August 13th , 2026

Shinhan Securities

TNG Investment and Trading JSC

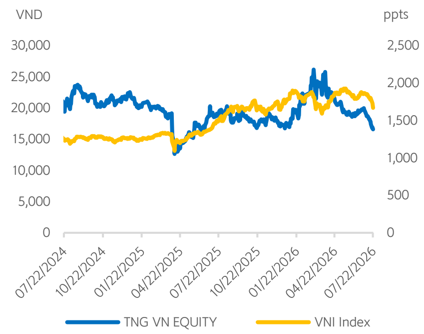
[Vietnam / Textile] Bloomberg Code (TNG VN) | Reuters Code (TNG.HM)

BUY

Update report

Target price (12 months)	**VND 24,900**
Current price (12/08/2026)	VND 17,200
Return (%)	**44.9%**

VNINDEX			1,793
HNXINDEX			288
Market Cap (bn VND)			2,201
Outstanding shares (mn)			129
Free-Floating (mn)			75
52-Wk High/Low (VND)			28,000/15,100
90-day avg. trading volume (mn)			0.72
90-day avg. turnover (bn VND)			10
Major shareholders (%)	Nguyen Van Thoi		18.3
	Nguyen Duc Manh		11.5
Performance	3M	6M	12M
Absolute (%)	-13.6	-24.3	-21.6
Relative to VN-Index (%)	-8.1	-22.6	-32.8



Source: Bloomberg

Orders secured through the end of 2026

Update valuation with a BUY recommendation, target price of 24,900 VND

TNG Investment and Trading JSC (HOSE: TNG) is a leading Vietnamese garment exporter, supplying major fashion brands such as Decathlon, Nike, and Columbia. In 1H2026, TNG posted positive business results, with net revenue rising +21% YoY and NPAT increasing +27% YoY. This growth was driven by a trend of accelerated shipments ahead of the effective date of Section 301 tariffs. Looking ahead to 2H2026, we anticipate a slowdown in TNG's business performance as certain supporting factors from 1H2026 wane. However, full-year NPAT is still projected to grow by +11% YoY, supported by secured orders extending through the end of 2026 and the assessment that the impact of Section 301 tariffs will be limited in 2026. Based on the Discounted Cash Flow (DCF) method, we have updated TNG's target price to VND 24,900, representing an upside of 44.9%.

1H2026 results showed growth, driven by accelerated shipments ahead of new tariffs taking effect

1H2026, TNG recorded net revenue of VND 4,866 billion (+21% YoY) and NPAT of VND 204 billion (+27% YoY), achieving 51% and 46% of its full-year revenue and profit targets, respectively. Specifically, in Q2/2026, net revenue reached VND 2,914 billion (+15% YoY) and NPAT reached VND 147 billion (+23% YoY).

Positive business results were driven by: (1) Proactively accelerating exports to the US ahead of the July 24, 2026, effective date for the 12.5% Section 301 tariff; (2) High demand for sportswear fueled by international sporting events in 1H2026; (3) Increased exports of high-tech, high-value-added product lines (e.g., high-performance sportswear, jackets); and (4) Input costs remaining insulated from rising raw material prices, thanks to previously secured favorable purchase rates.

Outlook for 2H2026: Growth is expected to slow but remain higher year-on-year

Growth momentum is projected to decelerate as certain supporting factors from 1H2026 weaken

The boost from accelerated shipments ahead of the tariff and demand from major sporting events is expected to ease: Following the implementation of the 12.5% tariff imposed by the US on Vietnam under Section 301* on July 24, 2026, US importers are expected to return to normal ordering cycles rather than front-loading imports as they did in 1H2026. Meanwhile, the boost from major sporting events in 1H2026 is expected to fade as these events gradually conclude. Therefore, TNG's revenue growth in the remaining quarters is expected to normalize and more closely reflect underlying market demand.

The year-end holiday season is unlikely to generate a surge in growth because: (1) Consumer demand in the US and Europe has not shown a clear recovery, as consumers continue to prioritize controlling spending on non-essential items amidst persistent high inflation; (2) The company has limited room to raise selling prices, as retailers continue to prioritize cost optimization and maintain cautious ordering policies, forcing manufacturers to keep prices competitive to protect market share.

Nevertheless, we expect TNG to maintain strong business results compared to the same period last year, driven by:

(1) Orders secured through the end of 2026: According to management, TNG has fully booked orders through the end of 2026 and is scheduled to negotiate orders for 2027 in September 2026. This enables the company to maintain stable production capacity and establishes a solid foundation for achieving its annual revenue targets.

(2) Continued market share expansion in the high-tech product segment: As China gradually loses its competitive edge in the US market due to high tariffs—and competitors like Bangladesh and India lack significant advantages in complex product segments—boosting exports of high-tech products is expected to remain a key driver for sustaining TNG's order volume and profit margins.

(3) Limited impact of US Section 301 tariffs (related to forced labor) on 2026 business results, thanks to: (1) A significant portion of 2H2026 revenue being secured through signed orders; (2) Controlled cost pressures resulting from an increasing share of high-margin products; and (3) Proactive raw material management capabilities.

Risk: (1) Payment risk and interest expense eroding profits due to high debt ratio; (2) Intensifying competition in the EU market; (3) Risk of exchange rate increase; (4) Risk of declining demand for apparel in the US market.

Year to Dec.	2023	2024	2025	2026F	2027F
Net revenue (bn VND)	**7,098**	**7,656**	**8,699**	**9,538**	**9,809**
OP (bn VND)	292	401	507	541	597
NP (bn VND)	**222**	**316**	**392**	**433**	**454**
EPS (VND)	2,019	2,693	3,184	3,533	3,705
BPS (VND)	16,339	15,435	15,554	14,518	14,633
OPM (%)	4.1	5.2	5.8	5.7	6.1
NPM (%)	3.1	4.1	4.5	4.5	4.6
ROE (%)	**12.7**	**16.9**	**20.1**	**22.4**	**24.2**
PER (x)	9.9	9.3	5.7	6.5	6.2
PBR(x)	1.2	1.6	1.2	1.6	1.6
EV/EBITDA (x)	6.9	15.0	12.6	13.6	13.2

Source: Company data, Shinhan Securities Company

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Update Q2/2026 & 1H2026 business results

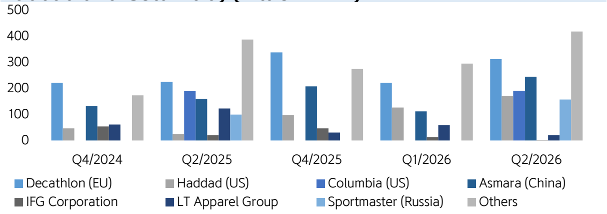
Items	Q2/2025	Q2/2026	1H2025	1H2026	Notes
Net revenue (VND billion)	**2,528**	**2,914**	**4,038**	**4,866**	Revenue in 1H 2026 showed positive growth driven by an increase in orders, primarily from US-based clients (such as Asmara, Haddad, and Columbia). Key drivers behind this order growth included: (1) a trend of accelerating shipments ahead of the July 24, 2026 expiration of the 10% supplementary tariff; and (2) rising demand for sportswear coinciding with major global sporting events.
Growth (%YoY)		15		21	
FOB & Bedding segment	2,123	2,448	3,392	4,087	
(VND billion)		15		20	
Growth (%YoY)	397	457	634	764	
CMT segment (VND billion)		15		20	
Growth (%YoY)	8	9	12	15	
Real Estate segment và dịch vụ khác		12		25	
Growth (%YoY)					
Gross Profit (VND billion)	**358**	**417**	**588**	**653**	Despite rising input material costs driven by the US-Iran geopolitical conflict, TNG's gross profit margin for the second quarter still saw a slight increase from 14.1% (Q2/2025) to 14.3% (Q2/2026). This positive outcome was primarily driven by: (1) a push to export high-margin, technically demanding product lines, which helped offset input cost pressures; and (2) the fact that material purchase prices had been locked in at reasonable levels beforehand, preventing significant pressure on the cost of goods sold.
Growth (%YoY)		17		11	
Gross Profit Margin (%)	14	14	15	13	
Profit Before Tax (VND billion)	149	179	200	251	
Growth (%YoY)		20		25	
NPAT (VND billion)	**120**	**147**	**161**	**204**	
Growth (%YoY)		22		27	

Forecast business results in 2026, 2027

Items	2025	2026F	2027F	Notes
Net revenue (VND billion)	**8,698**	**9,538**	**9,809**	Entering the second half of 2026, we anticipate that TNG's export growth momentum will decelerate compared to the first half as (1) The effect of front-loading shipments ahead of new tariff implementations gradually fades; and (2) Demand driven by major sporting events begins to cool. Furthermore, the year-end shopping season is unlikely to generate significant growth momentum as seen in previous years because (1) Consumer demand in key markets—such as the US, Europe, Japan, and South Korea—has yet to show a clear recovery; and (2) The company has limited room to raise selling prices to offset input costs, keeping profit margins under pressure. Nevertheless, we expect TNG's 2026 revenue to grow by +10% YoY, driven by: (1) Continued market share expansion in the high-tech product segment, as China gradually loses its competitive edge in the US due to high tariffs, while countries like Bangladesh and India have yet to meet production capacity and quality requirements; (2) Enduring client relationships and substantial production capacity, which help TNG sustain order volumes; and (3) Management's confirmation that orders have been secured through the end of 2026, with negotiations for 2027 orders scheduled for September 2026.
Growth (%YoY)		10	3	
FOB & Bedding segment	7,305	8,036	8,277	
(VND billion)	11	10	3	
Growth (%YoY)	1,364	1,473	1,503	
CMT segment (VND billion)	20	8	2	
Growth (%YoY)	29	29	29	
Real Estate segment and others	-65	0	0	
Growth (%YoY)				
Gross Profit (VND billion)	**1,239**	**1,389**	**1,464**	We expect TNG's gross profit margin to remain stable at around 14% in 2026, driven by: (1) input costs facing no significant pressure, thanks to raw material and accessory prices having been locked in at reasonable levels in advance; and (2) increased exports of high-margin technical product lines, which help offset some of the pressure from US tariffs and geopolitical risks (such as volatile logistics costs).
Growth (%YoY)		9	5	
Gross Profit Margin (%)	**14**	**14**	**15**	
Profit Before Tax (VND billion)	485	541	568	TNG's net profit is expected to continue facing pressure from rising interest expenses, as borrowing rates are projected to remain high. However, we anticipate that revenue growth and effective control over the cost of goods sold will enable TNG's profits to maintain their upward momentum.
Growth (%YoY)		12	5	
NPAT (VND billion)	**393**	**433**	**454**	
Growth (%YoY)		11	5	

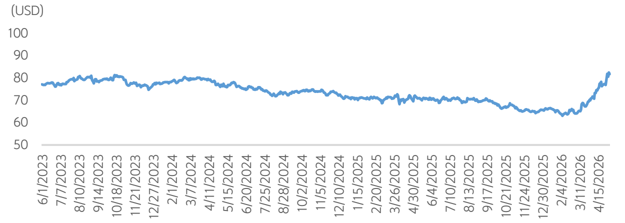
Source: Company data, Shinhan Securities Vietnam

The increase in TNG's accounts receivable during the first half of 2026 was primarily driven by US-based clients (such as Haddad and Columbia) (Billion VND)



Source: TNG, Shinhan Securities Vietnam

Cotton prices have surged due to shrinking supplies, escalating input costs, and recovering consumption demand.



Source: Bloomberg, Shinhan Securities Vietnam

*** Section 301 Tariffs**

Overview:

- Section 301 tariffs stem from a provision in the U.S. Trade Act of 1974 that authorizes the Office of the United States Trade Representative (USTR) to investigate and impose tariffs on countries deemed to be engaging in unfair trade practices or actions that harm U.S. businesses and workers. Unlike reciprocal tariffs, Section 301 tariffs are targeted, applying to specific categories of conduct and specific groups of goods. Furthermore, this type of tariff involves rigorous procedural requirements—including investigations, public hearings, and the issuance of official findings—and is long-lasting; it is difficult to overturn in court because it is grounded in a factual investigative record.
- **History of U.S. Section 301 tariff application:** Between 1974 and 1994, the U.S. primarily used Section 301 as a negotiating lever to compel trading partners—such as Japan, South Korea, and the EU—to open their markets. Following the establishment of the WTO in 1995, the U.S. shifted its priority toward resolving trade disputes under WTO rules rather than unilaterally imposing retaliatory measures. However, starting in 2017–2018, the U.S. resumed aggressive use of Section 301, most notably by imposing tariffs (at a rate of 25%) on Chinese goods to exert pressure regarding technology transfer, intellectual property rights, and industrial policies. By March 2026, the U.S. had further expanded its use of Section 301. This round of investigations extended beyond China to encompass various other trading partners, addressing new issues such as **forced labor, overcapacity, and intellectual property rights**. Starting in March 2026, the USTR initiated four separate investigative tracks—each targeting a different group of nations—with Vietnam included in three of them.

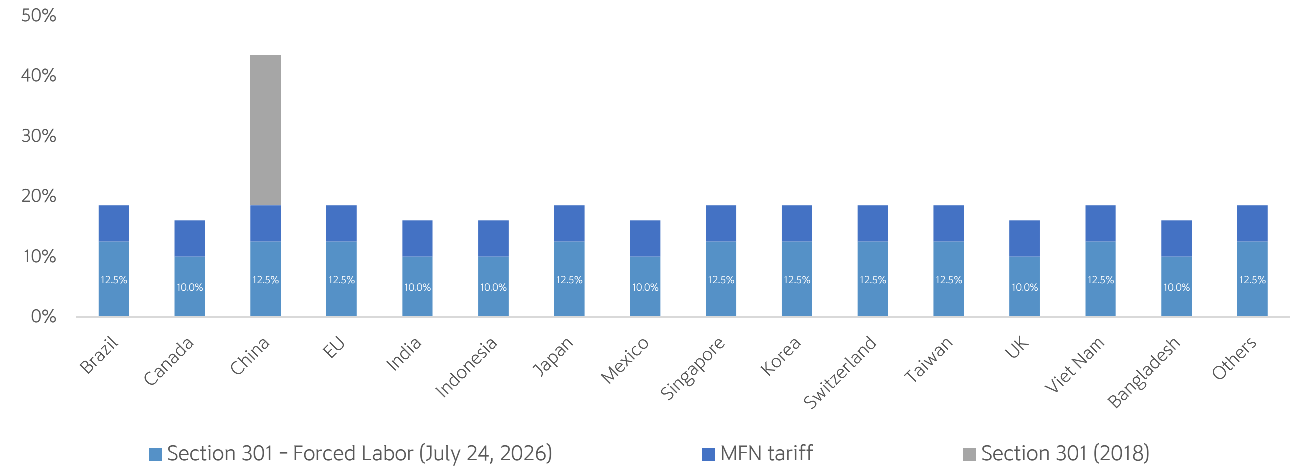
Investigation Area	Initiation Date	Conclusion Date	Effective Date	Scope of Application	Affected Industries	Tariff Rate
Forced Labor	12/3/2026	23/7/2026	24/7/2026	60 countries and territories, including **Vietnam**	All goods except: computers, phones, semiconductor components, etc.	10-12.5%
Overcapacity	12/3/2026	Not yet announced	Not yet announced	16 countries: China, EU, Singapore, Switzerland, Norway, Indonesia, Malaysia, Cambodia, Thailand, South Korea, **Vietnam**, Taiwan, Bangladesh, Mexico, Japan, India	Steel, aluminum, automobiles, batteries, semiconductors, electronics, chemicals, solar energy, shipbuilding	Not yet announced
Intellectual Property	29/5/2026	Expected Nov 29, 2026	Not yet announced	**Vietnam (Priority List – the only country for which USTR initiated an investigation in 2026);** Chile, China, India, Indonesia, Russia, and Venezuela (Priority Watch List – no investigation); 19 other partners such as the EU, Brazil, Thailand, etc. (Watch List – no investigation)	Not yet announced	Not yet announced
Undervaluation of Pharmaceuticals	18/6/2026	Not yet announced	Not yet announced	Germany	Pharmaceuticals	Not yet announced

Data updated as of August 10, 2026. Source: USTR; compiled by Shinhan Securities

- **Forced labor:** According to the USTR's conclusion issued on July 23, 2026, Vietnam—and the textile and garment industry in particular—is subject to a 12.5% tariff. This is because the country lacked laws banning the import of goods produced using forced labor that met U.S. standards, despite having issued Decree 292* just one day prior (July 22) to address the issue.
- **Overcapacity:** No conclusion has been reached yet, but there is a possibility that this could be added cumulatively to the forced labor tariff. We estimate the potential tariff rate to range between 2.5% and 12.5%.
- **Intellectual property:** This investigation stems from the 2026 Special 301 Report, which designated Vietnam as a "Priority Foreign Country" (PFC)—the first time in 13 years a nation has been placed in this category. The USTR highlighted five key issues: failures in combating online copyright infringement, counterfeiting, border control enforcement, unlicensed software use, and satellite signal theft. The USTR has announced that the investigation's findings are expected to be released on November 29, 2026.

**Decree 292/2026/ND-CP (issued on July 22, 2026) replaces Decree 69/2018/ND-CP and provides detailed regulations and implementation guidelines for the Law on Foreign Trade Management. Notably, Appendix I—listing goods banned from export and import—was amended to include the category: "Products and goods extracted, produced, or manufactured—wholly or in part—through forced labor." The Decree officially takes effect on September 5, 2026.*

Update on Section 301 tariff rates by country as of August 10, 2026



Source: USITC, Shinhan Securities Vietnam

Assessment of the impact on Vietnam's textile and garment industry:

Vietnam is currently subject to a 12.5% tariff under Section 301 regarding forced labor—a rate equivalent to that of China but higher than the 10% rate applied to Bangladesh, India, and Indonesia. This tariff rate could rise further if the impacts of the two remaining investigation strands—concerning overcapacity and intellectual property—are compounded. According to Allianz Research, under a scenario where all three investigation strands are combined, Vietnam's minimum tariff rate could reach approximately 15%.

- At this rate, Vietnam would still maintain a certain competitive advantage over China, which faces a tariff of around 35%. However, compared to regional peers such as the Philippines, Bangladesh, and India (10%), Thailand (8%), and Malaysia (7%), Vietnam's cost advantage would narrow significantly. This could affect the country's ability to attract orders shifting from other markets—particularly in price-sensitive segments—while increasing competitive pressure on exporters during future order negotiations.

Furthermore, Bangladesh, Cambodia, Indonesia, and Malaysia benefit from the US Tariff-Rate Quota (TRQ) mechanism, whereas Vietnam does not currently enjoy this privilege.

Under the TRQ mechanism, specific volumes of textile and garment exports from these countries to the US can qualify for a 0% tariff rate, with quotas determined by the scale of imports of US-origin cotton and textile raw materials. However, the TRQ will not be implemented immediately on July 24, 2026. According to the USTR announcement, the mechanism will take effect once necessary conditions are met, with implementation expected no later than September 1, 2026. Consequently, prior to the TRQ mechanism officially taking effect, textile and apparel products from the aforementioned countries remain subject to Section 301 tariffs ranging from 10% to 12.5%.

If Vietnam does not benefit from the TRQ mechanism, price-based competitive pressure could intensify from 2027 onwards:

- The tariff advantages derived from the TRQ mechanism could influence how international brands allocate orders. However, the impact will vary depending on product segments and individual enterprise capabilities. For products with high substitutability where price competition is the primary factor, the tariff advantages enjoyed by Bangladesh, Indonesia, or Malaysia could place greater pressure on Vietnam to retain and attract orders. Conversely, the impact on high-tech products may be more limited, as countries like Bangladesh and India currently lack significant advantages in manufacturing items that demand high technical standards, quality, and complexity. Accordingly, enterprises with stable production capabilities, a significant share of high-tech products, and long-standing partnerships with brands—such as TNG—are expected to maintain their order volumes in the near future..

If Vietnam is added to the list of countries eligible for the TRQ mechanism, price-based competitive pressure would be alleviated:

- **We believe Vietnam is well-positioned to negotiate its inclusion in this mechanism in the near future**, given its status as the largest importer of US cotton, with import values projected to reach approximately USD 1.3 billion in 2025. A successful negotiation would **reduce price-based competitive pressure**, thereby improving Vietnam's standing in new order allocations. Furthermore, enterprises with strong production capabilities and product quality—such as TNG—would be able to compete based on fulfillment capacity, quality, and product complexity rather than relying solely on price.

Valuation and Recommendation

Updated with BUY recommendation, target price of VND 24,900

We employ the DCF method to value TNG. We issue a "BUY" recommendation with a target price of VND24,900, representing a 44.9% upside. This target price has been revised down by 10%—from VND27,600/share to VND 24,900/share—compared to our previous report, primarily due to a more cautious stance regarding US tariff risks and unpredictable geopolitical uncertainties in the near term.

Valuation method

We apply the Discounted Cash Flow Method (FCFF) to value TNG Investment and Trading JSC.

Method	Weight	Price (VND)
FCFF	100%	24,919
Target Price		24,919
Target Price (rounded)		**24,900**
Current Price		17,200
Return (%)		**44.9%**

Discounted Cash Flow method (DCF) – FCFF

Variable	Value
D/E	0.32
Beta	1.2
Risk - free rate	4.5%
Cost of equity	15%
Cost of debt	9%
WACC	12%

TNG's FCFF valuation model

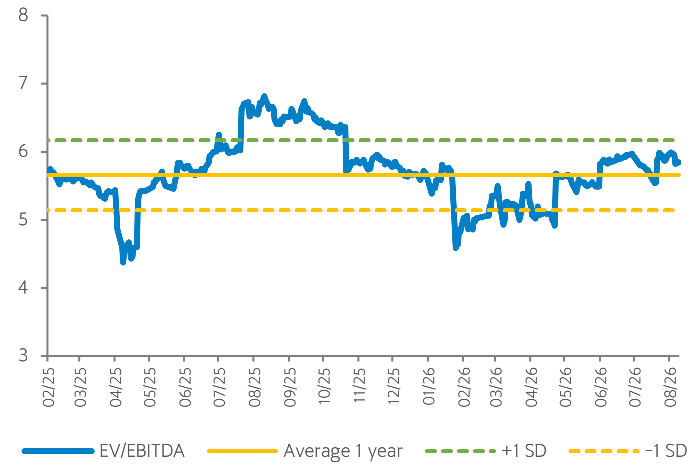
Unit: billion VND	2026F	2027F	2028F	2029F	2030F
Net profit	433.2	454.2	495.1	560.3	628.2
+ Interest after tax	410.4	442.4	458.1	-498.3	-512.9
+ Depreciation	281.8	295.0	312.9	325.4	341.4
- Change in working capital	-447.5	-338.5	-226.0	89.0	137.7
- - Investment capital	395.0	350.0	350.0	350.0	350.0
Free Cash Flow (FCF)	**1072.9**	**1203.1**	**1390.2**	**826.5**	**944.4**
PV of FCF	3,946.4				
Growth rate	2%				
Present value of free cash flow	2,849.6				
Enterprise value	**6,796.0**				
- In debt	4,417.0				
+ Cash and cash equivalents	676.0				
Value of equity	**3,055.1**				
Number of outstanding shares (million units)	0.1				
Target price (VND/share)	**24,919**				

Source: Company data, Shinhan Securities Vietnam

P/E

Source: Bloomberg, Company data, Shinhan Securities Vietnam

EV/EBITDA

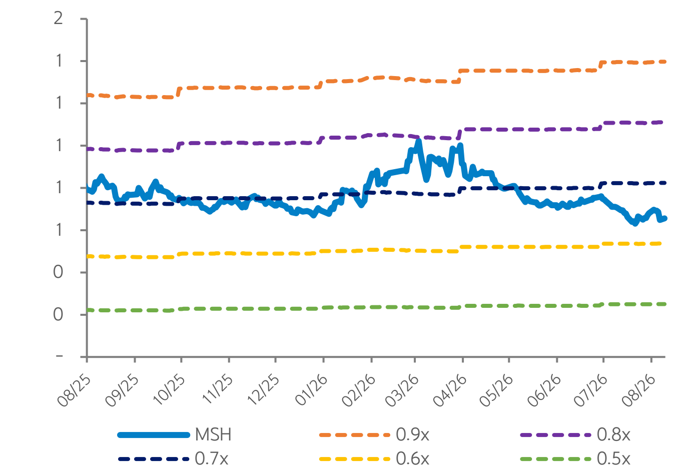


Source: Bloomberg, Company data, Shinhan Securities Vietnam

P/B

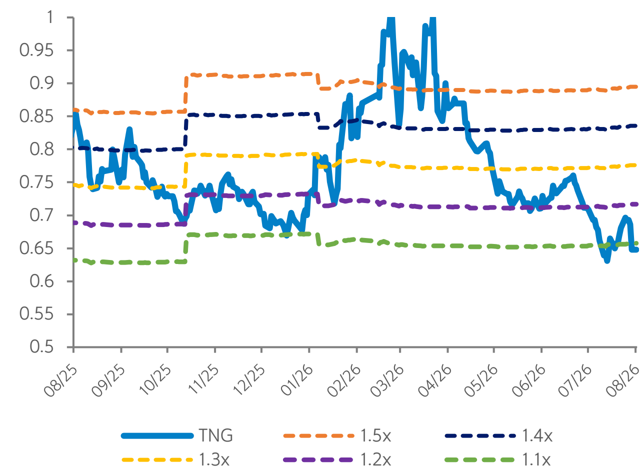
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Giá với các mức P/S



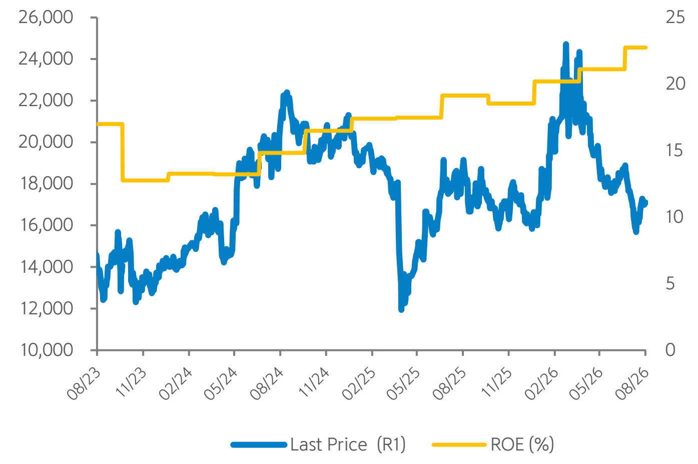
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Giá với các mức P/B



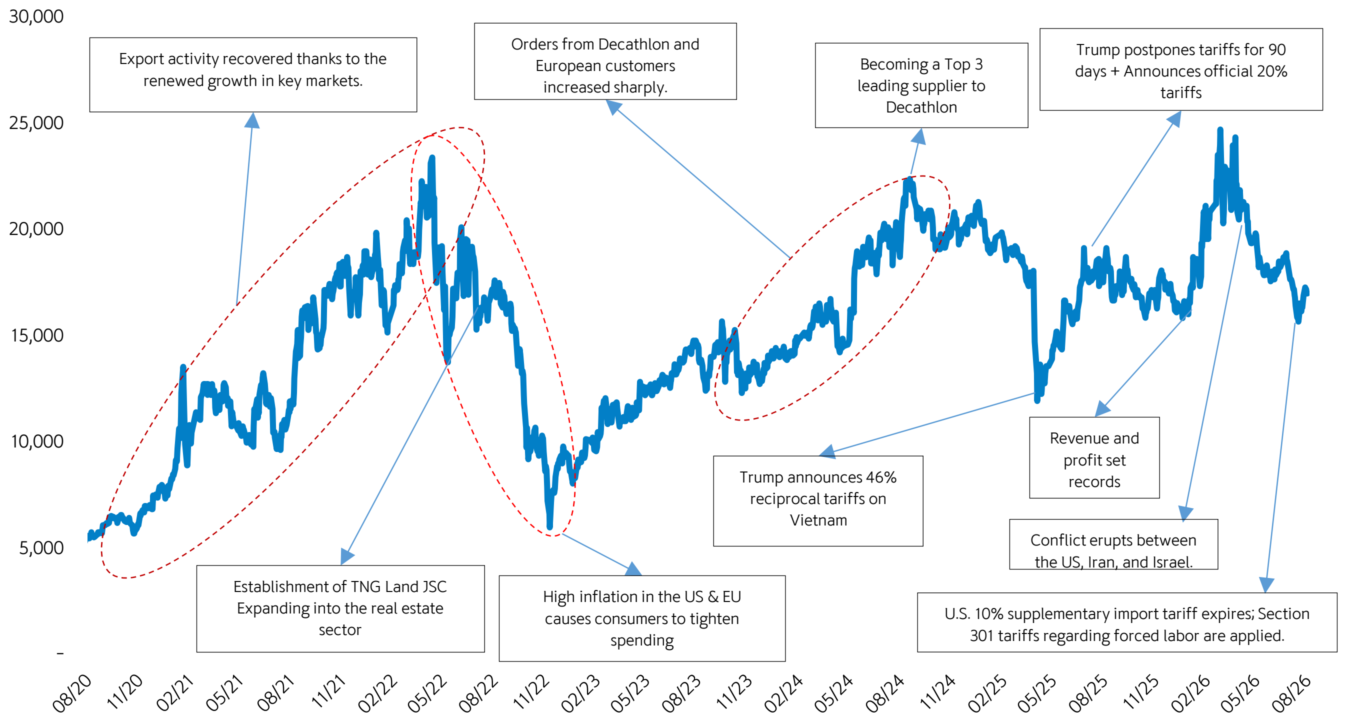
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Giá cổ phiếu TNG tương quan với ROE



Source: Bloomberg, Company data, Shinhan Securities Vietnam

Key events of TNG



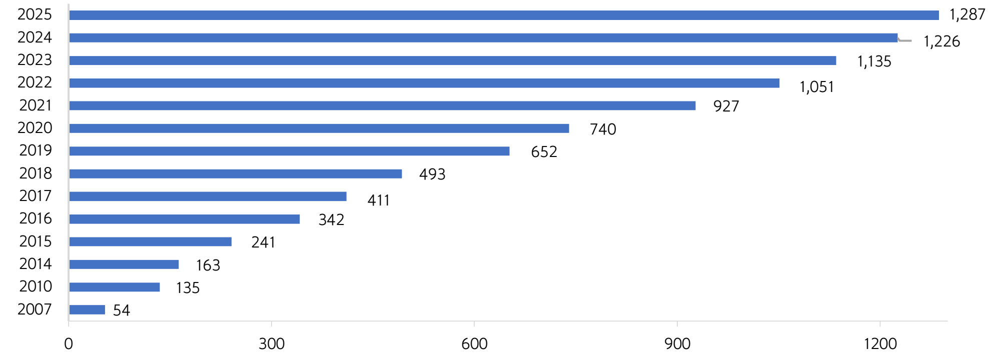
Source: Bloomberg, Company data, Shinhan Securities Vietnam

Company overview

1. History of Development of TNG

TNG Investment and Trading JSC (HNX: TNG) was established in 1979, originally operating as Bac Thai Garment Factory. In 2007, the company was listed on the Hanoi Stock Exchange (HNX) under the ticker TNG, with an initial charter capital of VND 54 billion. As of the end of 2025, the company's charter capital had increased by approximately 25 times, reaching VND 1,328 billion.

TNG's charter capital for the period 2020-2025 (VND Billion)

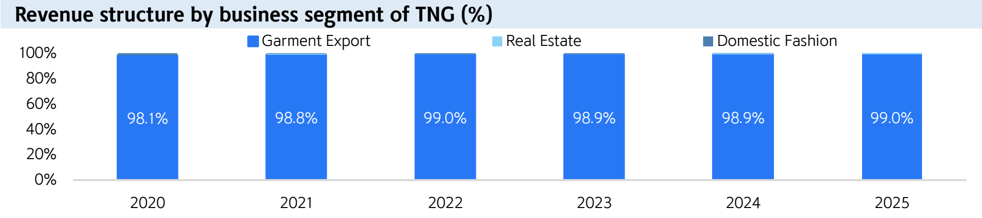


Source: Company report, Shinhan Securities Vietnam

2. Business activities

TNG currently operates in three main business segments: garment exports, real estate, and domestic fashion. Among these, garment exports are the company's core business, accounting for approximately 99% of total revenue in 2025. In the real estate segment, TNG focuses on industrial real estate and residential properties, with key projects including Son Cam Industrial Cluster 1 & 2 and TNG Village, among others. In addition, in the domestic fashion segment, the company has owned and operated its proprietary fashion brand, TNG Fashion, since 2016. However, revenue from this segment remains insignificant, contributing only 0.05% of total revenue in 2025).

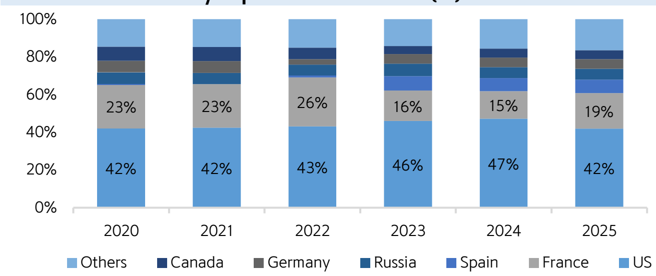
Revenue structure by business segment of TNG (%)



Source: Company report, Shinhan Securities Vietnam

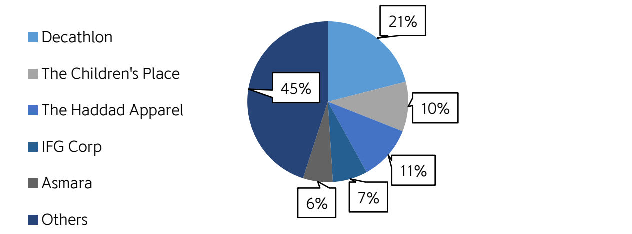
In the garment export segment, TNG is one of Vietnam's leading apparel exporters, with export turnover reaching USD 347 million, ranking among the top seven garment exporters nationwide by export value. The company's products are primarily exported to the US and EU markets (including France, Spain, Germany, and Russia), which accounted for 45% and 33% of total export revenue, respectively, in 2025. Among these, the EU market is highly strategic for TNG, not only due to its strong consumption capacity but also because of the company's long-standing relationship with its strategic customer Decathlon—the world's largest sporting goods retailer. TNG currently ranks among the top three suppliers of Decathlon (France), with revenue from this customer accounting for an average of approximately 30% of TNG's total revenue over the 2017–2025 period. As such, the EU market represents a long-term strategic focus for TNG. In addition, in the US market, The Children's Place, Asmara, and Haddad are TNG's major customers, collectively contributing approximately 64% of the company's US-market revenue in 2025.

Revenue structure by export market of TNG (%)



Source: Company report, Shinhan Securities Vietnam

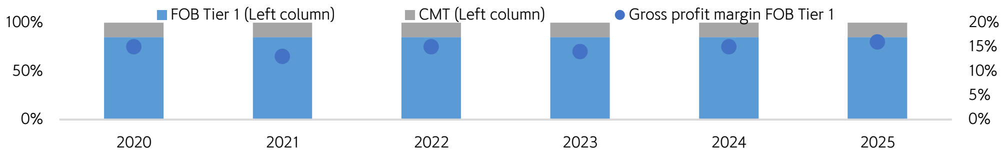
Estimated customer structure of TNG in 2025 (%)



Source: TNG, Vietnam General Department of Customs , Shinhan Securities Vietnam

TNG's main export products include jackets, cargo pants, sportswear, and children's apparel, among others. These products require mid-level technical complexity and typically generate gross margins of approximately 14–18%, which are about 2–6 percentage points lower than those of higher-end segments such as suits and formal wear produced by peers like MSH and HTG. In addition, TNG also manufactures padding cotton (a key input for jackets), paper packaging, industrial printing products, and garment accessories (buttons, threads, zippers, etc.). However, these products do not contribute materially to TNG's overall revenue.

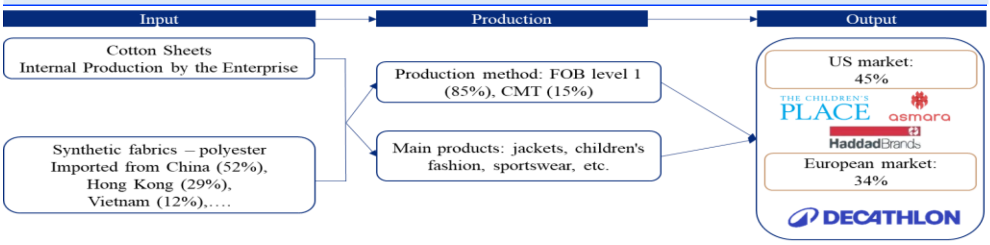
Revenue structure by production method of TNG (%)



Source: Company report, Shinhan Securities Vietnam

Regarding production methods, FOB Level 1 and CMT (Cut–Make–Trim) are the two manufacturing models adopted by TNG, accounting for approximately 85% and 15% of total output, respectively. Under the FOB Level 1 model, TNG uses advance working capital funded by borrowings to purchase raw materials from suppliers designated by customers, and then carries out the full production process—from cutting and sewing to finishing and export delivery. This model generates gross margins of approximately 15–20%, higher than those under the CMT model, but it also requires TNG to increase its debt levels to finance raw material procurement. Under the CMT model, TNG participates only in the cutting and sewing stages, resulting in lower gross margins of around 10–15% compared to the FOB Level 1 model.

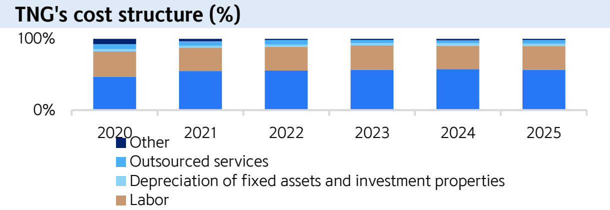
TNG's Value Chain



Source: Shinhan Securities Vietnam compilation

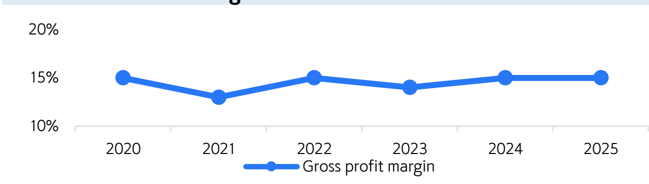
TNG's input materials are cotton batting and synthetic fabrics. TNG produces its own cotton batting and uses it mainly to make jackets – its main export product to the EU (for the large customer Decathlon). However, raw material costs still account for about 60% of TNG's total costs because it has to import most of its fabric from China (52%), Hong Kong (29%), Vietnam (12%),… to serve production. The main reasons are: (1) Insufficient capacity and technology to produce its own fabric and (2) Customers prefer imported fabric from China due to its lower cost and diverse designs.

TNG's cost structure (%)



Source: Company report, Shinhan Securities Vietnam

TNG's Gross Profit Margin

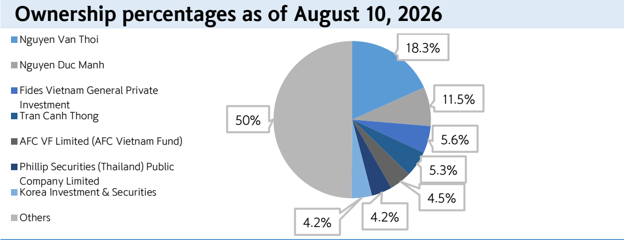


Source: Company report, Shinhan Securities Vietnam

3. Organizational structure

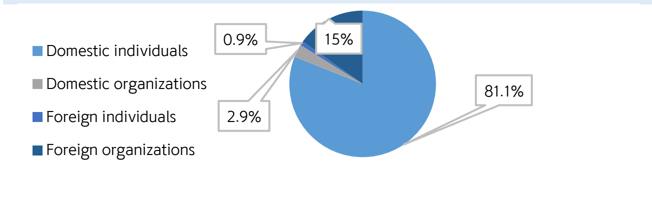
TNG's shareholder structure is distributed as follows: specifically, Mr. Nguyen Van Thoi's family – Chairman of the Board of Directors – and his son Nguyen Duc Manh – General Director – hold nearly 30% of the capital; followed by Fides Fund Management Company with a 5.6% ownership stake.

Ownership percentages as of August 10, 2026



Source: Company report, Shinhan Securities Vietnam

Shareholder structure



Source: Company report, Shinhan Securities Vietnam

Appendix: Financial Statements

Statement of financial position

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Total assets	**5,230**	**5,817**	**6,909**	**8,344**	**8,678**
Current assets	2,260	2,638	3,386	3,905	3,913
Cash and cash equivalents	284	445	317	391	348
Short-term financial	15	260	467	495	495
Accounts receivable	775	740	1,014	1,417	1,463
Inventories	1,039	1,074	1,446	1,477	1,463
Other assets	147	118	126	127	144
Long-term assets	2,971	3,179	3,541	4,439	4,765
Fixed assets	2,185	2,117	2,716	3,242	3,531
Construction in progress	282	459	174	280	281
Long-term financial	0	140	140	323	323
Other assets	503	463	510	593	630
Total liabilities	**3,376**	**3,924**	**4,907**	**6,475**	**6,794**
Current liabilities	2,545	2,751	3,818	5,322	5,588
Accounts payable	477	777	862	1164	1199
Advance payments from	9	7	4	9	9
Loans and finance leases	1,819	1,607	2,371	3,557	3,734
Others	240	360	582	593	646
Long-term liabilities	830	1,173	1,089	1,153	1,206
Loans and finance	821	1,093	956	1,145	1,197
Others	9	80	133	8	8
Owner's equity	**1,855**	**1,892**	**2,002**	**1,868**	**1,884**
Owner's capital contribution	1,135	1,226	1,287	1,287	1,287
Capital surplus	41	41	41	41	41
Retained earnings	173	222	271	282	298
Others	373	403	403	258	258
Non-Controlling	133	-	-	-	-
*Total Debt	2,641	2,700	3,327	4,701	4,932
*Net Debt (Cash)	2,357	2,255	3,010	4,310	4,584

Source: Company data, Shinhan Securities Company

Statement of cash flow

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Cash flow from operations	**481**	**746**	**(259)**	**69**	**369**
Net profit	271	390	484	541	568
D&A expenses	221	235	282	282	295
(Gain)/loss from investing activities	-	4	4	(21)	(21)
Change in working capital	(163)	(103)	(310)	(448)	(339)
Others	151	220	(718)	(286)	(134)
Cash flow from investments	**(725)**	**(494)**	**(90)**	**(395)**	**(321)**
Change in fixed assets	(712)	(254)	(79)	(395)	(350)
Change in investment assets	2	4	(205)	-	29
Others	(15)	(244)	194	-	-
Cash flow from financing	**15**	**(90)**	**222**	**400**	**(91)**
Change in equity	84	-	61	-	-
Net borrowings	19	52	434	722	231
Dividends	(87)	(143)	(274)	(322)	(322)
Change in total cash	**(229)**	**162**	**(127)**	**74**	**(43)**
Beginning cash	512	283	445	317	391
Change in FX rates	-	-	-	-	-
Ending cash	283	446	317	391	348

Source: Company data, Shinhan Securities Company

Statement of comprehensive income

Year to Dec. (bn VND)	2023	2024	2025	2026F	2027F
Net revenue	**7,098**	**7,656**	**8,699**	**9,538**	**9,809**
Growth (%)	5	8	14	10	3
COGS	(6,114)	(6,474)	(7,430)	(8,149)	(8,344)
Gross profit	**984**	**1,182**	**1,268**	**1,389**	**1,464**
GPM (%)	13.9	15.4	14.6	14.6	14.9
SG&A	692	781	761	84	867
Operating profit	**292**	**401**	**507**	**541**	**597**
Growth (%)	(22)	37	27	7	10
OPM (%)	4	5	6	6	6
Non-operating profit	**(18)**	**(10)**	**(23)**	**-**	**29**
Financial income (FI)	94	125	117	103	123
Financial expense (FE)	(326)	(371)	(322)	(384)	(414)
In which: interest expenses	(192)	(184)	(241)	(342)	(369)
Net other non-operating profit	214	236	182	281	321
Pre-tax profit	**274**	**390**	**484**	**541**	**568**
Income tax	(52)	(76)	(92)	(108)	(114)
Net profit	**222**	**316**	**392**	**433**	**454**
Growth (%)	(24)	42	24	11	5
NPM (%)	3	4	5	5	5
Controlling interest	218	316	392	433	454
Non-controlling interest	2	-	-	-	-
EBIT	**82**	**206**	**243**	**199**	**199**
Growth (%)	(59)	152	18	(18)	-
EBIT Margin (%)	1	3	3	2	2
EBITDA	**303**	**441**	**524**	**481**	**494**
Growth (%)	(23)	46	19	(8)	3
EBITDA margin (%)	4	6	6	5	5

Source: Company data, Shinhan Securities Company

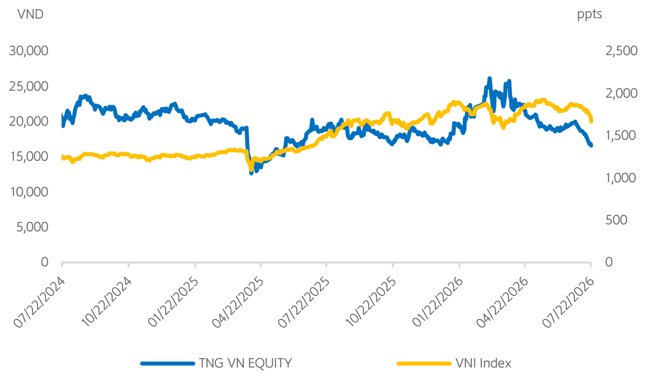
Key ratios

Year to Dec.	2023	2024	2025	2026F	2027F
EPS (đồng)	2,019	2,693	3,184	3,533	3,705
BPS (đồng)	16,339	15,435	15,554	14,518	14,633
DPS (đồng)	800	2,000	2,200	2,500	2,500
PER (x)	9.9	9.3	5.7	6.5	6.2
PBR (x)	1.2	1.6	1.2	1.6	1.6
EV/EBITDA (x)	6.9	15.0	12.6	13.6	13.2
Dividend payout ratio (%)	0.4	0.7	0.7	0.7	0.7
Dividend yield (%)	4.7	11.7	12.9	14.6	14.6
Profitability					
EBITDA margin (%)	4.3	5.8	6.0	5.0	5.0
OPM (%)	4.1	5.2	5.8	5.7	6.1
NPM (%)	3.1	4.1	4.5	4.5	4.6
ROA (%)	4.2	5.7	6.2	5.7	5.3
ROE (%)	12.7	16.9	20.1	22.4	24.2
Stability					
Debt to equity ratio (x)	142	143	166	252	262
Cash ratio	0.1	0.3	0.2	0.2	0.2
Interest coverage ratio (x)	0.4	1.1	1.0	0.6	0.5
Activity (%)					
Payable turnover (days)	69	59	62	67	66
Inventory turnover (days)	69	59	62	65	64
Receivable turnover (days)	30	33	36	47	54

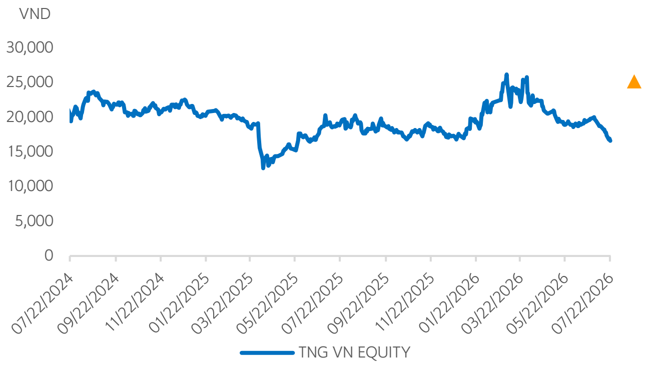
Source: Company data, Shinhan Securities Company

TNG Investment and Trading JSC (TNG VN)

Stock price



Target price



Date	Rating	Target price (VND)	Target price gap (%) Average	Max/ Min
09/02/2026 (Initial report)	BUY	27,600	45.3	15.5/95.7
12/08/2026 (Update report)	BUY	24,900	15.5	-11.1/64.9

Note: Calculation of target price gap based on past 12 months

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Stock	Sector
• **BUY:** Expected 12-month gain of 15% or more • **HOLD:** Expected 12-month loss of 15% to gain of 15% • **SELL:** Expected 12-month loss of 15% or more	• **OVERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated BUY • **NEUTRAL:** Based on market cap, largest share of sector stocks under coverage is rated HOLD • **UNDERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated SELL

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