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 – NET REVENUE FY 18-19 REACHED 95% OF THE TARGET

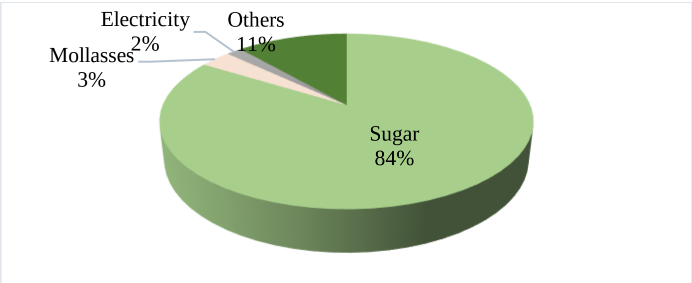
Sugar production maintains good growth momentum in all channels

In fiscal year (FY) 18-19, although the Sugar Industry has not recovered as expected by analysts, but with the leading position in the industry, SBT has recorded the accumulated net revenue of VND 11,021 billion, 7% higher than the previous year and fulfilled 95% of the yearly plan; and Profit before tax (PBT) reached VND 427 billion. With the strategy of "Market share is eternal", in FY 18-19, the Company actively expanded the market, increased market share as planned. At the end of the FY, SBT's total Sugar consumption reached 749 thousand tons:

- Business to Business – B2B Chanel: the consumption increased more than 23%, in which SMEs increased significantly, continued to play an important role in consumption structure and Sugar revenue when accounted for 50% and 51% respectively. Consumption by multinational corporations - MNC accounts for 78% with big brand names such as Pepsi, Coca Cola, Red bull, Nestle, Masan, Nutifood, Tan Hiep Phat ... Number of Small and Medium Enterprise - SME customers also increased more than 250 new customers, which sums up about 2,000 customers in this segment.
- Business to Customer - B2C: Consumption increased by 11% over the same period, accounting for 9% of total Sugar consumption and contributing 12% of Sugar Revenue. SBT is making the best use of the extensive distribution system of BHS after merging to bring products to each consumer in the General Trade – GT as well as the Modern Trade - MT through the system of 100 distributors and 3,600 convenience stores, supermarkets and more than 60,000 retail store systems.
- Export Channel: Consumption increased sharply over the same period, although this is a new channel and greatly influenced by world Sugar price movements, SBT still maintained a good growth rate. In addition, the Company also gained some achievements in this channel when it tripled the number of export markets from 6 to 17 markets, including many touch markets such as US, Europe, Korea, Singapore. This is expected to be the motivation for Export Channel to continue growing stronger in the future.

At the end of the fourth quarter, the cumulative revenue of Sugar for whole fiscal year recorded VND 9,233 billion, accounting for 84% of total revenue, increasing 2% compared to the same period. In the fourth quarter only, the Sugar revenue reached VND 2,516 billion, increasing 47% compared to the same period, this growth has followed the Company's strategy of dominating the domestic market and expanding the export market. SBT also continued to promote the strength of other sugarcane value chain in which By products also recorded significant growth, in particular, Other revenue increased 285%, Electricity revenue increased 6% and Molasses increased by 1%. In addition, Financial revenue also increased by 61% over the same period, reaching VND 1,148 billion, mainly from interest income and gains from disposal of investments.

Revenue Structure by Product FY 18-19



Source: Consolidated Financial Report Q4 FY 18-19, TTC Bien Haa

FY 18-19, the General and administrative expenses were well controlled by the Company when it was lower than the same period of VND 45 billion, equivalent to 10% reduction, while the proportion of General & administrative expenses/ Revenue was also reduced by 17% compared to the same period, reached only 3.5%. While Sugar consumption increased to 31%, the proportion of Selling expenses/Revenue was still remained stable at 3.6%. SBT's effort to reduce costs is a premise for the Company to increase its competitiveness with other international Sugar enterprises after joining ATIGA.

Capital structure has changed positively in the direction of reducing debt, and cash has increased sharply

As at June 30th, 2019, Total Assets reached VND 16,810 billion. With focusing on sales activities to capture the market share and controlling the Receivables, the Short-term receivables decreased by 16% to VND 3,961 billion while Inventories decreased by

29%, at VND 2,828 billion. Another bright spot is that Cash increased significantly by 213% compared to the beginning of the fiscal year, reaching VND 1,016 billion. As the result, the Cash ratio to grow strongly by 175% over the same period, reaching 0.11 times.

Considering the capital structure, the Liabilities decreased by VND 642 billion, equivalent to a 6% reduction. In which, the Short-term debt reduced 6%, equivalent to VND 423 billion and the Long-term debt downed 29%, equivalent to VND 737 billion. At June 30th, 2019, the Total loans and finance lease obligation decreased by 11%, equivalent to VND 1,160 billion; therefore, the Debt/Equity ratio and the Debt/Asset ratio were 1.6 times and 0.5 times, respectively, 6% and 17% decrease compared to the beginning of the Fiscal Year. In addition, the investment of nearly VND 650 billion from DEG which will be disbursed in September 2019 is expected to contribute greatly in the long-term capital restructuring process, to ensure stable resources for the sustainable development of the Company. The vigorous shift in debt structure shows that the Company has been following the roadmap of the debt restructuring in a positive direction, thereby contributing to increase operational efficiency and competitiveness. SBT's Chartered capital reached VND 5,867 billion at the end of the fiscal year, 5% higher than the same period from issuing shares to pay dividends to shareholders. The Company also completed 8% cash dividend payment from Undistributed earnings for the fiscal year 17-18.

SBT was honored to be in the Top 50 most valuable brands in Vietnam voted by Forbes

Forbes Vietnam has published a list of 50 most valuable brands in Vietnam. With a valuation of about USD 20.5 million, SBT was honored to be at the 40th place on the list and ranked 9th in the Food and Beverage industry. Forbes Vietnam implemented this list according to the method of evaluating and calculating the brand contribution in business performance, the product coverage and consumers awareness. For financial indicators, Forbes Vietnam calculated Earnings before Interest and Taxes (EBIT) then evaluated the contribution of company’s intangible assets. The trademark was determined from the value of the intangible asset's contribution after applying Corporate income tax, then allocated it depending on the level of brand contribution in each sector. Final brand value was based on regional average industrial P/E index.

TTCS Plant

For the VN30 review in July 2019, SBT continued to be the only Sugar Company in the VN30 Basket and received much attention from foreign investors, especially the 5 big ETF Funds VNM ETF, DB XIVACK FTSE VN SWAP UCITS ETF, VFMVN30 ETF, iShare MSCI Frontier 100 ETF and SSIAM VNX50 ETF FUND are holding more than 19.2 million shares, 29% higher from the beginning of 2019. Especially, VNM ETF fund has increased dramatically the number of shares held from 9.5 million to 14.1 million shares, corresponding to an increase of 48%.

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