

Vung Tau, date ... month 3 year 2021

**REPORT OF THE BOARD OF DIRECTORS
ON ACTIVITIES IN 2020, OPERATIONAL ORIENTATIONS
FOR THE THIRD TERM OF 2021 (2018-2022)**

Dear Valued Shareholders,

The Board of Directors of the third term (2018-2022) reports activities of the Board of Directors to the Annual General Meeting of Shareholders in 2020, the operational orientation for 2021 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 Executive Board of Directors;
- Activities of the Board of Directors in 2020;
- Oriented plan of the Board of Directors for the third term of 2021 (2018-2022).

Specifically:

I. Evaluation of the Board of Directors on the activities of the Corporation in 2020:

The Corporation has summarized production and business activities in 2020; Accordingly, in 2020, the Corporation has made good use of opportunities, maximized the company's resources and advantages in terms of human resources and management experience, land potentials, facilities ... and other advantages in forwarding projects invested by DIC Corp. Performing the production and business tasks in 2020 approved by the General Meeting of Shareholders, the Board of Directors sets out the right policies, closely and comprehensively manages and directs all aspects of the Corporation's operations; The Executive Board is drastic in directing and operating, proposing innovative and appropriate business solutions, ensuring the good implementation of the 2020 production and business targets set by the General Meeting of Shareholders.

Overcoming the difficulties of the Covid-19 epidemic that lasted and affected widely around the world and the common difficulties of the real estate industry, the Corporation achieved dramatic results in business activities in 2020; Accordingly, the approved targets of General Meeting of Shareholders 2020 completed and exceeded. The prominent point in 2020 is that DIC Corp and its subsidiaries are profitable, consolidated profit reached 126% compared

to the plan. This result further affirms the methodical and effective business strategy, always towards the sustainable development of the Board of Directors of DIC.

Production and business results in 2020 are shown in the main areas of operation of the Corporation:

1. Fully implement the task of enterprise restructuring; accordingly, continue to adjust and restructure the professional boards and affiliated units, reduce the intermediate clues, rearrange the apparatus to ensure streamlining and efficiency, continue to adjust the profession, the structure of the business finance, complete the management system to improve the enterprise's capacity, direct DIC to develop according to new methods and practices that a number of large domestic and international corporations are applying.

2020 is seen as the year that DIC Corp positively implements the divestment in its units. For member companies, up to now, they have basically restructured such as restructuring the tourism sector, concentrating resources on DIC Tourism, divesting capital for ineffective member companies, with no development direction like DIC Global.

According to the investment plan approved by the General Meeting of Shareholders 2020, DIC Corp has drastically implemented the project development in accordance with the plan, in compliance with regulations, ensuring optimal efficiency; continued to invest in the development of projects that have completed legal procedures, have convenient transportation infrastructure connections, has focused on projects with good liquidity, and called for investors.

2020 remains a great success year in the field of real estate business development, bringing the main source of revenue and profit to the business, maintaining the absolute assurance of customers, and expanding the market.

2. In 2020, the Corporation always arranges and allocates full capital for projects as planned with optimal interest rates, and implements disbursement measures in accordance with actual conditions; effective management of cash flow and capital sources. Therefore, although total assets and equity increased continuously over the years, the profitability efficiency of the business did not decrease but also increased sharply in 2020. This is the brightest point that DIC Corp has used very much good mobilized capital. The financial situation of DIC Corp is stable, the supervision is strictly implemented in accordance with the standards and regulations of the law.

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

In 2020, the Executive Board will continue to be strengthened, completed and supplemented with members in charge of the Corporation's fields of operation, ensuring comprehensive capacity for the Executive Board, meeting successful implementation of targets for 2020 and the following years. The



Board of Directors highly appreciated the efforts of the Executive Board in the process of implementing the production and business plan in 2020 set out, especially the leadership and executive role of the General Director.

The good achievement in the production and business results in 2020 is the gigantic effort of the Executive Board, with the promotion of all capabilities, solidarity, along with the drasticity and strict compliance with the guidelines of the Board of Directors. The decision-making of the Board of Directors are actively implemented by the Executive Board, but always carefully, firmly and always towards optimal efficiency.

The results achieved in all fields of operation, the production and business lines continued to be maintained, improving the trust of partners, customers, and shareholders. The Executive Board successfully completed its tasks in 2020, creating a working effect, exciting emulation movement in the productive labour of the Corporation.

In 2021, the Executive Board needs to continue a comprehensive screening of the apparatus, resolutely removing incomplete, inappropriate, irresponsible, and ineffective factors from the apparatus. At the same time, building and perfecting institutions, ensuring transparency and fairness in the assessment of individual and collective capacities of the Corporation, perfecting remuneration regimes and policies for employees who contribute to the Corporation, consistent with the growth of the Corporation.

The Board of Directors always believes with a high sense of responsibility, along with solid solutions, dynamism and flexibility in the management and administration of the Executive Board, maximizing the consensus of all the staff in the Corporation that will ensure the certainty of accomplishing and exceeding the targets assigned by the General Meeting of Shareholders in 2021. Thereby, overcoming the challenges, gradually conquering new markets, difficult domestic and international markets in the context of many complicated difficulties, as well as the fierce competition of domestically and foreign large enterprises.

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III. Activities of the Board of Directors in 2020.

In 2020, the Board of Directors held the 2020 Annual General Meeting of Shareholders, Organized to collect shareholders' written opinions to pass the



resolution of the General Meeting of Shareholders on the investment cooperation plan for the project of Northern Vung Tau New Urban Area, the Extraordinary General Meeting of Shareholders approved the addition, adjustment of industries, and adjustment of management structure (DIC Corp's legal representative). The Board of Directors has closely followed the Resolution of the General Meeting of Shareholders, market fluctuations and production and business activities of the Corporation to give directions and solutions, and decide to positively impact production and business activities, creating growth momentum in revenue and profit, ensuring the goal of keeping stable and sustainable development of the Corporation such as:

+ Approval of policies on investment activities: approval of investment plans for projects in 2020; policy of compensation agreement, receiving transfer of land use right of the projects: Northern Vung Tau urban area, Long Tan tourist urban area ..; DIC always keeps good relationships with domestic and foreign investors. In 2020, DIC is highly appreciated by reputable organizations (DIC Corp achieves the 50/500 ranking of the Top 500 fastest growing enterprises in Vietnam and 97/500 ranking on the Top most profitable Vietnamese enterprises, evaluated by VNR; at the same time, DIC Corp also achieved Top 20 famous brands by the Vietnam Intellectual Property Association).

+ Approve the guidelines on the organization: The policy of rearranging and restructuring the Executive Board and the departments and units directly under DIC Corp; Terminating operation of the branch - DIC Star Hotel Vinh Phuc; Merging DIC Land and Real Estate Management Board into Project Planning and Development Board and renamed Project Development Board; Re-establishing Business and Market Development Department. In 2020, the organization was well done, maintained the stability and development of the business.

+ Approve the personnel work policies: Approved the plan to dismiss Mr. Tran Minh from the position of Member of the Board of Directors in June 2020 and after the Board of Directors received the resignation letter of Mr. Dinh Quang Hoan and Mr. Tran Thai Phong, the Extraordinary General Meeting of Shareholders approved to dismiss the member of the Board of Directors on January 28, 2021. The decisions to adjust the staff of the Executive Board created the initiative in management activities, creating new motivation, and promoting the enhancement of DIC Corp's capacity resources.

+ Approve the policy on capital contribution, divestment, restructuring the tourism sector in member companies: Contributing capital to establish DIC Travel Co., Ltd., buying DIC Resco shares to increase ownership ...;

+ Approve the policies on financial activities: Borrow capital for production and business activities; Deploy the plan of issuing shares to pay dividends in 2020, buy and sell treasury stocks, select an auditing unit for 2020 financial statements ...;



The Corporation always seizes the control of the financial affairs during the year, consistent with the motto of maximizing internal resources development, making use of DIC's external financial resources, building a healthy financial background; minimizing loans from the Credit sector (high interest rates, reduced efficiency, DIC benefits).

In 2020, sign credit contracts with leading reputable credit institutions (Industry and Trade Bank, Agriculture and Rural Development Bank), ensure punctual payment of debts, creating a high reputation with all customers, DIC guaranteed benefits.

+ Approve the document plan and the time to hold the extraordinary and annual General Meeting of Shareholders, and Organize to gather shareholders' written opinions to pass the resolutions of the General Meeting of Shareholders on the investment cooperation plan for the project of Northern Vung Tau New Urban Area by 2020;

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

Thanks to the right guidelines and appropriate solutions of the Board of Directors, with the direction and strict supervision that have brought good results in all fields of operation of the Corporation by 2020.

IV. Orientation activities 2021.

The Board of Directors said that 2021 will present many great challenges for enterprises operating in real estate business. DIC Corp's production and business duties are always the responsibility to bring economic benefits to the business and its shareholders.

Therefore, from the beginning of the year, the Board of Directors has drastically directed the production and business activities to ensure initiative, financial balance, effective operation, bringing practical benefits to the shareholders of the Corporation.

The Board of Directors closely complies with the plan targets and tasks passed by the General Meeting of Shareholders, actively directs and strengthens the inspection and supervision to have correct and timely solutions and decisions, to ensure completion of the business goals and tasks in 2021, creating strong growth momentum in revenue and profit, ensuring the goal of maintaining stability and sustainable development of the Corporation.

In parallel with the implementation of production and business plans, communication, and brand development, the Board of Directors continues to study and perfect the management apparatus in accordance with the provisions of law, towards corporate governance according to international standards, ensuring transparency and efficiency. The Board of Directors focuses on HR management, investing in advanced technology, improving legal risk management, and internal control.



External affairs: Continue to maintain friendly relationships with partners and customers through exchange solutions to create good relationships.

In 2021 and the subsequent years. With the flexible direction of the Board of Directors, it is practically proven that the business results in 2020 of DIC Corp and its member companies both have high and sustainable growth, the necessary and sufficient conditions to enter 2021 with a confident and energetic mood. I would like to affirm that 2021 will continue to record impressive business results, starting the 5-year plan (2021-2025).

To implement the above contents, the Board of Directors of DIC Corp requires that leaders and employees of DIC Group need to comply and implement a number of policies and solutions with the production and business orientation in 2021 that is to keep maintaining growth momentum and gradually go deep into details. Specifically:

- 1. *Field of real estate investment in residential land and housing:*** With the existing advantage of clean land fund and potential land fund stretching across many major cities of the country obtaining the completed legal documents, DIC determined this is the major sector in the vision to 2050 to generate great income, stable jobs and promote other industries such as construction material production, construction and installation, interior decoration, etc., for parallel development.
- 2. *Field of investment – real estate tourism, services – sports, entertainment:*** With the advantages, DIC has been investing in management and exploitation of four 5-star hotels such as 5-star DIC Star Vinh Phuc, 5-star Pullman Vung Tau, 5-star Landmark, Mariod Hotel in Vung Tau. Around 4,000 rooms have been invested in Ha Nam, Quang Binh, Hanoi, Ho Chi Minh City, Vung Tau, and Hau Giang. It is expected that in early 2025, it will reach 10,000 international 4 to 5-star standard rooms and the system of golf courses, amusement parks, etc., creating over 10,000 people with stable jobs.
- 3. *Construction material business:*** DIC continues to maintain and expand production scale for a number of traditional materials (commercial concrete, concrete structures, piles, floor panels, wall panels, exploitation of sand materials, stones, tiles, interior products, etc.).
- 4. *Field of construction and installation:*** With a 30-year tradition of being a state-owned enterprise under the Ministry of Construction, we are proud to be a leading enterprise in the role of a construction contractor with a force of skilled officers and technical workers. Is the DIC possible to rise to the Top 10 most prestigious construction contractors in Vietnam? The answer is for DIC # 1, DIC # 2 and DIC Cons. If we know how to take advantage of opportunities, firmly give up the old-fashioned ways, and soon receive scientific achievements to apply in work, the success will be a certain thing.

5. ***Field of industrial real estate investment and business:*** DIC's Board of Directors has been operating positively with the efforts of the Executive Board for 05 years (2021-2025) so that the DIC will have from 02 to 03 industrial and high-tech zones.
6. ***In the field of financial investment:*** The Board of Directors' firm policy is to focus resources to invest in effective businesses in the DIC Group, only joint and associate with other Enterprises having real resources and bringing benefits to DIC.

With the huge workload mentioned above, it requires the DIC's employee and labor collectives to make more efforts to complete the tasks in 2021 that are awaiting. It can be said that this is a challenge as well as an opportunity to enter a new stage of development, which in the 30th anniversary mentioned that this is the "success breakthrough" period of DIC.

With a burdensome duty, 2021 is the year of breakthrough expectation to become one of the Top leading Vietnamese enterprises. Chairman of the Board of Directors of DIC Corp calls on all DIC intelligent and experienced employees and with 30-year solidarity tradition, we will definitely fulfill the tasks that shareholders have trusted and proud to be one of the Leading enterprises of large Vietnamese enterprises.

The above report on the implementation of the Board of Directors' tasks in 2020, the development orientation of the Corporation in the third term of 2021 (2018-2022) is prepared by DIC Corp's Board of Directors. On behalf of the Board of Directors of the Corporation, I would like to thank all the employees of DIC Corp; partners and especially thank you for the support and trust of our shareholders during the past time.

CHAIRMAN OF BOARD OF DIRECTORS

