

No: 01_2020/BBĐHĐCĐ/TGDĐ

Hochiminh City, 06th June, 2020

MEETING MINUTES
THE ANNUAL MEETING OF SHAREHOLDERS 2020
MOBILE WORLD INVESTMENT CORPORATION

(This English version used for your reference only)

- Pursuant to Law on Enterprise 2014 No. 68/2014/QH13 approved by the National Assembly of the Socialist Republic of Vietnam on November 26, 2014;
- Pursuant to Charter of organization and activity of Mobile World Investment Joint Stock.

Company's name: **MOBILE WORLD INVESTMENT CORPORATION ("Company")**

Address: 222 Yersin, Phu Cuong ward, Thu Dau Mot city, Binh Duong province

Tax code: 0306731335

Stock ticker: **MWG**

Time and Venue: **13:30 – 17:00 on 6th June, 2020 MWG Building, T2-1.2, D1 street, Saigon Hi-tech Park, Tan Phu ward, district 9, Ho Chi Minh city.**

A. Participants

- Shareholders whose names were recorded in the shareholders list of MWG as at 4th May 2020 provided by Vietnam Securities Depository – Ho Chi Minh branch.
- Members of Board of Directors, Board of Supervisors, Board of Management of the Company, the Company's shareholders/their representatives.
- Invited guest:
 - Representative of Vietnam Securities Depository – Mr. Tong Duy Thanh
 - Representative of Ernst & Young Vietnam Limited, the auditor for 2019 financial statements of the Company. Mr. Ernest Yoong – Partner and Mr. Phan Van Tien – Audit manager.
 - Representatives of media, partners, and the Management team of Bach Hoa Xanh Trading JSC and The Gioi Di Dong JSC.

B. Details of the meeting:

I. Opening of the meeting:

1. Introduction of participants:
 - The presidium includes:
 - Mr. Nguyen Duc Tai – Chairman of BOD cum Chairman of the meeting
 - Mr. Tran Kinh Doanh – General Director
 - Mr. Dang Minh Luom – Member of BOD
 - Mr. Doan Van Hieu Em – Member of BOD
 - The secretariat includes:
 - Ms. Le Thi Thu Trang – Head of the secretariat
 - Ms. Nguyen Thanh Ny Ny – Member

- The voting committee was approved by AGM with approval rate of 100%, including:
 - Mr. Hoang Huu Hung – Head of the voting committee
 - Mr. Lam Manh Quan – Member
 - Ms. Tran Thi Kim Loan – Member
- 2. Report on registration of shareholders and the result of verifying the eligibility of shareholders:
 - Mr. Hoang Huu Hung – on behalf of the voting committee announced the report on registration of shareholders and the result of verifying the eligibility of shareholders as follows:
 - 100% participants at the AGM 2020 were MWG’s shareholders or representatives of MWG’s shareholders whose names are recorded in the shareholders list of MWG as at 4th May 2020.
 - Total shareholders of the Company: 20,184 shareholders.
 - Total voting rights: 452,817,426 shares.
 - Total number of shareholders attending the meeting either directly or indirectly by their representatives: 1,794 shareholders.
 - Total share ownership of shareholders attending the meeting either directly or indirectly by their representatives: 297,450,520 shares.
 - Equivalent to 65,69% the total voting rights
 - Pursuant to Law on Enterprise and MWG’s Charter, the Annual General Meeting of Shareholders 2020 was valid and eligible to proceed.

II. Content of the meeting:

1. Mr. Nguyen Duc Tai – Chairman of BOD presented about:
 - Macroeconomic view of MWG
 - ESOP policy, remuneration perspective of MWG.
2. Mr. Tran Huy Thanh Tung – Head of Board of Supervisors presented Report of Board of Directors.
3. Shareholders agreed to read the remaining content of AGM proposal letter and went straight to the discussion.

III. Discussion

1. Question 1:

If an investor wants to buy MWG at the valuation of USD 10bn or USD 15bn, will MWG sell the company?

- Mr. Nguyen Duc Tai: This Company has been built to grow and not to sell.

2. Question 2:

Please update the business results in May 2020 and cumulative 5M business results? According to recent analyst meeting, Mr. Tai shared his view about lower purchasing power of the retail market in 2020 and upcoming years, is there any change after 5 months of 2020? In the first 4 months of 2020, number of newly opened CE stores only equaled to 5-6% annual plan, could Mr. Hieu Em share about the possibility of fulfilling the plan of store expansion and conversion in 2020?

- Mr. Nguyen Duc Tai: We are just in the early June so all expenses in May have not fully collected/accounted. Revenue in May was quite positive but revenue in June has been affected and I think that revenue in July will decrease due to lower

demand. However, whether the net profit will decrease correspondingly is another story. If revenue reduces but expenses are well controlled and gross profit margin is still expanded, thus profit will decrease at lower rate than that of revenue.

- Mr. Doan Van Hieu Em: In November – December 2019, MWG set targets for new store openings and total sales of TGDD-DMX in 2020 but TGDD-DMX did almost nothing in the first 4M2020 as affected by the pandemic. Since the beginning of May, TGDD-DMX has been back to execute the plan/to-do-list, such as 500 point of sales for watch retailing was completed at the end of May, the target of upgrading layout for large DMX is expected to be completed at the end of July. Moreover, the good premises for new store opening have been chose. Thus, the Company believes that targets in 2020 will be realized by the year end.
- In addition, TGDD-DMX aims that all employees of the two chains will take over the duties of consumer finance companies' staff. There are 4-5 big consumer finance companies cooperating with TGDD-DMX to offer installment services for customers at our store network in Vietnam. However, the consumer finance companies do not have enough staff working in more than 2,000 stores nationwide, this shortage somehow limits customers' demand and affects the sales. Therefore, we have prepared to transfer this duty from the consumer finance companies' staff to our employees. This ensures that 100% customers who have installment demand will be served properly. Also, by this way, we develop a special partnership with consumer finance companies to offer better deals for customers as well as gain better commissions for TGDD-DMX. In the coming months, about 10,000 employees of consumer finance companies will no longer work in our stores.

3. Question 3: Does the disruption of the global supply chain due to the pandemic affect the supply of the Company? If yes, does it impact the target of the Company?

- Mr. Doan Van Hieu Em: At the early stage of the pandemic, we also worried as the COVID was started in China where the factories of many manufactureres are located. However, thanks to the proactive measures of MWG in planning for preparing inventories in 3-6 months from the YE2019 till now, more than 90% of orders have been secured. New orders have been fulfilled almost 100% or being inconsiderable impacted.
- Mr. Nguyen Duc Tai: it is fortunate that the pandemic has been well-controlled in China, leading to resume the normal exporting process recently. However, the speed to execute new products has been slowed down. In specific, MWG aims to launch many OEM products (rice cookers, irons... under our private labels). In the normal situation, we can send our staffs to the oversea factories to survey, negotiate, order products but we cannot travel freely due to the pandemic, thus slowing down this project. The supply is not immediately disrupted but maybe postponed. This is also an opportunity cost.

4. Question 4: What are the advantages of Super App? How does it connect to users? What is the strategy of BHX online? Due to the difficulty in selling foods & FMCGs via online channel in terms of delivery and storage, what are necessary things to push sales of BHX online?

- Mr. Nguyen Duc Tai: The answer for the first question we would like to keep as a secret till Q4 this year. Regarding BHX online, the Company focuses on opening more DCs to serve the business expansion. If there is only 1 DC located in HCMC at the same time last year, the Company expects to have 9-10 DCs in HCMC by the year-end to shortern the distance from DC to customers' houses, thus making

customers realize that buying things via our online channel even faster than shopping directly at brick and mortar stores.

5. Question 5: The retailing industry is facing to the strong development of e-commerce, what is the response of the Company?

- Mr. Nguyen Duc Tai: In the future, I think that there is no distinction between online and offline retailing anymore. Online retailers also need to establish offline network to connect with customers. In contrast, offline retailers will have to expand online channel to exist. As a result, all retailers will have to operate the online + offline model in the next 5 years. In my opinion, being successful with the offline channel is much difficult than with the online channel as the operation of store network and DCs are extremely complicated. An offline retailer that is conscious of investing in online business will be easier to go further in the future than an online retailer does the vice versa.

6. Question 6: Previously, with the monthly revenue per store of VND 1.2bn and gross profit margin of 18%, Bach Hoa Xanh was break-even at the store level. In March, with monthly revenue per store of VND 1.6bn and gross profit margin of 25%, BHX only reached break-even point at store and DC level. When will BHX be profitable in the future?

- Mr. Tran Kinh Doanh: March is the abnormal month for BHX's total sales, so the chain was EBITDA profitable at the store and DC level. After March, gross profit margin was improved to 24-25%. Given that gross profit margin, operating expenses at store level of about 20-21% and operating expenses at DC of about 5-6%, the money earned has been sufficient for covering the operation cost at stores and DCs. To be profitable, monthly revenue per store and gross profit margin need to be continuously increased.
- The acceleration of new store expansion has affected the profitability of BHX. Firstly, it may take a new DC some months to serve for a few dozens of stores but immediately incurs operating cost after establishment. Secondly, we have two big areas for opening BHX stores: the first one includes big cities/provinces such as HCMC, Dong Nai, Binh Duong, Ba Ria – Vung Tau.... In these cities, there are stores with monthly sales of more than VND 3bn and is continuing to push sales up 30-40%. In HCMC, we aim to have stores with monthly revenue of VND 4-5bn/month and carrying 4000-5000 SKUs. However, when penetrating in new provinces, monthly revenue of a new store will be at around VND 1.2bn- 1.3bn. It takes time for this store to ramp up revenue once customers are get used to this shopping model.
- Mr. Nguyen Duc Tai: When we reach a big enough scale so that the vendors believe on our huge potential, they will support us. With the expected sales of VND 20,000 bn in 2020, it is enough for BHX to gain bigger trust from the suppliers. Target of BHX in 2021 is profitable.

7. Question 7: When will Super App be launched? What is long term targets of this Super App to customers?

- Mr. Nguyen Duc Tai: This app has 4 main parts, the first part related to Loyalty program will be launched in Q4 this year.

8. Question 8: Does Bigphone chain in Cambodia intend to expand?

- Mr. Doan Van Hieu Em: There are still many priorities in Vietnam, thus we determine that the previous time was the learning phase of the Company in Cambodia. By last year-end, the Company opened the first CE store in Cambodia and received encouraging result since we have chance to generate more revenue per sqm with a CE store than a phone shop. In the future, the Company will focus

on opening consumer electronic stores in Cambodia. During the pandemic time, we opened 3 shops and targets to have 50-60 stores in Cambodia by the end of 2020. The Cambodian market size is equal to 1/10 market size of Vietnam so total number of stores in Cambodia is estimated at 100 (1/10 of 1000 DMX stores in Vietnam). If we exclude the remote areas, the reasonable store-count should be 50-60.

9. Question 9: Why does BHX not expand to more provinces? Is it because of the profitable target or the low purchasing power in the other provinces?

- Mr. Tran Kinh Doanh: Bach Hoa Xanh decides to open new stores in 24-25 provinces from Daklak/Khanh Hoa to Ca Mau in 2020-2021. We expect to have 1800-1900 stores by this year-end. In 2021, we plan to add 500-600 new stores. The Company will focus on increasing store-count in existing areas instead of expanding to new locations in the near-term. Such decision does not mean that this is the destination of BHX, it is guaranteed that BHX will expand to the North in the future.
- Mr. Nguyen Duc Tai: If BHX has 2,000-2,500 stores at the end of 2021 and monthly revenue/store can reach around VND 2bn, revenue of BHX chain will be VND 48,000bn – VND 60,000bn and surpass any other retailers in the market.

10. Question 10: In addition to policy to attract and retaining personnel, what is other competitive advantages of MWG to develop in the future?

- Mr. Nguyen Duc Tai: 2 main factors are human resources and customer-centric culture. How to make our employees working more effective and how to serve our customers properly are the two secret sources of MWG.

11. Question 11: How many DCs does BHX have? And does the Company intend to open more DCs?

- Mr. Do Tuan Anh: According to the guidance of the Company, BHX will expand to Khanh Hoa province, new DCs will be smaller than the existing ones to serve a smaller number of stores but still ensure to optimize the distance from DCs to stores. Currently, we have 8 DC and expect to have 22 DCs at the end of this year.

12. Question 12: Why does MWG not issue stock option this year? Since May, how is the improvement of mobile phones and consumer electronics demand?

- Mr. Nguyen Duc Tai: MWG does not choose to issue stock option because 2020 is a difficult year impacted by the pandemic, so it is not suitable to do new things. It is high possibility that we will do it next year when everything is back to normal.
- Mr. Doan Van Hieu Em: we realize great opportunity to develop Dien May Xanh chain. After the pandemic, the Company has implemented the action plan immediately while other retailers were still struggling to resume their businesses. Revenue surged in the last week of April and continue to increase in May (especially for DMX) mainly thanks to the hot weather. In the future, DMX targets to acquire more market share in suburban/rural areas by developing the super mini DMX format. The stores can go further to the communes, districts in provinces with expected size of 150-180sqm (1/2 store size of the existing DMX mini stores) and carrying 60-70% number of skus in existing DMX mini stores. Therefore, I believe that CE market share for MWG can reach 50-60% soon. Regarding the mobile phone retailing market, in general, due to the saturation since the end of last year, and the limitation of new models launched in the 1H under the impact of COVID, this market has been going down. However, though the market sales value dropped, we always try to outperform the market. Some categories such as laptops and air conditioners grew strongly.

13. Question 13: Does the Company maintain the target of USD 10bn of revenue in 2022? For longer view for 2025, what is expected revenue of the Company?

- Mr. Nguyen Duc Tai: The sales of USD10bn is the Company’s dream set when our revenue at that time reached more than USD 2bn. We aim to realize USD 5bn sales for this year. The milestone of USD 10bn revenue will come in the next 5 years, meaning that we will add around USD 1bn sales on average per year. If BHX can go faster, the time to reach this milestone may be shortened to 3-4 years. After BHX is profitable, we will be back to accelerate our expansion.

VI. The voting results

ARTICLE 1: REPORT OF BOARD OF DIRECTORS (“BOD”)

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,546,041	193,380	46,780	8,351,739
% voting rights attending AGM	97.19%	0.06%	0.02%	2.73%

ARTICLE 2: REPORT OF BOARD OF SUPERVISORS (“BOS”)

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,681,954	0	43,170	8,412,816
% voting rights attending AGM	97.24%	0%	0.01%	2.75%

ARTICLE 3: AUDITED FINANCIAL STATEMENT OF 2019

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,623,179	10	48,680	8,466,071
% voting rights attending AGM	97.22%	0%	0.02%	2.76%

ARTICLE 4: BUSINESS PLAN OF 2020

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,455,943	22,400	76,160	8,583,437
% voting rights attending AGM	97.16%	0.01%	0.02%	2.81%

ARTICLE 5: REPORT ON CASH DIVIDEND PAYMENT FROM 2018 RETAINED EARNINGS

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,453,077	0	98,910	8,585,953
% voting rights attending AGM	97.16%	0%	0.03%	2.81%

ARTICLE 6: REPORT ON THE RESULT OF ESOP ISSUANCE TO EXECUTIVE BOARD AND KEY MANAGEMENT PERSONEL OF MOBILE WORLD INVESTMENT CORPORATION AND ITS SUBSIDIARIES BASED ON 2018 BUSINESS RESULTS (ESOP 2018)

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,469,326	10,683	59,118	8,598,813

% voting rights attending AGM	97.17%	0%	0.02%	2.81%
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ARTICLE 7: APPROVAL OF CASH DIVIDEND POLICY BASED ON 2019 BUSINESS RESULT

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,393,569	31,286	113,502	8,599,583
% voting rights attending AGM	97.14%	0.01%	0.04%	2.81%

ARTICLE 8: APPROVAL OF SHARE ISSUANCE PLAN FROM OWNER'S EQUITY TO EXECUTIVE BOARD AND KEY MANAGEMENT PERSONNEL OF MOBILE WORLD INVESTMENT CORPORATION AND ITS SUBSIDIARIES BASED ON 2019 BUSINESS RESULTS (ESOP 2019)

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	285,608,559	11,868,630	57,688	8,603,063
% voting rights attending AGM	93.29%	3.88%	0.02%	2.81%

ARTICLE 9: APPROVAL OF REGULATION ON SHARE ISSUANCE FOR EXECUTIVE BOARD AND KEY MANAGEMENT PERSONNEL OF MOBILE WORLD INVESTMENT CORPORATION AND ITS SUBSIDIARIES BASED ON 2020 BUSINESS RESULTS (ESOP 2020)

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	277,782,830	19,301,969	48,230	9,004,911
% voting rights attending AGM	90.74%	6.30%	0.02%	2.94%

ARTICLE 10: APPROVAL OF CHANGES IN THE COMPANY'S ORGANIZATIONAL STRUCTURE

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,077,013	9,540	46,136	9,005,251
% voting rights attending AGM	97.04%	0%	0.02%	2.94%

ARTICLE 11: APPROVAL OF THE COMPANY'S INTERNAL REGULATIONS OF CORPORATE GOVERNANCE

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,458,881	0	59,106	8,619,953
% voting rights attending AGM	97.16%	0%	0.02%	2.82%

ARTICLE 12: APPROVAL OF CHANGES IN THE CHARTER OF MOBILE WORLD INVESTMENT CORPORATE

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	297,424,513	0	32,946	8,680,481

% voting rights attending AGM	97.15%	0%	0.01%	2.84%
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ARTICLE 13: APPROVAL OF THE ADDITIONAL ELECTION OF A NON-EXECUTIVE BOARD OF DIRECTORS' MEMBER

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	296,796,460	9,560	669,513	8,662,407
% voting rights attending AGM	96.95%	0%	0.22%	2.83%

ARTICLE 14: APPROVAL OF AUTHORIZING BOD TO CHOOSE AUDITOR FOR 2020 FINANCIAL YEAR

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	296,817,960	0	657,373	8,662,607
% voting rights attending AGM	96.96%	0%	0.21%	2.83%

ARTICLE 15: APPROVAL OF ALLOCATING VND10 BILLION FROM THE NPAT FOR CHARITY ACTIVITIES

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	295,282,833	1,362,107	810,883	8,682,117
% voting rights attending AGM	96.45%	0.44%	0.26%	2.85%

ARTICLE 16: APPROVAL OF REMUNERATION OF THE MEMBERS OF BOD & BOARD OF SUPERVISORS IN 2019 AND PROPOSAL FOR 2020

Results	Approved	Disapproved	Abstained	Invalid votes
Number of shares	296,749,469	23,760	698,851	8,665,860
% voting rights attending AGM	96.93%	0.01%	0.23%	2.83%

BOD is fully authorized to perform necessary procedures and implement contents mentioned in the minutes in accordance with the applicable laws.

V. Closing of the meeting

- Ms. Le Thi Thu Trang – on behalf of the secretariat, reads the meeting minutes of the AGM and the meeting minutes is approved by the AGM.
- Mr. Nguyen Duc Tai announces the closing of the AGM.

On behalf of the secretariat

Chairman of AGM

(Signed)
Le Thi Thu Trang

(Signed)
Nguyen Duc Tai