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1. CUU LONG PHARMACEUTICAL JSC HAS COMPLETED THE SIGNING OF THE CONVERTIBLE BONDS SUBSCRIPTION AGREEMENT FOR A VALUE OF 20 MILLION USD

Dear Valued Shareholders,

On 19th December 2017, Duoc Cuu Long (DCL), a member of F.I.T Group, signed a contract offering convertible bonds to international market on private placement basis to Rhinos Asset Management (RAM) from South Korea, worth US\$ 20 million – equivalent to VND 450 billion – with interest rate 1% per year (in US\$), 5 year maturity, conversion price VND 25,000 per share, and convertible after one year.

RAM is the vanguard fund in South Korea investing in international convertible bonds market, with criteria that requires investee companies must have a firm foundation and long-term growth potential. RAM's current portfolio comprises more than 60 companies from Asia, America and Europe.

As per the agreement, after one year, if all convertible bonds were converted into ordinary shares, DCL would be successfully offering approximately 18 million shares at the price of VND 25,000 per share, and RAM would own around 24% shares becoming a large shareholder of the company.



The proceeds from this offering will be used for improving the production capacity and investing in working capital of the company and its affiliates. DCL has a history of more than 40 years operating in pharmaceutical sector in Vietnam. Since becoming a member of the F.I.T Group, the company has made several significant changes: (i) acquiring Euvipharm, a pharmaceutical company owning one of the most modernized factories in Vietnam; (ii) building a new factory Capsule III, which helps improve its production capacity to become a leading producer of capsule (40% market share) in Vietnam; and (iii) jointly establishing the Benovas company with SCIC to be the pioneer in producing cancer treatment medicines in Vietnam.

In summary, shortly after the announcement of convertible bonds offering to international bond market last month, DCL has successfully found the right investor. The deal marks an important milestone for DCL and F.I.T Group in building trust among professional institutional investors in their restructuring process and renovation of the business models. The favorable terms of the bonds such as low interest rates and conversion prices with premium confirm the belief of investors in the long-term value growth potential of DCL and the group.

We are really proud to say that our continuous effort for restructuring has resulted in positive outcomes. Once again, thank you very much for all your support and trust in our group.

Sincerely,



Nguyen Thi Minh Nguyet
Chief Executive Officer

2. F.I.T: A PROFESSIONAL PUSH FROM RHINOS COLLABORATION

With its subsidiary – Cuu Long Pharmaceutical Joint Stock Company (DCL), which issued 20 million USD of convertible bonds to South Korea’s Rhinos Asset Management (RAM), F.I.T Group (F.I.T Group) is gradually harvesting the achievements of the process of restructuring and professionalism in the operation.

Dual benefits from Rhinos bonds

Under the detailed plan of bond issuance approved by DCL’s Board of Directors, a 20 million USD bond will be sold to Rhinos in a five-year maturity, with the interest of 1% per year in USD. Bonds can be converted after the first year, with a conversion price of 25,000 VND per diluted share.

With this option, the first thing that investors can see is attractive interest rates for DCL compared with the plan to mobilize loans in VND with the corresponding term. Including the fluctuation of the exchange rate, the plan of issuing bonds will save at least 30 billion VND per year compared with the plan of VND loans with corresponding value and term. In the context of DCL’s investment in a series of projects such as Capsule 3 Factory, Cancer Drug Factory, Euvipharm restructuring, building capacity of existing plants and so on, long term funding from Rhinos is a great advantage for the Company to realize its current business strategy with low cost of capital.

In the event that Bondholders convert bonds into shares, Rhinos will become the second largest shareholder in DCL, owning more than 24% of the charter capital. At the conversion price of 25,000 VND/share, this transaction will increase by more than 20% of the book value of the stock (compare with book value at the

moment). With the parent – F.I.T, this can bring a significant profit at the time of swapping bonds into stocks, and with other shareholders, it's an opportunity to evaluate DCL stock to be dramatically improved.

Not only does it benefit financially, Rhinos participating, with experience investing in a large number of businesses across Asia, Europe and the United States, etc is expected to push DCL to leverage both professional management and collaboration opportunities with its major partners.

In recent years, thanks to efforts to upgrade M&A self-production systems and invest in new plants, DCL is one of the most modern pharmaceutical companies in Vietnam. Working with international professional partners and daily change efforts will help DCL transform its current production platform into superior business performance for its shareholders.



Professional Management Mark of F.I.T

One of the criteria for partners to invest, in addition to the business prospects of enterprises, the key factor is the requirement of professional management. And DCL's deal is a testimony to the management profession at DCL, and more extensively to the F.I.T. system.

In the six key values of F.I.T, the value pairs of “respect for humanity and good human values” are ranked first, showing the thought of promoting professional values in the governance and operations of F.I.T.

In the past two years, F.I.T has implemented a series of staffing at its parent company and affiliates, with new personnel experienced in large international organizations in the areas where FIT and its affiliates operate.

At DCL, in addition to providing motivation for senior personnel with high qualifications and experiences, a lot of important positions have been seek by F.I.T and added with more people with outstanding achievements and experiences from working for multinational companies.

At Vikoda, a great number of marketing, R & D, distribution, etc staff of the world's major beverage companies are also attracted to contribute to the changing plan of the Company after it became a member of F.I.T. The cosmetic, food processing fields,... are even not as notorious, but the Group leaders still promote restructuring them in the past years.

Restructuring is a process and takes more time to turn into results. It took 3 years since M&A success for F.I.T to achieve the goal of raising the DCL to a new level without just stopping at the profit growth numbers. And in the coming time, fruits from the process of restructuring from other activities will be gradually achieved.

3. DCL'S 2017 CUSTOMER GRATITUDE CONFERENCE - FOR COMMUNITY HEALTH

Compared with the first time in 2016, this year, the Customer Gratitude Conference has been expanded by Cuu Long Pharmaceutical Joint Stock Company (DCL) in 11 provinces across the country, from Hai Phong – Hanoi – Nghe An – Da Nang to Khanh Hoa – Dak Lak – Saigon – Dong Nai – Can Tho – An Giang and finally Ca Mau. The conference was attended by 2,500 guests representing provincial leaders, distributors and customers in the provinces where the conference was held.

With the theme “For the health of the community”, the 2017 Customer Gratitude Conference expressed the desire of the Board of Directors and all employees of the company making efforts to bring Cuu Long Pharmaceutical’s products with quality, diversity and help improve the health of the Vietnamese.

Not only being the gratitude event, the conference is also an opportunity for DCL leaders to communicate, listen to the heart, aspirations of the loyal customers as well as a chance for DCL to share development orientation, plans of the company in the near future. This affirms that DCL sees the customers not only as partners but also important companions in all of its activities. The trust of customers is the belief and motivation for DCL to continue to grow in the future.



At the conference, DCL introduced its new Panalgan product line, which is expected to bring a new, closer look to the consumers, thereby bringing the Panalgan brand as well as DCL to a new height, affirming its position in the Vietnamese market. DCL’s Panalgan lines are manufactured on a modern line imported from Canada and South Korea with better packaging, the quality of materials following United States Pharmacopoeia (USP) which has analgesic, antipyretic effects, treatment of pain, flu. Since the new look of Panalgan was launched, DCL has received positive feedback from customers, contributing to the company’s branding in the market.

The Customer Gratitude Conference has ended successfully with the satisfaction of the customers. DCL expects that in the future, the system of drugstores will be further expanded, contributing to bringing widely quality drugs to the consumers, at the same time, cooperates to develop with pharmacies and drugstores in the spirit of “For the health of the community”.

Since becoming a member of F.I.T Group, with the orientation from its parent company, Cuu Long Pharmaceutical has made strong changes in the quality of its operations from the implementation of large projects such as the start of the construction of the capsule plant III, the establishment of Benovas cancer drug company, which became the first cancer drug manufacturing company in Vietnam and so on to the signs of improvement in business results. In the coming time, as pharmaceutical continues to be a strategic

sector in FIT's investment structure, Cuu Long Pharmaceutical promises to make further strides towards reaching the top five pharmaceutical companies in Vietnam.

4. WESTFOOD – THE TRANSITION

The delegation of Westfood has just finished their trip to the US with the main activities of participating in the food fair and working with business partners. In the current business model, foreign markets including Europe, the US, Japan and Australia are key to Westfood's revenue structure. Market development is, therefore, the prime concern after basic investments related to the automation of production processes and the availability of raw materials are in the process of being finalized.

The business situation of Westfood and Group will be updated in detail in the letter to shareholders in early December, but I can quickly share some interesting information. Compared to the same period last year, Q3's sales decreased slightly, 205 billion VND compared to 222 billion VND, due to the impact of the investment activities. However, gross profit increased sharply from 35 billion VND to 50 billion VND, largely due to the positive impact of material autonomy. Operating profit increased sharply from 8.4 billion VND to 19.2 billion VND and profit after tax was 7 billion VND last year compared to 16.6 billion VND this year.

In terms of performance, Westfood is an important contributor to the overall efficiency improvement of the Group. The gross profit margin increased from 15.7% to 24.6%, while net operating profit increased from 3.8% to 9.4% and net profit after tax from 3.2% to 8.11%. These figures say that the efforts to change of Westfood and the Group are being reflected in business performance and will, in principle, be reflected in share prices. I hope that these positive factors will continue in 2018 when fundamental investment activities are finished and shareholder value will increase from efficiency.

Westfood is a member company (97% of the shares) of the Paddy Agricultural Technical Materials (TSC on the HSX). TSC is a member of F.I.T.

Wishes shareholders and interested investors success.

Quach Manh Hao

Strategic Advisor



5. WELCOMING “THE GOLDEN CARP TO THE HOUSE – EXPECTING PROSPEROUS LIFE” WITH DANH THANH VIKODA MINERAL WATER

Lunar New Year is always the biggest consumption time of the year, accounting for 25 – 30% of the year consumption. Tet is also a time for brands to boost their sales activities and increase brand awareness in the minds of consumers. Operating in the beverage industry, where demand has increased sharply during the Lunar New Year, FIT Beverage Corporation has seized the opportunity to launch a special promotion called “The Golden carp to the house – Expecting prosperous life”.

Choosing the image of “the golden carp” – a symbol associated with prosperity – FIT Beverage wishes to bring to customers a lot of happiness – peace – prosperity in this Lunar New Year. Accordingly, customers participating in the program of buying and displaying beverage products of FIT Beverage will receive many attractive gifts.

The program lasts until 31/12/2017 and applies to all products of Danh Thanh such as orange, lemon, cola, Dalat passion fruit and salted lemon. Not only bringing wealth to customers, “The golden carp” is expected to generate sales in quarter IV / 2017 for FIT Beverage. This is also a chance for the company’s branded beverage products to penetrate deeper into the channels and reach closer to consumers.

Launching the program at the end of the year, FIT Beverage aims to increase profits for sales channels so that sales agents focus on investing and selling the company’s products, in addition, it will create competition with the main competitors in the market when the market is entering the most intense stage.

According to the plan, with the “The Golden Carp to the house – Expecting prosperous life”, the output of FIT Beverage’s beverage sales will increase over the same period last year, of which the program’s output contributes to 50% of the total output of the 4th quarter of 2017. Accordingly, FIT Beverage will be able to fulfill its 2017 sales target set by the parent company F.I.T Group in the beginning of the year and is a driving force for the whole company’s efforts for stronger growth in 2018.



6. FIT SUPPORTED THE HEALTHCARE PROGRAM FOR 400 POOR HOUSEHOLD IN LAO CAI PROVINCE

From FY 2016, FIT has joined many healthcare programs held in the southern provinces, contributing a small part to improving health and lives of disadvantaged households. It is because of the great significance of the program that FIT has supported the White Blouse Club to provide free medical care and gifts to 400 people in Lung Khen Nhin Commune, Muong Khuong District, Lao Cai Province. This is the first program that FIT teamed with volunteer groups and medical teams in the North.

Lung Khin Nhin is one of the upland communes of Muong Khuong District, where the lives of the people are very difficult. When checking health of the people in the commune, the doctors said: during the examination some cases of serious diseases are found, however, the people are not allowed to go to the hospital due to economic conditions. Most of them come to the doctor only when there are local volunteer groups coming to hold free healthcare check. This is not only the situation of the people in Lung Khin Nhin in particular but also the situation of the majority of people in general upland – where life is too hard.

In the future, FIT will continue to work with volunteer organizations and volunteers in the North to expand the medical examination, medicine distribution and free gifts for poor ethnic minority areas. From there, the doctor can see and consult the people on how to prevent diseases and limit the development of the diseases, which also demonstrates FIT’s commitment to community responsibility.



7. FIT SPONSORED THE “WARM CLOTHES FOR THE MOUNTAINOUS AREAS” PROGRAM IN LAO CAI AND YEN BAI

Following the monthly volunteer activities, in December, FIT Group sponsored the “Warm clothes for the mountainous areas”, gave presents to nearly 500 pupils of Coc Ly Thuong Primary School, Coc Ly commune, Bac Ha district, Lao Cai province and poor households in Hung Khanh commune, Tran Yen district, Yen Bai province.

Coc Ly Thuong Primary School is a school in one of the poorest communes in Lao Cai. Up to 70% of the pupils live in poverty, lack of food, lack of clothes, no drinking water. In the morning, the children have to starve themselves, go to school early through the winding road 7-10km far from the school. The facilities at school are very inadequate: the kitchen of the day-boarding school is temporary, the road leading to the school is difficult to walk, in the winter many students walk with their barefoot and stoop in thin clothes in the chilly wind.

The people of Hung Khanh commune, Tran Yen district, Yen Bai province are mainly H’mong minorities, the road to the village is very difficult, their lives are short of both material and spirit, they live alone in the remote wilderness forest. Thus, FIT’s ” Warm clothes for the mountainous areas” program, cooperating with volunteer groups at these sites, is not just about material but it also brings a lot of good spiritual values, helping the students and the people overcome the cold winter, in order to motivate students to study better.

The gifts sent by FIT are small but warm hearted and compassionate with the message for a better and more developed community.

With the great significance of the programs, FIT will continue to accompany and support the organization of more meaningful and practical programs to help people with difficult circumstances in all regions of the country, and thereby contribute to express the responsibility of the Group for the development of the whole society.



Bản tin IR không nằm ngoài mục đích giúp Cổ đông, Khách hàng, Báo chí, CBCNV và các bên quan tâm khác có cái nhìn toàn cảnh, từ đó, đưa ra những đánh giá đúng đắn về giá trị F.I.T.

Bên cạnh đó, Bản tin IR cũng thể hiện tính công khai, minh bạch, tôn trọng của F.I.T với các bên liên quan đảm bảo các mối quan hệ giữa F.I.T và các bên liên quan hiệu quả, bền vững, đa chiều.

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