**TAR: Explanation for the difference in financial statement of 2019 year on year**

On 31 Mar 2020, Trung An Hi-Tech Farming Joint Stock Company explained the difference in financial statement of 2019 year on year as follows:

Regarding the separate financial statements:

Profit after tax of the holding company in 2019 decreased by VND 4.8 billion, equivalent to 13.6% compared to 2018, mainly due to the impact of the holding company's 2019 gross profit. In 2019, due to the impact of the US-China trade war and the political situation in the East Sea, the Chinese big market suddenly cut down Vietnam's rice import, which greatly affected rice exporting enterprises, including Trung An Company. The decrease in export volume led to 2019 revenue of the Holding company decreasing by VND 238 billion, corresponding to a ratio of 12.06% compared to 2019. Due to the impact of revenue in 2019, gross profit in 2019 decreased by VND 6.9 billion, equivalent to 5.07% compared to 2018. In response to the general situation of the economy, the Company has actively promoted domestic sales for partners such as Vineco, VinCommerce, Vinmart, Ngo Thoi Nhiem School Network, Thinh Rice, Vimex…and Trung An retail chain. However, domestic sales also had effects such as the effect of turnover, the effect of increasing interest expenses due to the extension of payment term and the increase in interest rates due to conversion from USD loans to VND loans. Financial expenses in 2019 increased by VND 4.9 billion, equivalent to 12.44% compared to 2018. However, the proportion of export decreased, so the sales expense and administrative expenses also decreased; particularly in 2019, sales expenses decreased by VND 4.5 billion, equivalent to 12.26%; administration expense reduced VND 1.5 billion, equivalent to 9.93%. In general, the total costs outside cost of goods sold in 2019 fluctuated not much compared to 2018, making a negligible impact on the net profit from business activities

Regarding the consolidated financial statements:

In 2019, Trung An Company bought additional shares at Trung An Kien Giang High-Tech Farming Joint Stock Company and became the holding company of Trung An Kien Giang Company. In 2019, the Company's consolidated profit reached VND 60 billion