



## BUSINESS RESULTS OF 2021

### 1. Overview:

- 2021 was an unprecedented and challenging year in the Company's history of operation due to the negative impacts of the Covid waves. Amid the unfavorable overall market, MWG surpassed the milestone of US\$5 billion in revenue and successfully achieved the net profit target in 2021:
  - Consolidated net revenue reached VND 122,958 billion (+13% YoY), fulfilling 98% annual plan.
  - Online sales reached VND 14,370 billion (+53% YoY). With this result, MWG had the biggest contribution in Vietnam's total online retail sales of consumer goods.
  - Net profit after tax (NPAT) reached VND 4,901 billion (+25% YoY), equivalent to 103% annual plan of 2021. Net profit margin was approx. 4.0%.
  - In Q4-2021, MWG hit the revenue and net profit record since the Company's inception with the YoY growth of 33% and 66% for sales and NPAT, respectively.
- MWG continued to rank in the Top 10 largest enterprises in Vietnam according to VNR500.
- The company maintained its position of No.1 retailer in Vietnam and the only Vietnamese representative in Top 100 Asia-Pacific Retailers with more than 5,300 stores nationwide.

### 2. Key achievements in 2021:

#### a) Thegioididong.com and Dienmayxanh:

- Thanks to the spectacular breakthrough in Q4, TGDD and DMX still recorded the YoY sales growth for both retail chains, despite being severely affected by nearly 2,000 stores that were under temporary closure or restricted operation during most of the time in Q3.
- By category, mobile devices were the main growth driver due to robust demand from remote studying and working in the pandemic time. The YoY sales growth rates were 58% for laptops, 40% for tablets, and 17% for phones.
- After the successful experiment, DMX Supermini accelerated its expansion from 300 stores with the contribution of VND850 billion in 2020 to 800 stores with revenue of VND6,800 billion in 2021.
- With the more concentration on online business, online sales reached the record of VND 13,405 billion (+47% YoY) to account for 14% total turnover of TGDD & DMX.
- Topzone – the high-end mono-brand store chain specializes in selling Apple products – brings in the Company average monthly sales of VND15 – 20 billion/store after only 3 months launching in the market. Topzone chain is expected to be the new growth driver in 2022 with monthly sales of VND 8-10 billion/store when it goes into stable operation.

#### b) Bachhoaxanh:

- Bachhoaxanh generated revenue of more than VND 28,200 billion (+33% YoY), officially overpassed the milestone of US\$1 billion sales and was in Top 3 biggest food & consumer goods retailers in Vietnam with more than 2,000 stores.
- BHX online served more than 2.7 million orders and contributed nearly VND1,000 billion to the Company. For the first time, bachhoaxanh.com was listed in the Vietnam's top 10 e-commerce websites and is the only dedicated website selling foods & consumer goods named in this rankings.
- Along with relentlessly expanding store network and increasing revenue, BHX kept improving operational efficiency to reach positive EBITDA (earnings before interest, taxes and depreciation) at the company-wide level sustainably in 3 consecutive quarters and for the whole year 2021.
- In Q4, although BHX's sales was lower than that in previous quarters due to the slow recovery of purchase power of consumer goods, the chain still had the 2<sup>nd</sup> highest quarterly EBITDA margin YTD thanks to implementing cost optimization solutions.



## BUSINESS PLAN 2022

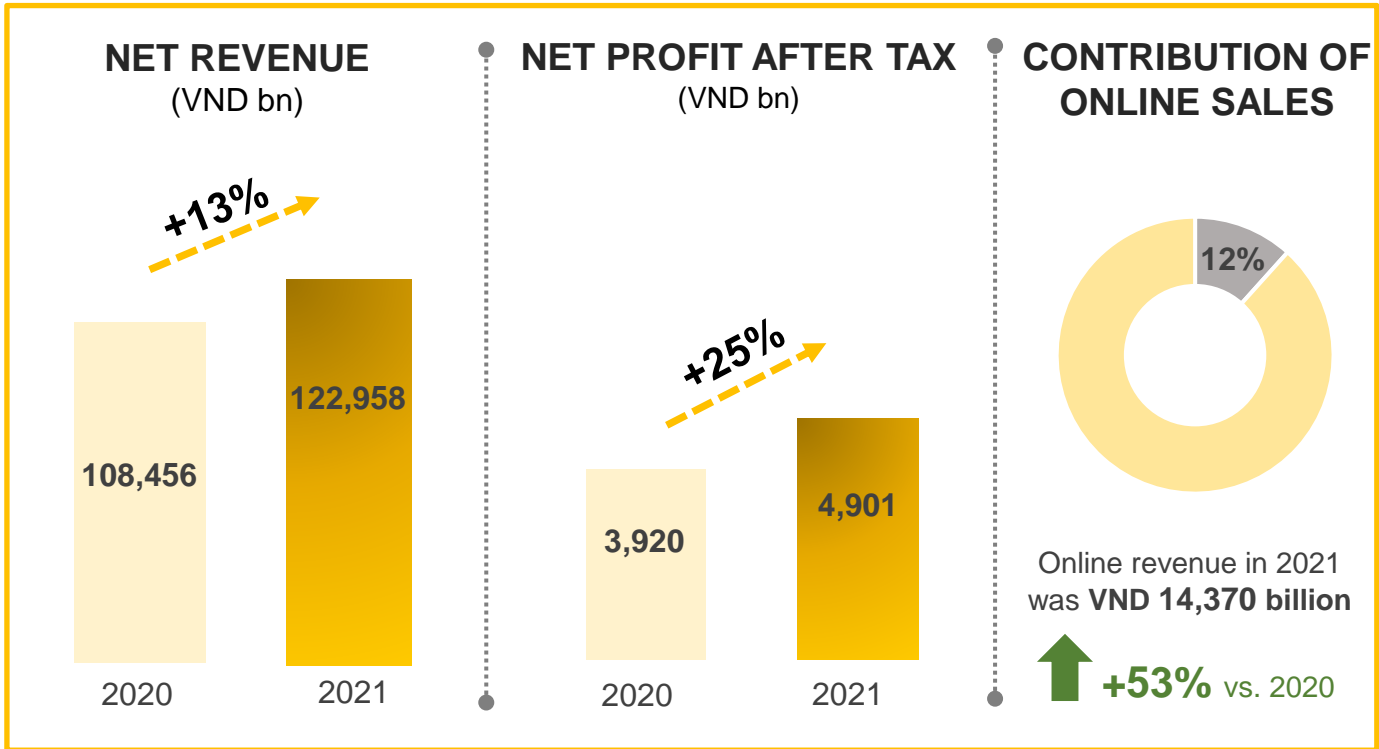
- MWG's Board of Directors agreed on the Business Plan for FY2022 to get the AGM's approval as following:

No.	Items	2022 TARGET (VND billion)	% YoY Growth
1	Net Revenue	140,000	14%
2	Net Profit After Tax (NPAT)	6,350	30%

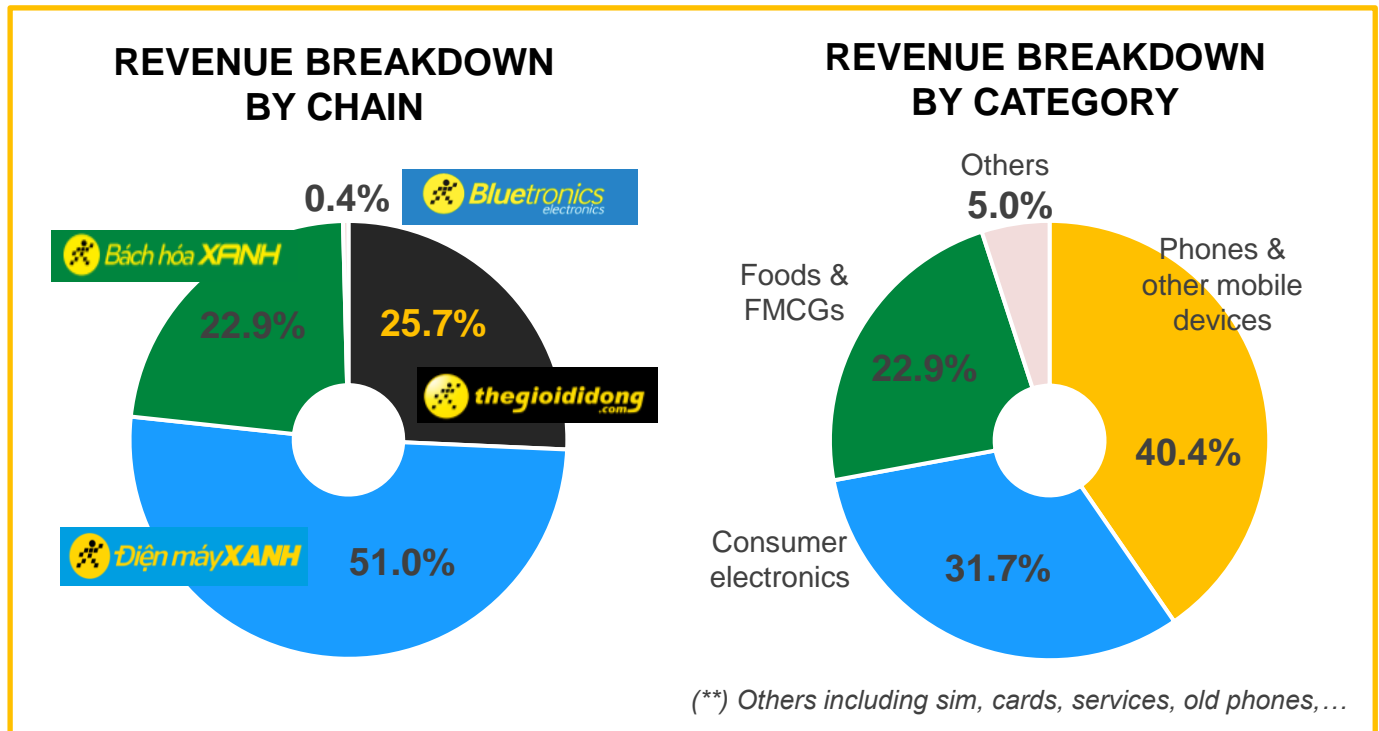
- The 2022 business plan is based on the assumption that the pandemic still sees complicated developments but will not cause serious business disruptions or more severe impacts on the economy than what happened in Vietnam over the past 2 years.
- In 2022, MWG set challenging targets: net revenue of VND140 trillion and NPAT of VND6,350 billion, increasing by 14%YoY and 30%YoY respectively.** To realize these targets, MWG will focus on below actions:
  - The retail chains aim towards pushing sales volume to generate more revenue and net profit, not concentrating to achieve higher profit margins amid the tightened consumer spending and global shortage of supply.
  - With omni-channel retailing strategy, MWG will utilize our existing technology strengths, continue to innovate, and create point of difference, simplify the shopping experience in online channels to be more friendly and convenient for customers as well as increase the customer brand stickiness.
  - TGDD and DMX will remain the Cash Cow business for MWG by: (i) adding new products/services to optimizing sales for existing stores, (ii) acquiring more market shares of phones/consumer electronics retailing by opening new DMS (with around 1,000 stores in operation by the end of 2022), Topzone (with 200 stores in operation by the year-end) and expanding the network of freelancers, (iii) implementing consumer electronics chains in oversea markets and (iv) piloting new initiatives to prepare growth pillars for the future.
  - BHX will cease new store opening effort to focus on: (i) fine-tuning the backend; (ii) optimize procurement competence; (iii) develop customer care program; (iv) actively gain more revenue and aggressively improve operational efficiency for each point of sale; (v) push up sales and market share of BHX online; and (vi) build successors to grow Bach Hoa Xanh sustainably and expanding this retail chain nationwide rapidly from 2023 onwards.
  - After gaining positive performance at the bottom-line with 178 stores by the end of 2021 and being officially consolidated to MWG's business performance, An Khang pharmacy chain will be invested significantly in terms of both money and dedicated leadership to develop aggressively.
  - New chains piloted in January 2022 including AVAKids, AVASport, AVAFashion, AVAJi have shown encouraging initial results. These initiatives are expected to contribute considerably to the Group's business performance since 2023 if their experiment are successful.
  - MWG will continue to invest in new "seed" businesses: Tan Tam installation – repair – maintenance services, Toan Tin logistics services and 4KFarm.



## BUSINESS RESULTS 2021



**5,306** stores as of 31 Dec 2021 (+1.140 stores compared to the end of 2020)





### REVENUE AND YOY GROWTHS



Contribute **77%** total revenue of MWG

**+9%** vs. 2020

### GROWTH BY MAIN PRODUCT

Positive YoY value growth



PHONES



LAPTOPS



WHITE GOODS



SMALL APPLIANCES

Negative YoY value growth



ELECTRONICS

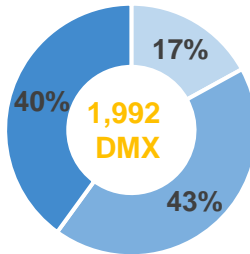
### GROWTH BY CHAIN

TGDD	+7%
DMX	+9%
Bluetronics	+135%

(\*) Net revenue includes sales of Bluetronics

### STORE NETWORK

Điện máy XANH	1,992
thegioididong	970
Bluetronics electronics	50
topzone	10



- Large (DML)
- Mini (DMM)
- Supermini (DMS)

Stores selling phones, accessories and other mobile devices **2,972**

Stores selling consumer electronics **1,992**

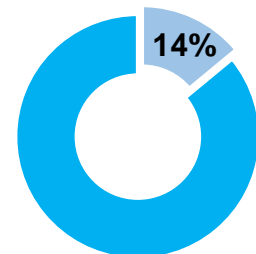
Stores selling laptops and other office equipment **1,420**

### ONLINE SALES



**+47%** vs. 2020

### ONLINE REVENUE CONTRIBUTION IN TGDD & DMX





### Non-stop piloting new initiatives to find new growth drivers...

**March/2019**  
Piloted shop-in-shop model selling **watches**

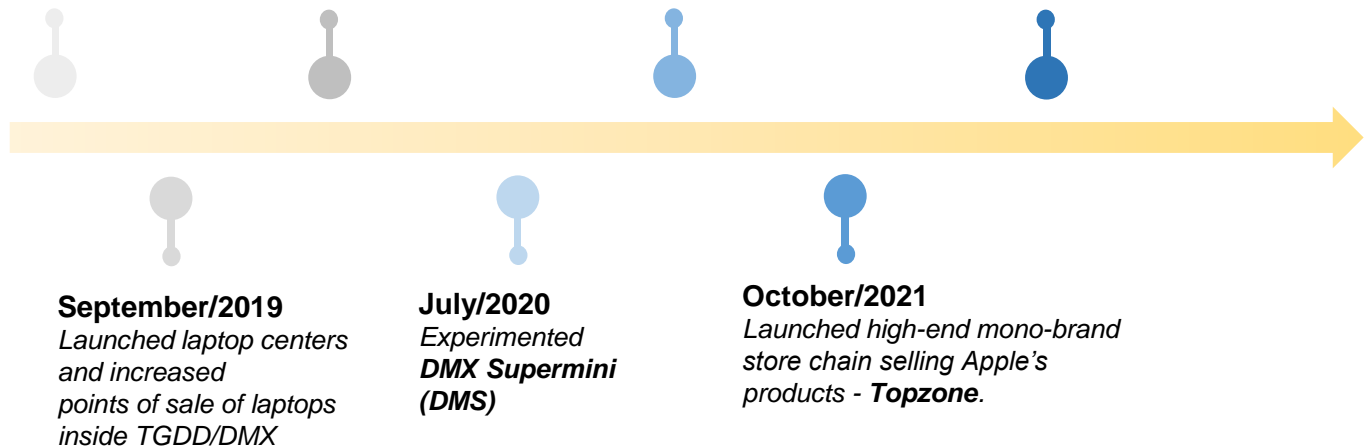
**December/2019**  
Launched the first CE store - **Bluetronics** in Cambodia

**May/2021**  
(a) Piloted freelancer model – **cooperation with mom & shop shops**  
(b) Piloted selling bicycles

#### January/2022

a) Experimented stand-alone stores selling sportswear (**AVASports**), mom & baby products (**AVAKids**), fashion (**AVAFashion**)

(b) Launched shop-in-shop selling jewelry (**AVAJi**) and bicycle (**AVACycle**)



New chains/ categories contributed to TGDD & DMX over **VND15,000 BILLION** in 2021



800 **DMS** nationwide,  
Revenue: VND6,800 billion



**No.1 phones & CE retailer in Cambodia**  
Revenue: VND450 billion



Sales volume: 25,000 **products**  
Revenue: VND280 billion (since Oct 22<sup>nd</sup>, 2021)



Sales volume: 1.2 million **watches**  
Revenue: VND1,500 billion



Sales volume: 350,000 **laptops**  
Revenue: VND5,500 billion



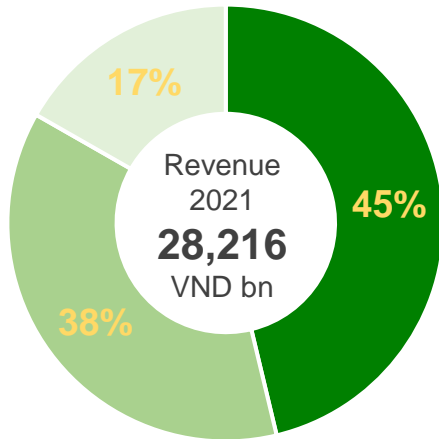
4,400 **freelancers**  
Revenue: VND550 billion



Point of sale: 150 (December-end)  
Sales volume: 30,000 **bicycles**



### REVENUE AND YOY GROWTH



- Fresh, chilled & frozen foods
- Other foods & beverages
- Home-care, Personal-care & other products



Contribute **23%** total revenue of MWG



**+33%** vs. 2020



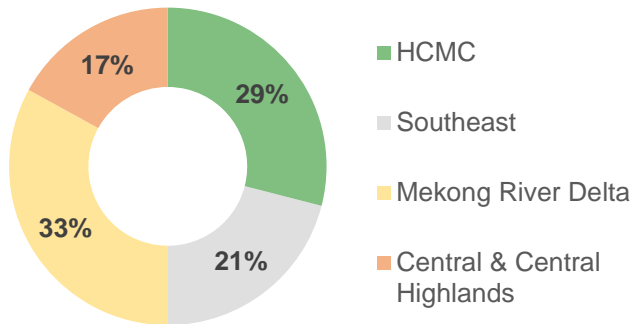
**2,106** stores by December-end 2021



Average monthly sales **>VND 1.2 billion/ store**

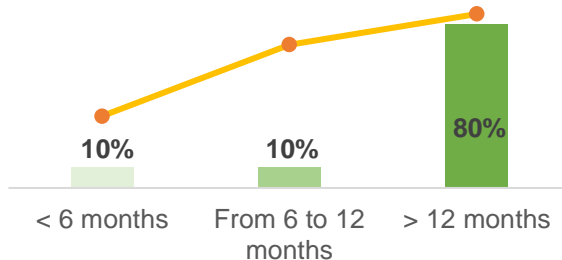
### STORE-COUNT BREAKDOWN

#### BY REGION



#### BY MATURITY

● EBITDA margin at stores increasing by maturity  
**90%** of the existing stores is **EBITDA profitable** at store level

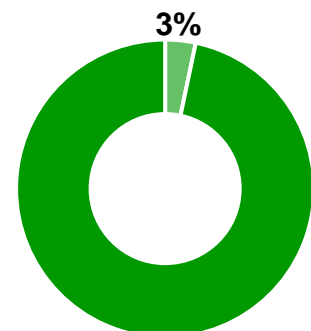


### ONLINE SALES



**>7,500** online orders/ day

#### ONLINE REVENUE CONTRIBUTION IN BHX





Continuously expanding store-count, increasing sales and improving operational efficiency at stores and in online channel

