Q2/2026 Earnings Update – TAL

HOSE · TAL · Taseco Land Real Estate Investment JSC *(Taseco Land)*

NET REVENUE · Q2	NPAT TO PARENT · Q2	NPAT TO PARENT · 1H	ROE · TRAILING 12M
886	**142**	**294**	**19.4%**
VND bn · **+59% YoY**	VND bn · **+305% YoY**	VND bn · **+434% YoY**	P/E 14.2 · P/B 2.2x

Q2 ASSESSMENT

A quarter of **strong growth and improving earnings quality**: revenue **VND 886 bn (+59% YoY)**, NPAT to parent **VND 142 bn (+305% YoY)**; 1H profit **VND 294 bn (+434%)**. **We see the standout of the Q2 results as a genuine improvement in earnings quality**: pre-tax profit comes from **core project hand-overs**, not from one-off financial or divestment gains. Gross margin eased to **33.1%** (from 39.9%), though it remains relatively high; leverage also rises with the larger scale of operations, but interest coverage stays a **safe 7.5x**. The stock is trading at **P/E 14.2 · P/B 2.2x**, but we think this already prices in most of the company's expected growth; **investors may wait for better discount levels** before adding this stock.

NPAT attributable to parent by quarter · *VND bn*

DRIVERS & QUALITY

1H NPAT to parent / FY2025 · **294 / 643 bn** — **46%**

Gross margin Q2 · product mix — **33.1%**

CUSTOMER ADVANCES
4,573 VND bn · revenue not yet booked

TOTAL BORROWINGS · LEVERAGE
4,708 bn · interest coverage 7.5x

HIGHLIGHTS

+434% YOY · 1H	**Profit accelerating strongly** 1H NPAT to parent VND 294 bn · 1H revenue 1,579 bn (+69%) · Q2 NPAT 142 bn (+305%)
Core QUALITY	**Profit from core operations** PBT 203 ≈ operating profit 204 bn · entirely from core project hand-overs
4,573 VND BN	**Customer advances rising sharply** customer advances up from VND 308 bn a year ago · underpins coming revenue

WATCH ITEMS

33.1% GROSS MARGIN	**Margin at its normal range** gross margin swings by product mix (multi-year ~25–37%) · Q1 unusually high at 39.9%
+42% ASSETS/6M	**Balance sheet expanding fast** total assets VND 21,724 bn · inventory 11,648 bn · leverage rising to fund growth
Volatile BY QUARTER	**Profit uneven across quarters** hand-over-driven · 4Q2025 was the peak (VND 375 bn) · read on a full-year basis

OUTLOOK FOR COMING QUARTERS

Strong first-half momentum (1H NPAT to parent **+434%**) on improved earnings quality. Key drivers ahead: a **customer-advances balance of VND 4,573 bn** (from VND 308 bn a year ago) and the hand-over pipeline of residential projects (inventory VND 11,648 bn). Watch margin variation by product mix, uneven quarterly profit, and **rising leverage** as expansion is funded — though interest coverage remains a safe 7.5x. At **P/E 14.2 · P/B 2.2x**, valuation prices in most of the growth; the stock recently paid a 5% cash dividend and issued bonus/dividend shares totalling 40%.

REVENUE · TRAILING 12M	NPAT TO PARENT · TTM · EPS	INVENTORY (PROJECT PIPELINE)	INTEREST COVERAGE
4,376	**882**	**11,648**	**7.5**
bn · scaling up strongly	bn · EPS 1,749	bn · **+59%** in 6 months	x · leverage manageable

STOCK INFORMATION & VALUATION · as of 25 Aug 2026

PRICE · VND	MARKET CAP · VND BN	P/E · X	P/B · X	FOREIGN OWN.	SHARES · MN
24,850	**12,524**	**14.2**	**2.2**	**9.9%**	**504.0**

1. TCBS Assessment

Growth scale, earnings quality, the sales signal and balance-sheet health during the expansion phase

TCBS views TAL's Q2/2026 results as **positive on both growth and quality**. Net revenue reached **VND 886 bn (+59% YoY, +28% QoQ)** and NPAT to parent **VND 142 bn (+305% YoY)**; 1H profit was **VND 294 bn (+434%)** on revenue of VND 1,579 bn (+69%). Most notable is **earnings quality**: pre-tax profit of VND 203 bn is almost identical to operating profit of VND 204 bn — i.e. **entirely from core operations** (residential project hand-overs), unlike 2024 when profit was dominated by one-off financial gains (2024 financial income alone reached VND 922 bn).

Alongside the strengths, three points deserve care. First, **margins vary by product mix**: Q2 gross margin fell to 33.1% (from 39.9% in Q1) on the hand-over mix, so profit dipped slightly QoQ despite higher revenue. Second, **profit is uneven with hand-over timing** — 4Q2025 was the peak (NPAT to parent VND 375 bn) — so results are best read on a full-year basis rather than quarter by quarter. Third, **the balance sheet is expanding very fast** to fund growth: total assets rose 42% in just six months to VND 21,724 bn (mainly project inventory at VND 11,648 bn), lifting leverage — though borrowings held around VND 4,708 bn and **interest coverage improved to 7.5x** (from 2.2x a year earlier). Profit in the coming quarters is secured by **customer advances of VND 4,573 bn** (from VND 308 bn a year ago) — sold revenue not yet booked, awaiting hand-over. On valuation, the stock trades at **P/E 14.2x, P/B 2.2x and ROE ~19.4%** — not cheap, pricing in most of the growth; the company recently paid a 5% cash dividend and issued bonus/dividend shares totalling 40%, and counts large foreign funds (Dragon Capital, Norges Bank) among its holders.

Q2/2026 RESULTS & FIRST-HALF CUMULATIVE

REVENUE Q2	NPAT TO PARENT Q2	GROSS MARGIN Q2	NPAT TO PARENT 1H	CUSTOMER ADVANCES	VALUATION · ROE
886	**142**	**33.1%**	**294**	**4,573**	**19.4%**
bn · +59% YoY	bn · +305% YoY	from 39.9% in Q1	bn · +434% YoY	bn · pre-sold, unbooked	P/E 14.2 · P/B 2.2

KEY POINTS

01 **Strong growth, improving quality** — Q2 NPAT to parent of VND 142 bn (+305% YoY), 1H VND 294 bn (+434%) on revenue of VND 1,579 bn (+69%). The main driver is the **ramp-up in residential project hand-overs** (Q2 revenue +59% YoY), with better margins and operating leverage on a low prior-year base; profit comes from core operations (PBT 203 ≈ operating profit 204 bn).

02 **Customer advances and hand-over cadence are the support** — customer advances surged to VND 4,573 bn (from VND 308 bn a year ago); project inventory rose to VND 11,648 bn with construction. This underpins revenue for coming quarters, alongside a large capital need to develop projects.

03 **Positive, but read in context** — gross margin eased to 33.1% (from 39.9%) on product mix, profit is uneven with hand-over timing (4Q2025 was the peak), and the balance sheet expanded 42% in six months, lifting leverage (though coverage is a safe 7.5x). At P/E 14.2 · P/B 2.2x, valuation prices in most of the growth.

2. Business Results & Financial Analysis

Q2 overview, profit quality & composition, sales & inventory, balance sheet & leverage, and valuation

2.1. Q2/2026 overview

Q2/2026 sustained strong YoY growth: net revenue **VND 886 bn (+59% YoY, +28% QoQ)** and NPAT to parent **VND 142 bn (+305% YoY)** on residential hand-over revenue. Versus Q1, revenue rose 28% but profit dipped slightly (−7%) as **gross margin eased to 33.1%** (from 39.9%) on product mix. A low 2Q2025 base (NPAT to parent VND 35 bn) makes the YoY gain very large.

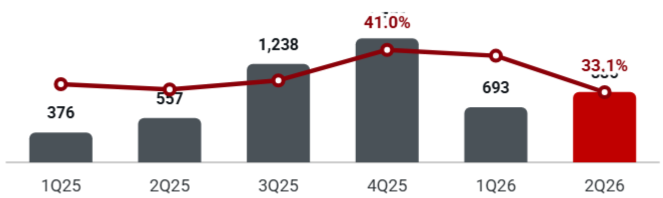
NET REVENUE	GROSS PROFIT	GROSS MARGIN
886	**294**	**33.1%**
VND bn · **+59% YoY**	VND bn · **+57% YoY**	from 39.9% in Q1

PRE-TAX PROFIT	NPAT TO PARENT	OPERATING PROFIT
203	**142**	**204**
VND bn · **+227% YoY**	VND bn · **+305% YoY**	bn · ≈ PBT (core-driven)

Item (VND bn)	Q2/2026	Q2/2025	%YoY	Q1/2026	%QoQ
Net revenue	886	557	+59.1	693	+27.9
Gross profit	294	187	+57.0	276	+6.5
Gross margin (%)	33.1	33.6	−0.5 ppt	39.9	−6.8 ppt
Operating profit	204	61	+234	200	+1.7
Pre-tax profit	203	62	+227	204	−0.8
Profit after tax	158	38	+312	157	+0.9
NPAT to parent	142	35	+305	152	−7.0

Net revenue & gross margin by quarter

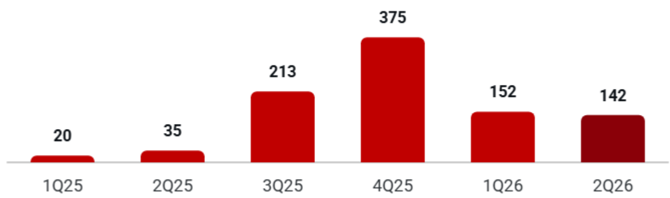
Bars = revenue (VND bn) · line = gross margin (%, right axis)



Source: *TCBS Research · TAL consolidated financials*

NPAT attributable to parent by quarter

VND bn · uneven with hand-over timing



Source: *TCBS Research · TAL consolidated financials*

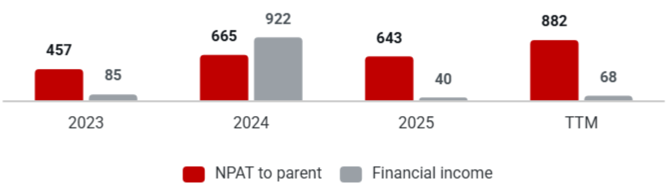
2.2. Profit quality & composition

The quarter's biggest positive is **earnings quality**. In Q2/2026, pre-tax profit of VND 203 bn came from gross profit of VND 294 bn, less selling & admin costs of VND 88 bn, plus a near-zero financial & other contribution (financial income of VND 28 bn just offsetting financial expense of VND 30 bn). In other words, **almost all profit comes from core operations** — residential hand-overs — rather than one-off financial items.

- **A clear contrast with 2024** — 2024 profit (NPAT to parent VND 665 bn) was dominated by one-off financial income of up to VND 922 bn (mostly 3Q–4Q2024); in 2025–2026 financial income returned to normal levels (~VND 40–68 bn/year) while profit stayed high — showing the earnings base has become **more genuine and sustainable**.
- **Margins follow product mix** — gross margin swings by the projects handed over each quarter (a 41.0% peak in 4Q2025, back to 33.1% in Q2/2026). This is typical for a developer; the full-year average is more meaningful than any single quarter.
- **Interest cost under control** — interest expense of ~VND 27 bn/quarter is offset by comparable financial income; interest coverage improved to 7.5x (from 2.2x a year earlier) as operating profit rose strongly.

NPAT to parent vs. financial income

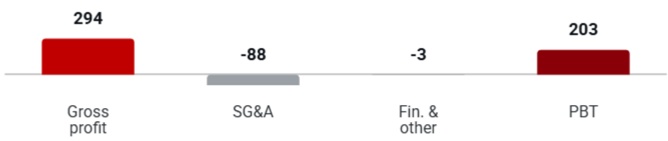
VND bn · by year · 2024 skewed by one-off financial gains



Source: TCBS · TAL consolidated financials

Pre-tax profit bridge — Q2/2026

VND bn · costs shown as negatives



Source: TCBS · TAL consolidated financials

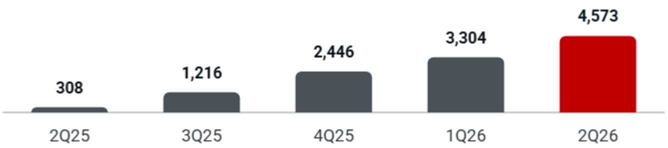
2.3. Sales, inventory & project pipeline

For a developer, the key forward indicators are **customer advances** (pre-sold revenue awaiting hand-over) and the project-inventory pipeline. TAL expanded strongly on both: customer advances rose from **VND 308 bn to VND 4,573 bn** in just one year, while real-estate inventory climbed to **VND 11,648 bn** (+59% in six months) with construction across a range of residential and township projects.

- **Customer advances rising sharply** — the customer-advances balance rose nearly 15-fold in a year, confirming genuine sales and laying the base for revenue recognition in coming quarters.
- **Inventory rising with investment** — capital is being deployed heavily into product development (inventory VND 7,306 → 11,648 bn in six months), reflecting an **investment-and-expansion phase** ahead of the next hand-over waves.
- **The flip side is a large capital need** — fast expansion requires significant funding, lifting both debt and customer advances; this warrants monitoring alongside hand-over progress to convert inventory into revenue on schedule.

Customer advances

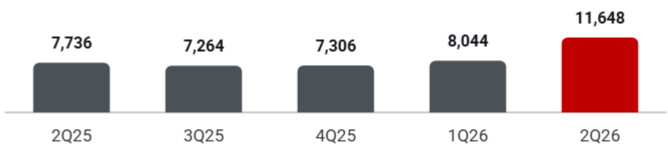
VND bn · quarter-end balance



Source: TAL consolidated financials

Real-estate inventory

VND bn · quarter-end · project development pipeline



Source: TCBS Research · TAL consolidated financials

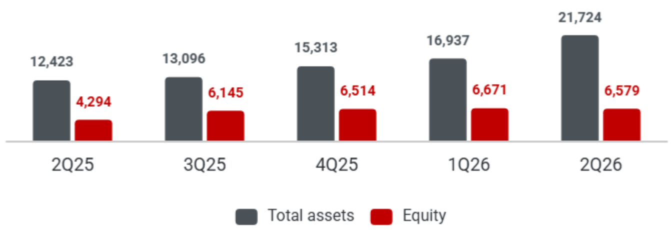
2.4. Balance sheet, leverage & liquidity

The balance sheet is in a **fast-expansion phase**: at end-Q2/2026, total assets reached **VND 21,724 bn**, up 42% in just six months, mainly on project inventory and cash. Funding came from borrowings, customer advances and payables. Borrowings held around **VND 4,708 bn** while equity was ~VND 6,579 bn — leverage rose versus the start of the year but stays under control as operating profit improved.

- **Leverage up but coverage better** — debt-to-equity ~0.7x and debt-to-assets ~0.2x; notably, **interest coverage rose to 7.5x** (from 2.2x in 2Q2025) as operating profit surged — materially reducing interest-rate risk.
- **Liquidity reinforced** — cash and deposits rose to ~VND 2,770 bn; the current ratio is ~1.6x. Debt is skewed to long-term (long-term borrowings VND 3,344 bn), matching the project development cycle.
- **Capital base topped up** — charter capital rose to VND 5,040 bn (June 2026) via bonus/dividend shares totalling 40%; together with the 5% cash dividend, this signals shareholder returns alongside scaling up.

Total assets & equity

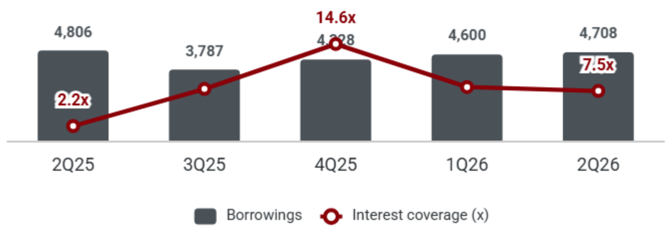
VND bn · quarter-end · assets expanding fast



Source: *TCBS Research · TAL consolidated financials*

Total borrowings & interest coverage

VND bn (bars) and times (line, right axis)



Source: *TCBS Research · TAL consolidated financials*

2.5. Valuation & outlook

At around **VND 24,850** (25 Aug 2026), TAL trades at a **trailing P/E of 14.2x** and **P/B of 2.2x**, with trailing ROE of ~19.4% — a valuation that is **not cheap** versus listed developers and well above peers still at a cyclical profit trough. This reflects the market's expectations for the company's growth and improved earnings quality; most of the growth is already in the price. Per the TCBS Research forecast, 2026 revenue could reach ~VND 10,444 bn and NPAT to parent ~VND 2,535 bn (EPS 5,029, forward P/E ~5.0x) — a very high figure implying profit is heavily 2H-weighted, whose delivery warrants monitoring.

- **Growth drivers** — the customer-advances balance of VND 4,573 bn plus the residential hand-over cadence underpin revenue for coming quarters; core-operating profit (not reliant on one-off financial gains) supports the sustainability of results.
- **Points to weigh** — profit is uneven with hand-over timing (do not extrapolate a single quarter), margins vary by product mix, and the large capital need of the expansion phase lifts leverage. The stock has also been volatile after the 40% bonus/dividend share issue.
- **Assessment:** TAL fits the thesis of a **growth company with improving earnings quality**, backed by the Taseco Group and large foreign funds; the caveats are a full valuation and rising leverage during expansion. Risks to watch: project hand-over/legal progress, margin swings and funding costs.

Appendix — Quarterly financials

Condensed consolidated income statement and balance sheet by quarter

Income statement (VND bn)

Item	Q2/2025	Q3/2025	Q4/2025	Q1/2026	Q2/2026	FY2025A
Net revenue	**557**	**1,238**	**1,559**	**693**	**886**	**3,730**
Gross profit	187	437	639	276	294	1,393
Gross margin (%)	33.6	35.3	41.0	39.9	33.1	37.3
Operating profit	61	282	463	200	204	843
Pre-tax profit	**62**	**285**	**489**	**204**	**203**	**870**
Profit after tax	38	223	390	157	158	673
NPAT to parent	**35**	**213**	**375**	**152**	**142**	**643**

Balance sheet (VND bn) · period-end

Item	Q2/2025	Q3/2025	Q4/2025	Q1/2026	Q2/2026
Total assets	**12,423**	**13,096**	**15,313**	**16,937**	**21,724**
Inventory	7,736	7,264	7,306	8,044	11,648
Cash & equivalents	702	531	1,537	2,046	2,770
Customer advances	308	1,216	2,446	3,304	4,573
Total borrowings	4,806	3,787	4,328	4,600	4,708
Equity	**4,294**	**6,145**	**6,514**	**6,671**	**6,579**

Source: TAL consolidated financials & TCBS Research; TCBS compiled. "Operating profit" is profit from operating activities as reported (including financial income/expense). Charter capital rose to VND 5,040 bn (June 2026) after a 40% bonus/dividend share issue; shares outstanding 504.0 mn. Valuation at the price of VND 24,850 on 25 Aug 2026 (P/E 14.2 · P/B 2.2x · trailing ROE ~19.4%). Per the TCBS Research forecast: 2026F revenue ~VND 10,444 bn, NPAT to parent ~VND 2,535 bn, EPS 5,029, forward P/E ~5.0x, ROE ~39% — a very high level implying profit is heavily weighted to 2H on hand-over timing (see the Financial forecast page).

Financial model & yearly forecast · 2022–2030

Unit: VND bn (except ratios, x, %, VND/share, days) · Columns 2026–2030 are forecast · Source: TCBS Research

	ACTUAL				FORECAST · TCBS				
Item	**2022**	**2023**	**2024**	**2025**	**2026F**	**2027F**	**2028F**	**2029F**	**2030F**
Shares outstanding (mn)	504.0	504.0	504.0	504.0	504.0	504.0	504.0	504.0	504.0
P/E (x)			**10.3**	**28.6**	**5.0**	**5.2**	**4.9**	**4.7**	**4.4**
EPS (VND)			1,319	1,275	5,029	4,798	5,086	5,351	5,638
P/B (x)			**1.8**	**3.3**	**1.7**	**1.4**	**1.2**	**1.0**	**0.8**
BVPS (VND)			7,392	10,968	14,589	18,044	21,706	25,559	29,619
EV/EBITDA (x)			51.0	19.7	3.8	3.9	3.6	3.4	3.2
ROE	**9.4%**	**11.5%**	**18.3%**	**13.9%**	**39.4%**	**29.4%**	**25.6%**	**22.6%**	**20.4%**
Gross margin	27%	27%	25%	37%	50%	50%	50%	50%	50%
Net margin	**12.6%**	**14.1%**	**39.5%**	**17.2%**	**24.3%**	**24.4%**	**24.4%**	**24.4%**	**24.5%**
Debt / EBITDA (x)	2.6	4.9	15.4	4.1	1.0	1.1	1.0	0.9	0.9
Inventory days			1,143	889	700	913	864	868	868
Net revenue	**2,829**	**3,238**	**1,684**	**3,730**	**10,444**	**9,922**	**10,517**	**11,043**	**11,596**
Revenue growth		*+14%*	*-48%*	*+121%*	*+180%*	*-5%*	*+6%*	*+5%*	*+5%*
EBITDA	454	664	227	1,045	4,189	4,096	4,422	4,719	5,043
NPAT to parent	**357**	**457**	**665**	**643**	**2,535**	**2,419**	**2,563**	**2,697**	**2,842**
NPAT growth		*+28%*	*+46%*	*-3%*	*+294%*	*-5%*	*+6%*	*+5%*	*+5%*
Cash & ST investments	543	367	573	1,537	2,656	2,069	2,362	2,155	2,110
Inventory	2,440	3,841	4,079	7,306	12,725	12,088	12,814	13,454	14,127
Total assets	**7,842**	**9,938**	**9,324**	**15,313**	**24,792**	**25,465**	**28,086**	**30,610**	**33,276**
Total borrowings	1,165	3,263	3,500	4,328	4,328	4,328	4,328	4,328	4,328
Equity	**3,783**	**3,988**	**4,224**	**6,514**	**8,339**	**10,080**	**11,926**	**13,868**	**15,914**
Free cash flow (FCF)	0	1,579	1,535	2,839	1,841	715	1,564	1,130	1,357

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