**SD2: Explanation for the qualified opinion of auditor**

On 30 Mar 2020, Song Da 2 Joint Stock Company explained the qualified opinion of auditor as follows:

In the audited consolidated financial statements of 2019, AASC Auditing Firm Company Limited had the qualified opinion regarding receivables as follows: “As stated in Section No.7 - Notes to the financial statements on 31 December 2019, the Company recorded the receivables of VND 18.9 billion from employees exceeding the fixed amount. We are unable to carry out the certification procedure for some objects with a total value of VND 15.86 billion. We are unable to perform other alternative audit procedures to obtain sufficient appropriate audit evidence, accuracy and right of collection of such liabilities. Therefore, we are unable to determine the adjustments for the receivable liabilities and related items in the attached financial statements”

Song Da 2 Joint Stock Company explains the qualified opinion follows:

In the consolidated financial statements of 2019 before auditing, the business results of Song Da 2 Joint Stock Company recorded losses of VND 26.3 billion made by a subsidiary of Song Da 2 Joint Stock Company and recorded a loss of VND 29.2 billion in the period

Accordingly, the Board of Directors of Song Da 2 Joint Stock Company established an inspection team to inspect the subsidiary's production and business activities in 2019. However, due to the short inspection time, the inspection team only made a written record to determine the fixed volume exceeding value of some construction and installation projects and proposed the collection of exceeding amount for each project, no specific object. Therefore, the Company adjusted the receivables of the excess value for each construction work. This led to the independent auditing unit unable to confirm the object and have qualified opinions for the above-mentioned accounting

Song Da 2 Joint Stock Company is still completing the inspection work to determine the specific subjects and collect the above-mentioned fixed volume exceeding value in accordance with current regulations