

Management Discussion and Analysis (MD&A)

The following Management Discussion and Analysis is based on the financial statements of Myanmar Agricultural & General Development Public Co., Ltd. (MAGDPL) for the half-year period ended September 30, 2025 (2025-2026 Financial Year). This should be read in conjunction with the said financial statements. Unless otherwise stated, all monetary amounts are expressed in Myanmar Kyat (MMK).

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and have been audited by the external auditor, Thadar Sin Co., Ltd.

Summary of Key Items from the Income Statement

MAGDPL Income Statement (Amounts in MMK)	2025-2026 Half-Year	2024-2025 Half-Year	Change
Revenue	11,737,610,720.00	479,348,692.00	▲ 11,258,262,028.00
Cost of Goods Sold	8,407,977,700.00	453,483,740.00	▲ 7,954,493,960.00
Gross Profit	3,329,633,020.00	25,864,952.00	▲ 3,303,768,068.00
Other Income	94,817,371.00	49,644,825.00	▲ 45,172,546.00
Admin & General Expenses	(36,595,385.00)	(103,765,705.00)	▼ (67,170,320.00)
Finance Cost	(44,750,735.00)	(44,750,735.00)	▬ -
Profit Before Tax	3,343,104,271.00	(73,006,664.00)	▲ 3,416,110,935.00
Income Tax Expense	(735,482,940.00)	-	▼ (735,482,940.00)
Profit After Tax	2,607,621,331.00	(73,006,664.00)	▲ 2,680,627,995.00
Earnings Per Share (EPS)	259.20	(7.26)	▲ 266.46

Revenue increased significantly from MMK 0.479 billion in the 2024-2025 half-year to MMK 11.737 billion in the 2025-2026 half-year. This substantial growth was primarily driven by a major increase in Local Sales volume.

Cost of Goods Sold also rose from MMK 0.453 billion to MMK 8.407 billion, in line with the increased sales volume, which led to higher payments for raw materials, storage, and freight charges.

Gross Profit increased from MMK 0.258 billion to MMK 3.329 billion. The significant growth in sales has improved the Company's overall business condition.

Other Income increased from MMK 0.496 billion to MMK 0.948 billion, mainly due to higher income from Bank Interest and MNTH Loan Interest.

Admin & General Expenses decreased from 0.103 billion Kyats to 0.365 billion Kyats. Although revenue was lower in the 2024-2025 half-year, administrative and other expenses were higher compared to the 2025-2026 half-year. This is due to the collective donation of Black Matpe and Green Mung Bean seeds led by the Myanmar Pulses, Beans, Maize and Sesame Seeds Merchants Association to areas affected by severe flooding in September 2024, and the costs associated with the YSX PLB entry ceremony.

Profit Before Tax was a loss of 73 million Kyats in the 2024-2025 half-year, but turned to a profit of 3.343 billion Kyats in the 2025-2026 half-year. This increase in profit was achieved through higher sales and effective cost control.

Income tax expense did not exist in the 2024-2025 half-year. However, for the 2025-2026 half-year, there is a liability to pay income tax amounting to 0.735 billion Kyats. This new tax liability arose due to the increase in profit.

Profit After Tax was a loss of 73 million Kyats in the 2024-2025 half-year, but turned into a profit of 2.607 billion Kyats in the 2025-2026 half-year. This shift from loss to profit demonstrates the improved business performance of the company.

Earnings Per Share (EPS) was a loss of (-7.260) Kyats per share in the 2024-2025 half-year, but turned to a profit of 259.200 Kyats per share in the 2025-2026 half-year. This indicates an improvement in shareholder value.

Summary of the Company's Balance Sheet

MAGDPL Balance Sheet Summary(Amounts in MMK)	2025-2026 Half-Year	2024-2025 Half-Year	Change
Total Assets	27,465,897,106	21,953,038,605	▲ 5,512,858,501
Non-Current Assets	16,889,401,485	11,315,593,270	▲ 5,573,808,215
Current Assets	10,576,495,620	10,637,445,335	▼ (60,949,715)
Shareholders' Equity	24,101,368,906	20,467,745,701	▲ 3,633,623,205
Non-Current Liabilities	1,002,790,014	958,039,279	▲ 44,750,735
Current Liabilities	3,364,528,200	1,485,292,904	▲ 1,879,235,296

Total Assets increased from MMK 21.953 billion in the 2024-2025 half-year to MMK 27.465 billion in the 2025-2026 half-year. The primary reason is the recognition of Non-Current Assets related to the construction of a silo at Plot 29 in the Thilawa Port Area.

The value of **Non-Current Assets** increased from MMK 11.315 billion to MMK 16.889 billion. This increase of MMK 4.908 billion is due to the construction of a silo with dimensions of 550 ft (L) x 150 ft (W) x 34 ft (H), covering an area of 82,500 sq ft at Plot 29, Thilawa Port Area.

Current Assets slightly decreased from MMK 10.637 billion to MMK 10.576 billion, primarily due to the clearance of inventory balances and receivables.

Shareholders' Equity increased from 20.467 billion Kyats to 24.101 billion Kyats, primarily due to the growth in net profit. For the 2025-2026 half-year, a profit of 2.607

billion Kyats was achieved, representing a significant improvement when compared to the loss incurred in the 2024-2025 half-year.

Total liabilities increased from 2.443 billion Kyats to 4.366 billion Kyats. The main reasons for this increase are the provision of 1.336 billion Kyats for the remaining construction costs of the warehouse at Thilawa Plot 29 and the provision for income tax payable.

A detailed presentation of the changes in the financial position is provided in the Notes to the Financial Statements within the Auditor's Report.