**HTM: Explanation for the difference of over 10% in the after-tax profit in the separate and consolidated financial statement of Q.2/ 2020 year on year and loss of profit after tax in the consolidated financial statement of Quarter 2/ 2020**

On 30 July 2020, Hanoi Trade Joint Stock Corporation explained the difference of over 10% in the after-tax profit in the separate and consolidated financial statement of Q.2/ 2020 year on year and loss of profit after tax in the consolidated financial statement of Quarter 2/ 2020as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Indicator** | **Q.2/ 2020** | **Q.2/ 2019** | **Difference** | |
| **Amount** | **Rate** |
| Profit after tax in the separate financial statement | 707,154,794 | 7,524,625,914 | (6,817,471,120) | -90.6% |
| Profit after tax in the consolidated financial statement | (1,367,006,520) | 11,515,669,110 | (12,882,675,630) | -111.8% |

1. Profit after tax in the separate financial statement of the 2nd quarter of 2020 decreased by 90.6% compared to the same period in 2019 due to the following reasons:

Due to serious influence of Covid 19 epidemics on key business activities of the Corporation, agricultural export operation and domestic trading activities were also impacted badly. Thus, revenue and profit of the Corporation were also seriously affected.

Added to this, data of last year: Profit in Quarter 2, 2019 was higher than that of this year because the Corporation achieved an amount of other incomes, which came from penalty of contract violation of customers as well as income from share transfer of the Corporation at some joint stock companies that the Company contributed capital before.

2. Profit after tax in the consolidated financial statement in the 2nd quarter of 2020 decreased by 111.8% compared to the same period in 2019 mainly due to the decrease in the profit of the holding company with main reasons as stipulated in Article 1 above. Furthermore, profit after tax in Quarter 2, 2020 got loss due to loss of profit of subsidiaries. The subsidiaries of the Corporation specialize in production and business in food service, travel service, handicraft trading and export operations and so on. These activities were also seriously influenced by Covid 19 epidemics.