

Vung Tau, date ... month ... year 2020

**REPORT OF THE BOARD OF DIRECTORS
ON ACTIVITIES IN 2019, OPERATION ORIENTATION
IN 2020, THE THIRD TERM (2018-2022)**

Dear shareholders!

The Board of Directors of the third term (2018-2022) shall report at the General Meeting of Shareholders on the activities of the Board of Directors in 2019 and the operation orientation in 2020, including the following contents:

- Evaluation of the Board of Directors on the activities of the Corporation;
- Evaluation of the Board of Directors on the activities of the General Director and the Board Management (BOM);
- The activities of the Board of Directors in 2019;
- Plan of operation orientation of the Board of Directors in 2020, the third term (2018-2022).

As follows:

I. Evaluation of the Board of Directors on the activities of the Corporation in 2019:

The General Director on behalf of the DIC Corp's Board of BOM has made the Summary Report in 2019; Accordingly, in 2019, the Corporation made good use of opportunities, maximized the resources and advantages of the Enterprise in terms of human resources and management experience, land potentials, facilities, mineral reserves at projects invested by DIC Corp. Carrying out the tasks of production and business in 2019 approved by the AGM, the Board of Directors set the proper guidelines, managed and directed closely and comprehensively the activities of the Corporation; The BOM is drastic in directing and operating, setting appropriate solutions, ensuring the good implementation of the production and business goals in 2019 set by the AGM.

Overcoming the common difficulties of the real estate industry, the Corporation has achieved impressive results in production and business activities in 2019; accordingly, the basic targets of the AGM 2019 have been completed. Highlights in 2019, despite a decline in sales (reaching 73% of the plan - due to the general difficulties of the real estate industry), the profit after tax still increased by 67.7% compared to the same period last year. This result is a

testament to the methodical, effective business strategy, always aiming at the sustainable development of DIC Corp's leaders.

The production and business results in 2019 are reflected in the main activities of the Corporation:

1. Thoroughly performing the task of restructuring enterprise; accordingly, timely adjusting and restructuring the DIC Corp's Board of Directors, appointing a new General Director to replace, thereby strongly promoting the operation of the BOM; at the same time, restructuring the affiliated units, reducing the intermediaries, reorganizing the apparatus to ensure streamlining and efficiency, continuing to adjust the industry and corporate financial structure, completing the management system to improve the Enterprise's capacity, orienting DIC to develop according to new methods and practices that some big domestic and international corporations are applying.

2019 is considered to be the year DIC Corp has made the most drastic divestments in the unit. For member companies, so far, capital has been basically divested at member units operating ineffectively and without development directions. Completed the divestment in 5/7 units, earned 353.63/424.9 billion dong, reaching 83.2% of the plan.

2. According to the investment plan approved by the AGM in 2019, DIC Corp has implemented drastically the project development work according to the plan, in compliance with regulations, ensuring optimal efficiency; continuing to invest in developing projects that have completed legal procedures, and convenient transport infrastructure, focusing on projects with good liquidity and outstanding to call for cooperative investors.

2019 continues to be a greatly successful year in the field of real estate business development, bringing the main revenue and profit for the business, maintaining absolute peace of mind for customers, expanding the market.

3. In 2019, the Corporation always arranges and allocates adequate capital for the projects according to the plan with the optimal interest rate, taking disbursement measures suitable to the actual conditions; effective management of cash flow and capital resources. Therefore, while the total assets and equity capital have increased continuously over the years, the profitability of the enterprise has not decreased yet increased sharply in 2019. This is the brightest point that DIC Corp has effectively taken advantage of mobilized capital. DIC Corp's financial situation is stable, supervision is carried out strictly, in accordance with standards and laws.

II. Evaluation of the Board of Directors on the activities of the General Director and the BOM.



The Board of Directors highly appreciates the BOM's efforts in implementing the Production Business Plan 2019, especially after the new General Director is appointed.

The successful accomplishment in the 2019 production and business results is the outstanding endeavor of the BOM, with all capabilities, solidarity, together with the drastic and strictly complying with the guidelines of the Board of Directors. Decisions of the Board of Directors are implemented actively by the BOM in a cautious, certain manner and always aiming for optimal efficiency.

Achievements in all fields of operation, business and production sectors have been maintained, increasing trust from partners, customers and shareholders. The BOM has performed its tasks successfully in 2019, creating new working effect, a vibrant emulation movement in working environment throughout the Corporation.

In 2020, the BOM will continue to be strengthened, completed and supplemented with members in charge of specific fields, ensuring a comprehensive capacity for BOM, successfully accomplishing targets of 2020 and subsequent years. In the first 6 months of 2020, BOM approved by the Board of Directors, continues to enhance, promulgate the system of management regulations, (Regulation on contractor selection, regulation on investment, etc), which orient to transparency and efficiency in all business activities of the Corporation.

Continue to improve company's structure, resolutely dismiss from the workforce individuals that are incompetent, inappropriate, irresponsible, and low efficiency in work. At the same time, establish incentive policies for employees who have made contribution to the enterprise, in accordance with the Corporation's development speed.

The Board of Directors always believes that with a high sense of responsibility, along with certain solutions, the dynamism and flexibility in the management and administration of the BOM, maximizing the consensus of all officers and employees of the Corporation, the targets that the AGM entrusted to assign DIC Corp will be certainly accomplished and beyond expectation ,thereby, gradually conquering new markets, fastidious domestic and international in the context of challenges and difficulties, as well as the fierce competition of large domestic and foreign enterprises.

III. Activities of the Board of Directors in 2019.

In 2019, Board of Directors organized the 2019 Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders in November 2019 for approving additional business lines, adjusting management structure (Legal representative of DIC Corp) and merging DIC T&T into DIC Corp. The Board of Directors has followed closely the Resolution of the



AGM, market fluctuations and business activities of the Corporation to give directions, solutions and decisions that positively impact on production and business activities, creating momentum for growth in revenue and profit, ensuring the objective of maintaining stability and sustainable development of the Corporation, as follows:

+ Approving investment proposal: approving project investment plan 2019; policy of compensation agreement, transfer of land use rights in projects: North Vung Tau urban area, Long Tan tourist urban area, etc; DIC always maintains good relationships with domestic and foreign investors. In 2019, DIC was highly appreciated by prestigious organizations (VNR ranked Top 500 fastest growing enterprises in Vietnam - Top 20 fastest growing real estate enterprises in 2019, DIC Corp increased 55 places in the PROFIT ranking table).

+ Approving organizational structure proposal: Restructure of BOM, departments, and units of DIC Corp; Terminating operation of DIC Ho Tram Branch; Establishing DIC Quang Binh Representative Office, DIC Him Lam PMU – a branch of DIC Corp; Establishing DIC Ha Nam PMU; Terminating operation of DIC Landmark Vung Tau to establish DIC Star Landmark Hotel Branch.

Company's structure has been organized properly, maintaining the stability and development of the business.

+ Approving personnel proposal: Discharged Mr. Tran Minh Phu from General Director and appointed Mr. Hoang Van Tang - Member of the Board of Directors for replacement since July 15, 2019. In December 2019, the Board of Directors appointed Mr. Nguyen Van Tung for Deputy General Director. Immediately after the amendment of BOM's member, the Board of Directors decided to issue the Operation Regulation and assign duties of BOM. The personnel amendment of the BOM have created the initiative in operating activities, created a new motivation and promoted the capabilities of DIC Corp's resources.

+ Approving the divestment proposal in member companies: DIC Micen, DIC Sport; DIC Thanh Binh; Vina Dai Phuoc Corporation and Song Da - Hanoi Joint Stock Company; Phu Quoc Urban Development Joint Stock Company;

+ Approving financial activities' proposal: Borrowing capital to invest in production and business activities; issuing stocks to pay dividends in 2018, selecting an auditor agent to audit the 2019 financial statements; Approving consulting contract of merging T&T Company into DIC Corp;

The Corporation always take the initiative in financial activities during the year, focus on maximizing internal resources, taking advantage of external DIC's financial resources, create a



steady financial background; minimizing loans from Credit sectors (high interest rates, reduced efficiency, DIC benefits).

In 2019, signing credit contracts with leading reputable credit institutions (Vietnam Joint stock Commercial Bank for Industry and Trade, Vietnam Bank for Agriculture and Rural Development) to ensure the payment of liabilities on time, creates high reputation in all customers, thereby providing DIC certain benefits.

- + Approving organizing plan of 2019 Annual General Meeting of Shareholders, approving documents and time to organize the 2019 Annual General Meeting of Shareholders;

- + Other important decisions on production and business activities of DIC Corp.

With right direction, appropriate solutions of the Board of Directors, along with strict supervision, the corporation has obtained outstanding accomplishment in all fields of business in 2019.

IV. Operation orientation in 2020.

2020 is defined as a pivotal year in the development orientation of the Corporation with the goal of "BREAKTHROUGH TO SUCCESS", the year marks the 30th anniversary of the Corporation's establishment.

The Board of Directors stated that 2020 shall bring many great challenges to real estate business (due to the stand and reduce of the market, due to government's policy of tightening real estate credit and social factors - spreading epidemics, etc). DIC Corp's production and business mission is having responsibility in bringing economic benefits to company and shareholders.

Therefore, right from the beginning of the year, the Board of Directors has drastically directed production and business activities in order to ensure the initiative, financial balance, efficient operation, and practical benefits for shareholders of the Corporation.

The Board of Directors closely follows the targets of the Plan, the tasks approved by the AGM, actively directs, strengthens the inspection and supervision to make the right and timely decisions and solutions, ensuring the completion of targets and missions of Production and Business 2020, creating momentum for growth in revenue and profits, ensuring the goal of maintaining stability and sustainable development of the Corporation.

4. In parallel with the implementation of Business and Production plan, communication and brand development, the Board of Directors continues to research and improve the management structure in accordance with the provisions of law, orient to corporate governance with international standards, ensuring transparency and efficiency. The Board of Directors focuses on



human resource management, advanced technology investment, improving legal risk management, and internal control.

5. Foreign affairs: continuing to maintain friendly relationships with partners and customers by:

+ Exchanging to create good relationships;

+ Organizing major events (Corporation's Party Congress, term 2020-2025, 30th Anniversary of the Corporation's establishment, 2020 AGM).

Entering 2020, with available advantages along with solidarity, high unity in the freewill and actions among generations of management, BOM, the trust and companion of shareholders, the Corporation is gradually improving to maintain the leading enterprise title in real estate investment.

Above is the report of DIC Corp's Board of Directors on the status of implementing duties of the Board of Directors in 2019, the development orientation of the Corporation in 2020, the third term (2018-2022). On behalf of the Board of Directors of the Corporation, I would like to thank all officials and employees; the partners and especially would like to thank the support and trust of our shareholders for all this time.

CHAIRMAN OF BOARD OF DIRECTORS

(signed)

Nguyễn Thiện Tuấn

