

PROPOSAL LETTER TO
ANNUAL GENERAL MEETING OF SHAREHOLDERS 2023 MOBILE
WORLD INVESTMENT CORPORATION (“MWG”)

- Pursuant to Law on Enterprise 2020 No. 59/2020/QH14 approved by the National Assembly of the Socialist Republic of Vietnam on June 17th, 2020.
- Pursuant to the Charter and Internal Management Regulations of Mobile World Investment Corporation.
- Pursuant to Resolution of Board of Directors No 02/NQ/HĐQT-2023 issued on February 08th, 2023.

The BOD kindly proposes this letter to seek approvals of the Annual General Meeting of Shareholders on the following matters:

ARTICLE 1. REPORT OF THE BOARD OF DIRECTORS IN 2022 AND THE IMPLEMENTATION OF THE RESOLUTION OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2022, NO. 01_2022/NQDHDCD/TGDD ON APRIL 23, 2022

1. BOD’s Report on Company performance in 2022

- 1.1. The company’s operational status in 2022;
- 1.2. Operation of the Board of Directors in 2022;
- 1.3. Report on the activities of the Audit Committee;

Please refer to the above information in the 2022 annual report dated on March 16th, 2023 and the Report on Corporate governance dated on January 30th, 2023 as published on the company’s website at: <https://mwg.vn/eng/announcements/documentation-of-annual-general-meeting-of-shareholders-2023-2602>.

2. Report on the dividend payment from 2021 retained earnings

Pursuant to Articles 8 and 9 of the resolution of the 2022 Annual General Meeting of Shareholders No. 01_2022/NQDHDCD/TGDD dated April 23rd, 2022, of Mobile World Investment Corporation. In June 2022, the company completed the payment of cash dividends from retained earnings according to the audited financial statements for 2021 and issued shares to pay dividends to existing shareholders from undistributed profits according to the audited financial statements for 2021, as follows:

No.	Dividend payment method	Payment ratio	Record date	Completed	Payment results
1	Cash dividend	10%/par value, equivalent to VND 1,000/ share	June 08 th , 2022	June 17 th , 2022	Total amount: VND 731,854,815,000
2	Stock dividend	1:1	June 17 th , 2022	June 22 nd , 2022	Total issued shares: 731,854,815 shares

3. Report on not issuing ESOP shares to the Executive Board and key managers of Mobile World Investment Corporation and its subsidiaries based on business results in 2022 (ESOP 2022)

Pursuant to Article 10 of Mobile World Investment Corporation's Resolution of the 2022 Annual General Meeting of Shareholders No. 01_2022/NQDHCD/TGDD dated April 23rd, 2022, the Company did not issue ESOP 2022 for The Board of Management and key managers because the Company's net profit after tax in 2022 did not grow at least 10% compared to that in 2021.

4. Report on Treasury Stock transactions in 2022

Pursuant to Article 11 of the Resolution of the 2022 Annual General Meeting of Shareholders No. 01_2022/NQDHCD/TGDD dated April 23rd, 2022, the Company has reduced its charter capital due to the Company bought back shares of employees who resigned from the Company. As a result, 232,000 treasury shares were successfully canceled in August 2022.

In addition, as of December 31st, 2022, the Company has completed the redemption of 502,564 shares of employees who resigned from the Company as treasury shares, specifically as follows:

No.	Transaction time	Number of treasury shares purchased	Repurchase value	Transaction object
1	May 2022	169,659	VND 1,696,500,000	Resigned Employee
2	September 2022	157,771	VND 1,577,710,000	Resigned Employee
3	December 2022	175,143	VND 1,751,430,000	Resigned Employee
Total		502,564	VND 5,025,640,000	

In accordance with the law, all 502,564 treasury shares will be reported to the General Meeting of Shareholders for cancellation and resulting in the reduction of charter capital as stated in Article 4 of this proposal.

ARTICLE 2. AUDITED FINANCIAL STATEMENTS OF 2022

The Board of Directors kindly proposes to the General Meeting of Shareholders a resolution to approve the financial statements for 2022 audited by Ernst & Young Vietnam Co., Ltd.

Details of the Business Results, Balance Sheet, and Cash Flow Statement are as follows and are posted on the company's website: <https://mwg.vn/eng/reports>.

ARTICLE 3. BUSINESS PLAN AND DIRECTIONS IN 2023

3.1 The Board of Directors proposes to the General Meeting of Shareholders to approve the business plan for 2023 as follows:

Unit: Billion dong	2023 Targets	2022 Actual	2023 Target vs. 2022 Actual
Net Revenue	135,000	133,406	+1%
Net Profit After Tax	4,200	4,102	+2%

- According to preliminary results in the first few months of 2023, mobile phones and consumer electronics purchasing power dropped more than MWG's estimation. The cautious sentiment and delayed spending decisions on durable and high-value products happen even for mid to high-end customers due to the decreasing consumer confidence amid the economic headwinds. Meanwhile, low-income customers have more difficulty accessing consumer finance to purchase these products via installments.
- For essential goods such as foods, FMCGs, and pharmaceuticals: the downtrading trend also happens (i.e., switching from expensive products to lower-end brands for lower prices). After comprehensive restructuring, BHX is quite resilient during the tough time. It is expected to deliver double-digit revenue growth and move towards the break-even point by the year-end.
- The revenue target of 135,000 billion and net profit after tax of 4,200 billion are set based on the Company's assessment of the most updated situation and the assumption that purchasing power will recover positively from Q3-2023. The Company will closely track the market movements in the upcoming months and make necessary adjustments accordingly.

3.2 The directions in 2023 are as follows:

- 3.2.1 The company will strive to maintain revenue and protect its cash flow: customer retention plays an important role in maintaining the market share and capturing the growth momentum when the market is back. Therefore, the Company is willing to sacrifice profits to share difficulties when customers are tightening their budgets, proactively offer many flexible shopping options, and implement many promotions to draw customers, including price-sensitive consumers.
- 3.2.2 The company will strictly control and considerably reduce the operating and financial expenses, including rental costs, electricity usage, staff costs, interest expenses, and closely monitor the inventory levels... to ensure the resilience of the business amid unpredictable macroeconomic developments
- 3.2.3 TGDD/DMX chains:
 - a. Focus on increasing revenue per store (SSSG), optimizing the product assortment, and focusing on potential products/brands with room to grow.
 - b. The gross profit margins of TGDD and DMX chains in 2023 are estimated to be lower than in the period of 2021–2022 due to weak purchasing power and MWG's continued implementation of promotions.
- 3.2.4 BHX chain:
 - a. To improve revenue per store, this chain will focus on: (i) increasing basket size, (ii) increasing the shopping frequency of existing customers at BHX, and (iii) drawing new traffic from other channels, such as wet markets and supermarkets.
 - b. Optimizing the warehousing/transportation operation to ensure freshness and better product quality, reduce shrinkage ratio, and enhance logistics productivity.

- 3.2.5 For An Khang and AVAKids: rather than continuous expansion, the focus will be on keeping the profitable stores, improving SSSG, and optimizing operational costs to reduce losses.
- 3.2.6 If the cash flow allows and the stock price is attractive, the Board of Directors will consider buying back shares to reduce the number of outstanding shares. However, if the cash flow does not allow and the stock price is not attractive enough, the Board of Directors will not carry out the redemption of treasury shares.

ARTICLE 4. APPROVAL OF REDUCTION OF CHARTER CAPITAL DUE TO SHARES REPURCHASED FROM EMPLOYEE RESIGNATION

According to clause 6, Article 36 of the Law on Securities, the Board of Directors kindly proposes to the General Meeting of Shareholders to approve the following:

4.1 Conducting the procedure to reduce the Company's charter capital due to shares repurchased from employee resignation as treasury shares:

- The total treasury shares are repurchased till the current time (date of proposal letter): 502,564 shares.
- Total current number of shares 1,463,879,280 (equivalent to current charter capital is VND 14,638,792,800,000)
- After excluding treasury shares, the company will conduct the procedures to reduce the charter capital recorded on the Business Registration Certificate from VND 14,638,792,800,000 to VND 14,633,767,160,000.

4.2 The General Meeting of Shareholders authorizes the Board of Directors to perform necessary procedures to reduce the charter capital and complete the revision of the Business Registration Certificate in accordance with the law.

ARTICLE 5. APPROVAL OF AMENDMENTS TO THE CHARTER OF MOBILE WORLD INVESTMENT CORPORATION

The Board of Directors kindly proposes to the General Meeting of Shareholders regarding:

5.1 Revising the clause 1, Article 5 of the Charter of Mobile World Investment Corporation dated 15th May 2021 as a result of a reduction in charter capital due to shares repurchased from employee resignation.

The new charter capital of the Company will be equal to the charter capital at the time of registration for capital reduction minus the value of treasury shares (502,564 shares equal to the value of VND 5,025,640,000).

5.2 The General Meeting of Shareholders authorizes the General Director and the Company's Legal Representative to issue the appendix to revise the Charter after completing the reduction of charter capital and update the Business Registration Certificate per the law.

ARTICLE 6. APPROVAL OPERATION RULES OF THE BOARD OF DIRECTORS

The Board of Directors kindly proposes to the General Meeting of Shareholders the updated and revised operating regulations of the Board of Directors in accordance with the Enterprise Law and the new Securities Law. (*Attached Regulations*)

ARTICLE 7. APPROVAL OF AMENDMENTS TO INTERNAL GOVERNMENT REGULATIONS

The Board of Directors kindly proposes to the General Meeting of Shareholders to approve the updated and revised Internal Management Regulations in accordance with the Enterprise Law and the newly promulgated Securities Law. (*Attached Regulations*)

ARTICLE 8. SELECTION OF AUDITOR FOR 2023 FINANCIAL YEAR

The Board of Directors kindly seeks the General Meeting of Shareholders' approval and authorization of selecting one of the following companies to audit the 2023 financial statements of the Company and its subsidiaries:

- Ernst & Young Vietnam Limited
- KPMG Vietnam
- PricewaterhouseCoopers (Vietnam) Limited
- Deloitte Vietnam.

ARTICLE 9. REMUNERATION OF THE MEMBERS OF BOD AND INTERNAL AUDIT COMMITTEE PROPOSAL FOR 2023

The Board of Directors kindly proposes the remuneration for the members of the Board of Directors and Audit Committee in 2023 to the General Meeting of Shareholders for approval as follows:

9.1 Expected remuneration of non-executive Board members in 2023: VND 2,500,000,000.

9.2 Remuneration of Audit Committee members in 2023: VND 0.

9.3 The General Meeting of Shareholders fully authorizes BOD to distribute the remuneration to the non-executive BOD members in clause 9.1.

Empower BOD to perform the necessary procedures mentioned in this proposal letter in accordance with the Enterprise Law, the Company's Charter, and other relevant documents.

ON BEHALF OF THE BOARD

Chairman

(Signed)

Nguyen Duc Tai