**AUM: Explanation for the qualified opinion of auditor**

On 06 Apr 2020, Vinacafe Son Thanh Joint Stock Company explained the qualified opinion of auditor as follows:

Vinacafe Son Thanh Joint Stock Company would like to explain to the State Securities Commission and Hanoi Stock Exchange on the basis of the qualified opinion of auditor on the financial statements of 2019 of Vinacafe Son Thanh Joint Stock Company as follows:

Total short-term receivable debts: VND 912,098,234. This included the investment in the commercial pepper replanting of Son Thanh Production Trading and Service Company transferred to Vinacafe Son Thanh Joint Stock Company at the time of equitization and the material loan in the year

Details on December 31, 2019 were as follows:

1. Investment in commercial pepper: VND 598,529,840

2. Borrowing materials in the year: VND 313,568,394

- Vinacafe Son Thanh Joint Stock Company signed contracts of auditing the financial statements with AAC Auditing and Accounting Company Limited (AAC Company for short) from the time of equitization in 2009 to the present. According to the book, the investment in commercial pepper transferred to Joint Stock Company in early 2009 was VND 1,328,580,619. This amount of money is for replanting commercial pepper gardens, so when the gardens are exploited commercially, revenue comes every year. According to the contract on pepper trees, the construction period is 5 years and 25 years for business. After 10 years of auditing from 2009 to 2018, AAC Company also adhered to the same process, collecting gradually and earning interest annually. From 2009 to 2011, AAC Company put this investment into the short-term investment in the financial statements. In 2012, AAC Company put it in other receivables. From 2013 to 2014, AAC Company put it in the short-term investment. From 2015 to now, AAC Company put it in short-term receivables in the financial statements

- For the loan of supplies in the year to 31 December 2019: VND 313,568,394. This was the material loan for the commercial pepper based on the pepper harvest in the year (from August 1 this year to July 31 the next year calculated to be a season). In 2017, typhoon No.12 severely damaged the Company's business pepper garden, so the investment loan for pepper season of 2017-2018 until December 31, 2019 was not obtained: VND 107,493,837

On February 6, 2020, AAC Company audited 2019 financial statements of the Company. AAC Company proposed to make provision for short-term loan receivables of VND 912,098,234: VND 213,252,761. The Company explained as the above and asked for a provision for the annual material loans for the pepper season of 2017-2018 with the uncollected amount of VND 107,493,837, but AAC Company disagreed. Every year, when auditing, the Company provides separate data on this investment and loan to AAC Company

Through the opinion of AAC Company, Vinacafe Son Thanh Joint Stock Company also did not agree. The company repeatedly presented and discussed with AAC Company about this case but has not come to an agreement. On March 24, 2020, AAC Company issued the qualified opinion; because of the time near the date of submitting the financial statement, Vinacafe Son Thanh Joint Stock Company temporarily accepted, the Company will send a document to AAC Company about this disagreement