



**AN CUONG WOOD – WORKING JSC (ACG)**

**IR PRESENTATION**  
**Q2 2022**

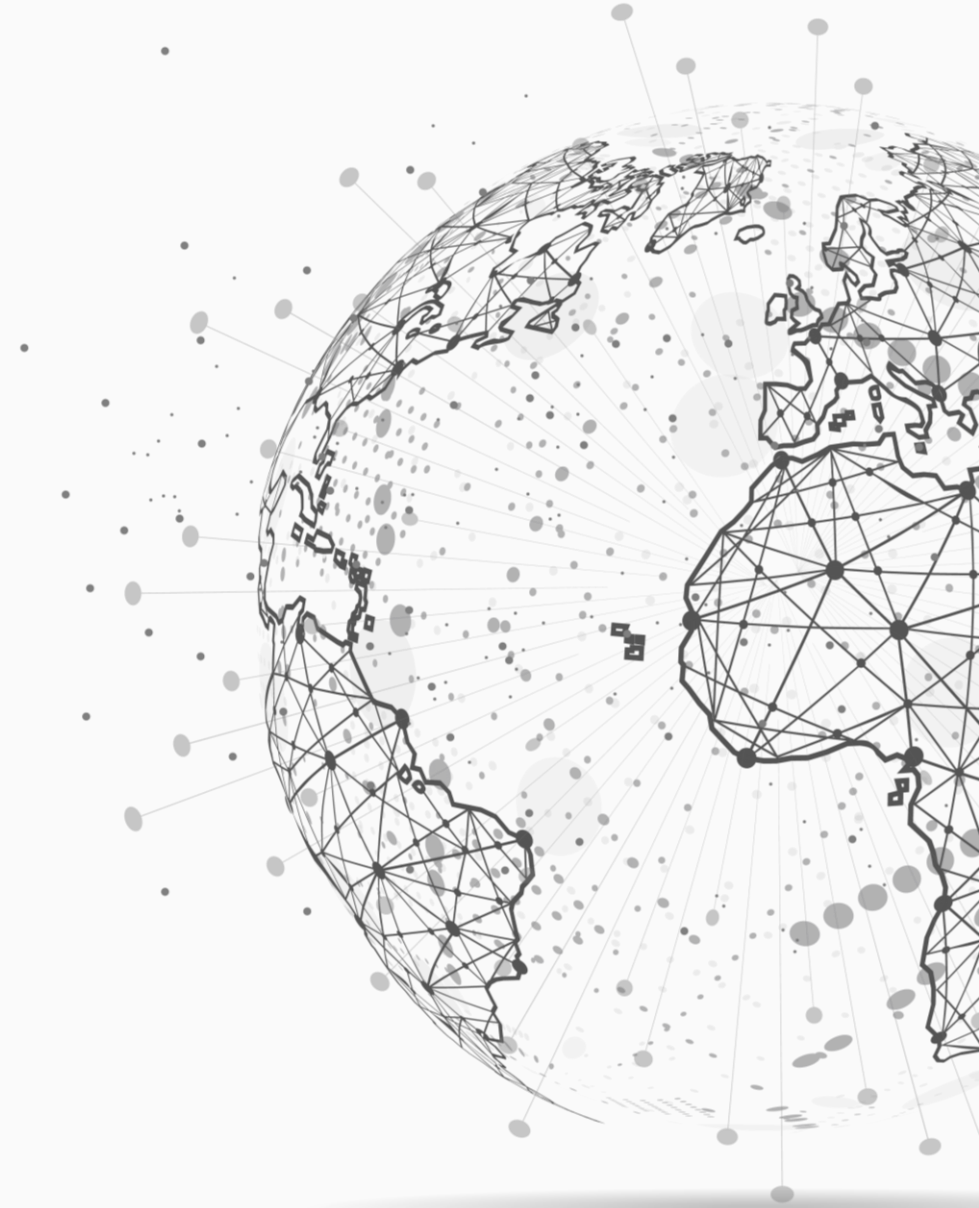
# Disclaimer

This publication is for information purposes only. It is no offer or invitation by An Cuong Wood - Working JSC (hereafter referred to as "An Cuong" or "the Company") or any of its affiliates to buy or sell any securities. Referrals to historical performance do not necessarily guarantee positive developments in the future. Opinions which are stated in this Presentation are the opinions of the IR Department at the time of printing and they may be updated, amended, supplemented from time to time without notice. The information contained has been obtained from, and any opinions herein are based upon sources which are generally believed to be reliable, however, it involves significant elements of subjective judgment and analysis which may or may not be correct. The Company makes no representations or warranties, express or implied, as to the accuracy or completeness of the information contained in this Presentation and nothing herein is, or shall be relied upon as, a representation or warranty with respect to past or future facts or results. In other words, the Company does not guarantee (either expressly or implicitly) that it is accurate or complete.

We understand that you have sufficient knowledge, experience and professional advice to make your own evaluation of the benefit and risks of a transaction of this type and you are not only relying on the Company for information. You will be responsible for conducting your own independent analysis in making an investment decision regarding the Company. The Company does not accept any liability whatsoever for direct or consequential losses or damages that may arise from the use of information contained in this Presentation.

# 1

## Financial Highlights



# Consolidated Results Q2 2022

## NET REVENUE

VNDbn 1,059

▲ **14.9% YOY**

**Q2 2021:** VNDbn 922

## GROSS PROFIT

VNDbn 308

▲ **21.7% YOY**

**Q2 2021:** VNDbn 253

## NET PROFIT

VNDbn 159

▲ **16.4% YOY**

**Q2 2021:** VNDbn 136

## TOTAL ASSETS

VNDbn 5,144

▲ **3.7% YTD**

## OWNERS' EQUITY

VNDbn 3,725

▼ **1.4% YTD**

# 2

# Market Updates



**01**

## ***Exports of wood and wooden products grow at a slower pace***

According to General Department of Vietnam Customs, for 6M 2022, Vietnam exported more than US\$8.5 billion worth of wood and wooden products, up 2.8% over the first half of last year. This is lower than expectation of 5% - 8% by Vietnam Timber & Forest Products Association.

U.S., Japan, China, EU and Korea still are key export markets, in which export value to U.S. market accounts for 60%, equivalent to US\$4.8 billion.

**02**

## ***Residential property market – Supply surges in Q2 2022***

In Ho Chi Minh City, supply of new apartments reached 15,528 units in second quarter of the year, adding to the total of 16,803 units available in the first six month 2022. Meanwhile, market welcome the offering of 3,200 new apartments in Hanoi during Q2, representing a decrease of 30% yoy.

According to real estate services companies, another 10,000 apartments would be opened for sale in HCMC while Hanoi market could witness a supply boom in the second half of 2022.

In term of new projects, stricter regulations on real estate loans and bond issuances, as well as legal issues will continue to tighten the supply.

**03**

## ***U.S. initiates investigation of wooden cabinet imported from Vietnam***

The US Department of Commerce (DOC) has started an investigation into made-in-Vietnam wooden cabinets, including kitchen and bathroom cabinets, that used Chinese parts that fell under the US tariff regime. The DOC decision was made in accordance with the US's imposed anti-dumping and anti-subsidy duties on products originating from China.

If the final products exported to the U.S. are found to include Chinese components, the finished products would be subject to trade remedy measures such as taxes that the U.S. applies to similar products exported directly from China. The anti-dumping tax ranges from 4.37% to 262.18% while anti-subsidy tax rates can vary from 13.33% to 293.45%.

### **Investigation timeline**

#### **April 22, 2022**

Plaintiff, the American Kitchen Cabinet Alliance (AKCA) represents a number of American wood cabinet manufacturers, filed circumvention inquiry requests on cabinets labeled "made in Vietnam".

#### **May 24, 2022**

DOC started the investigation. For wood manufacturing and exporting enterprises in Vietnam – the relevant parties in the case will have 30 days from the date of initiation to submit comments and provide counter-information to the US investigation agency, that is, 30 days from May 24, 2022.

#### **June 7, 2022**

DOC issued an Official Notice on the initiation of the investigation.

#### **June 21, 2022**

Considering that the initial timeline is not enough, DOC issued an Official Notice to extend the deadline for submission of comments to the DOC to July 7 2022 (Vietnam)

# 3

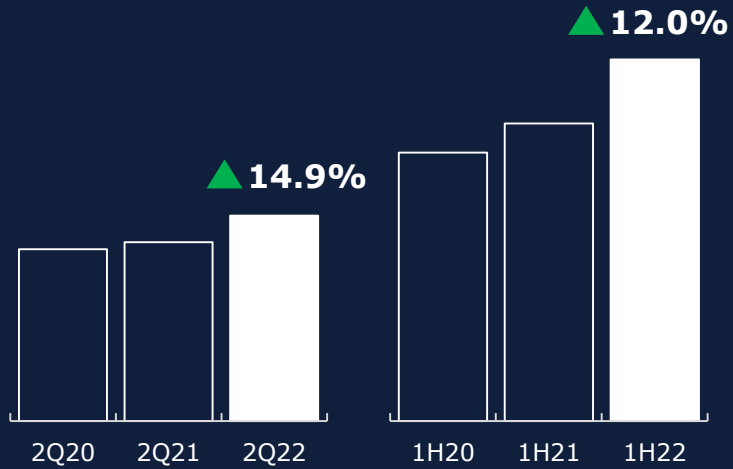
# Business Performance





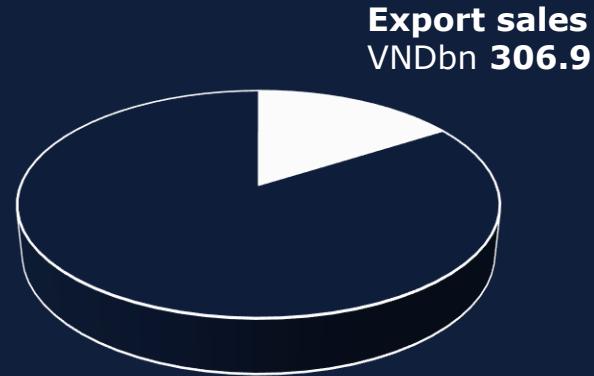
# Q2 2022 Results

## Net Revenue



### Commentary

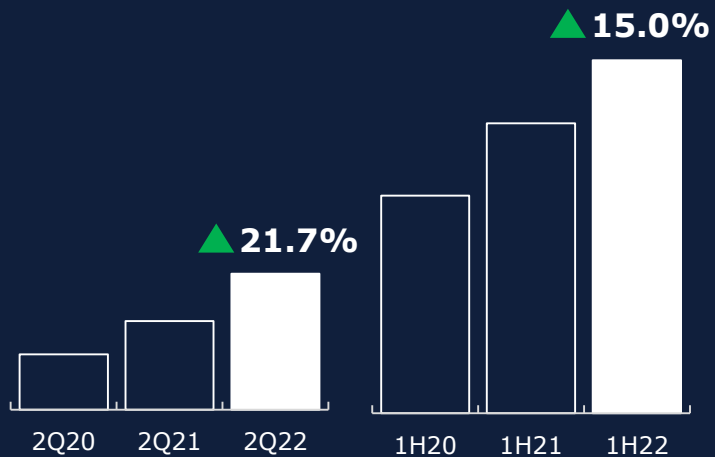
Revenue in the last quarter continued the steady growth momentum as the Company expanded sales in both domestic and export markets.



### Commentary

Export sales reflected a sustained growth last months, contributing 16% to total revenue in 1H 2022.

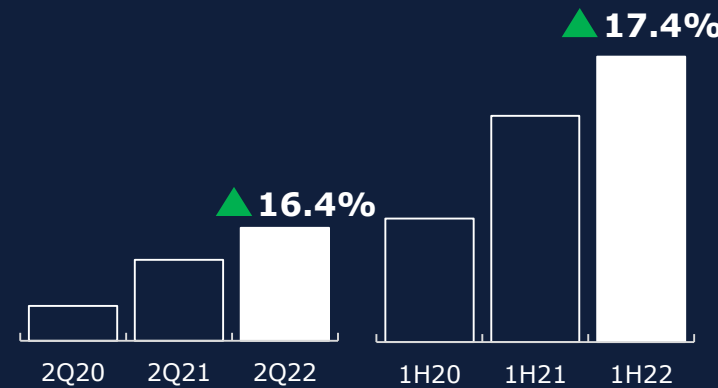
## Gross Profit



### Commentary

Gross margin was improved thanks to (i) better absorption of fixed cost as sales grow and (ii) other cost optimization.

## Net Profit



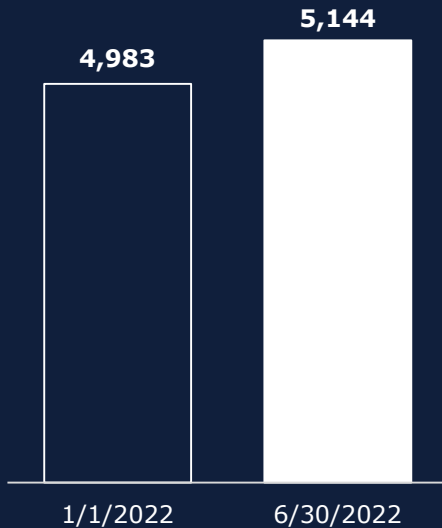
### Commentary

Net Profit grew faster than revenue thanks to production efficiency, cost optimization and increase in financial income.

# Balance Sheet

Unit: VNDbn

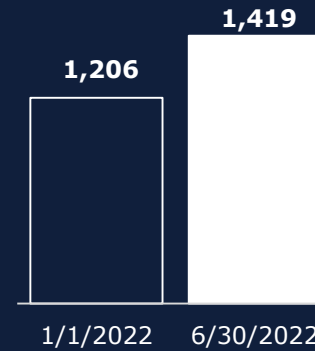
## Total Assets



### Commentary

Total Assets increased by VNDbn 161 as the Company (i) employed high level of inventory for upcoming peak season in second half of the year, and (ii) more debts utilized for short-term investments.

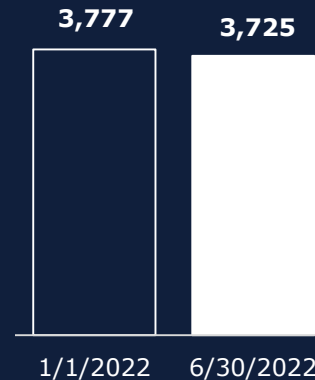
## Liabilities



### Commentary

Liabilities increased mostly due to short-term debts. The Company continued to deploy interest rate gap to optimize cash flow.

## Owners' Equity

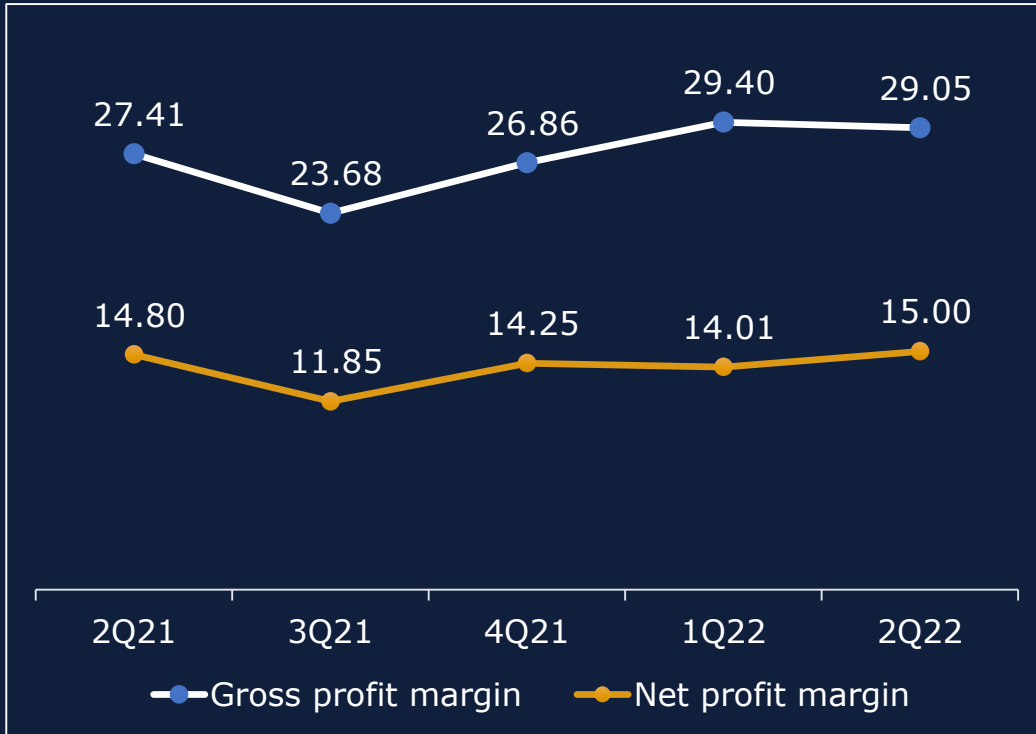


### Commentary

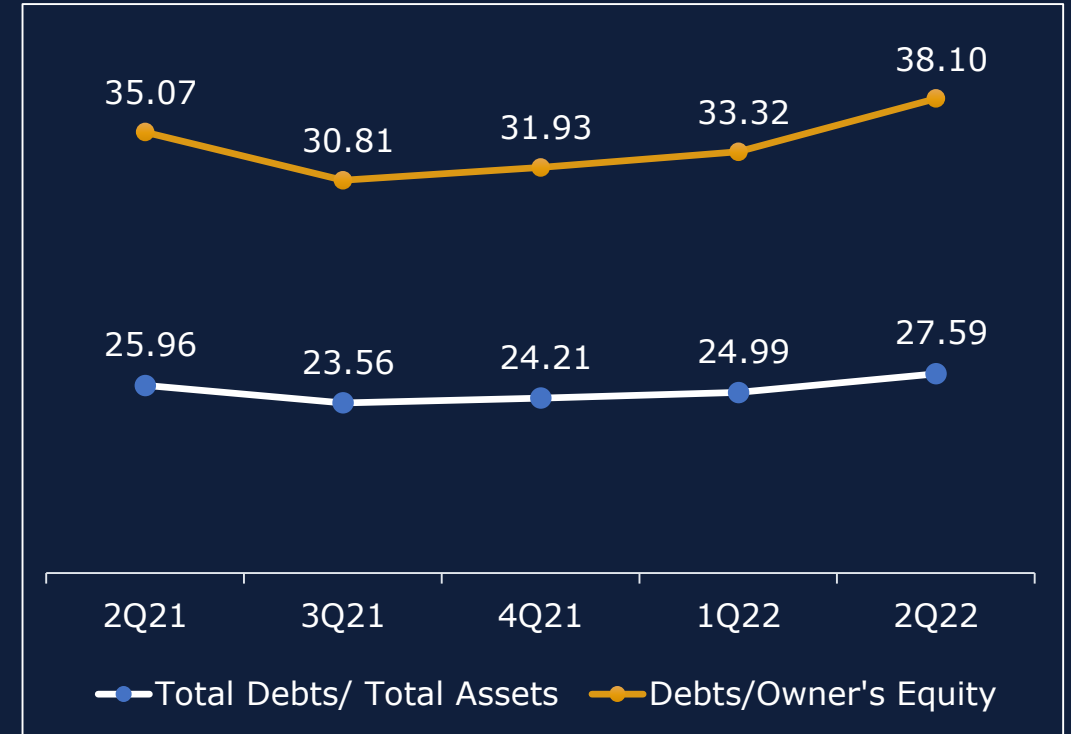
Last quarter, the Company paid cash dividend (tranche 2/2021) of 20%, equivalent to VND 2000/share.

# Key Financial Indicators

## Profit Margin (%)



## Leverage Ratio (%)



# 4

## Key Activities

87 [Converted]-01.png



# 2022 Annual General Meeting of Shareholders

*The first Annual General Meeting of Shareholders since the company's shares were traded on UpCom*



2022 Annual General Meeting of Shareholders was held on June 6, 2022 with the participation of about 95% of total voting shares of An Cuong Wood Working JSC (ACG).

The Meeting received high approval rates for all suggested proposals, representing the strong supports and beliefs from shareholders in management team.

ACG set the revenue guidance of VNDbn 4,242 and net profit of VNDbn 550, posting the annual growth rate of 28.8% and 21.9% respectively. The Company continues to focus on core business, in which expanding export sales to reduce the concentration risk on domestic market and sustain the top line.

This meeting has opened the opportunity for the Board of Directors and management team to connect with shareholders and share the Company's vision as well as strategic plan, that helped align the Company's and shareholders' interest.

End of May 2022, ACG submitted the application to list 135.8 million shares on Ho Chi Minh Stock Exchange. The Company expects the relevant procedure would be completed by third quarter of this year.

# Strategic Cooperation with Sumitomo Forestry America

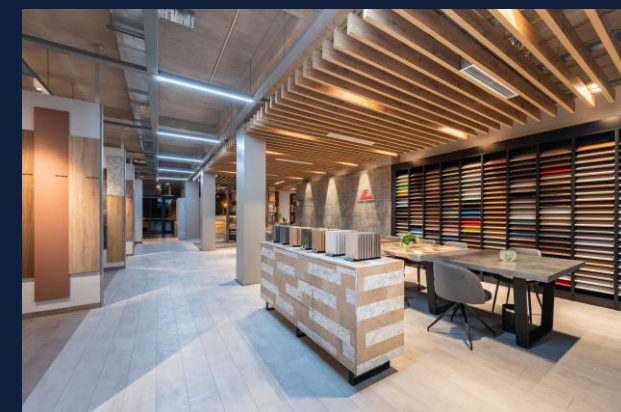
*Strategic move tapping on enormous demand in the world's largest housing market*

On July 01 2022, the cooperation agreement worth hundreds of million dollar has been signed between An Cuong and Sumitomo Forestry America, marking another milestone in relationship between An Cuong and Sumitomo Forestry Group. An Cuong now become main supplier of furniture for all housing projects of Sumitomo Forestry America in U.S. from 2022 onwards.

With orders from Sumitomo Forestry America, An Cuong would quickly ramp up Dat Cuoc factory's production as well as expand export sale by 50 million US dollar by 2025.



# Launch the largest shopping center in the north of Vietnam



- The building with 6 floors and total area of 5,000m<sup>2</sup> is the newest and largest franchised shopping center of An Cường in the north of Vietnam.
- New showroom in Bac Ninh City helps to expand An Cường's network coverage to 27 facilities nationwide, facilitating customers' access to An Cường's products and solutions.

# Sponsor of BCI Asia Interior Design Award 2022



Top architecture firms and property developers that had the greatest impact on the built environment in Vietnam were awarded as Top 10 recognition, BCI FutureArc Prize and BCI Asia Interior Design Awards under the BCI Asia Awards 2022 at the annual ceremony held on June 30 2022.

An Cuong, as sponsor and partner of BCI Asia Award for many years, is fully capable of providing tremendous collection of wood color, assisting design teams in creating best-in-class works.



# An Cuong Interior Design Award 2022



An Cuong Interior Design Award (An Cuong IDA) is annual contest initiated by An Cuong Wood - Working JSC starting from 2021 for the purpose of connecting, developing and honoring young talented architects and interior designers in Vietnam.

The competition is open for students, architects and interior designers, working in teams or individually.

With the main theme of **“Shophouse – When Dream and Life become Home”**, organizing committee believe this year contest will continue to attract a large number of contestants.



# Investor Relations Activities



Last months, An Cuong kept promoting investor relations activities through direct meeting and company tours for institutional and retail investors, brokerage firms ...

Those activities helped investment community get more insights about the Company's core business, updated performance and long-term growth plan.



**Thank you**

**Investor Relations Department**

702/1K Su Van Hanh Street, District 10, HCMC

**Mr Vi Nguy**

Investor Relations Director

M (84) 909 626 516

E [ir@ancuong.com](mailto:ir@ancuong.com)