



**REPORT OF THE BOARD OF DIRECTORS  
AT THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**Respectfully submitted to: THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**1. Business performance of Vincom Retail Joint Stock Company (the “Company” or “Vincom Retail”) in 2018**

Vincom Retail ended 2018 with impressive sales records and a strong footprint in the international market. It had VND 9.12 trillion in net revenue, an increase of 65% from 2017, VND 38.68 trillion in total assets, and reported an operating profit margin of 33%.

In 2018 Vincom Retail opened 20 new retail malls, including two Vincom Centers, 15 Vincom Plazas and three Vincom+ malls, achieving a record number of new openings in a single year. Continuing its nationwide coverage strategy, Vincom Retail expanded its presence in 14 more provinces compared with 2017. As of March 31, 2019, Vincom Retail had 66 retail malls under operation, with total retail GFA of 1.5 million square meters, in 38 out of 63 cities and provinces, maintaining its position as Vietnam’s largest retail developer.

Vincom Retail’s newly opened malls are becoming notable local destinations, leading consumption trends and creating new standards in the market. For example, in July 2018, Vincom Center Landmark 81 was officially launched at Landmark 81 – Vietnam’s tallest building – with the reputation as the “destination for all needs,” with nearly 100 leading domestic and international brands. With almost a million visits in its first month, Vincom Center Landmark 81 has become the new symbol of the retail market in Vietnam.

Customers have been provided with the most updated, modern trends and new international F&B experiences from Singapore, Argentina, Japan, Guangdong, Hong Kong, etc. with brands entering Vincom retail malls for the first time. Vincom Retail will continue to bring new brands and unique experiences to Vietnamese customers, such as the most convenient shopping spaces, advanced infrastructure, and interior and exterior design highlights. Various contests jointly organized by Vincom Retail and our retailers helped improve Vincom’s service. With rapid growth in scale and improved and innovative service, Vincom Retail drew nearly 160 million visits for shopping and entertainment in 2018, up nearly 40% from 2017. In August 2018, Vincom Retail was ranked in the Top 15 most valuable brands in Vietnam by Forbes, the only retail property brand to make the list.

Such accomplishments could not have been achieved without the concerted efforts by Vincom Retail’s employees who are constantly striving to meet customer demands for diverse experiences, for a safe and convenient shopping destination with the latest trends, to ultimately create a modern lifestyle for the Vietnamese consumer, and to enhance corporate governance and interaction with the shareholders and investors, aiming towards international standards.

*For further information, please refer to the enclosed Report of Management.*

## **2. Activities of the Board of Directors (the “BoD”)**

### **2.1 General activities:**

In 2018, the BoD issued 20 resolutions approving important policies on the Company’s operations and prospects. The resolutions can be summarized as follows:

- Reorganizing corporate management and the company’s operational structure
- Increasing charter capital that has resulted from additional share issuance
- Establishing more branches
- Organizing General Meeting of Shareholders
- Contributing capital to establish P&Ls.

### **2.2 The BoD’s supervisory activities:**

During 2018, the Board of Directors followed the Company’s Charter, Corporate Governance, internal management rules, and the law, as follows:

- Led, directed, and successfully organized the 2018 Annual General Meeting of Shareholders (“the GMS”) on June 07, 2018
- Directed the collection of shareholders’ written ballots and issued GMS resolutions on August 15, 2018 and September 4, 2018
- Implemented the financial report of 2018 and the quarterly and semi-annual financial reports
- Supervised the implementation of decisions made by the GMS and the Board, and supervised the business activities of the Management
- Supervised information disclosure to ensure transparency and timeliness appropriate to a large publicly-listed company, and
- Supervised the work of the Management to improve business performance and to accomplish planned goals.

## **3. 2019 plan:**

Vincom Retail aims to extend its leadership position in Vietnam’s retail sector, both in terms of scale and quality, while working closely with partners and tenants so that they will also grow their network with us.

Vincom Retail plans to open 13 new retail malls, raising the total to 79 nationwide, in 42 out of 63 provinces and cities, and to open Skyview Landmark 81 – Vietnam’s highest observatory in Quarter II, 2019. In addition, 2019 will be the foundation year for Vincom Mega Malls, with GFA of 60,000 to 100,000 square meters in Vinhomes mega projects, such as Vinhomes Ocean Park, Vinhomes Sportia, which are planned for launch in 2020 – 2021, providing customers with new experiences in modern shopping space.

Vincom Retail will continue to focus on improving the customer experience and pushing early technology adaptation in shopping and entertainment, collaborating and partnering with tenants, especially chain tenants. Vincom Retail is a pioneer in bringing many international brands into Vietnam in Hanoi and Ho Chi Minh City for the first time, and will introduce new brands to its malls in other cities and provinces. All of its design work is aimed at elevating customers’ shopping experience. Vincom Retail’s first mobile phone application is expected to be launched in 2019 to keep customers updated with promotions, festivals and other events.

The 2019 marketing strategy is developed based on customers’ needs and preferences and the close collaboration with brands operating in our retail malls, aiming to deliver diverse activities and localized experiences in each market. With a goal of 3,000 events in 2019, Vincom Retail aims to become the first destination that comes to mind each day and at major festivals.

We will continue to promote Vingroup's Five Transformational Principles: "Elevate – Standardize – Simplify – Automate – Share". Our objective is to develop a lean and highly capable work force, led by a team of experienced, passionate, creative and responsible leaders. Over the years, Vincom Retail has built an organizational structure and a workforce that are capable of extending our lead in the coming periods.

Respectfully submitted to the AGM.

Thank you.

*To:*

- *As stated above;*
- *Company archives.*

**ON BEHALF OF  
THE BOARD OF DIRECTORS**

**THAI THI THANH HAI  
CHAIRWOMAN**

*Note: Further amendments and supplements to this document may be proposed for approval at the AGM.*