

## The application of Fiber Cement Boards



*Roofing*



*Siding*



*Windows*



*Doors*



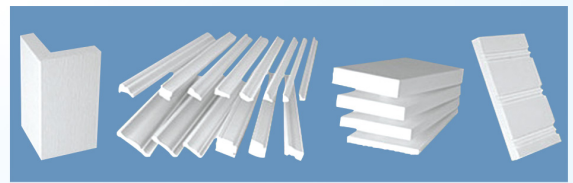
*Skylights & Roof windows*



*Decks & Porches*



*Outdoor structures*



*Wood Replacement*

**Action Plan of the Year 2011 and Strategic Direction of the Period 2011-2015**

- 1** Strengthening and improving the systematic organization in corporate governance, human resources and financial management.
- 2** Mobilizing all the resources for the projects proposed by Board of Directors; building the company's brand and the new products' trade-mark.
  - Cooperating in Air Cured PVA Fiber Cement Boards project with SDC.
  - Investing and establishing Hong Liem Joint-Stock Company specialized in Autoclaved Fiber Cement Boards.
- 3** Mobilizing all the resources for land acquisition at Hung Loc Industrial Zone when the provincial People's Committee of Dong Nai approves the detailed compensation plan; preparing the conditions to remove the premises at 18 F Tang Nhon Phu, District 9, HCMC by the years 2016 – 2017. At the same time, preparing for the company's operation in Hung Loc Industrial Zone including wood materials supplying, accessories and wood processing.
- 4** Preparing the legal procedures for the 1/500 scale detailed plan of the real estate project at 18 F Tang Nhon Phu, combining the construction of new buildings and removing the current production activities to the new location.

*Explaining to the basis of the above direction, please be presented the efficiency of the projects*

**THE EFFICIENCY OF THE FIBER CEMENT PROJECTS**

**1. Air-cured PVA Fiber Cement Boards Project**

The main raw material – cement, has the proportion of 72 percent supplied by Saigon Development Corporation (SDC).

- Project implementation schedule : 2011 – 2012
  - Total investment : VND 116,723 billion
  - Product capacity : 4,500,000 sqm/ year  
Boards' dimension: 1220 x 2440 x 5 mm
  - Average profit before tax : VND 21,321 billion/ year
  - Average profit after tax : VND 15,814 billion/ year
  - Internal Rate of Return (IRR) : 20,93 %
  - Estimated payback time : 7 years
  - Company's capital resources 30% : VND 38,906 billion
- Interest rate: 20 %



*Fiber cement production line*

**Action Plan of the Year 2011 and Strategic Direction of the Period 2011-2015**

**2. The Autoclaved Cellulose Fiber Cement Boards**

The main material is refined sand has a proportion of 52 %. The project is conducted in optimizing the source of sand mining, attaching rational and effective use of mineral resources, combining closely between exploitation and processing.

- Project implementation schedule : 2011 – 2013
- Project scale (land area) : 300,000 sqm
- Total investment : VND 292,278 billion
- Product capacity : 6,000,000 sqm / year
- Average profit before tax per year : VND 59,376 billion/ year
- Average profit after tax : VND 44,216 billion/ year
- Internal Rate of Return (IRR) : 22,17 %
- Estimated payback time : 7 years

Interest rate : 20%

Hong Liem Joint-Stock Company's factories will be located in Binh Thuan Province of which the initial chartered capital is VND 60 billion. The partnership consisted of 3 founding shareholders:

1. Binh Thuan Building Materials and Minerals Joint - Stock Company: 10%
2. Nam Viet Joint - Stock Company (NAVIFICO): 36%
3. Phuc Hung Holdings Construction Joint - Stock Company: 36%
4. Other shareholders: 18%

The company contributes 36% of the total capital equal to VND 36.29 billion to Hong Liem Joint-Stock Company.



*Fiber cement production line*

## Action Plan of the Year 2011 and Strategic Direction of the Period 2011-2015

### PROJECT CAPITAL RESOURCES

The 30% capital resource of the projects will be raise by issuing shares. The remaining 70% capital resource will be mobilize by bank's commercial credit loans at the interest rate of 20 % or using financial leasing for the equipments.

### INCREASING CHARTER CAPITAL PLAN

#### 1. The purpose of issuance

- Air cure Fiber Cement Project : VND 38.906 billion
- Autoclaved Fiber Cement Project : VND 36.290 billion
- Supplementing the company's operating capital.

#### 2. Method of increasing chartered capital

- Issuing shares: VND 80 billion
- Issue ratio 1:1 at the price equal to face value
- Objects : the existing shareholders and potential shareholders

ON BEHALF OF BOARD OF DIRECTORS  
CHAIRMAN



*Trần Chí Mạnh*





navifico

## Financial statements 2010

Auditor's report

NO.: 09.10.495/AISC-DN



CÔNG TY TNHH KIỂM TOÁN & DỊCH VỤ TIN HỌC TP. HCM  
Auditing & Informatic Services Company Limited  
Office: 142 Nguyễn Thị Minh Khai, Quận 3, Thành Phố Hồ Chí Minh  
Tel: (84.8) 39305163 (10 lines) Fax: (84.8) 39304281  
Email: aisc@aisc.com.vn Website: www.aisc.com.vn



AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010  
NAM VIETJOINT STOCK COMPANY

To: Board of Management and Board of General Directors  
Nam Viet Joint Stock Company

We have audited the financial statements of Nam Viet Joint Stock Company consisting of Balance Sheet as of December 31, 2010, Income Statement, Cash Flow Statement and Notes to the Financial Statements for the year ended December 31, 2010 as set out on Page 04 to Page 26, which were prepared on March 30, 2011.

The Board of General Directors is responsible for the preparation of the financial statements. It is our responsibilities to form an independent opinion, based on our audit, on these financial statements.

Basis of auditing

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes our assessing of the compliance with the prevailing accounting standards and system, accounting principles and methods applied, the significant estimates and judgments made by the Board of General Directors in preparation of the financial statements as well as evaluating the overall presentation of the financial statements. We planned and completed our audit so as to obtain all the information and explanations necessary. We believe that our audit provides a reasonable basis for our opinion.

Auditor's report

Auditor's opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Nam Viet Joint Stock Company as of December 31, 2010 as well as the results of its operation and its cash flows for the year then ended. The financial statements are prepared in compliance with the prevailing Vietnamese Accounting System and other relevant statutory requirements.

HCMC, April 04, 2011

AUDITOR

Phan Thi My Hue

Audit Certificate No.: 0536/KTV  
Issued by the Ministry of Finance



Dang Ngoc Tu

Audit Certificate No.: 0213/KTV  
Issued by the Ministry of Finance