



ADS ESTIMATES 9 MONTHS OF 2021 PROFIT BEFORE TAX INCREASED 20 TIMES HIGHER Y-O-Y EXCEEDS 118% OF 2021 PLAN

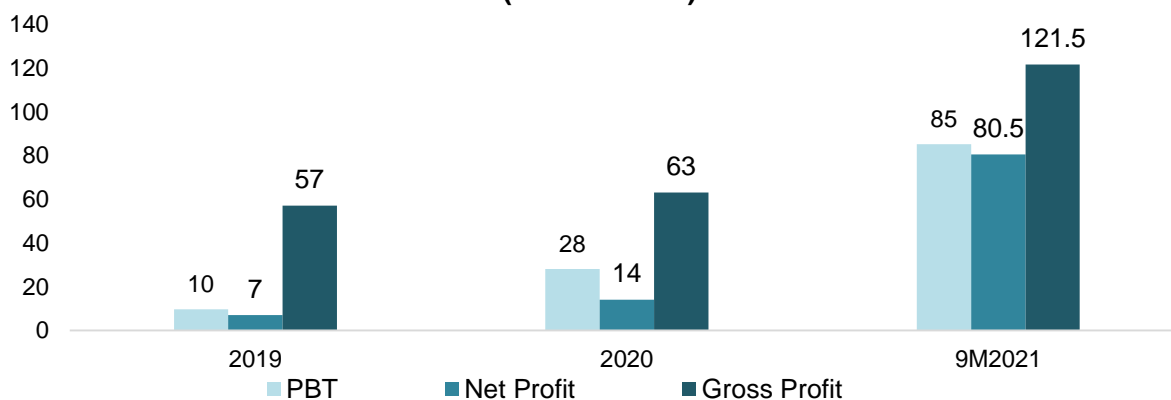
Export orders increased sharply and actively reduced financial expenses, Damsan Joint Stock Company (HOSE: ADS) estimates Profit Before Tax (PBT) in the Q3/2021 reached about VND28 billion, 90% growth compared to same period. Accumulated in the first 9 months of 2021, PBT is estimated more than VND85.2 billion, exceeded 118% higher than 2021 plan.

In the context of COVID-19 epidemic, Textile export is considered as a bright spot to support Vietnam's post-COVID economic recovery. According to the Vietnam Textile Association, the total export value of Textiles in the first 9 months of 2021 is estimated at VND29 billion, 13.2% increase over the same period. In which, fiber export reached VND4 billion, up 56.2%, Textile and Garment accessories export reached VND921 million, 21.8% higher over the same period.

While the Textile enterprises in the South are facing many difficulties, increasing costs, and the risk of order cancellations, etc., the production of peer companies in the North is quite positive. With the position of the 5th largest yarn pile manufacturer in Vietnam, and located in a favorable position for export, ADS continues to record very positive business results.

The Q3/2021 Consolidated Revenue is estimated about VND333 billion, 73% increase y-o-y. Financial expenses were only recorded at VND6.9 billion, a 27% deduction over the same period. Consolidated PBT reached about VND28 billion, 90% higher over the same period. Accumulated in the first 9 months of 2021, Net Revenue is estimated at VND1,030 billion, up 17% over the same period; PBT is estimated at more than VND85.2 billion , 20 times higher than the same period and 118% higher than the 2021 plan.

Profit period 2019 - 9M2021
(Billions VND)



Source: ADS

Impressive Q3/2021 business results from signing many contracts to export CD Yarns and Towels to Japan, Korea and China markets. In present, the number of orders of ADS has been filled up till the end of the year. In addition, the Company has actively reduced outstanding debt to minimize financial expenses. Besides that, the Company also liquidated the old OE Textiles production machine to improve capital efficiency.



Public offering, raising Charter Capital to VND381 billion

On October 5, 2021, ADS received the Certificate of Registration to public offering for issuing additional shares. The amount of offer is 10 million shares; the offered price is 10,000 VND/share. The company will raise Charter Capital from VND281 billion to VND381 billion, with the amount of VND100 billion collected from the offering will be used to contribute Capital to develop the Thai Binh Cau Nghin BOT project. This is considered as a strategic business segment, which expect to make a significant contribution to the Company's Revenue and Profit from 2022.

It is considered a golden time for Textile and Garment exports with higher demand for shopping and consumption during major holidays at the end of the year in other countries. In addition, the post-COVID economic recovery will be a boost for Textile corporations, which benefit from FTA, EVFTA and many new-generation agreements in the future. With these advantages, ADS continues to promote exports as well as develop new markets. Moreover, the handover of residential projects, as 2 Phu Xuan Damsan Urban Area- 10 hectares, Bo Xuyen Ward Residential Project and the leasing of An Ninh Industrial Complex, will contribute strongly to Revenue and Profit for ADS in the last months of the year.

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