**DRI: Explanation for the difference of over 10% in the financial statement of the first 6 months of 2020 year on year**

On 14 Aug 2020, Daklak Rubber Investment Joint Stock Company explained the difference of over 10% in the financial statement of the first 6 months of 2020 year on year as follows:

Daklak Rubber Investment Joint Stock Company was established under the Business Registration Certificate No. 6001 271719 by the Department of Planning and Investment of Dak Lak province for the first time on 24 Feb 2012, registration for the 7th change on 29 Sep 2015

We would like to explain the profit difference in the reviewed semi-annual financial statement of 2020 of the holding company and reviewed consolidated semi-annual financial statement of 2020 compared to the same period in 2019

1. Reviewed semi-annual financial statement of the holding company:

- After-tax profit in the reviewed semi-annual financial statement of 2020 of the holding company was VND 18,503,740,054, an increase of 25.51% year on year; After-tax profit in the reviewed semi-annual financial statement of 2019 of the holding company was VND 14,742,406,804. The reason was that in the second quarter of 2020, the Company recognized the interest distributed from the subsidiary with an amount of VND 15,290,375,760

2. Reviewed consolidated semi-annual financial statement:

- Profit after tax in the reviewed consolidated semi-annual financial statement of 2020 was VND (21,515,384,615); Profit after tax in the reviewed consolidated semi-annual financial statement of 2019 was VND 8,205,430,190. The reason was that in the first 6 months of 2020, the average selling price of rubber products decreased by 8.58%, the sales decreased by 41.41%. At the same time, the exchange rate difference loss was more than VND 7.2 billion

- Profit after tax in the consolidated semi-annual financial statement of 2020 was VND (34,576,183,615); Profit after tax in the reviewed consolidated semi-annual financial statement of 2020 was VND (21,515,384,615). The difference was 38.77% before and after reviewing. The reason was adjustment of fertilizer costs in accordance with the production in the period

The above is the explanation of the main factors affecting the fluctuation of semi-annual profit in 2020 compared to the same period in 2019, the difference before and after the audit of the semi-annual financial statement of the Company.