**SD3: Explanation for the difference of over 10% in financial statement of 2019 year on year**

On 30 Mar 2020, Song Da 3 Joint Stock Company explained the difference of over 10% in financial statement of 2019 year on year as follows:

- Some profits from the collection of the difference in prices of supplies, labor, machines of some works and the revenue/ output made in the period were not recorded in the prior period report and recorded in this period;

- In 2019, major projects constructed by the Company were completed and handed over to the investor, but the acceptance and payment did not reach the set progress. As a result, the work in progress was large; increase in the debts pending settlements affected capital sources, increased financial costs of the Company;

- During the period, the Company organized to move the construction forces and machinery to deploy the construction of new works in Dak Lak and Lam Dong, so the costs also increased