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THANH THANH CONG - BIEN HOA JSC.
APPROVED RESOLUTION OF BOND ISSUE.

On 12 April 2018, the Board of Directors of Thanh Thanh Cong – Bien Hoa JSC (TTC Sugar), whose Market Identifier Code is SBT, has approved the issuance of bonds with the amount and total bond value were 450 bonds and 450 billion VND respectively. The bonds have a par value of VND 1 billion, are inconvertible, are not accompanied by warrants, are guaranteed for payment and have a term of 1 year from the date of issue and will be mature in 2019. The bonds will be issued separately for fewer than 100 investors, including domestic and foreign professional investors such as organizations or individuals. The company prioritizes commercial banks, financial institutions and investment funds via issuing agents. The bonds are projected to be divided into several issuances and the issuance will commence in the fourth quarter of fiscal year 2017-2018. The issued price equals to the par value.

The issuance aims to increase TTC Sugar's working capital and replenish working capital to expand production. Additional working capital supports expand and scale production, increase the efficiency of its operation, thereby optimizing production costs and promoting economies of scale. The incremental production capacity reduces fix costs, depreciation/kg of products, etc. Therefore, the company can boost consumption, expand market share, penetrate the medium and small segments in the market niches and target markets such as the Southwest, the North and export. Incremental production will simultaneously bring advantages to stimulate consumption and consolidate the advantage of distribution to penetrate the market and target segments.

Once the bonds are issued, the capital structure ratios will remained safe and financial risks are controlled to meet the commercial banks' requirements, of which the Debt-to-Equity ratio in the consolidated financial statements will increase slightly from 1.27 times to 1.33 times. Simultaneously, SBT has consistently adhered to financial controls and operations through commitments, particularly for debt ratios or leverage ratios in operations. In addition, the increase of debt ratio helps improve the company's profitability ratio.

TTC sugar - SBT has conducted half of sugar production in 2017-2018 crop, producing 3.1 million tons of sugarcane (90% plan). SBT's business results for the year ended 31 December 2017 were positive with total consolidated assets of VND 17,853 billion, including VND 7,166 billion of consolidated equity (both figures increase 129% compared to those on 30/06/2017). The sugar consumption was 308,579 tons, (50% of annual plan). Total sales of goods and services reached VND 5,469 billion (60% of annual plan) while profit before tax was VND 327 billion (50% of annual plan), the above numbers increase 161% and 70% respectively over the same period last year. In addition, after-tax profit accounted for VND 259 billion (increase 49% over the same period) and gross profit margin was 11%. The production and operation in 2017-2018 fiscal year witnessed many differences because they are undergone when both the corporation and outlets were restructuring and reorganizing after M&A transaction. Setting a challenging target of "1 million tons of sugar" by 2020, SBT is gradually implementing its action with marketing, agricultural and manufacturing activities.

SBT's market capitalization as of April 12, 2018 was VND 9,636 billion ($ 425 million), accounting for 0.3% of the total market capitalization. SBT is the biggest companies in terms of market capitalization in the Vietnamese sugar industry. Its market capitalization accounts for approximately 40% of the whole market capitalization. The market capitalization of the second biggest listed company in the same industry is just one-fifteenth of that of SBT. SBT stock liquidity was relatively good via high trading volume and value matched, reaching 3.5 million shares and VND 57 billion VND per session. In addition, SBT was also named on the list of prestigious stocks on Vietnamese stock market, including MSCI Vietnam Small Cap Index (USD) (5.73%), MVIS Vietnam Index (2.19%) and VN 30.

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