**ILA: Explanation for the qualified opinion**

On 11 Apr 2020, ILA Joint Stock Company explained the qualified opinion on 2019 Consolidated Financial Statement as follows:

“Basis of the qualified opinion: On December 2, 2019, ILA Joint Stock Company made a deposit to buy shares of the shareholders of BDLAND Joint Stock Company - Subsidiary and was tracking the balance of other receivables on 31 December 2019 totaling VND 22.4 billion, accounting for 9.86% of total assets. As agreed in the share transfer deposit contracts, the transfer value will be concluded based on the results of an independent price appraisal in a fixed price bracket and if the shareholders signing the contract do not agree to transfer, they are subject to a fixed interest rate of 6%/ year starting from January 1, 2020 to the Company. At the date of making this report, the Company did not complete the relevant legal procedures and the share transfer contract between the parties was officially signed. Therefore, we do not have sufficient appropriate audit evidence to be able to give our audit opinion on the validity of the above transfer deposit contract as well as the impact of the receivable balance value on the consolidated financial statement of the Company on December 31, 2019, as well as the impact of the above transactions in accordance with other relevant legal provisions”

Explanation of the Company:

On December 2, 2019, ILA Joint Stock Company signed a Contract on stock transfer deposit with the shareholders of BDLAND Joint Stock Company and transferred as stated in the contract with the purpose of binding the shareholders of BDLAND Joint Stock Company to commit to sell shares to ILA Joint Stock Company. However, BDLAND Joint Stock Company also faced difficulties in the legal procedures of the ongoing projects in Binh Duong Duong, so the determination of value of shares of BDLAND Joint Stock Company was made on March 2020

Up to now, The Ky Valuation Company Limited is in the process of completing the certificates of valuation on determining the value of shares of BDLAND Joint Stock Company. After obtaining the results of the valuation certificate, ILA Joint Stock Company will negotiate and sign a share transfer contract with the shareholders of BDLAND Joint Stock Company to increase the ownership ratio at BDLAND Joint Stock Company from 51% to 98%