



VIETNAM DAILY NEWS

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Market Analysis

1. Shares climbs on the expiration date of future contracts

Surging trade at the close lifted the VN-Index despite most Asian shares slumping on Thursday.

On the Ho Chi Minh Stock Exchange, the VN-Index increased 1.02 per cent to close the day at 1,374.85 points. The southern bourse's index decreased slightly in the two previous sessions.

Large caps in the VN30 basket (which tracks the top 30 shares by market value and liquidity) gained value in the last trading minutes. The most influential stocks included Vingroup (VIC) which climbed more than 6 per cent; Vietcombank (VCB), up 1.8 per cent; Vinhomes (VHM), up 0.9 per cent; steelmaker Hoa Phat Group (HPG), up 1 per cent; Masan Group (MSN), up 1.3 per cent; Vietnam Rubber Group (GVR), up 3.3 per cent; and Saigon Securities Inc (SSI), up 4.2 per cent.

According to market insiders, Thursday is the expiration date for listed derivative contracts so the market saw significant fluctuations in the VN30 shares.

The VN30 Index increased 1.04 per cent to 1,505 points but the VN30F2108 closed five points lower than VN30 at 1,500 points.

Besides large-caps, money was also poured into shares of securities firms, property developers and chemical-plastic manufacturers. These sectors increased by an average of more than 2 per cent on Thursday, according to data on the vietstock.vn.

Liquidity was good with more than 728 million shares worth VND25.5 trillion (US\$1.1 billion) traded here, up around 5 per cent in both volume

and value compared to the previous session.

However, prolonged net selling by foreign traders cast a shadow on the market. Foreigners continued to offload shares worth a net value of VND669 billion in the HCM City market. Their sales focused on SSI (VND703 billion) and Novaland Investment (VND110 billion).

However, this value was still lower than the previous two sessions with a total net sell value of VND1.4 trillion on Tuesday and VND1.9 trillion on Wednesday.

According to BIDV Securities Co, though foreign investors continued to be strong net sellers, the current high liquidity will strengthen the supportive force of the market.

Meanwhile, analysts at Agribank Securities Co advised investors to avoid disbursing in large-caps which have increased substantially, especially stocks that are being sold by foreign investors and exchange-traded funds to minimise risks in the short term.

On the Ha Noi Stock Exchange, the HNX-Index edged up 0.36 points to 346.07 points. The northern bourse's index increased 0.5 per cent on Wednesday.

More than 165 million shares worth VND4.1 trillion were exchanged on Ha Noi's bourse on Thursday.

Foreign traders turned to be net buyers here, picking up shares worth a net buy value of VND247 billion.

Macro & Policies

2. Vietnam's power development plan to drive LNG growth

The main drive behind stronger gasification in Vietnam will come from the State, as Vietnam's latest state PDP VIII (2021-2030), published in February 2021, sets higher targets for gas and other renewables in the domestic energy mix for the decade ahead, according to Fitch Solutions.

Under the plan, the Vietnamese Government affirms its nascent support for the clean energy transition and outlines the ambition to increase the share of cleaner-burning gas in the national power generation capacity composition to 21% by 2030 from about 10% in 2020.

In order to achieve these targets, Vietnam is aiming to reduce contributions from domestically produced coal and hydropower, which despite the lower cost and stable supply, contribute to air pollution and cause environmental damages.

Given the circumstance, Fitch Solutions expects a promising outlook for Vietnam's emerging LNG sector. "It is one of several new LNG markets in Asia that are forecast to begin first imports in the coming decade," noted the agency, adding the country looks towards the fuel to replace declining domestic production and replace polluting, environmentally harming fuels in the energy mix.

Having been historically self-sufficient in natural gas, Vietnam's need for LNG imports is large and growing, and stems from fast-declining output across mature offshore fields, a slowdown in exploration, and the lack of access to any cross-border pipelines. A number of large-scale developments on the horizon, including Ca Voi Xanh (Blue Whale) and Block B-O, could add significant volumes of new output and in turn, reduce the future need for imports if successfully developed.

"The prospect for LNG imports into Vietnam over a 10-year horizon is strong," stated Fitch Solution, as LNG imports are forecast to see exponential growth from less than 1bcm to over 4bcm over the next decade, next to a more than doubling of domestic gas demand and growing utilization across power generation and industries.

According to Fitch Solutions, the rise of new LNG markets such as Vietnam is bullish news for global suppliers, such as the US, Qatar, Australia, and Russia all large exporters which are aiming to expand their respective LNG exports in the coming decade.

In spite of LNG's growing popularity across global markets, these suppliers remain in need of new LNG sales outlets. Growing concern for long-term demand builds as traditional LNG import powerhouses such as Japan commit to a carbon-free future, and in the process, seek to curb the dependence on LNG. Japan, accounting for almost 30 of global LNG imports, could see total annual LNG imports decline by as much as a third according to industry estimates should current national decarbonization targets, and planned increases in renewables, hydrogen generation targets are achieved in full.

Thus, the emergence of new demand centers like Vietnam (along with few others in Southeast Asia, Africa, and Latin America) is crucial both in terms of maintaining the demand balance in the market, and also ensuring contracting opportunities for global liquefaction project developers, stated Fitch Solutions.

Fitch Solutions expects the level of interest in Vietnam's LNG sector from foreign parties remains strong. PDP VIII estimates about US\$128.3 billion will be needed over the next decade, in order to achieve the natural gas and renewables targets.

The plan estimates 74% or about \$96 billion would be needed to go towards the development of power sources such as LNG, solar, and wind to make the targets feasible. About \$56 billion worth of LNG-related investments, or 23 different LNG-to-power projects, have been proposed and announced in Vietnam.

The bulk of the current pipeline is backed up by financial, developmental commitments from US-based companies, although only a handful has secured formal approval and even fewer have signed power purchase agreements (PPA) with

state-owned Electricity of Vietnam (EVN), the sole permitted buyer of electricity in Vietnam.

Continuing to attract more up-front investments and strategic investors will be crucial in order for Vietnam's LNG sector to live up to its full potential, stated Fitch Solutions.

3. Ensuring supply amid soaring fertiliser prices key to stable production

Prices of fertiliser products have climbed by up to 55 per cent this year. What are the main reasons for such a large increase?

Việt Nam has witnessed three dramatic increases in fertiliser prices in the past 40 years: one in 1980 when fertiliser prices soared 50-60 per cent, another in 2008 when prices more than tripled compared to 2000, and the latest one this year.

There are three main reasons. The first one the pandemic. Many countries in the world including the big fertiliser manufacturers like China and India had to stop production due to lockdown measures which disrupted supply. In Việt Nam, production has also been affected as workers have been distanced and unable to go to the factory.

The second and the most important reason is the sharp increases in prices of input materials such as ammonia and sulfur, which climbed between 150 and 200 per cent. Ammonia and sulfur are the main input for urea fertiliser production and a part of DAP fertiliser.

In addition, oil – which is another important input for production – also surged. Oil is currently trading at US\$76-77 per barrel, almost double the price recorded the same time last year.

The last reason is the high shipping price. The logistics price and price of containers has sometimes increased up to three times this year.

How have high fertiliser prices affected production and farmers? What is your prediction about prices in the last months of the year?

Fertiliser is key to the agricultural industry. According to some calculations, production inputs including seeds, pesticides and fertilisers – depending on the type of trees and soil – account for about 60 per cent of production costs, of which fertilisers make up 30 per cent. Therefore, when

fertiliser prices increase, production efficiency decreases. In many regions, farmers have been reducing plantation areas to avoid losses, especially with prices of many agricultural products dropping due to the pandemic.

Domestic fertiliser prices depend on world prices. Based on data from the World Fertiliser Association, the World Bank and other sources, fertiliser prices are forecast to continue rising. Some experts predict oil prices could rise to \$90-100 per barrel by the year-end. And if oil prices increase, the prices of other inputs such as ammonia and sulfur will increase and fertiliser prices will rise too.

In addition, we have received information that China has advised their domestic manufacturers temporarily not to export fertiliser until prices become more stable.

Though it's difficult to predict how much fertiliser prices will increase, it's important to ensure two things: enough supply and stable prices.

We will try to a certain extent to ensure domestic price stability, so that if domestic production is possible and domestic products will be cheaper than imported ones.

We have enough supply of urea and phosphate fertilisers. However, for DAP fertilizer, the annual demand is between 900,000 and 1 million tonnes. With only three DAP fertiliser factories, Việt Nam produces about 760,000 tonnes per year, lower than demand, so we need to import.

What recommendations does the association have for domestic manufacturers to minimise negative impacts on domestic production?

The association has asked manufacturing enterprise members to maximise production capacity, find ways to reduce the cost of energy and

input materials, and try to supply fertilisers to dealers and farmers as soon as possible.

For commercial enterprises, we advised them to avoid hoarding and inflating prices, and especially to provide information for supervision agencies to assist in market management.

Recently, some experts recommended the authority require manufacturers to temporarily stop exporting fertiliser to help cool domestic prices. Though there is no document that prohibits exports, based on the situation and interests between producers and farmers, in the current period we may employ a “soft method” asking the Ministry of Industry and Trade (MoIT) to direct large enterprises to stop exporting, for domestic supply.

What should the Government do to ensure a transparent fertiliser market?

The association has made proposals to the Government, MoIT and Ministry of Agriculture and Rural Development. The first of our concerns, for many years, is to amend Law No 71 relating to VAT, which should have been passed by the 14th National Assembly.

If the amendment of Law No 71 removes fertilisers from VAT-free items, this will promote domestic production, helping fertiliser businesses have more sources to reproduce and reinvest. Fertilisers companies would be ready to invest in new production lines and technologies to produce new-generation and high-quality products. With a 5 per cent VAT deduction, competition between domestic fertiliser production and imported products will be fairer.

The second proposal is related to reviewing two types of tax – import-export tax and trade defense tax. The association recommends that the Government direct ministries to transparently and publicly assess the interests of producers and consumers, taking account for other factors such as tax requirements in bilateral and multilateral trade agreements.

Thirdly, it is recommended that the ministry pay attention to a number of legal documents related to the fertiliser industry development. Currently, the country has 800 fertiliser factories with tens of thousands of fertiliser production formulas, which is too many.

Finally, fertiliser prices may continue to increase, so farmers should try to change fertiliser products to reduce input prices to be more profitable.

4. Foreign investors keep flowing into Vietnam’s semiconductor sector

Vietnam’s semiconductor sector, despite the impact of Covid-19, is forecast to lure foreign investment thanks to its potential growth in the next five years, overseas insiders have said.

At the Dong Van IV Industrial Zone, the northern province of Ha Nam, a keyboards manufacturing factory is under construction, which is the second investment of Taiwan-based Darfon Electronics, specializing in keyboards, passive components, and electric bicycles, in Vietnam.

Previously, the Taiwan maker has moved some of its notebook and desktop keyboard production at China-based facilities to its first and second factories, which are under construction in the south and north of Vietnam, according to the IT website Digitimes Asia.

The two facilities in the Vietnamese market will initially account for 20-30% of total keyboard production of Darfon Electronics.

In January, the Danang Hi-tech Park has authorized Silicon Valley-based supplier Hayward Quartz Technology to build its semiconductor plant United Enterprise worth a total of \$110 million.

In the same month, Intel increased investment by \$475 million in its Vietnam’s factory in Saigon Hi-tech Park. This takes Intel's total investment in Vietnam's facility to \$1.5 billion since 2006.

According to Fitch Solutions, Vietnam's industrial parks still attract considerable foreign investment amid a resurgence of Covid-19 outbreaks, especially in the electronics industry. About 65% of foreign electronics companies choose to base in the

north, while 30% go to the south. The rest chooses to settle in central Vietnam.

The country's semiconductor industry is projected to grow by US\$6.16 billion, progressing at nearly 19% compound annual growth rate (CAGR) in the 2020-2024 period, according to the market research firm Technavio.

Technavio said the sector in Vietnam has dispersed only a few suppliers and could get more dispersed in the same period. Vietnam's main vendors of the semiconductor industry include Broadcom, Hitachi, Intel, NXP, Qualcomm, Samsung Electronics, SK Hynix, STMicroelectronics, Texas Instrument, and Toshiba.

Hanoi - a potential destination for microchip

Hanoi is considered a potential destination for the microchip development as it is home to many research institutes and universities providing a highly-qualified and abundant workforce.

Investments in Hoa Lac Hi-Tech Park have helped form an initial ecosystem for technology fields, serving as a premise for the development of the

semiconductor industry. Some domestic and foreign investors in the field of electronics and semiconductors are VNPT Technology Company, Viettel Telecommunications Group, and Noble Electronics Vietnam Co., Ltd.

The Hoa Lac Hi-Tech Park is one of three national high-tech centers in Vietnam. Two others are Danang Hi-tech Park in the central city of Danang and Saigon Hi-tech Park in Ho Chi Minh City.

Vietnam has issued many policies and legal instruments to create favorable conditions for investment and development of high-tech products, in which the field of semiconductors is the top priority. The semiconductor sector is deemed as a stimulator for many industries and as it is itself one of the high value-added industries from the national perspective.

As Internet-of-Things (IoT) devices become popular in the country, it will be an opportunity for the local chip industry as well as foreign suppliers, local insiders have said.

5. Offshore wind in Vietnam: lack of rules on environmental impact assessment

Local experts have warned that Vietnam lacks regulations on environmental impact assessment (EIA) for offshore wind power projects despite lots of potentials.

Review on Vietnam's law regarding EIA shows that regulations on project examination remain brief and general without full guidance for offshore wind projects, experts said at the online conference titled "Offshore wind development in Vietnam: Environmental and social impact assessment regulations" held on August 18.

At the event, policymakers, researchers, businesses, and international organizations exchanged views on the prospects of offshore wind power but they had multidimensional discussions about environmental and social impact assessment regulations in Vietnam.

An insufficient legal document has resulted in differences between domestic EIA and

international standards, Cao Thi Thu Yen from the Vietnam Initiative for Energy Transition (VIET).

Offshore wind power projects occupying a vast area might overlap with other activities in oil and gas exploitation, telecommunications, and habitat of seabirds, fish, corals, among others, she said.

Investors, therefore, should consider environmental and social regulations for good compliance in addition to information on investment cost and license time, Yen suggested.

Associate Prof. Nguyen Chu Hoi, deputy head of the Vietnam Fisheries Society (VINAFIS), stressed the importance of selecting projects that harm the maritime environment, ecology, and fishing. Therefore, concise and detailed regulations will enable the authorities to do that in an easy way.

"Importantly, environmental impact assessment must be done carefully, for example, on how the

impact of underwater sound on corals and sea creatures is and how to avoid overlapping development of wind power, oil and gas, and fishing,” Hoi noted.

Sharing the same idea, Deputy General Director of Russia-Vietnam Joint Venture (Vietsovetpetro) Vu Mai Khanh said the role of state agencies in verifying EIA and supervising the projects is essential to the development of the projects.

Andy Ho, head of Government and Regulatory Affairs, Asia-Pacific New Markets at Danish multinational power company Ørsted A/S, recommended that there should issue EIA that is in line with international standards to facilitate the investment.

Yen from VIET stressed the need to issue a legal document that meets international standards to make EIA the foundation for the authorities’ decisions on licensing and supervising offshore wind power projects.

According to the World Bank’s “Offshore Wind Roadmap for Vietnam” report released a few

months ago, offshore wind likely contributes 12% to Vietnam’s power by 2035.

Offshore wind is projected to supply between 5% and 12% of Vietnam’s electricity needs by 2035 in two possible growth scenarios built by the World Bank (WB).

It’s equivalent to 11 GW and 25 GW by 2035 in the low and high growth scenarios, respectively.

The World Bank’s experts made some recommendations for the successful offshore wind industry in Vietnam, including stable policies and pipeline visibility; a coherent industrial strategy; resourced institutions; competitive environment; supportive and engaged public; a commitment to safety; and using the best locations.

Vietnam can accelerate offshore wind projects rapidly over the next few years. The success of this acceleration will depend on the clarity of the government’s long-term ambition and the actions that the government takes to facilitate growth, they said.

6. EVFTA effect yet to blossom in pharma

In early August the Ministry of Health’s Drug Administration of Vietnam (DAV) announced results of the evaluation of multinational corporations attempting to meet GMP-EU standards, with GlaxoSmithKline Biologicals SA, B. Braun Melsungen AG, and MSD International GmbH T/A MSD Ireland being among the names included.

Seeking such recognition has become crucial for these groups since the EU-Vietnam Free Trade Agreement (EVFTA) came into force a year ago. Under the landmark agreement, EU-GMP is selected as one of the evaluation criteria in the bidding tender packages for hospitals. This has lengthened the list of European pharmaceutical producers seeking the certificate to venture further into the profitable hospital channel.

Beyond EU-GMP recognition, for the first time, foreign-invested enterprises’ (FIEs) rights to import and export drugs are recognised under the Law on Pharmacy and Decree No.54/2017/ND-CP, which guides this law and was announced in 2017

as part of preparations for the enforcement of the EVFTA.

The EVFTA allows FIEs to import drugs by converting their operating model from a representative office to a pharmaceutical limited company, thus enabling EU pharmaceutical enterprises to join more deeply in the supply chain in the local market.

To adapt, AstraZeneca approached a new strategy by transforming its Vietnamese arm into an FIE by launching AstraZeneca Vietnam last year. It also announced three new partnerships: a pharmaceutical distribution deal with National Phytopharma JSC; an MoU with the University of Medicine and Pharmacy in Ho Chi Minh City to enhance knowledge and clinical trial capabilities; and a sustainability partnership with the UK government to promote green energy by donating solar power systems to local health facilities.

Similarly, other multinationals changed their business strategies towards becoming a pharmaceutical limited company. In particular, France's Sanofi-Aventis Vietnam became the first lawful multinational importer in drug production in the country in 2019.

More encouragingly, local rules provide the legal framework for FIEs to import vaccines into the country, making it instrumental to import COVID-19 vaccines into Vietnam. In late February, the country received the first batch of vaccines produced by British-Swedish pharma and biotech giant AstraZeneca.

Ngo Thanh Hai, a senior associate at LNT & Partners said, "With these changes, we have advised AstraZeneca Vietnam in obtaining the certificate of satisfaction of conditions for drug-importing business to import the AstraZeneca COVID-19 vaccine into Vietnam, and Moderna on its vaccine shipment which will be imported and supplied to the government by Zuellig Pharma."

Together with AstraZeneca and Moderna, the changes also benefit other COVID-19 vaccine producers, with Johnson & Johnson's COVID-19 vaccine also set to arrive in Vietnam in the near future.

Industry insiders, however, said that the improvements have not made much impact on the local pharmaceutical market over the past year,

with many barriers in Decree 54 remaining. Pharmaceutical analyst Nguyen Vu Cuong told VIR, "The EVFTA needs more time to settle in."

One of the major challenges concerns new registration, re-registration, and licence renewal certificates for drugs. Decree 54 introduces limits including the concept of drug distribution, warehousing, and transportation services which have prevented European businesses from implementing plans and giving drugs directly to hospitals for patients.

Meanwhile, market authorisation (MA) registration is deemed too time-consuming. A representative of Adamed Pharma explained that, for medicines having obtained MA in Vietnam, such authorisation would need to be renewed every five years and the quality, safety, and efficacy of such medicines remain unchanged.

For medicines that are registered for the first time, they need to be registered for MA in Vietnam by submitting administrative dossiers and dossiers relating to the drug quality, safety, and efficacy. The DAV has the obligation to review and issue MA or provide an explanation for rejected applications within 12 months.

"However, those timelines are not being met and the actual timelines of the DAV are far beyond those stipulated," the Adamed representative noted.

7. Agricultural produce supplies meet demand for the long-term: Ministry

At a meeting between the minister of agriculture and rural development and the special working team, as well as representatives of 13 Mekong Delta provinces on Tuesday, the team said it has connected suppliers to consumption systems to sell 200-400 tonnes of agricultural products each day, mainly including sweet potatoes, bananas, longan, coconut, aquatic products and other kinds of vegetables.

Each province had an average of 30 suppliers gaining successful transactions per day thanks to the connection information of the working team.

Up to now, the working team has gathered 1,166 suppliers and traders of agricultural products and

food including vegetables, fruits, aquatic products, livestock and other agricultural products.

The suppliers and traders include cooperatives, households, farms, enterprises and wholesale market management boards.

The team's website connecting supply and consumption for products helps speed up the connection and purchase of agricultural products amid pandemic prevention and control measures in Southern provinces and cities.

In addition, the working team has used Zalo and email networks to send information of suppliers

and traders at the Thủ Đức, Bình Điền and Hóc Môn wholesale markets in HCM City.

The amount of farming produce consumed through the connection of the working team is forecast to continue growing when traders in large wholesale markets in HCM City return to work.

"It is necessary to have a plan on consumption connections for the whole region, not just a province or city," Nguyễn Sĩ Lâm, Director of the An Giang Department of Agriculture and Rural Development, said at the meeting.

"The People's Committee of An Giang Province regularly holds meetings to remove difficulties in farming produce consumption, and also has set up a hotline with other localities such as Đồng Tháp, Cần Thơ and Kiên Giang to promote the consumption of agricultural products. However, traders still have to move to Mekong Delta provinces to purchase those products, so they need consumption connection in the whole region and all 19 southern provinces that are implementing social distancing," Lâm said.

The working group has recommended that the localities need to create the most favourable conditions for the circulation of essential goods, agricultural products and services for production and consumption, such as seeds, raw materials for animal food production and agricultural equipment.

Trần Thanh Nam, Deputy Minister of Agriculture and Rural Development and head of the special working team, requested that localities should closely monitor agricultural production and consumption to have support for farmers when

they face difficulties in production and consumption.

The working team continues to update the list of suppliers and traders for agricultural products. It will review agricultural products with large output under and before the harvesting period and promote the consumption of agricultural products.

Nam said the agriculture and rural development departments of the southern provinces and cities must actively develop detailed plans to adapt to the pandemic, the market and the weather. That aims at ensuring the area and productivity to meet the food demand of each province and the whole region in case of natural disasters and the pandemic.

Besides that, the localities should focus on processing fruit and vegetables and developing production plans next year.

They need to encourage farmers, cooperatives and businesses to promote the consumption of agricultural products on e-commerce platforms such as postmart.vn, voso.vn and <https://htx.cooplinc.com.vn>. They should open selling points to support farmers in consuming agricultural products during the pandemic.

Nam also said that the working team will continue to connect the consumption of agricultural products and pilot a agricultural product trading floor until the end of this year.

"Departments of agriculture and rural development should establish a local agricultural product market management team to coordinate with the Ministry of Agriculture and Rural Development in promoting the connection in agricultural product consumption," he said.

Corporate News

8. AGG: An Gia Group posted 10x revenue in 1H2021

↓ -0.39%

An Gia Real Estate Development and Investment Joint Stock Company (HoSE: AGG) announced its consolidated business results for the second quarter of 2021 with net revenue 15 times higher than the same period last year, reaching VND260 billion. Profit after tax is nearly 190 billion dong, mainly from the increase in gross profit from sales due to the revenue from the handover of the River Panorama project (District 7, Ho Chi Minh City).

Accumulated in the first 6 months, An Gia achieved net revenue of 603 billion dong, 10 times higher than the same period; profit after tax of parent company shareholders is more than 195 billion dong, up 3%.

By the end of the period, the company's total assets reached VND 11,926 billion, up 22% compared to the beginning of the year. An Gia has nearly VND 7,032 billion of inventory, an increase of 23%, all of which are unfinished properties being built by the company, which is expected to bring positive business results when completed, like the Westgate project (Binh Chanh, Ho Chi Minh City), The Standard (Binh Duong),... These are 2 projects that were launched in the market in

2020, acquired by An Gia in the second half of 2019. The Management board confirmed that the lands acquired were 'clean', i.e there were no regulation issues and the project proceeded smoothly.

As part of the plan to expand their land portfolio and orient the construction of isolated complexes, in the first half of the year, An Gia also carried out an M&A deal for a 27-hectare project in Binh Chanh, Ho Chi Minh City . The company plans to develop projects with a scale of 7,000-8,000 apartments and low-rise buildings. Currently, the legal procedures related to the project are being completed, and the properties are expected to be out on the market in early 2022.

Before An Gia's capital increase was issued, the fund group managed by Dragon Capital bought more than 8.1 million AGG shares to increase their ownership to more than 9.8% of capital, becoming the largest foreign shareholder in this enterprise. If Dragon Capital continues to hold AGG shares, this entity will also participate in the process of doubling An Gia's capital, which is expected to be implemented in the next 1-2 months. AGG's share price since the beginning of the year has increased by over 93%, closing the trading session on July 30 at 53,500 VND/share.

9. DGW: Digiworld plans to pay cash dividend and stock bonus, total ratio 110%

↑ 0.00%

Specifically, DGW will pay a cash dividend at the rate of 10% (1 share will receive 1,000 VND). With more than 44.2 million shares outstanding , it is expected that DGW will spend more than 44 billion dong to pay dividends to shareholders.

The ex-dividend date is August 24, 2021 and the payment date is September 8, 2021.

In addition, DGW is expected to issue more than 44 million shares at the ratio 1:1 (owning 1 share, receiving 1 new share). The source of the issued capital is from undistributed after-tax profit on

the consolidated financial statements as of December 31, 2020.

If the issuance is successful, the charter capital of DGW will nearly double from nearly 444 billion dong to 886 billion dong.

About the business situation, ending six months of the year, net sales of DGW reached over 9.224 billion, up 89% over the same period. First half 2021 net profit of DGW reached more than 223 billion, 2.4 times the same period. In addition, with nearly VND 224 billion in after-tax profit, the Company has achieved nearly 75% of the profit target of VND 300 billion set for the whole year of 2021.

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