

No: 05./2025CV-HAGL Agrico

Gia Lai, January 24, 2025

(Explanation of losses and fluctuations in profit
after tax on the financial statements of Quarter
IV/2024 compared to the same period)

To: **HA NOI STOCK EXCHANGE**

- According to Securities law No. 54/2019/QH14 dated November 26, 2019 of the National Assembly of Viet Nam from 1 January 2021;
- Pursuant to Circular No. 96/2020/TT-BTC, dated November 16, 2020, of the Ministry of Finance, which effectively guides the disclosure of information on the stock market;
- Based on the Separated and consolidated financial statements (“FS”) for Quarter IV/2024 of Hoang Anh Gia Lai Agricultural Joint Stock Company.

Hoang Anh Gia Lai Agricultural Joint Stock Company (“Company” stock code: “HNG”) would like to explain the losses and fluctuation in profit after tax on the separate financial statements and the consolidated financial statements:

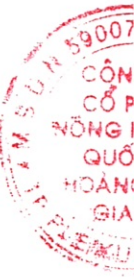
Unit: billion Dong

Items	FS Quarter IV/2024	FS Quarter IV/2023	Difference
Losses after CIT in the separate financial statements	(939.5)	(15.5)	(924.0)
Losses after CIT in the consolidated financial statements	(730.7)	(652.4)	(78.3)

The loss after-tax on the separate financial statements for Q4/2024 was **VND 939.5 billion**, an increase compared to Q4/2023 which was **VND 924 billion**. The main reason is in Q4/2024, the Company recognized a provision for investment in its subsidiary amounting to **VND 1,153 billion**. Additionally, the USD/VND exchange rate increased in Q4/2024, hence the Company recorded a gain from foreign exchange rate differences due to the revaluation of receivables from subsidiaries and other entities with foreign currency-denominated debts.

The loss after-tax on the consolidated financial statements for Q4/2024 was **VND 730.7 billion**, with the loss being influenced by the following factors:

Fruit: The production in Q4/2024 was **3,664 tons**, a 43% decrease compared to **6,381 tons** in Q4/2023, with revenue reaching only **VND 50 billion**. The main reason for this decline was the reduction in the banana plantation area harvested compared to last year (from 1,051 ha down to 494 ha). This is due to the Company halting maintenance to focus on land leveling and orchard rehabilitation to improve quality and efficiency. At the same time, the Company was implementing an investment model for an enterprise that comprehensively



upgrades infrastructure and mechanized equipment, as well as applies new technical processes to stabilize production, enhance productivity and quality, and improve efficiency in the future.

Rubber: The production in Q4/2024 was **3,713 tons**, with revenue reaching VND **152.8 billion**. The total area of rubber plantations that have been fully developed is 15,192 hectares, but the area that can be effectively tapped is only 4,932 hectares. According to accounting standards, the Company is recording depreciation expenses for the entire rubber plantation area that has been developed into fixed assets, including plantations that do not yet yield harvestable produce.

At the same time, in Q4/2024, the Company recognized a conversion cost for several inefficient orchards with a total value of **VND 327.5 billion**.

The above explains the losses and changes in the business results in the separated and consolidated financial statements for Q4/2024 of Hoang Anh Gia Lai Agricultural Joint Stock Company.

Sincerely./.

Sign on behalf of CEO

DEPUTY CEO

Recipients:

- *As above;*
- *Save.*



Nguyễn Hoàng Phi

