THANH THANH CONG – BIEN HOA JOINT STOCK COMPANY	**SOCIALIST REPUBLIC OF VIETNAM**
	Independence – Freedom – Happiness
No.: 06/2023/NQ-DHDCD	*Tay Ninh, ...Oct 26th..., 2023*

RESOLUTION

ANNUAL GENERAL MEETING OF SHAREHOLDERS

FOR THE FISCAL YEAR 2022 - 2023

(Regarding the approval on The Board of Management Report on business operation for the 2022-2023 and Action plans statement for the fiscal year 2023 – 2024)

- *Pursuant to the Law on Enterprise No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June, 17th, 2020 and guiding documents ("**Law on Enterprise**") and documents on amendment and supplements of Law on Enterpire;*
- *Pursuant to the Law on Secutrities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on 2019, November 26th and guiding documents ("**Law on Securities**" or "**LOS**");*
- *Pursuant to the Decree No.155/2020/ND-CP passed by the Government on 2020. December 31st on elaborating some Articles of the Law on Securities ("**Decree 155**");*
- *Pursuant to the Charter of organization and operation of Thanh Thanh Cong - Bien Hoa Joint Stock Company ("**Charter**");*
- *Pursuant to the Documentations of the General Meeting of Shareholders of Thanh Thanh Cong - Bien Hoa JSC in the fiscal year 2022-2023;*
- *Pursuant to The Minute of General Meeting of Shareholders No. 04./2023/BB-DHDCD dated ..Oct 26th..., 2023*

RESOLVE

Article 1. Approval on The Board of Management Report on business operation for the 2022-2023 and Action plans statement for the fiscal year 2023 – 2024

(The content of Report comply with the Appendix 01 – attached)

Article 2. The Resolution validates since the date signed.

The Board of Directors, the Board of Management take responsibility to execute, monitor and report the implementation this Resolution.

FOR AND ON BEHALF OF GMS

THE CHAIRWOMAN

CÔNG TY CỔ PHẦN THÀNH THÀNH CÔNG - BIÊN HÒA

M.S.D.N: 3900244389 - C.T.C.P - H.TÂN CHÂU - T.TÂY NINH

HUYNH BICH NGOC

Recipient:

- *Member of BOD;*
- *Member of BOM;*
- *Archived: Secretary & Assistant department.*

APPENDIX I

REPORT ON BUSINESS OPERATIONS RESULTS YEAR 2022-2023 FROM THE BOARD OF MANAGEMENT

I. Overview of macroeconomic condition and sugar industry:

1. Surplus/deficit forecasted over the years

- According to statistics from Czarnikow, in the 2022 - 2023 season, total global sugar production reached 174 million tons, while sugar global demand reached 177 million tons.
- The International Sugar Organization (ISO) has revised downwards its forecast for the global surplus in the 2022 - 2023 period, indicating the possibility of a production due to the limited growth of supply, while the demand for consumption continues to rise. There is also a shift in the current supply towards Ethanol - sugar.
- The price of sugar has a significant, since July 2022, rising from 22 cents/lb to 27 cents/lb in April, ensuring profitability and the potential for future profit growth.

2. Production for the crop 2022 – 2023

- Total domestic sugar production in the 2022 - 2023 season continues to recover and grow, creating favorable conditions for the development of sugar-producing regions.
- The anti-subsidy and anti-dumping policies applied to Thai sugar aim to protect domestic sugar-producing businesses, these policies contribute to the long-term improvement of domestic sugar production and prices.
- However, the issue of sugar smuggling and illicit trade persists, as it has not been fully controlled, this creates opportunities for illicit sugar to dominate the domestic market, adversely affecting the interests of consumers, sugarcane farmers, and sugar-producing businesses.

II. Evaluation of production and business results

Dear General Meeting of Shareholders,

In the year 2022 – 2023, TTC AgriS has achieved the following targets:

In the year 2022 – 2023, total consumption continues to exceed 1 million tons. Net revenue reached VND 24,743 billion, completing 118% of the plan and increase 35% over the same period. Profit before tax of the whole company reached VND 719 billion, completing 85% of the plan.

III. Implementation of key tasks

Dear General Meeting of Shareholders,

In order to achieve positive results, the Board of Management of the Company would like to present to the entire General Meeting of Shareholders the points achieved in the year 2022 – 2023 as follows:

1. Operational

- Building upon the foundation established during the Annual General Meeting of Shareholders for the 2021-2022 period and the strategic directions set by the Board of Directors for the 2022-2023 period, the Executive Committee has focused on restructuring efforts and investing in technology infrastructure, market expansion, and distribution channels (route to market) with a long-term strategic vision for 2030.
- In the year 2022 – 2023 marks an important milestone in the brand transformation of TTC Sugar to TTC AgriS (Agri for Agriculture; S for Solution, Smart, and Sustainability). This rebranding demonstrates the strong commitment of TTC AgriS in transitioning from a traditional agricultural management model to an integrated smart agricultural economic model - focused on market orientation, product direction, and sustainable development aligned with ESG (Environmental, Social, and Governance) standards this shift aims to promote agricultural economic thinking over purely production-oriented thinking. The Innovation Day 2023 event serves as a significant milestone in this transformative journey.
- With the premise set forth during the Annual Shareholders' Meeting in the 2021-2022 period, focusing on customer-centricity, in the 2022-2023 period, the Executive Board has invested in implementing a transformation of the operating model based on the value chain. Accordingly, the model operates on an end-to-end process (where the output of one stage becomes the input of the next) and is organized around three main pillars: the Agriculture Center, the Production Center, and the Commercial Center. The connection and optimization of these three pillars are carried out through the activities of Supply Chain Control Tower, Operation Excellence, and Innovation Service. The Customer Center model has been operational and went live in the past year, marking the initial milestone in the strong transformation journey towards the 2030 strategy.

2. Agriculture

- In the year 2022 – 2023, the total sugarcane output of Vietnam reached 9.6 million tons, up 28%, of which the sugarcane volume of the whole company increased by 18% and accounted for 26% of Vietnam's total sugarcane production.
- In terms of the quality of sugarcane as a raw material, the average across the entire company is well-controlled and maintained at a high level.
- The Company has also applied TMS technology for transport management to control transportation routes, coordinate and control sugarcane losses, utilize GPS positioning, FRM system, and implement the integrated FRM and Oracle weighing bridge system.

Additionally, the Company has deployed the AgriS App system for farmers to interact and share information with the Company.

3. Production

- Production output in the year 2022 – 2023 increased slightly over the same period, ensuring sufficient supply to meet consumer demand. With the policy of improving recovery efficiency and minimizing total losses in production, factory operation has been improved.
- The member companies have successfully completed the project investment items and are well-prepared for the upcoming production season. The progress and costs of the project implementation are well-controlled, ensuring that the approved budget is adhered to.
- Digital transformation and operation optimization are also implemented through the construction of DigiFactory software integrating Oracle ERP data to monitor and manage production reports, production orders, build acceptance process, check the quality of production materials, semi-finished products, finished products.

4. Sales

- With a flexible business strategy, in the year 2022 – 2023, TTC AgriS has provided customers and consumers with more than 1.3 million tons of sugar of all categories, continuing to maintain its leading position in the domestic sugar industry. The consumption volume has increased by 26% compared to the same period the Company continues to maintain sustainable growth, considering the global economy facing concerns over the highest inflation in decades, the Company has been constructing effective sales policies, expanding market share, and focusing on enhancing production activities to increase business efficiency, the aim is to achieve long-term and stable development.
- The average selling price of most channels was higher than the same period thanks to the trend of rising world sugar prices and the application of the defensive tariffs.
- In addition, in the past year, the Company has introduced new products to the market, and the product promotion campaign has been widely implemented across various mass media channels, the marketing content has been creatively developed, targeting a youthful audience and utilizing popular social media influencers to convey the message, these efforts have contributed to increasing brand awareness and reaching consumers during the initial product launch period.

5. Supply Chain

In the year 2022 – 2023, the Supply Chain Division has achieved the following targets:

- Fully and promptly meet the demand for consumption in the context of domestic supply constraints, especially the B2C sugar segment with strong demand.

- The application of information technology helps to make inventory management more convenient from an overall perspective.
- Carry out the analysis of the supply market for key industries, update and adjust strategies and plans in a timely manner to optimize costs, manage risks to ensure sufficient supply for production demand, control budgets in the context of market fluctuations, loss of supply and demand congestion and global supply chain bottlenecks.

6. Finance and Accounting

- In the year 2022 – 2023, the Company improves financial compliance and cost control, contributing significantly to achieving pre-tax profit milestone 719 billion. The company has made efforts to maintain stable profitability from business activities despite adverse market movement of the Sugar industry in the 2022 – 2023 period.
- To achieve the above business results, the Company has simultaneously implemented solutions to digitize operations, successfully implement ERP system for both VAS and IFRS financial reporting standards, the Company has perfected its Tax-TP reports, ensuring compliance with tax regulations.

Fluctuations in business activities results

Indicators	**UOM**	**Year 2021-2022**	**Year 2022 - 2023**	**% variance**
Net revenue	Billion	18,319	24,743	35%
Operating profit	Billion	1,170	735	-37%
Profit before tax	Billion	1,046	719	-31%
Profit after tax	Billion	873	605	-31%

(Source: Audited consolidated financial statements)

The scale of net revenue reached VND 24,743 billion, up 35%, profit before tax reached 719 VND billion. The company maintains sustainable growth, generating profits despite the unstable fluctuations in the global and Vietnamese economy.

<u>Asset</u>

Total assets as of 30/06/2023 reached VND 29,934 billion, up 8% yoy, corresponding to an increase of VND 2,204 billion. In which, short-term assets reached VND 20,047 billion, up VND 2,020 billion, equivalent to 11% yoy increase while long-term assets reached VND 9,887 billion, up 2% yoy. Trade Receivables and Inventories decreased by 328 billion and 121 billion, this is demonstrated by the company's improved inventory control, achieved through the intensified sales activities to capture market share, effective debt management policies, and optimized inventory management.

The detailed structure of short-term and long-term assets is as follows:

No	Items	30/06/2022		30/06/2023		% increase and decrease	
		Value (billion)	%	Value (billion)	%	Value (billion)	%
1	Short-term Asset	18,026	65%	20,047	67%	2,020	11%
2	Long-term Asset	9,704	35%	9,887	33%	183	2%
*	**Total assets**	**27,730**	100%	**29,934**	100%	**2,204**	8%

(Source: Audited consolidated financial statements)

Liabilities and Equity

Total Liabilities at 30/06/2022 was VND 19,431 billion, up 8% yoy, in which long-term liabilities decreased by 15% yoy from VND 2,767 billion VND to 2,234 billion while short-term liabilities increased by 12% yoy from VND 15,295 billion to VND 17,196 billion. The fluctuation in liabilities is mainly due to reduction of long-term debt and increase in short-term debt. For TTC- AgriS, the restructuring of debt, signaled by increase in proportion of short-term loans and reduction of proportion of long-term loans, this is in line with the current trend of rising interest rates in the market, aiming to increase the efficiency of business operations.

No	Items	30/06/2022		30/06/2023		% increase and decrease	
		Value (billion)	**%**	**Value (billion)**	**%**	**Value (billion)**	**%**
1	Short-term Liabilities	15,295	85%	17,196	88%	1,902	12%
2	Long-term Liabilities	2,767	15%	2,234	12%	(533)	-15%
*	**Total Liabilities**	**18,061**	**100%**	**19,431**	**100%**	**1,438**	**8%**
1	Capital contribution	6,508	67%	7,621	73%	1,114	17%
2	Undistributed earnings	1,435	15%	655	6%	(779)	-54%
3	Other capital	1,727	18%	2,228	21%	501	29%
*	**Equity**	**9,669**	**100%**	**10,504**	**100%**	**838**	**9%**

(Source: Audited consolidated financial statements)

III. Conclusion

Against the backdrop of unstable economic conditions in Vietnam and other parts of the world, the Board of Management and employees of TTC AgriS have constantly been proactive and flexible to adapt, turning challenges into opportunities and closing the 2022 - 2023 fiscal year with many spectacular results.

In the time ahead, the Board of Management will continue to promote R&D activities and improve to overcome existing limitations, as well as leverage potential strengths to step-by-step conquer the strategic goals and fulfill the business plan in manners satisfactory to shareholders and investors' expectations.

The Board of Management of the Company sincerely express gratitude for the support of shareholders, the observant guidance from the Board of Directors, as well as the trust and perseverance of all employees over the years.

ORIENTATION OF ACTIVITIES IN THE YEAR 2023 – 2024 OF BOARD OF MANAGEMENT

Dear General Meeting of Shareholders,

In order to implement business activities in 2023 – 2024 effectively, the Board of Management would like to report to the Company's 2023 – 2024 Orientation Meeting with the following main contents:

I. Overview of macroeconomic situation and sugar industry:

1. World sugar market

- The information from Bloomberg states that the El Nino weather phenomenon is occurring earlier than previously forecasted, with its impact expected in the third quarter of 2023 in the Asian region and the beginning of the fourth quarter in Europe. This suggests that the projected decrease in sugar production and potential supply shortages in the period of 2023-2024 is highly likely in major markets such as Brazil, India, and China.
- To ensure domestic supply, India has announced plans to ban sugar exports starting from October 2023. This move comes in response to unfavorable weather conditions that have reduced sugarcane yields.
- Additionally, the high price of crude oil will influence the shift towards ethanol production from sugarcane, particularly in Brazil.
- According to tradingeconomics.com, sugar prices reached an 11-year peak at the end of April 2023, reaching approximately 27 cents per pound. Currently, sugar prices are fluctuating around 22-27c per pound due to concerns about the supply. It is forecasted that in 2024, sugar prices will be unlikely to drop below 20-21 cents per pound.

2. Domestic sugar market

- The domestic sugar price will still be highly dependent on the fluctuations of the world sugar price, the situation of sugar smuggling, and import quotas.
- It is expected that the domestic sugar price will continue to increase slightly along with the significant rise in the global sugar price, as well as the ability to control sugar smuggling in the near future.
- In addition to trade defense measures, policies against subsidies and anti-dumping measures once again contribute to increasing the competitive advantage of domestic sugar products. This will help farmers develop their raw material areas with peace of mind and limit the loss of value after harvest.

II. Annual planning targets 2023 – 2024

Dear General Meeting of Shareholders,

In the year 2023 – 2024, TTC AgriS sets the following targets:

In the year 2023 – 2024, total consumption is expected to increase slightly and maintain market share in the business segments as planned. Forecasted revenue of is estimated at to VND 20,622 billion and profit before tax of is estimated at VND 850 billion increased by 18% yoy.

III. Annual Plan 2023 – 2024

Dear General Meeting of Shareholders,

In order to achieve the set plan, the Board of Management of the Company presented to the entire General Meeting of Shareholders the operating plan for the year 2023 – 2024 as follows:

1. Operational

- Continuing with determination, the company will swiftly and strongly implement the transformation of the traditional agricultural business management model into an integrated smart agricultural economic model that focuses on market orientation, product orientation, and sustainable development guided by ESG (Environmental-Social-Governance) standards. Accordingly, the Commercial Center will be completed, and the construction and operation of the two pillars, the Agriculture Center and the Production Center, will continue. Additionally, the company will establish and operate service centers, including the Supply Chain Control Tower, Operation Excellence, and Innovation Service.

2. Agriculture

- Focus on expanding planting areas, agrochemicals and restructuring Agricultural management activities. Focus on reorganizing agricultural activities from a self-governing model (owned farm) to an outsourced model.
- Groups of solutions are also offered corresponding to each specific target group:
  - Farmers: Develop contracted farmers in Gia Lai, Laos and Cambodia, provide training on governance and management for large farmers.
  - Policy and Management: The company will continue to prioritize and emphasize the allocation of specialized management personnel for agricultural production activities at Laos and Cambodia to timely identify issues, provide training to staff, and make accurate and timely decisions.
  - Technical: Farmacist operates the Demofarm model at Cambodia, adhering to Australian standards. They utilize UAVs (drones, flycams) and mechanization in farming practices and agricultural management.

3. Production

Production output in the year 2023 – 2024 is expected to grow by over 6% over the same period. To achieve this increase, the Company offers solutions to be achieved for the upcoming year:

- Energy audit, promote investment in steam saving, bagasse drying at business units to optimize off-season sugar refining capacity and production costs.
- The company is implementing projects to increase the capacity of the TTCS GL plant, as well as the industrial liquid sugar project at the TTCS plant. They are also focusing on automation in the packaging process, specifically in bagged sugar production.
- The company aims to enhance and develop its capacity to meet production demands. They are also focused on standardizing their quality management system and establishing an optimized cost model known as "Total Cost to Serve".
- Meet and exceed all criteria for evaluating the technical management capacity of the sugar industry by carrying out major repairs, maintenance work according to the expected schedule and promulgating a set of criteria for evaluating production management capacity.

4. Sales

- Develop a medium-term trade strategy based on new market data.
- The transition of business operations towards the Commercial Center model aims to transform the company into a multi-industry distributor and import-export trader.
- The company is focusing on product diversification and developing a range of plant-based consumer food products. We are also building a stable and robust distribution system across all sales channels. Additionally, we are implementing the development of On-Premises customers, particularly in the beverage sector. We aim to efficiently utilize a multi-channel sales operation model. In particular, TTC AgriS sets specific goals for each sales channel as follows:
  - MNC: continue to maintain market share, build strategic partners.
  - SME: expand coverage to northern, central and western regions.
  - Trade: build a stable and loyal distribution clientele.
  - Export: The company is expanding its customer base and market presence, particularly in the Chinese market, with a focus on liquid and mix products. They are actively seeking opportunities to introduce and promote their products in China.
  - B2C: boost growth, increase profits and promote brands, strengthen the opening of new points of sale for the Sugar/Drinks segments.

5. Supply Chain

In the year 2023 – 2024, the Supply Chain Division sets the following objectives:

- The company will continue to build and implement an integrated business planning process (IBP), expanding its scope to the agricultural sector, including sugarcane, fruit trees, rice, fertilizers, and mechanization. We aim to enhance demand forecasting capabilities and deploy strategic actions to optimize supply sources and inventory management.

- We will establish a new logistics system that aligns with TTC AgriS's transformation model for new product lines and logistics solutions. The implementation of a cost-to-serve model for customers and suppliers will enable effective cost management, control, and utilization.
- The company will establish communication channels and continuously update prices of various products, as well as the status of suppliers. We will strategically manage and collaborate with suppliers, fostering win-win partnerships, sharing resources during challenging times, and ensuring long-term sustainable development.
- Market monitoring of key industry sectors with high purchasing proportions and seasonality will be conducted to ensure cost efficiency and quality of goods. Preemptive inventory reserves will be maintained before price increases occur.

6. Finance and Accounting

- In the fiscal year 2023 – 2024, the Company continue to promote control of revenue and costs based on the established budget plan, thereby creating a basis for achieving the set profit after tax level.
- In addition, to the service the expansion of business activities to be implemented in the coming period, the Finance Department sets out the following operating plan for the fiscal year 2023 – 2024:
    - The company will carry out fundraising activities and coordinate the implementation of capital funding packages for projects, ensuring liquidity and securing capital for business operations.
    - We will closely monitor interest rate fluctuations in the market and provide the best solutions to optimize borrowing costs. We will actively search for long-term credit packages to balance short-term debt. This includes exploring international credit packages and increasing the short-term credit limit to ensure a stable source of capital for business operations.
    - The company will implement the issuance of 20% equity to existing shareholders, meeting the capital needs for the 5-year development strategy. They will also coordinate funding packages for projects and financial restructuring in affiliated units.

Variance in business activities

Criteria	Unit	Actual 2022 - 2023	Budget 2023-2024	% Variance
Net revenue	Billion VND	24,743	20.622	-17%
Profit before tax	Billion VND	719	850	18%

(Source Approved Budget Plan)

Net revenue is estimated to be VND 20,622 billion and the pre-tax profit is estimated to reach VND 850 billion, 18% increase over the same period. At a time when the sugar industry is intensely competitive and challenging, the Company aims to maintain the market dominance, control cost and ensure operating efficiency.

IV. Conclude

In the period from 2023 to 2024, TTC AgriS aims to efficiently operate its key centers, including the Agriculture Center, Production Center, and Commercial Center, as well as the service centers such as Innovation Service, Operation Excellence, and Supply Chain Control Tower, the company strives to enhance its value chain-oriented management model with a customer-centric approach, the objectives include improving distribution capabilities, multi-industry import-export trading, data standardization, technology integration, and optimizing the value chain of Vietnamese agricultural products to deliver the best value from nature to consumers by prioritizing customer satisfaction and meeting their needs effectively. This is a significant milestone in the journey of transforming the agricultural economic model, market orientation, product focus, and leading the pioneering process of opening up and guiding a sustainable agricultural economy, all these efforts aim to maximize the value for the partners involved in TTC AgriS's sustainable agricultural value chain and affirm the company's position as a leading multinational agricultural enterprise in the region.. This feat cannot be achieved without the efforts and hard work of all employees and the on-going support of shareholders.

In the coming fiscal year, the Board of Management is going to limit weaknesses, maximize the strengths of the Company to achieve all targets and the expectations of shareholders and investors.

The Board of Management gives our most sincere appreciation for the support of our shareholders, the guidance of the Board of Directors, and the faith and trust of all employees until now.

Above is the strategy of production and operating activities for the fiscal year 2023 - 2024 of Thanh Thanh Cong - Bien Hoa Joint Stock Company, reporting to the General Meeting of Shareholders.