



# DAMSAN JSC.

**HOSE: ADS**

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# INVESTOR BULLETIN Q3 2021

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A collection of colorful yarn balls in shades of blue, green, yellow, red, and purple, arranged in a cluster on the left side of the slide.

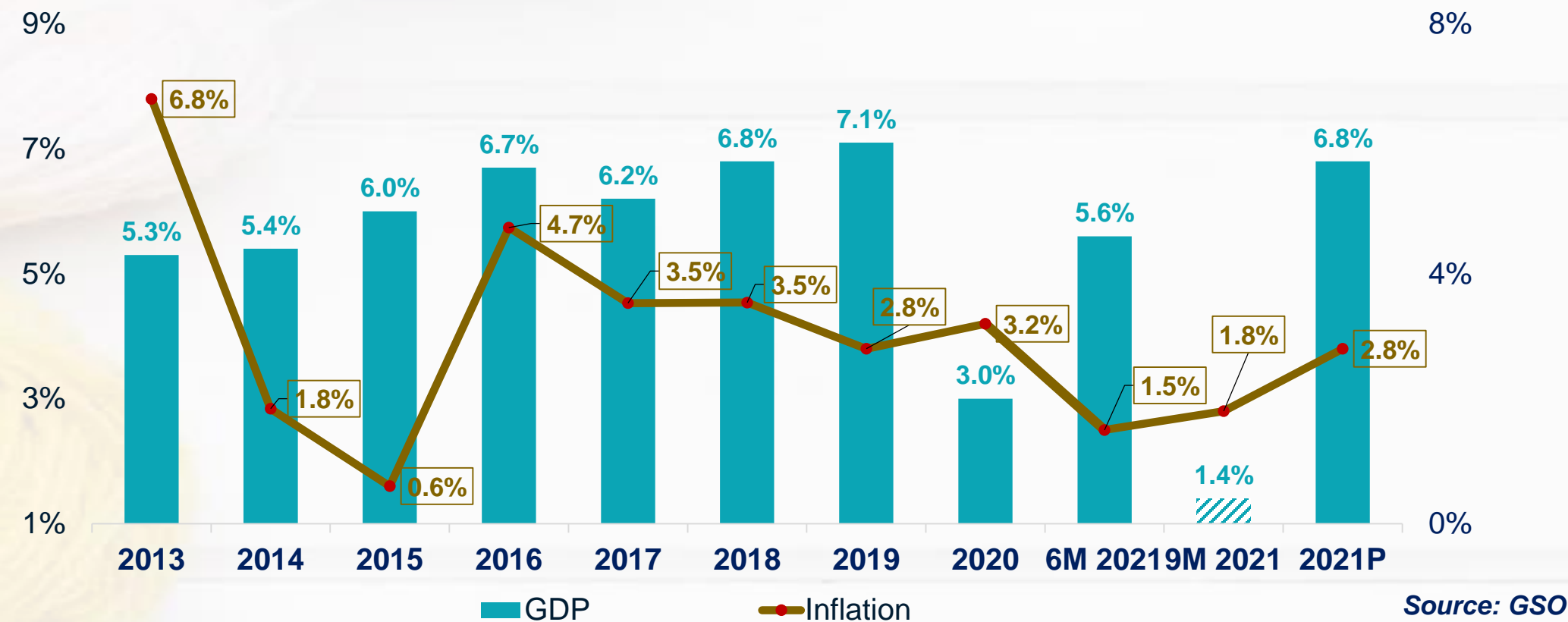
## **PART I: ECONOMIC OVERVIEW & VIET NAM TEXTILE INDUSTRY**



# ECONOMIC OVERVIEW FIRST 9 MONTHS OF 2021

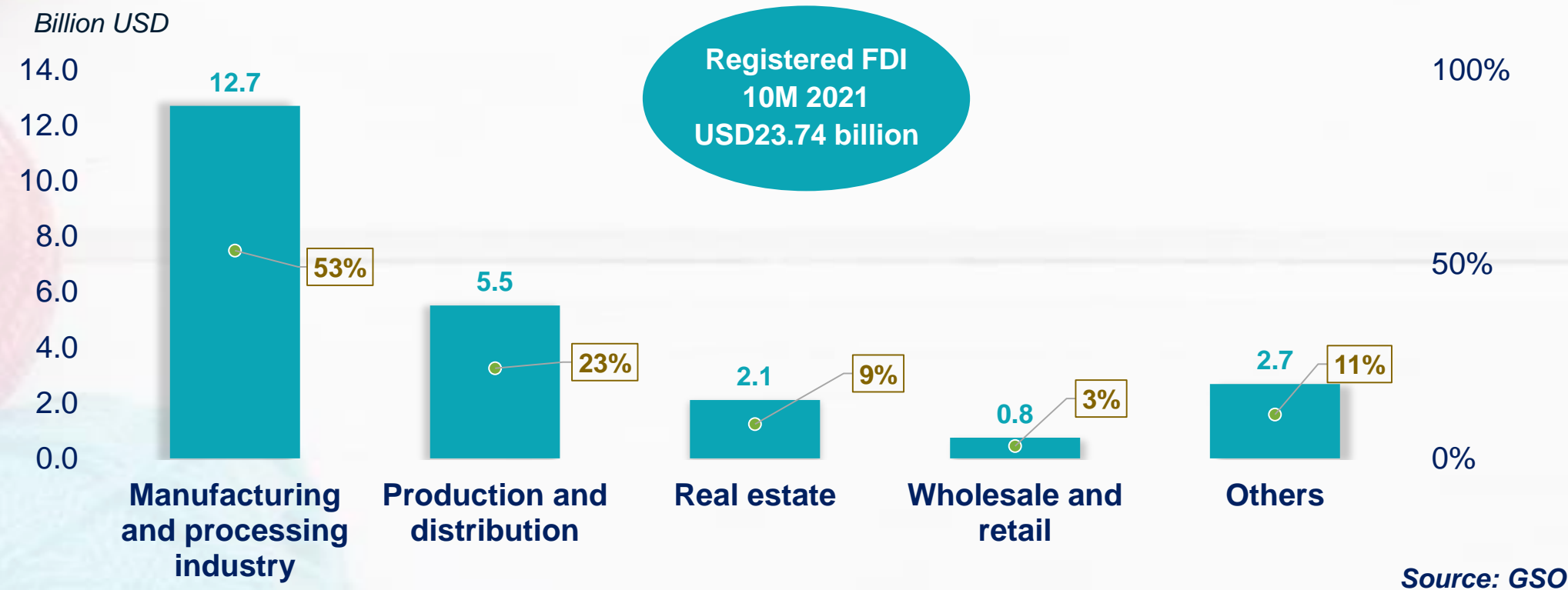


## GDP IS STILL GROWING POSITIVELY AND INFLATION IS WELL CONTROLLED



- ❖ Gross domestic product (GDP) in the 9 months of 2021 increased by 1.42%. In the general increase of the whole economy, the agriculture, forestry and fishery sector increased by 2.74%, contributing 23.52%; the industry and construction sector increased by 3.57%, contributing 98.53%; the service sector decreased by 0.69%, decreasing by 22.05%.
- ❖ According to the General Statistics Office (GSO), the agriculture, forestry and fishery sector plays the role of a pedestal of the economy during the pandemic, with high rice productivity, stable growth of livestock, export turnover of some agricultural products in the first 9 months of 2021 was quite good compared to the same period last year.

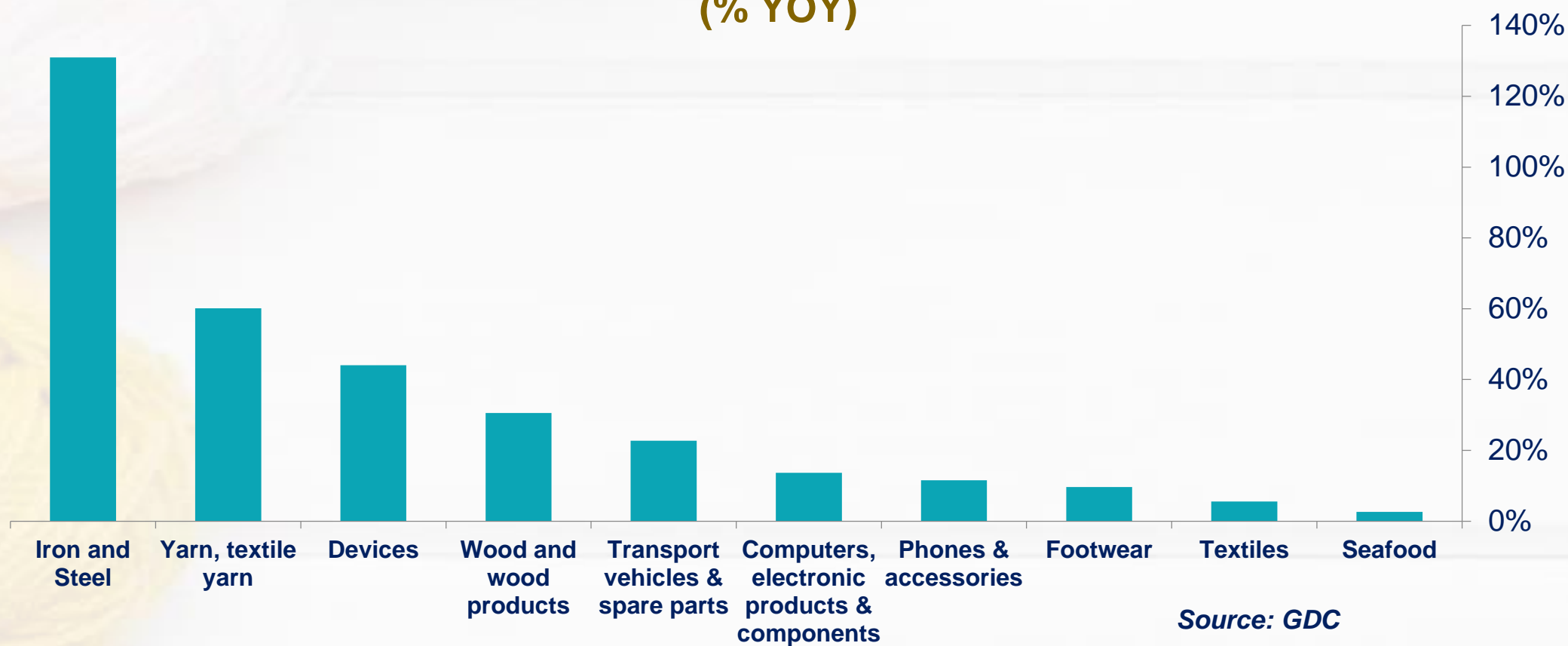
## PROCESSING AND MANUFACTURING INDUSTRY ATTRACTS LARGE AMOUNT OF REGISTERED FDI



- ❖ The consumer price index (CPI) in 9M2021 increased by 1.6% y-o-y
- As of October 2021, the total new Registered capital, adjusted and contributed capital to buy shares by Foreign Investors (FDI) reached USD23.74 billion, up 1.1% over the same period in 2020. Manufacturing and Processing industry accounted for the largest proportion of 53%, followed by Production and distribution with 23%.

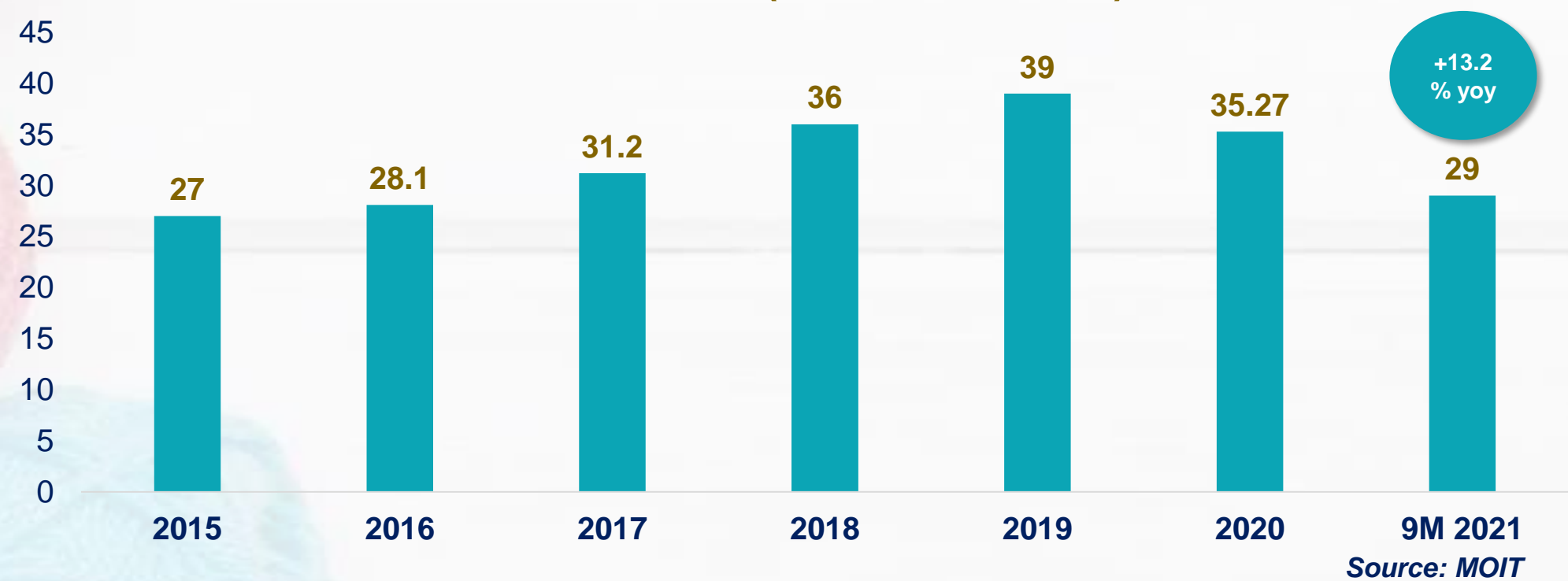


TOP GROWTH EXPORT INDUSTRY IN 9M2021  
(% YOY)



- ❖ According to the General Department of Customs, export value reached USD240.63 billion in 9M2021, recording an impressive growth of 18.8% over the same period (compared to an increase of 38.09% in the same period).
- ❖ Vietnam's export turnover to the US market increased by 25.9% over the same period in 9M2021, followed by the Chinese market (+ 19.6% over the same period)
- ❖ By the end of 3Q2021, textile and garment exports reached \$23.41 billion, up 5.6%, equivalent to an increase of nearly \$1.23 billion over the same period in 2020.

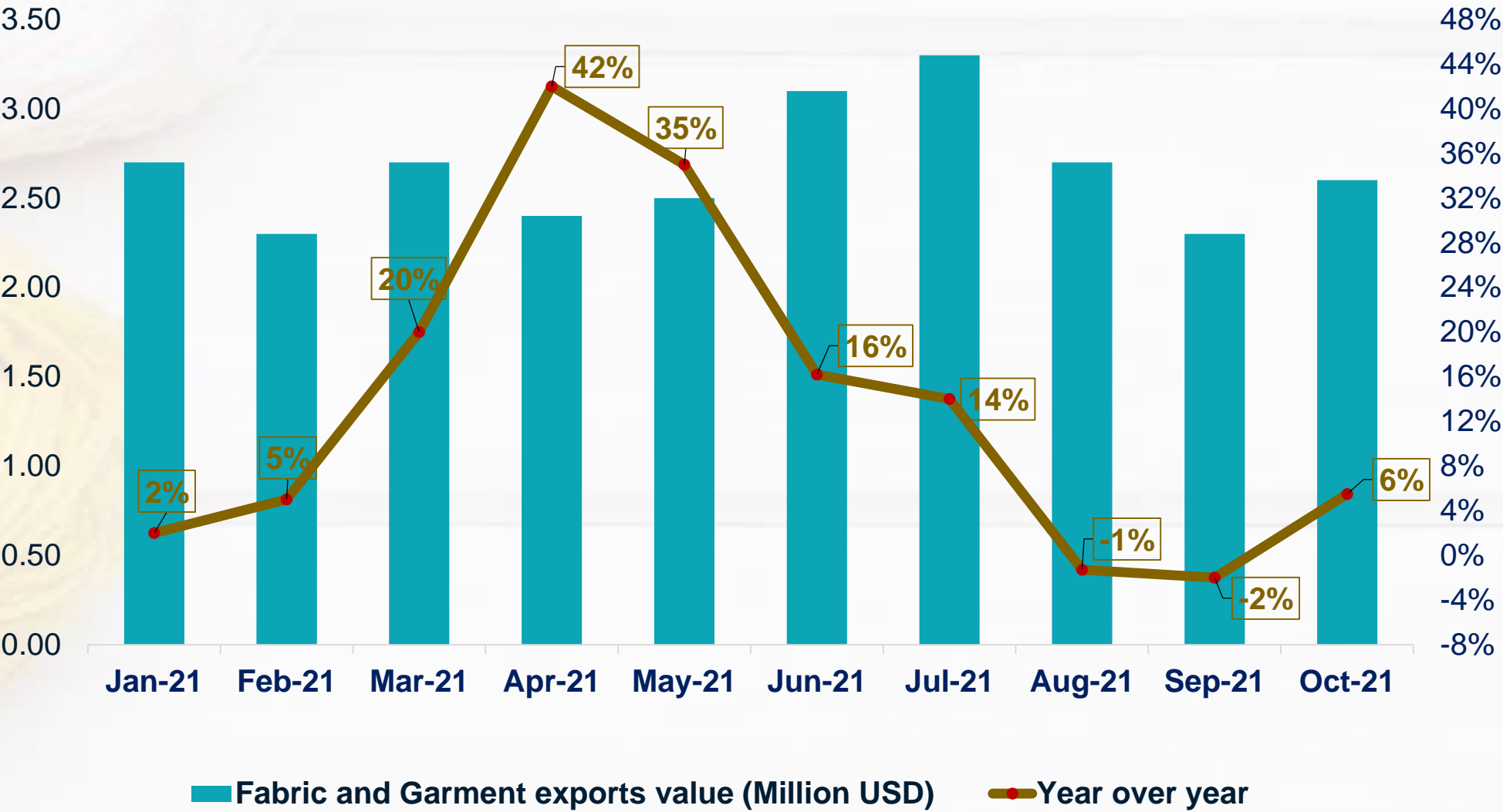
VIETNAM'S TEXTILE EXPORT TRADING IS STRONGLY RECOVERING (Unit: Billion USD)



- In the first 9 months of 2021, Textile and Garment export turnover increased sharply by 13.2% to USD29 billion.



EXPORT VALUE OF FABRIC AND GARMENTS VN UP 15% YEAR YOY



VIETNAM EXPORT VALUE OF FIBER AND YARN CONTINUES TO GROW STRONGLY YOY



❖ By the end of the 3Q2021, textile and garment exports reached \$23.41 billion, up 5.6%, equivalent to an increase of nearly \$1.23 billion over the same period in 2020. In which, the export value of commodity groups textiles to the US market reached 11.62 billion USD, up 11.1%; to the EU reached 2.75 billion USD, up 2.4%; Japan reached 2.28 billion USD, down 11.6%.

➤ Fiber export value increased sharply in 5M2021 with a growth of 60.4% over the same period, reaching USD1.35 billion.



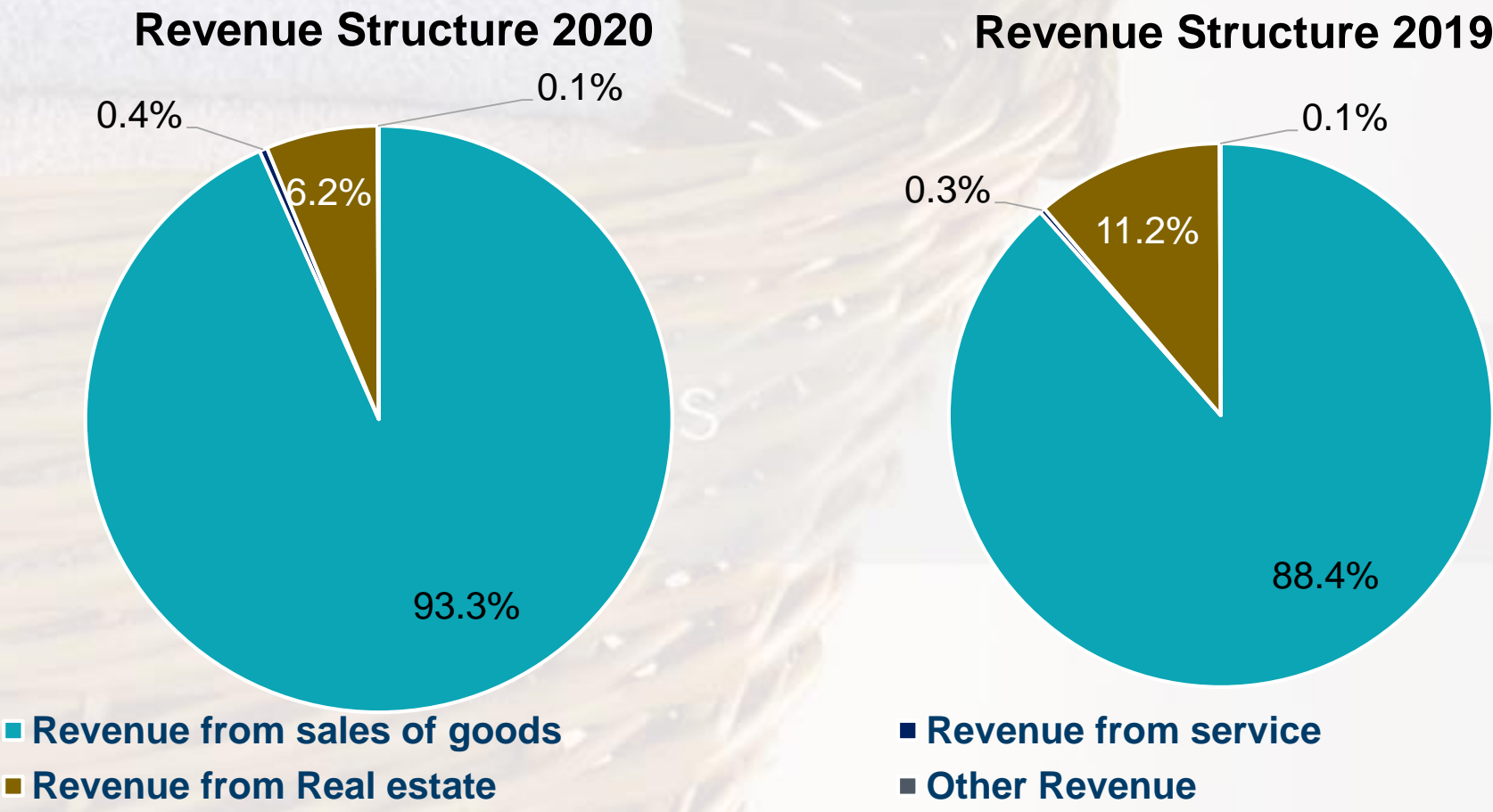
## **PART II: 9 MONTHS OF 2021 BUSINESS RESULTS**

# ADS - IMPRESSIVE BUSINESS RESULTS



Target (Billions dong)	2017	2018	2019	2020	9M2021	Increase/ Decrease (%)
Current Assets	1,097	1,278	1,360	1,519	1,395	(8)
Cash & Cash equivalents	172	31	30	37	26	(28)
Short – term investments	264	320	312	334	243	(27)
Short-term receivables	352	506	624	664	623	(6)
Inventories	294	400	388	475	482	1
Other current assets	14	20	8	10	21	113
Long – term Assets	468	435	373	319	365	15
Long – term receivables	4	-	-	-	-	-
Fixed assets	451	391	331	274	238	(13)
Long-term assets in progress	2	1	-	1	2	100
Long – term investments	-	32	32	33	113	243
Other Long – term assets	11	12	9	11	12	9
Total Assets	1,565	1,713	1,733	1,838	1,760	(4)
Liabilities	1,134	1,261	1,330	1,416	1,296	(9)
Short-term liabilities	933	1,119	1,217	1,318	1,189	(10)
Short-term loans	579	660	677	668	568	(15)
Long-term liabilities	201	132	113	98	107	9
Long – term loans	201	142	113	98	107	9
Owner’s Equity	431	452	403	422	465	(10)
Total Resources	1,565	1,713	1,733	1,838	1,760	(4)

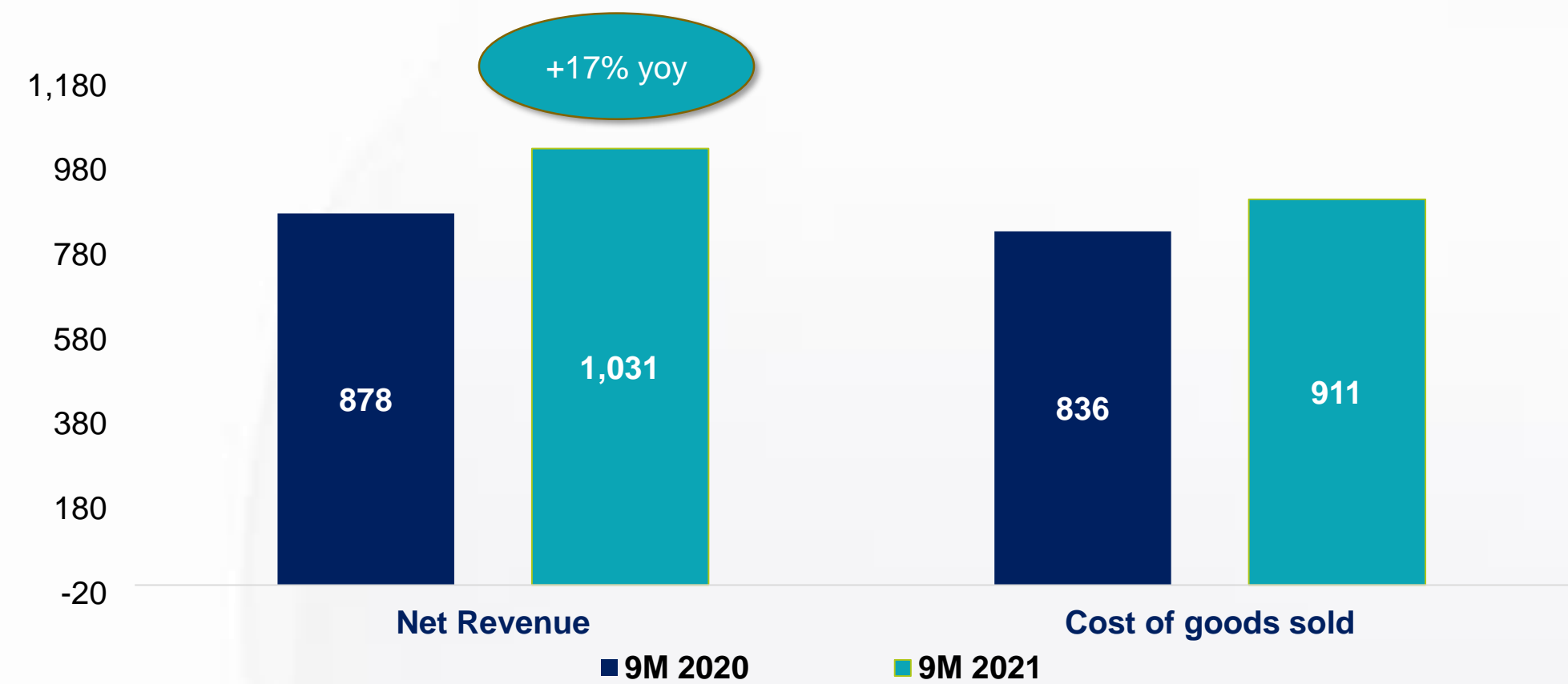
Target (Billions Dong)	2017	2018	2019	2020	9M2021	Change (y-o-y)
Net Revenue	1,503	1,839	1,705	1,339	1,031	6%
Gross Profit	122	130	57	64	120	375%
Operating profit	72	54	7	14	81	617%
Profit before tax	71	62	10	28	85	633%
NPAT	63	56	8	25	74	543%
EBIT	105	103	52	72	112	687%
EBITDA	165	165	112	124	146	1,761







NET REVENUE & COGS  
(Unit: Billion VND)



Accumulated in the first 9 months of 2021, Consolidated net revenue reached VND**1,031** billion **17%** increase over the same period

- ✓ The efficient operation of Dam San 1, Dam San 2, Eiffel Textile factories have contributed most to the Company's revenue.
- ✓ The handover of Real Estate projects: Phu Xuan Damsan Urban Area and Bo Xuyen Ward Residential Area continued to be recorded in the last months of the year..

Cost of goods sold recorded an increase of only **9%** to VND**911** billion due to the relatively low cost of Real estate sales. General and administrative expenses reached VND**26** billion, up **26%** over the same period due to ADS actively reduced loans to optimize costs.

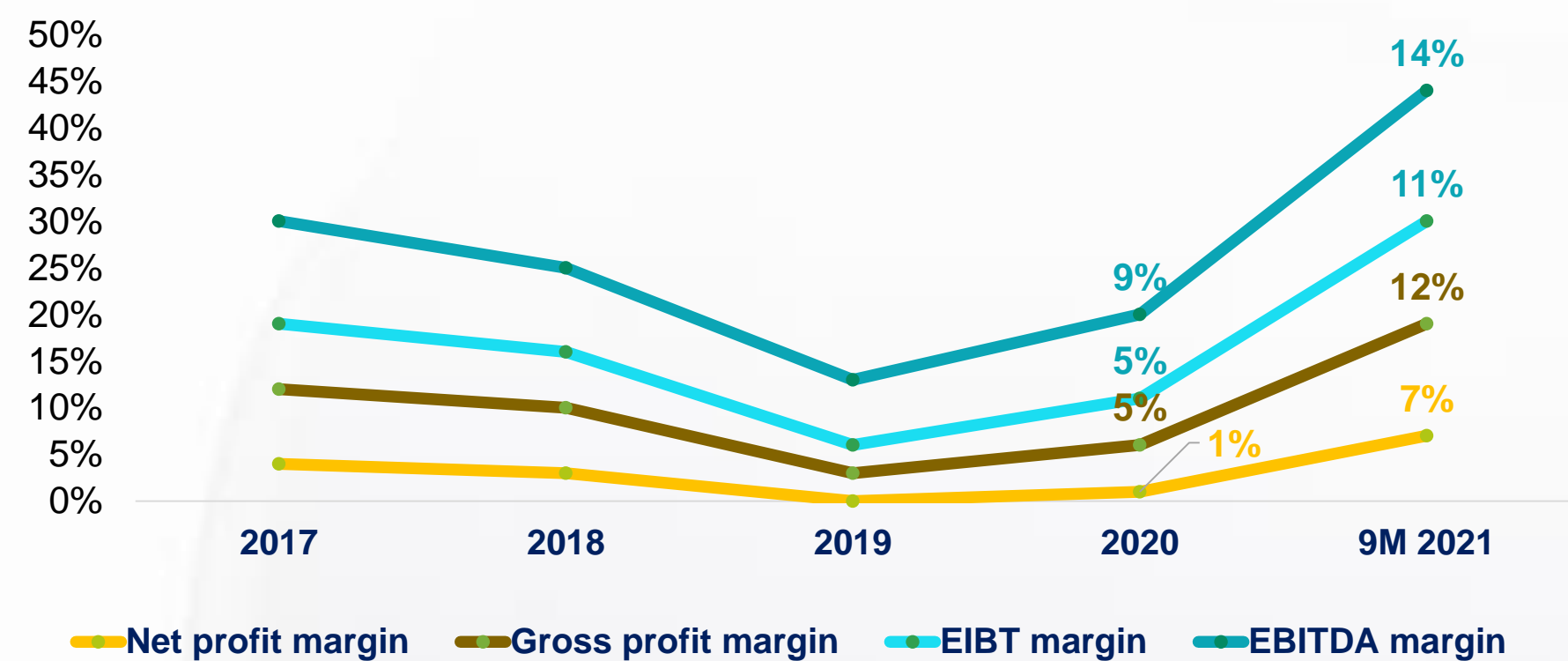
GROSS PROFIT, EBT, EAT  
(Unit: billion VND)



- ❖ Gross profit was recorded at VND**120** billion, up **117%** over the same period. .
- ❖ Profit before tax reached VND**85.2** billion, recording a record increase of **1,866%**, **21** times higher than the same period, **118%** higher than the 2021 plan and **3** times higher than the whole 2020.
- ❖ Profit after tax reached VND**74** billion, up **2,017%** over the same period.



PROFIT RATIO 2017 – 9M 2021



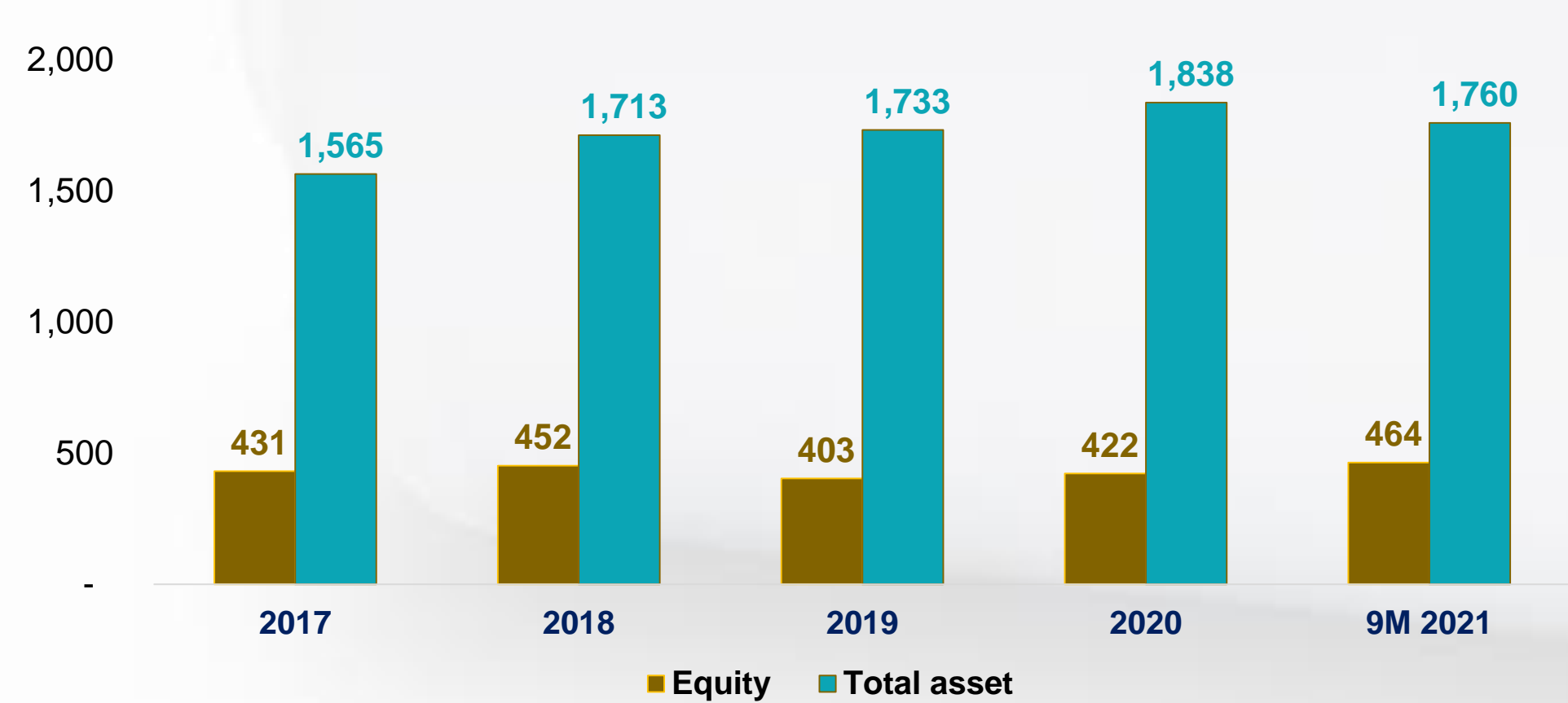
As of September 30, 2021:

Gross profit margin gained to **12%** increased sharply compared to **5%** in the same period

Net profit margin reached **7%** higher than the beginning of the year..

EBIT Margin and EBITDA Margin achieved **11% & 14%**

TOTAL ASSET & EQUITY 2017 – 9M 2021  
(Unit: billion VND)



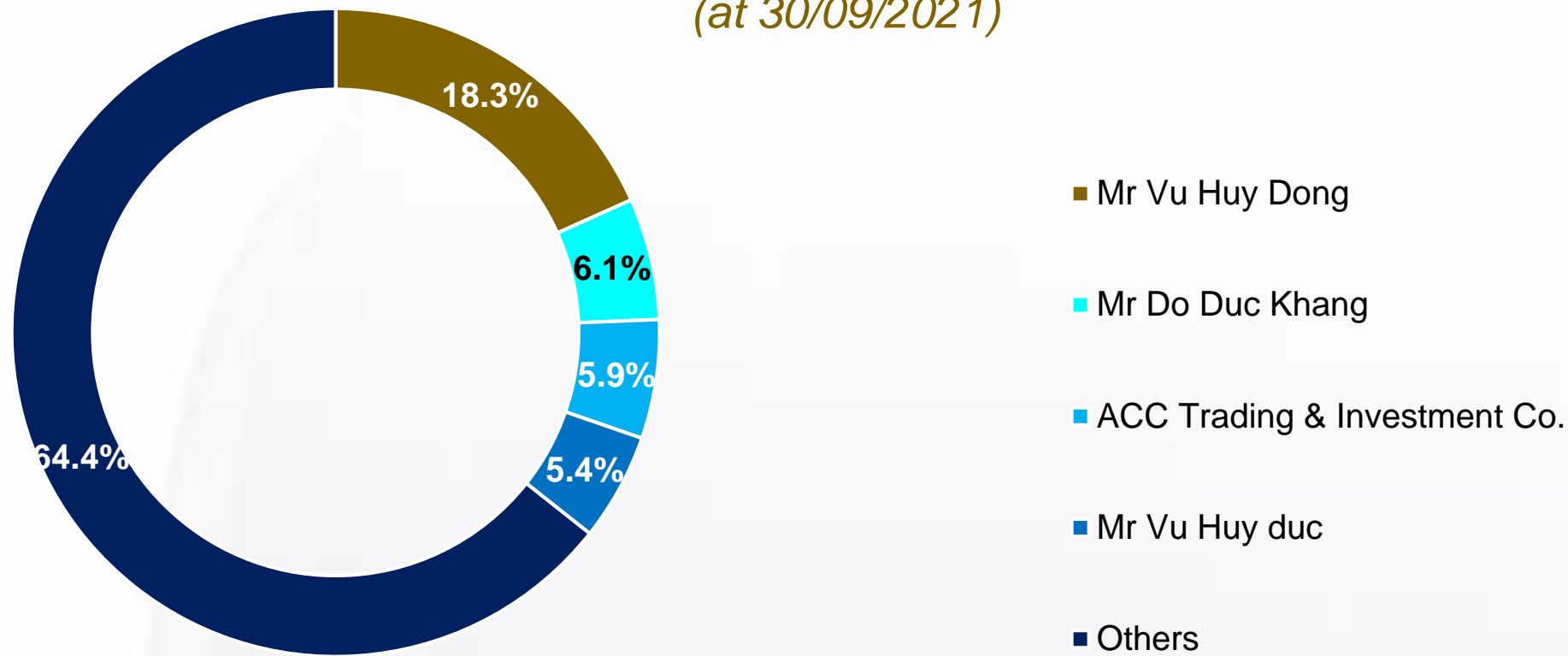
- Short-term receivables decreased by **27%** to only VND**165** billion, while prepayment to sellers increased slightly by **6%** compared to the beginning of the period.
- Investment to associates recorded VND**113** billion, an increase of **17%** compared to the beginning of the period, this is an investment in Thai Binh Cau Nghin Investment Joint Stock Company to develop BOT projects.
- Total liabilities was only VND**675** billion, **12%** deduction thanks to the Company proactively prepaid loans to optimize costs as well as ensure financial safety.
- The ratios of Debt/Total Assets and Debt/Equity are **0.38** times and **1.4** times respectively, marked a decrease compared to the beginning of the period.



## PART III: HIGHLIGHTS EVENTS & ORIENTATION TO THE END OF 2021

## SHAREHOLDERS STRUCTURE

(at 30/09/2021)



## ADS VS VNINDEX PERFORMANCE



## ORIENTATION FOR THE LAST 6 MONTHS OF 2021

In last months of the year, the Textile and Towel Factory at An Ninh Industrial Zone will put into operation, which will significantly increase the production output for ADS to meet the growth in export orders. Textile and Towel products from the Company have successfully entered into the markets with high and strict standards including Japan, Korea, and countries in Europe. Addition to the production, Revenue and Profit of the Company will materially being improved from the handover of two residential Real Estate projects, namely 10ha Phu Xuan Damsan Urban Residences and Bo Xuyen Ward Residences and from the leasing of An Ninh Industrial Zone. Plan to 2025, ADS' Revenue and Profit before Tax will reach VND4,030 billion dong and approximately VND200 billion respectively.

## HIGHLIGHTS EVENTS

## PERIOD

Last registration date to pay 2020 dividend in cash, rate 10%	21/06/2021
Cash dividend payment to Shareholders	09/07/2021
Financial Statements Q2 2021	23/07/2021
Resolution of the BOD approving the implementation of increasing charter capital, approving the public offering of share documents: <ul style="list-style-type: none"> <li>Offer price: VND10,000; Offering value: VND100 billion.</li> <li>Execution Ratio: 561:200</li> <li>Capital use: contributing capital to Thai Binh Cau Nghin Investment Joint Stock Company to implement the Investment project to build a road route from Thai Binh city to Cau Nghin under the Build-Operate-Transfer (BOT) Contract.</li> </ul>	11/08/2021
Inauguration of An Ninh Industrial Complex – 75 ha	16/10/2021
Resolution of the Board of Directors on approving the application for private placement of convertible bonds in 2021	12/11/2021



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Thank you & Best Regards.

## FOR FURTHER INFORMATION DAMSAN JOINT STOCK COMPANY



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