



*No: 3007/12/NQ-HAGL*

*HCMC, 30 July 2012*

## **RESOLUTION OF THE BOD OF HOANG ANH GIA LAI JOINT STOCK COMPANY**

- Pursuant to Enterprise Law approved by Congress on 29 November, 2005;
- Pursuant to the Corporate Charter of Hoang Anh Gia Lai JSC approved by The Annual General Meeting on 14 April, 2009;
- Pursuant to the Minutes of the BOD of Hoang Anh Gia Lai JSC on 30 July 2012.

### **RESOLVED**

#### **Article1: The BOD approved the estimation of business results in the first 6 months of 2012**

Ernst & Young Vietnam Company is reviewing Financial Statements in the first 6 months of 2012.  
Pre-tax profit is estimated at VND 232 billion.

#### **Article 2: The BOD agreed to pass the investment and operation results in the first 6 months of 2012 and plan for the last 6 months of 2012**

- **Rubber and sugarcane plantation:**

- **Rubber**

- In the first half of 2012, HAG planted 8,800 ha of rubber as planned, including 1,300 ha of rubber in Vietnam, 3,000 ha in Laos and 4,500 ha in Cambodia.
- In the last 6 months, the main job is replanting and taking care of rubber trees.
- Conducting the training for tapping workers to prepare for the exploitation in large scale from the beginning of 2013 when it is expected to tap about 7,000 ha of rubber trees.
- Conducting the construction of a rubber latex processing plant with capacity of 25,000 tons/year in Attapeu. Starting constructing of a rubber latex processing plant with capacity of 20,000 tons/year at Ham Rong, Gia Lai.
- It is expected to start reclaiming about 7,000 ha for rubber tree planting in 2013, consisting of 1,000 ha in Laos and 6,000 ha in Cambodia.

- **Sugarcane:**

- HAG has planted 5,000 ha of sugarcane, and is going to plant an additional 1,000 ha in Quarter IV/2012.
- Sugar processing plant and thermal power plant: HAG has imported all equipment and installed about 70% with the expectation to put the plants into operation in November/2012.

- **Hydropower:**

- In May/2012, HAG completed and put Dak Srong 3B hydropower plant (capacity of 19.5MW) into operation.
- Ba Thuoc 2 hydropower plant is expected to come operational in August/2012 with capacity of 80MW.

- Ba Thuoc 1, Dak Srong 3A, Nam Kong 2 hydropower projects are under construction with appropriate progress.
- Dak Srong 2 and Dak Srong 2A plants are stably operating.
- **Iron ore exploitation and processing:**
  - In the first half of 2012, HAG produced 130,000 tons and sold 100,000 tons for Hoa Phat Group at revenue of VND 156 billion.
  - It is expected to achieve the production plan of 300,000 tons for the whole year.
  - Mine in Laos: HAG is conducting the construction of an iron ore processing plant which is expected to come online in December/2012.
- **Real estate:**
  - An Tien project: the apartments will be finished and delivered from August to October/2012.
  - Phu Hoang Anh - Phase 1: the apartments are being delivered.
  - Thanh Binh project: HAG is continuing the foundation construction, already completed the construction of the show house, and will launch the sale campaign when interest rate is stable at low levels.
  - Phu Hoang Anh - Phase 2: HAG is continuing the foundation construction; and will launch the sale campaign when interest rate is stable at low levels.
  - Hoang Anh Incomex and Phuc Bao Minh projects: HAG is continuing the foundation construction; and will launch the sale campaign when interest rate is stable at low levels.
  - Minh Tuan project: HAG is constructing the infrastructure and expects to sell in August/2012.
  - Dong Nam project: HAG is clearing the land and constructing the infrastructure.
  - HAG is also focusing on collecting receivables.
- **Furniture and granite production:**
  - Revenue from furniture reached VND 209 billion as at 30 June 2012 equal to the same period in 2011
  - Orientation: Furniture Company continues to keep the capacity of the plant and continuously improve the manufacturing process to create good quality products with the most competitive market price.
  - Continue promoting the expansion of furniture distribution systems in the country; in the first 6 months of 2012, the company opened five showrooms with area of over 300m2 in Quang Ngai, Long Xuyen, Binh Phuoc, Dak Lak, An Khe provinces.

### **Article 3: The BOD approved the financial management in the first half of 2012**

- Issued 10 million shares for hydropower sector to investors and gained the proceeds of VND 313 billion in June/2012.
- In July/2012, HAG bought back an amount of USD 15 million of international straight bonds at purchase price equal to 97% of par value, conducted to clear important binding terms and clear guarantee asset mortgage. HAG plans to call some more bonds to reduce exchange rate risk.
- HAG has been working with commercial banks to reduce borrowing interest rate of existing loans to less than 15% p.a.

**Article 4:** The Resolution takes effect since the signing day. BOD authorizes the Chairman of the BOD to direct the concerned individual and departments to implement these articles.

**Chairman of BOD**

(Signed)

**DOAN NGUYEN DUC**