



The business targets for consolidated net revenue and net profit after tax (NPAT) in 2024 of MWG are as follows:

Unit: billion in VND	2024 targets
<b>Consolidated net revenue</b>	<b>125,000</b>
<b>Consolidated NPAT</b>	<b>2,400</b>

(\*) The company will submit the official business plan to get the approval of the General Meeting of Shareholders.

## I. New business context:

- The Vietnam's economy will continue to face challenges in 2024 due to unpredictable macroeconomic developments on a global scale. In light of this, the Company will proactively adapt to the changing business landscape and not rely on a positive recovery in purchasing power at this stage. Consumer shopping demand is expected to stay flat and may even decrease for some non-essential goods compared to 2023.
- Starting in Q4 of 2023, MWG underwent a comprehensive restructuring process to improve operational efficiency. This restructuring effort, along with a healthy financial foundation and remarkable achievements in 2023, such as increasing market share of the TGDD/Topzone/DMX chains and double-digit revenue growth for the BHX/An Khang/AVA Kids chains, has created room for the Company to continue consolidating revenue and significantly improving profits in 2024 strategically and effectively.

## II. Comprehensive restructuring focusing on "Reducing Quantity - Increasing Quality" to enhance internal strength and pave the way for a new and sustainable phase of growth:

- *For existing business chains:* (i) reducing the number of underperforming points of sale and (ii) increasing service quality by improving employee productivity, investing in a diverse product range with many differentiated shopping options, and implementing attractive promotions to meet the customers' practical needs.
- *For the personnel:* (i) streamlining the team, (ii) rewarding dedicated and high performers who are willing to contribute and create outstanding results, and (iii) nurturing the next generation of visionary and determined leaders to realize and maintain the leading positions in all core business activities for the Company's long-term development.
- *For actions:* (i) actively review all activities, stop actions or tasks that are not necessary, only retain what is core and add values for MWG, (ii) overcome limitations, proactively change new ways to operate effectively and flexibly adapt to consumer needs in the new market conditions.



### **III. Developing business strategies and setting goals for each chain based on its corresponding stage in the business life cycle and market potential:**

#### **a. Thegioididong.com (TGDD, including Topzone) and Dien May Xanh (DMX) – Retail chains of technology and consumer electronics products: These are the main contributors, accounting for c.65% of MWG's consolidated revenue and generating the majority of the profits in 2024.**

- Efforts to maintain total revenue by (i) optimizing store networks, (ii) maintaining and improving service quality to increase same-store sales growth, exploiting opportunities, and (iii) continuously gaining market share in potential categories, brands, and segments.
- Improving business performance and absolute profits.

#### **b. Bach Hoa Xanh (BHX) - Grocery retail chain: accounting for c.30% of MWG's consolidated revenue, achieving double-digit revenue growth, increasing market share, and bringing net profits to MWG from 2024.**

- Opening new stores selectively to ensure efficiency;
- Increasing same-store sales growth: (i) ensuring the quality, safety, and stable output of the fresh produce; (ii) proactively seeking and exploiting opportunities to achieve growth for FMCGs;
- Optimize costs, especially logistics expenses, to make full-year net profits at the Company level.

#### **c. An Khang – Pharmaceutical retail chain: achieving double-digit revenue growth, increasing market share, and reaching break-even point before Dec 31, 2024.**

- Investing in depth to turn An Khang into the leading pharmaceutical chain in “Healthcare” by (i) diversifying the product offerings, (ii) ensuring sufficient drugs to serve most demands, (iii) improving the competency of pharmacists, and (iv) deploying technology to bring convenience and the best healthcare solutions to customers.
- In 2024, An Khang may enter the expansion phase if the chain operates stably and effectively and successfully develops its business model.

#### **d. Avakids – Retail chain of mother and baby products: achieving double-digit revenue growth, increasing market share, and reaching break-even point before Dec 31, 2024.**

- Expansion is not prioritizing physical stores. Instead, these stores act as display points to keep product range and create consumer trust.
- Focusing all resources on promoting sales through online channels.



### **III. Developing business strategies and setting goals for each chain based on its corresponding stage in the business life cycle and market potential (cont.):**

#### **e. EraBlue – Retailing chain of consumer electronics products in Indonesia: achieving double-digit revenue growth, increasing market share, and becoming Indo's No.1 electronics retailer in 2024.**

- Fine-tuning the business model to be ready for expansion;
- Opening new stores selectively to ensure efficiency and continuously increasing same-store sales growth;
- Seeking opportunities to improve profitability through diversifying product offerings and boosting sales output; developing outstanding services to set the company apart and provide customers with differentiated experiences;
- Controlling costs to ensure business performance aligns with the joint venture's approved budget.

#### **IV. Omni-channel business strategy:**

- MWG has a competitive advantage over other retailers as it owns an entire ecosystem that includes (i) a network of stores that act as product display points to provide practical experiences, product consultation, and on-site technical support to customers, (ii) e-commerce channels, (iii) an in-house logistics system, and (iv) self-developed home delivery and after-sales capability. This means the Company can proactively control its operational activities and not depend on external partners to ensure service quality at all customer contact points.
- Thanks to that strength, MWG will continue innovating and providing customers with enjoyable, convenient, and seamless omnichannel shopping experiences at physical stores and online channels.
- The Company expects to grow online sales and estimates that, depending on their characteristics, they will contribute 5% to 30% of each category's revenue.



## V. Implementing business activities aligned with the sustainable development goals (ESG):

- *Regarding the environmental aspect*
  - (i) minimizing the scope 1 and scope 2 emissions by promoting renewable energy projects and prioritizing low-impact fuels; step by step preparing a roadmap to achieve Netzero in the future.
  - (ii) controlling the consumption of resources (electricity, water...) with IoT applications;
  - (iii) significantly reducing the amount of waste released into the environment by using biodegradable bags and promoting reusable bags, reducing the number of plastic bags used, and actively cooperating with our partners and suppliers to implement circular economy solutions for collecting and recycling relevant wastes.
- *Regarding the people aspect*
  - (i) respecting diversity, empowering employees, and fostering equal learning and development opportunities. Raising employee awareness through building a knowledge library and implementing ESG training courses on E-learning channels;
  - (ii) ensuring products with good quality and safety as well as outstanding services, protecting privacy to increase customers' engagement and loyalty;
  - (iii) establishing and strengthening healthy, long-term, stable cooperative relationships with suppliers;
  - (iv) continuing the volunteer activities to contribute practical values to the community.
- *Regarding the corporate governance*
  - (i) ensuring compliance with the laws, regulations, and ethical standards while aligning with MWG's culture of transparency;
  - (ii) attempts to implement sustainability report according to GRI standards;
  - (iii) building a system to track ESG indicators for planning specific goals and measurable KPIs.