



ANNUAL REPORT 2020

▶ Mobile World Investment Corporation

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TABLE OF CONTENTS

I.	MESSAGE FROM THE CHAIRMAN	05
II.	II. GENERAL INFORMATION ABOUT MWG	08
	1. Overview	9.
	2. Establishment and development process	10.
	3. Business lines and locations	14.
	4. Information about Government model, business organization and management structure	16.
	5. Development orientation	19.
	6. Risks	24.
III.	OPERATIONS IN THE YEARS	26
	1. Situation of business operation	27.
	2. Organization and human resources	39.
	3. Investment activities and project implementation	44.
	4. Financial situation	47.
	5. Shareholder structure and change in owner's equity	50.
	6. Environment – Social – Governance (ESG) report of the Company	53.
IV.	REPORTS AND ASSESSMENTS OF THE BOARD OF MANAGEMENT	67
	1. Assessment of operating results	68.
	2. Improvements in organizational structure, policies and management	70.
	3. Financial situation	71.
	4. Future development plans	72.
	5. Assessment report related to the environmental and social responsibilities of the Company	73.
V.	ASSESSMENT OF THE BOARD OF DIRECTORS REGARDING THE COMPANY'S OPERATION	74
	1. Assessment of the Board of Directors regarding the Company's operation, including the assessment related to environmental and social responsibilities	75.
	2. Assessment of the Board of Directors regarding the Board of Management's performance	76.
	3. Plans and orientations of the Board of Directors	76.
VI.	CORPORATE GOVERNANCE	77
	1. Board of Directors	78.
	2. Audit Committee	83.
	3. Transactions, remuneration and benefits of the Board of Directors, Board of Management and Audit Committee	86.
VII.	FINANCIAL STATEMENTS	90



Nguyen Duc Tai

Chairman of the Board of Directors

I. MESSAGE FROM THE CHAIRMAN

Dear valued Customers, Shareholders and all Mobile World Group Employees,

First of all, I would like to express my gratitude for the trust you put in Mobile World Group (the "Group" or MWG) - especially as the whole world endured the unprecedented turbulence of 2020. We deeply appreciate that you choose our retail chains for shopping needs or that you invest in MWG shares. As a result, we relentlessly try our best to perform in your best interest.

The COVID-19 pandemic began unexpectedly at the end of 2019 and continues to this day, creating uncertainty throughout the world. Most countries' economies experienced negative growth in 2020 - with even the strongest countries dealing with recessions. Nevertheless, the Vietnamese Government's continued victory in fighting against the pandemic and huge effort in maintaining a stable macroeconomic environment allowed Vietnam to successfully achieve a dual goal of accomplishing nearly 3% GDP growth in 2020 while keeping the country's number of COVID-19 deaths among the lowest in the world. MWG is grateful to Vietnam's Government for the efforts it made to protect people's lives and livelihoods.

Other than some sectors that directly benefitted from the Government's stimulus packages as well as recent shifts in the global supply chain, the consumer services industry in general (tourism, aviation, retailing, restaurants and hotels, among others) was severely affected by the pandemic as the disposable income of consumers was negatively impacted. This scenario led to negative growth for many companies - with some unable to protect their profitability. In order to overcome the numerous days of business interruption during the social distancing period and to thrive afterward, we took many measures to control operating costs such as renegotiating with landlords for rental reductions, adjusting the staff compensation scheme according to the principle of "the higher the income, the more the reduction" (personnel from the director level and above volunteered to work unpaid), and optimizing staff productivity (ignoring barriers of different positions and accepting mobilization between chains within the Group). I extremely admire and respect our employees' willingness to share responsibilities and support each other. They demonstrated a spirit of solidarity with the goal of protecting the jobs for the more than 60,000 employees of the Group.

When Vietnam successfully contained the pandemic and many players in the market struggled to resume their businesses, our two leaders - Mr. Doan Van Hieu Em (CEO of Thegioididong.com and Dien May Xanh) and Mr. Tran Kinh Doanh (Group General Director who directly drives the daily operation of Bach Hoa Xanh) - quickly spotted opportunities to take advantage of and made aggressive movements for MWG to achieve breakthrough results in the last six months of 2020:

Dien May Xanh Supermini (DMS) - This model, which was piloted in Tien Giang Province in June 2020, was developed from the idea to bring stores to the countryside so that local residents can be conveniently served. With a store area of only around 120-150 sqm, DMS offers a variety of choices and flexible installment policy to serve most rural customer demands for mobile phones and consumer electronics. At the end of 2020, DMS had 302 stores covering 61 of Vietnam's 63 provinces while recording stable average monthly per store revenue more than VND1bn.

Bluetronics is the upgraded version of Bigphone in Cambodia. This model has been implemented based on the winning formula of Dien May Xanh in Vietnam with some modifications to fit with local culture and consumer preferences of Cambodia. At the end of 2020, Bluetronics had 37 stores in eight of Cambodia's 25 provinces and became the biggest mobile device and consumer electronics retail chain in the country by store count.

Bach Hoa Xanh rapidly accelerated its high-performing store upgrade together with new openings of larger-sized stores (+500 sqm with 6000-8000 SKUs). These stores have diversified offerings that are competitive with the product ranges of supermarkets but are conveniently arranged to best serve customer demand for quick and easy shopping. In addition, An Khang pharmacies are attached to some large-scale models to effectively leverage the increased traffic. Although Bach Hoa Xanh is still in its investment phase and not yet generating profits, this store line was the main growth pillar of the Group as well as the modern trade channel in Vietnam in 2020 as it doubled its 2019 revenue and contributed approximately 20% to MWG's total sales.

All of the above prove MWG's adaptability and outstanding execution capability. We always proactively seek growth opportunities regardless of unfavorable market conditions and the fast-changing nature of business. In the 16 years since our establishment, we have constantly evolved to maintain continuous revenue and profit growth.

Nothing is certain as COVID-19 is still impacting our world today. However, based on Vietnam's positive economic outlook and political stability, MWG will strive for double-digit growth by targeting net sales of VND125tn and net profit after taxes of VND4.75tn in 2021.



Together, all employees of Mobile World Group will unanimously move forward to realize a new decade of development and fulfill **MWG Vision for 2030**:

- To be the No.1 company in retail, e-commerce and related services in Southeast Asia.
- To attain customers' trust and love by serving them wholeheartedly with outstanding products and services
- To provide employees with kindness, happiness, wealthiness and pride.
- To make significant impact on corporate social responsibility.
- To demonstrate integrity and humanity wherever MWG operates

We are MWG - the pride of Vietnam!

We sincerely thank you and wish you all a happy, successful and peaceful year!

II.

GENERAL INFORMATION ABOUT MWG

1. OVERVIEW

Trading name

MOBILE WORLD INVESTMENT CORPORATION

Business Registration Certificate No.:

0306731335

issued by the Binh Duong Department of Planning and
Investment on 16th January 2009

Charter capital (as of 31st December 2020):

VND4.532.099.870.000

Owner's capital (as of 31st December 2020):

VND15.481.689.846.432

Head office address:

**222 Yersin, Phu Cuong Ward, Thu Dau Mot, Binh
Duong Province, Vietnam**

Operation office:

**MWG Building, T2-1.2, D1 Street, Saigon Hi-tech Park,
Tan Phu Ward, District 9, Hochiminh City, Vietnam**

Tel:

(84.28) 38 125 960

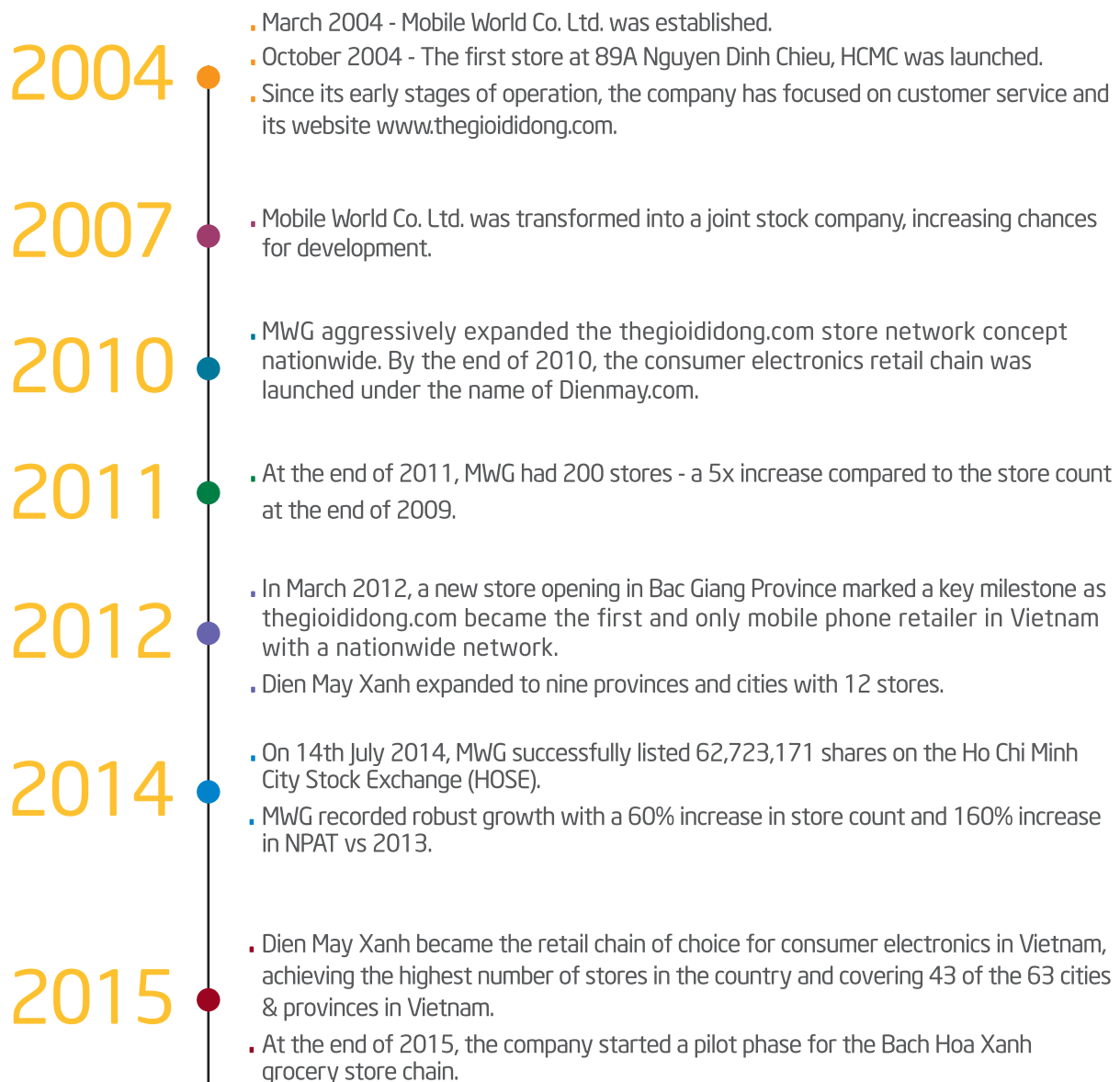
Fax:

(84.28) 38 125 961

Website: **www.mwg.vn**

Securities code: **MWG**

2. ESTABLISHMENT AND DEVELOPMENT PROCESS



2016

- The Gioi Di Dong continued to dominate the mobile phone retail market with 900 store outlets.
- Dien May Xanh became the first nationwide consumer electronics retailer in Vietnam in July 2016. The chain reached more than 250 stores at the end of the year.
- Bach Hoa Xanh had 40 stores at the end of 2016.
- Business results were impressive as NPAT jumped by 47% YoY.
- The value of MWG reached USD1bn at the end of the year.

2017

- The Gioi Di Dong maintained its market-leading position and continued to improve its customer service quality.
- Dien May Xanh marked an aggressive expansion milestone with more than 640 stores covering all cities & provinces in Vietnam by the end of 2017.
- Bach Hoa Xanh's store count surged, reaching 300 stores by the end of the year.
- MWG also piloted its Bigphone mobile phone retail chain in Cambodia.

2018

- The Gioi Di Dong and Dien May Xanh continued to dominate Vietnam's technical consumer goods retail market with respective market shares of 45% in mobile phones and 35% in consumer electronics at the end of 2018.
- Bach Hoa Xanh expanded its store network to all districts in HCMC as well as some neighboring provinces and it officially accomplished EBITDA break-even at the store level.
- MWG completed its acquisition for a majority stake in Tran Anh Digital JSC - one of the biggest consumer electronics retailers in northern Vietnam.
- MWG acquired minority shares of An Khang Retail JSC, which owned a pharmacy chain located in HCMC.

2019

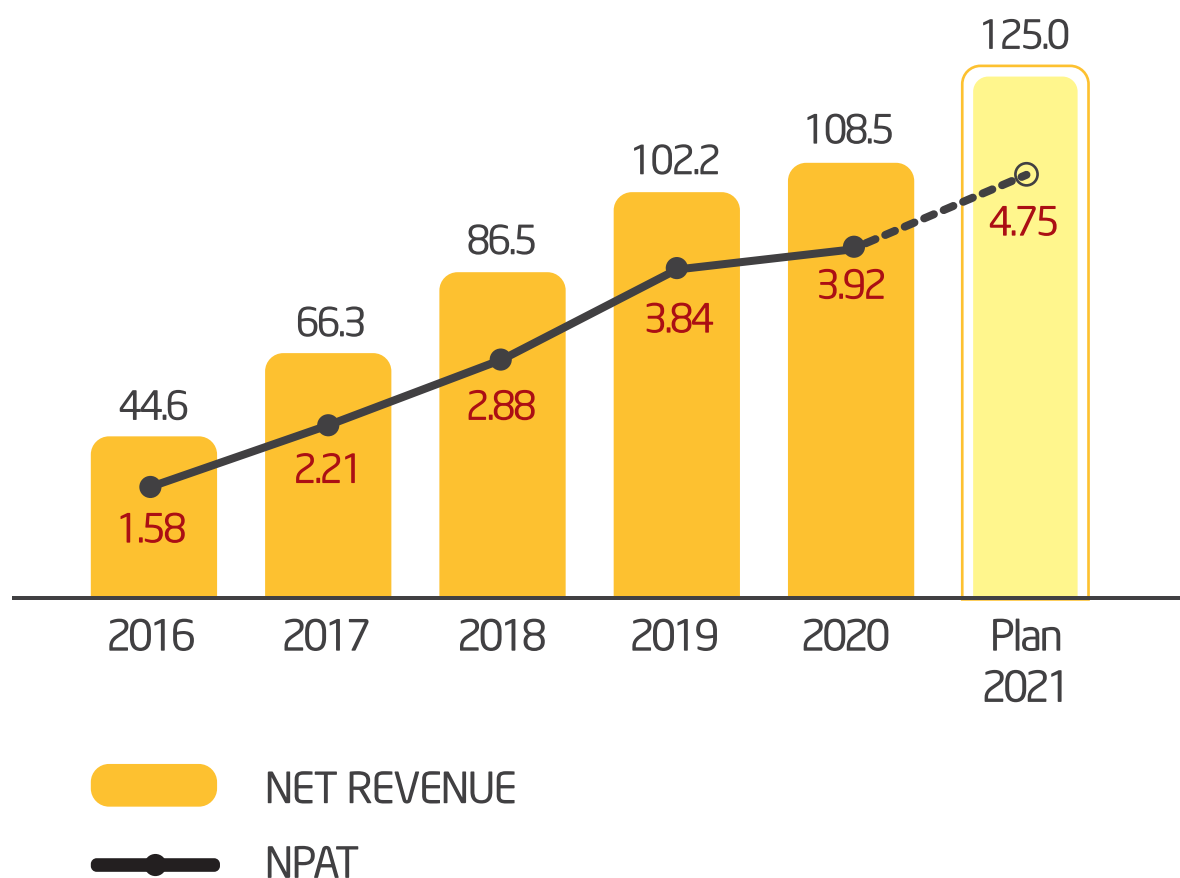
- By year-end 2019, The Gioi Di Dong had 996 stores and Dien May Xanh had 1,018 stores.
- Fashion watches and laptops were added into a number of The Gioi Di Dong and Dien May Xanh stores to expand market share.
- Bach Hoa Xanh had a huge year for store openings with more than 600 new stores being opened, lifting the total number of Bach Hoa Xanh stores to 1,008.
- By the end of 2019, the first consumer electronics store was piloted in Cambodia.

2020

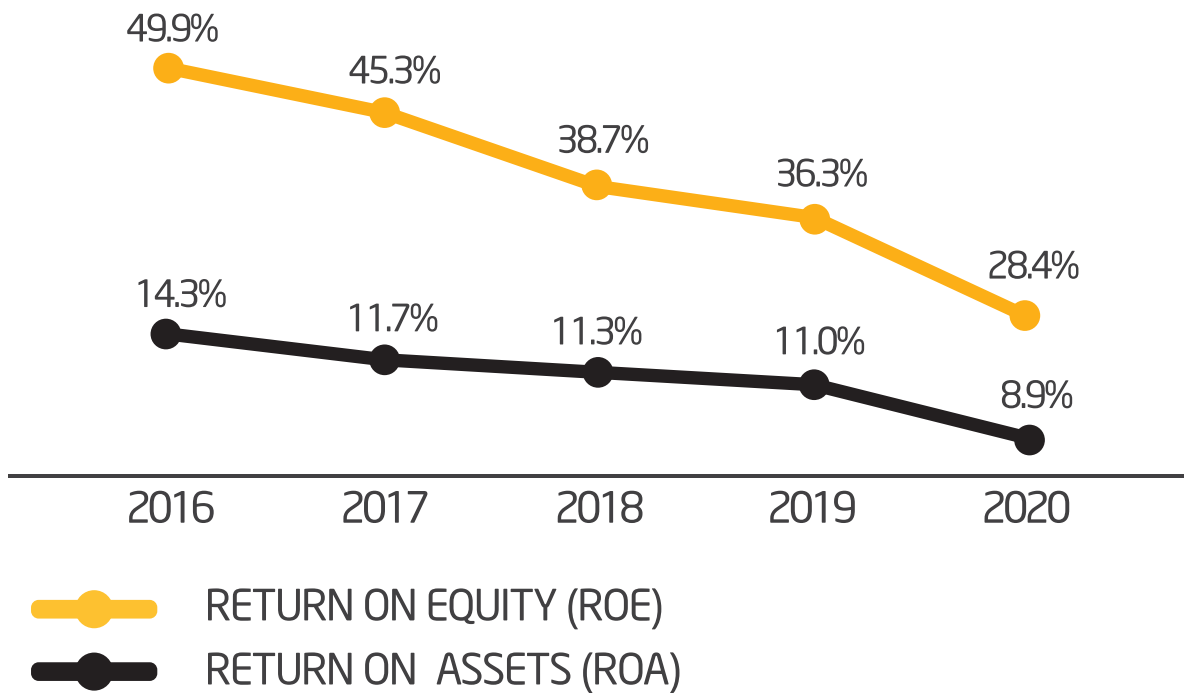
- The Gioi Di Dong and Dien May Xanh continued to reinforce their No.1 position in Vietnam's technical consumer goods retail market while widening the gap with other retailers.
- Supermini store model - Dien May Xanh Supermini (DMS - was piloted beginning in the middle of 2020 and expanded rapidly with 302 stores located in 61 out of Vietnam's 63 cities & provinces at the end of 2020 in order to serve the demand of rural Vietnam.
- Bluetronics became the No.1 retailer of mobile phones and consumer electronics in Cambodia with 37 stores.
- Bach Hoa Xanh became one of top three biggest retail chains in the food and FMCG segments with 1,719 stores.
- Experimented with the 4KFarm model (transferring technology and supporting farmers to grow safe vegetables under the "4 No" policies of zero pesticide, non-GMO seeds, zero preservatives and zero growth substances).

FIVE-YEAR PERFORMANCE

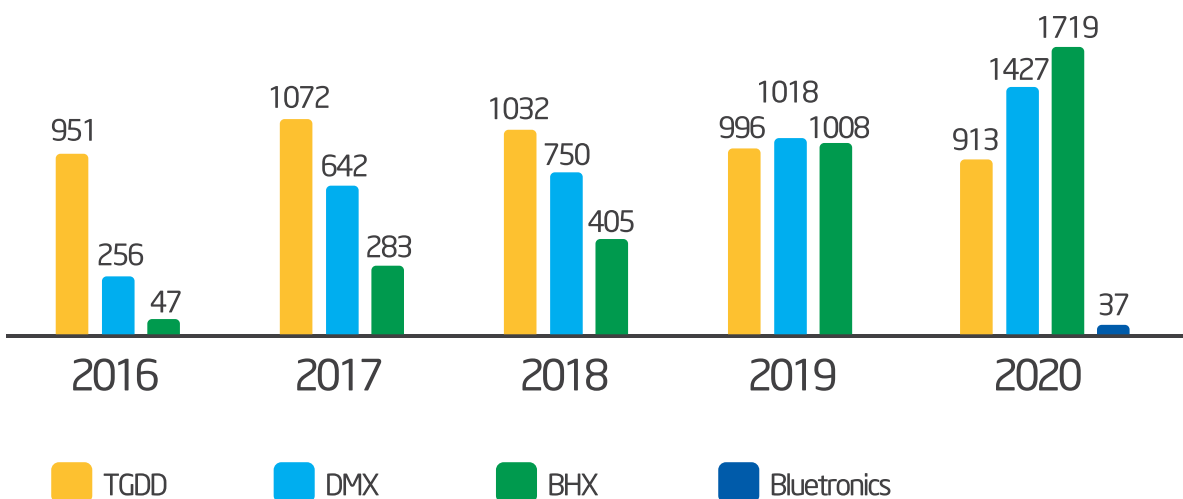
NET REVENUE & NET PROFIT AFTER TAX 2016-2020 (VND trillion)



PROFITABILITY



STORE COUNT HAS INCREASED OVER THE YEARS



3 BUSINESS LINES AND LOCATIONS

The current principal activities of the Company and its subsidiaries (“the Group”) are trading and providing repair and maintenance services for mobile phones, information technology equipment and related accessories under the brand of The Gioi Di Dong, commercial electronic equipment under the brand of Dien May Xanh, and foods, meats, vegetables, beverages and other groceries under the brand of Bach Hoa Xanh.

MWG operates multiple retail chains under the following brands:

The Gioi Di Dong (thegioididong.com),
Dien May Xanh (dienmayxanh.com),
Bach Hoa Xanh (bachhoaxanh.com), and
Bluetronics.

THE GIOI DI DONG

- From its original inception in 2004 as an e-commerce model with a simple website introducing product information, thegioididong.com has become the No.1 mobile phone retailer in Vietnam with an extensive brick-and-mortar store network.
- The stores - which typically have an area of 100 sqm to 200 sqm - specialize in selling mobile phones, tablets, laptops, accessories, sim cards, and network services, among other products.
- At the end of 2020, The Gioi Di Dong continued to affirm its leading position with 913 stores nationwide.

DIEN MAY XANH

- The consumer electronics retail chain was launched under the name of dienmay.com at the end of 2010.
- In May 2015, dienmay.com was renamed to Dien May Xanh. The stores - which typically have an area of 500 sqm to 1,000 sqm - specialize in selling TVs, refrigerators, washing machines, air conditioners, microwaves, home appliances, mobile phones, tablets, laptops, accessories, sim cards, and network services, among other products.
- In July 2016, Dien May Xanh attained nationwide store coverage across Vietnam's 63 cities & provinces. In addition, the mini-store concept with a size of 350-500 sqm helped Dien May Xanh to get closer to its customers and allowed the chain's store openings to accelerate during its expansion phase.
- In June 2020, the Dien May Xanh Supermini (DMS) model was launched with a store size of 120 sqm to 150 sqm, providing about 60% of SKUs for phones and consumer electronics in standard stores while also having full aftersales services. This model is oriented to serve customers in rural areas where modern consumer electronics retailers are not available. Within a little more than six months, DMX developed rapidly with 302 stores in 61 of Vietnam's 63 cities & provinces.
- At the end of 2020, the total store count of Dien May Xanh reached 1,427 nationwide.

BLUETRONICS

- In the three years since its establishment under its original name of Bigphone, this retail chain of mobile devices, accessories, and telecommunication services in Cambodia had 18 stores in Phnom Penh and has continued to gain interest from local consumers.
- In December 2019, the first consumer electronics store named Bigphone Plus was opened in Cambodia and was later renamed to Bluetronics.
- By the end of 2020, Bluetronics was present in eight out of Cambodia's 25 provinces with 37 stores that specialize in selling authentic mobile devices and consumer electronics while offering high quality aftersales services and cooperating with consumer finance institutions for installment sales - something that customers in this market have not experienced at traditional mom-and-pop stores.

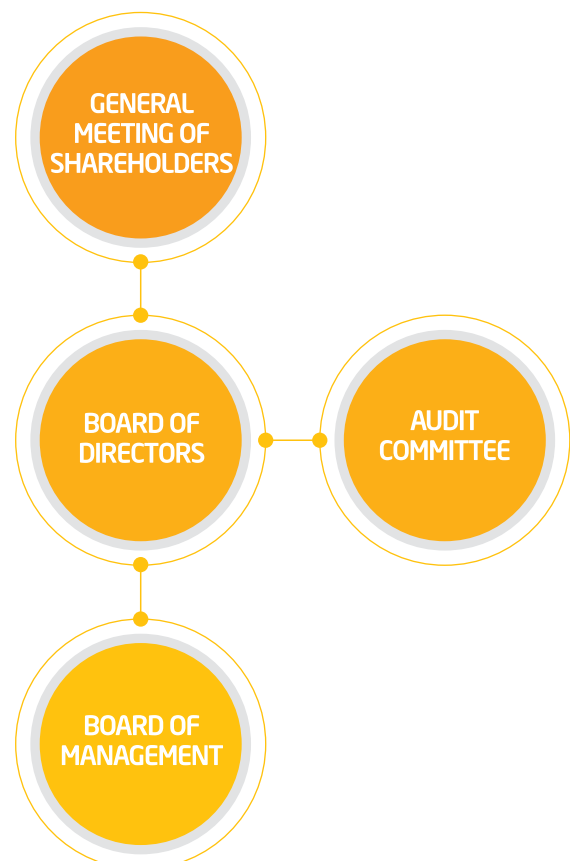
BACH HOA XANH

- In late 2015, the first Bach Hoa Xanh store focusing on selling fresh food and FMCGs was officially launched with the slogan "Buy Fast - Buy Cheap."
- At the end of 2016, Bach Hoa Xanh completed its pilot phase with 40 stores located in the HCMC's Tan Phu and Binh Tan districts. These stores generated positive revenue and received encouraging reviews from customers.
- In 2018, Bach Hoa Xanh found a winning formula thanks to strategic changes in the quality of its locations and a diversified product assortment that focused on fresh produce.
- By the end of 2020, Bach Hoa Xanh had 1,719 stores strategically located in HCMC and 24 other provinces in the southern and south-central regions of Vietnam.

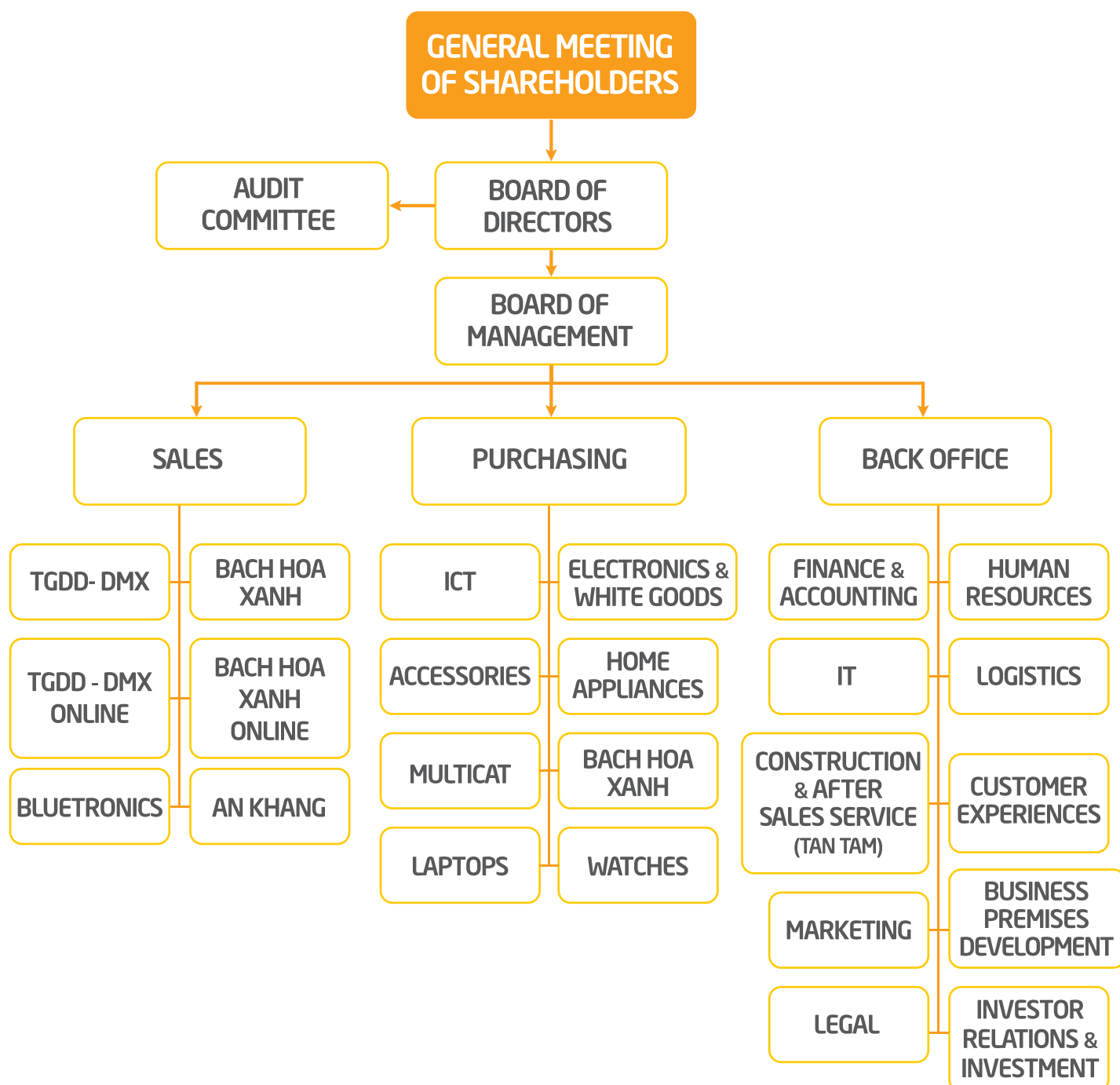
4. INFORMATION ABOUT GOVERNMENT MODEL, BUSINESS ORGANIZATION AND MANAGEMENT STRUCTURE

GOVERNMENT MODEL

Government model of MWG is in accordance with Point B, Article 137 of the Law on Enterprises, including: General Meeting of Shareholders, Board of Directors, General Director/Director and Audit Committee under the Board of Directors.

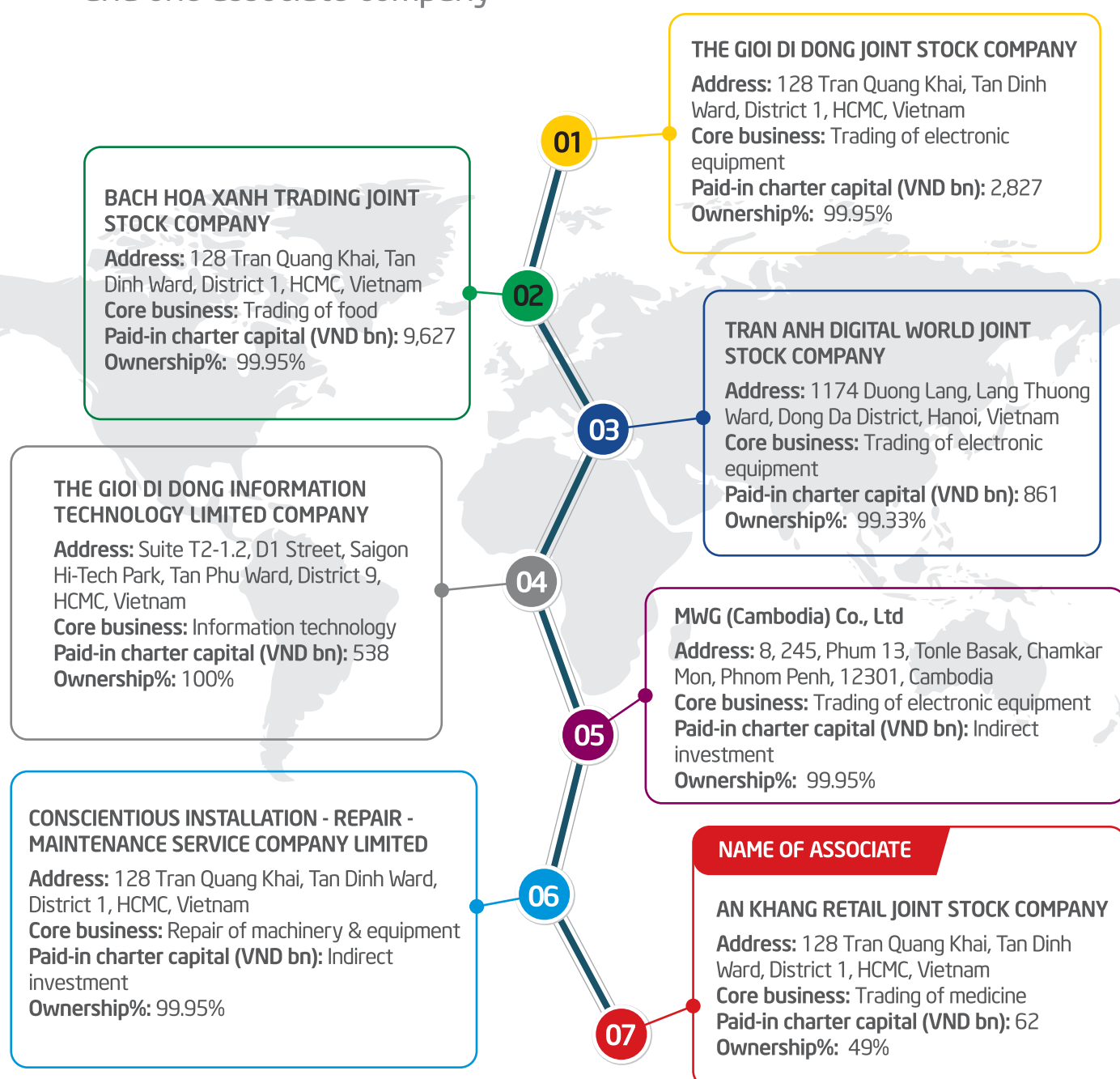


MANAGEMENT STRUCTURE

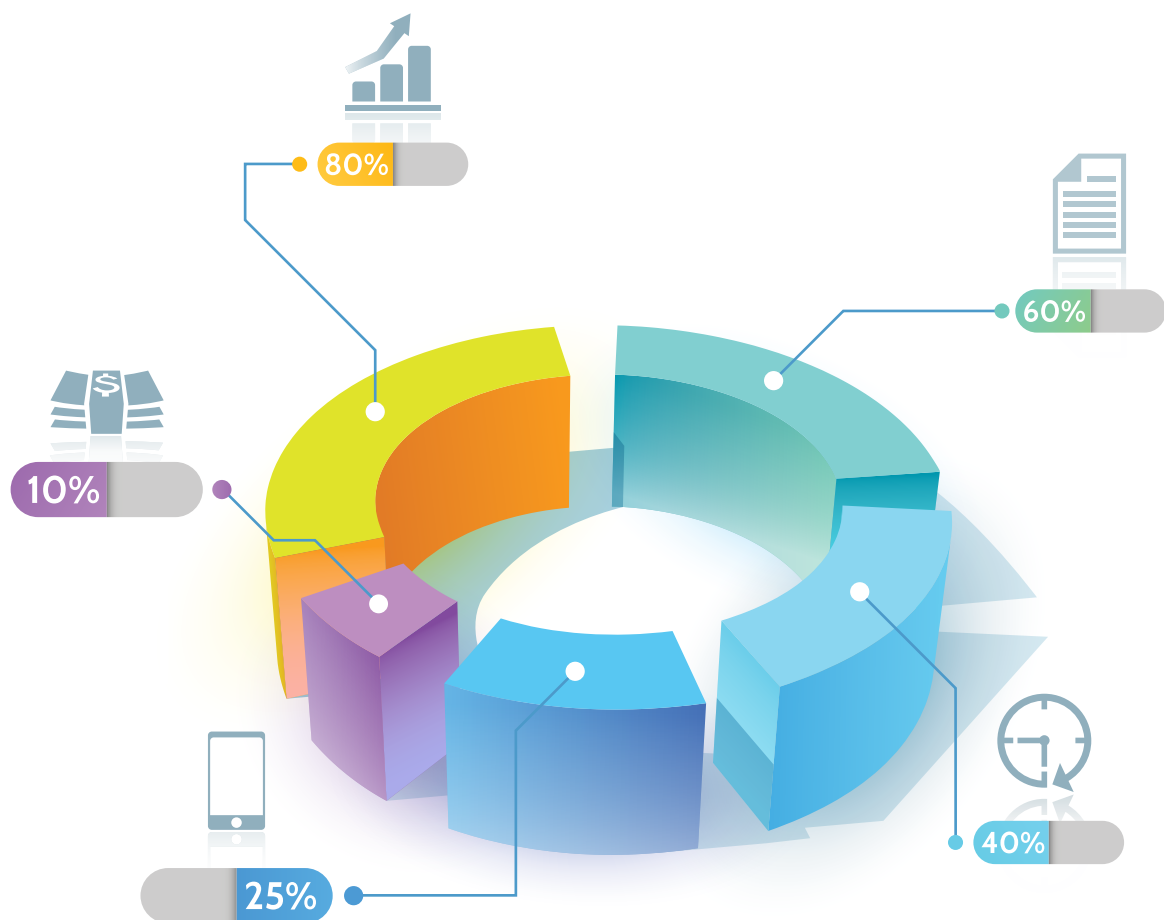


SUBSIDIARIES AND ASSOCIATE COMPANIES

As of 31st December 2020, the Company had six subsidiaries which are consolidated into the Group's consolidated financial statements and one associate company



5. DEVELOPMENT ORIENTATION



MWG VISION 2030



To be the No.1 company in retail, e-commerce and related services in Southeast Asia.

To attain customers' trust and love by serving them wholeheartedly with outstanding products and services.

To provide employees with kindness, happiness, wealthiness and pride.

To make significant impact on corporate social responsibility

To demonstrate integrity and humanity whenever MWG operates.

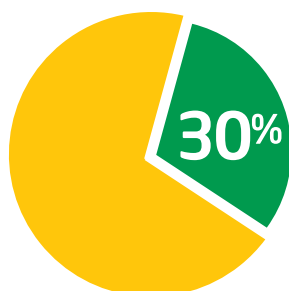
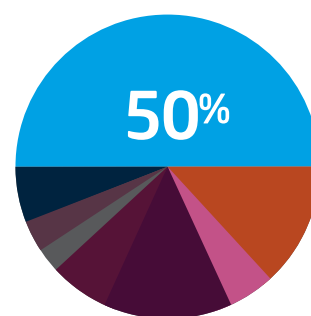
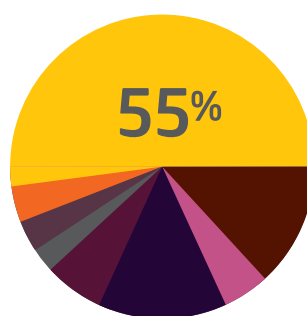
We are MWG – the pride of Vietnam!

CORE VALUES OF MWG'S EMPLOYEES

- Being wholehearted to customers
- Make commitments and take responsibility
- Mutual affection and teamwork
- Be honest about money and relationships
- Be passionate in our work

DEVELOPMENT STRATEGIES FOR THE MEDIUM AND LONG TERM

TGDD & DMX: To continue to acquire market share, reinforcing the No.1 positions in the Vietnamese market with 50%-55% market share in mobile phone retail and 55%-60% market share in consumer electronics retail by the end of 2022.

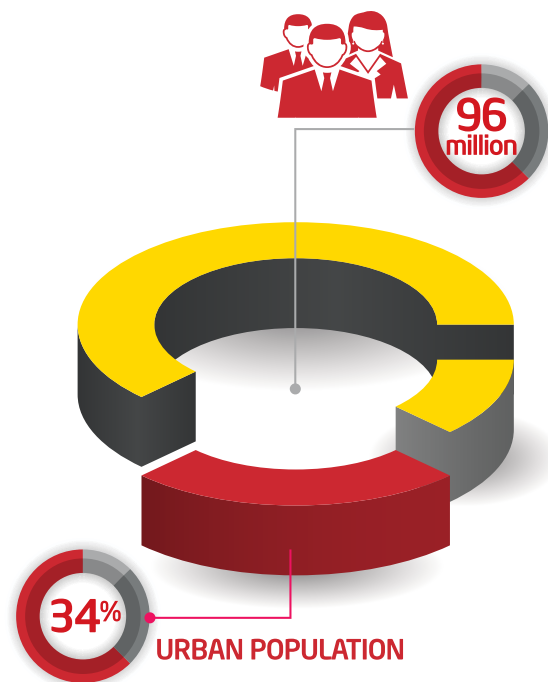


BHX: To expand the store network, increase the coverage of stores, acquire additional market share, and improve gross profit margin. By the end of 2022, BHX is expected to contribute more than 30% of MWG's revenue.

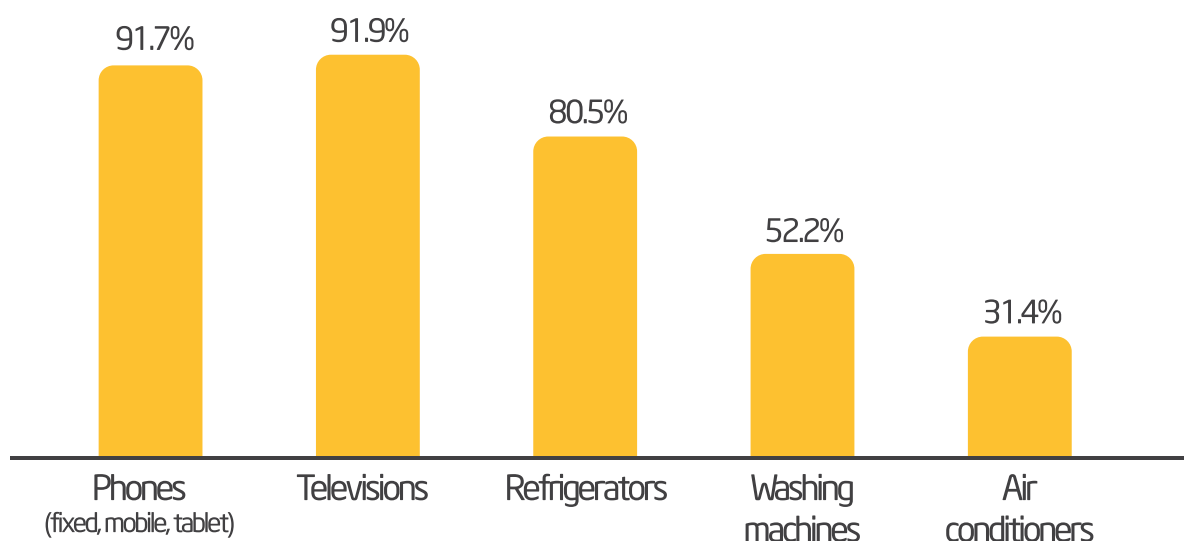
GROWTH POTENTIAL OF MWG

POPULATION SIZE:

Vietnam has a population of more than 96 million. In addition, the country has young demographics and an urban population rate of over 34%, which are both continuing to increase and will serve as the main growth pillars for the value of the retail market in Vietnam.



Household Penetration Of Main Products In Vietnam



Source: 2019 Population and Housing Census - General Statistics Office of Vietnam (GSO)



PHONES

Mobile phone manufacturers have captured customer demand much more comprehensively, which has in turn enabled the Company to constantly improve and launch new products. The application of 5G networks as well as the removal of 2G waves will stimulate the need to replace phones in the near future. Furthermore, many flexible and simple instalment payment options can allow customers to easily own their favorite products.



CONSUMER ELECTRONICS

Household penetration of consumer electronics products in Vietnam still has growth potential. Moreover, manufacturers have continuously launched new Internet of things (IoT) products, contributing to market value growth.

40% of the consumer electronics retail market value still belongs to mom-and-pop shops; as a result, there is an opportunity for MWG to continue to gain market share in the next several years by replicating the Dien May Xanh Supermini model



Food & FMCGs

The traditional market still accounts for about 90% of the total value of the food & FMCG retail market in Vietnam. As such, there is a chance for modern trade retailers who penetrate into this market early including Bach Hoa Xanh to continue to gain market share in the near future.

The size of the food & FMCG market in Vietnam is estimated at over USD60bn per year and is expected to grow thanks to new products that are launched to meet consumer demand for convenience. The concentration on developing this business segment whose market value is high and has potential to grow will help the Company to maintain double-digit growth over the next several years.

ONLINE RETAILING

The high penetration rate of the Internet and mobile phones in Vietnam along with recent strong developments in online payment methods are the base for MWG to continue to its focus of developing online retailing. Due to our advantage of having an extensive physical store network, MWG has a great opportunity to grow online retailing thanks to our omnichannel.



6. RISKS

As MWG's business activities are centered in the fields of mobile phones, consumer electronics, and fresh food & FMCG retail, the Company has the following main risks:

STRATEGIC RISKS

RISK OF INDUSTRY SATURATION

The growth of the domestic phone and consumer electronics retail industries is slowing down, which presents a challenge for the company to maintain its growth rate.

To maintain high growth, the company has been proactive in increasing the number of new items in the mobile phone and consumer electronics categories so that customers have more choices. In addition, the company proactively expanded into the new categories of food and FMCGs, which are estimated to reach a size of USD60bn per year much higher than the total of USD10bn for mobile phones and consumer electronics. In addition, the company is actively approaching new customers and overseas markets.

RISK OF COMPETITION WITH OTHER RETAILERS

As Vietnam is becoming more involved in global economic agreements, conditions limiting the investment of foreign retail businesses in Vietnam are gradually being removed. As a result, the number of large foreign retailers participating in the Vietnamese market is increasing, thus putting competitive pressure upon MWG. This is especially the case when competitors with strong economic advantages and deep pockets are willing to bear losses in the short term to win a price war.

MWG maintains the business philosophy of putting customers first and maintaining the best service quality for customers in order to maintain the loyalty of existing customers while also reaching new customers. Moreover, the Company is working to change the mobile interface for online sales on websites and applications in order to increase convenience for customers. Sales policies for each product are also flexible and adjusted to meet market demand.

MACROECONOMIC RISKS

Unstable exchange rates, natural disasters or another pandemic could impact the disposable income of consumers in the future. These are the most difficult risks for the company to predict and control.

MWG will try to minimize the impact of exchange rate fluctuations on business results by implementing financial measures and contingency plans. Regarding abnormal macroeconomic fluctuations as well as natural disasters and pandemics, the Company regularly monitors the latest news and research in order to have proper and on-time responses.

LEGAL RISK

RISK OF LITIGATION

This involves the possibility of being taken to court because an individual of the Company or the Company provides products or services that are not in accordance with the original commitment.

The Company takes measures to identify and minimize litigation risks, including ensuring product safety and complying with all applicable laws and regulations.

OPERATIONAL RISKS

RISK OF REDUCING INVENTORY VALUE

Mobile phones & consumer electronics

When a new model is launched to the market, the selling price of the older model will be reduced by the manufacturer. If enterprises do not manage inventory well, selling price of older model's obsolete inventory will not be guaranteed by manufacturers.

MWG has built an excellent ERP system to track the path of each product according to its International Mobile Equipment Identity (IMEI) number to ensure strict first-in, first-out (FIFO) inventory accounting control. As a result, the majority of inventory is guaranteed by manufacturers.

Food & FMCGs

Trading fresh food and consumer goods (FMCGs) involves strict methodologies to manage short and very short product life cycles for perishable goods. Vegetables can only be stored until 9:00 p.m. every day; fruit holds up to one to two more days beyond that. If grocery businesses do not effectively control the spoilage rate of perishable goods at an acceptable level, then the reduction of inventory value would be quite high.

MWG has built an ERP system to manage the expiration dates of FMCGs, accurately reporting the remaining use time of each product while taking measures to promptly handle inventory.

For fresh food, the Company is building a control system to maintain the lowest spoilage rate for perishable goods in order to minimize the loss of inventory value for the grocery chain.

RISK OF LOSS OF GOODS IN THE STORES

The strict FIFO control system will immediately alert any product entering the store first but not being sold first. This system also helps regular or irregular stocktaking to detect losses in stores as soon as possible. When losses occur even at a very low rate an individual or team will be responsible.

HUMAN RESOURCE RISK

The increasing number of employees makes human resource management a more challenging endeavor. Some concerns include the loss of goods due to employee greed, corruption in choosing suppliers, acceptance of bribes for choosing rental premises, and brain drain, among others.

MWG has been taking a series of measures to make human resource management easier such as (i) building an honest culture for all employees, (ii) developing appropriate remuneration mechanisms, (iii) establishing an internal control team to assist IT with periodic inspections to prevent abnormalities, and (iv) developing specific policies with third parties such as goods suppliers, tenants of premises or customers.

RISKS RELATED TO THE NETWORK SECURITY OF THE INFORMATION TECHNOLOGY (IT) DIVISION

The rapid development of the Company requires a large amount resources from the IT division. In order to meet user demand, the Company's IT division is focused on quickly building and completing procedures. This fast pace means there is limited time for evaluating IT operational processes and cybersecurity risks.

In order to ensure smooth system operations and security, the Company has taken the following measures: (i) building a security operations center; (ii) strengthening the inspection of the Company's entire server; (iii) periodically cleaning the entire server; and (iv) reviewing the software development process.

III.

OPERATIONS IN THE YEARS

1. SITUATION OF BUSINESS OPERATION

POSITION AND STORE NETWORK

One of the
top 10
largest enterprises
in Vietnam according
to the VNR500
Ranking

The **No.1**
retailer in Vietnam
with a remarkable
gap compared
to peers

MWG had
the biggest
contribution
in Vietnam's total
online retail sales
of consumer goods

The only
Vietnamese
representative in the
Top 100 Asia-Pacific
Retailers

Ranked 6th
in the Top 10 retail
companies in
Southeast Asia

Total number
of employees
reached more than
70,000
at the end of 2020

Total store count was more than
4,000. The **Dien May Xanh**
and **Bach Hoa Xanh** chains surpassed
1,400 stores and **1,700** stores
in December 2020, respectively



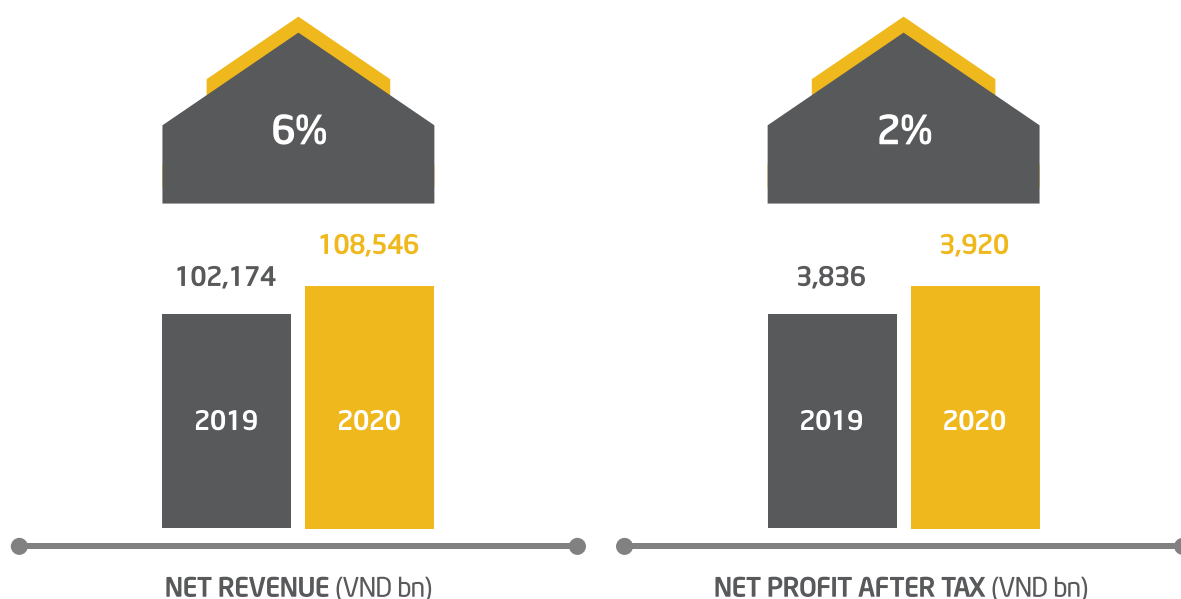


RESULTS OF BUSINESS OPERATIONS IN 2020

Key Achievements In 2020

2020 was an unprecedented year due to the serious impact of COVID-19 and consecutive natural disasters that happened in Vietnam. Despite these difficulties, MWG continued to record revenue growth of 6% YoY to reach VND108.55tn and NPAT growth of 2% YoY to reach VND3.92tn.

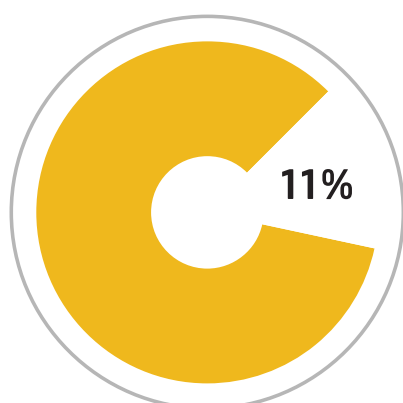
- Notably, the company did not record any losses during the most severe periods of COVID-19 in Vietnam, marking a significant difference between MWG and its peers while also demonstrating the Company's strong financial foundation, sustainability and resilient effort of all of its employees. When the pandemic was controlled in Vietnam and the economy returned to somewhat normal in the second half of 2020, MWG rapidly implemented a series of new projects such as DMX Supermini, Bluetronics in Cambodia and larger-sized BHX stores (+500 sqm). Thanks to these breakthroughs, MWG recorded NPAT growth of 10% YoY in the last six months of 2020.
- In order to achieve this performance - in addition to efforts in optimizing expenses - the improvement of the gross profit margin made a considerable contribution as it expanded to 22.1% - MWG's highest ever gross margin. The gross margin of main categories improved thanks to the relentless effort of MWG through (i) proactively diversifying product assortments (including private labels as well as directly imported and exclusively distributed products) with a variety of brands and competitive prices, (ii) focusing on exploiting high-profitability products and (iii) successfully negotiating better trade terms with suppliers due to economies of scale.
- In H2 2020, MWG concentrated on aggressively expanding the store network, experimenting with new formats, enhancing the strength of the procurement team, and investing in logistics and back-end systems. These actions made SG&A expenses increase in short term but were the necessary investments for MWG to realize the fast pace of growth and sustainable development over the long run.



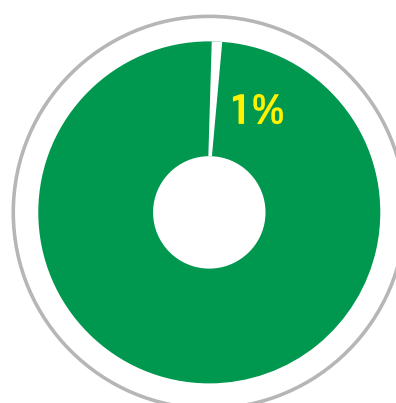
CONTRIBUTION OF ONLINE SALES

Total YTD online revenue VND **9,386 billion = 9%** revenue of **MWG**

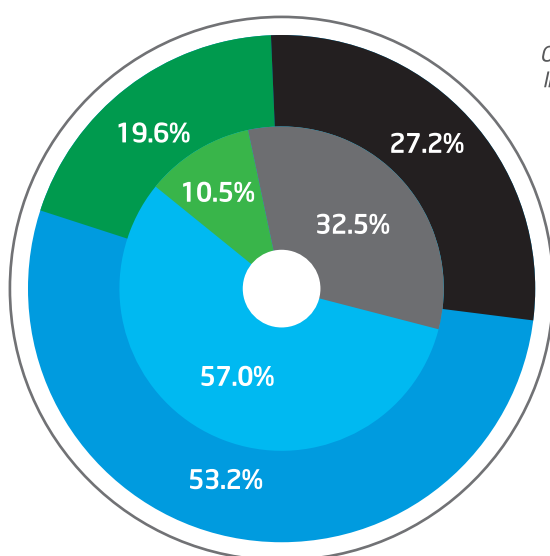
ONLINE REVENUE CONTRIBUTION IN
TGDD & DMX



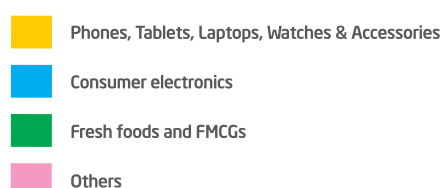
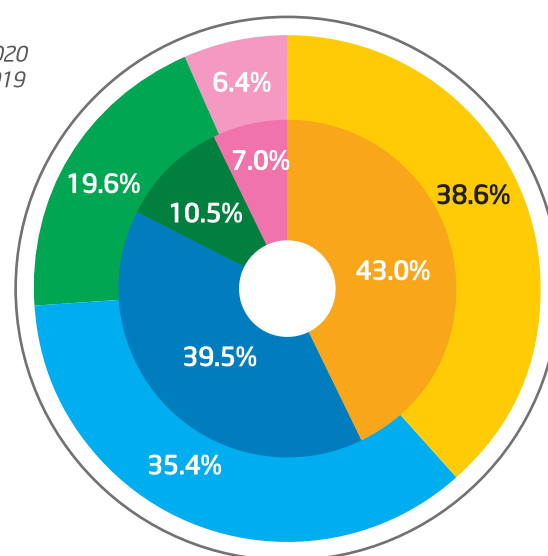
ONLINE REVENUE CONTRIBUTION IN
BHX



REVENUE BREAKDOWN
BY CHAIN



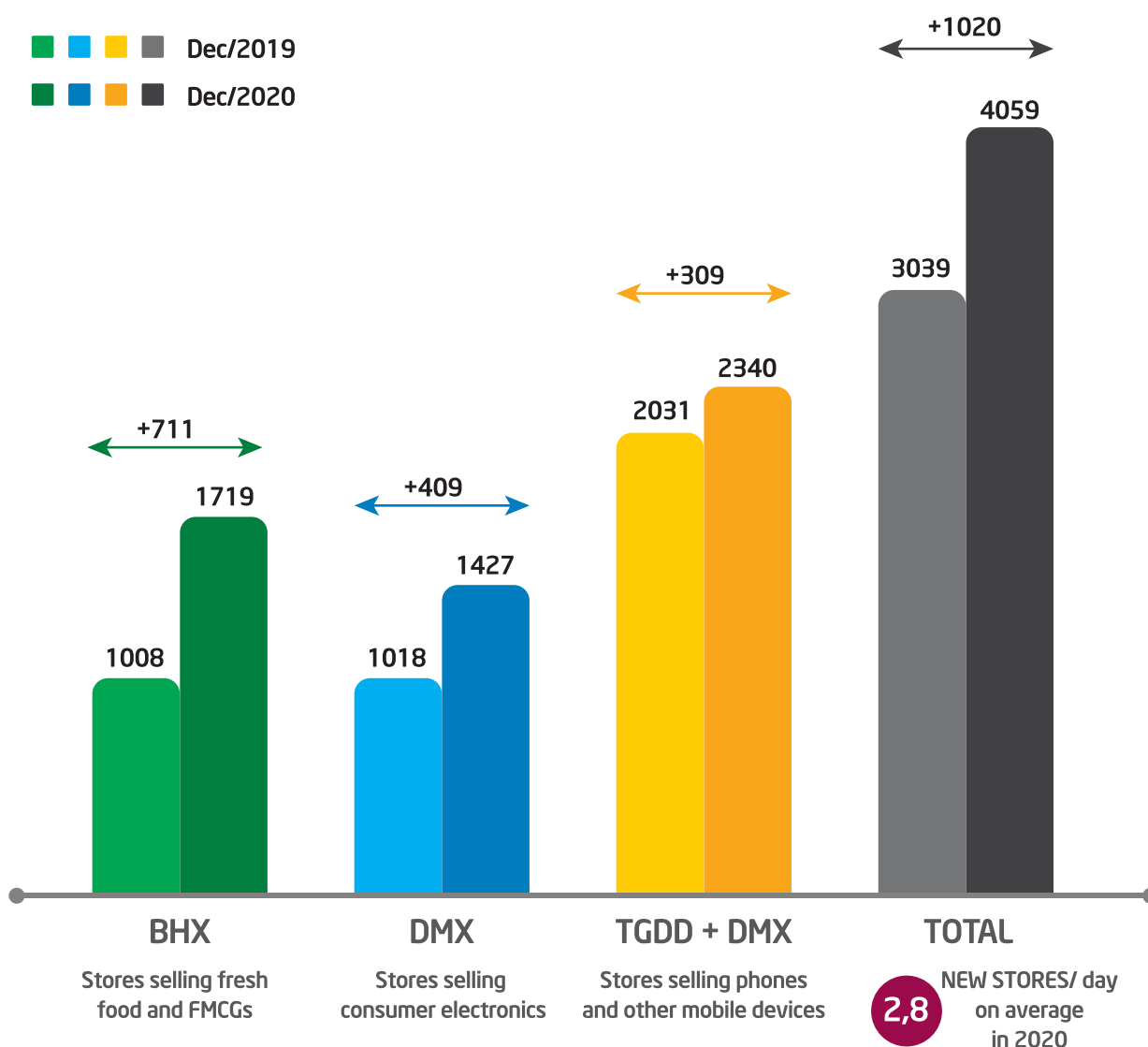
REVENUE BREAKDOWN
BY PRODUCT



(*): Revenue breakdown by chain does not include contribution of Bluetronics

(**): Others includes SIM cards, services and old phones, among other products

STORE NETWORK



(*): Newly added DMX stores, including conversions from TGDD stores.

(**): Excluding Bluetronics & An Khang in total store count.

THE GIOI DI DONG, DIEN MAY XANH & BLUETRONICS

In 2020, the sales value of most technology products and consumer electronics decreased YoY (except for laptops and wearable devices). Phones and electronics recorded double-digit negative growth compared to 2019. The fact that TGDD & DMX outperformed the overall market in most main categories helped MWG to solidify its leading position and widen the gap between peers in the market.

TGDD & DMX focused more on categories with high-profitability and solid growth potential:

Watches: More than 500 points of sale brought almost VND1.6tn of revenue (double vs 2019) from selling more than 1.2 million timepieces. As such, MWG has become the largest fashion watch and wearable device retailer in Vietnam after only two years since entering this market.

Laptops: 26 Laptop Centers and more than 1,000 points of sale in TGDD & DMX contributed more than VND3.5tn of revenue (>40% YoY growth). With this result, MWG is estimated to account for a nearly 30% market share of laptops in Vietnam.

Small appliances: The concentration on high-value products like electric fans, water purifiers and rice cookers in 2020 generated more than VND3.5tn of revenue for MWG (>20% YoY growth) and made up approximately 50% of total small appliance sales.

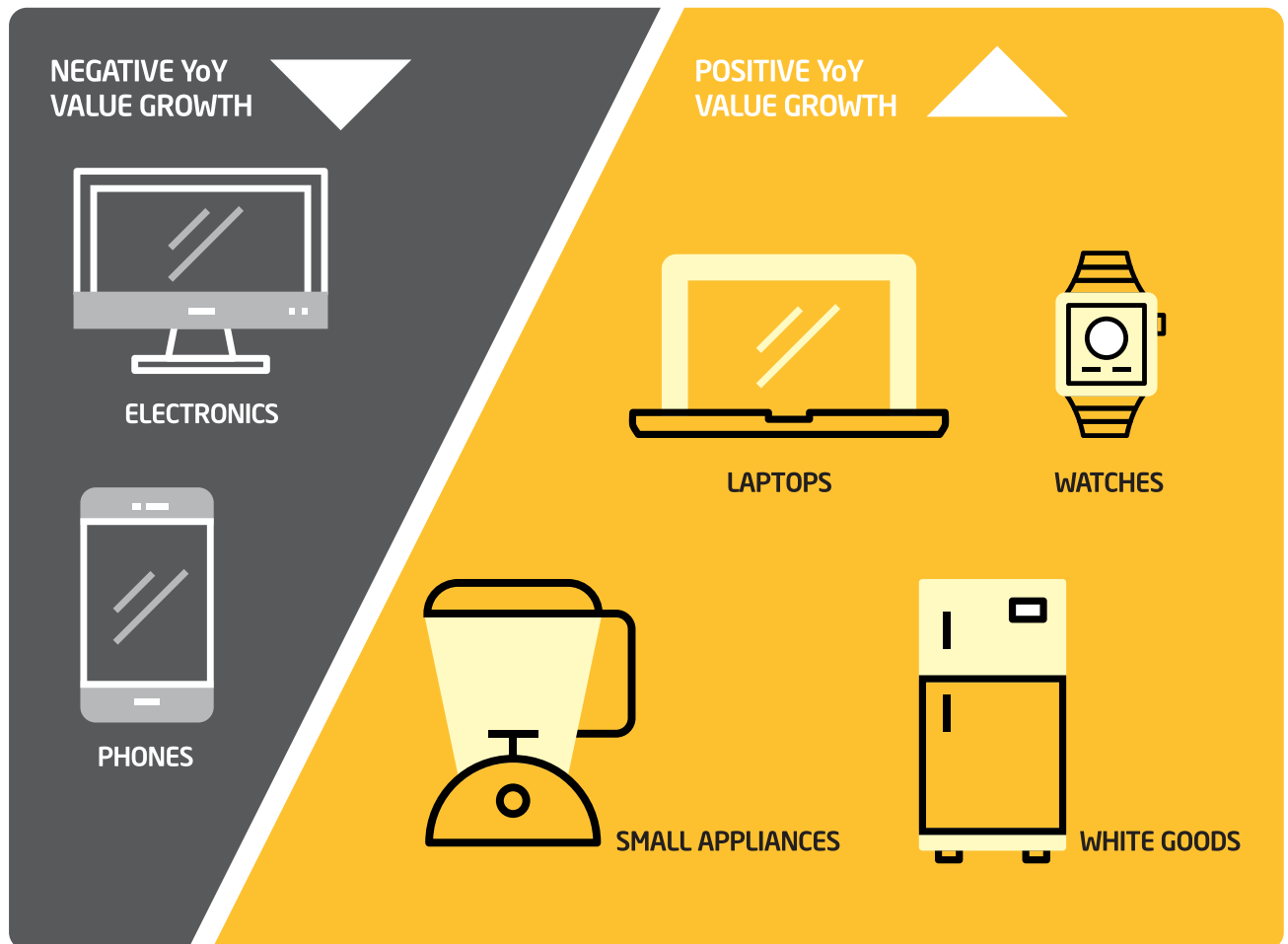
Constantly piloting numerous initiatives to determine future growth drivers:

Dien May Xanh Supermini (DMS): After six months of operation, DMS strongly flourished with 302 stores covering 61 of the 63 cities & provinces in Vietnam to meet the shopping demand of rural residents. With its rapid store expansion (adding 200 new stores in the two last months of 2020), DMS contributed more than VND850bn to MWG's total net sales equivalent to a stable average monthly revenue of over VND1bn per store. The encouraging performance of DMS allowed MWG to confidently plan to scale this model up to 1,000 points of sale by YE2021.

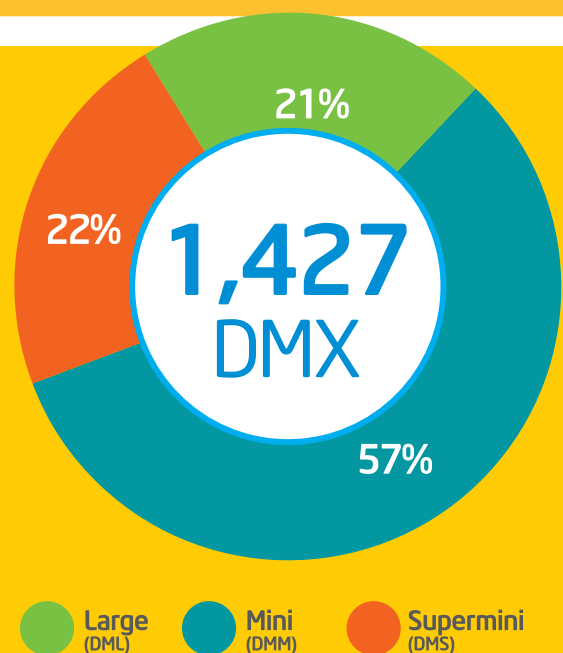
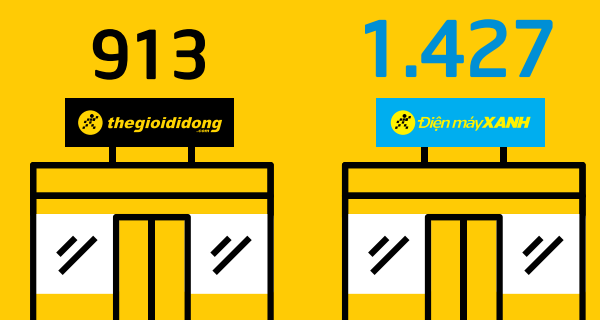
Bluetronics: Had footfall in eight of Cambodia's 25 provinces with 37 total stores. The average revenue per store reached VND1.2bn in December 2020. In addition, the total turnover of this business surged by 80% YoY in 2020. Bluetronics aims to be the No.1 mobile device and consumer electronics retailer in Cambodia in 2021 with about 80 stores nationwide.

Fine-tuning procedures to optimize operations: All-in-one process and application (one staff member is responsible for serving one customer from product consultation, collecting payment and handling installment payment documents) were thoroughly applied to improve staff productivity, increase commissions and save operating costs.

GROWTH OF MAIN PRODUCTS IN 2020 VS. 2019

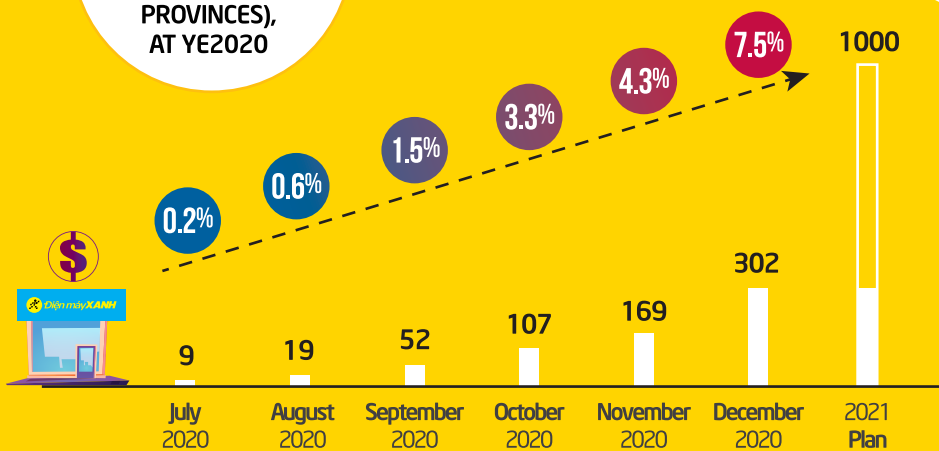


STORE NETWORK



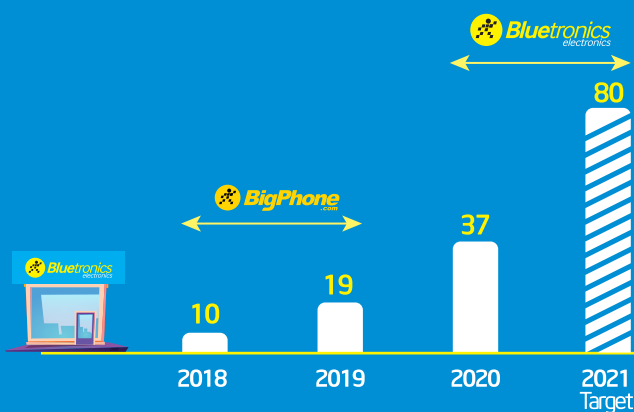
NUMBER OF DMS STORES & THEIR CONTRIBUTION TO THE TOTAL SALES OF DMX

302 STORES
(61/63 CITIES & PROVINCES),
AT YE2020



Average monthly sales per store:
over VND 1 billion

NUMBER OF PHONES AND CONSUMER ELECTRONICS STORES IN CAMBODIA



37 BLUETRONICS STORES
(8/25 CITIES & PROVINCES),
AT YE2020



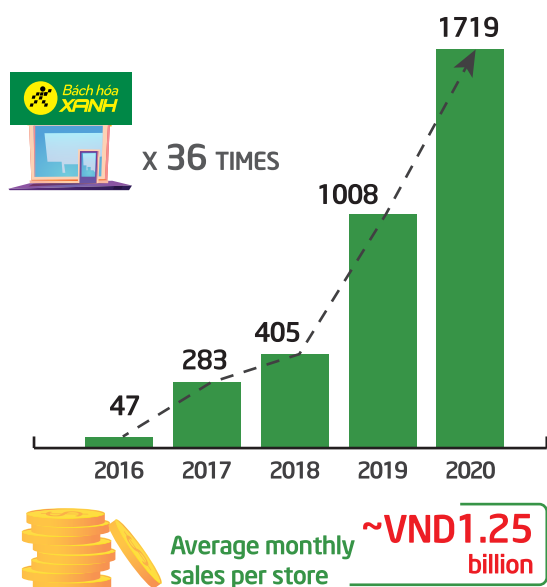
Average monthly sales per store:
VND 1.2 billion

BACH HOA XANH

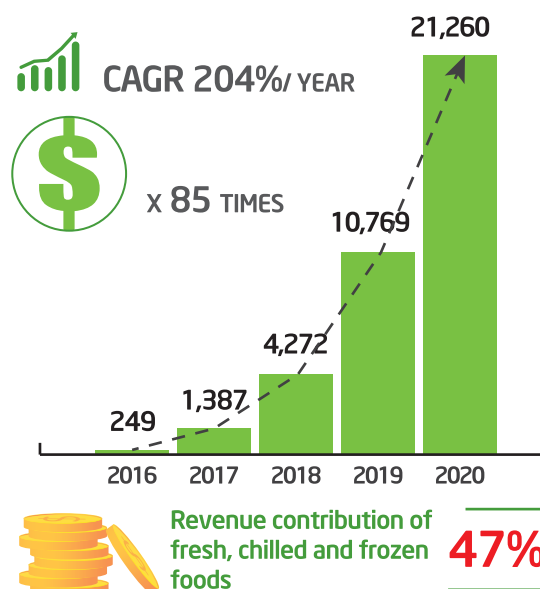
The Bach Hoa Xanh (BHX) chain almost doubled its 2019 revenue to reach **VND21.26tn** and contributed approximately 20% of MWG's total sales in 2020. BHX was the main growth driver for the modern trade (MT) channel in Vietnam in 2020. BHX's market share in FMCGs surpassed 10% in urban areas and was more than 20% in HCMC alone. The outstanding growth of BHX compared to the overall market was attributed to (i) the aggressive expansion of the store network in many cities in southern and south-central of Vietnam and (ii) positive same store sales growth (SSSG).

- As of YE2020, BHX had 1,719 stores in 24 of Vietnam's 63 cities & provinces (an addition of 711 new points of sale compared to YE2019) with average monthly revenue of nearly VND1.25bn per store.
- Gross profit margin after spoilage and shrinkage in 2020 was over 24% (a 5% expansion compared to 2019). The considerable increase of BHX's gross margin was mainly thanks to (i) negotiating better trade terms with FMCG suppliers and (ii) improving the effectiveness of fresh food procurement. With the above gross margin, BHX was EBITDA profitable at the store and distribution center level in FY2020.
- After six months of experimentation, the larger-sized store model with an area of more than 500 sqm and offering of 6000-8000 SKUs (most of them were upgraded from existing high-performing stores) was chosen to be the key growth driver for BHX's sales in 2021. By end of December 2020, this format was present in 19 of Vietnam's 63 cities & provinces with 182 stores in total (1/3 of the store count was in HCMC). Average monthly sales per store were approximately VND3bn in HCMC and about VND2.5bn system-wide since BHX implemented this format with higher density and expanded into provincial markets. BHX aims to have more 500 stores under this larger format by YE2021 from both upgrades and new openings in urban areas of southern and south-central Vietnam.
- In 2020, BHX's online channel achieved a breakthrough performance in the number of transactions and sales. In December 2020, BHX online served ~7,000 daily bills on average and even up to 10,000 transactions on peak days for customers in 11 cities & provinces through 20 distribution centers.
- At the end of 2020, the An Khang pharmacy chain had 68 stores in operation (53 new points of sale were arranged next to large-scale BHX stores).

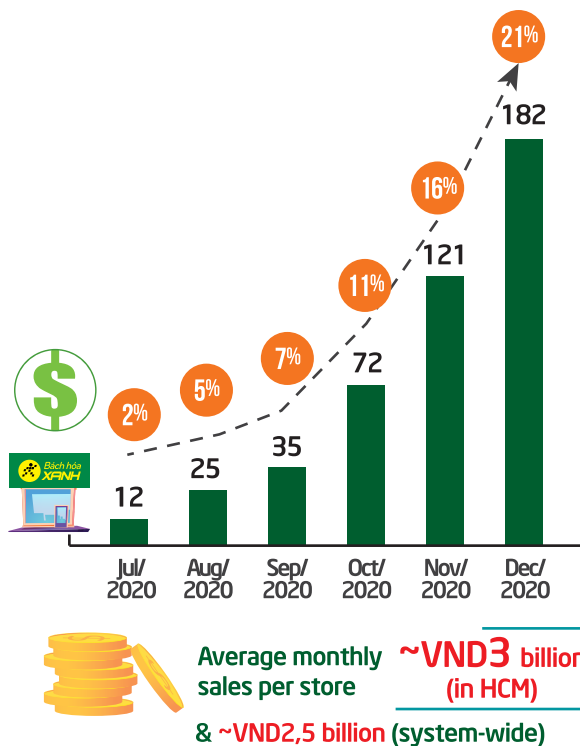
NUMBER OF BHX STORES
2016 - 2020



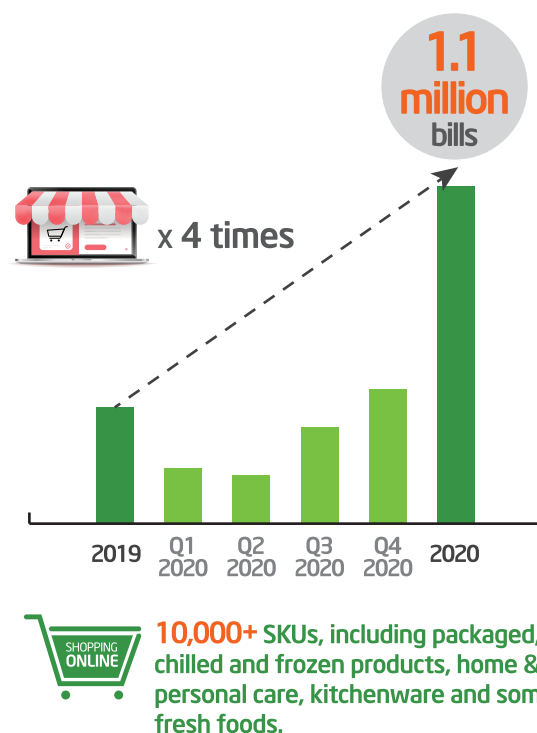
REVENUE OF BHX CHAIN
2016 - 2020 (VND billion)



NUMBER OF STORES >500 SQM
AND THEIR CONTRIBUTION TO BHX'S
TOTAL REVENUE



TRANSACTIONS ON BHX'S
ONLINE CHANNEL

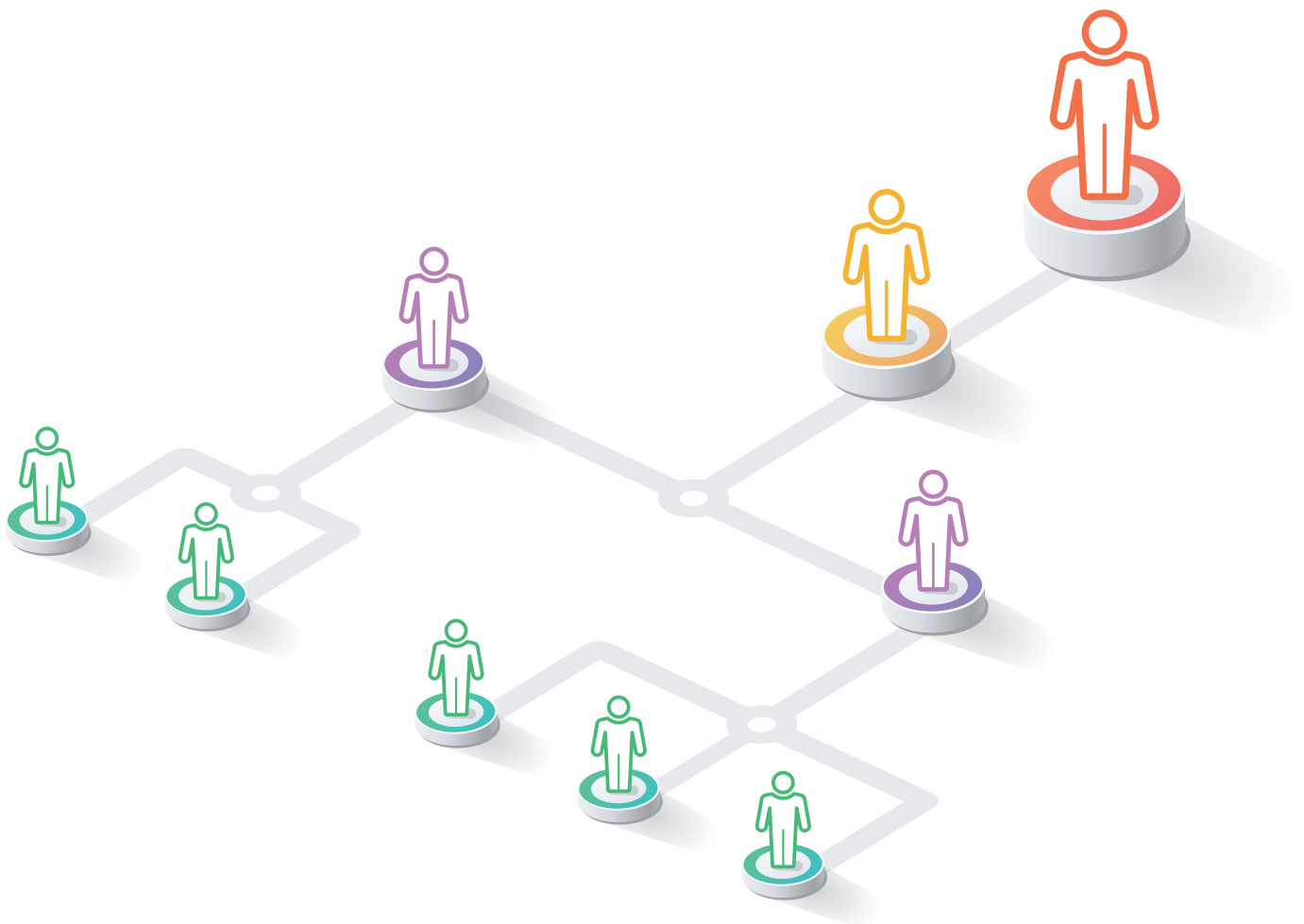


2020 ACTUAL RESULTS AGAINST TARGETS

In 2020, MWG completed 98.7% of its annual revenue target and 113.6% of its annual net profit after tax plan thanks to the quick implementation of new initiatives such as (i) experimenting with the Dien May Xanh Supermini model and Bach Hoa Xanh larger-sized store model with area of more than 500 sqm and (ii) focusing on categories with high-profitability and solid growth potential. The Company also concentrated on optimizing operation costs, controlling inventory and maintaining a healthy business cash flow.

ITEMS	ACTUAL 2020	TARGET 2020	ACTUAL VS TARGET	ACTUAL 2019	GROWTH RATE
Net revenue	108,546	110,000	98.7%	102,174	6.2%
Net profit after tax	3,920	3,450	113.6%	3,836	2.2%

2. ORGANIZATION AND HUMAN RESOURCES



KEY PERSONNEL OVERVIEW



**Mr. TRAN
KINH DOANH**

CEO of Mobile World
Investment Corporation



**Mr. DOAN
VAN HIEU EM**

CEO of The Gioi Di Dong JSC



**Mr. NONG
VAN DUNG**

CEO of Bach Hoa Xanh
Trading JSC



**Mr. DANG
MINH LUOM**

HR Director



**Mr. PHAM
VAN TRONG**

CEO of The Gioi Di Dong
Information Technology Ltd.



**Mr. DOAN
TRUNG HIEU**

CEO of Conscientious Installation
- Repair - Maintenance Service
Company Limited



**Mr. QUACH
VINH NAM**

Head of TGDD-DMX National
Sales



**Mr. PHUNG
NGOC TUYEN**

Procurement Director of ICT
products



**Mr. TRAN
VAN HOANG**

Procurement Director of CE
products



**Ms. NGUYEN THI
NGOC THUONG**

Procurement Director of Bach
Hoa Xanh (Food and FMCGs)



**Mr. DO
TUAN ANH**

Head of Logistics & Supply chain



**Mr. VU
DANG LINH**

CFO



**Mr. BUI
NGOC TIN**

Head of IT



**Ms. LE
THAO TRANG**

Head of Marketing



**Ms. HOANG
KHANH CHI**

Head of Customer
Experiences



**Ms. LY TRAN
KIM NGAN**

Chief Accountant



**Ms. LE THI
THU TRANG**

Head of IR &
Investment

CURRICULUM VITAE AND OWNERSHIP PERCENTAGE OF THE COMPANY'S VOTING SHARES OF THE BOARD OF MANAGEMENT (*):



Mr. TRAN KINH DOANH

CEO of Mobile World Investment Corporation

- Year of birth: 1973
- Bachelor's of economics at the University of Economics HCMC (UEH)
- Has held various key positions in the Business Development Division since 2007
- Led the successful expansion of thegioididong.com and Dien May Xanh systems in 63 cities & provinces
- 2013 – present: Member of the Board of Directors
- 2014 – September 2018: CEO of The Gioi Di Dong JSC
- 2016 – present: Chairman of Bach Hoa Xanh Trading JSC
- 2018 – present: CEO of the Mobile World Investment Corporation
- Ownership percentage of MWG's voting shares at the end of 2020: 4,706,520 shares equivalent to a 1.038% stake

Mr. DOAN VAN HIEU EM

CEO of The Gioi Di Dong JSC

- Year of birth: 1984
- Bachelor's of accounting at the University of Finance – Marketing HCMC
- Joined MWG in 2007 and worked for more than 10 years in the Business Development Division of Consumer Electronics – Telecommunication before being appointed as the CEO of The Gioi Di Dong JSC in September 2018
- March 2019 – present: Member of the Board of Directors
- Ownership percentage of MWG's voting shares at the end of 2020: 558,200 shares equivalent to a 0.123% stake



Mr. DANG MINH LUOM

HR Director

- Year of birth: 1975
- Bachelor's of economics at the University of Economics HCMC (UEH)
- Human Resources Director of The Gioi Di Dong JSC since 2007
- Human Resources Director of Mobile World Investment Corporation
- May 2014 – present: Member of the Board of Directors
- Ownership percentage of MWG's voting shares at the end of 2020: 995,200 shares equivalent to a 0.220% stake





Mr. VU DANG LINH

CFO

- Year of birth: 1975
- Master's of Economics from the University of Economics HCMC (UEH)
- Joined MWG in April 2008 and has served more than 12 years as the Company's CFO
- Ownership percentage of MWG's voting shares at the end of 2020: 386,144 shares equivalent to a 0.085% stake

Ms. LY TRAN KIM NGAN

Chief Accountant

- Year of birth: 1985
- Master's of accountancy from the University of Economics HCMC (UEH)
- Joined MWG in March 2012 and was appointed as the Company's Chief Accountant
- Ownership percentage of MWG's voting shares at the end of 2020: 231,176 shares equivalent to a 0.051% stake



Ms. LE THI THU TRANG

Authorized person to disclose information / person in charge of corporate governance

- Year of birth: 1986
- Master's of financial analysis from the University of New South Wales, Australia
- Joined MWG in April 2017 and was appointed as Investment & Investor Relations Director
- Ownership percentage of MWG's voting shares at the end of 2020: 45,000 shares equivalent to a 0.010% stake

(*) Board of Management includes internal persons regulated to disclose information.

In 2020, there was no change in the Board of Management of MWG.

NUMBER OF EMPLOYEES AND BRIEF INFORMATION ON CHANGES TO EMPLOYEE POLICIES

At the end of 2020, MWG had more than 70,000 employees - a significant increase compared to 58,000 employees at the end of 2019 - which was mainly driven by MWG's new store openings. Though MWG's 2020 business results were significantly impacted by COVID-19, the Company was able to maintain a high level welfare for employees compared to the average level of the market. Details about the structure of employees and policies for employees are described in section Policies related to employees.

3. INVESTMENT ACTIVITIES AND PROJECT IMPLEMENTATION



New project

In 2020, MWG experimented with the 4KFarm project the high-tech agricultural branch of Bach Hoa Xanh.



Operation model of 4KFarm:

- * 4KFarm's agricultural experts research farming technology, transfer technology and support farmers to grow vegetables under the "4 No" policies of zero pesticide, non-GMO seeds, zero preservatives and zero growth substances.
- * 4KFarm commits to purchasing 100% of these safely-grown vegetables from farmers and provides them exclusively for the Bach Hoa Xanh retail chain.
- * Scanning QR codes on packaging enables customers to access information related to the product's origin, including the name of farm, type of seed, seeding date, harvest date, and ability to view live video from 4KFarm farms.

Mission of 4KFarm:

- * 4KFarm's mission is to provide safely-grown fresh produce for customers and bring prosperity to Vietnamese farmers.

Initial performance:

- * At the end of 2020, 4KFarm signed contracts to cooperate with 170 farming households - 108 farms were put into operation, of which 70 farms were harvested with output ranging from 2.5-4.0 kg of vegetables/sqm/crop.
- * The project is still in its pilot phase, so the contribution of 4KFarm's output to Bach Hoa Xanh's total vegetable sales volume has not yet been significant.

SUBSIDIARIES AND ASSOCIATE COMPANIES

SUBSIDIARIES

No.	Name of subsidiary	Summarizing the operations and financial situation in 2020
1	The Gioi Di Dong Joint Stock Company	<ul style="list-style-type: none"> Due to impact of the COVID-19, the company's business activities were significantly affected during social distancing periods. As a result, the revenue of the Company decreased by 4.4% YoY in 2020. The financial situation was well maintained as the Company actively reduced inventory to increase cash on hand, thus ensuring its solvency.
2	Bach Hoa Xanh Trading Joint Stock Company	<ul style="list-style-type: none"> Due to trading in consumer goods, the business activities of Bach Hoa Xanh were not impacted considerably by COVID-19 in 2020. Revenue of the Company doubled that of 2019 thanks to efforts in expanding the store network to gain market share. The financial situation and solvency were maintained stably.
3	Tran Anh Digital World Joint Stock Company	<ul style="list-style-type: none"> The Company only leased its business premises to The Gioi Di Dong JSC, thus its business results remained stable in 2020 as in 2019. The financial situation and solvency were maintained stably.
4	The Gioi Di Dong Information Technology Limited Company	<ul style="list-style-type: none"> The Company provided software services and other information technology services for subsidiaries/associate of Mobile World Investment Corporation, thus its business results remained stable. The financial situation and solvency were maintained stably.
5	MWG (Cambodia) Co., Ltd	<ul style="list-style-type: none"> In 2020, Bluetronics surged in terms of revenue with growth of 80% YoY mainly thanks to the expansion of the store network. The financial situation and solvency were maintained stably.
6	Conscientious Installation - Repair - Maintenance Service Company Limited	<ul style="list-style-type: none"> The Company provided services for The Gioi Di Dong JSC, thus its financial situation and solvency were maintained stably.

ASSOCIATE COMPANIES

No.	Name of associate company	Summarizing the operations and financial situation in 2020
1	An Khang Retail Joint Stock Company	<ul style="list-style-type: none"> . Due to trading in pharmaceutical products, business activities of the Company were not impacted by COVID-19 in 2020. Revenue in 2020 jumped by 69% YoY thanks to the expansion of the store network to gain market share. . The financial situation and solvency were maintained stably.

4. Financial situation

Financial situation

INDICATORS	2019	2020	% change
Total asset (VND bn)	41,708	46,031	10.4%
Net revenue (VND bn)	102,174	108,546	6.2%
Profit from operating activities (VND bn)	5,568	5,971	7.3%
Other profits (VND bn)	19	-3	-114.9%
Profit before tax (VND bn)	5,053	5,410	7.1%
Profit after tax (VND bn)	3,836	3,920	2.2%
Payout ratio	17.3%	17.3%	0.2%

MAIN FINANCIAL INDICATORS

INDICATORS	2019	2020
1. Solvency ratio		
+ Current ratio	1.2	1.3
+ Quick ratio	0.3	0.6
+ Net debt/EBITDA	1.0	1.2
+ Inventory days	95.3	97.4
+ Receivable collection period	1.1	0.8
+ Payable payment period	44.8	44.8
+ Cash conversion cycle	51.7	53.4
2. Capital structure ratio		
+ Total liabilities/Total assets	0.7	0.7
+ Total liabilities/Owners' equity	2.4	2.0
+Debt/Equity	1.2	1.1
3. Operation capability ratio		
+ Inventory turnover	3.8	3.7
+ Total asset turnover	2.9	2.5
4. Target on profitability		
+ Gross profit margin	19.1%	22.1%
+ Operating margin	5.4%	5.5%
+ Selling expenses/ Net revenue	12.2%	14.1%
+ Administration expense/Net revenue	2.0%	3.1%
+ Net profit margin	3.8%	3.6%
+ ROE	36.3%	28.4%
+ ROA	11.0%	8.9%
+ ROIC	20.2%	14.9%

Notes:

- a. The solvency ratio and capital structure ratio in 2020 improved YoY thanks to the Company's ability to balance revenue and expenditures appropriately.
- b. Gross profit margin expanded significantly from 19.1% in 2019 to 22.1% in 2020 thanks to economies of scale, the Company's effort in optimizing procurement costs and a reasonable product mix.
- c. Net profit margin inched down from 3.8% in 2019 to 3.6% in 2020, which was mainly due to an increase of SG&A expenses. Specifically, the operation cost/revenue ratio of Bach Hoa Xanh was higher than that of TGDD and DMX. Meanwhile, the contribution of Bach Hoa Xanh's revenue into MWG's total revenue surged from 10.5% in 2019 to 19.6% in 2020.
- d. The ROE, ROA, ROIC ratios in decreased YoY in 2020 partly due to an increase of equity that was driven by higher retained earnings from 2020. While the TGDD and DMX chains continued to generate profit growth, the Bach Hoa Xanh chain which is set to be main growth driver for the Company in next several years was still in its investment phase for expansion and thus not yet generating profit.

5. SHAREHOLDER STRUCTURE AND CHANGE IN OWNER'S EQUITY

INFORMATION ABOUT SHARES AS AT 31ST DECEMBER 2020

Total issued
shares:

453,209,987

Treasury
shares:

604,093

Outstanding
shares:

452,605,894

SHAREHOLDER STRUCTURE

No.	SHAREHOLDERS	NO. OF SHARES	PROPORTION OF OWNERSHIP (%)	NO. OF SHAREHOLDERS	SHAREHOLDER STRUCTURE	
					Institutional	Individuals
1	Founders	19,396,826	4.3%	3		3
	Trong nước	19,396,826	4.3%	3		3
	Nước ngoài	0	0.0%			
2	Major shareholders (above 5%)	139,406,952	30.8%	11	11	
	Trong nước	90,151,445	19.9%	2	2	
	Nước ngoài	49,255,507	10.9%	Group of affiliated foreign investors, including nine institutional investors	Group of affiliated foreign investors, including nine institutional investors	
3	MWG's Managers and Employees	50,618,335	11.2%	4,042		4,042
	Trong nước	50,618,335	11.2%	4,042		4,042
	Nước ngoài		0.0%			
4	Other shareholders	243,183,781	53.7%	12,586	237	12,349
	Trong nước	70,366,394	15.6%	12,419	102	12,317
	Nước ngoài	172,817,387	38.1%	167	135	32
5	Treasury shares	604,093	0.1%			
	TOTAL	453,209,987	100.0%	16,642	248	16,394

CHANGE IN OWNER'S EQUITY

Owner's equity at the end of 2020 increased by 27% YoY, which was mainly attributed to retained earnings from 2020

In 2020, MWG issued 9,663,809 shares with par value of VND 10,000/share under the ESOP program for MWG and its subsidiaries.

TRANSACTION OF TREASURY STOCKS

TRADING TIME	NUMBER OF PURCHASED TREASURY SHARES	AVERAGE PRICE/SHARE	COUNTERPARTIES
March 2020	392,561	Specified in ESOP regulation	Employees
August 2020	137,669	Specified in ESOP regulation	Employees
October 2020	73,863	Specified in ESOP regulation	Employees

At the end of 2020, the Company had treasury shares

604,093

OTHER SECURITIES: **None**

6. ENVIRONMENT - SOCIAL - GOVERNANCE (ESG) REPORT OF THE COMPANY

“ MWG specializes in providing retail related services and activities that are unrelated to production, thus the Company focuses on these key issues: (1) energy consumption, (2) use of biodegradable packaging and (3) policies related to employees and communities ”

ENERGY CONSUMPTION

ENERGY CONSUMPTION - DIRECT AND INDIRECT

As a retailer, MWG mainly uses electricity in offices and stores. The fact that the store count of the Company has continuously increased over the years leads to a higher demand for electricity. However, we always have an awareness of using electricity correctly and efficiently, without causing loss or waste.

YEAR	STORE COUNT AT YEAR END	EXPENSE (VND mn)	ESTIMATED MWH BASED ON AVERAGE ELECTRICITY PRICE IN 2019	TONS OF CO2 (tCO2)
2019	3039	697,427	374,068	341,524
2020	4059	994,854	533,594	487,171

Average electricity price in 2019 according to the Ministry of Industry and Trade

>1,864
VND/kWh

Emission coefficient of the Vietnam grid (latest in 2018) according to the Ministry of Natural Resources and Environment

0.9130
(tCO2/MWh)

INITIATIVES OF USING ENERGY MORE EFFICIENTLY

- MWG continued to maintain its activities and campaigns to improve energy awareness at its head office and all stores nationwide
- Since 2013, all MWG stores have been equipped with automatic sensors for signboard lights. These turn on at 6:00 p.m. (or when it is dark enough) and turn off automatically at 10:00 p.m.
- In addition, a smart system was designed to automatically turn on lights and air conditioners at 7:00 a.m. and automatically turn them off at 11:00 p.m. every day at The Gioi Di Dong and Dien May Xanh stores.
- All stores are equipped with energy saving and environmentally friendly equipment such as equipment made from recyclable materials, LED lights and auto-off timers. Additionally, each location fully meets fire prevention requirements. The company aims for the percentage of LED lights used in MWG's offices and supermarkets to increase from the current level of 95% to 100% and the rate of inverter equipped air-conditioners use to increase from the current level of 50% to 100% in the near future.
- The company is using solar power electricity in 67 supermarkets with a total designed capacity of more than 3,600 kWp. The use of solar power electricity usually saves 15% of the monthly electricity cost at a store, hence the Company will continue to increase the installation of solar power electricity at stores that qualify for construction. It is expected that each year the company will add 3,000-4,000 kWp of solar power electricity to save costs.



INCREASING USE OF BIODEGRADABLE PLASTIC PACKAGES

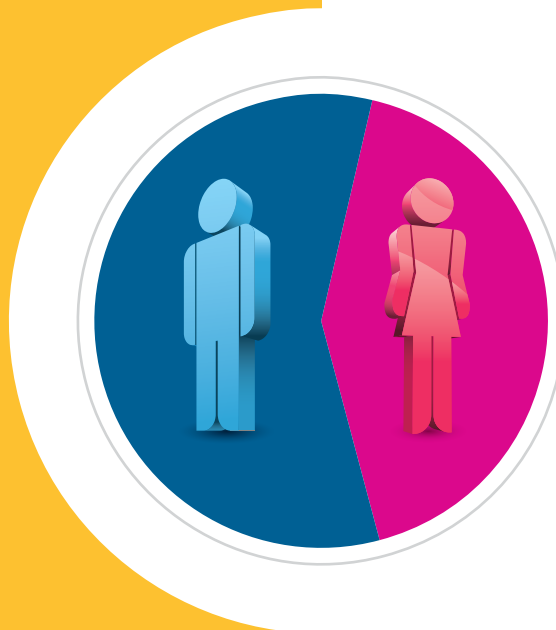
As a retail company, MWG uses many bags for its customers at its points of sale. We acknowledge that the use of plastic bags is not good for the natural environment, thus we has continuously implemented proper solutions. Currently, most bags used in MWG's chains are made of biodegradable plastic.

POLICIES RELATED TO EMPLOYEES

NUMBER OF EMPLOYEES AND STRUCTURE OF EMPLOYEES



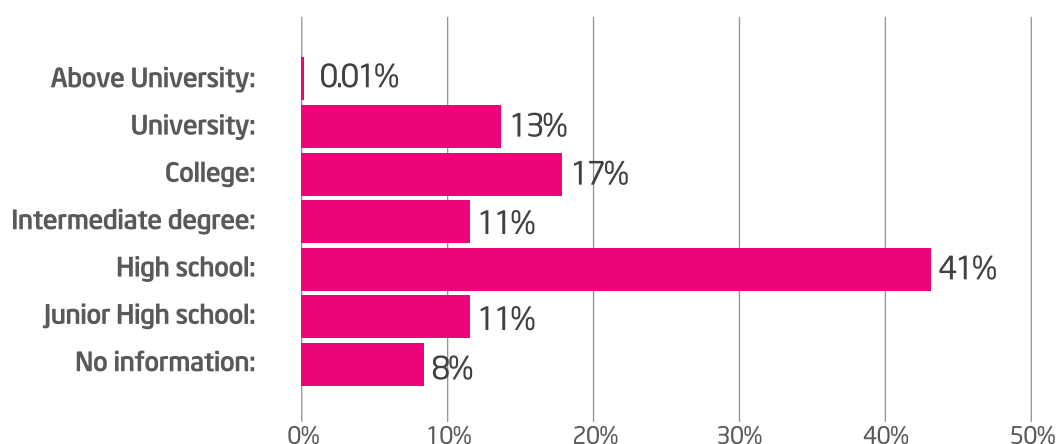
More than
70,000
employees



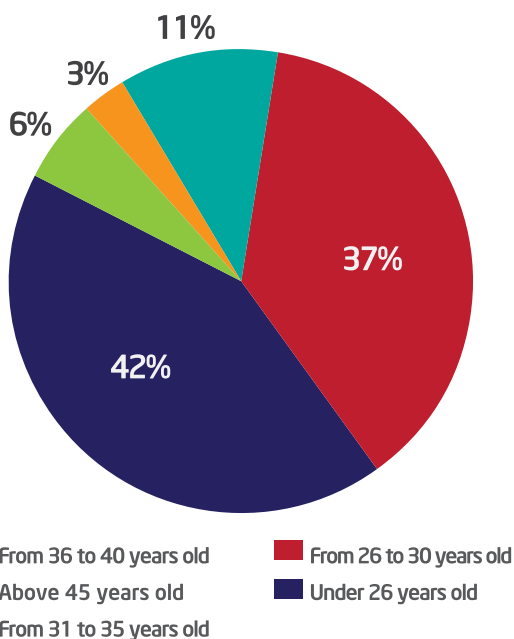
♂
Male
58%

♀
Female
42%

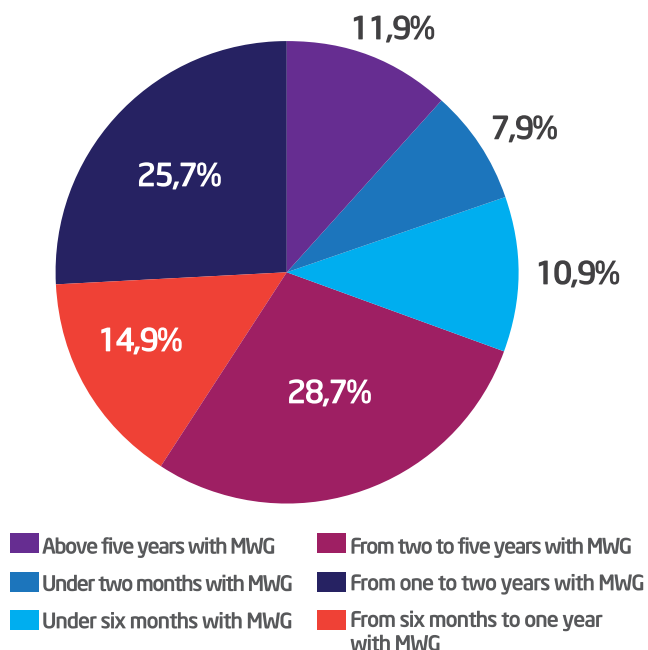
EMPLOYEES HAVING DEGREES AND QUALIFICATIONS ACCOUNT FOR 40% TOTAL NUMBER OF EMPLOYEES



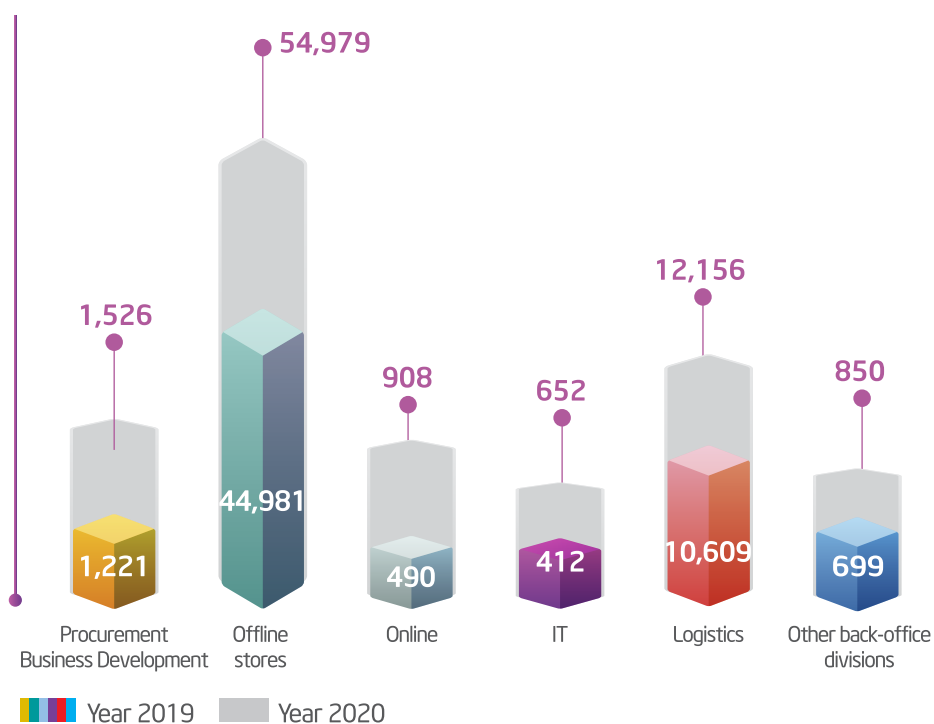
MOST EMPLOYEES ARE YOUNG, DYNAMIC AND UNDER 30 YEARS OLD



MORE THAN 70,000 EMPLOYEES, INCLUDING NEW HIRES AND EXISTING EMPLOYEES



HUMAN RESOURCES STRUCTURE



58.412

NUMBER OF
EMPLOYEES
2019

71.071

NUMBER OF
EMPLOYEES
2020

NOTES: At the end of 2020

- Total number of employees also included collaborators.
- More than **30,000** employees worked in offline stores of TGDD & DMX.
- More than **24,000** employees worked in offline stores of BHX.



REMUNERATION AND PROMOTION POLICIES FOR EMPLOYEES

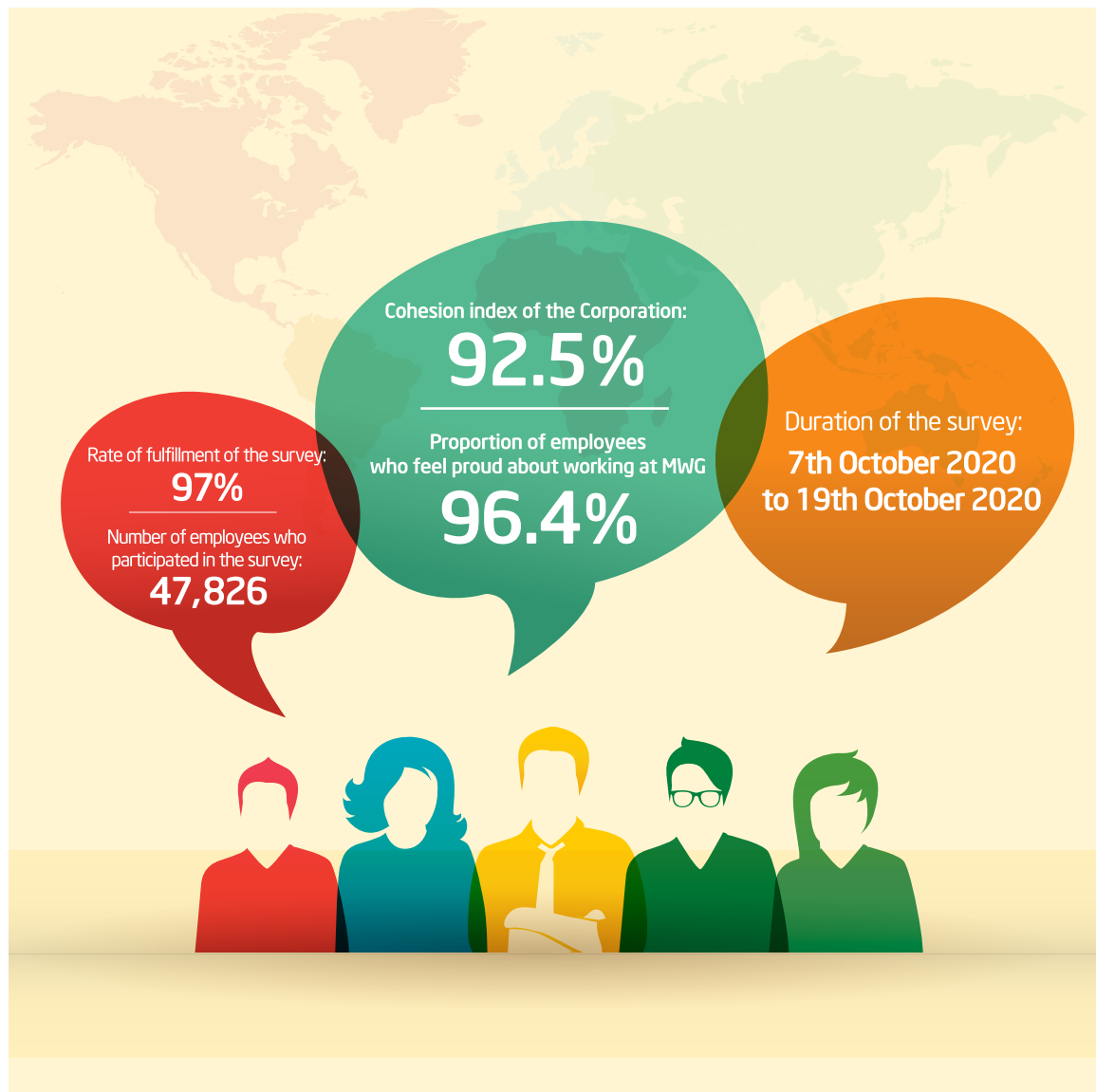
- The company always adheres to the minimum salary of the region and monitors the common salary of the market to implement a competitive and suitable salary policy for each division.
- In addition to the monthly salary, the sales staff has bonuses based on sales productivity, service rewards and one-time rewards from motivational programs.
- In order to recognize efforts in maintaining growth of revenue and net profit in 2020 for all employees, the Company continued to maintain an attractive year-end bonus policy in 2020.
- Internal promotion policies are clearly regulated to motivate employees. For sales staff in particular, it takes about only six months after joining the Company in addition to meeting some criteria in customer service to be eligible to serve in manager-level positions.

Labor policies to ensure health, safety and welfare of workers

- MWG always fulfills its obligations to pay taxes and compulsory insurance for all employees of the Company. In addition to the social insurance regime in accordance with Vietnamese Government regulations, employees are also entitled to health insurance for themselves and their families, as well as accident insurance.
- The Company often organizes team-building trips for all employees annually; however, this did not happen in 2020 due to COVID-19.
- Moreover, the Company offers other policies related to marriage, funeral benefits and other family-related life events.
- The Labor Relations Division and Trade Union always accompany and listen to the thoughts and aspirations of employees at all levels and divisions in order to solve problems, provide timely support and call for help to solve difficult family circumstances. Some notable examples are as follows:
 - ◆ Caring, understanding and mobilization of VND4.6bn to help 5,600 employees with difficulties/sickness.
 - ◆ Giving gifts in cash and kind to 46,000 employees/Trade Union members on Tet Holiday, birthdays, International Children's Day and the Mid-Autumn Festival.
 - ◆ Listening to and answering 2,520 queries from employees via channels such as internal reports, the HR Center and blogs.
- In 2020, the Trade Union held 20 big and small programs to increase the cohesion between employees and the Company, attracting the participation of more than 45,000 employees. Notable examples include:
 - ◆ MWG Seven-Day Challenge: 705 people participated in the challenge (including seven days of doing sports activities in exchange for rice, according to the program regulations), 5,084 people donated cash and 1,233 gifts were given to employees experiencing difficult circumstances.
 - ◆ MWG RUNNER running tournament contributed VND140,000,000 of scholarships to the Mai Am The Gioi Di Dong charity fund.
- The Labor Relations Division accompanied MWG stores and other divisions to take care of the health of all employees amid COVID-19 by:
 - ◆ Regularly increasing morale vitamins to more than 70,000 MWG employees through posters, media publications, competitions and sports publicized through internal reports, blogs, fanpages and online groups.
 - ◆ Quickly taking action with hygienic products: 28,000 bottles of hand sanitizer, 3,500 tubes of vitamin C and 57,000 boxes of face masks.
 - ◆ Quickly deploying a fund to support 4,800 employees to borrow money to ensure life standards in difficult economic times due to the impact of COVID-19.
 - ◆ Spreading a '5K message' to the whole system (wearing masks - disinfection - no gathering - medical declaration - distancing).



Survey on cohesion index of MWG's employees in 2020



Proportion of employees satisfied with direct management teams



Proportion of employees believing in MWG's leadership and the Company

Employee training

- In 2020, the Company's Training Division strived to design variety of courses to guarantee the standard of employees in serving customers as well as create conditions for employees in developing their career.
- Courses for sales staff focus on product knowledge training, sales skills and other soft skills. For back-office staff, the content of the courses focuses on soft skills for personal development.



Thống kê đào tạo 2020

4.59/5 – Ratings for trainers from attendees based on three criteria: knowledge, enthusiasm and methodology

- 10 hours of average training time per employee
- 97.57% average satisfaction rate for attendees
- 34 training contents were organized in 2020
- 37 trainers of the Training Division served more than 70,000 MWG employees



YouTube channel
of the Training Division

101,514 views
5,927 hours of views
48 uploaded videos

BHX vocational tool

Number of registrations: **18,687**
Satisfaction level: **87%**

Self-study
channel data

TGDD – DMX vocational 4.0 tool

Started in September 2020 to
provide a 100% all-in-one
professional document

BHX management training tool

Started in **October 2020**
Number of registrations: **553**

Report on responsibility for the local community

Donating to Mai Am The Gioi Di Dong charity fund

The Mai Am The Gioi Di Dong charity fund was granted establishment license No. 25 / QD-UBND, dated January 5, 2019, by the People's Committee of Binh Duong Province, and was recognized as a fund eligible to operate under Decision No. 575 / QD-UBND, dated March 18, 2019.

Mai Am The Gioi Di Dong is a non-profit organization and a 100% financially transparent fund with all of information related to revenue and expenditures fully updated on <https://www.maiamtgdd.vn/> and annual financial statements audited by Ernst & Young Vietnam. The main purpose of the fund is to:

- ♦ Support living expenses for students in the form of non-refundable scholarships or non-interest loans that are allowed to be repaid after graduation and commencing work. The students will be nurtured kindly, safely and free of charge and will continue to go to school so that they can grow up to support themselves and become useful citizens in society.
- ♦ Building and operating charity houses for orphans and underprivileged children.

Since establishment of this fund, MWG has donated a small amount of money annually to the fund for its operation.



Program of bringing a full smile to children with cleft palates

On the morning of 14th November 2020, Dien May Xanh and LG Vietnam together with the nonprofit medical organization Operation Smile opened the Smile Surgery program at the University of Medicine and Pharmacy of Ho Chi Minh City for children born with cleft palates. The total sponsorship value is up to VND1.5bn, which can be used for surgeries to bring smiles to 170 children.





“Tet Sharing” program — donating 1,000 tons of rice to underprivileged people

2020 was a difficult year for people all over the country due to the impact of COVID-19 as well as storms, floods and droughts that caused serious damage to people’s lives and the economy. Therefore, MWG determined that the Company should have specific and practical actions to help those who are less fortunate for the Tet Holiday.

In addition to a promotional campaign with 100% cash-back bills and direct discounts products, MWG deducted VND 5,000-10,000 per bill to form a rice fund of 1,000 tons and give it to poor families so that they could have food for the Tet Holiday. The program was jointly organized by MWG with dozens of global partners such as **Samsung, LG, Sony, Panasonic, Toshiba, OPPO, and Vivo**, among others, with a total value of approximately VND15bn.

More than 200 rice delivery points stretching across 55 cities & provinces in 11 regions of the country from northern mountainous areas (Ha Giang, Son La, Dien Bien, Lai Chau and Lao Cai), north-central (Thanh Hoa, Ha Tinh and Nghe An), central (Binh Dinh, Quang Binh, Quang Nam, Quang Tri and Thua Thien Hue) to the Mekong Delta provinces (An Giang, Soc Trang and Tra Vinh) to give gifts directly to people.



Blood donation program

In 2020, MWG’s staff contributed 200 units of blood to support hospitals.



IV.

REPORTS AND ASSESSMENTS OF THE BOARD OF MANAGEMENT

1. ASSESSMENT OF OPERATING RESULTS

2020 was an unprecedented year due to the serious impact of COVID-19 with the retail industry suffering unparalleled adverse effects. As a result, many enterprises experienced profit declines or were unable to maintain profit. In that context, though it cannot be compared to the high growth of the last several years, MWG still recorded consolidated net revenue of VND108.55tn (+6% YoY) and net profit after tax (NPAT) of VND3.92tn (+2% YoY). With this result, MWG fulfilled 99% and 114% of its revenue and net profit targets for FY2020, respectively. Thus, MWG is one of a few enterprises in Vietnam that can ensure continuous growth since establishment.

Online revenue in 2020 reached VND9.39tn — equivalent to more than 9% MWG's net revenue. MWG still had the biggest online revenue contribution in the Vietnam's total internet retail sales value in 2020.

MWG's total store count reached more than 4,000 stores at YE2020 — equivalent to 2.8 new stores opened per day. Dien May Xanh ("DMX") and Bach Hoa Xanh ("BHX") passed 1,400 stores and 1,700 stores, respectively, at YE2020.

- ◆ There were 1,427 DMX stores at YE2020 (302 DMX Supermini and 107 DMX standard & mini formats were added from the store count at YE2019 due to new openings and conversion from TGDD stores).
- ◆ BHX added 711 new outlets to end 2020 with 1,719 stores.
- ◆ TGDD ended the year with 913 stores, a reduction of 83 stores compared to end-2019 that was mainly driven by the conversion of TGDD stores to DMX stores.
- ◆ Bluetronics had 37 stores in Cambodia.
- ◆ An Khang pharmacy chain had 68 stores in operation (53 new points of sale were arranged next to large-scale BHX stores).

Gross profit margin reached 22.1% (a 3% increase to the gross profit margin in 2019) and was MWG's highest gross margin ever. Gross margin of main categories improved thanks to the relentless effort of MWG in:

- ◆ Proactively diversifying product assortment (including private labels as well as directly imported and exclusively distributed products) with a variety of brands and competitive prices.
- ◆ Focusing on exploiting high-profitability products.
- ◆ Successfully negotiating better trade-terms with suppliers due to economies of scale.

Net profit margin was protected at 3.6% — lower than 3.8% in 2019 — due to following reasons:

- ◆ Contribution of revenue from BHX into MWG's total revenue surged from more than 10% in 2019 to about 20% in 2020. The food & FMCG retail chain has not yet generated profit; however, it was the main growth driver that helped the Company to maintain positive growth in the context of weak demand for technology products and consumer electronics driven by declining disposable income.
- ◆ After COVID-19 was under control in Vietnam, MWG concentrated on expanding its store network aggressively in H2 2020 by experimenting with new formats, enhancing the strength of the procurement team, and investing in logistics and back-end systems. These actions made SG&A expenses increase in short term but were the necessary investments for MWG to realize the fast pace of growth and sustainable development in the long run.

The Board of Management (BOM) and all employees have strongly committed to pursue a culture of “customer-centricity.” Each idea and action aim to bring excellent experiences to customers.

MWG won national and international awards from notable institutions, including:

- ◆ Becoming one of the top 10 largest private enterprises in Vietnam according to VNR 500 Ranking for the first time — alongside multinational corporations and leading State-owned enterprises.
- ◆ The only Vietnamese representative in the Top 100 Asia-Pacific Retailers
- ◆ The champion in top 50 best performing companies in Vietnam in 2020 honored by The Business Review (Nhịp Cầu Đầu Tư) magazine.
- ◆ Honored as one of Vietnam's 50 Best Listed Companies by Forbes for the sixth consecutive time.

Performance highlights in 2020:

Audited financial statements are posted on www.mwg.vn

Item	Actual 2020 (VND bn)	Target 2020 (VND bn)	Actual vs. Target	Actual 2019	Growth rate
Net revenue	108,546	110,000	98.7%	102,174	6.2%
Profit before tax	5,410			5,053	7.5%
Profit after tax	3,920	3,450	113.6%	3,836	2.2%
Inventories	19,422			25,745	-24.6%
Other short-term assets	17,895			9,266	+93.1%
Long-term assets	8,714			6,696	+30.1%
Total assets	46,031			41,708	+10.4%
Account payables	8,728			12,055	-27.6%
Other short-term liabilities	20,694			16,387	+26.3%
Owner's equity	15,482			12,144	+27.5%
Long-term liabilities	1,127			1,122	+0.4%
Total liabilities and shareholder equity	46,031			41,708	+10.4%

2. IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES AND MANAGEMENT

In 2020, the Company did not have any considerable changes in organizational structure, policies and management.

3. FINANCIAL SITUATION

Assets

Total assets of MWG at the end of 2020 improved by more than 10% YoY to reach VND46tn, which is mainly attributed to retained earnings in 2020.

At the end of 2020, the Company did not have any bad receivable debts that affected the operating results of the Company.

Debt payable

Total short and long-term debt of the Company at the end of 2020 jumped by more than 18% YoY to reach over VND16.7tn mainly due to a 20% YoY increase in short-term debt to reach more than VND15.6bn. The increase in short-term debt was to improve inventory stocking to serve demand for Tet Holiday 2021.

Long-term debt of the Company remained stable at more than VND1.1tn. This is a bond that the Company issued at the end of 2017 with an average coupon rate of 6.55% p.a. that will mature in November 2022.

The Company did not have any bad debt. Negative impact from exchange rate changes and lending rate changes on operating results of the Company were not significant.

4. FUTURE DEVELOPMENT PLANS

Items	Target 2021 (VND bn)	Actual 2020 (VND bn)	Target 2021 vs Actual 2020
Net revenue	125,000	108,546	115%
Net profit after tax	4,750	3,920	121%

- In 2021, MWG's Board of Management acknowledges that the business environment is still uncertain as COVID-19 remains an issue. However, MWG will strive for double-digit growth for the top and bottom line — even though we did not have as low-base performance in 2020 like other retailers.
- TGDD & DMX will accelerate the nationwide expansion of DMS with a target of 1,000 total stores by YE2021. The mobile device and consumer electronics retail business will remain MWG's cash cow and is expected to contribute ~75% of the Company's total revenue.
- The food & grocery retail business will continue its rapid growth and help BHX to contribute ~25% of MWG's top line in 2021. The most critical targets for BHX in 2021 include:
 - ◆ Increasing its coverage in existing markets to reach an estimated store count of 2,000 by YE2021.
 - ◆ Focusing on upgrading/opening large-size stores in urban areas of southern Vietnam.
 - ◆ Enhancing the effectiveness of local fresh produce procurement to better serve customers in rural areas.
 - ◆ Diversifying supply sources to offer customers various value-for-money choices and improve gross profit margin.
 - ◆ Achieving profitable EBITDA (including all expenses — except for depreciation) at the company-wide level at the end of 2021.
- The Company will also focus on developing online channels to serve all customer segments, including those who prefer outstanding aftersales services and the price-sensitive group as well as invest in expanding the Bluetronics chain in Cambodia, 4KFarm model and An Khang pharmacy chain.

5. ASSESSMENT REPORT RELATED TO THE ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES OF THE COMPANY

Assessment concerning environmental indicators

As a retail company, the Company focuses on major environmental issues such as:

- Reasonable use of energy in stores and having new initiatives to reduce the amount of energy consumed.
- Increasing the use of biodegradable packaging throughout the chain and having detailed procedures to reduce the amount of packaging used.

Assessment concerning labor issues

- For employees, the Company has always ensured to provide adequate salaries, bonuses and welfare suitable to each employee's position.
- The company also focuses on training regarding product knowledge, workmanship and soft skills to improve qualifications and foster talent from staff to management.
- The company has always strived to increase the cohesion of employees and improve the quality of the work environment by activities such as teambuilding programs, sharing, helping teammates in difficult circumstances, and cultural and sporting events regularly organized by the Labor Relations Division.

Assessment concerning corporate responsibility for the local community

In 2020, the Company executed many meaningful activities to contribute to the community, with notable examples of:

- The "Sticky Rice - Warm Kitchen" campaign was organized to give 10,000 rice cookers to disadvantaged families in 40 provinces/municipalities in Vietnam.
- Coordinating with 23 brands to launch the "Tet Sharing" program, donating 1,000 tons of rice to 50,000 poor households across 55 cities & provinces of Vietnam.
- Joining LG to donate VND1.5bn to the Operation Smile nonprofit to help children born with cleft palates have surgery.

V.

ASSESSMENT OF THE BOARD OF DIRECTORS REGARDING THE COMPANY'S OPERATION

1. ASSESSMENT OF THE BOARD OF DIRECTORS REGARDING THE COMPANY'S OPERATION, INCLUDING THE ASSESSMENT RELATED TO ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

2020 was an unprecedented year due to the serious impact of COVID-19 and consecutive natural disasters in Vietnam. Despite these difficulties, MWG recorded revenue growth of 6% YoY to reach VND108.55tn and NPAT growth of 2% YoY to reach VND3.92tn. Notably, the company did not record any losses during the most severe periods of COVID-19 in Vietnam. This performance marks a significant difference between MWG and its peers, demonstrating the Company's strong financial foundation and sustainability as well as the resilient effort of all of its employees.

The Company made many positive changes, aiming to contribute sustainable value for the environment and society. The Company emphasized that one of major actions of the MWG Vision 2030 plan is to have a significant impact through corporate social responsibility. This vision was partly realized through the following actions:

- ◆ The nationwide "Tet Sharing - Donating 1,000 Tons of Rice" event and other charitable events organized throughout the year.
- ◆ Donations to the Mai Am The Gioi Di Dong charity fund to help disadvantaged children.
- ◆ Most packaging used in MWG's chains being made from eco-friendly products.
- ◆ Encouraging employees to participate in running events to improve their health.
- ◆ Transferring technology and supporting farmers to grow vegetables through the "4 No" policies of zero pesticide, non-GMO seeds, zero preservatives, and zero growth substances as well as issuing unique policies to support farmers.
- ◆ Issuing effective transportation policies to save expenses as well as reduce greenhouse gas emissions across the country.
- ◆ Issue comprehensive human resources policies to protect the health of employees and contribute to the efforts of the Government to prevent pandemics.

The Company reviewed, analyzed and implemented social and environmental policies down to managerial and employee level. However, it may take several years for the Company to appraise and measure the effectiveness of these policies. In addition, factors related to the environment, policies, society and law have changed continually; as such, the Company must adjust its internal policies to adapt to such changes.

In conclusion for 2020, the Board of Directors assesses that the Company's activities had a positive impact on the environment and society and should be promoted in upcoming years.

2. ASSESSMENT OF THE BOARD OF DIRECTORS REGARDING THE BOARD OF MANAGEMENT'S PERFORMANCE

- The Board of Directors assesses that the Board of Management and other key management personnel of the Company have seriously and diligently implemented the directions and decisions of the General Meeting of Shareholders and Board of Directors to contribute to MWG's effective performance, helping the Company overcome a difficult year affected by COVID-19 and natural disasters.
- The Board of Directors asserts that the Board of Management and other key management personnel always complied with MWG's Corporate Charter, Internal Management Regulations and other legal regulations to protect the best interests of the Company.
- The Board of Directors recognizes the strong and energetic action of the Board of Management and other key management personnel in their efforts to deliver committed business results.
- Reports of the Audit Committee indicated that the Board of Management and other management personnel need to supplement new operating policies to manage risks, enhance improvement, increase productivity, and optimize expenses and other resources to further contribute to the effectiveness of the Company's business performance.

3. PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS

In 2021 the Board of Directors has a general action plan as follows:

- To focus on urging and supervising the implementation of the plan to complete business targets.
- To liaise with the Audit Committee to enhance the capability of monitoring and inspecting the Board of Management's activities in order to help the Company to gradually comply with the professional standards of a public company.
- To continue to hold regular and extraordinary meetings to get timely feedback from the General Director and members of the Board of Management so that the Board of Directors may give appropriate recommendations for the Board of Management's execution.

VI.

CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS

Members and the Board of Directors



Mr. **Nguyen Duc Tai**

Co-founder - Chairman

- Graduated from University of Economics of Ho Chi Minh City, majoring in finance and accounting.
- MBA from the Centre Franco-Vietnamien de formation à la Gestion (CFVG).
- Held various key positions in the Company in areas including Finance and Accounting, Marketing, Logistics, Store Network Development, and Executive Management.
- Ownership percentage of MWG's voting shares at the end of 2020: 12,043,298 shares - equivalent to a 2.657% stake.



Mr. **Tran Huy Thanh Tung**

Co-founder - Member of the Board of Directors

- Graduated from the University of Economics of Ho Chi Minh City.
- Held the position of Chief Accountant & Finance Director of the Company from 2007 to 2013.
- Chief of the Board of Supervisors of the Company from the end of 2013 to June 2020.
- Member of the Board of Directors since June 2020.
- Head of the Audit Committee since July 2020.
- Ownership percentage of MWG's voting shares at the end of 2020: 3,543,515 shares - equivalent to a 0.782% stake.



Mr. **Tran Kinh Doanh**

CEO - Member of the Board of Directors

- Bachelor's of economics from the University of Economics HCMC (UEH).
- Has held various key positions in the Business Development Division since 2007.
- Led the successful expansion of thegioididong.com and Dien May Xanh systems in 63 cities & provinces.
- 2013 – present: Member of the Board of Directors.
- 2014 – September 2018: CEO of The Gioi Di Dong JSC.
- 2016 – present: Chairman of Bach Hoa Xanh Trading JSC.
- 2018 – present: CEO of the Mobile World Investment Corporation.
- Ownership percentage of MWG's voting shares at the end of 2020: 4,706,520 shares - equivalent to a 1.038% stake.



Mr. **Dieu Chinh Hai Trieu**

Co-founder - Member of the Board of Directors

- Graduated from the University of Science, majoring in information technology.
- Set up the initial foundation for the Company's information technology system.
- Ownership percentage of MWG's voting shares at the end of 2020: 3,810,013 shares - equivalent to a 0.841% stake.



Mr. **Dang Minh Luom**

Human Resources Director - Member of the Board of Directors

- Bachelor's of economics from the University of Economics HCMC (UEH).
- Human Resources Director of The Gioi Di Dong JSC since 2007.
- Member of the Board of Directors since May 2014.
- Ownership percentage of MWG's voting shares at the end of 2020: 995,200 shares - equivalent to a 0.220% stake.



Mr. **Robert Alan Willett**

Member of the Board of Directors

- British citizen.
- Former CEO of Best Buy International.
- Member of the Board of Directors and Senior Advisor of the Company since April 2013.
- Ownership percentage of MWG's voting shares at the end of 2020: 2,668,808 shares - equivalent to a 0.588% stake.



Mr. Thomas Lanyi

Member of the Board of Directors

- Austrian citizen.
- Director of CDH Investment Advisory Pte. Ltd.
- Chairman of the Singapore Venture Capital and Private Equity Association.
- Member of Board of Directors since April 2013.
- Ownership percentage of MWG's voting shares at the end of 2020: 0 shares - equivalent to a 0% stake.



Mr. Dao The Vinh

Member of the Board of Directors

- Bachelor's and master's from the Russian State Hydrometeorological University.
- Co-founder & Chairman cum CEO of Golden Gate Trade and Service JSC.
- Member of the Board of Directors since March 2019.
- Ownership percentage of MWG's voting shares at the end of 2020: 0 shares - equivalent to a 0% stake



Mr. Doan Van Hieu Em

Member of the Board of Directors

- Bachelor's of accounting from the University of Finance – Marketing HCMC.
- Joined MWG in 2007 and worked for more than 10 years in the Business Development Division of Consumer Electronics – Telecommunication before being appointed as the CEO of The Gioi Di Dong JSC in September 2018.
- Member of the Board of Directors since March 2019.
- Ownership percentage of MWG's voting shares at the end of 2020: 558,200 shares - equivalent to a 0.123% stake.

COMMITTEES OF THE BOARD OF DIRECTORS

The Company has one committee under the Board of Directors, which is **the Audit Committee**



Mr. TRAN HUY THANH TUNG

Head of the Audit Committee since July 2020



Mr. DIEU CHINH HAI TRIEU

Member of the Audit Committee since July 2020



Mr. DAO THE VINH

Member of the Audit Committee since July 2020

ACTIVITIES OF THE BOARD OF DIRECTORS

Meetings of the Board of Directors

No.	Board of Directors' members	Position	Number of meetings attended	Attendance rate	Reasons for absence
01	Mr. Nguyen Duc Tai	Chairman	10	100%	
02	Mr. Tran Kinh Doanh	Member	10	100%	
03	Mr. Dieu Chinh Hai Trieu	Member	10	100%	
04	Mr. Robert Willett	Member	10	100%	
05	Mr. Thomas Lanyi	Member	10	100%	
06	Mr. Dang Minh Luom	Member	10	100%	
07	Mr. Doan Van Hieu Em	Member	10	100%	
08	Mr. Dao The Vinh	Member	10	100%	
09	Mr. Tran Huy Thanh Tung	Member	06	60%	Became a member of the Board of Directors, effective 6th June 2020.

(*) Notes: Independent members: 3/9; non-executive members: 2/9

The Board of Directors (BOD) includes one Chairman, three executive directors, two non-executive directors and two independent directors who are responsible for orienting, guiding and supervising the activities of the Board of Management (BOM) as follows:

- ◆ Supervising and understanding business operating processes through reports and documents sent by the BOM periodically.
- ◆ Non-executive directors implement supervision through reading reports and questioning directly with the BOM at BOD meetings to give the best optimal direction as well as solutions to meet initial targets.
- ◆ The orientation and supervision of the BOD helps the BOM to have wise decisions in operating the company.
- ◆ Every quarter of the year, the Chairman and CEOs hold analyst and investor meetings to announce audited quarterly business results and answer concerns from analysts/investors to improve the transparency of the Company.

Through regular/extraordinary AGM meetings and obtaining shareholder votes in the form of written ballots, the BOD issued the following resolutions/decisions in 2020 with approval rate of **100%** for all resolutions:

No.	Resolution/ Decision No.	Date	Content
01	01/NQ/HĐQT-2020	07/01/2020	Approval of list of key management personnel who are accepted to buy into the employee stock ownership plan (ESOP) of Mobile World Investment Corporation.
02	02/NQ/HĐQT-2020	07/01/2020	Approval of lock-up period for the ESOP of Mobile World Investment Corporation.
03	03/NQ/HĐQT-2020	07/01/2020	Approval of convening the 2020 Annual General Meeting of Shareholders (AGM) of Mobile World Investment Corporation.
04	04/NQ/HĐQT-2020	10/03/2020	Approval of extending the time to organize the 2020 AGM.
05	05/NQ/HĐQT-2020	13/04/2020	Approval of the record date to finalize eligible shareholders attending the AGM (2nd).
06	06/NQ/HĐQT-2020	19/5/2020	Approval of the 2020 annual business plan to propose at the 2020 AGM.
07	07/NQ/HĐQT-2020	10/06/2020	Approval of choosing the audit company for Mobile World Investment Corporation and increasing charter capital for subsidiaries.
08	08/NQ/HĐQT-2020	01/07/2020	Approval of establishing the Internal Audit Committee (Audit Committee).

09	09/NQ/HĐQT-2020	28/09/2020	Approval of increasing charter capital for BHX and cash dividend payment.
10	10/NQ/HĐQT-2020	17/11/2020	Approval of borrowing capital.
11	11/NQ/HĐQT-2020	01/12/2020	Approval of issuing the ESOP for the Company and subsidiaries (ESOP 2019).
12	12/NQ/HĐQT-2020	01/12/2020	Approval of documents to issue the ESOP for the Company and subsidiaries (ESOP 2019).
13	13/NQ/HĐQT-2020	21/12/2020	Approval of business plan for 2021.

Thus, the Company successfully completed all missions in 2020 that were assigned by the General Meeting of Shareholders.

2. AUDIT COMMITTEE

Members and structure of the Audit Committee

The Audit Committee has three members:

No.	Name	Position	Ownership percentage of MWG's voting shares
01	Mr. Tran Huy Thanh Tung	Head of the Audit Committee	0.782%
02	Mr. Dieu Chinh Hai Trieu	Member	0.841%
03	Mr. Dao The Vinh	Member	0%

Activities of the Audit Committee

Meetings of the Audit Committee:

No.	Members of Audit Committee	Number of meetings attended	Attendance rate	Voting rate
01	Mr. Tran Huy Thanh Tung	06	100%	100%
02	Mr. Dieu Chinh Hai Trieu	06	100%	100%
03	Mr. Dao The Vinh	06	100%	100%

Supervising the execution of the General Meeting of Shareholders' Resolutions; Ensuring the business activities aligning with the Resolutions of the 2020 AGM.

- Resolutions approved by the 2020 Annual General Meeting of Shareholders were fully executed.
- Payment of cash dividend with a ratio of 15% (VND 1,500/share) for existing shareholders.
- Issuance of shares under the ESOP program: MWG issued 13,518,333 shares (equivalent to 3% of outstanding shares at the date of issuance) to 5,529 employees in January 2021 and February 2021.
- Increasing charter capital for Bach Hoa Xanh Trading JSC by VND3tn (10/06/2020) for the expansion of the Bach Hoa Xanh chain.

Supervising the operation and management of the BOM

- Strictly complying with MWG's corporate governance and regulations.
- Optimizing the revenue per store of thegioididong.com, Dien May Xanh and Bach Hoa Xanh chains.
- Improving gross profit margin for all chains.
- Continuously improving customer services is the top priority

In conclusion, the BOD properly executed the resolutions of the Annual General Meeting of Shareholders in 2020. The BOD's issued resolutions were complied with assigned authority and the content of these resolutions complying with the AGM's resolutions as well as Vietnam's laws and regulations.

Checking the rationality, legality and prudentially in accounting practices and preparing financial statements

- The Audit Committee agreed with the auditing company Ernst & Young Co., Ltd regarding financial statements of the Company prepared for the fiscal year ended on 31/12/2020. The financial statements are presented prudently and reasonably, in accordance with Vietnamese Accounting Standards and provisions of current laws

Overview of audited financial statements in 2020:

Income Statement	2020 (VND bn)	2019 (VND bn)	Growth rate
Net revenue	108,546	102,174	6.2%
Profit before tax	5,410	5,053	7.1%
Net profit after tax	3,920	3,836	2.2%

Balance sheet	31/12/2020 (VND bn)	31/12/2019 (VND bn)
Current assets	37,317	35,012
Non-current assets	8,714	6,696
Total assets	46,031	41,708
Current liabilities	29,443	28,442
Long-term liabilities	1,127	1,122
Liabilities	30,549	29,565
Shareholder equity	15,482	12,144
Total liabilities & shareholder equity	46,031	41,708

The company accomplished 99% of the revenue plan and 114% the NPAT plan for 2020.

Supervising the Company's risk management

■ Risk management

The Company's risk management in 2020 was more connected with business operations. The Audit Committee fully participated in the BOD's meetings and coordinated with management teams to assess risks at the company level and risks related to procedures of divisions as well as regularly discuss and give recommendations to the BOM.

Main risks monitored by the Audit Committee include:

- ◆ Inventory management and warning risk.
- ◆ Financial risks.
- ◆ Corruption, fraud and loss risk.
- ◆ Network security risk.

■ Inspection activities of the Audit Committee

The Audit Committee is under the BOD and possesses the necessary resources and rights to access to information for auditing.

Assessment of compliance with laws, provisions and regulations: The Audit Committee acknowledges that there is no material risk in the internal control system as well as the compliance with laws, provisions and regulations of the Company's employees and management team. In 2020, the audit findings were identified and included in the criteria for evaluating the performance of each related staff member to significantly enhance the awareness of compliance of the management team and employees. Action plans to improve the control system as recommended by the Audit Committee are also executed by the Company's management team.

3. TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND AUDIT COMMITTEE

Salary, rewards, remuneration and benefits

	Actual remuneration paid (VND)
Non-executive Board members	2,139,920,184
Executive Board members	0
Members of the Audit Committee	0
Board of Management	10,517,000,000

Share transactions by internal shareholders

No.	Transaction executo	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Number of shares	Percentage	Number of shares	Percentage	
I	Nguyen Duc Tai						
01	Nguyen Duc Tai		11,582,178	2.611%	12,043,298	2.657%	Buying
02	Phan Thi Thu Hien	Wife	2,453,186	0.553%	1,953,186	0.431%	Selling
II	Tran Kinh Doanh						
01	Tran Kinh Doanh		3,642,290	0.821%	4,706,520	1.038%	Buying
III	Dang Minh Luom						
01	Dang Minh Luom		960,810	0.217%	995,200	0.220%	Buying
IV	Doan Van Hieu Em						
01	Doan Van Hieu Em		381,800	0.086%	558,200	0.213%	Buying
V	Tran Huy Thanh Tung						
01	Tran Huy Thanh Tung		6,162,998	1.390%	3,543,515	0.782%	Selling
02	Nguyen Thi Thu Huong	Wife	2,131,154	0.480%	2,241,154	0.495%	Buying
01	Tran Huy Dong	Younger brother	41,788	0.009%	31,788	0.007%	Selling
VI	Vu Dang Linh						
01	Vu Dang Linh		330,354	0.074%	386,144	0.085%	Buying
VII	Ly Tran Kim Ngan						
01	Ly Tran Kim Ngan		182,576	0.041%	231,176	0.051%	Buying
VIII	Le Thi Thu Trang						
01	Le Thi Thu Trang		0	0%	45,000	0.010%	Buying

Contracts or transactions with internal shareholders: None

Assessing the implementation of regulations on corporate governance:

In general, the company fully implemented the regulations on corporate governance in accordance with the applicable laws, MWG's Charter and Internal Management Regulations, which are mentioned as below:

. Issues related to the Board of Directors:

- ◆ The Board of Directors held meetings at least once a quarter; each Board member participated in at least 3/4 meetings during the year.
- ◆ The Chairman of the Board of Directors is not in the same position of the General Director. The Board of Directors ensures the minimum percentage of non-executive members and independent members.
- ◆ The structure of the Board of Directors is diversified among members with professional knowledge and experience in law, finance and different business segments of the Company.
- ◆ The resolutions of the Board of Directors are publicly announced on MWG's investor relations website in both Vietnamese and English.
- ◆ The Board of Directors appoint personnel to be in charge of corporate governance according to regulations.
- ◆ The Audit Committee under the Board of Directors was established. The Head of the Audit Committee has professional knowledge and extensive experience in accounting and finance.

. Issues related to organizing the Annual General Meeting of Shareholders (AGM):

- ◆ Organizing the AGM on time and ensuring pandemic prevention measures as required by the Government.
- ◆ Drafting and publishing the AGM's full documents in both Vietnamese and English.
- ◆ Applying an IT solution that allows shareholders to attend the AGM and perform voting remotely, safely and securely.
- ◆ Providing guidance for shareholders to comment on issues discussed at the AGM, attend and speak at the virtual AGM, and vote remotely via a website.
- ◆ Publicly announcing the resumes of the candidates for the BOD, Supervisory Board and Audit Committee for the reference of shareholders.
- ◆ For each issue that needs to be consulted by the AGM, there is a public announcement of the voting results at the AGM (including the number of votes for and against as well blank ballots).

- ◆ Minutes of the AGM included details of shareholder queries and responses from MWG's top management.
- ◆ Dividends were fully paid to shareholders within six months after the AGM.

■ Activities of Investor Relations:

- ◆ The Investor Relations Division was established and the email contact of this division (investor@thegioididong.com) was publicly announced so investors with issues and/or questions can be supported in a timely manner.
- ◆ Transparent information was disclosed in a timely manner via monthly business results update reports
- ◆ Financial statements were issued quarterly, corporate governance reports were issued every six months and annual reports were released on time.
- ◆ The Company's website has been fully updated with documents of Company's establishment, Prospectus, Charter, Internal Management Regulations, reports, and periodic and extraordinary information required by the Government.
- ◆ Quarterly investor meetings have been organized regularly offline at the office or via online conference.

■ Policies for customers and employees:

- ◆ Policies regarding the return of goods or of customer interest are publicly announced on the Company's sales website.
- ◆ Information or policies about health, safety, welfare, training and personal development programs, and code of ethics were developed and disclosed to employees via the Company's internal website.

■ Some contents that the company has not implemented or implemented but not met the standards of best practices will be researched and implemented, such as:

- ◆ The gender balance of the Board of Directors being imbalanced.
- ◆ There are no Human Resource Committee and Salary Committee under the Board of Directors.
- ◆ The Sustainable Development Report has not been prepared according to internationally recognized standards from the Global Reporting Initiative (GRI), Integration Report or Sustainability Accounting Standards Board (SASB), among others. Moreover, the Company has not met the standards of Vietnam's Corporate Governance Code of Best Practices.

MOBILE WORLD INVESTMENT CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020



CONTENTS

GENERAL INFORMATION	93
REPORT OF MANAGEMENT	96
INDEPENDENT AUDITORS' REPORT	98
CONSOLIDATED BALANCE SHEET	100
CONSOLIDATED INCOME STATEMENT	104
CONSOLIDATED CASH FLOW STATEMENT	106
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	109

GENERAL INFORMATION

THE COMPANY

Mobile World Investment Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate (“ERC”) No. 0306731335 issued by the Department of Planning and Investment (the “DPI”) of Binh Duong Province on 16 January 2009, as amended.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange (“HOSE”) with code “MWG” in accordance with the Decision No. 253/QĐ-SGDHCM issued by the HOSE on 7 July 2014.

The current principal activities of the Company and its subsidiaries (“the Group”) are trading, providing repair and maintenance services of phones, information technology equipment, mobile phone and related accessories under the brand of The Gioi Di Dong, commercial electronic equipment under the brand of Dien May Xanh and foods, meats, vegetables, beverages and other groceries under the brand of Bach Hoa Xanh.

The Company’s head office is located at No. 222, Yersin Street, Phu Cuong Ward, Thu Dau Mot Town, Binh Duong Province, Vietnam

Operating office is located at MWG Tower, Lot T2-1.2, D1 Street, Saigon Hi-tech Park, District 9, Ho Chi Minh City, Vietnam.

OPERATING OFFICE

Members of the Board of Directors during the year and at the date of this report are:



Mr. Nguyen Duc Tai

Chairman



**Mr.
Dieu Chinh Hai Trieu**

Member



**Mr.
Thomas Lanyi**

Member



**Mr.
Tran Kinh Doanh**

Member



**Mr.
Robert Alan Willett**

Member



**Mr.
Dang Minh Luom**

Member



**Mr.
Doan Van Hieu Em**

Member



**Mr.
Dao The Vinh**

Member



**Mr.
Tran Huy Thanh Tung**

Member
Appointed on 6 June 2020

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr Tran Huy Thanh Tung	▶ Head	Resigned 6 June 2020
Mr Hoang Huu Hung	▶ Member	Resigned 6 June 2020
Ms Do Thi Loan	▶ Member	Resigned 6 June 2020

BOARD OF AUDIT COMMITTEE

Members of the Board of Audit committee during the year and at the date of this report are:

Mr Tran Huy Thanh Tung	▶ Head	Appointed 1 July 2020
Mr Dieu Chinh Hai Trieu	▶ Member	Appointed 1 July 2020
Mr Dao The Vinh	▶ Member	Appointed 1 July 2020

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Mr Tran Kinh Doanh	▶ General Director
Mr Pham Van Trong	▶ Technology Director
Mr Vu Dang Linh	▶ Finance Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Tran Kinh Doanh.

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

REPORT OF MANAGEMENT

Management of Mobile World Investment Corporation (“the Company”) present this report and the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended 31 December 2020.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ Select suitable accounting policies and then apply them consistently;
- ▶ Make judgements and estimates that are reasonable and prudent;
- ▶ State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management: _____


Trần Kinh Doanh
General Director

Binh Duong Province, Vietnam
8 March 2021

INDEPENDENT AUDITORS' REPORT

To:
The Shareholders and Board of Directors of Mobile World Investment Corporation

We have audited the accompanying consolidated financial statements of Mobile World Investment Corporation ("the Company") and its subsidiaries ("the Group") as prepared on 8 March 2021 and set out on pages 5 to 36, which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

The Group's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2020, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Le Vu Truong
Deputy General Director
Audit Practicing Registration Certificate
No. 1588-2018-004-1

Tran Thanh Thuy
Auditor
Audit Practicing Registration Certificate
No. 3076-2019-004-1

*Ho Chi Minh City, Vietnam
8 March 2021*

CONSOLIDATED BALANCE SHEET

■ As at 31 December 2020

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		37,317,233,970,267	35,011,896,908,246
110	I. Cash and cash equivalents	4	7,347,857,397,925	3,115,236,816,468
111	1. Cash		2,243,274,466,174	2,024,347,938,868
112	2. Cash equivalents		5,104,582,931,751	1,090,888,877,600
120	II. Short-term investments		8,057,318,821,918	3,137,000,000,000
123	1. Held-to-maturity investments	5	8,057,318,821,918	3,137,000,000,000
130	III. Current accounts receivable		1,595,251,018,496	1,815,085,561,979
131	1. Short-term trade receivables	6	196,394,545,434	262,268,362,817
132	2. Short-term advances to suppliers	7	287,913,331,552	195,016,846,986
135	3. Short-term loan receivables	8	80,000,000,000	-
136	4. Other short-term receivables	9	1,030,943,141,510	1,357,800,352,176
140	IV. Inventories	10	19,422,177,452,674	25,745,428,436,580
141	1. Inventories		19,926,363,502,366	26,195,934,673,884
149	2. Provision for obsolete inventories		(504,186,049,692)	(450,506,237,304)

150	V. Other current assets		894,629,279,254	1,199,146,093,219
151	1. Short-term prepaid expenses	11	563,786,316,141	487,030,591,956
152	2. Value-added tax deductible		326,091,275,646	709,225,135,972
153	3. Tax and other receivables from the State		4,751,687,467	2,890,365,291
200	B. NON-CURRENT ASSETS		8,713,645,982,187	6,696,198,636,637
210	I. Long-term receivable		439,493,257,757	374,563,598,474
216	1. Other long-term receivables	12	439,493,257,757	374,563,598,474
220	II. Fixed assets		7,294,961,666,136	5,403,776,988,921
221	1. Tangible fixed assets	13	7,267,319,287,908	5,375,279,172,974
222	<i>Cost</i>		12,963,311,412,901	9,148,455,989,525
223	<i>Accumulated depreciation</i>		(5,695,992,124,993)	(3,773,176,816,551)
227	2. Intangible fixed assets	14	27,642,378,228	28,497,815,947
228	<i>Cost</i>		35,811,638,200	34,852,200,200
229	<i>Accumulated depreciation</i>		(8,169,259,972)	(6,354,384,253)
240	III. Long-term assets in progress		132,620,362,470	87,430,438,310
242	1. Construction in progress	15	132,620,362,470	87,430,438,310
250	IV. Long-term investment		52,757,540,273	56,464,479,744
252	1. Investment in an associate	16	52,757,540,273	56,464,479,744
260	V. Other long-term assets		793,813,155,551	773,963,131,188
261	1. Long-term prepaid expenses	11	76,720,247,019	104,029,473,910
262	2. Deferred tax asset	28.3	287,349,803,704	178,798,680,331
269	3. Goodwill	17	429,743,104,828	491,134,976,947
270	TOTAL ASSETS		46,030,879,952,454	41,708,095,544,883

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		30,549,190,106,022	29,564,503,350,530
310	I. Current liabilities		29,422,513,439,369	28,442,366,683,873
311	1. Short-term trade payables	18	8,728,168,862,341	12,055,385,483,995
312	2. Short-term advances from customers		86,907,353,149	81,194,129,529
313	3. Statutory obligations	19	634,917,868,176	374,623,269,110
314	4. Payables to employees		533,572,319,767	258,242,266,298
315	5. Short-term accrued expenses	20	3,191,005,394,514	1,851,966,958,655
318	6. Short-term unearned revenues		308,408,475	333,585,179
319	7. Other short-term payables	21	546,045,423,865	717,884,730,756
320	8. Short-term loans	22	15,625,180,321,924	13,031,015,620,192
321	9. Short-term provision		76,377,369,405	71,690,522,406
322	10. Bonus and welfare fund		30,117,753	30,117,753
330	II. Non-current liabilities		1,126,676,666,653	1,122,136,666,657
338	1. Long-term loan	22	1,126,676,666,653	1,122,136,666,657
400	D. OWNERS' EQUITY		15,481,689,846,432	12,143,592,194,353
410	I. Capital		15,481,689,846,432	12,143,592,194,353
411	1. Share capital	23.1	4,532,099,870,000	4,435,461,780,000
411a	<i>Shares with voting rights</i>		4,532,099,870,000	4,435,461,780,000
412	2. Share premium	23.1	558,110,430,986	555,206,995,486
414	3. Other capital	23.1	-	1,130,494,084
415	4. Treasury shares	23.1	(6,040,930,000)	(5,658,924,500)

417	5. Foreign exchange differences reserve	23.1	(1,443,756,225)	(28,377,933)
421	6. Undistributed earnings	23.1	10,389,683,597,845	7,149,694,161,602
421a	<i>Undistributed earnings by the end of prior year</i>		6,470,785,320,602	3,315,424,614,555
421b	<i>Undistributed earnings of current year</i>		3,918,898,277,243	3,834,269,547,047
429	7. Non-controlling interests		9,280,633,826	7,786,065,614
440	TOTAL LIABILITIES AND OWNERS' EQUITY		46,030,879,952,454	41,708,095,544,883


 Ly Tran Kim Ngan
 Preparer


 Vu Dang Linh
 Finance Director


 Tran Kinh Doanh
 General Director



8 March 2021

CONSOLIDATED INCOME STATEMENT

■ For the year ended 31 December 2020

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	24.1	109,801,253,690,656	103,485,046,672,447
02	2. Deductions	24.1	(1,255,234,025,244)	(1,310,802,695,724)
10	3. Net revenue from sale of goods and rendering of services	24.1	108,546,019,665,412	102,174,243,976,723
11	4. Cost of goods sold and services rendered	27	(84,591,522,392,949)	(82,686,444,673,012)
20	5. Gross profit from sale of goods and rendering of services		23,954,497,272,463	19,487,799,303,711
21	6. Finance income	24.2	794,121,782,667	631,177,854,351
22	7. Finance expenses - In which: Interest expenses	25	(594,151,513,751) (594,003,821,021)	(569,754,844,844) (568,136,717,134)
23	8. Share of loss of the associate	15	(3,706,939,471)	(3,473,283,371)
25	9. Selling expenses	26, 27	(15,333,798,830,787)	(12,437,282,718,212)
26	10. General and administrative expenses	26, 27	(3,404,431,838,167)	(2,073,782,880,058)

30	11. Operating profit		5,412,529,932,954	5,034,683,431,577
31	12. Other income		43,512,695,471	41,557,041,541
32	13. Other expenses		(46,307,221,072)	(22,793,268,422)
40	14. Other (loss) profit		(2,794,525,601)	18,763,773,119
50	15. Accounting profit before tax		5,409,735,407,353	5,053,447,204,696
51	16. Current corporate income tax expense	28.1	(1,598,413,821,219)	(1,248,353,081,834)
52	17. Deferred tax income	28.3	108,551,123,373	31,145,964,165
60	18. Net profit after tax		3,919,872,709,507	3,836,240,087,027
61	19. Net profit after tax attributable to shareholders of the parent		3,917,767,783,159	3,834,269,547,047
62	20. Net profit after tax attributable to non-controlling interests		2,104,926,348	1,970,539,980
70	21. Basic earnings per share	29	8,654	8,665
71	22. Diluted earnings per share	29	8,654	8,665


 Ly Tran Kim Ngan
 Preparer


 Vu Dang Linh
 Finance Director


 Tran Kinh Doanh
 General Director



8 March 2021

CONSOLIDATED CASH FLOW STATEMENT

■ For the year ended 31 December 2020

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		5,409,735,407,353	5,053,447,204,696
	Adjustments for:			
02	Depreciation and amortisation of fixed assets (including amortisation of goodwill)	13, 14, 17	2,195,583,071,035	1,442,826,938,954
03	Provisions		58,366,659,387	90,495,782,206
04	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		(36,874,578)	(27,160,364)
05	Profits from investing activities		(557,627,148,536)	(341,194,613,832)
06	Interest expenses	25	594,003,821,021	568,136,717,134
08	Operating profit before changes in working capital		7,700,024,935,682	6,813,684,868,794
09	Decrease (increase) in receivables		850,493,238,036	(675,979,882,201)
10	Decrease (increase) in inventories		6,269,571,171,518	(8,374,797,030,131)

11	(Decrease) increase in payables		(1,894,206,905,085)	2,823,942,311,184
12	Increase in prepaid expenses		(75,119,169,600)	(227,805,034,461)
14	Interest paid		(563,748,612,045)	(537,997,464,046)
15	Corporate income tax paid	20	(1,494,585,439,732)	(1,092,128,547,184)
17	Other cash outflows for operating activities		-	(15,000,000,000)
20	Net cash flows from (used in) operating activities		10,792,429,218,774	(1,286,080,778,045)
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchase and construction of fixed assets		(3,911,358,160,002)	(3,066,921,164,140)
22	Proceeds from disposals of fixed assets		2,018,075,304	1,290,807,344
23	Loan to another entity and term deposits		(11,512,468,958,904)	(8,997,469,863,015)
24	Collections term deposits		6,512,150,136,986	5,911,392,314,754
27	Interest and dividends received		335,398,013,989	278,946,264,804
30	Net cash flows used in investing activities		(8,574,260,892,627)	(5,872,761,640,253)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	Issuance of new shares and capital contribution from non-controlling interest		105,200,450,000	90,454,820,000
32	Shares repurchased		(6,040,930,000)	(4,850,060,000)
33	Drawdown of borrowings		51,168,161,383,884	45,905,952,301,242
34	Repayment of borrowings	22	(48,573,996,682,152)	(38,801,961,791,867)

36	Dividends paid	23.2	(678,908,841,000)	(665,093,453,185)
40	Net cash flows from financing activities		2,014,415,380,732	6,524,501,816,190
50	Net decrease in cash and cash equivalents for the year		4,232,583,706,879	(634,340,602,108)
60	Cash and cash equivalents at beginning of year		3,115,236,816,468	3,749,550,258,212
61	Impact of exchange rate fluctuation		36,874,578	27,160,364
70	Cash and cash equivalents at end of year	4	7,347,857,397,925	3,115,236,816,468


 Ly Tran Kim Ngan
 Preparer


 Vu Dang Linh
 Finance Director



 Tran Kinh Doanh
 General Director

8 March 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

■ As at 31 December 2020 and for the year then ended

1. CORPORATE INFORMATION

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The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with code "MWG" in accordance with the Decision No. 253/QĐ-SGDHCM issued by the HOSE on 7 July 2014.

The current principal activities of the Company and its subsidiaries ("the Group") are trading, providing repair and maintenance services of phones, information technology equipment, mobile phone and related accessories under the brand of The Gioi Di Dong, commercial electronic equipment under the brand of Dien May Xanh and foods, meats, vegetables, beverages and other groceries under the brand of Bach Hoa Xanh.

The Company's head office is located at No. 222, Yersin Street, Phu Cuong Ward, Thu Dau Mot Town, Binh Duong Province, Vietnam and operating office is located at MWG Tower, Lot T2-1.2, D1 Street, Saigon Hi-tech Park, District 9, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 31 December 2020 was 68,097 (31 December 2019: 57,608).

CORPORATE STRUCTURE

The Company has 6 subsidiaries, which are consolidated into the Group's consolidated financial statements .

	Name of subsidiary	Business	Operating status	Ownership (%)	
				Ending balance	Beginning balance
1	The Gioi Di Dong Joint Stock Company Location: Ho Chi Minh City, Vietnam	Trading of electronic equipment	Operating	99.95	99.95
2	Bach Hoa Xanh Trading Joint Stock Company Location: Ho Chi Minh City, Vietnam	Trading of food		99.95	99.95
3	Tran Anh Digital World Joint Stock Company Location: Ho Chi Minh City, Vietnam	Trading of electronic equipment		99.33	99.33
4	The Gioi Di Dong Information Technology Limited Company Location: Ho Chi Minh City, Vietnam	Information technology		100.00	100.00
5	MWG (Cambodia) Co., Ltd Location: PhnômPênh, Campuchia	Trading of electronic equipment		99.95	99.95
6	Conscientious Installation - Repair - Maintenance Service Company Limited Location: Ho Chi Minh City, Vietnam	Repairing of machinery, equipment		99.95	99.95

2. BASIS OF PREPARATION

2.1 ACCOUNTING STANDARDS AND SYSTEM

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per the:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position, the consolidated results of operations and the consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 APPLIED ACCOUNTING DOCUMENTATION SYSTEM

The Group's applied accounting documentation system is the General Journal system.

2.3 FISCAL YEAR

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

2.4 ACCOUNTING CURRENCY

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

2.5 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the parent Company and its subsidiaries for the year ended 31 December 2020.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in retained earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 INVENTORIES

Inventories are stated at the lower of cost which comprises all costs of purchase and other direct costs incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Mobile phones and laptops	Actual cost on a specific identification basis
Digital and electronic equipment	Actual cost on a specific identification basis
Accessories	Actual cost on a weighted average basis
Household appliances	Actual cost on a weighted average basis
Dried food, fresh food, drinks and grocery merchandise	Actual cost on a weighted average basis
Cosmetics	Actual cost on a weighted average basis
Others	Actual cost on a weighted average basis

Provision for obsolete inventories

An inventories provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

3.3 RECEIVABLES

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement.

3.4 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

3.5 LEASED ASSETS

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Group is the lessee

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

3.6 INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

Land use rights

Land use rights are recorded as intangible fixed assets when the Company has the land use rights certificates. The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for use and is not amortised as having indefinite useful life.

3.7 DEPRECIATION AND AMORTISATION

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Building and structures	5 years
Computer software	4 years
Means of transportation	6 years
Office equipment	3 - 8 years

3.8 BORROWING COSTS

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and are recorded as expense in the consolidated income statement during the year in which they are incurred.

3.9 PREPAID EXPENSES

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortised over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as long-term prepaid expense and are amortised to the consolidated income statement:

- ▶ Prepaid rental;
- ▶ Stores's layouts;
- ▶ Tools and supplies.

3.10 BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

3.11 INVESTMENTS

Investment in an associate

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Held-to-maturity investment

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the consolidated financial statements and deducted against the value of such investments.

Provision for diminution in value of investment

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

3.12 PAYABLES AND ACCRUALS

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

3.13 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

3.14 FOREIGN CURRENCY TRANSACTIONS

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

Conversion of the financial statements of a foreign operation

Conversion of the financial statements of a subsidiary of the Group which maintains its accounting records in other currency rather than the Group's accounting currency of VND, for consolidation purpose, is as follows:

- ▶ Assets and liabilities are converted into VND by using the buying and selling exchange rates, respectively, as announced by the commercial banks where the Group frequently conducts its transactions at the balance sheet date;
- ▶ Revenues, other income and expenses are converted into VND by using the actual transactional exchange rates; or the average exchange rates if the average exchange rates do not exceed +/- 2% the transactional exchange rates.
- ▶ All foreign exchange differences resulting from conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange differences reserve" on the consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.

3.15 TREASURY SHARES

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Group's own equity instruments.

3.16 APPROPRIATION OF NET PROFITS

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

3.17 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue is recognised upon the completion of the services provided.

Interest income

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

3.18 TAXATION

Current income tax

Current income tax assets and liabilities for the current and prior year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the consolidated balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the consolidated balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each consolidated balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority or when the Group intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.19 EARNINGS PER SHARE

Basic earnings per share amount is computed by dividing net profit for the year attributable to ordinary shareholders of the Company, after appropriation for bonus and welfare fund, by the weighted average number of ordinary shares outstanding during the year, where applicable.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.20 SEGMENT INFORMATION

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

As the Group's revenue and profit are derived mainly from trading, providing repair and maintenance services of phones, information technology equipment, cameras, digital equipment, electronic equipment; household appliances and related accessories, foods, meats, vegetables, beverages and other groceries business in Vietnam while other sources of revenue are not material as a whole, management accordingly believed that the Group operates in a sole business segment of trading, providing repair and maintenance services of phones, information technology equipment, cameras, digital equipment, electronic equipment; household appliances, related accessories, food, beverages and other goods and material geographical segment of the Group is in Vietnam.

3.21 RELATED PARTIES

Parties are considered to be related parties of the Group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

4. CASH AND CASH EQUIVALENTS

VND

	Ending balance	Beginning balance
Cash on hand	545,492,937,425	690,431,092,521
Cash in banks	1,638,348,546,421	1,274,493,571,437
Cash in transit	59,432,982,328	59,423,274,910
Cash equivalents (*)	5,104,582,931,751	1,090,888,877,600
TOTAL	7,347,857,397,925	3,115,236,816,468

(*) Cash equivalents represent term deposits with maturity terms of not more than 3 months and earn interest at the applicable rates.

5. HELD-TO-MATURITY INVESTMENT

Held-to-maturity investment represents term deposits and bonds with maturity terms from 3 months to less than 1 year and earning interest at the rates ranging from 6% to 8.65% per annum.

6. SHORT-TERM TRADE RECEIVABLES

VND

	Ending balance	Beginning balance
Receivables from other parties	194,675,413,326	260,783,205,179
• <i>Home Credit Vietnam Finance Company Limited</i>	64,487,620,528	125,939,442,577
• <i>Vietnam Prosperity Joint Stock Commercial Bank</i>	44,762,912,544	23,185,634,606
• <i>Others</i>	85,424,880,254	111,658,127,996
Receivables from a related party (Note 30)	1,719,132,108	1,485,157,638
TOTAL	196,394,545,434	262,268,362,817

7. SHORT-TERM ADVANCES TO SUPPLIERS

VND

	Ending balance	Beginning balance
Nhat Thien Import Export Company Limited	76,841,085,674	54,942,025,774
Hoang Kim Xu Trading Company Limited	31,197,313,644	-
Cong Nghe So Import Export Company Limited	18,938,482,906	26,711,078,199
HGTV Company Limited	-	24,137,253,846
Others	160,936,449,328	89,226,489,167
TOTAL	287,913,331,552	195,016,846,986

8. SHORT-TERM LOAN RECEIVABLES

Short-term loan receivables represents unsecured loans to associates with indefinite payment term and interest income at the rate of 6.5% per annum (Note 30).

9. OTHER SHORT-TERM RECEIVABLES

VND

	Ending balance	Beginning balance
Receivables from suppliers (i)	647,285,977,095	1,241,677,377,485
• LG Electronics Vietnam Hai Phong Co., Ltd.	66,310,465,706	127,603,956,038
• Panasonic Vietnam Company Limited	55,036,409,639	162,039,890,707
• Samsung Electronic HCMC CE Complex Limited	43,563,581,572	209,669,080,322
• Sony Electronics Vietnam Company Limited	23,027,729,813	157,552,930,802
• Samsung Electronics Viet Nam Thai Nguyen Company Limited	6,694,236,506	122,646,595,872
• Others	452,653,553,859	462,164,923,744
Interest income	317,227,458,614	85,203,204,107
Advance to employees	30,006,876,759	12,571,421,526
Receivables from employees	9,480,019,353	4,280,229,843
Others	26,942,809,689	14,068,119,215
TOTAL	1,030,943,141,510	1,357,800,352,176

In which:		
• <i>Receivables from other parties</i>	1,030,092,008,365	1,357,503,412,461
• <i>Receivable from a related party (Note 30)</i>	851,133,145	296,939,715

(i) *Receivables from suppliers mainly comprise trade discounts, early payment discounts and price protection.*

10. INVENTORIES

VND

	Ending balance	Beginning balance
Electronic equipment	7,035,029,162,732	11,231,685,060,829
Mobile phones	3,509,770,054,002	7,227,058,678,320
Home appliances	3,042,921,583,614	2,918,296,843,508
Dried food, fresh food, drinks and grocery merchandise	2,134,524,071,196	1,160,591,043,309
Accessories	1,695,916,652,725	1,349,126,486,481
Cosmetics	1,032,820,436,927	478,473,185,981
Watches, sunglasses	528,292,841,105	573,950,618,899
Laptop	489,281,745,343	786,555,617,315
Installment item	252,039,415,472	146,113,590,466
Tablets	108,365,904,899	181,539,686,893
Scratch cards	16,831,033,109	19,100,171,315
Goods in transit	16,379,211,128	5,813,877,959
Others	64,191,390,114	117,629,812,609
TOTAL	19,926,363,502,366	26,195,934,673,884
Provision for obsolete inventories	(504,186,049,692)	(450,506,237,304)
NET	19,422,177,452,674	25,745,428,436,580

Movements of provision for obsolete inventories:

VND

	Current year	Previous year
Beginning balance	(450,506,237,304)	(375,132,344,772)
• Add: Provision created during the year	(504,186,049,692)	(450,506,237,304)
• Less: Utilisation and reversal of provision during the year	450,506,237,304	375,132,344,772
Ending balance	(504,186,049,692)	(450,506,237,304)

11. PREPAID EXPENSES

VND

	Ending balance	Beginning balance
Short-term	563,786,316,141	487,030,591,956
Stores rental	368,921,313,527	346,004,531,282
Tools and equipment	172,478,798,117	116,779,961,364
Stores' layout	8,321,608,298	6,407,849,650
Others	14,064,596,199	17,838,249,660
Long-term	76,720,247,019	104,029,473,910
Stores rental	31,997,664,982	48,175,101,674
Tools and equipment	26,850,139,499	28,177,896,281
Stores' layout	4,417,928,401	12,681,905,344
Others	13,454,514,137	14,994,570,611
TOTAL	640,506,563,160	591,060,065,866

12. OTHER LONG-TERM RECEIVABLES

Other long-term receivables mainly represent long-term rental deposits for offices, stores and distribution centres.

13. TANGIBLE FIXED ASSETS

VND

	Buildings and structures	Means of transportation	Office equipment	Total
Cost				
Beginning balance	7,554,468,507,754	279,065,675,334	1,314,921,806,437	9,148,455,989,525
New purchases	3,252,273,992,217	150,070,403,810	604,326,046,165	4,006,670,442,192
Transfer from construction in progress	29,559,191,203	-	-	29,559,191,203
Disposal	(202,576,459,562)	(1,945,306,173)	(16,852,444,284)	(221,374,210,019)
Ending balance	10,633,725,231,612	427,190,772,971	1,902,395,408,318	12,963,311,412,901
<i>In which: -Fully depreciated</i>	968,917,361,278	8,819,869,883	398,315,262,852	1,376,052,494,013
Accumulated depreciation				
Beginning balance	(3,034,733,032,729)	(93,576,272,174)	(644,867,511,648)	(3,773,176,816,551)
Depreciation for the year	(1,748,996,130,895)	(58,760,079,853)	(324,620,112,449)	(2,132,376,323,197)
Disposal	192,033,052,736	1,945,306,173	15,582,655,846	209,561,014,755
Ending balance	(4,591,696,110,888)	(150,391,045,854)	(953,904,968,251)	(5,695,992,124,993)
Net carrying amount				
Beginning balance	4,519,735,475,025	185,489,403,160	670,054,294,789	5,375,279,172,974
Ending balance	6,042,029,120,724	276,799,727,117	948,490,440,067	7,267,319,287,908

14. INTANGIBLE ASSETS

VND

	Land use rights	Computer software	Total
Cost			
Beginning balance	25,998,878,500	8,853,321,700	34,852,200,200
New purchase	-	959,438,000	959,438,000
Ending balance	25,998,878,500	9,812,759,700	35,811,638,200
Accumulated amortisation			
Beginning balance	-	(6,354,384,253)	(6,354,384,253)
Amortisation for the year	-	(1,814,875,719)	(1,814,875,719)
Ending balance	-	(8,169,259,972)	(8,169,259,972)
Net carrying amount			
Beginning balance	25,998,878,500	2,498,937,447	28,497,815,947
Ending balance	25,998,878,500	1,643,499,728	27,642,378,228

15. CONSTRUCTION IN PROGRESS

VND

	Ending balance	Beginning balance
Construction costs for stores and distribution centres	132,620,362,470	83,674,549,223
Others	-	3,755,889,087
TOTAL	132,620,362,470	87,430,438,310

16. INVESTMENT IN AN ASSOCIATE

VND

An Khang Retail Joint Stock Company	
Cost of investment:	
Beginning and ending balances	62,038,750,000
Accumulated share loss of the associate:	
Beginning balance	(5,574,270,256)
Share loss of the associate for the year	(3,706,939,471)
Ending balance	(9,281,209,727)
Net carrying amount:	
Beginning balance	56,464,479,744
Ending balance	52,757,540,273

An Khang Retail Joint Stock Company ("An Khang") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the ("ERC") No. 0314587300 issued by the DPI of Ho Chi Minh City on 21 August 2017, and as amended. An Khang's registered office is located at No. 128, Tran Quang Khai Street, Tan Dinh Ward, District 1, Ho Chi Minh City, Vietnam. The current principal activities of An Khang are to trade medicines goods.

17. GOODWILL

VND

Tran Anh Digital World Joint Stock Company	
Cost:	
Beginning and ending balances	613,918,721,185
Accumulated amortisation:	
Beginning balance	(122,783,744,238)
Amortisation for the year	(61,391,872,119)
Ending balance	(184,175,616,357)
Net carrying amount:	
Beginning balance	491,134,976,947
Ending balance	429,743,104,828

18. SHORT-TERM TRADE PAYABLES

VND

	Ending balance	Beginning balance
LG Electronics Vietnam Hai Phong Co., Ltd	469,835,397,491	839,166,842,803
Panasonic (Vietnam) Co., Ltd.	456,130,283,432	685,230,199,781
Digiworld Corporation	349,920,968,335	154,690,135,414
Samsung Electronics Viet Nam Thai Nguyen	315,938,290,305	1,281,985,861,314
Toshiba Vietnam Consumer Products Co., Ltd	291,363,156,495	366,017,279,973
Apple Vietnam LLC	173,238,034,888	611,058,833,000
Sony Electronics Vietnam Co., Ltd	77,299,342,622	1,223,262,408,476
Daikin Air Conditioning (Vietnam) Joint Stock Company	24,185,212,312	65,113,755,089
Others	6,570,258,176,461	6,828,860,168,145
TOTAL	8,728,168,862,341	12,055,385,483,995

19. STATUTORY OBLIGATIONS

VND

	Beginning balance	Increase during the year	Decrease during the year	Ending balance
Corporate income tax	347,366,892,884	1,598,413,821,219	(1,494,585,439,732)	451,195,274,371
Value-added tax	3,959,293,725	15,074,685,974,039	(14,986,262,564,387)	92,382,703,377
Personal income tax	22,293,550,887	508,235,936,154	(441,285,042,848)	89,244,444,193
Others	1,003,531,614	29,689,565,564	(28,597,650,943)	2,095,446,235
TOTAL	374,623,269,110	17,211,025,296,976	(16,950,730,697,910)	634,917,868,176

20. SHORT-TERM ACCRUED EXPENSES

VND

	Ending balance	Beginning balance
Employees bonus	2,558,010,028,648	1,381,629,784,303
Interest supporting expense	201,989,058,834	84,002,927,200
Payables to employees	116,358,990,136	115,429,735,544
Marketing expenses	85,853,398,026	75,405,852,278
Utilities	57,052,892,341	49,473,623,652
Transportation expenses	53,714,832,224	56,517,465,115
Interest expenses	48,376,534,398	48,333,997,724
Warranty costs	18,615,267,976	18,812,667,951
Others	51,034,391,931	22,360,904,888
TOTAL	3,191,005,394,514	1,851,966,958,655

21. OTHER SHORT-TERM PAYABLES

VND

	Ending balance	Beginning balance
Charges received on behalf	338,319,676,064	439,435,994,167
Deposits received	67,277,822,070	56,386,635,126
Discount vouchers	52,813,040,482	28,214,097,975
Social and health insurances and trade union fee	47,782,337,888	33,962,017,460
Instalment payments received on behalf	13,041,406,433	32,522,239,000
Advances received for shares issuance	-	85,719,580,000
Others	26,811,140,928	41,644,167,028
TOTAL	546,045,423,865	717,884,730,756
In which:		
• Payables to other parties	544,010,710,433	714,304,603,481
• Payable to a related party (Note 30)	2,034,713,432	3,580,127,275

22. LOANS

VND

	Beginning balance	Increase during the year	Decrease during the year	Ending balance
Short-term	13,031,015,620,192	51,168,161,383,884	(48,573,996,682,152)	15,625,180,321,924
Short-term loans from banks (Note 22.1)	13,031,015,620,192	51,168,161,383,884	(48,573,996,682,152)	15,625,180,321,924
Long-term	1,122,136,666,657	4,539,999,996	-	1,126,676,666,653
Domestic straight bonds (Note 22.2)	1,122,136,666,657	4,539,999,996	-	1,126,676,666,653
TOTAL	14,153,152,286,849	51,172,701,383,880	(48,573,996,682,152)	16,751,856,988,577

22.1 LOANS FROM BANKS

The Group obtained these unsecured short-term loans with floating rates to finance its working capital requirements, details are as follows:

Lenders	Ending balance (VND)	Maturity date
BNP Paribas - Singapore Branch	2,284,342,688,936	From 6 January 2021 to 4 March 2021
Sumitomo Mitsui Banking Corporation	1,803,800,919,022	From 4 January 2021 to 31 March 2021
HSBC Bank (Singapore) Limited	1,318,281,083,942	From 13 January 2021 to 31 March 2021
Mizuho Bank, Ltd. – Ha Noi Branch	1,278,011,533,025	From 7 January 2021 to 31 March 2021
HSBC Bank (Vietnam) Limited	1,249,347,371,717	From 15 January 2021 to 31 March 2021
Vietnam Joint Stock Commercial Bank for Industry and Trade	1,183,077,127,009	From 9 March 2021 to 31 March 2021
Bank of Investment and Development of Vietnam - Ho Chi Minh Branch	849,092,786,267	From 9 February 2021 to 25 March 2021
Standard Chartered Bank (Vietnam) Limited	841,619,543,481	From 22 January 2021 to 21 June 2021
Citibank N.A Vietnam - Hanoi Branch	800,261,151,082	From 11 January 2021 to 25 March 2021
Joint Stock Commercial Bank for Foreign Trade of Vietnam	772,972,011,941	From 27 January 2021 to 31 March 2021
ANZ Bank (Vietnam) Limited - Ho Chi Minh Branch	645,902,367,282	From 4 January 2021 to 1 March 2021
BNP Paribas - Ho Chi Minh Branch	571,187,530,140	From 4 January 2021 to 25 March 2021
DBS Bank Ltd - Ho Chi Minh Branch	520,253,740,159	From 19 January 2021 to 18 March 2021
Military Commercial Joint Stock Bank	458,686,694,052	From 29 January 2021 to 19 February 2021
Standard Chartered Bank (Singapore) Limited	378,035,807,556	From 8 January 2021 to 29 March 2021
ANZ Banking Group Limited, Singapore Branch	187,199,612,690	26 February 2021
United Overseas Bank (VIETNAM) Limited –Ho Chi Minh Branch	167,985,101,869	From 27 January 2021 to 1 February 2021
Malayan Banking Berhad Vietnam	155,698,101,965	From 18 February 2021 to 16 April 2021
Malayan Banking Berhad – Labuan Branch	122,690,346,111	From 17 February 2021 to 15 April 2021
Shinhan Bank Vietnam	36,734,803,678	From 3 February 2021 to February 2021
TOTAL	15,625,180,321,924	

22.2 DOMESTIC STRAIGHT BONDS

Details of domestic straight bond are as follows:

Owners	Ending balance (VND)	Interest rate (% p.a)	Maturity date	Purpose	Collateral
Manulife (Vietnam) Limited	480,000,000,000	6.55	17 November 2022	To finance its working capital requirements	Unsecured
Prudential Vietnam Assurance Private Limited	470,000,000,000				
AIA (VietNam) Life Insurance Company Limited	100,000,000,000				
Chubb Life Insurance Vietnam Company Limited	45,000,000,000				
Sun Life Insurance Company Limited	40,000,000,000				
Bond issuance expenses	(8,323,333,347)				
TOTAL	1,126,676,666,653				

Domestic straight bonds are arranged by Standard Chartered Bank (Vietnam) Limited and guaranteed by Credit Guarantee and Investment Facility - a trust fund of the Asian Development Bank. The guarantee fee rate is charged at the rate of 1.5% per annum to finance the Company's working capital.

23. OWNERS' EQUITY

23.1 INCREASE AND DECREASE IN OWNERS' EQUITY

	Share capital	Share premium	Treasury shares	Foreign exchange differences	Undistributed earnings	Other capital	TOTAL
VND							
PREVIOUS YEAR							
Beginning balance	4,434,961,780,000	551,451,995,486	(808,864,500)	446,572,898	3,989,603,910,055	1,130,494,084	8,976,785,888,023
Net profit for the year	-	-	-	-	3,834,269,547,047	-	3,834,269,547,047
Shares issuance	500,000,000	3,755,000,000	-	-	-	-	4,255,000,000
Foreign exchange differences	-	-	-	(474,950,831)	-	-	(474,950,831)
Shares repurchase	-	-	(4,850,060,000)	-	-	-	(4,850,060,000)
Fund distribution	-	-	-	-	(10,000,000,000)	-	(10,000,000,000)
Dividends declared	-	-	-	-	(664,179,295,500)	-	(664,179,295,500)
Ending balance	4,435,461,780,000	555,206,995,486	(5,658,924,500)	(28,377,933)	7,149,694,161,602	1,130,494,084	12,135,806,128,739
CURRENT YEAR							
Beginning balance	4,435,461,780,000	555,206,995,486	(5,658,924,500)	(28,377,933)	7,149,694,161,602	1,130,494,084	12,135,806,128,739
Net profit for the year	-	-	-	-	3,917,767,783,159	-	3,917,767,783,159
Shares issuance (*)	96,638,090,000	2,903,435,500	5,658,924,500	-	-	-	105,200,450,000
Reclassified	-	-	-	-	1,130,494,084	(1,130,494,084)	-
Foreign exchange differences	-	-	-	(1,415,378,292)	-	-	(1,415,378,292)
Shares repurchase	-	-	(6,040,930,000)	-	-	-	(6,040,930,000)
Dividends declared (**)	-	-	-	-	(678,908,841,000)	-	(678,908,841,000)
Ending balance	4,532,099,870,000	558,110,430,986	(6,040,930,000)	(1,443,756,225)	10,389,683,597,845	-	15,472,409,212,606

(*) On 6 January 2020, the Company completed the issuance of 10,520,045 shares at the price of VND 10,000 per share from the use of 856,236 treasury shares (average purchase cost of 6,609 VND/share) and issued 9,663,809 new shares in accordance with the approved Shareholders' Resolution No. 01_2019/NQDHDCT/TCDD dated 22 March 2019 and the Board of Director's Resolutions No. 12/NQ/HĐQT-2019 and the Board of Director's Resolutions No. 13/NQ/HĐQT-2019 dated 27 November 2019. Accordingly, the Company's registered share capital increased from VND 4,435,461,780,000 to VND 4,532,099,870,000. On 12 February 2020, the Company received the amended ERC issued by the DPL of Binh Duong Province for the above issuance.

(**) During the year, the Company declared dividend in form of cash amounting to VND 678,908,841,000 from undistributed earnings as at 31 December 2019 to its existing shareholders in accordance with the Shareholders' Resolution No. 01_2020/NQDHDCT/TCDD dated 6 June 2020 and the Board of Director's Resolution No. 09/NQ/HĐQT-2020 dated 28 September 2020.

VND

	Current year	Previous year
CONTRIBUTED CAPITAL		
Beginning balance	4,435,461,780,000	4,434,961,780,000
Increase	96,638,090,000	500,000,000
Ending balance	4,532,099,870,000	4,435,461,780,000
Dividends declared and paid during the year	678,908,841,000	664,179,295,500

23.2 CAPITAL TRANSACTIONS WITH OWNERS

The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share with par value of VND 10,000 carries one vote per share without restriction.

23.3 SHARES - ORDINARY SHARES

	Number of shares	
	Ending balance	Beginning balance
Authorized shares	453,209,987	443,546,178
Issued and paid up shares • <i>Ordinary shares</i>	453,209,987	443,546,178
Treasury shares • <i>Ordinary shares</i>	(604,093)	(856,236)
Shares in circulation • <i>Ordinary shares</i>	452,605,894	442,689,942

24. REVENUES

24.1 REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

VND

	Current year	Previous year
Gross revenue	109,801,253,690,656	103,485,046,672,447
Of which		
• <i>Sale of goods</i>	<i>109,090,866,579,358</i>	<i>102,690,897,379,315</i>
• <i>Rendering of services</i>	<i>710,387,111,298</i>	<i>794,149,293,132</i>
Less	(1,255,234,025,244)	(1,310,802,695,724)
Of which		
• <i>Sales returns</i>	<i>(1,255,234,025,244)</i>	<i>(1,310,802,695,724)</i>
Net revenue	108,546,019,665,412	102,174,243,976,723

24.2 FINANCE INCOME

VND

	Current year	Previous year
Interest income	567,422,268,496	343,579,024,388
Income from early payments	226,364,144,496	287,234,164,431
Foreign exchange gains	335,369,675	364,665,532
TOTAL	794,121,782,667	631,177,854,351

25. FINANCE EXPENSES

VND

	Current year	Previous year
Interest expense	594,003,821,021	568,136,717,134
Foreign exchange losses	59,418,874	35,984,155
Others	88,273,856	1,582,143,555
TOTAL	594,151,513,751	569,754,844,844

26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

VND

	Current year	Previous year
Selling expenses	15,333,798,830,787	12,437,282,718,212
Labour expenses	7,196,997,006,794	5,992,577,221,978
External services	5,012,617,628,367	4,398,088,620,950
Depreciation charges	2,086,784,686,604	1,342,071,614,509
Others	1,037,399,509,022	704,545,260,775
General and administrative expenses	3,404,431,838,167	2,073,782,880,058
Labour expenses	2,829,486,255,030	1,936,515,635,317
External services	379,261,509,728	19,528,015,330
Depreciation charges	64,588,564,350	97,929,264,392
Others	131,095,509,059	19,809,965,019
TOTAL	18,738,230,668,954	14,511,065,598,270

27. TRADING AND OPERATING COSTS

VND

	Current year	Previous year
Cost of goods sold and services rendered	84,591,522,392,949	82,686,444,673,012
Labour costs	10,026,483,261,824	7,929,092,857,295
Depreciation and amortisation (Notes 13, 14 and 17)	2,195,583,071,035	1,442,826,938,954
Others	6,516,164,336,095	5,139,145,802,021
TOTAL	103,329,753,061,903	97,197,510,271,282

28. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company and its subsidiaries are as follows:

The statutory CIT rate applicable to the Company and its subsidiaries is 20% of taxable income; except

The statutory CIT rate applicable to The Gioi Di Dong Information Technology Limited Company ("CNTT TGDD"), the Company's subsidiary is 10% of taxable income in 15 years from the date of CNTT TGDDs commencement of new investment project in the High-Tech zone and entitled applicable normal CIT rate for the following years. CNTT TGDD is entitled to an exemption from CIT for 4 years commencing from the year in which a taxable profit is earned (2019), and a 50% reduction of the applicable CIT rate for the following 9 years (from 2023 to 2031). For other activities of CNTT TGDD, the applicable CIT rate is 20% of taxable income.

The Group's tax returns are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

28.1 CIT EXPENSE

VND

	Current year	Previous year
Current tax expense	1,586,422,958,279	1,248,226,781,874
Adjustment for under accrual of tax from prior period	11,990,862,940	126,299,960
Deferred tax income	(108,551,123,373)	(31,145,964,165)
TOTAL	1,489,862,697,846	1,217,207,117,669

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	Current year	Previous year
Accounting profit before tax	5,409,735,407,353	5,053,447,204,696
At CIT rate of 20%	1,081,947,081,471	1,010,689,440,939
<i>Adjustments</i>		
Losses of subsidiaries	382,306,850,793	207,512,389,408
Non-deductible expenses	19,129,371,179	4,838,942,989
Goodwill allocation	12,278,374,424	12,278,374,424
Adjustment for under accrual of tax from prior period	11,990,862,940	126,299,960
Share of loss of the associate	741,387,894	694,656,674
Tax loss carried forward	(2,416,517,065)	(2,042,981,573)
Tax exempted	(16,114,713,790)	(16,890,005,152)
CIT expense	1,489,862,697,846	1,217,207,117,669

28.2 CURRENT TAX

The current tax payable is based on taxable income for the current year. The taxable income of the Parent company and its subsidiaries for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Parent company and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the consolidated balance sheet date.

28.3 DEFERRED TAX

The following are the deferred tax assets and deferred tax income recognized by the Group, and the movements thereon, during the current and previous years:

VND

	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Accrued expenses	128,839,652,100	74,364,760,471	54,474,891,629	11,154,159,571
Provision for obsolete inventories	100,837,209,938	90,101,247,456	10,735,962,482	15,074,778,502
Unrealised profit	42,404,842,716	-	42,404,842,716	-
Provision for warranty	15,275,473,866	14,338,104,477	937,369,389	3,024,377,931
Foreign exchange difference	(7,374,916)	(5,432,073)	(1,942,843)	(3,363,338)
Others	-	-	-	1,896,011,499
Deferred tax assets	287,349,803,704	178,798,680,331		
Deferred tax income			108,551,123,373	31,145,964,165

29. EARNINGS PER SHARE

The Group used following data to calculate the basic and diluted earnings per share:

	Current year	Previous year
Net profit attributable to ordinary shareholders of the Company (VND)	3,917,767,783,159	3,834,269,547,047
Weighted average number of ordinary shares for basic earnings per share	452,705,975	442,482,496
Basic and diluted earnings per share (VND per share)	8,654	8,665

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

30. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with its related parties during the current and previous years were as follows:

VND

Related party	Relationship	Nature of transaction	Current year	Previous year
An Khang Retail Joint Stock Company	Associate	Lending	80,000,000,000	-
		Sales of goods	3,721,485,234	3,669,558,297
		Purchase of goods	687,716,213	250,613,890
		Rendering of services	399,755,000	347,892,772
		Interest income	968,589,041	-
Mr Robert Willett	Member of the Board of Directors	Consultant fee	2,139,920,184	2,146,976,781
Thanh Phat Import Export One Member Limited	Common key personnel	Purchase of merchandise	-	17,562,316,948

Amounts due from and due to its related parties at the balance sheet date were as follows:

VND

Related parties	Relationship	Nature of transaction	Ending balance	Beginning balance
Short-term trade receivables				
An Khang Retail Joint Stock Company	Associate	Sales of goods	1,719,132,108	1,485,157,638
Other short-term receivables				
An Khang Retail Joint Stock Company	Associate	Payment on behalf	415,139,868	296,939,715
		Interest income	383,232,877	-
		Others	52,760,400	-
TOTAL			851,133,145	296,939,715
Short-term loan receivable				
An Khang Retail Joint Stock Company	Associate	Lending	80,000,000,000	-
Other short-term payable				
An Khang Retail Joint Stock Company	Associate	Payment on behalf	2,034,713,432	3,580,127,275

31. OPERATING LEASE COMMITMENTS

The Group leases its office premises and distribution centres under operating lease agreements. The minimum lease commitments as at the balance sheet dates under the operating lease agreements are as follows:

		VND
	Ending balance	Beginning balance
Less than one year	3,048,728,202,432	2,314,846,596,565
From one to five years	10,493,295,359,810	7,920,194,732,060
More than five years	6,077,469,548,506	3,705,993,575,108
TOTAL	19,619,493,110,748	13,941,034,903,733

32. EVENTS AFTER THE BALANCE SHEET DATE

Issuance of new ordinary shares in accordance with the Employee Stock Ownership Plan

At 11 January 2021, the Company has completed issuance of 13,518,333 shares issued to its key employees at the price of VND 10,000 per share from reissuance of 604,093 treasury shares (purchase cost 10,000 VND per share) and issuance of 12,914,240 new shares in accordance with Shareholders' Resolution No. 01_2020/NQĐHĐCĐ/TGĐĐ dated 6 June 2020 and Board of Director's Resolutions No. 11/2020/NQ/HĐQT-2020 dated 1 December 2020. Accordingly, the Company's registered share capital has been increased from VND 4,532,099,870,000 to VND 4,661,242,270,000. On 8 February 2021, the Company received the amended ERC issued by the DPI of Binh Duong Province for the above issuance of shares.

Except for the above event, there is no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements of the Company.


 Ly Tran Kim Ngan
 Preparer


 Vu Dang Linh
 Finance Director


 Tran Kinh Doanh
 General Director

8 March 2021

