These assets, liabilities, revenues and expenses which have specifically been identified for BeerCo business have been included in the combined financial information. The changes in net assets from this process reflect the Capital Contributed from ThaiBev and are presented under “Contributed capital”. Net parent investment comprises issued capital and reserves of the Listing Business.

The Company believes the basis of preparation described above results in the combined financial statements reflecting the assets and liabilities associated with the Listing Business and reflects revenues and expenses associated with the functions that would be necessary to operate independently. However, as the Listing Business did not operate as a stand-alone entity during the Track Record Period, the combined financial information may not be indicative of the Listing Business’s future performance and do not necessarily reflect what its results of operations, financial position, and cash flows would have been had the Listing Business operated as a separate entity apart from ThaiBev during the Track Record Period.

**(c) Group reorganisation**

The Listing Business had not historically formed a separate legal group and has undergone a reorganisation to transfer ownership of the entities comprising the Listing Business to the Company as highlighted in Note 1(a). The reorganisation was funded by a combination of capital increases at various levels of subsidiaries.

On February 7, 2020, BeerCo Hong Kong, the Group’s indirect subsidiary, which held a shareholding interest of 49.00% in Chang Corporation Co., Ltd. (“Chang Corporation”), transferred 48.98% shares in Chang Corporation to Siam Breweries Limited (“Siam Breweries), the Group’s direct subsidiary, and transferred 0.02% shares in Chang Corporation to each of Thai Breweries Limited, the Group’s indirect subsidiary, and Chang Holding Co., Ltd. (“Chang Holding”), the Group’s indirect subsidiary, in equal proportion for total consideration of SGD 22 thousand.

On February 7, 2020, BeerCo Hong Kong which held a shareholding interest of 49.00% in Chang Beer Co., Ltd. (“Chang Beer”), transferred 48.99% shares in Chang Beer to Siam Breweries and transferred 0.01% shares in Chang Beer to Chang Holding for total consideration of SGD 22 thousand. However, Chang Corporation, the Group’s indirect subsidiary, continues to hold a shareholding interest of 51.00% in Chang Beer.

On March 12, 2020, the Ultimate Parent transferred all of its 99.99% shareholding stakes in 15 Thai entities as mentioned in Note 1(a) to Chang Beer Co., Ltd. (“Chang Beer”), the Group’s indirect subsidiary, for total consideration of SGD 1,982 million.

On August 14, 2020, IBHL, a related party, transferred all of its 100.00% shareholding in BeerCo Hong Kong to Asia Breweries Limited for a consideration of SGD 6,743 million.

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**2 Basis of preparation of the combined financial statements**

*(a) Statement of compliance*

The combined financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) issued by the Accounting Standards Council (“ASC”).

The ASC has issued new and revised SFRS(I)s effective for annual accounting periods beginning on or after January 1, 2018. The Group adopted SFRS(I) 9 *Financial Instruments* and SFRS(I) 15 *Revenue from Contracts with Customers* effective from October 1, 2018.

The ASC has issued new and revised SFRS(I)s effective for annual accounting periods beginning on or January 1, 2019. The Group adopted SFRS(I) 16 *Leases* effective from October 1, 2019. The initial application of these SFRS(I)s has resulted in changes in certain of the Group’s accounting policies and the effect of the changes is disclosed in Note 3.

In addition to the above new and revised SFRS(I)s, the ASC has issued a number of new and revised SFRS(I)s which are not yet effective for current periods. The Group has not early adopted these standards in preparing these combined financial statements. Those new and revised SFRS(I)s that are relevant to the Group’s operations are disclosed in Note 39.

*(b) Basis of measurement*

The combined financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement basis</i>
Equity investment - Fair value through other comprehensive income (“FVOCI”)	Fair value
Land	Fair value
Employee benefit obligations	Present value of the defined benefit obligation, as explained in Note 4 (o)
Derivatives	Fair value

*(c) Functional and presentation currency*

The Company’s functional currency and the Group’s presentation currency is Singapore dollars (“SGD”). The financial information of all reporting units included in the combined financial statements are measured using the currency of the primary environment in which the reporting unit operates (functional currency). The Group’s foreign operations are mainly in Thailand and Socialist Republic of Vietnam, with Thai Baht (“Baht”) and Vietnamese Dong (“VND”) as their functional currencies, respectively. All financial information in the combined financial statements and notes to the combined financial statements has been rounded to the nearest thousand unless otherwise noted.

*(d) Use of judgements and estimates*

The preparation of combined financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate are revised and in any future periods affected.

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Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

Note 5	Acquisition of businesses: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis;
Note 15	Determination of fair value of land: basis of significant unobservable inputs;
Note 17	Impairment test of intangible assets with an indefinite useful life and goodwill: key assumptions underlying the recoverable amount;
Note 24	Measurement of defined benefit obligations: key actuarial assumptions;
Note 32	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
Note 33	Determination of fair value of financial instruments: basis of significant unobservable inputs; and
Note 33	Measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate.

### **3 Changes in accounting policies**

The Group has initially applied SFRS(I) 16 from October 1, 2019. A number of other new standards are also effective from October 1, 2019 but they do not have a material effect on the Group's combined financial statements.

Due to the transition methods chosen by the Group in applying these standards, comparative information throughout these combined financial statements has not been restated to reflect the requirements of the new standards.

#### **SFRS(I) 16 Leases**

SFRS(I) 16 introduces a single accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the previous standard, i.e. lessors continue to classify leases as finance or operating leases.

The Group has applied SFRS(I) 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at October 1, 2019. Therefore, the Group has not restated the information presented for September 30, 2019, as previously reported under SFRS(I) 1-17 Leases and related interpretations. The details of the changes in accounting policies are disclosed below.

#### **Definition of a lease**

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under SFRS(I) INT 4 *Determining Whether an Arrangement contains a Lease*. Under SFRS(I) 16, the Group assesses whether a contract is or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

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On transition to SFRS(I) 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied SFRS(I) 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under SFRS(I) 1-17 and SFRS(I) INT 4 were not reassessed. Therefore, the definition of a lease under SFRS(I) 16 has been applied only to contracts entered into or changed on or after October 1, 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

**(a) As a lessee**

Previously, the Group, as a lessee, classified leases as operating or financing leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group.

Under SFRS(I) 16, the Group recognises right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised costs using the effective interest rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

However, the Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At transition, for leases classified as operating leases under SFRS(I) 1-17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at October 1, 2019. Right-of-use assets are measured at an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments.

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The Group used the following practical expedients when applying SFRS(I) 16 to leases previously classified as operating leases under SFRS(I) 1-17. In particular, the Group :

- did not recognise right-of-use assets and liabilities for leases which lease term ends within 12 months of date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low-value assets;
- excluded initial direct costs from measuring the right-of-use at the date of initial application; and
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

For the finance leases, the carrying amount of the right-of-use assets and the lease liabilities at October 1, 2019 were determined at the carrying amount of the lease assets and lease liabilities under SFRS(I) 1-17 immediately before that date.

**(b) As a lessor**

The Group has classified all leases as operating lease. The Group is not required to make any adjustments on transition to SFRS(I) 16, for leases in which it acts as a lessor.

**(c) Transition**

On transition to SFRS(I) 16, the Group recognised an additional right-of-use assets and lease liabilities of SGD 194.24 million and SGD 94.42 million, respectively.

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at October 1, 2019. The weighted-average rate applied is 7.4%.

	<b>October 1, 2019</b> <i>(in thousand SGD)</i>
Operating lease commitment at September 30, 2019 as disclosed in the Group's combined financial statements	98,926
Discounted using the incremental borrowing rate at October 1, 2019	<u>79,318</u>
Recognition exemption for:	
- leases of low-value assets	(165)
- leases with less than 12 months of lease term at transition	(296)
Extension options reasonably certain to be exercised	<u>15,565</u>
Lease liabilities recognised at October 1, 2019	<u><b>94,422</b></u>

**4 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these combined financial statements, except as explained in Note 3 which addresses changes in accounting policies.

**(a) Basis of combination**

The combined financial statements relate to the Company and its subsidiaries and joint operations (together referred to as the "Group") and the Group's interests in associates and joint ventures.

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*Business combinations*

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of business and control is transferred to the Group, other than business combinations with entities under common control.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration, share-based payment awards of the acquiree that are replaced mandatorily in the business combination and equity interests issued by the Group. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

*Acquisitions from entities under common control*

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's combined financial statements. The components of equity of the acquired entities are added to the same components within the Group's equity except that any share capital of the acquired entities is recognised as part of share premium. Any cash paid for the acquisition is recognised directly in equity.

*Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the combined financial statements from the date on which control commences until the date on which control ceases.

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The accounting policies of subsidiaries have changed when necessary to align them with the policies adopted by Group. Losses applicable to non-controlling interests (“NCI”) in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

*Non-controlling interests*

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as other surpluses/deficits in shareholders’ equity.

*Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

*Interests in equity-accounted investees*

The Group’s interests in equity-accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are account for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the combined financial information include the Group’s share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustment to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date on which significant influence or joint control ceases.

When the Group’s share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee’s operations or has made payments on behalf of the investee.

*Transactions eliminated on combination*

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the combined financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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**(b) Foreign currencies**

*Foreign currency transactions*

The Group's foreign operations are mainly in Thailand and Socialist Republic of Vietnam, which the functional currencies are Thai Baht and Vietnamese Dong respectively. Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rates at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rates at the dates that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss are generally recognised in profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date.

The income and expenses of foreign operations are translated to Singapore dollars at rates approximating the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interest.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in other comprehensive income, and are presented in the currency translation reserve in equity.

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**(c) Financial instruments**

*(c.1) Classification and measurement*

Debt securities that the Group issued are initially recognised when they are originated. Other financial assets and financial liabilities (except trade accounts receivables (see note 3(e)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition or issue of the securities, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition or issue of the securities are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at amortised cost; fair value through other comprehensive income (“FVOCI”); or fair value through profit or loss (“FVTPL”). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, impairment and gain or loss on derecognition are recognised in profit or loss.
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Debt investments measured at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.
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Equity investments measured at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss.
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*(c.2) Derecognition and offsetting*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or either the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*(c.3) Derivatives*

Derivative are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are remeasured at fair value at each reporting date and changes there in are recognised immediately in profit or loss.

*(c.4) Hedging*

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

*Cash flow hedges*

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in the hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

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If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to profit or loss.

**(d) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the combined information of cash flows

**(e) Trade and other receivables**

A trade receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

**(f) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost is calculated using standard cost adjusted to approximate average cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

**(g) Investment properties**

Investment properties are such as land, buildings and right-of-use assets held by the Group to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business or use in operation.

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Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each property and recognised in profit or loss. The Group does not charge depreciation on freehold land and assets under construction.

The estimated useful lives are as follows:

Land improvement	16 to 47	years
Buildings and constructions	5 to 45	years

Any gains or losses on disposal of investment properties are determined by comparing the net proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

**(h) *Property, plant and equipment***

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses except for land which is measured at its revalued amount. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

*Revalued assets*

Revaluations of assets are performed by independent professional valuers with sufficient regularity. The Group's policy requires an appraisal to be conducted every three to five years or when there are factors that might materially impact the value of the land to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date. Any increase in value on revaluation is recognised in other comprehensive income and presented in the revaluation reserve in other components of equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation reserve is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

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*Subsequent costs*

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated based on the depreciable amount of building and equipments, which comprises the cost of an asset or other amount substituted for cost, less its residual value, and is charged in profit or loss on a straight-line basis over the estimated useful lives of each component of an asset. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate. No depreciation is provided on freehold land or assets under construction.

The estimated useful lives are as follows:

Land improvement	20 to 30 years
Buildings	5 to 45 years
Building improvements and leasehold improvements	5 to 20 years
Machinery and equipment	1 to 30 years
Furniture, fixtures and office equipment	1 to 15 years
Vehicles	5 to 10 years

*Transfer to investment property*

When the use of a property changes from owned-occupied to investment property, the Group will account a property with carrying value and reclassify to investment properties.

**(i) Intangible assets**

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition are described in Note 4(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

*Research and development expenditure*

Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use and capitalised borrowing costs. Subsequent expenditure is capitalised only when it increases the future economic benefits. Other development expenditure and expenditure on research activities are recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

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*Other intangible assets*

Other intangible assets that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Other intangible assets that have indefinite useful lives (i.e. trademarks) are measured at cost less accumulated impairment losses. They are not amortised but tested for impairment annually or more frequently if there is any impairment indicator. The assessment of the classification of intangible assets as indefinite is reviewed annually.

Amortisation is calculated based on the cost of the asset or other amount substituted for cost, less its residual value, and is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

The estimated useful lives are as follows:

Trademarks	8 to 20 years, indefinite
Customer relationship	20 years
Computer software	2 to 10 years

**(j) Leases**

*Accounting policies applicable before October 1, 2019*

For contracts entered into before October 1, 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
  - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
  - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

*As a lessee*

In the comparative period, as a lessee, the Group classified leases that transferred substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequent to initial recognition, the assets were accounted for in accordance with the accounting policy applicable to that asset.

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Assets held under other leases were classified as operating leases and were not recognised in the Group's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

*As a lessor*

When the Group acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease.

To classify each lease, the Group made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease was a finance lease; if not, then it was an operating lease. As part of this assessment, the Group considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

Rental income from investment property is recognised as 'revenue' on a straight-line basis over the term of the lease. Rental income from sub-leased property is recognised as 'other income'.

*Accounting policies applicable from October 1, 2019 onwards*

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SFRS(I) 16.

This policy is applied to contracts entered into, on or after October 1, 2019.

*As a lessee*

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

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The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, assessment of whether it will exercise a purchase, extension or termination option or in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

*As a lessor*

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

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If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease (see note 4 (I)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of ‘revenue’. Rental income from sub-leased property is recognised as ‘other income’.

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from SFRS(I) 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

At inception of a contract, the Group assesses that a contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**(k) Impairment of financial assets other than trade accounts receivables**

The Group recognises allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost, debt investments measured at FVOCI, lease receivables, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are probability-weighted estimates of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, has significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor’s ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

*Write-off*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

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**(l) Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses recognised in respect of CGU are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. Impairment losses of other assets recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(m) Trade and other payables**

Trade and other payables are measured at cost.

**(n) Contract liabilities**

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

**(o) Employee benefits**

*Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which is performed annually by a qualified actuary using the projected unit credit method.

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Remeasurements of the net defined benefit liability, actuarial gains or losses, are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the portion of the changed benefit relates to past service by the employees or the gain or loss on curtailment, is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Other long-term employee benefits*

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

*Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

*Short-term employee benefits*

Short-term employee benefits obligation are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(p) *Share-based payments***

The grant date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

**(q) *Provisions***

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

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**(r) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

**(s) Revenue**

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

*Sale of goods*

Revenue from sale of goods in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised goods. The individual standalone selling price of a good that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the POs if it relates specifically to those POs.

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The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods. The transaction price may be fixed or variable. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue from sale of goods is recognised at a point in time following the timing of satisfaction of the PO.

**(t) Other income**

Other income, which comprises dividend, interest income and others, is generally recognised based on accrual basis, except for dividend income which is recognised in profit or loss on the date on which the Group's right to receive payment is established.

**(u) Interest**

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

**(v) Income tax**

Income tax expense for the year comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income tax levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(w) Earnings per share**

Earnings per share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted-average number of shares outstanding during the year. For comparative purpose, the earnings per share in these combined financial statements have been computed based on the Company's pre-invitation number of ordinary shares of 6,830,909,000, as disclosed in Note 37.

**(x) Related parties**

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

**(y) Segment reporting**

Segment results that are reported to the Group's chief executive officer (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly net foreign exchange gain or loss, parts of loans and related finance costs and some items of investments.

The Group has two operating segments: Thailand and Socialist Republic of Vietnam. The Group's operating segment reporting format is geographical because the Group's risks and rates of return are affected predominantly by the fact that the Group operates in different geographical areas. The Group's management structure and internal reporting system to the Board of Directors is set up accordingly.

## **5 Acquisition of business**

### ***Saigon-Lamdong Beer Joint Stock Company***

On October 1, 2019, SABECO, the Group's indirect subsidiary completed a business acquisition by making a capital increase of VND 82,000 million (equivalent to SGD 4.88 million) to Saigon – Lamdong Beer Joint Stock Company ("Lamdong Beer JSC"), which was previously an associate of the Group and had been accounted for using the equity method prior to the capital increase. Consequently, SABECO had increased its ownership in Lamdong Beer JSC from 20.00% to 52.25%. The transaction has been accounted for as a business combination achieved in stages and Lamdong Beer JSC became a subsidiary of SABECO and an indirect subsidiary of the Group.

The principal business activities of Lamdong Beer JSC are beer production and distribution. Management believes that the acquisition will enable the Group to serve markets efficiently.

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*Identifiable assets acquired and liabilities assumed*

	<i>Note</i>	<b>Fair value</b> <i>(in thousand SGD)</i>
Cash and cash equivalents		9,768
Accounts receivable		848
Inventories		2,425
Property, plant and equipment	15	35,387
Short-term promissory notes	20	(3,207)
Long-term loans from financial institutions	20	(29,920)
Other liabilities, net		(3,255)
<b>Net identifiable assets</b>		<b>12,046</b>
NCI based on their proportionate interest in the net identifiable assets		(5,783)
<b>Fair value of identifiable assets acquired and liabilities assumed</b>		<b>6,263</b>
Fair value of previously held equity interest	12	(1,228)
Gain on bargain purchase		(153)
<b>Total consideration paid</b>		<b>4,882</b>
Cash acquired		(9,768)
<b>Net cash inflow on acquisition of business</b>		<b>(4,886)</b>

There was no gain or loss recognised as a result of remeasuring the previously held equity interest in Lamdong Beer JSC to fair value as the carrying amount of previously held equity interest approximated the fair value.

Subsequently, on October 31, 2019, SABECO made an additional capital increase of VND 3,585 million (equivalent to SGD 0.23 million), resulting in an increase of 0.66% ownership in Lamdong Beer JSC. This additional capital increase has been accounted for as a transaction with non-controlling interests without a change in control. Consequently, SABECO holds 52.91% ownership in Lamdong Beer JSC, with the Group holding 28.35% effective shareholding interests through SABECO as at September 30, 2020.

For the year ended September 30, 2020, Lamdong Beer JSC contributed revenue of SGD 82.82 million and net profit of SGD 4.01 million to the Group.

The valuation techniques applied in measuring the fair value of material assets acquired were as follows:

<b>Assets acquired</b>	<b>Valuation technique</b>
Property, plant and equipment	<i>Market comparison technique and cost technique:</i> The valuation model considers market prices of similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

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**6 Related parties**

For the purposes of these combined financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The pricing policies for transactions with related parties are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Revenue from sale of goods	Agreed prices which approximate market prices
Revenue from rendering of services	Contractual prices
Purchase of goods/raw materials	Agreed prices which approximate market prices
Receiving of services	Contractual prices
Purchase and sale of property, plant and equipment	Contractual prices
Purchase and sale of investments	Contractual prices
Interest income and finance costs	Rate as mutually agreed with reference interest rates quoted by financial institutions

***Significant transactions with related parties***

<b><i>Year ended September 30</i></b>	<b><i>Note</i></b>	<b><i>2021</i></b>	<b><i>2020</i></b>	<b><i>2019</i></b>
		<b><i>(in thousand SGD)</i></b>		
<b>Key management personnel compensation</b>				
Short-term employee benefits		<u>55</u>	<u>42</u>	<u>40</u>
<b>Ultimate parent</b>				
Revenue from sale of goods		67	223	96
Overhead costs		-	-	5
Other income		-	-	2
Distribution costs and administrative expenses		932	146	134
Management fees <sup>1</sup>		2,986	29,103	170,108
Interest income		1,803	8,551	14,040
Finance costs	<i>31</i>	-	2,510	7,733
<b>Associates</b>				
Revenue from sale of goods		118,485	156,378	235,209
Purchases of raw materials, packaging and finished goods		383,798	513,407	736,260
Other income		268	1,143	419
Distribution costs and administrative expenses		402	140	25
Impairment losses on other receivables from related parties	<i>12,28</i>	-	16,516	-
Dividend income	<i>12</i>	3,106	4,434	6,394

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<i>Year ended September 30</i>	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<i>(in thousand SGD)</i>				
<b>Joint ventures</b>				
Revenue from sale of goods		96	118	100
Purchases of raw materials, packaging and finished goods		97,364	100,241	117,770
Other income		1,706	486	309
Distribution costs and administrative expenses		437	75	465
Dividend income	12	9,835	1,787	10,011
<b>Other related parties</b>				
Revenue from sale of goods		385,002	353,460	352,072
Purchases of raw materials, packaging and finished goods		268,778	261,231	261,888
Overhead costs		1,842	2,162	3,963
Other income <sup>2</sup>		16,571	14,678	14,227
Distribution costs and administrative expenses		116,222	132,206	145,924
Purchases of plant and equipment		1,299	262	515
Finance costs	31	691	20	-

<sup>1</sup> The management fees relating to supporting service agreements between the subsidiaries and the Ultimate Parent were cancelled on October 1, 2019 and December 1, 2019. The Group has entered into a new supporting service agreement with the Ultimate Parent starting from April 1, 2020. Under this new agreement, the expenses of SGD 2,986 thousand and SGD 786 thousand were recognised in the year ended September 30, 2021 and 2020, respectively.

<sup>2</sup> Other income from other related parties comprise of sale of scrap items and sale of by-products.

Balances as at September 30 with related parties were as follows:

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<i>(in thousand SGD)</i>				
<b>Trade receivables</b>				
Ultimate parent		13	22	32
Associates		7,627	1,971	2,215
Joint ventures		6	24	88
Other related parties		19,780	17,531	16,433
<b>Total</b>	9	<b>27,426</b>	<b>19,548</b>	<b>18,768</b>

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*Short-term loans to and other receivables*

	<i>Note</i>	<b>Short-term loans to</b>	<b>2021 Other receivables</b>	<b>Total</b>	<b>Short-term loans to</b>	<b>2020 Other receivables</b>	<b>Total</b>	<b>Short-term loans to</b>	<b>2019 Other receivables</b>	<b>Total</b>
						<i>(in thousand SGD)</i>				
Ultimate parent		144,397	267	144,664	-	180	180	31,533	1,406	32,939
Associates		-	16,804	16,804	-	16,587	16,587	-	22,025	22,025
Joint ventures		-	-	-	-	270	270	-	4,693	4,693
Other related parties		-	3,905	3,905	-	3,766	3,766	-	5,171	5,171
Allowance for impairment loss	12	-	(16,574)	(16,574)	-	(16,350)	(16,350)	-	-	-
<b>Net</b>		<b>144,397</b>	<b>4,402</b>	<b>148,799</b>	<b>-</b>	<b>4,453</b>	<b>4,453</b>	<b>31,533</b>	<b>33,295</b>	<b>64,828</b>

*Long-term loans to and other receivables*

		<b>Long-term loans to</b>	<b>2021 Other receivables</b>	<b>Total</b>	<b>Long-term loans to</b>	<b>2020 Other receivables</b>	<b>Total</b>	<b>Long-term loans to</b>	<b>2019 Other receivables</b>	<b>Total</b>
						<i>(in thousand SGD)</i>				
Ultimate parent		-	-	-	109,092	-	109,092	590,123	-	590,123
Other related parties		-	312	312	-	307	307	-	338	338
<b>Total</b>		<b>-</b>	<b>312</b>	<b>312</b>	<b>109,092</b>	<b>307</b>	<b>109,399</b>	<b>590,123</b>	<b>338</b>	<b>590,461</b>

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Movements during the year ended September 30 of loans to related parties were as follows:

***Loans to***

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
<b><i>Short-term loans</i></b>			
At October 1, 2020/2019/2018	-	31,533	77,298
Drawdown	1,271,187	1,521,866	1,399,724
Repayment	(1,116,994)	(1,440,882)	(1,269,329)
Reclassify to long-term loans	-	(111,946)	(179,314)
Effect of foreign currency exchange differences	(9,796)	(571)	3,154
<b>At September 30</b>	<b><u>144,397</u></b>	<b><u>-</u></b>	<b><u>31,533</u></b>
<b><i>Long-term loans</i></b>			
At October 1, 2020/2019/2018	109,092	590,123	379,928
Repayment	(108,147)	(579,418)	(3,966)
Reclassify from short-term loans	-	111,946	179,314
Effect of foreign currency exchange differences	(945)	(13,559)	34,847
<b>At September 30</b>	<b><u>-</u></b>	<b><u>109,092</u></b>	<b><u>590,123</u></b>

	<b>Note</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
<b><i>Trade payables</i></b>				
Associates		10,361	9,651	5,544
Joint ventures		6,364	14,924	12,198
Other related parties		19,818	20,260	27,224
<b>Total</b>	<b>21</b>	<b><u>36,543</u></b>	<b><u>44,835</u></b>	<b><u>44,966</u></b>
<b><i>Lease liabilities</i></b>				
Associates		305	292	-
Other related parties		16,341	15,675	-
<b>Total</b>		<b><u>16,646</u></b>	<b><u>15,967</u></b>	<b><u>-</u></b>

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*Short-term loans from and other payables*

	Short-term loans from	2021 Other payables to	Total	Short-term loans from	2020 Other payables to <i>(in thousand SGD)</i>	Total	Short-term loans from	2019 Other payables to	Total
Ultimate parent	-	3,405	3,405	-	1,128	1,128	-	14,422	14,422
Associates	-	262	262	-	336	336	-	382	382
Joint ventures	-	17	17	-	113	113	-	-	-
Other related parties	-	12,475	12,475	7,385	52,530	59,915	-	18,452	18,452
<b>Total</b>	<b>-</b>	<b>16,159</b>	<b>16,159</b>	<b>7,385</b>	<b>54,107</b>	<b>61,492</b>	<b>-</b>	<b>33,256</b>	<b>33,256</b>

*Long-term loans from and other payables*

	Long-term loans from	2021 Other payables to	Total	Long-term loans from	2020 Other payables to <i>(in thousand SGD)</i>	Total	Long-term loans from	2019 Other payables to	Total
Ultimate parent	-	274	274	-	258	258	37,416	251	37,667

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Movements during the year ended September 30 of loans from related parties were as follows:

***Loans from***

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
<b><i>Short-term loans</i></b>				
At October 1, 2020/2019/2018		7,385	-	138,609
Drawdown		2,150	1,060,980	49,756
Repayment		(9,535)	(1,053,402)	(155,756)
Reclassify to long-term loans		-	-	(35,753)
Effect of foreign currency exchange differences		-	(193)	3,144
<b>At September 30</b>	<b>20</b>	<u><u>-</u></u>	<u><u>7,385</u></u>	<u><u>-</u></u>
		<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
<b><i>Long-term loans</i></b>				
At October 1, 2020/2019/2018		-	37,416	-
Repayment		-	(36,738)	-
Reclassify from short-term loans		-	-	35,753
Effect of foreign currency exchange differences		-	(678)	1,663
<b>At September 30</b>		<u><u>-</u></u>	<u><u>-</u></u>	<u><u>37,416</u></u>

***Significant agreements with related parties***

***Supporting service agreements***

The subsidiaries of the Company entered into supporting service agreements with the Ultimate Parent for supporting services such as human resource, administration, accounting, finance, public relations, public co-ordination, technology, legal, secretary and share register and internal audit. Unless there are notifications to terminate the agreement not later than 30 days prior to the expiry date, this agreement continues to be in effect for the successive one year term. The subsidiaries of the Company are committed to pay a service fee at the rate as stipulated in the agreements.

On October 1, 2019, the above supporting service agreement with the Ultimate Parent was terminated.

On March 16, 2020, the Company entered into supporting service agreement with the Ultimate Parent for supporting services such as human resource, administration, accounting, finance, public relations, technology, legal, secretary and share register and internal audit. The agreement is effective from April 1, 2020 onwards. Unless there are notifications to terminate the agreement not later than 30 days prior to the expiry date, this agreement continues to be in effect for the successive one year term.

***Revolving loan agreement***

***Revolving loan from related party agreement***

In 2019, the subsidiaries together with other related parties of the Company entered into loan borrowing agreement with the Ultimate Parent to use loan facility from the Ultimate Parent with joint credit limit not exceeding Baht 35,000 million (equivalent to SGD 1,403.86 million), bearing interest at the rate of 5% per annum. Subsequently on October 1, 2020, the subsidiaries' loan facility from the Ultimate Parent has been cancelled.

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*Revolving loan to related party agreement*

The subsidiaries of the Company had entered into revolving loan lending agreements with the Ultimate Parent for loan facility with total credit limit of Baht 64,500 million (equivalent to SGD 2,587.11 million), bearing interest at the rate of 2.5% per annum. Subsequently on October 1, 2020, the subsidiaries cancelled the revolving loan lending agreements with the Ultimate Parent except for Chang Corporation Company Limited (“Chang Corporation”). The agreement between Chang Corporation and the Ultimate Parent has been revised to total credit limit of Baht 33,000 million (equivalent to SGD 1,323.64 million), bearing interest at the rate of 2.25% per annum.

On March 22, 2021, Chang Corporation cancelled the revolving loan lending agreements with the Ultimate Parent.

On April 26, 2021, Chang Corporation entered into new revolving loan lending agreement with the Ultimate Parent for loan facility with total credit limit of Baht 15,000 million (equivalent to SGD 601.65 million), bearing interest at the rate of 2.25% per annum.

On August 1, 2021, Chang Corporation revised interest rate of the revolving loan lending agreement from 2.25% to 2.00% per annum.

Short-term loans to and from the Ultimate Parent are repayable on call. Long-term loans to and from the Ultimate Parent have a maturity period of two years.

*Loan agreement*

On June 18, 2020, the Company entered into a loan agreement with InterBev (Singapore) Limited, a related company, for an unsecured loan facility of SGD 2.80 million, bearing interest at the rate of SIBOR+2.2% per annum, repayable within one year. The agreement was terminated subsequent to the Company fully repaid the loan in 2021.

*Merchandise sale agreements*

On May 19, 2017, the Company’s subsidiary entered into an agreement with Oishi Group Public Company Limited, a related company, to manufacture non-alcoholic beverages under the trade names of “Oishi Chakulza”, “Oishi” and any other trade names to be specified by the related party. The subsidiary agreed to sell such products to Oishi Group Public Company Limited at the price as specified in the agreement, which is re-negotiated on a periodical basis. This agreement is effective from May 20, 2017 to May 19, 2018 and shall continue to be in effect for another period of one year unless there is a notification to terminate the agreement within 90 days prior to the expiry date. Subsequently, on October 1, 2020, the counterparties have agreed to renew the agreement under similar terms and conditions. The renewed agreement is effective from October 1, 2020 to September 30, 2023 and shall continue to be in effect for another period of one year unless there is a notification to terminate the agreement within 90 days prior to the expiry date.

*Glass bottle sale and purchase agreements*

On June 30, 2005, the Company’s subsidiaries entered into glass bottle sale and purchase agreements with Thai Beverage Recycle Co., Ltd., a related company. The subsidiaries agreed to purchase recycled and new glass bottles from the related company at the price specified in the agreements, which is re-negotiated on a periodical basis. The agreement is renewable on an annual basis unless there is a notification to terminate the agreements within 30 days prior to expiry date.

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*Procurement agreements*

The Company's subsidiaries entered into procurement agreements with Pan International (Thailand) Co., Ltd., a related company, whereby the subsidiaries agreed to pay the procurement service fee at the condition and the rate as specified in the agreements. The agreements shall continue to be in effect for another period of one year unless there is a notification to terminate the agreements.

*Beverages production agreement*

On November 16, 2015, the Company's subsidiary entered into a beverages production agreement with Sermsuk PCL, a related company. The subsidiary agreed to produce plastic bottled water under the trade name of "Crystal" to Sermsuk PCL as specified in the agreement. The agreement shall continue to be in effect for another period of three years unless there is a notification to terminate the agreement within 90 days prior to expiry date.

Subsequently on March 1, 2020, the parties renewed the agreement, which is effective from March 1, 2020 to September 30, 2021. The agreement shall continue to be in effect for another period of one year unless there is a notification to terminate the agreement within 90 days prior to expiry date.

*Property sublease agreement*

On February 29, 2020, the Company's subsidiary entered into a sublease agreement to lease furnished office space and service agreement with ASM Management Co., Ltd., a related company. Under the agreement, which is effective from June 15, 2019 to June 14, 2022, the subsidiary is committed to pay rental and service fee on the rates as stipulated in the agreement.

*Management and distribution agreement*

The Company's subsidiary entered into an agreement with Thai Beverage Logistics Co., Ltd., a related company, whereby the related company agreed to manage and distribute the subsidiary's products to the customers. The subsidiary is committed to pay management and distribution fee at the rates as stipulated in the agreement, which is re-negotiated on a periodical basis. The agreement is effective from January 1, 2010 and continue to be in effect for each successive one year term unless there is a notification to terminate the agreement within 30 days prior to expiry date.

*Trademark license agreement*

Emerald Brewery Myanmar Limited ("Emerald Brewery"), a related company, entered into a trademark license agreement with Super Brands Company Pte. Ltd. ("Super Brands"), a related company, to grant Emerald Brewery a license from Super Brands for the use of trademark. Effective from March 1, 2020 to February 28, 2030, Emerald Brewery committed to pay license fee at a fixed rate applied to the net sales revenue in respect of all sales of the products by or on behalf of Emerald Brewery, including other conditions as stipulated in the agreement. Subsequently, in connection with an internal restructuring exercise, Super Brands and Emerald Brewery have agreed to enter into another agreement for the purpose of novating all of Super Brands' rights and obligations under the trademark license agreement to Super Beer Brands Limited, the Company's subsidiary, effective on March 9, 2020.

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*Managing and coordinating service agreement*

Thipchalothorn Co., Ltd. (“Thipchalothorn”), the Company’s indirect subsidiary, entered into modern trade managing and coordinating service agreement with Modern Trade Management Co., Ltd. (“Modern Trade Management”), a related company, whereby Modern Trade Management will provide managing and coordinating service of Thipchalothorn’s products to modern trade stores, including other managing and coordinating services as stipulated in the agreement. Thipchalothorn committed to pay an actual cost plus operation service fee 10% of the actual cost in each month. The agreement is effective from July 1, 2020 onwards. Unless there are notifications to terminate the agreement no later than 30 days prior to the expire date, September 30, 2020, this agreement continues to be in effect for the successive 1 year term. For the year ended September 30, 2021, the expenses relating to the managing and coordinating service agreement of SGD 5.85 million (2020: SGD 1.72 million) were recognised in distribution cost, and SGD 1.23 million were recognised in administrative expenses (2020: SGD 0.38 million).

**Commitments with related parties**

	2021	2020	2019
	<i>(in thousand SGD)</i>		
<b>Future minimum lease payments under non-cancellable operating lease</b>			
Within one year	-	-	8,567
After one year but within five years	-	-	12,541
After five years	-	-	3,016
<b>Total</b>	<b>-</b>	<b>-</b>	<b>24,124</b>
<b>Other commitments</b>			
Purchase of raw material	184,866	440,592	329,406
Brewing supervision	366	456	542
Short-term and low value lease commitment	-	8	-
Other service	1,438	102	1,151
<b>Total</b>	<b>186,670</b>	<b>441,158</b>	<b>331,099</b>

**7 Cash and cash equivalents**

	2021	2020	2019
	<i>(in thousand SGD)</i>		
Cash on hand	539	299	217
Cash at banks - current accounts	76,555	83,668	66,427
Cash at banks - savings accounts	43,889	1,994	1,113
Highly liquid short-term investments	307,857	213,366	182,159
<b>Total</b>	<b>428,840</b>	<b>299,327</b>	<b>249,916</b>

**8 Current investments**

Current investments represent short-term deposits at financial institutions with maturity periods of more than 3 months but less than 12 months. As at September 30, 2021, the interest rates of current investments are at the rates of 3.30% to 6.85% per annum (2020: 3.50% to 7.70% per annum; 2019: 4.80% to 7.80% per annum).

Current investments are recognised at amortised cost. Impairment of current investments are disclosed in Note 33 under Investment in debt security section.

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**9 Trade receivables and other receivables**

**Trade receivables**

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
Related parties	6	27,426	19,548	18,768
Other parties		10,280	9,299	13,471
<b>Total</b>		<b>37,706</b>	<b>28,847</b>	<b>32,239</b>
Less allowance for expected credit loss		(660)	(657)	(526)
<b>Net</b>		<b>37,046</b>	<b>28,190</b>	<b>31,713</b>
Reversal of impairment loss recognised to profit or loss		(105)	(704)	(246)

Aging analysis for trade receivables were as follows:

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
<b>Related parties</b>			
Within credit terms	27,194	19,362	18,729
Overdue:			
Less than 3 months	193	51	22
3 - 6 months	-	-	9
6 - 12 months	-	127	-
Over 12 months	39	8	8
	<b>27,426</b>	<b>19,548</b>	<b>18,768</b>
<b>Other parties</b>			
Within credit terms	8,563	8,033	11,815
Overdue:			
Less than 3 months	1,019	568	1,115
3 - 6 months	-	-	1
6 - 12 months	-	71	-
Over 12 months	698	627	540
	<b>10,280</b>	<b>9,299</b>	<b>13,471</b>
Less allowance for expected credit loss	(660)	(657)	(526)
<b>Net</b>	<b>37,046</b>	<b>28,190</b>	<b>31,713</b>

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
<b>Allowance for expected credit loss</b>			
At October 1, 2020/2019/2018	657	526	907
Addition	6	170	378
Reversal	(1)	(33)	(754)
Write-off	(11)	-	(6)
Effect of foreign currency exchange differences	9	(6)	1
<b>At September 30</b>	<b>660</b>	<b>657</b>	<b>526</b>

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**Other receivables**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
Accrued interest income	17,211	20,197	15,847
Prepaid expenses	8,943	18,394	22,175
Others	1,751	2,200	1,186
<b>Total</b>	<b><u>27,905</u></b>	<b><u>40,791</u></b>	<b><u>39,208</u></b>

**10 Inventories**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
Finished goods	86,448	100,668	119,903
Work in progress	23,687	22,589	28,927
Raw materials	56,703	44,002	57,342
Packaging materials	21,402	21,979	26,576
Spare parts	21,060	24,282	27,053
Goods in transit	17,056	13,262	16,229
Supplies	2,715	2,333	2,240
Others	136	254	87
Less allowance for decline in value	<u>(10,164)</u>	<u>(12,207)</u>	<u>(16,347)</u>
<b>Net</b>	<b><u>219,043</u></b>	<b><u>217,162</u></b>	<b><u>262,010</u></b>

Inventories recognised as an expense and included in

‘Cost of sale of goods’:

- Cost of inventories	3,353,445	3,751,240	4,109,798
- Write-down to net realisable value	4,128	6,181	11,388
- Reversal of write-down	<u>(6,304)</u>	<u>(10,153)</u>	<u>(4,729)</u>
<b>Total cost of sale of goods</b>	<b><u>3,351,269</u></b>	<b><u>3,747,268</u></b>	<b><u>4,116,457</u></b>

Write-downs of inventories were due to products obsolescence and change in packaging. Reversals of write-down were due to changes in estimates.

**11 Other current assets**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
Promotional supplies	13,284	13,461	10,963
Refundable value added tax	7,418	8,202	5,082
Prepaid excise tax	1,156	565	799
Others	7,628	3,461	4,177
<b>Total</b>	<b><u>29,486</u></b>	<b><u>25,689</u></b>	<b><u>21,021</u></b>

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**12 Investments in associates and joint ventures**

	<i>Note</i>	<b>2021</b>	<b>2020</b> <i>(in thousand SGD)</i>	<b>2019</b>
<b>Associates</b>				
At October 1, 2020/2019/2018		84,564	89,099	87,458
Share of (loss) profit of investment in associates, net of income tax		(412)	6,149	7,474
Reclassification to subsidiary	5	-	(1,228)	-
Dividend income from associates	6	(3,106)	(4,434)	(6,394)
Provision for impairment loss		(284)	(4,220)	-
Effect of foreign currency exchange differences		1,062	(802)	561
<b>At September 30</b>		<b>81,824</b>	<b>84,564</b>	<b>89,099</b>
<b>Joint ventures</b>				
At October 1, 2020/2019/2018		165,012	156,566	152,559
Share of profit of investment in joint ventures, net of income tax		10,110	11,684	12,643
Dividend income from joint ventures	6	(9,835)	(1,787)	(10,011)
Reversal of (provision for) impairment loss		1,544	31	(465)
Effect of foreign currency exchange differences		2,307	(1,482)	1,840
<b>At September 30</b>		<b>169,138</b>	<b>165,012</b>	<b>156,566</b>
<b>Total</b>				
At October 1, 2020/2019/2018		249,576	245,665	240,017
Share of profit of investment in associates and joint ventures, net of income tax		9,698	17,833	20,117
Reclassification to subsidiary	5	-	(1,228)	-
Dividend income from associates and joint ventures	6	(12,941)	(6,221)	(16,405)
Reversal of (provision for) impairment loss		1,260	(4,189)	(465)
Effect of foreign currency exchange differences		3,369	(2,284)	2,401
<b>At September 30</b>		<b>250,962</b>	<b>249,576</b>	<b>245,665</b>

At the end of each reporting period, management assesses the recoverability of investments in associates and joint ventures as to whether there is a possibility that the investments and receivables relating to the associates and joint ventures may not be recoverable.

As of September 30, 2021, the Group has provided a provision for impairment of investment in associates of SGD 0.28 million.

As of September 30, 2020, management assessed the recoverability of the investments in associates and believes there was a possibility that the investments and receivables relating to certain associates may not be recoverable. Therefore, the Group provided a provision for impairment for the full amount of the said receivables and investments in associates. The impairment in associates recognised was SGD 4.22 million and impairment in other receivables was SGD 16.52 million. The impairment losses were recognised in administrative expenses.

As of September 30, 2019, the Group has provided a provision for impairment of investment in joint ventures of SGD 0.47 million.



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	Ownership interest			Paid-up capital			Cost method			Equity method			Dividend income for the year		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
	(%)									(in thousand SGD)					
<b>Associates (continued)</b>															
Sai Gon - Vinh Long Beer Joint Stock Company	10.72	10.72	10.72	VND 150,000 million	VND 150,000 million	VND 150,000 million	3,381	3,336	3,367	4,626	4,699	4,527	297	357	528
Sai Gon - Kien Giang Beer Joint Stock Company	10.72	10.72	10.72	VND 115,000 million	VND 115,000 million	VND 115,000 million	1,587	1,566	1,581	974	1,632	1,938	-	138	270
Sai Gon - Khanh Hoa Beer Joint Stock Company	13.93	13.93	13.93	VND 100,000 million	VND 100,000 million	VND 100,000 million	2,590	2,555	2,579	3,614	3,712	3,836	-	155	229
Saigon - Bentre Beer Joint Stock Company	10.72	10.72	10.72	VND 100,000 million	VND 100,000 million	VND 100,000 million	1,196	1,180	1,191	1,319	1,421	1,401	58	238	-
Saigon - Lamdong Beer Joint Stock Company <sup>1</sup>	-	-	10.72	-	-	VND 100,000 million	-	-	1,191	-	-	1,228	-	-	-
<b>Joint ventures</b>															
Me Linh Point Limited	13.40	13.40	13.40	VND 221,066 million	VND 221,066 million	VND 221,066 million	32,452	32,013	32,318	38,114	37,012	36,942	1,903	1,787	1,714
Crown Beverage Cans Saigon Limited	16.07	16.07	16.10	VND 519,590 million	VND 519,590 million	VND 519,590 million	80,215	79,130	79,883	92,678	92,775	86,346	7,932	-	7,819
Malaya - Vietnam Glass Limited	16.07	16.07	16.07	VND 322,209 million	VND 322,209 million	VND 322,209 million	16,279	16,059	16,212	28,472	27,104	25,306	-	-	-
San Miguel Yamamura Phu Tho Packaging Company Limited	18.75	18.75	18.75	VND 51,883 million	VND 51,883 million	VND 51,883 million	4,959	4,892	4,938	7,126	6,943	6,782	-	-	478

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	Ownership interest			Paid-up capital			Cost method			Equity method			Dividend income for the year		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
	(%)									(in thousand SGD)					
<i>Joint ventures (continued)</i>															
Vietnam Spirits and Wine Ltd.	24.11	24.11	24.11	VND 65,462 million	VND 65,462 million	VND 65,462 million	3,085	1,481	3,073	2,748	1,178	1,190	-	-	-
<b>Total</b>							<b>188,454</b>	<b>184,633</b>	<b>193,373</b>	<b>250,962</b>	<b>249,576</b>	<b>245,665</b>	<b>12,941</b>	<b>6,221</b>	<b>16,405</b>

<sup>1</sup> On October 1, 2019, Saigon Beer - Alcohol - Beverage Corporation (“SABECO”), the Group’s indirect subsidiary completed a business acquisition by making a capital increase to Saigon - Lamdong Beer Joint Stock Company (“Lamdong Beer JSC”), which was previously an associate of the Group (refer to note 5).

The Group has an investment in associate, Sai Gon - Mien Trung Beer Joint Stock Company (“SMB”), which is listed on the Ho Chi Minh City Stock Exchange with the closing price as at September 30, 2021 of VND 40,800 per share (2020: VND 34,750 per share; 2019: VND 38,700 per share). The market value calculated from the above mentioned closing price of the Group’s investments in SMB is SGD 23.59 million (2020: SGD 19.82 million; 2019: SGD 22.29 million).

The Group has investment in associates, Saigon - Phutho Beer Joint Stock Company (“SPB”) and Saigon - Baclieu Beer Joint Stock Company (“SBB”), which are traded on the Unlisted Public Company Market with the closing price as at September 30, 2021 of VND 19,500 per share (2020: VND 17,100 per share; 2019: VND 26,500 per share) and VND 10,200 per share (2020: VND 12,900 per share; 2019: VND 15,900 per share), respectively. The market value calculated from the above mentioned closing price of the Group’s investments in SPB and SBB are SGD 4.93 million (2020: SGD 4.27 million; 2019: SGD 6.68 million) and SGD 1.46 million (2020: SGD 1.83 million; 2019: SGD 2.27 million), respectively.

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*Associates and joint ventures*

The following summarises the financial information of each of the Group's material associates and joint ventures based on their respective financial information prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Material associates						Material joint ventures					
	Saigon Binh Tay Beer Joint Stock Company			Sai Gon - Mien Trung Beer Joint Stock Company			Crown Beverage Cans Saigon Company Limited			Me Linh Point Limited		
For the year ended September 30	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
<i>Statement of comprehensive income</i>												
Revenue	165,787	243,722	289,075	116,816	129,688	165,376	175,040	216,844	233,484	10,529	10,282	9,857
(Loss) profit from continuing operations	(11,320)	7,123	1,713	7,234	7,541	9,837	22,137	24,169	25,370	6,209	5,715	5,760
Other comprehensive income	-	-	-	-	-	-	(32)	-	-	-	-	-
<b>Total comprehensive income (100%)</b>	<b>(11,320)</b>	<b>7,123</b>	<b>1,713</b>	<b>7,234</b>	<b>7,541</b>	<b>9,837</b>	<b>22,105</b>	<b>24,169</b>	<b>25,370</b>	<b>6,209</b>	<b>5,715</b>	<b>5,760</b>
<i>As at September 30</i>												
<i>Statement of financial position</i>												
Current assets	52,472	57,288	48,810	28,452	22,343	16,510	66,852	65,074	67,644	8,385	9,211	12,929
Non-current assets	196,268	208,134	219,341	25,885	28,582	31,445	22,157	26,606	31,973	23,422	21,564	17,256
Current liabilities	(56,434)	(63,063)	(58,312)	(18,733)	(17,003)	(14,410)	(17,336)	(16,474)	(48,067)	(1,914)	(2,631)	(1,640)
Non-current liabilities	(15,262)	(23,791)	(32,645)	(1,520)	(1,457)	(2,088)	-	-	-	(2,193)	(1,599)	(2,357)
<b>Net assets (100%)</b>	<b>177,044</b>	<b>178,568</b>	<b>177,194</b>	<b>34,084</b>	<b>32,465</b>	<b>31,457</b>	<b>71,673</b>	<b>75,206</b>	<b>51,550</b>	<b>27,700</b>	<b>26,545</b>	<b>26,188</b>

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	Material associates						Material joint ventures					
	Saigon Binh Tay Beer Joint Stock Company			Sai Gon - Mien Trung Beer Joint Stock Company			Crown Beverage Cans Saigon Company Limited			Me Linh Point Limited		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
<i>Carrying amount of interest in associates and joint ventures</i>	<i>(in thousand SGD)</i>											
<i>Group's interest in net assets of investee as at the beginning of the year</i>	29,645	28,262	28,902	19,241	18,665	17,762	92,775	86,346	85,286	37,012	36,942	36,345
Total comprehensive income attributable to the Group	(2,457)	1,667	398	2,400	2,776	3,014	6,630	7,221	7,611	2,483	2,209	2,017
Dividends received during the year	-	-	(1,107)	(1,974)	(2,017)	(2,263)	(7,932)	-	(7,819)	(1,903)	(1,787)	(1,714)
Effect of foreign currency exchange differences	344	(284)	69	275	(183)	152	1,205	(792)	1,268	522	(352)	294
<b>Carrying amount of interest in investee at the end of the year</b>	<b>27,532</b>	<b>29,645</b>	<b>28,262</b>	<b>19,942</b>	<b>19,241</b>	<b>18,665</b>	<b>92,678</b>	<b>92,775</b>	<b>86,346</b>	<b>38,114</b>	<b>37,012</b>	<b>36,942</b>

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*Immaterial associates and joint ventures*

The following summarises the financial information of the Group's interest in immaterial associates and joint ventures based on the amounts reported in the combined financial statements:

	Immaterial associates			Immaterial joint ventures		
	2021	2020	2019	2021	2020	2019
	<i>(in thousand SGD)</i>					
Carrying amount of interests in immaterial associates and joint ventures	34,350	35,678	42,172	38,346	35,225	33,278
Group's share of:						
- (Loss) profit for the year	<u>(355)</u>	<u>1,706</u>	<u>4,062</u>	<u>997</u>	<u>2,254</u>	<u>3,015</u>
- Total comprehensive income	<u><b>(355)</b></u>	<u><b>1,706</b></u>	<u><b>4,062</b></u>	<u><b>997</b></u>	<u><b>2,254</b></u>	<u><b>3,015</b></u>

**13 Non-controlling interests**

The following summarises the information relating to each of the Group's subsidiaries that have non-controlling interest that are material to the Group, prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies and before any intra-group eliminations:

	September 30, 2021				
	Chang Beer Group <sup>1</sup>	SABECO	Others	Intra-group eliminations	Total
	<i>(in thousand SGD)</i>				
Non-controlling interest percentage <sup>2</sup>	26.01%	46.42%			
Current assets	436,267	1,247,872			
Non-current assets	360,132	1,871,248			
Current liabilities	(276,674)	(271,216)			
Non-current liabilities	<u>(52,294)</u>	<u>(139,906)</u>			
<b>Net assets</b>	<u><b>467,431</b></u>	<u><b>2,707,998</b></u>			
Non-controlling interest in subsidiaries' financial statements	-	88,539			
Carrying amount of non-controlling interest	<u>121,579</u>	<u>1,304,396</u>	724	12,868	1,439,567
Revenue	2,338,250	1,869,849			
Profit	163,747	188,865			
Other comprehensive income	<u>4,701</u>	<u>245,055</u>			
<b>Total comprehensive income</b>	<u><b>168,448</b></u>	<u><b>433,920</b></u>			
Profit allocated to non-controlling interest	<u>42,591</u>	<u>87,664</u>	4	6,247	136,506
Other comprehensive income allocated to non-controlling interest	<u>1,223</u>	<u>113,745</u>	-	-	114,968

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	<b>September 30, 2021</b>				
	<b>Chang Beer Group <sup>1</sup></b>	<b>SABECO</b>	<b>Others</b>	<b>Intra-group eliminations</b>	<b>Total</b>
	<i>(in thousand SGD)</i>				
Cash flows from operating activities	151,069	175,985			
Cash flows (used in) from investing activities	(59,668)	5,175			
Cash flows from (used in) financing activities	52,454	(174,160)			
<b>Net increase in cash and cash equivalents</b>	<b>143,855</b>	<b>7,000</b>			
	<b>September 30, 2020</b>				
	<b>Chang Beer Group <sup>1</sup></b>	<b>SABECO</b>	<b>Others</b>	<b>Intra-group eliminations</b>	<b>Total</b>
	<i>(in thousand SGD)</i>				
Non-controlling interest percentage <sup>2</sup>	26.01%	46.42%			
Current assets	173,499	1,180,984			
Non-current assets	511,271	1,895,640			
Current liabilities	(250,416)	(360,744)			
Non-current liabilities	(40,692)	(147,564)			
<b>Net assets</b>	<b>393,662</b>	<b>2,568,316</b>			
Non-controlling interest in subsidiaries' financial statements	-	91,074			
Carrying amount of non-controlling interest	102,391	1,240,919	776	(91,140)	1,252,946
Revenue	2,518,968	2,197,001			
Profit	117,162	240,958			
Other comprehensive income	(1,026)	88,774			
<b>Total comprehensive income</b>	<b>116,316</b>	<b>329,732</b>			
Profit allocated to non-controlling interest	30,474	111,844	4	6,635	148,957
Other comprehensive income allocated to non-controlling interest	(267)	41,205	-	1	40,939
Cash flows from operating activities	18,465	282,391			
Cash flows from (used in) investing activities	522,589	(149,479)			
Cash flows used in financing activities	(538,053)	(157,555)			
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,001</b>	<b>(24,643)</b>			

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	<b>September 30, 2019</b>				
	<b>Chang Beer Group <sup>1</sup></b>	<b>SABECO</b>	<b>Others</b>	<b>Intra-group eliminations</b>	<b>Total</b>
	<i>(in thousand SGD)</i>				
Non-controlling interest percentage <sup>2</sup>	26.01%	46.42%			
Current assets	254,081	1,048,426			
Non-current assets	1,012,463	1,851,176			
Current liabilities	(295,794)	(332,668)			
Non-current liabilities	(69,119)	(80,808)			
<b>Net assets</b>	<b><u>901,631</u></b>	<b><u>2,486,126</u></b>			
Non-controlling interest in subsidiaries' financial statements	-	80,813			
Carrying amount of non-controlling interest	<u>234,514</u>	<u>1,197,271</u>	806	(131,952)	1,300,639
Revenue	2,452,837	2,703,126			
(Loss) profit	(23,477)	253,512			
Other comprehensive income	(3,032)	(143,848)			
<b>Total comprehensive income</b>	<b><u>(26,509)</u></b>	<b><u>109,664</u></b>			
(Loss) profit allocated to non-controlling interest	<u>(6,106)</u>	<u>117,671</u>	(34,507)	16,769	93,827
Other comprehensive income allocated to non-controlling interest	<u>(789)</u>	<u>(66,769)</u>	-	(569)	(68,127)
Cash flows from operating activities	114,294	334,865			
Cash flows used in investing activities	(118,907)	(163,053)			
Cash flows from (used in) financing activities	4,239	(209,435)			
<b>Net decrease in cash and cash equivalents</b>	<b><u>(374)</u></b>	<b><u>(37,623)</u></b>			

<sup>1</sup> Chang Beer Group represented direct and indirect subsidiaries of the Company those operate in Thailand.

<sup>2</sup> Non-controlling interest of 26.01% is from all entities under Chang Beer Group except for NCI of Chang Holding Co., Ltd and Chang Corporation Company Limited which are 49%.

**BeerCo Limited and its Subsidiaries**  
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**14 Investment properties**

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
<b><i>Cost</i></b>				
At October 1, 2020/2019/2018		25,754	21,147	18,677
Transfer from property, plant and equipment	15	2,537	5,304	1,685
Write-off		(176)	-	-
Effect of foreign currency exchange differences		(1,092)	(697)	785
<b>At September 30</b>		<b>27,023</b>	<b>25,754</b>	<b>21,147</b>
<b><i>Accumulated depreciation</i></b>				
At October 1, 2020/2019/2018		937	776	315
Depreciation		238	195	274
Transfer from property, plant and equipment		-	-	236
Write-off		(144)	-	-
Effect of foreign currency exchange differences		98	(34)	(49)
<b>At September 30</b>		<b>1,129</b>	<b>937</b>	<b>776</b>
<b><i>Net book value</i></b>				
<b>At September 30</b>		<b>25,894</b>	<b>24,817</b>	<b>20,371</b>
<b><i>Year ended September 30</i></b>				
		<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
<b><i>Amounts recognised in profit or loss</i></b>				
Rental income		542	563	475

Information relating to leases are disclosed in note 16.

The fair value of investment properties as at September 30, 2021 of SGD 27.02 million (2020: SGD 25.68 million; 2019: SGD 21.02 million) was determined by independent professional valuers, which considered valuation using the market comparison approach and cost approach. The fair value of investment property has been categorised as a Level 3 fair value.

Investment properties comprise of a number of commercial land that are leased to third parties, unused land and buildings and constructions.

**Measurement of fair value**

*Fair value hierarchy*

The fair value of investment properties was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent valuers provide the fair value of the Group's investment property portfolio on an annual basis.

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

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*Valuation technique and significant unobservable inputs*

The following table shows the valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between key unobservable inputs and fair value measurement</b>
Land		
- Market comparison approach	Price per square metre for recent sales of comparable lands	The estimated fair value increase (decrease) if the transacted market price are higher (lower).
Buildings and constructions		
- Cost approach	Current replacement cost	The estimated fair value increase (decrease) if the replacement cost increase (decrease).

**BeerCo Limited and its Subsidiaries**  
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**15 Property, plant and equipment**

	<i>Note</i>	<b>Land</b>	<b>Land improvement</b>	<b>Building, buildings and leasehold improvements</b>	<b>Machinery and equipment</b> <i>(in thousand SGD)</i>	<b>Furniture, fixtures and office equipment</b>	<b>Vehicles</b>	<b>Assets under construction and installation</b>	<b>Total</b>
<b>Cost/ revaluation</b>									
<b>At October 1, 2018</b>		<b>146,778</b>	<b>45,480</b>	<b>371,643</b>	<b>1,155,040</b>	<b>17,814</b>	<b>32,255</b>	<b>13,752</b>	<b>1,782,762</b>
Additions		-	-	756	12,333	1,162	458	15,126	29,835
Transfer to investment properties	14	(1,134)	-	(551)	-	-	-	-	(1,685)
Transfers		-	324	1,925	6,833	26	101	(9,209)	-
Disposals/ write-off		-	-	(1,380)	(11,045)	(542)	(1,301)	(130)	(14,398)
Effect of foreign currency exchange differences		10,259	3,210	13,954	47,811	755	1,330	593	77,912
<b>At September 30, 2019 / October 1, 2019</b>		<b>155,903</b>	<b>49,014</b>	<b>386,347</b>	<b>1,210,972</b>	<b>19,215</b>	<b>32,843</b>	<b>20,132</b>	<b>1,874,426</b>
Acquisition of business	5	-	-	11,454	23,689	-	225	19	35,387
Additions		-	-	262	12,373	1,841	322	35,536	50,334
Transfer to investment properties	14	(4,512)	-	(792)	-	-	-	-	(5,304)
Transfers		-	39	9,262	39,284	444	166	(49,195)	-
Disposals/ write-off		-	-	(187)	(15,311)	(477)	(1,896)	-	(17,871)
Effect of foreign currency exchange differences		(6,615)	(2,117)	(9,639)	(34,887)	(562)	(890)	(270)	(54,980)
<b>At September 30, 2020 / October 1, 2020</b>		<b>144,776</b>	<b>46,936</b>	<b>396,707</b>	<b>1,236,120</b>	<b>20,461</b>	<b>30,770</b>	<b>6,222</b>	<b>1,881,992</b>
Surplus on revaluation		5,437	-	-	-	-	-	-	5,437
Additions		-	-	1,029	8,373	834	553	42,130	52,919
Transfer to investment properties	14	(2,537)	-	-	-	-	-	-	(2,537)
Transfers		-	25	2,689	11,146	75	157	(14,092)	-
Disposals/ write-off		-	-	(1,004)	(7,171)	(615)	(970)	(371)	(10,131)
Effect of foreign currency exchange differences		(10,557)	(3,364)	(10,614)	(38,015)	(660)	(932)	219	(63,923)
<b>At September 30, 2021</b>		<b>137,119</b>	<b>43,597</b>	<b>388,807</b>	<b>1,210,453</b>	<b>20,095</b>	<b>29,578</b>	<b>34,108</b>	<b>1,863,757</b>

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	<i>Note</i>	Land	Land improvement	Building, buildings and leasehold improvements	Machinery and equipment <i>(in thousand SGD)</i>	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
<i>Accumulated depreciation and impairment losses</i>									
<b>At October 1, 2018</b>		-	<b>27,560</b>	<b>168,217</b>	<b>750,258</b>	<b>10,136</b>	<b>23,899</b>	-	<b>980,070</b>
Depreciation		-	1,795	19,140	73,129	2,215	1,724	-	98,003
Impairment losses		-	-	-	1,021	-	-	-	1,021
Transfer to investment properties	14	-	-	(236)	-	-	-	-	(236)
Transfers		-	-	-	2	(2)	-	-	-
Disposals/ write-off		-	-	(976)	(5,952)	(452)	(1,246)	-	(8,626)
Effect of foreign currency exchange differences		-	2,020	7,005	37,341	547	1,241	-	48,154
<b>At September 30, 2019 / October 1, 2019</b>		-	<b>31,375</b>	<b>193,150</b>	<b>855,799</b>	<b>12,444</b>	<b>25,618</b>	-	<b>1,118,386</b>
Depreciation		-	1,854	20,409	65,317	2,334	1,859	-	91,773
Impairment losses		-	-	-	(602)	-	-	-	(602)
Transfers		-	-	(305)	297	111	(103)	-	-
Disposals/ write-off		-	-	(156)	(12,729)	(436)	(1,847)	-	(15,168)
Effect of foreign currency exchange differences		-	(1,403)	(4,886)	(26,893)	(416)	(809)	-	(34,407)
<b>At September 30, 2020 / October 1, 2020</b>		-	<b>31,826</b>	<b>208,212</b>	<b>881,189</b>	<b>14,037</b>	<b>24,718</b>	-	<b>1,159,982</b>
Depreciation		-	1,765	19,387	62,880	2,278	1,841	-	88,151
Impairment losses		-	-	-	17	-	-	-	17
Transfers		-	-	213	13	(226)	-	-	-
Disposals/ write-off		-	-	(725)	(6,582)	(532)	(929)	-	(8,768)
Effect of foreign currency exchange differences		-	(2,392)	(6,226)	(33,714)	(527)	(925)	-	(43,784)
<b>At September 30, 2021</b>		-	<b>31,199</b>	<b>220,861</b>	<b>903,803</b>	<b>15,030</b>	<b>24,705</b>	-	<b>1,195,598</b>

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	Land	Land improvement	Building, buildings and leasehold improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
					(in thousand SGD)			
<i>Net book value</i>								
At September 30, 2019	<u>155,903</u>	<u>17,639</u>	<u>193,197</u>	<u>355,173</u>	<u>6,771</u>	<u>7,225</u>	<u>20,132</u>	<u>756,040</u>
At September 30, 2020	<u>144,776</u>	<u>15,110</u>	<u>188,495</u>	<u>354,931</u>	<u>6,424</u>	<u>6,052</u>	<u>6,222</u>	<u>722,010</u>
At September 30, 2021	<u>137,119</u>	<u>12,398</u>	<u>167,946</u>	<u>306,650</u>	<u>5,065</u>	<u>4,873</u>	<u>34,108</u>	<u>668,159</u>

At each reporting date, the Group reviewed the impairment indicators of property, plant and equipment in accordance with SFRS(I) 1-36 and found that there were no impairment indicators on the principal assets.

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at September 30, 2021 amounted to SGD 726.58 million (2020: SGD 669.81 million; 2019: SGD 602.45 million).

Information relating to leases are disclosed in note 16.

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**Measurement of fair value**

*Fair value hierarchy*

In August 2021, certain of the Group's land were remeasured by independent professional valuers, which considered valuation using the market comparison approach. The fair value of land has been categorised as a Level 3 fair value. The Group recognised revaluation reserve amounting to SGD 5.44 million in other comprehensive income. At September 30, 2021, the net book value of the Group's land would have been amounting to SGD 111.94 million, if they were measured at cost. (2020: SGD 120.58 million; 2019: SGD 155.90 million)

*Level 3 fair value*

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair value.

	2021	2020 <i>(in thousand SGD)</i>	2019
Balance as at October 1, 2020/2019/2018	144,776	155,903	146,778
Surplus on revaluation	5,437	-	-
Transfer to investment properties	(2,537)	(4,512)	(1,134)
Effect of foreign currency exchange differences	(10,557)	(6,615)	10,259
<b>Balance as at September 30</b>	<b><u>137,119</u></b>	<b><u>144,776</u></b>	<b><u>155,903</u></b>

*Valuation technique and significant unobservable inputs*

The following table shows the valuation technique used in measuring the fair value of land, as well as the significant unobservable inputs used.

<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between key unobservable inputs and fair value measurement</b>
Market comparison technique	Price per square metre for recent sales of comparable lands	The estimated fair value increases (decreases) if the transacted market price are higher (lower).

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**16 Leases**

**As a lessee**

The Group leases assets including land, buildings, machinery, furniture, fixtures and office equipment, and vehicles. The weighted-average incremental borrowing rate applied at 30 September 2021 is 8.25% per annum (2020: 7.87% per annum). Information about leases for which the Group is a lessee is presented as below.

**(a) Right-of-use assets**

	Land	Buildings	Machinery	Furniture, fixtures and office equipment <i>(in thousand SGD)</i>	Vehicles	Total
Balance as at September 30, 2019	-	-	-	-	-	-
Recognition of right-of-use assets on initial application of SFRS(I) 16	119,291	51,600	460	-	22,885	194,236
Balance as at October 1, 2019	119,291	51,600	460	-	22,885	194,236
Addition	-	2,220	28	-	1,603	3,851
Leases modification <sup>1</sup>	(300)	(1,005)	(296)	-	3	(1,598)
Depreciation	(7,416)	(10,828)	(134)	-	(8,491)	(26,869)
Effect of foreign currency exchange differences	(1,384)	(541)	(9)	-	(802)	(2,736)
<b>Balance as at September 30, 2020</b>	<b>110,191</b>	<b>41,446</b>	<b>49</b>	<b>-</b>	<b>15,198</b>	<b>166,884</b>
Balance as at October 1, 2020	110,191	41,446	49	-	15,198	166,884
Addition	148	13,160	44	412	10,647	24,411
Leases modification <sup>1</sup>	388	(2,518)	(42)	-	(481)	(2,653)
Depreciation	(4,273)	(10,703)	(23)	(242)	(6,848)	(22,089)
Effect of foreign currency exchange differences	1,779	(466)	1	(11)	(1,496)	(193)
<b>Balance as at September 30, 2021</b>	<b>108,233</b>	<b>40,919</b>	<b>29</b>	<b>159</b>	<b>17,020</b>	<b>166,360</b>

<sup>1</sup> Lease modification occurs when there is a change in the scope of a lease, or the consideration for a lease, that was not part of its original terms and conditions.

For lease modification that is not considered a separate lease, the lease liability is remeasured and right-of-use asset is adjusted accordingly. Lease modification that is considered a separate lease is accounted for as an addition.

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The Group had the land use right from the acquisition of Saigon Beer - Alcohol - Beverage Corporation (“SABECO”), recognised as right-of-use assets as of September 30, 2021, which the Ministry of Industry and Trade and Ministry of Finance in Socialist Republic of Vietnam have allowed SABECO to use these lands. These are temporary land use right with restrictions on ownerships and are not permitted for sale, sublease or mortgage. The Group is in process of preparing the land rental contracts with the People’s Committee of Ho Chi Minn City.

**(b) Interest-bearing liabilities - Lease liabilities**

	<b>2021</b>	<b>2020</b>
	<i>(in thousand SGD)</i>	
<b>Maturity analysis - contractual undiscounted cash flows</b>		
Less than one year	21,962	20,418
One to five years	48,386	44,339
More than five years	50,246	30,560
<b>Total undiscounted lease liabilities</b>	<b>120,594</b>	<b>95,317</b>

**Lease liabilities included in the statement of financial position**

- Current	20,886	21,660
- Non-current	58,422	54,701

**For the year ended September 30**

	<b>2021</b>	<b>2020</b>
	<i>(in thousand SGD)</i>	
The following amounts were recognised in the combined statement of profit or loss:		
Interest on lease liabilities	6,347	6,256
Variable lease payments not included in the measurement of lease liabilities	139	2,285
Expenses relating to short-term leases	471	327
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	835	590

The following amounts were recognised in the statement of cash flows:

Total cash outflow for leases	22,438	25,058
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**As a lessor**

Lease income from operating lease contracts in which the Group acts as a lessor for the year ended September 30, 2021 was SGD 2.77 million (2020: SGD 2.49 million). The Group had sub-lease income for the year ended September 30, 2021 of SGD 0.15 million (2020: SGD 0.14 million).

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**17 Goodwill**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
At October 1, 2020/2019/2018	5,256,233	5,306,252	5,264,408
Effect of foreign currency exchange differences	72,071	(50,019)	41,844
<b>At September 30</b>	<b><u>5,328,304</u></b>	<b><u>5,256,233</u></b>	<b><u>5,306,252</u></b>

Goodwill as at September 30, 2019, 2020 and 2021 is related to the acquisition of SABECO.

*Impairment test*

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

The Group reviewed the recoverable amount of goodwill and found that the recoverable amount of goodwill exceeded its carrying amount. Goodwill is allocated for impairment testing purpose to the individual cash-generated unit (“CGU”).

The recoverable amount of the CGU was based on value-in-use. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 5-year period. The cash flow projections for the year ended September 30, 2020 and 2021 include management’s consideration of impacts from COVID-19 and related responses.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management’s assessment of future trends in the relevant industries and are based on the data from both external and internal sources.

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(%)</i>		
Discount rate	8.66	8.33	9.89
Terminal growth rate	5.00	5.00	8.00
Average budgeted EBITDA growth rate	13.78	13.71	12.43
Average revenue growth rate	15.56	11.24	7.30

The discount rate applied to the cash flow projections reflect management’s estimates of the risks specific to the respective cash generating units at the date of the assessment.

The terminal growth rate used does not exceed the long-term average growth rate of the respective industry of the CGU.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past 5 years and the estimated sales volume and price growth for the next 5 years.

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**18 Other intangible assets**

	<b>Trademarks</b>	<b>Land use rights</b>	<b>Customer relationship (in thousand SGD)</b>	<b>Other intangible assets</b>	<b>Total</b>
<i>Cost</i>					
At October 1, 2018	860,316	94,783	264,867	2,326	1,222,292
Additions	-	-	-	56	56
Disposals	-	-	-	(19)	(19)
Transfer to other current assets	-	-	-	(13)	(13)
Effect of foreign currency exchange differences	6,854	759	2,106	(83)	9,636
<b>At September 30, 2019</b>	<b>867,170</b>	<b>95,542</b>	<b>266,973</b>	<b>2,267</b>	<b>1,231,952</b>
Impact from adoption of SFRS(I) 16	-	(95,542)	-	-	(95,542)
<b>At October 1, 2019</b>	<b>867,170</b>	<b>-</b>	<b>266,973</b>	<b>2,267</b>	<b>1,136,410</b>
Additions	12	-	-	486	498
Disposals	-	-	-	(8)	(8)
Reclassification	(9)	-	-	9	-
Effect of foreign currency exchange differences	(8,180)	-	(2,517)	31	(10,666)
<b>At September 30, 2020 and October 1, 2020</b>	<b>858,993</b>	<b>-</b>	<b>264,456</b>	<b>2,785</b>	<b>1,126,234</b>
Additions	-	-	-	1,117	1,117
Disposals	-	-	-	(15)	(15)
Effect of foreign currency exchange differences	11,741	-	3,626	198	15,565
<b>At September 30, 2021</b>	<b>870,734</b>	<b>-</b>	<b>268,082</b>	<b>4,085</b>	<b>1,142,901</b>

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	<b>Trademarks</b>	<b>Land use rights</b>	<b>Customer relationship</b> <i>(in thousand SGD)</i>	<b>Other intangible assets</b>	<b>Total</b>
<i>Accumulated amortisation and impairment losses</i>					
<b>At October 1, 2018</b>	<b>876</b>	<b>1,285</b>	<b>9,932</b>	<b>1,088</b>	<b>13,181</b>
Amortisation for the year	3	1,479	13,151	487	15,120
Disposals	-	-	-	(8)	(8)
Effect of foreign currency exchange differences	24	81	277	(133)	249
<b>At September 30, 2019</b>	<b>903</b>	<b>2,845</b>	<b>23,360</b>	<b>1,434</b>	<b>28,542</b>
Impact from adoption of SFRS(I) 16	-	(2,845)	-	-	(2,845)
<b>At October 1, 2019</b>	<b>903</b>	<b>-</b>	<b>23,360</b>	<b>1,434</b>	<b>25,697</b>
Amortisation for the year	1	-	13,357	357	13,715
Disposals	-	-	-	(3)	(3)
Reclassification	(9)	-	-	9	-
Effect of foreign currency exchange differences	(14)	-	(356)	62	(308)
<b>At September 30, 2020 and October 1, 2020</b>	<b>881</b>	<b>-</b>	<b>36,361</b>	<b>1,859</b>	<b>39,101</b>
Amortisation for the year	1	-	13,068	398	13,467
Disposals	-	-	-	(8)	(8)
Effect of foreign currency exchange differences	(24)	-	834	202	1,012
<b>At September 30, 2021</b>	<b>858</b>	<b>-</b>	<b>50,263</b>	<b>2,451</b>	<b>53,572</b>
<i>Net book value</i>					
<b>At September 30, 2019</b>	<b>866,267</b>	<b>92,697</b>	<b>243,613</b>	<b>833</b>	<b>1,203,410</b>
<b>At September 30, 2020</b>	<b>858,112</b>	<b>-</b>	<b>228,095</b>	<b>926</b>	<b>1,087,133</b>
<b>At September 30, 2021</b>	<b>869,876</b>	<b>-</b>	<b>217,819</b>	<b>1,634</b>	<b>1,089,329</b>

At September 30, 2021, the Group had trademark assessed as having an indefinite useful life of SGD 869.84 million (2020: SGD 858.08 million; 2019: SGD 866.25 million) considering the historical age and relative strength of the brand name in Vietnam. The valuation is based on the assumption that the life span of the brand will continue in perpetuity given the Group's continuing investment in marketing/promotion expenses and that there will be no material events that will have an impact to the brand.

Impairment test of intangible asset with indefinite useful life was reviewed as part of individual cash-generated unit together with goodwill (see note 17).

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**19 Other non-current assets**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
Prepaid expense	2,935	4,713	8,944
Deposits	1,705	1,764	1,821
Others	3,564	1,744	1,942
<b>Total</b>	<b><u>8,204</u></b>	<b><u>8,221</u></b>	<b><u>12,707</u></b>

**20 Interest-bearing liabilities**

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
<b><i>Current</i></b>				
Short-term promissory notes				
Secured <sup>1</sup>		11,708	23,720	24,641
Unsecured		9,808	9,117	5,644
		<u>21,516</u>	<u>32,837</u>	<u>30,285</u>
Current portion of long-term loans from financial institutions				
Secured		572	565	-
Short-term loans from related parties				
Unsecured	<i>6</i>	-	7,385	-
Current portion of lease liabilities	<i>16</i>	20,886	21,660	-
<b>Total current</b>		<b><u>42,974</u></b>	<b><u>62,447</u></b>	<b><u>30,285</u></b>
<b><i>Non-current</i></b>				
Long-term loans from related parties				
Unsecured		-	-	37,416
Long-term loans from financial institutions				
Secured		12,579	24,180	-
Lease liabilities	<i>16</i>	58,422	54,701	-
<b>Total non-current</b>		<b><u>71,001</u></b>	<b><u>78,881</u></b>	<b><u>37,416</u></b>
<b>Grand total</b>		<b><u>113,975</u></b>	<b><u>141,328</u></b>	<b><u>67,701</u></b>

The periods to maturity of interest-bearing liabilities as at September 30, 2019, 2020 and 2021 were as follows:

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
Within one year	42,974	62,447	30,285
After one year but within five years	44,052	52,828	37,416
After five years	26,949	26,053	-
<b>Total</b>	<b><u>113,975</u></b>	<b><u>141,328</u></b>	<b><u>67,701</u></b>

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The principal features and details of the borrowings were as follows:

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
			<i>(in thousand SGD)</i>	
<b>Short-term loans</b>				
Short-term promissory notes		21,516	32,837	30,285
Short-term loans from related parties	6	-	7,385	-
Total short-term loans		<u>21,516</u>	<u>40,222</u>	<u>30,285</u>
<b>Long-term loans (including current portion)</b>				
Long-term loans from related parties		-	-	37,416
Long-term loans from financial institutions				
1) The principal of VND 625,800 million is repayable in every three months from January 2020 to April 2027 <sup>2</sup>		12,554	23,591	-
2) The principal of VND 19,795 million is repayable in every three months from March 2020 to Sep 2022 <sup>3</sup>		473	934	-
3) The principal of VND 24,905 million is repayable in every three months from October 2019 to October 2022 <sup>4</sup>		124	220	-
Total long-term loans		<u>13,151</u>	<u>24,745</u>	<u>37,416</u>
<b>Lease liabilities</b>				
Current portion of lease liabilities	16	20,886	21,660	-
Lease liabilities	16	58,422	54,701	-
Total lease liabilities		<u>79,308</u>	<u>76,361</u>	<u>-</u>
<b>Total interest-bearing liabilities</b>		<b><u>113,975</u></b>	<b><u>141,328</u></b>	<b><u>67,701</u></b>

<sup>1</sup> An overseas indirect subsidiary had partial short-term promissory notes in the credit facilities totalling VND 1,358,900 million with inventory, trade receivables and property, plant and equipment totalling VND 1,517,762 million (equivalent to SGD 90.74 million) pledged as security.

<sup>2</sup> An overseas subsidiary of indirect subsidiary had long-term loans from financial institutions in the credit facilities totalling VND 625,800 million, with factory construction investment project totalling VND 748,357 million (equivalent to SGD 44.74 million) pledged as security.

<sup>3</sup> An overseas subsidiary of indirect subsidiary had long-term loans from financial institutions in the credit facilities totalling VND 19,795 million, with inventories and equipment totalling VND 25,708 million (equivalent to SGD 1.54 million) pledged as security.

<sup>4</sup> An overseas subsidiary of indirect subsidiary had long-term loans from financial institutions in the credit facilities totalling VND 24,905 million, with machinery and equipment totalling VND 13,590 million (equivalent to SGD 0.81 million) pledged as security.

As at September 30, 2021, the interest rate of short-term promissory notes are at the rates ranging from 3.05% to 4.50% per annum (2020: 2.10% to 5.10% per annum 2019; 5.50% to 6.50% per annum).

As at September 30, 2021, the interest rate of long-term loans from financial institutions are at the rates ranging from 6.65% to 8.20% per annum (2020: 7.80% to 8.44% per annum; 2019: nil).

As at September 30, 2021, the subsidiaries' loan facility from the Ultimate Parent has been cancelled. (2020: 5% per annum; 2019: 5% per annum).

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As at September 30, 2021, the incremental borrowing rate of lease liabilities are at the rates ranging from 3.00% to 11.50% per annum (2020: 3.00% to 11.50% per annum).

As at September 30, 2021, the Group had unutilised credit facilities from the financial institutions totalling SGD 454.4 million (2020: SGD 416.18 million; 2019: SGD 541.78 million).

Movements during the year ended September 30, 2019, 2020 and 2021 of short-term promissory notes and long-term loans from financial institutions were as follows:

	<b>Short-term promissory notes</b>	<b>Long-term loans from financial institutions</b>	<b>Total</b>
		<i>(in thousand SGD)</i>	
<b>2021</b>			
At October 1, 2020	32,837	24,745	57,582
Drawdown	182,090	-	182,090
Repayment	(193,567)	(11,633)	(205,200)
Effect of foreign currency exchange differences	156	39	195
<b>At September 30, 2021</b>	<b>21,516</b>	<b>13,151</b>	<b>34,667</b>
<b>2020</b>			
At October 1, 2019	30,285	-	30,285
Drawdown	186,059	2,818	188,877
Addition from acquisition of business	3,207	29,920	33,127
Repayment	(186,403)	(7,761)	(194,164)
Effect of foreign currency exchange differences	(311)	(232)	(543)
<b>At September 30, 2020</b>	<b>32,837</b>	<b>24,745</b>	<b>57,582</b>
<b>2019</b>			
At October 1, 2018	40,008	1,599	41,607
Drawdown	178,615	-	178,615
Repayment	(188,507)	(1,587)	(190,094)
Effect of foreign currency exchange differences	169	(12)	157
<b>At September 30, 2019</b>	<b>30,285</b>	<b>-</b>	<b>30,285</b>

**21 Trade payables**

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
Related parties	6	36,543	44,835	44,966
Other parties		65,708	74,405	100,079
<b>Total</b>		<b>102,251</b>	<b>119,240</b>	<b>145,045</b>

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**22 Other payables**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>	
Excise tax payable	112,838	162,828	169,469
Advanced payments from customers for purchase of goods <sup>1</sup>	52,086	27,167	3,985
Accrued expenses	48,830	56,519	69,370
Accounts payable for purchase of assets	48,022	53,901	47,917
Accrued promotion expenses	38,598	43,748	53,075
Other payables	8,305	8,083	11,279
Others	3,165	3,801	3,735
<b>Total</b>	<b><u>311,844</u></b>	<b><u>356,047</u></b>	<b><u>358,830</u></b>

<sup>1</sup> Advanced payments from customers for purchase of goods represent cash received upfront from customers before the Group delivers the products. They are recognised as revenue when the related performance obligations and the delivery of goods are satisfied. The expected duration of the remaining performance obligations at September 30, 2019, 2020 and 2021 is less than one year.

As at September 30, 2021, some customers had paid cash in advance but delivery could not be completed before September 30, 2021. This resulted in the increase of advanced payments from customers for purchase of goods as at September 30, 2021.

The amount of SGD 27.17 million included as advanced payments from customers for purchase of goods at September 30, 2020 was recognised as revenue in 2021 (2020: SGD 3.99 million; 2019: SGD 7.76 million).

**23 Other current liabilities**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>	
Value added tax payable	40,984	23,564	15,122
Deposits and retention	7,700	9,059	11,649
Withholding tax payable	559	549	2,422
Others	7,901	8,719	5,973
<b>Total</b>	<b><u>57,144</u></b>	<b><u>41,891</u></b>	<b><u>35,166</u></b>

**24 Non-current provisions for employee benefits**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>	
<b>Combined statements of financial position</b>			
<b>Obligations for:</b>			
Post-employment benefits			
- compensation plan based on the Labour law of each country	29,377	33,356	28,672
Past service cost for employee benefits from the amendment of Thai Labour Protection Act	-	-	4,451
<b>Total</b>	<b><u>29,377</u></b>	<b><u>33,356</u></b>	<b><u>33,123</u></b>

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*Compensation plan based on the Labour law of each country*

The Group operates a defined benefit plan based on the Labour law requirements of each country to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plan exposes the Group to actuarial risks such as longevity risk, interest rate risk and market (investment) risk.

*Present value of the defined benefit obligations*

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
At October 1, 2020/2019/2018		33,356	33,123	22,430
<b>Included in combined statements of profit or loss:</b>				
	29			
Current service cost		1,811	1,727	6,044
Interest on obligation		386	392	520
Actuarial losses		-	211	(5,382)
Past service cost for employee benefits from the amendment of Thai Labour Protection Act		-	-	4,451
		<u>2,197</u>	<u>2,330</u>	<u>5,633</u>
<b>Included in combined statements of other comprehensive income:</b>				
Actuarial (gain) loss arising from:				
- Financial assumptions		(1,175)	300	2,277
- Experience adjustment		349	996	1,520
		<u>(826)</u>	<u>1,296</u>	<u>3,797</u>
<b>Other</b>				
Benefit paid		(1,073)	(1,921)	(718)
Effect of foreign currency exchange differences		(4,277)	(1,472)	1,981
		<u>(5,350)</u>	<u>(3,393)</u>	<u>1,263</u>
<b>At September 30</b>		<u>29,377</u>	<u>33,356</u>	<u>33,123</u>

*Principal actuarial assumptions*

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(% per year)</i>		
Discount rate	1.9	1.5	1.6
Future salary growth	5.5	5.5	5.5

Assumptions regarding future mortality were based on the published statistics and mortality tables.

At September 30, 2021, the weighted-average duration of the defined benefit obligation was 10 years (2020: 10 years; 2019: 10 years).

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*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	<b>Increase</b>	<b>Decrease</b>
	<i>(in thousand SGD)</i>	
<b>Defined benefit obligations at September 30, 2021</b>		
Discount rate (0.5% movement)	(1,368)	1,481
Future salary growth (0.5% movement)	1,421	(1,329)
<b>Defined benefit obligations at September 30, 2020</b>		
Discount rate (0.5% movement)	(1,361)	1,476
Future salary growth (0.5% movement)	1,413	(1,319)
<b>Defined benefit obligations at September 30, 2019</b>		
Discount rate (0.5% movement)	(1,325)	1,437
Future salary growth (0.5% movement)	1,375	(1,284)

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

*Past service cost for employee benefits from amendment of Thai Labor Protection Act*

On April 5, 2019, Thai Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its employee retirement plan in accordance with the changes in Thai Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as at September 30, 2019 as well as past service cost recognised during the year increased by SGD 4.45 million.

In the combined statement of profit or loss, the past service cost of SGD 4.45 million is presented separately. For analysis of expenses by function, the amount would be allocated to distribution costs amounting to SGD 1.52 million and administrative expenses amounting to SGD 2.93 million.

**25 Share-based payments - Long-term incentive plan**

*Information regarding the Long-term incentive plan*

On 28 April 2016, the General Meeting of the Shareholders of ThaiBev approved the ThaiBev Long-term incentive plan which will offer newly issued ordinary shares of ThaiBev in addition to the existing benefit to its qualified employees in accordance with the plan criteria.

1. LTIP 2016

<b>Items</b>	<b>Description</b>
Award date	January 31, 2017
Participant's qualification	Thai Beverage Public Company Limited and its subsidiaries' employee level 12 and above who meet the conditions specified by the ThaiBev LTIP Committee.

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<b>Items</b>	<b>Description</b>
Preliminary award	A preliminary number of awarded shares will be notified in the award letter. This number shall be subject to Group performance and individual participant's performance during the relevant period.
Final award	The final award to be released to the employee, depends on : 1. Personal performance rating (KPI) from October 1, 2016 to September 30, 2017. 2. Group performance levels from October 1, 2016 to September 30, 2017 with 2 performance conditions: 1) Net profit less non-controlling interest (75% weightage) 2) Dow Jones Sustainability Indices (DJSI) score (25% weightage)
Vesting and releasing schedule of final award	Shares will be vested and released to the participants subject to a 3-year multiple vesting period.
Award-date fair value	The volume-weighted average market price of the ThaiBev's share on the Singapore Exchange Securities Trading Limited (SGX-ST) over the 3 days prior to the award-date.

2. LTIP 2017/2018

<b>Items</b>	<b>Description</b>
Award date	February 27, 2018
Participant's qualification	Thai Beverage Public Company Limited and its subsidiaries' employee level 12 and above who meet the conditions specified by the ThaiBev LTIP Committee.
Preliminary award	A preliminary number of awarded shares will be notified in the award letter. This number shall be subject to Group performance and individual participant's performance during the relevant period.
Final award	The final award to be released to the employee, depends on : 1. Personal performance rating (KPI) from October 1, 2017 to September 30, 2018. 2. Group performance levels from October 1, 2017 to September 30, 2018 with 2 performance conditions: 1) Net profit less non-controlling interest (75% weightage) 2) Dow Jones Sustainability Indices (DJSI) score (25% weightage)
Vesting and releasing schedule of final award	Shares will be vested and released to the participants subject to a 3-year multiple vesting period.
Award-date fair value	The volume-weighted average market price of the ThaiBev's share on the Singapore Exchange Securities Trading Limited (SGX-ST) over the 3 days prior to the award-date.

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3. LTIP 2019/2020

Items	Description
Award date	January 31, 2020
Participant's qualification	Thai Beverage Public Company Limited and its subsidiaries' employee level 12 and above who meet the conditions specified by the ThaiBev LTIP Committee.
Preliminary award	A preliminary number of awarded shares will be notified in the award letter. This number shall be subject to Group performance and individual participant's performance during the relevant period.
Final award	The final award to be released to the employee, depends on : 1. Personal performance rating (KPI) from October 1, 2019 to September 30, 2020. 2. Group performance levels from October 1, 2019 to September 30, 2020 with 2 performance conditions: 1) Net profit less non-controlling interest (75% weightage) 2) Dow Jones Sustainability Indices (DJSI) score (25% weightage)
Vesting and releasing schedule of final award	Shares will be vested and released to the participants subject to a 3-year multiple vesting period.
The award-date fair value	The volume-weighted average market price of the ThaiBev's share on the Singapore Exchange Securities Trading Limited (SGX-ST) over the 3 days prior to the award-date.

ThaiBev granted contingent awards of ordinary shares of ThaiBev under the ThaiBev Long Term Incentive Plan ("ThaiBev LTIP") to certain of the Group's employees ("ThaiBev Awards"). The aggregate amount of such charges under the ThaiBev LTIP is incurred and recognised as expenses by the Group.

ThaiBev Long Term Incentive Plan 2016 which was approved by the Annual General Meeting on April 28, 2016, was in force for a maximum period of 5 years and has already matured. The unissued shares for the ThaiBev Long Term Incentive Plan 2016 have been cancelled during the period.

Therefore, on January 29, 2021, the General Meeting of the Shareholders of ThaiBev approved the ThaiBev Long-Term Incentive Plan 2021 for the next 5 years which will offer newly issued ordinary shares of ThaiBev in addition to the existing benefit to its qualified employees in accordance with the plan criteria.

For the year ended September 30, 2021, the Group recorded expenses in relation to long-term incentive plan of SGD 0.46 million (2020: SGD 0.24 million; 2019: SGD 0.18 million).

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**26 Operating segments and revenue**

Segment information is presented in respect of the Group's geographical segments which is based on the Group's management and internal reporting structure.

Inter-segment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

In preparing segmental information, those liabilities and related interest expense that are not specifically attributable to a particular segment are allocated on a percentage of net assets basis. Management believes this to be a fair indication of the actual use of the liabilities.

***Business segments***

The Group operates its business through two geographical regions: Thailand and Socialist Republic of Vietnam. Portions of product produced from Thailand are exported directly or indirectly through related parties to external customers.

Revenue is based on the geographical location of customers. Assets and liabilities are based on the geographical location of the assets.

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**Geographical segment results**

<i>Years ended September 30</i>				Socialist Republic of Vietnam			Total		
	2021	Thailand 2020	2019	2021	2020	2019	2021	2020	2019
	<i>(in thousand SGD)</i>								
Revenue from sale to external customers	2,338,080	2,519,037	2,452,843	1,869,848	2,197,001	2,697,829	4,207,928	4,716,038	5,150,672
Interest income	2,054	8,576	14,074	54,245	60,024	45,462	56,299	68,600	59,536
Dividend income	-	-	-	117	65	467	117	65	467
Net gain (loss) on foreign exchange	964	77	1,032	1,296	1,467	(844)	2,260	1,544	188
Other income	16,953	16,870	19,566	7,434	5,648	3,624	24,387	22,518	23,190
<b>Total allocated income</b>	<b>2,358,051</b>	<b>2,544,560</b>	<b>2,487,515</b>	<b>1,932,940</b>	<b>2,264,205</b>	<b>2,746,538</b>	<b>4,290,991</b>	<b>4,808,765</b>	<b>5,234,053</b>
Cost of sale of goods	1,909,040	2,052,658	2,006,164	1,442,229	1,694,610	2,110,293	3,351,269	3,747,268	4,116,457
Distribution costs	212,359	268,236	286,413	204,735	192,854	243,490	417,094	461,090	529,903
Administrative expenses	47,641	46,667	45,863	48,779	77,920	98,185	96,420	124,587	144,048
Management fees	2,986	29,103	170,108	-	-	-	2,986	29,103	170,108
Past service cost for employee benefits from amendment of Thai Labor Protection Act	-	-	4,451	-	-	-	-	-	4,451
Finance costs	876	3,102	7,734	7,865	9,555	1,615	8,741	12,657	9,349
<b>Total allocated expenses</b>	<b>2,172,902</b>	<b>2,399,766</b>	<b>2,520,733</b>	<b>1,703,608</b>	<b>1,974,939</b>	<b>2,453,583</b>	<b>3,876,510</b>	<b>4,374,705</b>	<b>4,974,316</b>
Share of profit of investment in associates and joint ventures	-	-	-	9,698	17,833	20,117	9,698	17,833	20,117
<b>Profit before income tax expense</b>	<b>185,149</b>	<b>144,794</b>	<b>(33,218)</b>	<b>239,030</b>	<b>307,099</b>	<b>313,072</b>	<b>424,179</b>	<b>451,893</b>	<b>279,854</b>
Income tax (expense) benefit	(30,018)	(27,988)	7,491	(51,699)	(67,446)	(69,484)	(81,717)	(95,434)	(61,993)
<b>Allocated profit (loss) for the year</b>	<b>155,131</b>	<b>116,806</b>	<b>(25,727)</b>	<b>187,331</b>	<b>239,653</b>	<b>243,588</b>	<b>342,462</b>	<b>356,459</b>	<b>217,861</b>
Other cost related to beer business reorganisation <sup>1</sup>							-	(8,725)	-
<b>Profit for the year</b>							<b>342,462</b>	<b>347,734</b>	<b>217,861</b>
<b>Attributable profit:</b>									
Allocated profit (loss) attributable to owner of the Company	112,508	86,656	(19,099)	93,448	120,846	143,133	205,956	207,502	124,034
Other cost related to beer business reorganisation							-	(8,725)	-
<b>Profit attributable to owners of the Company</b>							<b>205,956</b>	<b>198,777</b>	<b>124,034</b>

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***Geographical segment financial position***

<i>As of September 30</i>	2021	Thailand	2019	Socialist Republic of Vietnam			2021	Total	2019
		2020		2021	2020	2019		2020	
				<i>(in thousand SGD)</i>					
Inventories	140,365	118,953	152,906	78,678	98,209	109,104	219,043	217,162	262,010
Property, plant and equipment	318,184	360,829	406,204	349,975	361,181	349,836	668,159	722,010	756,040
Goodwill	-	-	-	5,328,304	5,256,233	5,306,252	5,328,304	5,256,233	5,306,252
Other assets	280,445	247,151	693,619	2,861,795	2,668,101	2,474,800	3,142,240	2,915,252	3,168,419
<b>Total assets</b>	<b>738,994</b>	<b>726,933</b>	<b>1,252,729</b>	<b>8,618,752</b>	<b>8,383,724</b>	<b>8,239,992</b>	<b>9,357,746</b>	<b>9,110,657</b>	<b>9,492,721</b>
Interest-bearing liabilities	19,823	26,888	37,416	94,152	114,440	30,285	113,975	141,328	67,701
Other liabilities	267,352	282,698	316,198	348,544	421,112	389,379	615,896	703,810	705,577
<b>Total liabilities</b>	<b>287,175</b>	<b>309,586</b>	<b>353,614</b>	<b>442,696</b>	<b>535,552</b>	<b>419,664</b>	<b>729,871</b>	<b>845,138</b>	<b>773,278</b>

<sup>1</sup> Other cost related to beer business reorganisation includes costs incurred by the Group to effect the reorganisation exercise as explained in Note 1(c). Examples include professional and consulting fees, administrative costs and the costs of registering and issuing securities, such as stamp duties.

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Capital expenditure, depreciation, amortisation and gain (loss) on disposal of assets for the years ended September 30, 2019, 2020 and 2021 were as follows:

<i>Years ended September 30</i>	<b>Thailand</b>			<b>Socialist Republic of Vietnam</b>			<b>Total</b>		
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>								
Capital expenditure	16,544	16,387	11,135	37,491	34,445	18,756	54,035	50,832	29,891
Depreciation	45,897	49,024	37,013	64,581	69,813	61,264	110,478	118,837	98,277
Amortisation	193	206	199	13,274	13,509	14,921	13,467	13,715	15,120
Gain (loss) on disposal of assets	430	524	986	(174)	(118)	(2,452)	256	406	(1,466)
Capital expenditure were as follows:									
Property, plant and equipment	16,507	16,267	11,103	36,412	34,067	18,732	52,919	50,334	29,835
Intangible assets	37	120	32	1,079	378	24	1,116	498	56

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*Revenue from sale of goods*

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms and the related revenue recognition policies:

<b>Nature of goods</b>	The Group manufactures branded beer products that are sold to retailers for the mass market. There are no long standing contracts with these retailers and orders for the branded beer products are received on an ad-hoc basis.
<b>When revenue is recognised</b>	Revenue is recognised when goods are delivered to the customers and all criteria for acceptance have been satisfied.
<b>Significant payment terms</b>	Payment in advance and credit payment due between 7 days to 60 days after the goods are delivered to the customers.

**27 Distribution costs**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
Marketing and advertising expenses	168,701	189,160	205,780
Transportation expenses	92,080	103,159	141,995
Employee benefit expenses	84,593	86,371	87,133
Depreciation and amortisation	34,507	43,890	35,509
Hire and service fees	12,338	15,230	16,955
Office supplies expenses	6,656	5,590	7,110
Travelling expenses	5,672	6,310	4,707
Rental fee	1,956	1,743	18,136
Utilities expenses	1,715	1,709	1,499
Entertainment expenses	1,401	1,660	2,096
Others	7,475	6,268	8,983
<b>Total</b>	<b>417,094</b>	<b>461,090</b>	<b>529,903</b>

**28 Administrative expenses**

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
Employee benefit expenses		55,144	54,497	81,253
Depreciation and amortisation		9,519	9,101	4,539
Hire and service fees		7,429	4,410	1,847
Consultant and professional fee		5,099	7,835	8,225
Office supplies expenses		4,205	4,260	4,029
Idle capacity		2,458	2,917	3,244
Donation		1,963	6,954	3,893
Other tax and fee		1,934	1,100	4,302
Utilities expenses		1,299	1,461	1,505
Travelling expenses		1,104	1,653	2,827
Rental fee		572	2,438	4,607
Research and development		234	230	1,834
Impairment losses on other receivables from related parties	6, 12	-	16,516	-
Others		5,460	11,215	21,943
<b>Total</b>		<b>96,420</b>	<b>124,587</b>	<b>144,048</b>

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**29 Employee benefit expenses**

	<i>Note</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>		
<b><i>Management</i></b>				
Short-term employee benefits		55	42	40
		<b>55</b>	<b>42</b>	<b>40</b>
<b><i>Other employees</i></b>				
Salaries and wages		127,727	136,287	135,708
Bonus		19,739	15,603	46,345
Social insurance		12,572	12,443	12,796
Commission		6,608	8,595	8,796
Overtime and per diem allowance		5,743	5,645	5,669
Pension costs - defined benefit plans	24	2,197	2,330	5,633
Pension costs - defined contribution plans		2,307	2,062	1,922
Expenses in relation to long-term incentive plan		456	245	157
Others		13,057	11,298	9,897
		<b>190,406</b>	<b>194,508</b>	<b>226,923</b>
<b>Total employee benefit expenses</b>		<b>190,461</b>	<b>194,550</b>	<b>226,963</b>

The management's employee benefit expenses for 2019 to 2021 were borne by ThaiBev.

*Defined benefit plans*

Details of the defined benefit plans are disclosed in Note 24.

*Defined contribution plans*

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2% to 5% of their basic salaries and by the Group at rates ranging from 2% to 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance of Thailand as juristic entities and are managed by a licensed fund manager.

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**30 Expenses by nature**

The combined statement of profit or loss include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various SFRS(I)s were as follows:

	2021	2020	2019
	<i>(in thousand SGD)</i>		
<b><i>Included in cost of sales of goods:</i></b>			
Changes in inventories of finished goods and work in progress	7,698	15,901	21,658
Finished goods purchased, raw materials, consumables and excise tax used	2,575,800	2,723,853	2,717,337
Employee benefit expenses	50,724	53,682	54,126
Depreciation and amortisation	79,918	79,561	73,349
<b><i>Included in distribution costs:</i></b>			
Advertising and public relations	18,878	22,465	30,976
Employee benefit expenses	84,593	86,371	87,133
Marketing and sales promotion expenses	149,823	166,695	174,804
<b><i>Included in administrative expenses:</i></b>			
Employee benefit expenses	55,144	54,497	81,253
Depreciation and amortisation	9,519	9,101	4,539
Rental fee	572	2,438	4,607

**31 Finance costs**

	<i>Note</i>	2021	2020	2019
		<i>(in thousand SGD)</i>		
<b><i>Interest expense:</i></b>				
Related parties	6	691	2,530	7,733
Financial institutions		8,050	10,127	1,616
<b>Total interest expense</b>		<b><u>8,741</u></b>	<b><u>12,657</u></b>	<b><u>9,349</u></b>

**32 Income tax**

***Income tax recognised in profit or loss***

	2021	2020	2019
	<i>(in thousand SGD)</i>		
<b>Current tax expense</b>			
Current year	82,652	94,893	71,506
Adjustment for prior year	156	211	(25)
	<u>82,808</u>	<u>95,104</u>	<u>71,481</u>
<b>Deferred tax expense</b>			
Origination and reversal of temporary differences	(1,091)	330	(9,488)
<b>Total income tax expense</b>	<b><u>81,717</u></b>	<b><u>95,434</u></b>	<b><u>61,993</u></b>

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*Income tax recognised in other comprehensive income*

<i>Income tax</i>	2021			2020			2019		
	Before tax	Tax benefit (expense)	Net of tax	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit	Net of tax
	<i>(in thousand SGD)</i>								
<b>Items that will not be reclassified to profit or loss</b>									
Defined benefit plan actuarial gains (losses)	826	(153)	673	(1,296)	270	(1,026)	(3,797)	765	(3,032)
Gain on revaluation of land	5,437	(1,087)	4,350	-	-	-	-	-	-
Equity investments at FVOCI – net change in fair value	9,286	-	9,286	1,902	-	1,902	880	-	880
	<u>15,549</u>	<u>(1,240)</u>	<u>14,309</u>	<u>606</u>	<u>270</u>	<u>876</u>	<u>(2,917)</u>	<u>765</u>	<u>(2,152)</u>
<b>Items that are or may be reclassified subsequently to profit or loss</b>									
Effective portion of changes in fair value of cash flow hedges	(402)	80	(322)	-	-	-	-	-	-
Foreign currency translation differences for foreign operations	71,070	-	71,070	(110,799)	-	(110,799)	123,518	-	123,518
	<u>70,668</u>	<u>80</u>	<u>70,748</u>	<u>(110,799)</u>	<u>-</u>	<u>(110,799)</u>	<u>123,518</u>	<u>-</u>	<u>123,518</u>
<b>Total</b>	<b><u>86,217</u></b>	<b><u>(1,160)</u></b>	<b><u>85,057</u></b>	<b><u>(110,193)</u></b>	<b><u>270</u></b>	<b><u>(109,923)</u></b>	<b><u>120,601</u></b>	<b><u>765</u></b>	<b><u>121,366</u></b>

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*Reconciliation of effective tax rate*

	2021		2020		2019	
	Rate (%)	(in thousand SGD)	Rate (%)	(in thousand SGD)	Rate (%)	(in thousand SGD)
Profit before income tax expense		<u>424,179</u>		<u>443,168</u>		<u>279,854</u>
Income tax using the Thailand and Socialist Republic of Vietnam corporation tax rate	20.00	84,836	20.00	88,634	20.00	55,971
Effect of different tax rates in foreign jurisdictions		154		165		(1,969)
Reduction of tax rates from privileges granted		(9,880)		-		-
Income not subject to tax		(4,035)		(5,233)		(16,807)
Expenses not deductible for tax purposes and additional deductible expense - net		8,736		12,140		11,515
Current year losses for which no deferred tax asset was recognised		2,569		103		13,471
Recognition of previously unrecognised tax losses		(828)		(605)		(163)
Others		165		230		(25)
<b>Total</b>		<u><b>81,717</b></u>		<u><b>95,434</b></u>		<u><b>61,993</b></u>

*International Business Centre*

On September 28, 2020, Chang Beer Co., Ltd., the Company's indirect subsidiary, has been granted privileges by the Thai Revenue Department under the Revenue Code Governing Reduction of Tax Rates and Exemption of Taxes (No. 674) B.E. 2561 relating to its status as an International Business Centre. The privileges granted include a reduction of corporate income tax rate from 20% to 3% for certain transactions for a period of fifteen years commencing from October 1, 2020, provided that certain conditions are met. As a promoted company, Chang Beer Co., Ltd. must comply with certain conditions applicable to International Business Centre.

Deferred tax assets and liabilities as at September 30, 2019, 2020 and 2021 were as follows:

	Assets		Liabilities			
	2021	2020	2019	2021	2020	2019
			<i>(in thousand SGD)</i>			
Total	14,670	16,845	16,787	(65,890)	(67,351)	(69,510)
Set off of tax	<u>(12,061)</u>	<u>(13,351)</u>	<u>(14,019)</u>	<u>12,061</u>	<u>13,351</u>	<u>14,019</u>
<b>Net deferred tax assets (liabilities)</b>	<u><b>2,609</b></u>	<u><b>3,494</b></u>	<u><b>2,768</b></u>	<u><b>(53,829)</b></u>	<u><b>(54,000)</b></u>	<u><b>(55,491)</b></u>

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	<u>(Charged) / Credited to:</u>				
	At October 1, 2020	Profit or loss	Other comprehensive income <i>(in thousand SGD)</i>	Effect of foreign currency exchange differences	At September 30, 2021
<b>2021</b>					
<b>Deferred tax assets</b>					
Allowance for inventories decline in value	5,434	(1,867)	-	(21)	3,546
Property, plant and equipment	101	(87)	-	(5)	9
Fair value adjustment - Long-term investments	3,662	132	-	54	3,848
Cash flow hedges - effective portion of changes in fair value	-	-	80	(5)	75
Employee benefit obligations	5,657	(410)	(153)	(293)	4,801
Lease liabilities	576	583	-	-	1,159
Others	1,415	(167)	-	(16)	1,232
<b>Total</b>	<b>16,845</b>	<b>(1,816)</b>	<b>(73)</b>	<b>(286)</b>	<b>14,670</b>
<b>Deferred tax liabilities</b>					
Property, plant and equipment	(40,297)	4,665	(1,087)	48	(36,671)
Other long-term investments	(28,700)	(1,051)	-	(417)	(30,168)
Others	1,646	(707)	-	10	949
<b>Total</b>	<b>(67,351)</b>	<b>2,907</b>	<b>(1,087)</b>	<b>(359)</b>	<b>(65,890)</b>
<b>Net</b>	<b>(50,506)</b>	<b>1,091</b>	<b>(1,160)</b>	<b>(645)</b>	<b>(51,220)</b>
<b>2020</b>					
<b>Deferred tax assets</b>					
Allowance for inventories decline in value	6,713	(1,015)	-	(264)	5,434
Property, plant and equipment	214	(106)	-	(7)	101
Fair value adjustment - Long-term investments	3,531	291	-	(160)	3,662
Employee benefit obligations	5,837	(197)	270	(253)	5,657
Lease liabilities	-	591	-	(15)	576
Others	492	969	-	(46)	1,415
<b>Total</b>	<b>16,787</b>	<b>533</b>	<b>270</b>	<b>(745)</b>	<b>16,845</b>
<b>Deferred tax liabilities</b>					
Property, plant and equipment	(42,947)	817	-	1,833	(40,297)
Other long-term investments	(31,084)	1,069	-	1,315	(28,700)
Others	4,521	(2,749)	-	(126)	1,646
<b>Total</b>	<b>(69,510)</b>	<b>(863)</b>	<b>-</b>	<b>3,022</b>	<b>(67,351)</b>
<b>Net</b>	<b>(52,723)</b>	<b>(330)</b>	<b>270</b>	<b>2,277</b>	<b>(50,506)</b>

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	<u>(Charged) / Credited to:</u>				
	At October 1, 2018	Profit or loss	Other comprehensive income <i>(in thousand SGD)</i>	Effect of foreign currency exchange differences	At September 30, 2019
<b>2019</b>					
<b>Deferred tax assets</b>					
Allowance for inventories decline in value	4,995	1,090	-	628	6,713
Property, plant and equipment	-	204	-	10	214
Fair value adjustment - Long-term investments	1,329	1,718	-	484	3,531
Employee benefit obligations	2,855	1,912	765	305	5,837
Others	619	332	-	(459)	492
<b>Total</b>	<b>9,798</b>	<b>5,256</b>	<b>765</b>	<b>968</b>	<b>16,787</b>
<b>Deferred tax liabilities</b>					
Property, plant and equipment	(40,221)	3,058	-	(5,784)	(42,947)
Other long-term investments	(29,079)	127	-	(2,132)	(31,084)
Others	213	1,047	-	3,261	4,521
<b>Total</b>	<b>(69,087)</b>	<b>4,232</b>	<b>-</b>	<b>(4,655)</b>	<b>(69,510)</b>
<b>Net</b>	<b>(59,289)</b>	<b>9,488</b>	<b>765</b>	<b>(3,687)</b>	<b>(52,723)</b>

**Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

	Gross amount 2021	Tax effect 2021	Gross amount 2020	Tax effect 2020	Gross amount 2019	Tax effect 2019
	<i>(in thousand SGD)</i>					
Tax losses	74,240	14,848	65,535	13,107	68,045	13,609

**Tax losses carried forward**

Generally, tax losses arising from Thailand and Socialist of Vietnam businesses can be carried forward and expire in 5 years from the occurrence date of losses. As at September 30, 2019, tax losses of SGD 68.05 million expire in year 2024-2025. As at September 30, 2020, tax losses of SGD 65.35 million expire in year 2024-2026. As at September 30, 2021, tax losses of SGD 74.24 million expire in year 2024-2027.

**33 Financial instruments**

**a) Carrying amounts and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value. The fair value of current financial assets and current financial liabilities is taken to approximate the carrying value due to the relatively short-term maturity.

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	Carrying amount					Fair value				
	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Other financial liabilities <i>(in thousand SGD)</i>	Total	Level 1	Level 2	Level 3	Total
<b>September 30, 2021</b>										
<b>Financial assets measured at fair value</b>										
Other long-term investments - equity instruments <sup>1</sup>	-	-	8,243	-	-	8,243	1,408	-	6,835	8,243
Derivative assets	-	103	-	-	-	103	-	103	-	103
<b>Total other financial assets</b>	<b>-</b>	<b>103</b>	<b>8,243</b>	<b>-</b>	<b>-</b>	<b>8,346</b>	<b>1,408</b>	<b>103</b>	<b>6,835</b>	<b>8,346</b>
<b>Financial liabilities measured at fair value</b>										
Forward exchange contract used for hedging	5,068	-	-	-	-	5,068	-	5,068	-	5,068
Derivatives liabilities	-	148	-	-	-	148	-	148	-	148
<b>Financial liabilities not measured at fair value</b>										
Long-term loans from financial institutions	-	-	-	13,151	-	13,151	-	-	13,493	13,493
<b>Total other financial liabilities</b>	<b>5,068</b>	<b>148</b>	<b>-</b>	<b>13,151</b>	<b>-</b>	<b>18,367</b>	<b>-</b>	<b>5,216</b>	<b>13,493</b>	<b>18,709</b>
<b>September 30, 2020</b>										
<b>Financial assets measured at fair value</b>										
Other long-term investments - equity instruments <sup>1</sup>	-	-	22,706	-	-	22,706	17,032	-	5,674	22,706
Derivative assets	-	22	-	-	-	22	-	22	-	22
<b>Total other financial assets</b>	<b>-</b>	<b>22</b>	<b>22,706</b>	<b>-</b>	<b>-</b>	<b>22,728</b>	<b>17,032</b>	<b>22</b>	<b>5,674</b>	<b>22,728</b>

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	Carrying amount				Fair value				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<i>September 30, 2020</i>									
<i>Financial liabilities measured at fair value</i>									
Derivative liabilities	45	-	-	-	45	-	45	-	45
<i>Financial liabilities not measured at fair value</i>									
Long-term loans from financial institutions	-	-	-	24,745	24,745	-	-	26,528	26,528
<b>Total other financial liabilities</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>24,745</b>	<b>24,790</b>	<b>-</b>	<b>45</b>	<b>26,528</b>	<b>26,573</b>
<i>September 30, 2019</i>									
<i>Financial assets measured at fair value</i>									
Other long-term investments - equity instruments <sup>1</sup>	-	21,119	-	-	21,119	15,401	-	5,718	21,119
Derivative assets	6	-	-	-	6	-	6	-	6
<i>Financial assets not measured at fair value</i>									
Long-term loans to related parties	-	-	590,123	-	590,123	-	-	597,102	597,102
<b>Total other financial assets</b>	<b>6</b>	<b>21,119</b>	<b>590,123</b>	<b>-</b>	<b>611,248</b>	<b>15,401</b>	<b>6</b>	<b>602,820</b>	<b>618,227</b>
<i>Financial liabilities measured at fair value</i>									
Derivative liabilities	148	-	-	-	148	-	148	-	148
<i>Financial liabilities not measured at fair value</i>									
Long-term loans from related parties	-	-	-	37,416	37,416	-	-	39,687	39,687
<b>Total other financial liabilities</b>	<b>148</b>	<b>-</b>	<b>-</b>	<b>37,416</b>	<b>37,564</b>	<b>-</b>	<b>148</b>	<b>39,687</b>	<b>39,835</b>

<sup>1</sup> The amount comprised of equity instruments in Socialist Republic of Vietnam held by SABECO.

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*Foreign currency forward contracts for short-term loans to related parties*

The Group entered into foreign currency forward contracts with financial institutions to manage exposure of fluctuations in foreign currency risk on borrowings. The notional amounts of the outstanding and foreign currency forward contracts as at September 30, 2021 comprise Singapore dollar and United States dollar currency totalling SGD 15.51 million and USD 28.50 million. All counterparties agreed to pay the interest and the principal amount in accordance with the terms and conditions specified in the contracts.

**Measurement of fair values**

*Valuation techniques and significant unobservable inputs*

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values as at September 30, 2019, 2020 and 2021 for financial instruments measured at fair value in the combined statements of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in note 4 (r).

**Financial instruments measured at fair value**

Type	Valuation technique
Foreign currency forward contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Other long-term investments - equity instruments	<i>Market comparison technique:</i> The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee, adjusted for the effect of the non-marketability of the equity securities, revenue and EBITDA of the investee. The estimate is adjusted for the net debt of the investee.

**Financial instruments not measured at fair value**

Type	Valuation technique
Loans	Discounted cash flows, whereby the projected cash flows are discounted using a risk adjusted rate.

**b) Financial risk management policies**

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

**Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

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*Trade receivables*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group trade terms and conditions are offered. The Group's review includes external ratings, if they are available, financial information, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 2 months. (2020: period between 7 to 60 days; 2019: period between 7 to 60 days).

Impairment losses on trade receivables were SGD 5.66 thousand for the year ended September 30, 2021 (2020: SGD 170.11 thousand; 2019: SGD 378.16 thousand).

*Exposure to credit risk*

The exposure to credit risk for trade receivables at the reporting date by geographic region was as follows:

	2021	Carrying amount 2020 <i>(in thousand SGD)</i>	2019
Thailand	24,697	23,118	26,969
Socialist Republic of Vietnam	12,349	5,072	4,744
	<u>37,046</u>	<u>28,190</u>	<u>31,713</u>

The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience in different segments based on the shared common credit risk characteristics.

As of September 30, 2019, 2020 and 2021, the ECLs for trade receivables was insignificant.

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*Investment in debt securities*

The Group considers that all debt investments measured at amortised cost and FVOCI have low credit risk. Then the credit loss allowance assessed during the year was therefore limited to 12 months expected losses or ‘low credit risk’. Marketable bonds are considered to be an investment grade credit rating published by external credit rating agencies. The credit risk of other instruments are considered to be low when the risk of default is low and the issuer has a strong capacity to meet its contractual cash flow obligations. As of September 30, 2019, 2020 and 2021, the ECLs for investment in debt securities was insignificant.

*Cash and cash equivalents*

The Group’s exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

*Other receivable to related parties*

At September 30, 2021 the Group held other receivable to related parties from its subsidiaries of SGD 16.8 million (2020: SGD 16.59 million; 2019: SGD 22.03 million). These balances are amount lent to subsidiaries to satisfy short term funding requirements. The Group uses an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limit to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement). There is no significant increase in credit risk for these exposures at September 30, 2019. Therefore, impairment on these balances has been measured on the 12 month expected credit loss basis; and the amount of the allowance is insignificant. However, there is significant increase in credit risk for these exposures at September 30, 2021 and 2020. Therefore, impairment on these balances has been measured on the 12 month expected credit loss basis; and the amount of the allowance is SGD 16.57 million (2020: SGD 16.35 million; 2019: nil).

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group’s operations and to mitigate the effects of fluctuations in cash flows.

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The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements:

<i>September 30, 2021</i>	Carrying amount	Contractual cash flows			Total
		1 year or less	More than 1 years but less than 5 years <i>(in thousand SGD)</i>	More than 5 years	
<b><i>Non-derivative financial liabilities</i></b>					
Secured bank loans	24,859	(13,671)	(11,889)	(3,481)	(29,041)
Unsecured bank loans	9,808	(10,219)	-	-	(10,219)
Trade and other payables	414,095	(414,095)	-	-	(414,095)
Other short-term payables to related parties	16,159	(16,159)	-	-	(16,159)
Lease liabilities	79,308	(21,962)	(48,386)	(50,246)	(120,594)
Other long-term payables to related parties	274	-	(274)	-	(274)
	<u>544,503</u>	<u>(476,106)</u>	<u>(60,549)</u>	<u>(53,727)</u>	<u>(590,382)</u>
<b><i>Derivative financial instruments</i></b>					
Forward exchange contracts used for hedging (gross-settled):	(5,068)	-	-	-	-
- Outflow	-	(49,239)	-	-	(49,239)
- Inflow	-	54,307	-	-	54,307
Other forward exchange contracts (gross-settled):	(46)	-	-	-	-
- Outflow	-	(13,355)	-	-	(13,355)
- Inflow	-	13,401	-	-	13,401
	<u>(5,114)</u>	<u>5,114</u>	<u>-</u>	<u>-</u>	<u>5,114</u>
	<u><b>539,389</b></u>	<u><b>(470,992)</b></u>	<u><b>(60,549)</b></u>	<u><b>(53,727)</b></u>	<u><b>(585,268)</b></u>

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<i>September 30, 2020</i>	Carrying amount	Contractual cash flows			Total
		1 year or less	More than 1 years but less than 5 years <i>(in thousand SGD)</i>	More than 5 years	
<i>Non-derivative financial liabilities</i>					
Secured bank loans	48,465	(27,445)	(21,805)	(8,629)	(57,879)
Unsecured bank loans	9,117	(9,496)	-	-	(9,496)
Trade and other payables	475,287	(475,287)	-	-	(475,287)
Short-term loans from and other payables to related parties	61,492	(61,689)	-	-	(61,689)
Lease liabilities	76,361	(20,418)	(44,339)	(30,560)	(95,317)
Other long-term payables to related parties	258	-	(258)	-	(258)
	<u>670,980</u>	<u>(594,335)</u>	<u>(66,402)</u>	<u>(39,189)</u>	<u>(699,926)</u>
<i>Derivative financial instruments</i>					
Other forward exchange contracts (gross-settled):	(23)	-	-	-	-
- Outflow	-	(10,281)	-	-	(10,281)
- Inflow	-	10,304	-	-	10,304
	<u>(23)</u>	<u>23</u>	<u>-</u>	<u>-</u>	<u>23</u>
	<u><b>670,957</b></u>	<u><b>(594,312)</b></u>	<u><b>(66,402)</b></u>	<u><b>(39,189)</b></u>	<u><b>(699,903)</b></u>

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<i>September 30, 2019</i>	Carrying amount	Contractual cash flows			Total
		1 year or less	More than 1 years but less than 5 years <i>(in thousand SGD)</i>	More than 5 years	
<i>Non-derivative financial liabilities</i>					
Secured bank loans	24,641	(25,132)	-	-	(25,132)
Unsecured bank loans	5,644	(5,673)	-	-	(5,673)
Trade and other payables	503,875	(503,875)	-	-	(503,875)
Other short-term payables to related parties	33,256	(33,256)	-	-	(33,256)
Long-term loans from and other payables to related parties	37,667	-	(41,414)	-	(41,414)
	<u>605,083</u>	<u>(567,936)</u>	<u>(41,414)</u>	<u>-</u>	<u>(609,350)</u>
<i>Derivative financial instruments</i>					
Other forward exchange contracts (gross-settled):	(143)				
- Outflow	-	(17,781)	-	-	(17,781)
- Inflow	-	17,924	-	-	17,924
	<u>(143)</u>	<u>143</u>	<u>-</u>	<u>-</u>	<u>143</u>
	<u><b>604,940</b></u>	<u><b>(567,793)</b></u>	<u><b>(41,414)</b></u>	<u><b>-</b></u>	<u><b>(609,207)</b></u>

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**Foreign currency risk**

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

<i>Exposure to foreign currency at September 30</i>	Singapore Dollars	United States Dollars	Euro	2021				Total
				Pound Sterling	Australian Dollars	Hong Kong Dollars	Other foreign currencies	
				<i>(in thousand SGD)</i>				
Cash and cash equivalents	19	913	5	-	17	88	-	1,042
Trade receivables	14	2,519	-	148	-	4,972	-	7,653
Other receivables	-	123	67	3	-	246	-	439
Trade payables	-	(9,229)	(28,055)	-	(2,010)	-	-	(39,294)
Other payables	-	(1,152)	(345)	-	-	(23)	(16)	(1,536)
Other payables to related parties	(1,033)	-	-	-	-	-	-	(1,033)
<b>Net combined statement of financial position exposure</b>	<b>(1,000)</b>	<b>(6,826)</b>	<b>(28,328)</b>	<b>151</b>	<b>(1,993)</b>	<b>5,283</b>	<b>(16)</b>	<b>(32,729)</b>
Estimated forecast purchase of goods	-	(5,504)	(17,662)	(87)	-	-	-	(23,253)
Estimated forecast other liabilities	-	(1,150)	(420)	(13,972)	-	-	-	(15,542)
	<b>(1,000)</b>	<b>(13,480)</b>	<b>(46,410)</b>	<b>(13,908)</b>	<b>(1,993)</b>	<b>5,283</b>	<b>(16)</b>	<b>(71,524)</b>
Forward contracts	(8)	700	6,155	-	-	-	-	6,847
<b>Net exposure</b>	<b>(1,008)</b>	<b>(12,780)</b>	<b>(40,255)</b>	<b>(13,908)</b>	<b>(1,993)</b>	<b>5,283</b>	<b>(16)</b>	<b>(64,677)</b>

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<i>Exposure to foreign currency at September 30</i>	Singapore Dollars	United States Dollars	Euro	<b>2020</b>				Total
				Pound Sterling <i>(in thousand SGD)</i>	Australian Dollars	Hong Kong Dollars	Other foreign currencies	
Cash and cash equivalents	-	4,136	7	-	-	88	-	4,231
Trade receivables	-	1,714	-	85	-	2,324	-	4,123
Other receivables	-	75	1,912	35	-	43	-	2,065
Trade payables	-	(321)	(12,050)	-	(6,255)	-	-	(18,626)
Loans from and other payables to related parties	(156)	-	-	-	-	(6,744)	-	(6,900)
Interest-bearing liabilities	-	(4,072)	-	-	-	-	-	(4,072)
Other payables	(37)	(704)	(517)	-	-	-	(1)	(1,259)
<b>Net combined statement of financial position exposure</b>	<b>(193)</b>	<b>828</b>	<b>(10,648)</b>	<b>120</b>	<b>(6,255)</b>	<b>(4,289)</b>	<b>(1)</b>	<b>(20,438)</b>
Estimated forecast purchase of goods	-	(7,054)	(85,898)	(83)	-	-	-	(93,035)
Estimated forecast purchase of assets	-	-	(794)	-	-	-	-	(794)
Estimated forecast other liabilities	-	(1,062)	(1,521)	(4,071)	-	-	-	(6,654)
	<b>(193)</b>	<b>(7,288)</b>	<b>(98,861)</b>	<b>(4,034)</b>	<b>(6,255)</b>	<b>(4,289)</b>	<b>(1)</b>	<b>(120,921)</b>
Forward contracts	-	78	6,530	-	-	-	-	6,608
<b>Net exposure</b>	<b>(193)</b>	<b>(7,210)</b>	<b>(92,331)</b>	<b>(4,034)</b>	<b>(6,255)</b>	<b>(4,289)</b>	<b>(1)</b>	<b>(114,313)</b>

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<i>Exposure to foreign currency at September 30</i>	Singapore Dollars	United States Dollars	Euro	<b>2019</b>				Total
				Pound Sterling <i>(in thousand SGD)</i>	Australian Dollars	Hong Kong Dollars	Other foreign currencies	
Cash and cash equivalents	-	34,608	23	-	-	-	-	34,631
Trade receivables	-	860	-	-	-	-	-	860
Other receivables	-	-	7	-	-	-	-	7
Trade payables	-	(5,305)	(13,421)	(333)	-	-	(29)	(19,088)
Loans from and other payables to related parties	(112)	-	-	-	-	-	-	(112)
Interest-bearing liabilities	-	-	-	-	-	-	-	-
Other payables	(308)	(1,135)	(112)	(4)	-	(31)	(179)	(1,769)
<b>Net combined statement of financial position exposure</b>	<b>(420)</b>	<b>29,028</b>	<b>(13,503)</b>	<b>(337)</b>	<b>-</b>	<b>(31)</b>	<b>(208)</b>	<b>14,529</b>
Estimated forecast purchase of goods	-	(24,398)	(67,636)	(81)	(27)	-	-	(92,142)
Estimated forecast payment for advertising	-	-	-	(8,831)	-	-	-	(8,831)
Estimated forecast other liabilities	-	(1,080)	(2,689)	-	-	-	-	(3,769)
	<b>(420)</b>	<b>3,550</b>	<b>(83,828)</b>	<b>(9,249)</b>	<b>(27)</b>	<b>(31)</b>	<b>(208)</b>	<b>(90,213)</b>
Forward contracts	-	6,149	8,428	33	-	-	-	14,610
<b>Net exposure</b>	<b>(420)</b>	<b>9,699</b>	<b>(75,400)</b>	<b>(9,216)</b>	<b>(27)</b>	<b>(31)</b>	<b>(208)</b>	<b>(75,603)</b>

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*Exposure to foreign risk*

The following significant exchange rates have been applied.

	Average Rate			Year Spot Rate		
	2021	2020	2019	2021	2020	2019
THB	0.0428	0.0443	0.0431	0.0401	0.0432	0.0452
USD	1.3409	1.3835	1.3669	1.3606	1.3678	1.3814
EUR	1.6016	1.5486	1.5419	1.5789	1.6053	1.5094
GBP	1.8359	1.7632	1.7456	1.8295	1.7580	1.6978
AUD	1.0072	0.9373	0.9616	0.9793	0.9747	0.9328
HKD	0.1728	0.1781	0.1745	0.1748	0.1766	0.1763
VND (100 VND)	0.0058	0.0060	0.0054	0.0060	0.0059	0.0060

*Sensitivity analysis*

A reasonably possible strengthening (weakening) of SGD against all other foreign currencies at September 30, 2019, 2020 and 2021 would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	<b>Movement</b> (%)	<b>Strengthening</b> (in thousand SGD)	<b>Weakening</b>
<i>As at September 30, 2021</i>			
USD	10	(1,278)	1,278
EUR	10	(4,026)	4,026
GBP	10	(1,391)	1,391
AUD	10	(199)	199
HKD	10	528	(528)
<i>As at September 30, 2020</i>			
USD	10	(721)	721
EUR	10	(9,233)	9,233
GBP	10	(403)	403
AUD	10	(626)	626
HKD	10	(429)	429
<i>As at September 30, 20219</i>			
USD	10	(970)	970
EUR	10	(7,540)	7,540
GBP	10	(922)	922
AUD	10	(3)	3
HKD	10	(3)	3

**Interest rate risk**

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates (refer to note 20) are mainly variable. So the Group is primarily exposed to interest rate risk. The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

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At the reporting date, the interest rate profit of interest-bearing financial instruments was as follows:

	<b>2021</b>	<b>Nominal amount 2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>	
<b>Fixed rate instruments</b>			
Financial assets	1,066,236	955,433	1,288,853
Financial liabilities	(34,668)	(57,581)	(67,701)
	<b><u>1,031,568</u></b>	<b><u>897,852</u></b>	<b><u>1,221,152</u></b>

As of September 30, 2019, 2020 and 2021, none of the Group's interest-bearing financial liabilities, excluding lease liabilities, bears variable interest rate. The Group estimated that the reasonably possible change of the market interest rates would have an immaterial impact on the Group's profit or loss.

**Other long-term investments**

Other long-term investments comprised of equity instruments in Socialist Republic of Vietnam held by SABECO, measured at fair value to other comprehensive income.

Details of material investments are disclosed below:

	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<i>(in thousand SGD)</i>	
Orient Commercial Joint Stock Bank	-	16,176	13,970
Sai Gon Packaging Group Joint Stock Company	2,989	2,949	2,977
Saigon Beer Transportation Joint Stock Company	1,590	1,568	1,583
Dai Viet Securities Joint Stock Company	-	-	107
Others	3,664	2,013	2,482
<b>Total</b>	<b><u>8,243</u></b>	<b><u>22,706</u></b>	<b><u>21,119</u></b>

In 2021, SABECO disposed its investment in equity instruments in Orient Commercial Joint Stock Bank for a cash consideration amount of SGD 23.84 million. Gain arising from the disposal transfers from reserve to retain earnings amount of SGD 6.03 million.

**34 Capital management**

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

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**35 Reserves**

**Translation reserve**

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation.

**Hedging reserve**

The hedging reserve comprise the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

**Fair value reserve**

The fair value reserve comprises:

- the cumulative net change in the fair value of equity investments designated at FVOCI; and
- the cumulative net change in fair value of debt investments at FVOCI until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

**Revaluation reserve**

The revaluation reserve relates to the revaluation of property, plant and equipment immediately before its reclassification as investment property.

**36 Commitments with non-related parties**

	2021	2020	2019
	<i>(in thousand SGD)</i>		
<b><i>Capital commitments</i></b>			
<i>Contracted but not provided for:</i>			
Buildings and other constructions	7,400	12,292	3,386
Machinery and equipment	154	12,736	1,597
Computer software and others	50	14	17
<b>Total</b>	<b>7,604</b>	<b>25,042</b>	<b>5,000</b>
<b><i>Future minimum lease payments under non-cancellable operating lease</i></b>			
Within one year	-	-	12,237
After one year but within five years	-	-	32,862
After five years	-	-	29,703
<b>Total</b>	<b>-</b>	<b>-</b>	<b>74,802</b>
<b><i>Other commitments</i></b>			
Purchases of goods and raw materials agreements	323,586	287,956	194,509
Advertising servicer and sponsorship agreements	41,612	36,960	49,955
Service agreements	15,251	9,623	1,102
Bank guarantees	1,722	1,844	1,854
Letters of credit for goods and supplies	-	121	-
Short-term and low value lease commitment	368	163	-
<b>Total</b>	<b>382,539</b>	<b>336,667</b>	<b>247,420</b>

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*Other significant commitments*

*Sponsorship agreement*

In 2017, a subsidiary of the Company has entered into a sponsorship agreement with Football Association of Thailand under the royal patronage, for a period of 10 years from January 1, 2017 to December 31, 2026 in order to promote the products by specified privileges in the agreement. Under the conditions as stipulated in the agreements, the subsidiary of the Company will subsidise with cash and others at total amount of Baht 100 million per annum. Subsequently on April 28, 2021, the counterparties have agreed to extend the agreement under similar terms and conditions to June 30, 2027 effective from February 1, 2021.

In 2018, a subsidiary of the Company has entered into a sponsorship agreement with a company in the United Kingdom for a period of three years from July 1, 2018 to June 30, 2021 to receive rights as specified in the agreement. The subsidiary of the Company is obliged to pay a minimum amount of GBP 2.75 million per year at the condition specified in the agreement.

On July 1, 2021, the parties have made addendum to renew the sponsorship agreement for a period of three years from July 1, 2021 to June 30, 2024. The said subsidiary of the Company is obliged to pay a minimum amount of GBP 2.75 million per year at the condition specified in the agreement.

**37 Earnings per share**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand shares)</i>		
Number of ordinary shares issued	6,830,909	6,830,909	6,830,909

The calculation of earnings per share for the years ended September 30, 2019, 2020 and 2021 was based on the profit attributable to owners of the Company for the respective years, divided by the Company's pre-invitation number of ordinary shares of 6,830.91 million, after adjusting for the changes in number of shares arising from the capital reduction as disclosed in note 38. The Listing Business had not been historically formed a separate legal group and had no shares issued as at September 30, 2019.

Diluted earnings per share are the same as basic earnings per share as there were no potential dilutive shares in existence during the Track Record Period.

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<i>(in thousand SGD)</i>		
Profit attributable to owners of the Company	205,956	198,777	124,034
<b>Basic and diluted earnings per share (cents)</b>	<b>3.02</b>	<b>2.91</b>	<b>1.82</b>

**BeerCo Limited and its Subsidiaries**  
**Notes to the combined financial statements**  
**For the years ended September 30, 2019, 2020 and 2021**

**38 Events after the reporting period**

*Loan borrowing agreement*

On November 1, 2021, the Group's indirect subsidiary, Thipchalothorn Co., Ltd. ("Thipchalothorn") entered into a loan borrowing agreement with the Ultimate Parent whereby the Ultimate Parent will provide a short-term loan to the subsidiary for its acquisitions of 75% shareholding stakes in 11 Thai entities from Chang Beer. The total credit facility is amounting to Baht 33,722 million (equivalent to SGD 1,352.60 million), bearing interest at the rate of 2.0% per annum (the "Shareholder Loan 1"). The Shareholder Loan 1 was drawdown by Thipchalothorn on November 15, 2021, December 17, 2021 and January 24, 2022, respectively, totaling Baht 33,722 million. Subsequently during February 2022, Thipchalotorn has entered into a loan agreement with Chang Beer whereby Chang Beer will provide a short-term loan to Thipchalotorn amounting to Baht 30,000 million. The proceeds drawdown by Thipchalotorn was used to repay the Shareholder Loan 1. The Shareholder Loan 1 was subsequently fully repaid during February 2022.

On February 7, 2022, the Group's indirect subsidiary, Chang Beer entered into a loan borrowing agreement with the Ultimate Parent whereby the Ultimate Parent will provide a short-term loan to the subsidiary for its working capital purposes. The total credit facility is amounting to Baht 30,000 million, bearing interest at the rate of 2.0% per annum (the "Shareholder Loan 2"). The Shareholder Loan 2 was drawdown by Chang Beer on February 9, 2022 and it was subsequently fully repaid during March 2022.

On February 14, 2022, the Group's indirect subsidiary, Chang Beer entered into loan borrowing agreements for unsecured term loan facilities with eight financial institutions (the "Unsecured Term Loan Facility"). The total credit facility is amounting to Baht 30,000 million, bearing interest rates ranging from Thailand Overnight Repurchase Rate ("THOR") plus a margin per annum. The payment instalments are agreed to repay every 6 months from first drawdown date and repay all amount borrowed within 5 years from first drawdown date. Under the Unsecured Term Loan Facility, Chang Beer is required to comply with certain financial conditions. These loan facilities are to be used for repayment Ultimate Parent Company's loan. On March 16, 2022, the Unsecured Term Loan Facility was drawdown by Chang Beer and used the proceeds to repay the Shareholder Loan 2.

*Capital reduction of the Company and the subsidiaries*

*The Company*

On November 12, 2021, the Company entered into an agreement on payment for capital reduction with International Beverage Holdings Limited ("IBHL"), the parent company. The Company and IBHL, agreed that the reduction of the share capital of the Company amounting to SGD 1,032.74 million (1,032.74 million ordinary shares), will be paid in the amount of HKD 6.0 billion.

On November 15, 2021, the Company registered the reduction of its issued and paid-up share capital from SGD 7,863.65 million (7,863.65 million ordinary shares) to SGD 6,830.91 million (6,830.91 million ordinary shares). The Company paid cash to IBHL in three rounds amounting to SGD 787.19 million (equivalent to HKD 4,573.39 million), SGD 196.80 million (equivalent to HKD 1,143.35 million) and SGD 48.75 million (equivalent to HKD 283.26 million) on November 15, 2021, December 17, 2021 and January 24, 2022, respectively.

**BeerCo Limited and its Subsidiaries**  
**Notes to the combined financial statements**  
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*The Subsidiaries*

On November 10, 2021, the Group's indirect subsidiary, Chang Corporation Co., Ltd. ("Chang Corporation") registered the reduction of its issued and paid-up share capital from Baht 17,480 million (equivalent to SGD 723.51 million) to Baht 4,370.96 million (equivalent to SGD 180.92 million).

On December 17, 2021, the Group's indirect subsidiary, Chang Corporation registered the reduction of its issued and paid-up share capital from Baht 4,370.96 million (equivalent to SGD 180.92 million) to Baht 1,093.70 million (equivalent to SGD 45.27 million).

On January 24, 2022, the Group's indirect subsidiary, Chang Corporation registered the reduction of its issued and paid-up share capital from Baht 1,093.70 million (equivalent to SGD 45.27 million) to Baht 281.78 million (equivalent to SGD 11.66 million).

The total reduction of share capital of Chang Corporation amounting to Baht 8,771.09 million (equivalent to SGD 363.04 million) was paid to the Ultimate Parent, who held a shareholding interest 51% of Chang Corporation. There is no change in an ownership interest from this capital reduction.

*Dividend*

At the Board of Directors' meeting of the Company held on February 10, 2022, the Board of Directors approved the interim dividend payment from of SGD 0.0022 per share for 6,830.91 million shares, totalling SGD 15.00 million. The dividend was paid to the shareholders in February 2022.

At the Board of Directors' meeting of Chang Corporation, a subsidiary of the Group, held on November 9, 2021, the Board of Directors approved the interim dividend payment of Baht 0.299 per share for 1,748.00 million shares, totalling Baht 522.65 million. The dividend was paid to the Ultimate Parent, who held a shareholding interest 51% of Chang Corporation, amounting to Baht 266.55 million in November 2021.

At the Board of Directors' meeting of SABECO, a subsidiary of the Group, held on December 20, 2021, the Board of Directors approved the interim dividend payment from of VND 2,000 per share for 641.28 million shares, totalling VND 1,282.56 billion. The dividend was paid to non-controlling interest, who held a shareholding interest 46.41% of SABECO, amounting to VND 595.28 billion in January 2022.

At the Board of Directors' meeting of SABECO, a subsidiary of the Group, held on February 14, 2022, the Board of Directors approved the interim dividend payment of VND 1,500 per share for 641.28 million shares, totalling VND 961.92 billion. The dividend was paid to non-controlling interest, who held a shareholding interest 46.41% of SABECO, amounting to VND 446.46 billion in March 2022.

**BeerCo Limited and its Subsidiaries**  
**Notes to the combined financial statements**  
**For the years ended September 30, 2019, 2020 and 2021**

**39 Singapore Financial Reporting Standard (International) (SFRS(I)) not yet adopted**

New and revised SFRS(I)s, which are relevant to the Group's operations, are expected to have no material impact on the consolidated financial information when initially adopted, and will become effective for the financial information in annual reporting periods beginning on or after January 1, 2021, as follows:

	Effective date
• Amendments to SFRS(I) 16 <i>Covid-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
• Amendments to SFRS(I) 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
• Amendments to SFRS(I) 1-16 <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
• Amendments to SFRS(I) 37 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
• Annual Improvement to SFRS(I)s 2018-2020	1 January 2022
• Amendments to SFRS(I) 1-1 <i>Presentation of Financial Information – Classification of Liabilities as Current and Non-current</i>	1 January 2023
• Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 <i>Disclosure of Accounting Policies</i>	1 January 2023
• Amendments to SFRS(I) 1-8 <i>Definition of Accounting Estimates</i>	1 January 2023
• Amendments to SFRS(I) 1-12 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023

Management assessed the impact of adopting and initially applying the new and revised SFRS(I)s effective on April 1, 2021 and January 1, 2022. There is no material impact on the combined financial statements.

Management is presently considering the potential impact of adopting and initially applying the new and revised SFRS(I)s effective on January 1, 2023 on the combined financial statements.

## **APPENDIX D**

### **BOARD OF DIRECTORS AND KEY MANAGEMENT OF BEERCO**

#### **Directors**

Mr. Koh Poh Tiong (Chairman and Non-Executive Director and Non-Independent Director)  
Mr. Thapana Sirivadhanabhakdi (Vice Chairman and Non-Executive Director and Non-Independent Director)  
Mr. Lau Hwai Keong Michael (Independent Director)  
Mr. Mak Ming Ying Charles (Independent Director)  
Mr. Nobuyoshi Ehara (Independent Director)  
Ms. Wiboonlasana Ruamraksa (Independent Director)  
Mr. Kalin Sarasin (Independent Director)  
Ms. Suong Dao Nguyen (Independent Director)  
Mr. Sithichai Chaikriangkrai (Non-Executive Director and Non-Independent Director)  
Dr. Pisanu Vichiensanth (Non-Executive Director and Non-Independent Director)  
Mr. Michael Chye Hin Fah (Executive Director and Chief Executive Officer)  
Mr. Kosit Suksingha (Alternate Director to Mr. Thapana Sirivadhanabhakdi)  
Mr. Prapakon Thongtheppairot (Alternate Director to Mr. Sithichai Chaikriangkrai)

#### **Key Management**

Mr. Michael Chye Hin Fah (Executive Director and Chief Executive Officer)  
Mr. Neo Gim Siong Bennett (Chief Beer Business – Vietnam)  
Mr. Tan Teck Chuan Lester (Chief Beer Business – Thailand)  
Mr. Teo Hong Keng (Chief Financial Officer and Company Secretary)