

SACE PUSH FACILITY FOR DAIRY COMPANY NUTIFOOD MARKS FIRST FOR VIETNAM AND FOOD INDUSTRY

HSBC serving as Sole Mandate Lead Arranger, Lender and Agent

HSBC, SACE and NutiFood have announced the signing of a USD31m 5-year 80% SACE-covered untied 'Push' facility, supporting Vietnamese dairy company NutiFood's capex and working capital including investments in new warehousing and the replacement of four existing filling lines for dairy manufacturing.

The SACE Push is among the most innovative instruments in the current ECA financing landscape. It consists of an untied medium-long term facility granted to strategic foreign entities, not directly related to any underlying export contract signed with Italian suppliers, paired with a best effort to increase the procurement from Italy and correspondent economic incentives. Along with the facility, SACE organizes match-making events to introduce to the borrower selected Italian companies active in its supply chain.

This is the first SACE Push concluded in Vietnam and in the Food industry, highlighting the ongoing strategic cooperation between HSBC and SACE to close transactions in priority markets.

The facility offers NutiFood access to long-term hard currency financing, supporting its growth and investments in the local and international milk formula market.

Key to this transaction is the agreement with NutiFood to foster its commercial relationships with Italian companies to increase the Group's procurement from Italy over the next three years. Being the ultimate target of a Push facility, Italian SMEs will benefit from bid invitations, B2B meetings and matchmaking events organised by SACE.

HSBC acted as Sole Mandated Lead Arranger, Lender and Agent on the lending facility.

"Due to HSBC's global expertise and SACE's enhanced support to Italian exports, this deal enabled a fixed-rate financing in line with NutiFood's expectations to mitigate interest rate risk during the life of the loan. It also highlights HSBC and SACE's commitment to supporting the Italy-ASEAN trade corridor, which is of strategic importance for Italian exports," said Alessandro Mazzi, who leads HSBC's Export and Asset Finance business in Italy and is responsible for the bank's Export Credit Agency ("ECA") business development globally.

"Through HSBC we had the opportunity to work with SACE, and this also gives us the chance to access advanced technologies offered by Italian companies. We are extremely honoured to be part of this deal and are committed to using the allocated capital effectively to deliver sustainable development for NutiFood. We hope this will be the first step for us to cooperate in other projects in the future," stated Mr. Huy Vo, Group CFO & Chief Accountant at NutiFood.

"We are proud to have concluded a new Push Strategy deal, another major contribution to the growth of Made in Italy, one of the main drivers of the Italian economy. Since the launch of the Push Strategy programme, we have mobilised resources of over EUR2.8 billion, supporting Italian SMEs in their business with large buyers in emerging markets. We are glad to collaborate with two global key players such as HSBC and NutiFood in this transaction," said Livio Mignano, Head of International Network at SACE.

HSBC has arranged eight Push facilities since the inception of the 'Push programme' in 2017. Looking ahead, HSBC and SACE are evaluating new opportunities in Southeast Asia in a diversified range of sectors such as Agribusiness, Power, Petrochemicals and Manufacturing, for an overall amount of up to USD800 million.

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,959bn at 31 March 2021, HSBC is one of the world's largest banking and financial services organisations.

SACE is the Italian financial insurance company specialised in supporting the growth and development of businesses and the national economy through a wide range of tools and solutions to improve competitiveness in Italy and worldwide. For over forty years, SACE has been the partner of reference for Italian companies exporting to and expanding in foreign markets. SACE also cooperates with the banking system, providing financial guarantees to facilitate companies' access to credit; this role has been reinforced by the extraordinary measures introduced by the so-called Liquidity Decree and by Simplifications Decree. With a portfolio of insured transactions and guaranteed investments for 156 billion euros, SACE serves over 26 thousand companies, especially SMEs, supporting their growth in Italy and in around 200 foreign markets, with a diversified range of insurance and financial products and services.

NutiFood – Founded in 2000 by a group of doctors, NutiFood is the #3 dairy company and a leading manufacturer and distributor of nutritional dairy and dairy-based products in Vietnam. It is the leading baby milk formula player in Vietnam with a 19.4% market share.