

**HOANG ANH GIA LAI  
AGRICULTURE JOINT STOCK  
COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**  
Independence – Freedom – Happiness

No: *44*./2025/CV-HAGL Agrico  
(Re: Explanation of the Audited Financial  
Statements for year 2024)

*Gia Lai, March 31<sup>st</sup>, 2025*

**To: HANOI STOCK EXCHANGE**

- Pursuant to the Securities Law No. 54/2019/QH14 dated November 26, 2019, of the National Assembly of the Socialist Republic of Vietnam, effective from January 1, 2021;
- Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, of the Ministry of Finance guiding the disclosure of information on the securities market;
- Pursuant to the audited separate and consolidated financial statements for the year 2024 of Hoang Anh Gia Lai Agriculture Joint Stock Company.

Hoang Anh Gia Lai Agriculture Joint Stock Company (“Company”, stock code: HNG) hereby provides an explanation of the Audited Separate and Consolidated Financial Statements for 2024, audited by Ernst & Young Vietnam Limited, as follows:

*Unit: VND billion*

Indicators	Audited FS for 2024	Audited FS for 2023	Difference
(Losses)/Profits after tax in Separate FS	(912,9)	95,7	(1.008,6)
Losses after tax in Consolidated FS	(1.281,9)	(1.098,5)	(186,4)

The audited loss after tax in the Separate Financial Statements for 2024 was **VND 912,9 billion**, compared to a profit of **VND 95,7 billion** in 2023. The main reason for this loss is the Company's recognition of a provision for investment in a subsidiaries amounting to **VND 1.153 billion** in 2024. Additionally, due to the appreciation of the USD/VND exchange rate in 2024, resulted in a foreign exchange gains from the revaluation of receivables from subsidiaries and other foreign currency-denominated debts.

The audited net loss after tax in the Consolidated Financial Statements for 2024 was **VND 1.281,9 billion**, impacted by the following factors:

- **Fruit Trees:** The production in 2024 was **13.979 tons**, a 51% decrease compared to **28.658 tons** in 2023, with revenue reaching only **VND 186,9 billion**. The main reason for this decline is the reduction in the banana plantation area harvested during the period compared to the same period last year (from 1.881 ha in 2023 down to 731 ha in 2024). This is due to older banana plantation area had declining quality and yield, the company halting maintenance to focus on land leveling and orchard rehabilitation to improve quality and efficiency. At the same time, the



company is implementing an investment model for an enterprise that comprehensively upgrades infrastructure, mechanized equipment, and applies new technical processes to stabilize production, enhance productivity and quality, and improve efficiency in the future.

- **Rubber trees:** The production in 2024 was **7.835 tons**, generating revenue of **VND 300,5 billion**. The total rubber plantation area was 15.192 ha, but the actual harvested area was only 4.649 ha. According to accounting standards, the Company amortizes depreciation for the entire rubber plantation area classified as fixed assets, including non-yielding plantations.

The Audited Consolidated Financial Statements for 2024 emphasized concerns about the Company's going concern assumption due to the following reasons: The Company incurred a net loss of **VND 1.281,9 billion** in 2024 and accumulated losses of **VND 9.384,1 billion**. The Company's current liabilities exceeded current assets by **VND 11.829,8 billion**. The Company is currently undergoing a debt restructuring process and working with stakeholders to resolve outstanding debts and reclaim land use rights certificates for projects in Laos and Cambodia. These actions aim to facilitate legal investment procedures and secure financing for further investments. Based on this, the Company has prepared and presented the 2024 Financial Statements under the assumption of going concern for the next 12 months.

The above explanation details the after-tax loss and profit fluctuations in the Audited Separate and Consolidated Financial Statements for 2024 of Hoang Anh Gia Lai Agriculture Joint Stock Company.

Sincerely./.

**Recipients:**

- As above;
- File archive.

**Sign on behalf of CEO**

**DEPUTY CEO**



**Nguyễn Hoàng Phi**