**TAR: Explanation for the difference of over 10% in the after-tax profit in the financial statement of Q.1/ 2020 year on year**

On 12 May 2020, Trung An Hi-Tech Farming Joint Stock Company explained the difference of over 10% in the after-tax profit in financial statement of Q.1/ 2020 year on year as follows:

I. Separate financial statement:

The undistributed after-tax profit in the first quarter of 2020 of the holding company decreased by more than VND 3 billion, equivalent to 31% compared to the same period in 2020. The main reason was the financial expense increased by over VND 5 billion and sales expense increased by nearly VND 5 billion. Promoting the domestic sales and retail of high quality rice products increased sales expense, increased the debt recovery time, and reduced the capital turnover, leading to an increase in the Company's financial expense. In addition, at the end of the first quarter of 2020, due to the influence of the state policy for the temporary halt of rice export which increased storage costs and increased sales expense of the Company. However, boosting the domestic sales and retail made the Company's revenue grow more than 50% compared to the same period in 2020

II. Consolidated financial statement: Trung An Company owned a subsidiary in the fourth quarter of 2019, so in the first quarter of 2020, the Company's consolidated financial statement did not have comparable figures. In the first quarter of 2020, the undistributed after-tax profit of the whole company was nearly VND 32 billion due to the large contribution of 800 hectares owned by the Company's large sample field at its subsidiary - Trung An Kien Giang Company