**S12: Explanation for retrospective adjustment for the audited financial statement of 2019**

On 01 Jun 2020, Song Da No 12 Joint Stock Company announced the explanation for retrospective adjustment for the audited financial statement of 2019 as follows:

In the audited 2019 consolidated financial statement of Song Da 12 Joint Stock Company, A&C Auditing and Consulting Co., Ltd. - Hanoi Branch adjusted retrospectively a number of items such as making provisions for doubtful debts; other long-term receivables; other long-term payables. Song Da No 12 Joint Stock Company would like to explain the retrospective adjustment as follows:

1. Regarding the provision for short-term doubtful receivables: due to bad debts of many years ago, during the auditing process, A&C Auditing and Consulting Co., Ltd adjusted retrospectively to make provisions for these liabilities based on the age of the debt

2. Regarding the other long-term receivables and other short-term payables: According to the debt comparison on December 31, 2019 of other long-term receivables and other long-term payables, a number of indicators which Song Da No 12 Joint Stock Company recorded wrong subjects in the accounting books of previous years, so A&C Auditing and Consulting Co., Ltd adjusted the correct accounting and retrospectively recorded the balance at the beginning of the year of the long-term receivables and other long-term payables

Song Da No 12 Joint Stock Company would like to report to the State Securities Commission, Hanoi Stock Exchange and the Company's shareholders