

No: 27420/CV-HAGL  
(Re: Interpretation of income statement in the  
Separate financial statements for the Quarter)

THE SOCIALIST REPUBLIC OF VIETNAM  
Independence – Freedom – Happiness  


Gia Lai, 27<sup>th</sup> April 2020

To:                   -   **The State Securities Commission**  
                          -   **Ho Chi Minh Stock Exchange**

Hoang Anh Gia Lai Joint Stock Company (“**the Company**”) (stock code: HAG), would like to interpret the separate financial statements for Quarter I/2020 compared against Quarter I/2019 as follows:

- Profit after tax Quarter I/2020: 16 billion VND.
- Loss after tax Quarter I/2019: 241 billion VND.

**the fluctuations are as follows:**

#### **1. Operating activities**

- Doanh thu bán hàng và cung cấp dịch vụ trong kỳ increased by 121 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 24 billion VND; Quarter I/2020: 145 billion VND). It was mainly due to an increase in fruit business and provision of material to agribusiness segment .
- Cost of goods sold and rendering of services increased by 106 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 24 billion VND; Quarter I/2020: 130 billion VND).
- Selling expense increased by 11 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 1 billion VND; Quarter I/2020: 12 billion VND). It was mainly due to increased transport cost and external purchase service arising as compared against Quarter I/2019.

#### **2. Financing activities**

- Financial income decreased by 65 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 295 billion VND; Quarter I/2020: 230 billion VND). Major fluctuations are as follows:
  - + Interest income decreased by 60 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 283 billion VND; Quarter I/2020: 223 billion VND).
  - + Dividends received decreased by 12 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 12 billion VND; Quarter I/2020: Không phát sinh).
  - + Profit on foreign exchange difference increased by 7 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 0; Quarter I/2020: 7 billion VND).
- Financial expenses decreased by 82 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 285 billion VND; Quarter I/2020: 203 billion VND). Major fluctuations are as follows:
  - + Interest expense decreased by 60 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 261 billion VND; Quarter I/2020: 201 billion VND). It was mainly due to a decrease in the loan balance.
  - + Provision for investments in subsidiaries decreased by 24 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 24 billion VND; Quarter I/2020: not generating).
  - + Loss on exchange rate difference increased by 2 billion VND as compared with that of the same period in 2019 (Quarter I/2019: 0; Quarter I/2020: 2 billion VND).

### 3. Other activities

Other profits increased by 237 billion VND as compared with that of the same period in 2019 (Quarter I/2019: (231) billion VND; Quarter I/2020: 6 billion VND). It was mainly due to the Group's reassessment of non-performing assets in Quarter I/2019. This amount did not generate substantially in Quarter I/2020.

The Group's other operations have been going on normally with no significant fluctuations.

Above is the Company's interpretation of income statement in the Consolidated financial statements for Quarter I/2020.

Yours faithfully,

**Recipients:**

- As above;
- Archived at Filing and Planning and Investment Department.

**HOANG ANH GIA LAI JOINT STOCK COMPANY  
GENERAL DIRECTOR**

**VO TRUONG SON**