

THE SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness



No. 2782021-2/CV-HAGL

(Re: Interpretation of Emphasis of matter in the reviewed financial statements)

Gia Lai, 27 August 2021

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

Hoang Anh Gia Lai Joint Stock Company (“Company”) (Stock code: HAG) would like to interpret the matter of emphasis in the reviewed financial statements as follows:

In the reviewed financial statements for the six-month period ended 30 June 2021, the auditor emphasized the accumulated loss in the Group's consolidated financial statements of VND 7,371,640,788 thousand and the accumulated loss in the Company's consolidated financial statements is VND 7,065,588,821 thousand. In addition, at this date, the Group is also in violation of a number of loan contract terms. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

At the date of the financial statements for the six-month period ended 30 June 2021, the Group has planned for the next 12 months including the cash flows expected to be generated from the partial disposal of financial investment, debt collection from partners and cash flow generated from projects in progress. The Group is also in the process of working with the lenders on correcting the violated terms of the relevant loan contracts. Accordingly, the Group can repay the due debts and continue operating in the next accounting period. On this basis, the Group's Board of Management has prepared the interim financial statements on the basis of satisfying the going concern assumption.

In addition, the Group has disclosed BOD Resolution No. 0208/21/NQHĐQT-HAGL to approve the final registration date to consult shareholders in writing on the use of share premium to reduce accumulated losses accounting for VND 3,263,858,784 thousand.

In 2021, revenue from fruit sales continues to account for a large proportion in the revenue structure, of which revenue from bananas sales generates major cash flow in short term due to short basic development period, high yield, and stable selling price. In addition, the Group's leaders have been advocating expansion of raising pigs and breeding cows. In the future, livestock sector promises to yield substantial revenue and generate cash flow for the Group. In addition, The Group also continues financial restructuring and negotiates with creditors to work out rescheduling of loans, reduced interest. Thus, in the Group's judgment they will be able to continue their normal operation and preparation of financial statements on the going concern basis is appropriate.

Above is the Company's interpretation of emphasis of matter in the reviewed FS for the six-month accounting period ended 30 June 2021.

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