

INTERPRETATION OF 2Q 2018 FINANCIAL STATEMENT

6-MONTH PROFIT AFTER TAX INCREASED 244% AND ACHIEVED 78% OF 2018 TARGET

Although the real estate market has shown signs of slowing down in 2Q 2018 (according to CBRE, the supply reached 6,109 units, down 30% from the first quarter), TTC Land has recorded significant growth of business activities compared to the same period of 2017 and 1Q 2018, marking positive results after changing its brand from Sacomreal to TTC Land in March 2018. In the second quarter, TTC Land continued to affirm its commitment to customers when handed over on schedule its key project, Charmington La Point (Dist. 10).

Business results prospered

In 2Q 2018, net sales of goods and services reached USD45 million, a sharp increase of 277% over the same period last year. Accumulated 6-month net revenue was USD80 million, a growth of 235% compared to last year and achieved 89% of the 2018 target by handing over 791 products from the following projects: Jamona Home Resort (Dist. Thu Duc), Charmington La Point (Dist. 10), Jamona City and Jamona Golden Silk (Dist. 7). The number of handed over products in the period increased by 417% compared to only 153 products in the first 6 months of 2017.

Gross profit was USD14 million in 2Q 2018 and USD20 million in the first 6 months of 2018, up 193% and 154% compared to 2017 respectively. This was the highest gross profit in the first 6 months of any year since TTC Land's shares were first listed in 2010. Gross profit margin of the second quarter was quite high (30%) but the figure for the first 6 months was only 25% because in the first quarter, the Company recorded sales of Jamona City project (Dist. 7). This project had high proportion of social housing, accounting for 77% of the project, but it also reflected TTC Land's social responsibility to the community.

Because there was no losses from investment liquidation, financial expense was reduced to only USD4 million, down 22% year over year. Accrued interest expense increased to USD3 million because the Company used larger long-term loans to quickly implement projects and timely execute investment opportunities to increase land funds. However, debt structure remained well under control as the Debts/Total Assets ratio was 0.21 times, the same as last year, and the Debt/Equity Ratio was 0.48 times, down 13% compared to last year and much lower than the average level of real estate industry for those ratios, about 0.3 - 0.4 times and 1.3 - 1.4 times.

Although the business was quickly expanded as 1,010 products were traded successfully in the first 6 months 2018, up 231% over the same period last year; TTC Land still managed its expense well as Cost of Sales and Business administration accounted for only 10% of net revenue, down 24% compared to the same period last year.

After-tax profit in 2Q 2018 reached USD8 million, up 269% compared to last year. For the first 6 months, after-tax profit was USD9 million, up 244% over the same period last year. Thus, TTC Land has completed 78% of 2018 target in just 6 months. The 6-month net profit margin was unchanged

compared to the same period in 2017, about 11%, but improved sharply from just over 1% in 1Q 2018. Because of good business result for the first 6 months, TTC Land's management believes that 2018 after-tax profit would exceed USD12 million (equivalent to USD15 million of profit before tax).

Assets and capital grew sustainably

As of June 30, TTC Land's Total assets were USD444 million, up 6.4% from the beginning of 2018. Particularly, cash and cash equivalents totaled USD20 million, up 345% from the end of 2017, thanks to good business results and additional funding from issuance of new shares in June 2018. Short-term accounts receivable and Short-term advances to sellers all fell sharply by approximately 39% compared to the end of 2017 proving that TTC Land did a good job of controlling and recovering its receivable. TTC Land ensured its Liquidity ratios were at safe level with Current ratio of 1.6 times and Quick ratio of 0.8 times, increased compared to those in 2017, 1.4 times and 0.7 times.

Inventories at the end of 2Q were USD170 million, down 3% from the end of 2017 and accounted for about 38% of Total assets. Inventories included mainly work in progress of the following projects: TTC Plaza Ung Van Khiem (Binh Thanh Dist.), Jamona Home Resort (Thu Duc Dist.), Charmington La Pointe (Dist. 10), Charmington Plaza (Dist. 5), Jamona City & Jamona Heights (Dist. 7), and Carillon 5 & Carillon 7 (Tan Phu Dist.). In 2018, it is expected that there would be 5 projects with 1,357 products being handed over (of which 58% has been handed over in the first half of the year), contributing to increase revenue and decrease inventories accordingly.

As of June 30, TTC Land has about USD90 million of short-term prepayments, accounting for about 20% of Total resources. These are prepaid customers deposited for the Company's real estate products, providing significant support to TTC Land in developing its projects, reducing interest burden and continuing affirming the prestige of TTC Land brand. These amounts will be recognized as revenue when TTC Land completes and hand over finished products to customers.

In June, TTC Land has completed issuance of new shares (30%) increasing its Chartered capital to USD138 billion and Total equity to USD193 million, a 27% increase compared to the beginning of 2018. The proceeds were used to restructure debts and to buy 100% ownership of Hung Anh 5 Real Estate Limited Company which owns the Charmington Plaza project in District 5. This project has total area of 5,077 sqm, total investment of USD80 million, includes 420 apartments, is expected to launch in 2019 and be handed over in 2021. Expected profit of the project is USD18 million.

Business plan for the last 6 months of 2018

In the last 6 months of 2018, TTC Land is expected to book Revenue and Profit from a new project, Charmington Iris (Dist. 4), and the rest of the current projects including Charmington La Point (Dist. 10), Jamona Home Resort (Thu Duc Dist.) and Jamona City & Jamona Golden Silk (Dist. 7). Total number of hand-over products in the last 6 months is expected to be 566 over 2018 target of 1,357 products from 6 projects. Charmington Iris's phase 1 was launched on June 24, 2018 with 360 products. All were absorbed by the market. Phase 2 is expected to launch by the end of August 2018.

In addition, the Company is going to sell 1,641 units in 10 projects, bringing the total number of products to be sold to 2,651 products in 12 projects in 2018, up 504% over 2017. And Revenue is expected to reach USD305 million, up 345% over the same period last year. In addition to Charmington Iris (Dist. 4), TTC Land is also planning to launch Jamona City - Sky Villa (Dist. 7) and Charmington Tan Son Nhat (Tan Binh Dist.).

Improving Investor Relations Activities

TTC Land is cooperating with Ho Chi Minh Securities Company (HSC) to carry out a series of investor relations activities with the theme "TTC Land - Sharing Investment Opportunities" to introduce to the financial market the future potential of the Company. At the same time, TTC Land is looking for foreign strategic investors for future sustainable development. The Company has successfully organized two programs "VIP Shareholders and Potential Investors Meeting" on June 8, 2018 and "Analyst Meeting - Site Visit" on July 24, 2018. These events have received great attention from more than 50 VIP Shareholders and potential investors, as well as nearly 30 analysts on the stock market. Through these events, TTC Land's Board of Directors has shared with the financial community the medium and long-term strategies of the Company, especially the diversification into 5 types of real estate products apart from residential real estate: Commercial & Office, Hospitality, Industrial Park and Logistics. Per Board of Directors, the future revenue will come from Residential (60%), Industrial Park & Logistics (20%) and Hospitality, Commercial & Office (20%). TTC Land currently has a total land bank of 1,881 ha of which 95% is for future development, enough for TTC Land to operate for the next 5 - 10 years. Most notable are 250 ha for Residential in Ho Chi Minh City (HCMC), 290 ha for Hospitality and Logistics in Phu Quoc, 1,020 ha for Industrial Park in Tay Ninh. In the period 2018 - 2022, TTC Land has more than 12 projects under development in HCMC, Da Nang, Dong Nai and Lam Dong with a total land area of over 63 ha. These projects will be completed in the period and contribute to increase revenue and profit of TTC Land.

SUMMARIZED INCOME STATEMENT

Unit: USD million

	2016	2017	2Q 2017	2Q 2018	Increase/ (Decrease)	6M 2017	6M 2018	Increase/ (Decrease)
Net revenue	33.8	79.7	12.0	45.1	277%	24.0	80.4	235%
Cost of sales	12.6	24.0	4.7	13.6	193%	7.7	19.7	154%
Operating income	9.0	12.1	2.5	9.1	259%	3.2	10.2	219%
Other income	0.7	(0.1)	0.0	0.1	1,376%	0.1	(0.2)	(542%)
Profit before tax	9.8	12.0	2.5	9.2	261%	3.3	10.0	205%
Profit after tax	7.9	9.6	2.2	8.1	269%	2.5	8.5	244%

SUMMARIZED BALANCE SHEET
Unit: USD Million

	Dec 31, 2016	Dec 31, 2017	June 30, 2018	Increase/ (Decrease)
TOTAL ASSETS	327.4	417.2	443.5	6,4%
1. Current assets	275.9	342.7	340.1	(0,5%)
- Cash and cash equivalents	19.7	4.5	20.3	345,1%
- Short-term investments	3.5	6.9	6.7	(14,1%)
- Short-term accounts receivable	94.1	153.0	141.5	(6,6%)
- Inventories	157.5	176.2	170.1	(3,3%)
- Other current assets	1.1	2.1	1.5	(27,2%)
2. Long-term assets	51.5	74.5	103.4	38,3%
- Long-term accounts receivable	11.2	15.5	17.2	10,2%
- Fixed assets	5.6	5.8	9.6	65,6%
- Investment property	4.1	5.9	6.2	4,7%
- Construction in progress	0.4	0.7	0.7	13,7%
- Long-term investments	28.6	38.8	38.9	0,2%
- Other long-term assets	1.6	7.8	30.8	290,8%
TOTAL RESOURCES	327.4	417.2	443.5	6,4%
1. Liabilities	185.0	265.1	250.1	(5,4%)
- Current liabilities	154.3	238.3	207.5	(10,5%)
- Long-term liabilities	30.7	26.8	42.6	39,6%
2. Owner's Equity	142.4	152.1	193.4	27,1%

FINANCIAL RATIOS

	Unit	2016	2017	2Q 2018
Liquidity ratios				
Current ratio	Times	1.8	1.4	1.6
Quick ratio	Times	0.8	0.7	0.8
Leverage ratios				
Debt/Equity	Times	0.4	0.6	0.5
Debt/Total assets	Times	0.2	0.2	0.2
Profitability ratios				
Gross margin	%	37%	32%	25%
ROE	%	5.5%	6.3%	8.8%

Source: Audited Consolidated Financial Statements 2016 - 2017, Consolidated Financial Statements 2Q/2018