THANH THANH CONG – BIEN HOA JSC	SOCIALIST REPUBLIC OF VIETNAM
	Independence - Freedom – Happiness
No.: 10/2019/NQ-ĐHĐCĐ	*Tay Ninh, October 14th, 2019*

RESOLUTION

ANNUAL GENERAL MEETING OF SHAREHOLDERS 2018-2019

(Regarding the approval of 2018 - 2019 Business Performance Report of BOM)

- *Pursuant to the Enterprise Law and its implementing documents;*
- *Pursuant to the Charter of Thanh Thanh Cong - Bien Hoa Joint Stock Company;*
- *Based on the entire documents of the 2018-2019 Annual General Meeting of Shareholders provided to the shareholders;*
- *Pursuant to the Minutes of Annual General Meeting of Shareholders 2018-2019 No. 04/2019 / BB - DHDCD / TTCBH dated October 14th, 2019 of Thanh Thanh Cong - Bien Hoa Joint Stock Company.*

PROTOCOL

Article 1. Approve the 2018 - 2019 Business Performance Report of BOM.
(The content of the report is in Annex 01 attached)

Article 2. This Resolution takes effect from the signing date.

Article 3. The BOD and the BOM of the Company are responsible for implementing, monitoring and reporting the implementation of this Resolution./.

ON BEHALF OF SHAREHOLDERS
CHAIRPERSON

To:

- BOD, BOM;

- Archived CO.

(Signed)

PHAM HONG DUONG

ANNEX 01

(*Attached to Resolution No. 10/2019 / NQ-DHDCD dated October 14, 2019****)***

2018 - 2019 BUSINESS PERFORMANCE REPORT
OF THE BOARD OF MANAGEMENT

Dear Shareholders,

Dear Congress,

Implementing the Resolution of the General Meeting of Shareholders of the Company for the period of 2018 - 2019, the Board of Directors would like to report to the Meeting the results of the business and production results for the fy 2018-2019 with the following main contents:

I. Overview of macroeconomic situation and sugar industry:

1. Economic situation

Gross domestic product (GDP) in Q4 / 2018 was estimated to increase by 7.31% over the same period of 2018. Q4 / 2018 growth rate was lower than Q4 / 2017 growth rate, but higher than the previous years 2011-2016. GDP of 2018 increased 7.08%, the highest level since 2011. Of which, the wholesale and retail industry increased by 8.51% over the same period last year. The average consumer price index (CPI) in 2018 only increased at 3.54%..

- The FMCG market has slowed down in urban areas, but it still has healthy growth in rural areas. Non-food products are still growing positively in urban areas. While in rural areas, all sectors have stable growth.
- Besides the main drivers of Vietnam's economy, there are still many opportunities for further growth in parallel with challenges that need to be addressed and overcome.

2. Sugar industry

- FY 2018 - 2019, The sugar market was under pressure from the surplus of the previous 2 seasons, the world price dropped sharply.
- Raw sugar prices will likely recover in the near future and may be higher depending on the world supply and demand situation.
- Total production output for the FY 2018-2019 is estimated at 1.15 million tons, down 285,000 tons, equivalent to a decrease of 20%, and the forecast for the 2019-2020 production will continue to decrease to 800,000 - 900,000 tons.
- Expected to be in the FY 2018-2019, the amount of transited inventory will be 555,000 tons and there will be a shortage in the 2019-2020 year.

Evaluate production and business results

Dear Congress,

In the FY 2018-2019, TTC Bien Hoa Company achieved the following targets:

No.	Item	Measurement	17-18 result	18-19 result	% over the same period
I	Crushed sugarcane volume	Thousand tons	3.744	2.761	74%
II	Production of sugar	Thousand tons	602	542	90%
III	Sugar consumption	Thousand tons	571	749	131%
IV	Business results				
1	*Net sales*	*Billion dong*	*10.285*	*10.857*	*106%*
2	*Profit before tax*	*Billion dong*	*682*	*422*	*62%*

In the 2018-2019 period, the total consumption reached 749,000 tons, reaching 131% over the same period with the revenue reaching 106% equivalent to VND 10,857 billion. However, the company profit before tax was only VND 422 billion because the sugar market is in a downward cycle. In terms of raw materials, the company has organized to press 2,761 thousand tons of sugarcane, reaching 74% over the same period while production output in the 2018-2019 period reached 542 thousand tons, reaching 90% over the same period.

II. The situation of implementing key tasks

Dear Congress,

In order to achieve positive results and exceed the profit plan, BOM presents to the whole Conference the achieved points in the FY 2018-2019 as follows:

1. Raw materials work

- The climate was influenced by El Nino with prolonged drought in the 1819 year, making the total sugarcane output mobilized for all plants reached 2,761 thousand tons, accounting for 74% over the same period.
- However, the average CCS of the whole company reached: 9.59 CCS, reaching 104% over the same period due to measures to improve the quality of sugarcane such as underground plowing, reaching 6,819 hectares of sugarcane irrigation with an area of 11,656 hectares.

2. Organization of production management

- Production output for the 2018-2019 period will reach 542,104 tons, equivalent to 90% over the same period. The production of flexible sugar is adjusted to meet business needs. In addition, with the policy of improving the recovery efficiency, minimizing the total loss in production, in the 2018-2019 period, the plant's operation was well operated.

- The company controlled the repair costs well, down 47 billion compared to 17-18. The major repair progress reached the plan, without affecting the work on the crop.
- In FY 2018 - 2019, the company has effectively reduced the consumption of auxiliary materials when the consumption of auxiliary materials was lower than that of the 2017-2018 . The quality control became more and more strict, reducing consumption in most factories.
- The implementation of reducing steam consumption and electricity consumption has recently contributed to the consumption rate of steam and electricity of member companies, lower than the norm and reduced compared to the previous season.
- Project management, some typical projects are implemented in the year such as: projects to reduce steam consumption in production, Big Bag sugar project, bagasse drying project, Factory project microbial organic fertilizer. All projects are highly effective, contributing to reducing costs and time in the production process. The project cost is well controlled and does not exceed the initial approved cost and most projects progress.

3. Sales activities

- By flexible business strategy, in 2018-2019, TTC-BH has provided customers and consumers 749 thousand tons of sugar, reaching 131% over the same period. In which all channels are growing over the same period.
- In 2018-2019, the Company has diversified the form of offering to customers, enabling customers to actively decide their purchase price, compete with international traders. Besides, the Company expanded its export markets to China, Cambodia and the Philippines. Signed EDFMAN on exporting brown sugar underwriting Organic products to Europe.
- By improving product quality, determining a reasonable product price, as well as organizing the management, advertising and advertising marketing, the Company has been actively expanding coverage market, increasing market share as planned, in line with the strategy set for the period of 2018-2019 "Market is eternal".
- Với lợi thế là doanh nghiệp dẫn đầu ngành đường Việt Nam cả về thị phần và công nghệ sản xuất, TTC-BH tập trung mở rộng thị trường, phát triển thêm nhiều dòng sản phẩm mới đáp ứng nhu cầu tiêu dùng đa dạng của khách hàng, nghiên cứu phát triển các dòng sản phẩm cao cấp, giá trị gia tăng cao phục vụ người tiêu dùng với chất lượng cao nhất.

4. Supply chain activities

In FY 2018 – 2019, Supply Chain Division has achieved the following:

- Developed and submitted to issue the production dispatching process at the Company level to create standards in production dispatching
- The production dispatching work has been connected between business and production, fully meeting business needs
- Inventory has been actively moderated compared to 2017 - 2018
- The average number of days of sugar inventory is controlled compared to the previous year

5. **HR activities**:
   - The 2018-2019 year is the year the Corporation arranges and streamlines the HR system, with a total staff of 3,759 people. From there, develop a wage policy that is consistent with the regional minimum wage.
   - In addition, the Company has conducted training to improve the quality of personnel with 166 programs including professional training, business and business skills training.
6. **System management activities**
   - In the 2018-2019 fiscal year, the Company has completed the deployment and commissioning of the DMS system for 81/81 supplier nationwide, completing stable operation..
   - The company continues to improve and deploy the information technology management system for the whole Corporation and Subsidiaries: complete the deployment and commissioning of the FRM system for 7 factories and 2 plantations, meets the management objectives, completes the deployment and commissioning of the AX - IFRS software for 10 BU.

7. Brand management activities

In 2018-2019, the company has strived and implemented activities to maintain its image in the hearts of consumers, as well as increase its relationship with investors and have recorded remarkable achievements such as the honor to be in the top 50 leading brands in 2019 in the food and beverage industry according to Forbes Vietnam.

8. Finance – Accounting

- In the 2018-2019 fiscal year, the Company controls compliance and costs, contributing to profit of 422 billion. The company has made every effort to maintain the profitability rate from its business activities, although the market situation in the sugar industry in the 2018-2019 period is still challenging with the downtrend of the world market.

- To achieve the above business results, the Company has simultaneously implemented information technology solutions, approached modern and scientific management methods to optimize resources.

Movements of capital assets and operation scale

Item	Measurement	FY 2017-2018	FY 2018-2019	% fluctuation
The total value of assets	*Billion dong*	17.694	16.743	-5%
Net sales	*Billion dong*	10.285	10.857	6%
Profits from operating activities	*Billion dong*	539	319	-41%
Other profits	*Billion dong*	143	103	-38%
Profit before tax	*Billion dong*	682	422	-38%
Profit after tax	*Billion dong*	545	259	-52%

(Source of consolidated financial statements audited)

Total assets as of June 30, 2019 reached VND 16,743 billion, down 5% compared to the beginning of the year. The scale of net revenue reached VND 10,857 billion, up 6%, profit before tax reached VND 422 billion, down 38% over the same period. Considering the difficult period of the sugar industry, the above results came from the efforts to maintain the market, control costs, and ensure the business efficiency of the Company.

About Property situation

Total assets as of June 30, 2019 reached VND 16,743 billion, down 5% compared to June 30, 2018, equivalent to VND 951 billion. In particular, short-term assets reached VND 9,794 billion, down slightly from the same period, and long-term assets reached VND 6,949 billion, down 12% over the same period of June 30, 2018. Cash and cash equivalents increased by VND 680 billion, inventories decreased by VND 1,190 billion thanks to appropriate inventory optimization policies.

The proportion of short-term and long-term assets is specified as follows:

No.	Item	30/06/2018		30/06/2019		% tăng giảm	
		Value (billion dong)	%	Value (billion dong)	%	Value (billion dong)	%
1	Short-term assets	9.813	55%	9.794	51%	(19)	0%
2	Long-term assets	7.881	45%	6.949	49%	(932)	-12%
*	**Total assets**	**17.694**	100%	**16.743**	100%	**(951)**	-5%

(Source of consolidated financial statements audited)

About the situation of liabilities

Total debt as of June 30, 2019 was VND 10,924 billion, down 6% compared to June 30, 2018, of which, long-term debt decreased by 27% from VND 2,964 billion to VND 1,958 billion and 1% increase in short-term debt from 8,902 billion VND in the same period to 8,966 billion VND. In the 2018-2019 fiscal year, the Company's debt structure had a shift, reducing the proportion of long-term debt and stabilizing short-term debt. Equity increased from VND 5,570 billion to VND 5,867 billion because the company paid dividends in shares to existing shareholders. In addition, TTCBH has made a dividend of 408 billion in 2018-2019 period.

No.	Item	30/06/2018		30/06/2019		% tăng giảm	
		Value (billion dong)	%	Value (billion dong)	%	Value (billion dong)	%
1	Short-term debt	8.902	77%	8.966	82%	64	1%
2	Long-term debt	2.694	23%	1.958	18%	(736)	-27%
*	**Total debt**	**11.596**	**100%**	**10.924**	**100%**	**(672)**	**-6%**

(Source of consolidated financial statements audited)

III. Conclusion

In 2018-2019 period, with a thorough preparation, a proactive attitude in making and executing business plans and the consensus and efforts of all employees, TTC-BH has achieved the results in the context of difficult sugar industry.

In the coming time, BOM will continue to promote research and improvement to overcome existing limitations, as well as promote the strength to gradually bring the Company to conquer strategic goals that shareholders and investors expect.

The Board of Management of the Company sincerely thanks the support of the Shareholders, the close guidance of the Board of Directors, the whole staff and employees who have believed and support in the past years.

The above is the result of production and business activities in the fiscal year 2018 - 2019, Thanh Thanh Cong - Bien Hoa Joint Stock Company, report to the General Meeting of Shareholders.

Sincerely respect the Congress.