**VIT: Board Resolution**

On 12 Mar 2020, Viglacera Tien Son Joint Stock Company announced the Board Resolution follows:

Article 1: Approve the norms of production and business activities in Q4/ 2019 and the whole 2019 as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Indicators | Unit | Plan Q.IV | Realization Q.IV | Plan for year 2019 | Plan for year 2020 | Realization/ plan Q.IV | Realization/ plan 2019 |
| Value of production and business | Million dongs | 382,508 | 387,721 | 1,375,424 | 1,407,090 | 101.36% | 102.30% |
| Net revenue | Million dongs | 423,798 | 463,113 | 1,485,708 | 1,473,354 | 109.28% | 99.17% |
| Profit before tax | Million dongs | 25,807 | 23,970 | 80,000 | 88,426 | 92.88% | 110.53% |
| Fixed asset depreciation | Million dongs | 16,922 | 18,907 | 67,395 | 73,914 | 111.73% | 109.67% |
| Average income | Million dongs/ person/ month | 12.50 | 12.30 | 12.50 | 12.40 | 98.40% | 99.20% |

Review the results of the fourth quarter of 2019 and 2019:

1. 1. In terms of business:

- Net sales of granite in the fourth quarter of 2019 reached 463 billion, equal to 109.28% of the plan, net revenue of 2019 reached VND 1,473 billion, equal to 99.17% of the plan

- The export sales in quarter IV of 2019 reached USD 1.53 million; the whole 2019 reached USD 7 million

- Continue to sign contracts with customers from the Philippines through Viglacera Trading Joint Stock Company

- In collaboration with Viglacera Ceramic Tiles Trading Joint Stock Company to find the right places in the Northern, Central regions to open product showrooms. The showrooms have been put into operation:

• EuroTile showroom at 433 Cong Hoa, Ward 15, Tan Binh, Ho Chi Minh City

• Vo Chi Cong Showroom at M4, M5 Vo Chi Cong, Tay Ho, Ha Noi

• Danang Showroom at 297 Nguyen Van Linh, Thanh Khe, Da Nang

1.2. Regarding Finance:

- Profit before tax: Q.IV reached VND 23.97 billion, equivalent to 92.88% of the plan. Profit before tax in 2019 reached VND 88.43 billion, equivalent to 110.53% of the plan

- Fixed asset depreciation: in the fourth quarter, depreciation is deducted: VND 18.9 billion, equaling 111. 73% of the plan, the whole year 2019 depreciation: VND 72.9 billion

2. Production and business tasks in the first quarter of 2020:

The Board of Directors assigned the Executive Board the business and production plan for the first quarter of 2020 and the whole year 2020 with the following main indicators:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Indicator | Unit | Plan 2020 | Plan Q.I/ 2020 | | | |
| Jan | Feb | Mar | Total |
| Value of production and business | Million dongs | 1,468,280 | 69,971 | 75,311 | 127,364 | 272,646 |
| Net revenue | Million dongs | 1,494,818 | 68,544 | 74,171 | 127,984 | 270,699 |
| Profit before tax | Million dongs | 90,018 | (2,133) | 598 | 8,264 | 6,729 |
| Depreciation of fixed assets | Million dongs | 74,792 | 6,170 | 6,166 | 6,192 | 18,528 |
| Average income | Million dongs/ person/ month | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |

Measures for implementation:

2.1 Regarding production and product quality:

- Plants which have plans on maintenance of machinery and equipment stop the maintenance and repair to ensure stable production, meet targets and strictly control raw materials and ensure product quality according to standards, achieving planned targets

\* Stockpiling of raw materials:

- Maintaining the stockpiling of raw materials at the supplier's warehouse in the form of sending them to the warehouses, regularly sending staff to inspect and supervise to ensure adequate quality and quality according to technical requirements

- Looking for sources of kaolin and clay to reserve from 6 months to 1 year of production. Make the most of the rented warehouse space to reserve materials

- Regarding product quality: Ensure internal standards TCCS GRA 03:2013 issued by Viglacera Corporation

- Recovery rate of 03 factories: strive to reach 96%

2.2 Controlling and reducing costs:

- Continuing to negotiate with suppliers to reduce prices of raw materials and supplies, and looking for other raw materials to replace with appropriate quality, low prices

- Strengthen control of the quality of supplies and raw materials to reduce the loss in stages of production

- Fixed production cost to departments; review weekly, monthly, quarterly to ensure the production indicators, quality, and recovery

2.3 Business operation

- Coordinate with Viglacera Ceramic Tiles Trading Joint Stock Company to make a production plan, business plan, and monthly financial plan

- Actively sell inventory during the period of stopping production and regular maintenance;

- Continue to boost exports to traditional markets such as Taiwan, Japan, Korea, the Philippines, and continue to develop new markets such as Brazil, Australia, the United Kingdom, and the United States... - Coordinate with Viglacera Ceramic Tiles Trading Joint Stock Company to complete and open more product showrooms

2.4 Financial work:

- Looking for capital with low interest rates to reduce financial costs for the company

- Ensuring capital sources for production and business activities

- Sticking to the profit target

2.5 Investment, repair:

- The factories prepare well the repair and maintenance for each stage on the holiday and the Lunar New Year 2020

2.6 Other tasks:

- Authorize the Company's Director to continue reviewing and liquidating assets at the two factories in order to clear the ground for project and capital recovery on the basis of compliance with the Regulation on financial management and the Company's charter, ensuring the company’s planned business results