



1. Results of business activities

After the Annual Shareholders' General Meeting 2014, Board of Management has continued to prioritize:

- Maintaining stability and enhancing business efficiency
- Enhancing competitiveness, changing leadership methods to enhance performance of company.

General analysis :

One of the highlights in 2014 was the introduction of eco roofing products to companies which were traders and manufactures of fiber cement products at the IIBCC 2014 - Danang - Vietnam.

IIBCC is International Inorganic-Bonded Fiber Composites Conference which is gathering of global experts, manufacturers and traders. Participants directly visited production line to contribute, share their valuable experience.

After the conference, company exported hundreds containers of PVA fiber cement roofing products to Indian, Egypt market.

In 2014 company completed business plans which was set out in the Annual General Meeting (AGM). Although there were many difficulties in the market and competition was fierce, but the operations were bringing positive results.

- Traditional roofing market (A) was still difficult but company still maintained the amount consumed in this traditional market. Besides, company was constantly seeking to penetrate other market such as Tra Vinh, Bac Lieu, Soc Trang. But this initial penetration has not brought the expected results but to help us better understanding competitors and customer needs for developing reasonable strategies in the coming time.

- PVA FC roofing products have great potential but still needs more time and reasonable market penetration strategies. In 2014, PVA FC roofing were initially penetrate domestic market and has

gained positive signals from customers in the market of Ca Mau, Tien Giang, Long An ... For export, PVA FC was initially brought success to export to India and North Africa. However, PVA roofing products should continue to improve further production process, quality to be able to meet domestic demand and difficult export markets.

- Wood furniture activities has achieved stability due to the close connections with traditional clients. The initiative negotiation such as volume, duration, and quality was not only bring regular orders but also makes business planning department to be more active in planning for exports.

- However, searching for high value orders and financial capability customers, technology, new markets ... are the weaknesses of company.

Company's achievements:

In 2014 Board of Management has continued to:

- Completed manufacturing equipments and produced some recipes of PVA fiber cement roofing that reached a certain achievements as PVA fiber cement roofing sheet was 4mm to 8mm thickness, 1.520mm to 3,000 mm length for export standards and in accordance with domestic market.

- Focused on exploitation of wood resources, kraft pulp ...sought for stable suppliers.

- Negotiating with partners for cooperation and stability in production and business activities.

- Perseverance in conformity standard for fiber cement roofing production, training to enhance management skills in the implementation of FSC.



2. Financial results

- Ratio of return on assets 2013 was low: 2.12% (2012: 2.44%).
- Ratio of liabilities/Owners' equity 2013 was improved.
- Gross profit/Total asset increased 11.70% compared to 2012.
- Inventories turnover increased 3.14% compared to 2012.



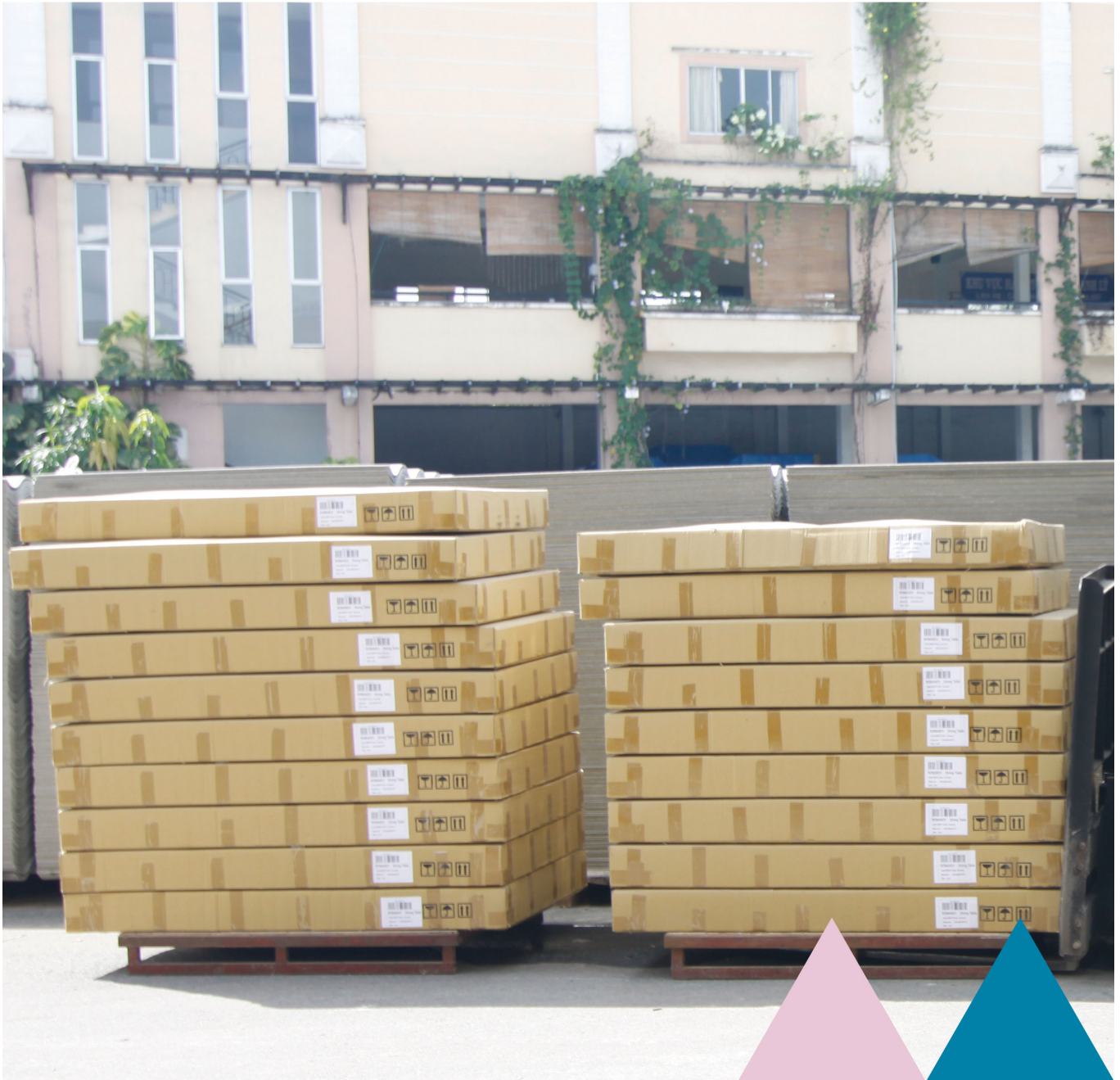
3. Achievements of organization, policy, management

- Used warning tools in production and supply of materials associated with the manufacturing process and delivery time.
- Enhanced human resources and company management, focusing on trade promotion (supply, technology and commerce).
- Focus on risks of declining competitiveness, management and administration capacity.



4. Development plan

- Continue to promote the research and development of fiber cement product lines, seek for potential customers and implement business plans.
- Cooperate with potential partners in finance, technology and distribution management.



Board of Director's
assessment on company's activities

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1. Company's activities

Board of Directors held discussions and made decision on oriented development of company, monitored implementation of Management Board, immediately resolved existing and arising problems during the period. Subsidiaries and Departments were responsible for providing information and explanations, reported to the Board of Directors and Supervisory Board.

Implemented consistent corporate governance policies:

- Compliance of policies, financial regulations
- Compliance of company's charter
- Compliance of company's operation

Reasons for company fulfilling Shareholders General Meeting criteria in 2014:

- Improved in competitiveness by reducing:
- Risk in leadership skills
- Risk in production management
- Risk in office management

Specifically:

- Forecasting the risks; especially market risk, as the result of plan was close to implementation.
- Reduce risk of business partners.
- Reduce domestic market risks as price fluctuations in raw materials and unstable quantity compared to international market (required price and quantity stability in 6 months or a year).
- Improve in problem-solving activities and decided to reward, punishment.

2) Board of Management's performance

In 2014, Board of Management maintained "Discipline in production and trade"

