**HNX: Explanation of Tay Ninh Tourist - Trading JSC**

On 28th April, 2017, Tay Ninh Tourist - Trading Joint Stock Company explained that:

1/ - Revenue from sale of goods and rendering of services in the 1st quarter, 2017 increased 27.95%, equivalent to the amount of VND 12,370,111,608 compared to the first quarter, 2016. Where:

- Revenue from sale of goods in the 1st quarter, 2017 increased 22.34%, equivalent to the amount of VND 7,959,310,606 compared to the 1st quarter, 2016.

- Revenue from transport in the first quarter, 2017 increased 80.19%, equivalent to VND 1,851,636,364 compared to the first quarter, 2016.

- Revenue from rental of premises and advertising in the first quarter, 2017 increased by 121.39%, equivalent to VND 2,887,130,091 compared to the first quarter, 2016.

*\* Causes:*

In 2017, the Company promotes the sale of goods and invests in additional 05 new electric cars, increasing capacity to serve tourists, and adjust the fare for transportation services from VND 5,000/ticket in 2016 to VND 8,000/ticket (since 1st January, 2017). In addition, the Company has arranged and restructured the revenue from lease of premises from traders in the National Ba Den Mountain tourist area which mainly focuses on the first quarter, 2017, accounting for 75 % of revenue of the whole year (in 2016, this revenue is divided equally in 4 quarters). The restructure of revenues on the basis the Company will focus on investment projects, according to Decision No. 388/QD-UBND dated 21st February, 2017 of the People's Committee of Tay Ninh province on approval of the project with scale of 1/500 at Ba Den Mountain, assign Tay Ninh Tourist - Trading Joint Stock Company as the employer.

2/ Cost of goods sold:

Cost to revenue ratio in the first quarter, 2017 is 79.74%, compared to the first quarter, 2016, 85.71%; where:

- The cost of goods in the first quarter, 2017 slightly decreased compared to the first quarter, 2016.

- The cost of transport services sharply decreased due to the redistribution of entitlement to revenue ratio (in 2017, the ratio of 70:30; in 2016, the ratio of 60: 40)

- Cost of premises decreased by 100% (the first quarter, 2016: VND826,989,000) due to the fact that since June, 2016, the company did not have to pay 35% of cost on the premises revenue under the Official Dispatch No. 3254/UBND-KTTC dated 16th November, 2016 of Tay Ninh Provincial People's Committee.

Revenue from rendering of services sharply increased while the cost decreased, resulting in profit after tax in the first quarter, 2017 increased 63.31% compared to the first quarter, 2016.

**II/ - Consolidated financial statements:**

In addition to the increase in revenue from sale of goods and rendering of services of the parent company in the 1st quarter, 2017 compared to the first quarter, 2016 (Tay Ninh Tourist - Trading Joint Stock Company), the sales target of the 1st quarter, 2017 of Cap Treo Nui Ba Tay Ninh Joint Stock Company increased 8.24% due to the increase in tourists of cable cars and slides. From the above factors, the consolidated revenue increased and net profit after tax increased 12.85% in the first quarter, 2017 compared to the first quarter, 2016.

Above is a report explaining the main reasons for the increase in profit after tax in the first quarter, 2017 compared to the profit after tax in the first quarter, 2016.