

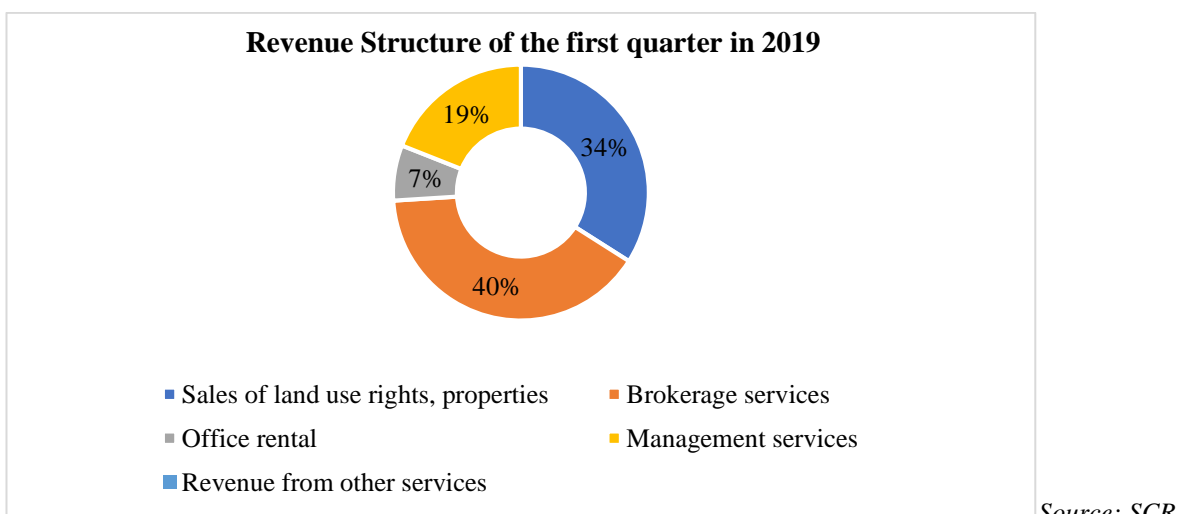
**TTC LAND**  
**PROFIT AFTER TAX IN THE FIRST QUARTER OF 2019 INCREASED SHARPLY**  
**BY 842% OVER THE SAME PERIOD**

*Profit growth has been outstanding with attractive profitability indicators*

In response to the challenges of the real estate market in the first months of 2019, TTC Land still maintained positive operating results with the profit after tax of the first quarter in 2019 reaching 90 billion VND, exceeding outstandingly by 842% over the same period.

The first quarter is always inappropriate time in handing over projects to recognize revenue so the net revenue is only 172 billion VND in the first quarter. The revenue structure in the first quarter has changed significantly compared to the same period when the proportion of real estate transfer revenue was 34%, brokerage, leasing, management and other services accounted for 40%, 7% and 19% respectively. In this quarter, TTC Land handed over major products from 2 projects: Charmington La Pointe (District 10) and Jamona Golden Silk (District 7). In particular, which the gross profit margin of these 2 projects of 39% and 37% respectively, as well as the good control of the cost of goods sold decreased by 91% over the same period, significantly contributes to the gross profit margin of the whole company with approximately 64%, higher than the average of industry with only about 28%.

TTC Land has carried out project construction activities to hand over according to commitments to customers in order to upsurge the revenue recognition from key activities in the first 3 months of 2019. Besides, TTC Land recorded financial revenue of nearly 49 billion VND, up 89% over the same period, mainly including bank deposits interest. Sales expenses in the first quarter fell sharply by 95% as brokerage activities of industrial zone leasing did not generate significant cost of goods. Net profit from business activities reached 85 billion VND (+227% yoy) and an operating profit margin of 50% compared to 3% of the same period of last year.



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Profit before tax and profit after tax in 1<sup>st</sup> quarter of 2019 reached 87 billion VND and 90 billion VND, surpassing by 384% and 842% in the same period, respectively. Particularly, Profit before tax has reached 26% of the year plan. Net profit margins in the first quarter is approximately 52%, higher than the average of industry by 21%.

## ***Safe capital structure, ensuring sustainable operation in the medium and long-term***

Until March 31, 2019, total assets of TTC Land increased slightly by 2% compared to the beginning of the year, reaching 11,029 billion VND. Cash and cash equivalents, short-term financial investments at the end of the first quarter reached 217 billion VND, down 124 billion VND compared to the beginning of the year, as well as inventories increased slightly by 7%; mainly because the company focuses on investing and developing 2 Mid-end segment projects Carillon 7 (Tan Phu) and TTC Plaza Binh Thanh (Binh Thanh) to ensure the handover schedule in 2019 for customers, and recognize the revenue. The inventories will be significantly reduced in the last months of 2019 when projects are handed over such as Jamona City, Jamona Home Resort (District 7), Carillon 7 ...

At the end of the 1<sup>st</sup> quarter, TTC Land has Advances from customers about 1,438 billion VND come mainly from 2 projects: Jamona City and Jamona Home Resort, accounting for 13% of total assets. These are prepayments or deposits of customers under real estate transfer contracts for sale from the company's projects. Currently, TTC Land is launching 7 projects and recording a positive absorption rate with an average of 90%. Total consumption of goods from the beginning of the year is 417 products, up 42% over the same period. Contracted sales therefore were 1,180 billion VND, mainly came from projects announced in the first quarter: Charmington Dragonic (District 5) and Jamona Eco (Binh Chanh District). Two projects are expected to be recorded in the revenue in the period 2020-2021 when TTC Land handover products to customers.

Making use of capital mobilized from customers, TTC Land can continue to build 17 developing projects, limiting the interest expenses. Currently, the average capital structure of projects accounts for about 20% of equity capital, 35% prepaid from customers and 45% of loans; ensure that TTC Land's capital structure is always in safe level with other companies in the same industry. Debt/Equity ratio and Debt/Total assets ratio are 0.54 times and 0.23 times respectively, not much changed from the beginning of the year, equivalent to the average of the industry and much lower than the real estate enterprises with regular large tissue on the market. The good management of debt structure will reduce financial risks and will increase access to new capital sources in the future when TTC Land currently owns the total portfolio of projects that have been handed over and developed are 29 projects with nearly 16,879 products. The total number of products sold and delivered by April 18, 2019 were 7,270 and 6,459 products, accounting for 43% and 38%.

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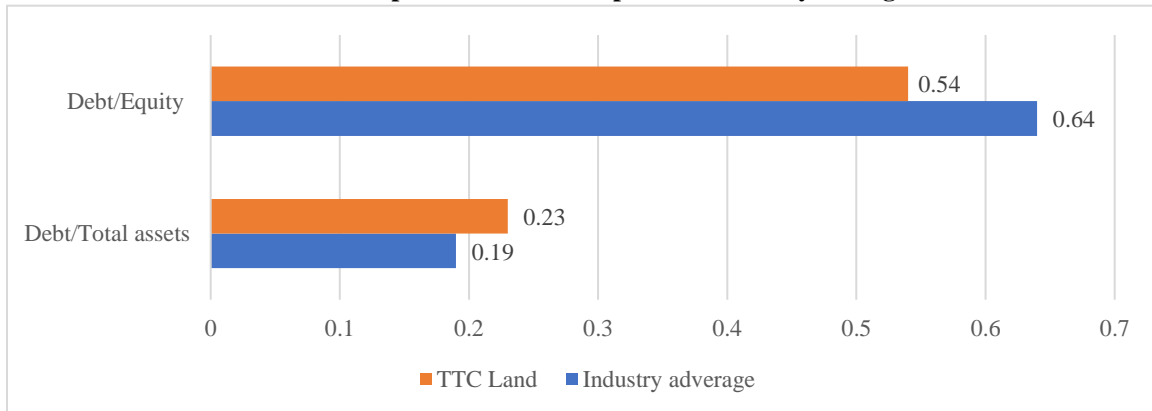
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**Index of Capital Structure compared to industry average**



*Source: TTC Land*

On April 23, 2019, TTC Land also successfully organized Annual General Meeting of Shareholders (GMS), agreed to approve the plan of consolidated revenue and consolidated pre-tax profit in 2019 were 2,969 billion VND and 340 billion VND respectively, up 2% and 6% compared to the results of 2018.

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