THANH THANH CONG - BIEN HOA JOINT STOCK COMPANY
Tan Hung Commune, Tan Chau District, Tay Ninh Province
T. [+84 - 276] 375 3250 | F. [+84 - 276] 383 9834
E. info@ttcsugar.vn | W. www.ttcsugar.vn

SBT - ADDING NEW BUSINESS LINES, ISSUING VND 2,400 BILLION CONVERTIBLE BONDS

The contents for collecting Shareholders' written opinions

On August 19th , 2019, Thanh Thanh Cong Bien Hoa Joint Stock Company (TTC Bien Hoa, SBT, the Company) published the document for collecting written opinions of Shareholders to approve the following issues: (1) Supplementation of business lines; (2) Issuance of Convertible bonds (CB); (3) Buyback Convertible dividend preference shares (CPS) issued by the Company under Resolution of the General Meeting of Shareholders (GMS) No. 01/2018/NQ-DHDCD dated October 17th, 2018; (4) Amendment and supplement of the Company Charter and (5) Resignation letter of the Board Member (BOD) Ms. Nguyen Thuy Van.

With 24 years of experience in agricultural mechanization, applying the latest science and technologies into production, combined with its advantages in the agricultural machinery business and the widespread raw material area with nearly 70,000 ha in 3 Indochina countries; SBT's Management Board has oriented to boost a high-tech and clean agricultural chain to optimize the Revenue and Profit. The Company would like to add 11 new business lines; mainly in the field of animal husbandry and cultivation of other crops besides sugarcane, thereby increasing the total number of business lines to 42. To diversify revenue sources, the Company expects to increase the proportion of the By-products, significantly adding the proportion of products in the agricultural chain to meet the sustainable development goals. It is expected that by the FY 20-21, the revenue structure of the By-products will increase and account for 30% of the total revenue as compared to 15% of the FY 18-19. By-products includes Molasses, Microbial Fertilizer, Biomass Energy and other products, including agricultural machinery, industrial zone leasing, logistics and agricultural product chains. Currently, SBT is in the process of negotiating to cooperate with several large corporations in Asia in the field of cultivation and animal husbandry to take advantage of these parties to increase Profit for the Company.

In this collecting Shareholders' written opinion, SBT also submitted a plan for private placement of CB in Vietnam Dong to restructure finance positively. By reducing short-term debt and restructuring capital safely in the long-term, the Company aims to ensure stable financial resources and satisfy the rigorous requirements of strategic investors who have participated in buying its shares. SBT plans to issue 2,400 CB with par value of VND 1 billion/bond and minimum duration of 3 years, the interest rate is negotiated specifically with investors. It is expected to collect VND 2,400 billion after completing issuance. The CB will be entitled to convert, in part or in whole, into common shares after 1 year from the completion issuance date. Other terms related to the conversion such as Conversion Price, Conversion Rate, Conversion Time, Adjustment of Conversion Price (anti-dilution) … will be decided by the BOD.

Finding and cooperating with strategic investors is one of the most important part of the Company's development strategy. SBT also proposed for amendments and supplements to the Company Charter as well as the buyback CPS, which is a preparatory step for cooperating with long-term investors to assist the Company in capital planning and management as well as business operations, especially when ATIGA is about to come into effect.

The Company also submitted the GMS to approve the resignation letter of Ms. Nguyen Thuy Van - Member of the Board. The Company will conduct supplementary elections of new BOD member in the next General Meeting of Shareholders with the requirements of candidates for the election will be experts in developing agricultural product chain to match the long-term development direction of Company.

In addition, SBT's BOD has approved the investment to buy 2,082,900 shares, accounting for 41.65% of Tan Dinh Import Export Joint Stock Company (Tadimex). The transaction price is expected to be based on the market price and the valuation report of the competent authority. After completing the transaction, Tadimex will become SBT's associated company. Tadimex currently operates in real estate industry, owning a portfolio of projects in prime locations. In the context of the real estate market attracting strong investment capital, especially FDI, the investment in Tadimex can be considered as a long-term decision to help the Company increase its accumulated assets and diversified revenue sources and Profit.

Besides the advantage and revenue from 152 MW biomass power, SBT also continued to expand its investment in this area through the purchase of shares of Gia Lai Electricity JSC (GEC, GEG - Upcom). Currently, GEC is an energy developer with a diverse portfolio of hydropower and solar power projects. The anticipation of the renewable energy development trend has been effectively promoted by GEC recently, and through owning GEC shares, SBT is diversifying its energy investment portfolio.

It is predicted that the large ETFs will continue to increase SBT's weight in their portfolio

Foreign capital inflows, especially the ETFs, will be an important driving force to support Vietnam's stock market. Regarding the portfolio restructuring of large ETFs which will take place in September 2019, according to the forecast of SSI Securities Corporation, SBT is one of 5 out of 30 stocks to be increased weight by FTSE with 844,535 shares bought. As of July 31st, 2019, SBT is in many prestigious ETFs in the world with a total of 19.5 million shares, an increase of 11% compared to early 2019.

For more information please contact:
Ms. Vu Thi Le Giang
Investor Relations Department
Email: giangvtl@ttcsugar.com.vn