

Nagakawa

RAISE UP

ANNUAL REPORT 2024



Mục lục



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BÀ NGUYỄN THỊ HUYỀN THƯƠNG

MESSAGE FROM THE CEO

"Dear Valued Shareholders,

Nagakawa has experienced a year filled with challenges, yet one to be proud of. Amid volatile macroeconomic conditions and unpredictable natural disasters, consumer demand declined, significantly affecting business operations across nearly all industries and sectors.

However, driven by innovation, adaptability, and relentless effort, Nagakawa Group remained resilient and achieved remarkable results, further solidifying its position as a leading Vietnamese brand in the fields of air conditioning, home appliances, and premium kitchen equipment."

BUSINESS RESULTS FOR 2024:



SUSTAINABLE GROWTH IN CORE INDUSTRIES

The year 2024 marked a significant milestone in Nagakawa Group's journey of growth and development. Embracing change and maximizing all resources and competitive advantages, Nagakawa achieved 113% of its revenue target, earning a spot in the Top 50 fastest-growing companies in Vietnam and climbing higher in the Top 500 largest enterprises. This reflects Nagakawa's growing influence and competitiveness across all business sectors.

After more than two decades, Nagakawa made a historic transformation by unveiling a new logo and brand identity. This bold step is not just a visual change, but a reflection of its ambition and long-term strategy toward becoming a dynamic, modern, creative, reputable, and trustworthy brand.

Core sectors including Air Conditioning, Home Appliances, and Premium Kitchen Equipment continued to grow, forming a solid foundation for Nagakawa's development and contributing 80% of total net revenue. Notably, Nagakawa's central commercial air conditioning systems have gained strong trust and adoption in major projects and key constructions, driving double-digit revenue growth and positioning the product as a future pillar of the company.

2025 – RISING WITH A NEW ERA FOR THE NATION

Focusing on Product Development and Customer Experience

With over 20 years of experience and deep market understanding, Nagakawa possesses thorough insights into architecture, geography, climate, consumer habits, and regional cultures. In 2025, Nagakawa continues to invest in its commercial air conditioner lines, offering the widest and most diverse power range in the market, optimized for operational cost and energy efficiency — serving all types of households and construction needs.

With the strategic direction of “Home Appliances for the Health of Vietnamese Families,” Nagakawa is pioneering a new trend in household appliances — offering convenience, health safety, durability, and providing homemakers with peace of mind, comfort, and ease in modern, cozy kitchens.

The premium kitchen equipment segment continues to expand its product range and invest in design innovation to meet the preferences of younger consumers. Features are enhanced for greater convenience and to maximize customer value and benefits. Dishwashers, ranging from compact 8-place models to larger 15-place versions, are gaining significant market traction and are expected to boom in the near future.

This investment in product quality and customer experience optimization will be key to expanding market reach, increasing revenue, and delivering greater shareholder returns.

Creating New Business Opportunities

In addition to focusing on core business areas, Nagakawa is actively exploring new opportunities by leveraging internal strengths to diversify operations.

The Technology segment has officially entered commercial operation with the launch of the AN ERP enterprise resource planning solution. Built on three pillars — fast implementation, easy setup, and affordable cost — AN ERP empowers businesses to join the digital transformation wave, enhancing competitiveness in the modern era.

With a strong focus on technology, Nagakawa has made significant strides in digital transformation — not only for its own operations but also in supporting other Vietnamese enterprises in the national digital transformation journey.

Motivated by the desire to master technology and lead its own transformation, Nagakawa has “democratized” ERP solutions, making them accessible and affordable for businesses of all sizes, sectors, and models. With just a few tens of millions of VND, any enterprise can begin its digital transformation effectively, efficiently, and with optimal use of resources and time. AN ERP is expected to become a flagship product, establishing Information Technology as one of Nagakawa’s strategic business sectors in the future.

Developing a corporate culture of dedication – innovation – reliability – friendliness

Nagakawa’s corporate culture is built on four core values: Dedication, Innovation, Reliability, and Friendliness. These values are embedded in all key decision-making processes and serve as a foundation for aligning current and future teams with a unified mission. They also serve as criteria for talent acquisition, competency assessment, fair rewards, and transparent promotion pathways for every individual.

Despite ongoing global uncertainties and a volatile domestic economy, with clear and flexible strategic direction, the Board of Directors believes that Nagakawa will remain steadfast in its commitment to innovation and excellence. We are confident in our ability to successfully execute the 2025 plan, further strengthening the company and delivering the highest return on investment for our shareholders.

On behalf of the Board of Directors and Executive Team, I extend my deepest gratitude to all shareholders, investors, partners, customers, and employees who have supported, are supporting, and will continue to accompany Nagakawa in conquering new heights.

Wishing you all good health, success, and happiness.
Sincerely,

NGUYEN THI HUYEN THUONG
VICE CHAIRWOMAN OF THE BOARD
CHIEF EXECUTIVE OFFICER

CHAPTER

01

NAGAKAWA INTRODUCTION

General Information

Vision, Mission, Core Values

Development Milestones

Titles, Awards

Business Areas

Business Sectors

Governance Model and Management

Structure

Board of Directors

Executive Board





General Infomation

Trading name	: NAGAKAWA GROUP JOINT STOCK COMPANY
Stock code	: NAG
Charter capital	: VND 357.600.690.000
Business registration certificate number	: 2500217389
Address	: Xuan Thuong 1 Residential Group, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province
Phone	: 0211 3873 568
Fax	: 0211 3548 020
Website	: www.nagakawa.com.vn

Vision

Nagakawa aims to become the most trusted companion, creating a comfortable life for every Vietnamese family.

Mission

Nagakawa Group is committed to continuous innovation and creativity in providing convenient services and products, understanding every concern, addressing every need, and taking full responsibility for improving the quality of life for Vietnamese families.

Customer-Centric Strategy

By choosing to pursue a Customer-Centric strategy, Nagakawa aims not only to provide high-quality products and services but also to deliver an exceptional experience for each customer.

Core Values



DEDICATION

Every product comes from the "heart" of the people at Nagakawa. A product is only brought to market to serve customers when it has received satisfaction from Nagakawa itself.



FRIENDLINESS

Nagakawa provides products that are friendly and serve the majority of Vietnamese families. Friendliness is also the spirit of Nagakawa people—approachable, hospitable, and with a willingness to share and collaborate with shareholders, partners, and customers.



CREATIVITY

Creativity is the driving force behind growth and the creation of Nagakawa's unique identity. Nagakawa continuously improves and innovates its technology to bring high-quality, perfect products at the best prices



RELIABILITY

"Reliability" is the foundation throughout Nagakawa's formation and development. Words are always aligned with actions, with continuous efforts to ensure commitments are met with employees, shareholders, partners, and consumers.

History of formation and development:

2002

Nagakawa Vietnam Joint Venture Company was established in 2002 in Vinh Phuc Province, trading as Nagakawa Vietnam Joint Venture Company.

2007

The joint venture was officially converted into a joint stock company under Decision No. 853/QĐ-UBND dated March 21, 2007, by the People's Committee of Vinh Phuc Province. It operated as a joint stock company under Business Registration Certificate No. 1903000273 issued by the Department of Planning and Investment of Vinh Phuc on the same date.

2009

On September 22, 2009, Nagakawa Vietnam Joint Stock Company officially listed 10 million shares on the Hanoi Stock Exchange—a historic milestone marking a turning point in the company's development.

2010

On September 25, 2010, the company received Decision No. 651/QĐ-SGDHN from the Hanoi Stock Exchange approving the additional listing of 1,000,000 shares issued as dividends for 2009 as per Resolution No. 01/2010/NQ-DHDCD.

2012

On February 16, 2012, the Hanoi Stock Exchange issued Decision No. 70/QĐ-SGDHN approving the additional listing of 2,500,000 shares under Public Offering Certificate No. 762/UB-CK-GCN.

On August 31, 2012, the Hanoi Stock Exchange issued Decision No. 436/QĐ-SGDHN approving the additional listing of 14,849,578 shares.

2017

On September 21, 2017, celebrating its 15th anniversary, Nagakawa officially invested in the Home Appliances sector and transitioned to Nagakawa Group Joint Stock Company—marking a major success in its 15 years of development.

2019

In 2019, Nagakawa Group entered the "4.0 era" by partnering with major e-commerce platforms, bringing Nagakawa products to a wider range of consumers nationwide. On November 6, 2019, it officially launched its online sales website: shop.nagakawa.com.vn with advanced features

2020

Nagakawa launched its premium kitchen appliance product line, including three main categories: induction cooktops, range hoods, and dishwashers—completing the Nagakawa kitchen ecosystem. The Group introduced its new brand strategy "Total Peace of Mind" with the customer-centered goal.

2021

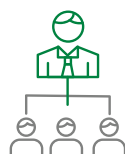
Nagakawa was selected by the World Bank and the Ministry of Natural Resources and Environment as a manufacturer to participate in the project: "Eliminating HCFC-22 technology and transitioning to HFC-32 in air conditioner production in Vietnam."



2020 - 2021

2012-2019

2002 - 2010



2022

Ngày 23/08/2022 Sở GDCK Hà Nội đã có quyết định số 585/QĐ-SGDHN chấp thuận cho CTCP Nagakawa Việt Nam được niêm yết bổ sung 13.965.400 cổ phiếu phát hành theo Giấy chứng nhận chào bán cổ phiếu ra công chúng số 148/GCN-UBCK ngày 30/05/2022.

On August 23, 2022, the Hanoi Stock Exchange issued Decision No. 585/QĐ-SGDHN approving the additional listing of 13,965,400 shares issued under Public Offering Certificate No. 148/GCN-UBCK dated May 30, 2022.

On November 2, 2022, the Hanoi Stock Exchange issued Decision No. 774a/QĐ-SGDHN approving the additional listing of 998,517 dividend shares for 2021, based on Resolution No. 01/2022/NQ-DHDCD-NAG dated February 12, 2022.

Nagakawa Factory in Hung Yen officially commenced operations.

2022



2023

On November 6, 2023, Nagakawa High-Tech Joint Stock Company was established

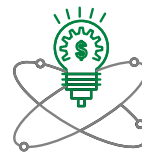
2023



2024

In September 2024, construction commenced on the KLV Viet-nam 2 Garment Factory Project. Nagakawa launched its comprehensive enterprise resource planning solution on a unified platform: AN ERP

2024



Awards and Titles:



TOP 5

OUTSTANDING BRANDS
IN ASIA-PACIFIC 2024

TOP 500

LARGEST PRIVATE ENTERPRISES
IN VIETNAM 2024

TOP 100

VIETNAM GOLDEN STAR AWARD 2024

TOP 50

BEST ENTERPRISES IN VIETNAM 2024

TOP 500

FASTEST-GROWING ENTERPRISES
IN VIETNAM 2024

OTHER AWARDS

- Top 50 Best Growth Enterprises in Vietnam 2023
- Marketing Campaign for Sustainable Development 2023
- Top 500 Largest Enterprises in Vietnam 2023
- Top 100 Best Products and Services for Families and Children
- Top 500 Largest Enterprises in Vietnam 2022
- Top 50 Best Growth Enterprises in Vietnam 2022
- Top 10 Vietnam Awards 2022
- Certificate of Merit for Outstanding Contributions to Entrepreneurial Movements and Socioeconomic Development in Vinh Phuc (2017–2022)
- Green Brand in the 4.0 Industrial Revolution
- Eco-friendly Factory
- Outstanding Entrepreneur for Environmental Protection (CEO)
- Top 50 Best Growth Enterprises in Vietnam 2021
- Top 500 Fastest-Growing Enterprises in Vietnam 2021
- Top 100 Best Products and Services for Families and Children 2021
- Top 100 Strongest Vietnamese Brands 2021
- Green Brand in the Industrial Revolution 4.0
- Exemplary Entrepreneur for Environmental Protection
- Green and Eco-Friendly Factory
- Top 500 Largest Enterprises in Vietnam 2020
- Top 500 Fastest-Growing Enterprises in Vietnam 2019
- Top 10 Golden Brands for Vietnamese Health 2019
- Gold Cup for High-Quality Brand Products and Trademark Use Rights 2018
- Top 10 High-Quality Products and Brands 2018
- Trusted Family Brand Award 2017
- Top 10 Outstanding Asia-Pacific Brands



Business Lines and Areas of Operation



01

PRODUCT CATEGORY AIR CONDITIONING

- Residential Air Conditioners
- Commercial High-Capacity Air Conditioners

With over 20 years of development, Nagakawa Group has continuously innovated and created with the desire to bring Vietnamese consumers modern, convenient, and eco-friendly products, offering optimal air quality solutions for users.

Constantly improving in research and product development, Nagakawa applies new technologies and features, staying ahead of trends to best meet the increasingly high demands of users. The latest generation of Nagakawa air conditioners is equipped with a 5-layer antibacterial air filtration system, energy-saving Inverter technology that consumes as little as 1 kWh per night, along with a range of other advanced features.

With the message “Beyond Expectations, Fulfilling Desires,” Nagakawa aims to deliver high-tech air conditioning products at reasonable prices, contributing to the enhancement of every Vietnamese family's quality of life.



● Mechanical and Electrical (M&E) Contractor

Nagakawa's air conditioning product line includes a full range from residential to commercial air conditioners. For commercial systems, Nagakawa offers next-generation VRF (Variable Refrigerant Flow) systems equipped with high-end technology that can integrate with BMS (Building Management Systems) for smart buildings. With a wide capacity range from 1 HP to 144 HP, Nagakawa is able to meet all types of spaces and the increasingly diverse demands of customers.

With a proven track record of quality over the years, Nagakawa air conditioning products have steadily earned the trust of consumers. Nagakawa's air conditioning systems are now present across the country, featured in major projects such as the Hai Phong Political-Administrative Center, Central Thanh Hoa 5-star Hotel, Muong Thanh Thanh Hoa Hotel, Tuan Chau Hanoi Entertainment Complex, Agribank Phuc Yen Branch, Vietnam Academy of Science and Technology, and the Military Ship Design Institute, among others.



02

PRODUCT CATEGORY PREMIUM KITCHEN APPLIANCES

With the aim of completing the ecosystem for Vietnamese families and bringing consumers a modern, elegant, and high-end kitchen space, Nagakawa Group has introduced a line of premium kitchen appliances featuring outstanding functionality and the most advanced technology in the global kitchen industry. With the message "Peace of mind begins in the kitchen," Nagakawa delivers safe kitchen products that allow users to confidently create delicious meals in the heart of their home.

Striving to become the leading brand in Vietnam's premium kitchen appliance sector, every member of Nagakawa is dedicated to excellence—paying attention to every step from research and technical development to the selection of materials. The products integrate cutting-edge technologies, becoming indispensable tools in the modern kitchen. Beyond simply enjoying a finished meal, it's about owning the space where love and care are turned into meals for loved ones.

- Induction Cooktops
- Range Hoods
- Dishwashers
- D-Combine



The premium kitchen appliance lineup includes: smart induction cooktops, range hoods, dishwashers, and the D-Combine — a 6-in-1 integrated solution that combines an induction cooktop, range hood, dish dryer, sink, food waste disposer, and water purifier. These appliances are designed and manufactured using state-of-the-art technology, offering a wide variety of models to provide consumers with exceptional quality and numerous options. Nagakawa's 2024 Premium Kitchen Appliance Collection is set to become the most trusted companion of every family, removing all barriers in cooking and bringing a sense of peace and relaxation to every home cook.

In addition to focusing on high-quality manufacturing, Nagakawa also emphasizes customer service—especially for products with frequent use and high stability requirements like premium kitchen appliances. The company offers a 5-star warranty service for up to 5 years, supported by a digital activation card system that saves customers both time and effort.

Gia dụng
**VÌ SỨC KHỎE
 NGƯỜI VIỆT**



AN TOÀN - BỀN BỈ

03

PRODUCT CATEGORY HOME APPLIANCES

- **Electric Home Appliances**
- **Non-Electric Home Appliances**

With a strategic direction to elevate its home appliance brand to the mid-to-high-end segment, Nagakawa's home appliance category will focus on developing and enhancing product quality in line with criteria that ensure consumer health and safety.

Focusing on customer satisfaction as the core value, Nagakawa Group implements a wide range of consumer-oriented activities, aiming to perfect its service system and provide maximum support to customers.

Keeping pace with technological advancements and the increasing demands of consumers, Nagakawa's home appliance products boast numerous outstanding features such as elegant and luxurious designs, high-quality materials, and user-safe components.



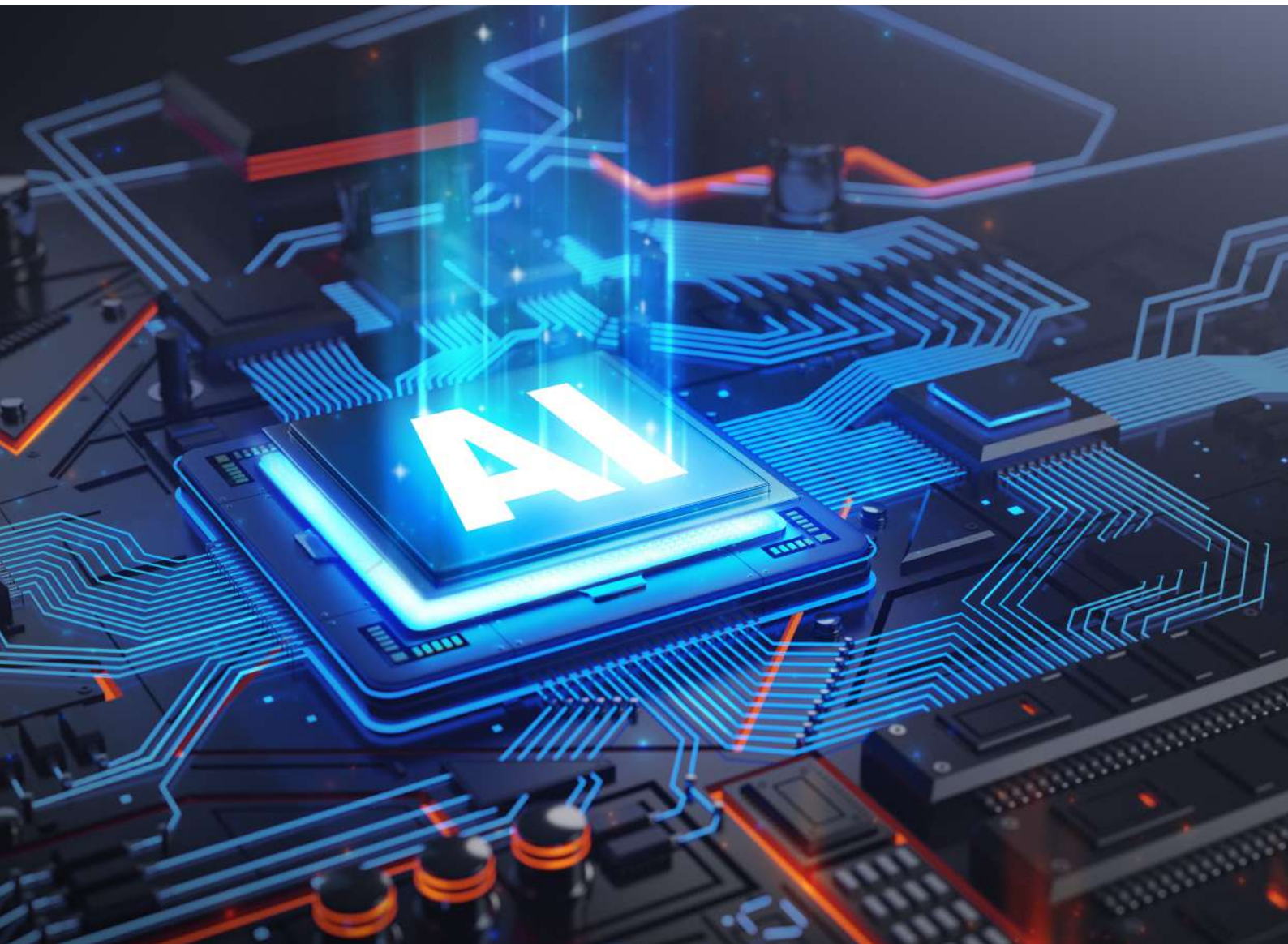
04

**PRODUCT CATEGORY
APPAREL**

KLW Garment Joint Stock Company – a member of Nagakawa Group – employs nearly 1,000 staff and workers. KLW Vietnam operates an international-standard garment factory that meets the strictest requirements of some of the world's most demanding markets, including the United States, Europe, Japan, and Canada.

With nearly 10 years of operation, KLW Vietnam has become a strategic partner of major global brands such as PUMA, EB, Newtime, DKNY, and Routine.

In 2024, KLW continues to expand its production lines while improving manufacturing processes to enhance productivity and product quality.



05

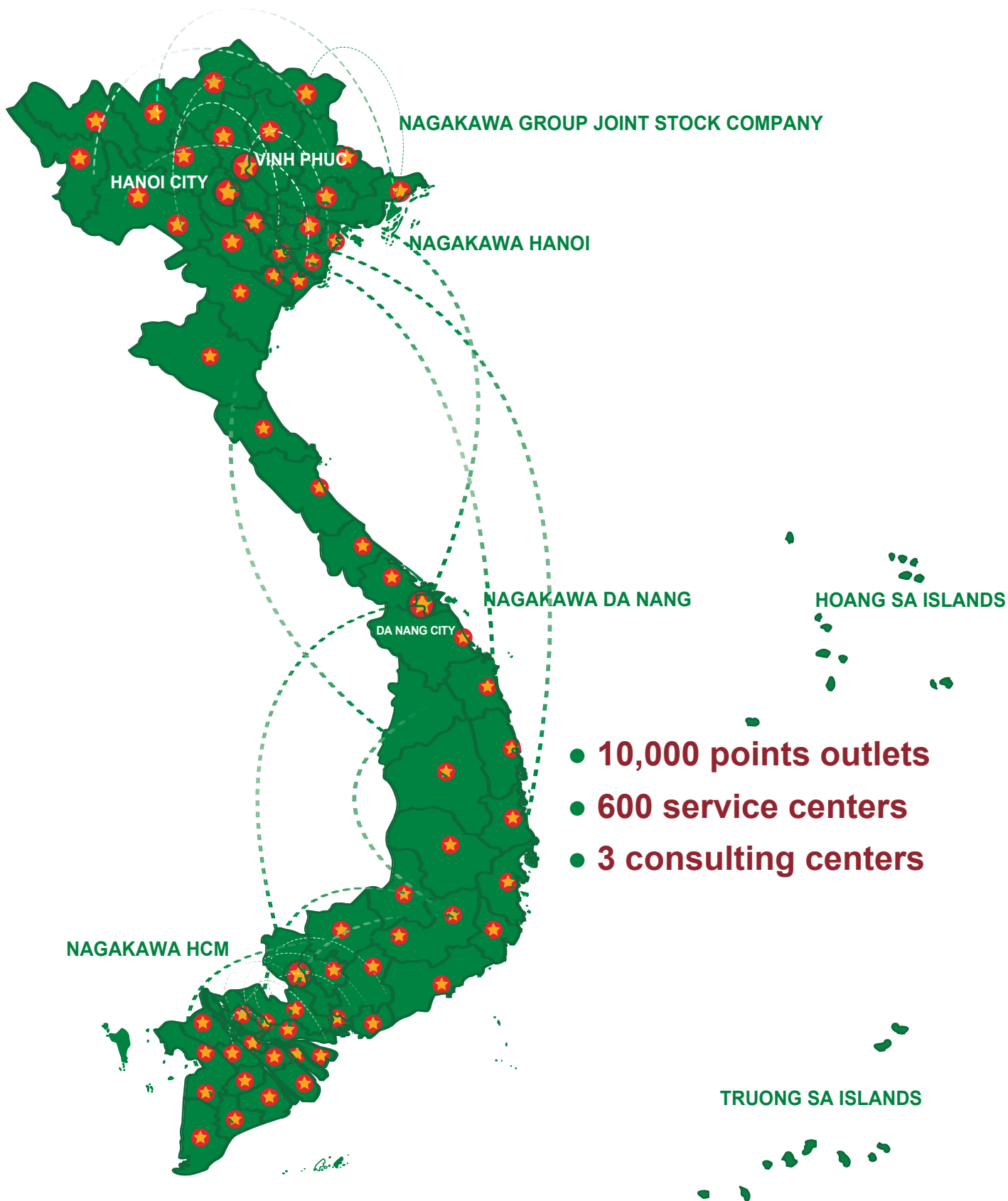
SERVICE AND TECHNOLOGY SECTOR

Consistently aiming to develop software and technologies that support green manufacturing, Nagakawa actively participates in and contributes to two major global revolutions: the Green Revolution and the Digital Revolution.

Nagakawa is also a leading member of several major alliances of technology companies in Vietnam, working alongside expert teams to establish a comprehensive technology supply chain. This enables the Group to meet global ICT technology outsourcing demands, including:

- Software outsourcing
- Embedded software development
- Electronic PCB (Printed Circuit Board) manufacturing
- Technology outsourcing in telecommunications

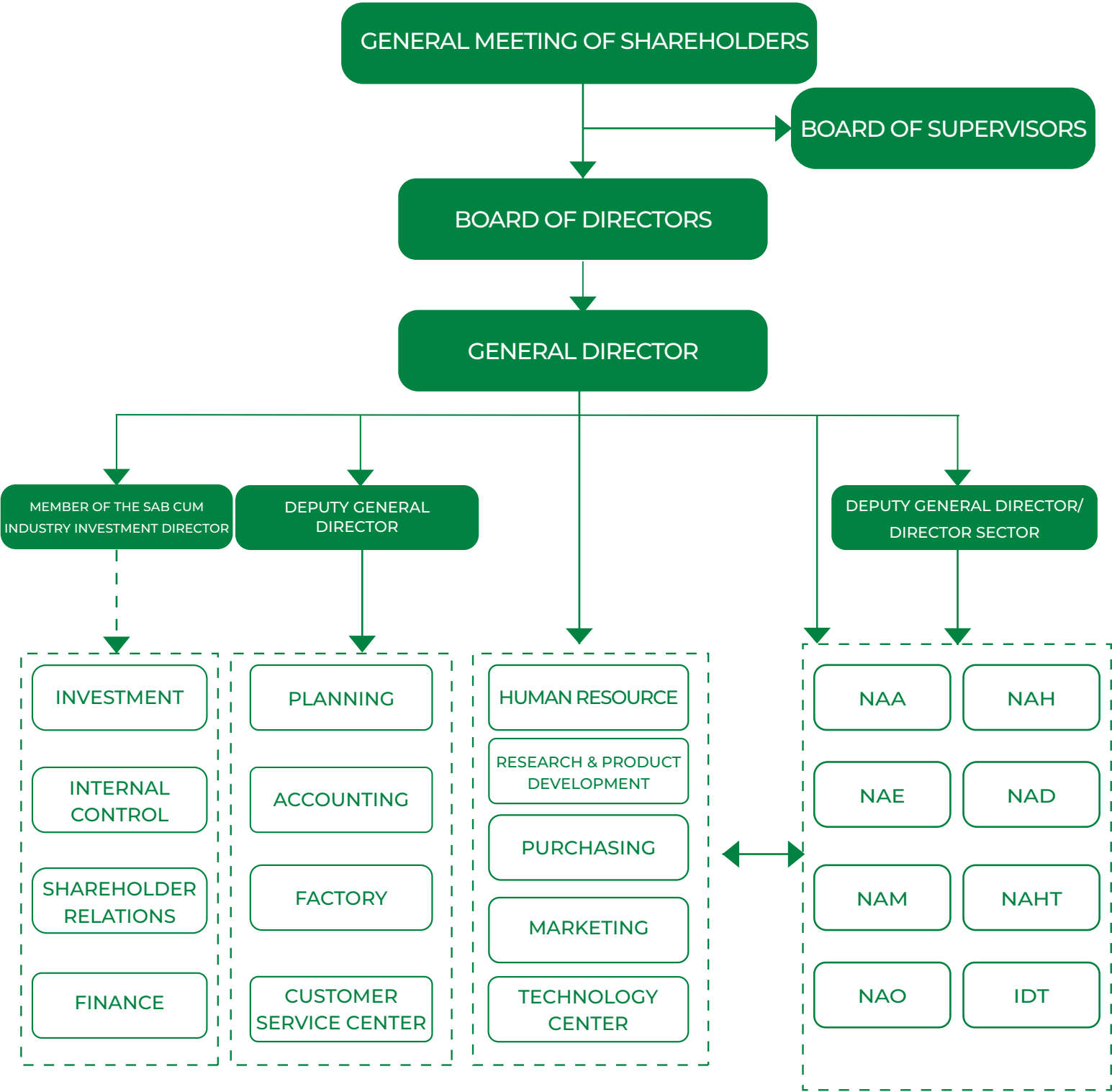
Business Locations



Management Model and Organizational Structure

The Group operates under the model stipulated in Point a, Clause 1, Article 137 of the Law on Enterprises, which includes the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the General Director.

As of December 31, 2024, the Group's operational structure comprises 6 subsidiaries and 1 associate company.



Note: Management about administration.
 Management in specialized professional fields.
 Operational

THE SUBSIDIARIES

1.Nagakawa Technical Development & Investment Joint Stock Company (80%)

Address: Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province
Charter capital: 12,000,000,000 VND (Twelve billion VND)
Business Lines: Consulting, designing, and executing electromechanical and air conditioning projects for civil and industrial works

2. Nagakawa Ho Chi Minh City Joint Stock Company (51%)

Address: 25 Doan Thi Diem, Ward 1, Phu Nhuan District, Ho Chi Minh City.
Charter capital: 9,700,000,000 VND (Nine billion seven hundred million VND)
Business Lines: Supplying air conditioners, freezers, and household electrical appliances

3. Nagakawa Da Nang Joint Stock Company (52%)

Address: 94 Nam Tran, Lien Chieu District, Danang City.
Charter capital: VND 5,000,000,000 (Five billion VND)
Business Lines: Supplying air conditioners, freezers, and household electrical appliances

4. Nagakawa Electronics Joint Stock Company (51%)

Address: 3rd Floor, Gold Tower Building, 275 Nguyen Trai, Thanh Xuan, Hanoi.
Charter capital: VND 20,000,000,000 (Twenty billion VND)
Business Lines: Supplying household appliances

5. Viet Phuc Hung Yen Joint Stock Company (96.9%)

Address: Vinh Bao Village, Vinh Khuc Commune, Van Giang District - Hung Yen Province
Charter capital: 100,000,000,000 (One hundred billion VND)
Business Lines: Manufacturing consumer electronics, installing heating and air conditioning systems

6. Nagakawa High Technology Joint Stock Company (55%)

Address: No. 56, Alley 109, Cau Bou Street, Residential Group 15, Kien Hung Ward, Ha Dong District, Hanoi.
Chartered capital: 2,000,000,000 (Two billion VND).
Business Lines: IT services and other computer-related services

THE ASSOCIATED COMPANY

7. KLV Vietnam Garment Joint Stock Company (48%)

Address: Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province
Charter capital: VND 50,000,000,000 (Fifty billion VND)
Business Lines: Manufacturing of ready-made garments, knitted and crocheted apparel; finishing of textile products

Board of Directors



Mr. **Nguyen Ngoc Quy**
CHAIRMAN



Ms. **Nguyen Thi Huyen Thuong**
VICE CHAIRWOMAN OF THE BOARD OF DIRECTORS CUM CEO

Date of birth: February 02, 1978
Place of birth: Luong Tai - Bac Ninh.
Ethnicity: Kinh
Nationality: Vietnamese
Permanent address: Tan Mai - Hoang Mai - Hanoi.
Qualification: Master's degree
Working process:
From 2013 to 2019: Nagakawa Technical Development and Investment Joint Stock Company.
From 2019 to 2020: Nagakawa Group Joint Stock Company in Ho Chi Minh City
From 2021 to present: Viet Phuc Hung Yen Joint Stock Company
From 2022 to present: Chairman of the Board of Directors of Nagakawa Group.
Number of shares held: 27,311 shares

Date of birth: October 13, 1983
Place of birth: Luong Tai - Bac Ninh.
Nationality: Vietnamese
Ethnicity: Kinh
Permanent address: Nam Dong - Dong Da - Hanoi.
Qualification: Master of Business Administration
Working process:
From 2004 - 2006: Head of Human Resources Department of Nagakawa Group
From 2006 - 2008: Deputy Head of Import-Export Department - Nagakawa Group
From 2008 - 2010: Head of Import-Export Department - Nagakawa Group.
From 2010 - 2017: Member of the Board of Directors looking for Deputy CEO of Nagakawa Group
From 2017 to 2020: Vice-Chairman/ Deputy General Director of Nagakawa Group.
From 2020 - present: Vice-Chairman / CEO of Nagakawa Group
Number of shares held: 1,522,573 shares

Board of Directors



Mr. Pham Anh Tuan
MEMBER OF BOARD OF DIRECTORS



Mr. Doan Duc Hoa
MEMBER OF BOARD OF DIRECTORS



Ms. Truong Dao Hai Hoa
MEMBER OF BOARD OF DIRECTORS

Date of birth: May 27, 1977
Place of birth: Thai Binh.
Nationality: Vietnamese
Ethnicity: Kinh
Permanent address: Giap Bat – Hoang Mai – Hanoi
Qualification: Bachelor's degree
Working process:
From 2012-2013: Nagakawa Group Joint Stock Company
From 2013 - present: KLV Vietnam Garment Joint Stock Company
From 2022 - present: Member of the Board of Directors of Nagakawa Corporation
Number of shares held: 0 shares

Date of birth: November 9, 1978
Place of birth: Bac Ninh
Nationality: Vietnamese
Ethnicity: Kinh
Permanent address: Mo Lao – Ha Dong – Hanoi.
Qualification: Master's Degree
Working process:
From 2004 - 2014: Investment and Construction Joint Stock Company 4
From 2014 - 2019: An Thinh Tien Construction Joint Stock Company
From 2019-present: Alphanam Corporation
Current position: Member of the Board of Directors – Nagakawa Corporation
Number of shares held: 0 shares.

Date of birth: October 12, 1981
Place of birth: Thai Nguyen
Nationality: Vietnamese
Ethnicity: Kinh
Permanent address: Hoang Van Thu - Hoang Mai - Hanoi
Qualification: Master's Degree
Working process:
From 2013 - 2015: Accountant - Nagakawa Vietnam Joint Stock Company
From 2015 - present: Chief Accountant of KLV Vietnam Garment Joint Stock Company
Current position: Member of the Board of Directors of Nagakawa Corporation
Number of shares held: 0 shares

MEMBERS OF EXECUTIVE BOARD



Number of shares held: 1,522,573 shares



Number of shares held: 42,684 shares

Executive Board

MEMBERS OF EXECUTIVE BOARD



Mr. Tran Ba Dat
Deputy CEO cum Director of
Premium Kitchen Appliances Division

Date of birth: December 30, 1985 Nationality: Vietnamese
Place of birth: Dong Da - Hanoi Ethnicity: Kinh
Permanent address: Nhan Chinh - Thanh Xuan - Hanoi
Qualification: Bachelor's degree
Working process:
From 2015 - 2017: National Marketing Sales Manager - Miniso
From 2017 - 2018: Northern Sales Director cum Project Manager - Bibomart
From 2018 - 2020: CEO - CoSalon
From 2020 - 2021: Sales Director of North & Central - Doji Jewelry Group
From 2021 to present: Head of pemium kitchenwares industry - Nagakawa Corporation
From 2022 to present: Deputy CEO/ Director of premium kitchenwares industry - Nagakawa Corporation
Number of shares held: 0 shares



Ms. Nguyen Thi Bich Thuy
Deputy CEO cum Director of
Refrigeration Division

Date of birth: December 29, 1980 Nationality: Vietnamese
Place of birth: Quang Trach - Quang Binh Ethnicity: Kinh
Permanent address: Phuong Mai - Dong Da - Hanoi
Qualification: Bachelor's degree
Working process:
From 2008-2010: PR Marketing Supervisor - Truong Hai Auto Corporation
From 2010-2013: Marketing Manager - Pamas Clinic
From 2013-2015: Sales and Marketing Director - Bao Son Group
From 2015-2022: Chief Executive Officer - Karofi Corporation
From 2022 to present: Deputy CEO and Director of the Refrigeration Department - Nagakawa Corporation
Number of shares held: 10,000 shares

MEMBERS OF SUPERVISORY BOARD



Number of shares held: 0 shares

Supervisory Board

MEMBERS OF SUPERVISORY BOARD



Ms. Pham Thi Hue Anh
Member of Supervisory Board

Date of birth: May 24, 1980

Nationality: Vietnamese

Place of birth: Hanoi

Ethnicity: Kinh

Permanent address: Thanh Tri - Hanoi

Qualification: Master's degree

Working process:

From 2002 - 2005: COMA 18 JSC

From 2006 - 2011: Nagakawa Vietnam Joint Stock Company

From 2007 to present: FSI Technology Development and Trading Invest-ment Joint Stock Company

Number of shares held: 0 shares

● The activities of the Board of Supervisors

- During the year, the Supervisory Board implemented:
- Fully participate in the meetings of the Board of Directors, promptly grasp the operation of the Company and give comments on a number of issues related to the operation, production and business situation of the Company.
 - Supervising the activities of the Board of Directors and the Board of Managers in the implementation of the Resolution of the General Meeting of Shareholders.
 - The Supervisory Board has reviewed the accountings records and documents related to the financial activities of the Company periodically and irregularly upon request.
 - The Board of Directors, the Board of Managers have fully complied with the provisions of law in management, administration and well performed the assigned tasks.

CHAPTER

02

BUSINESS RESULTS IN 2024 & DEVELOPMENT ORIENTATION FOR 2023 – 2026

Production and business activities overview.

Investment status, project implementation status

Development orientation for the period 2022 – 2026

Sustainable development report





FILTER MEMBRANE
NAFIN 5+
New Generation

DURABLE



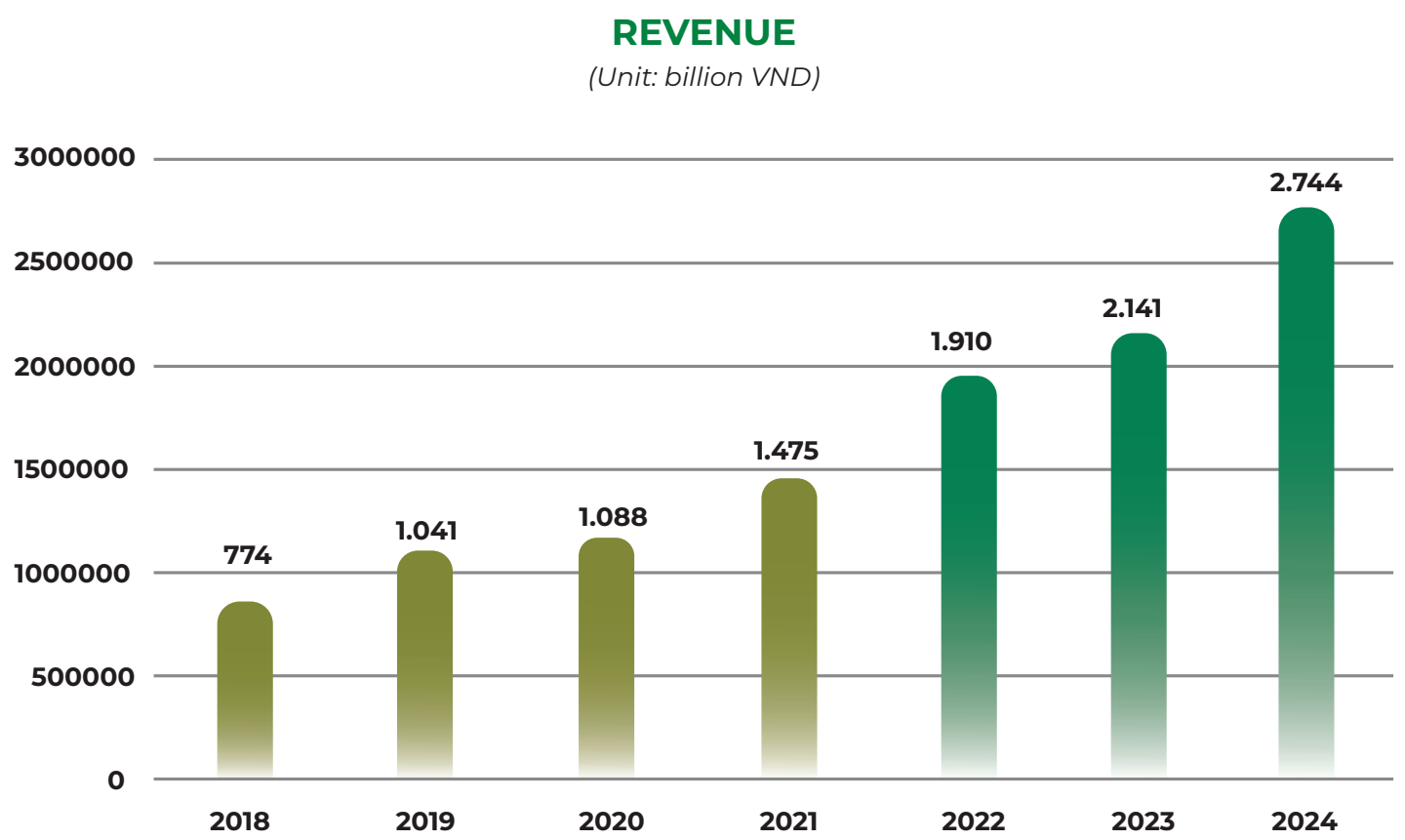
THE NAGAKAWA 2024 PRODUCT LINE

A collection of Nagakawa home appliances displayed on a reflective surface. The appliances include a large white water purifier with a green logo, a tall white air purifier, a white tower fan, a white air conditioner, a black range hood, a black oven, a black dishwasher, a white rice cooker, a black rice cooker, and several stainless steel pots. A box of Nagakawa rice cooker accessories is also visible. The background features a stylized yellow and orange geometric pattern.

OPERATIONAL PERFORMANCE IN THE YEAR

No.	Indicator	Plan	Actual	Completion Rate
1	Revenue	2,500,000,000,000	2,744,023,280,166	109,76%
2	Net Profit After Tax	35,000,000,000	26,944,177,745	76,98%

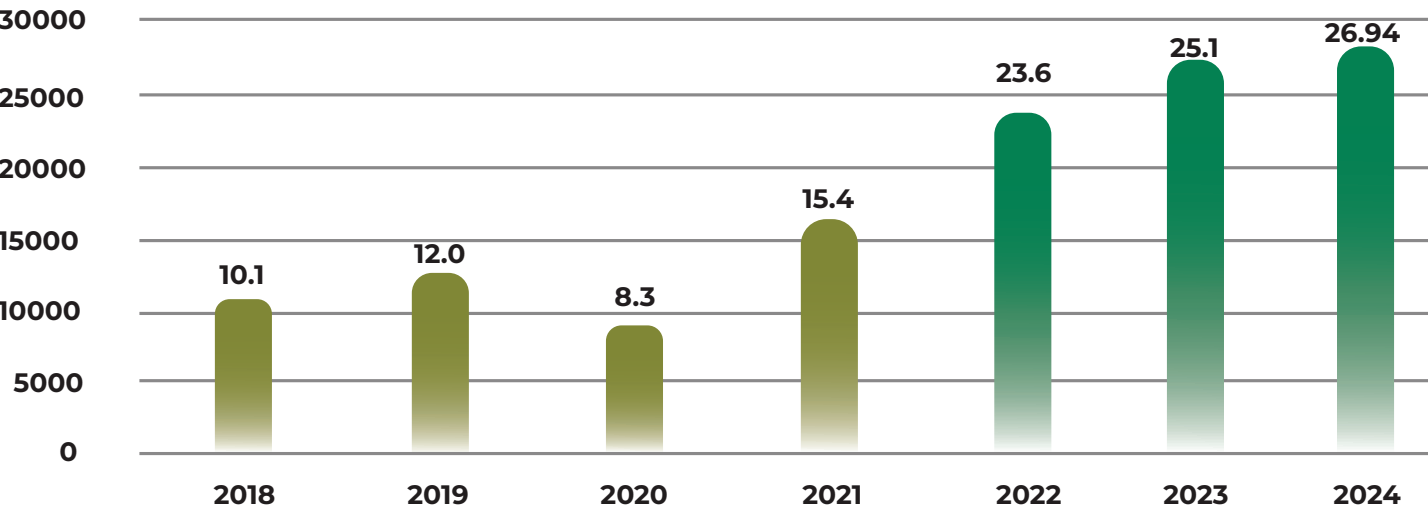
In 2024, Nagakawa Group achieved VND 2,744 billion in sales revenue, reaching 109.76% of the planned target. This outstanding result is attributed to the relentless efforts of the company's leadership team. The revenue growth rates in recent years are as follows:



Profit after tax reached 76.98% of the plan, Specifically:

PROFIT AFTER-TAX

(Unit: billion VND)



Asset size in 2024 continued to grow, with a focus on long-term assets as the company invested in factory construction to increase productivity and operational efficiency.

This growth indicates that the Group is focusing assets on fast-selling operations to quickly recover capital. With a capital management philosophy that prioritizes safety and a focus on sales and collecting well-liquidated receivables, most customers have payment periods within the prescribed limits. The growth in short-term and long-term asset categories over the years is detailed as follows:

TOTAL ASSETS

(Unit: billion VND)



Investment Status and Project Implementation

Nagakawa Technical Investment & Development JSC (IDT): Unit: VND

IDT specializes in the installation of air conditioning systems for residential and industrial projects.

Indicator	2024	2023	% Increase/Decrease
Total assets	72.853.905.461	60.212.301.051	21%
Net revenue	109.882.056.475	224.200.440.591	-51%
Operating profit	780.145.788	1.633.688.416	-52%
Other income	(118.292.992)	(1.628.443)	-7164.2%
Profit before tax	661.852.796	1.632.059.973	-59.4%
Net profit after tax	380.023.678	1.305.315.090	-70.9%

Nagakawa Da Nang JSC (NAD): Unit: VND

Indicator	2024	2023	% Increase/Decrease
Total assets	26.796.392.764	30.624.847.060	-12.5%
Net revenue	118.179.120.853	93.315.242.513	26.6%
Operating profit	68.357.752	174.842.848	-60.9%
Other income	(31.037.154)	(158.335.561)	80.4%
Profit before tax	37.320.598	16.507.287	126.1%
Net profit after tax	37.320.598	16.507.287	126.1%

Nagakawa Ho Chi Minh City JSC Unit: VND

Indicator	2024	2023	% Increase/Decrease
Total assets	116.401.448.150	83.218.188.029	39.9%
Net revenue	649.595.036.069	302.249.406.443	114.9%
Operating profit	433.471.586	503.615.644	-13.9%
Other income	(114.636.371)	(174.825.593)	34.4%
Profit before tax	318.835.215	328.790.051	-3.0%
Net profit after tax	318.835.215	316.175.623	0.8%

Nagakawa Electronics JSC:

Unit: VND

Indicator	2024	2023	% Increase/Decrease
Total assets	123.558.798.608	118.463.987.550	4.3%
Net revenue	90.824.927.270	116.255.878.672	-21.9%
Operating profit	(757.564.465)	1.304.026,217	-158.1%
Other income	(7.061.739)	(540.713.466)	98.7%
Profit before tax	(764.626.204)	763.312.751	-200.2%
Net profit after tax	(764.626.204)	334.531.528	-328.6%

Viet Phuc Hung Yen JSC:

Unit: VND

Indicator	2024	2023	% Increase/Decrease
Total assets	174.975.396.657	138.253.716.417	26.6%
Net revenue	507.602.740.310	251.958.725.313	101.5%
Operating profit	3.641.613.925	3.696.907.079	-1.5%
Other income	(2.408.255)	(107.886.636)	97.8%
Profit before tax	3.639.205.670	3.589.020.443	1.4%
Net profit after tax	2.910.887.909	3.589.020.443	-16.3%

KLW Vietnam Garment JSC

Unit: VND

Indicator	2024	2023	% Increase/Decrease
Total assets	131,210,034,145	55.097.253.389	137.6%
Net revenue	126,273,898,494	120.393.926.032	4.9%
Operating profit	465,128,572	708.795.884	-34.4%
Other income	57,806,159	(272.424.463)	-121.2%
Profit before tax	522,934,731	436.371.421	19.8%
Net profit after tax	522,934,731	436.371.421	19.8%

Nagakawa High-Tech JSC (Established on April 1, 2024)

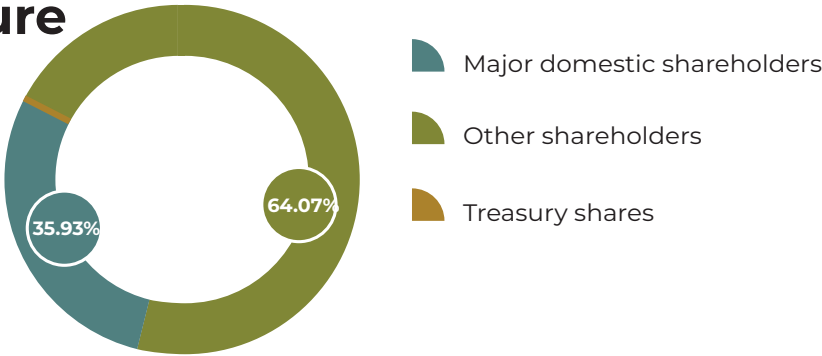
Unit: VND

Indicator	2024	Indicator	2024
Total assets	2,523,960,490	Other income	1,680,776
Net revenue	878,614,119	Profit before tax	15,202,501
Operating profit	13,521,725	Net profit after tax	12,148,956

Shareholder Structure and Changes in Owner’s Equity:

Total number of shares: : 35.760.069 shares.

Shareholder structure



Changes in Owners’ Investment Capital:

- On September 25, 2010, Nagakawa Vietnam Joint Stock Company received Decision No. 651/QĐ-SGDHN from the Hanoi Stock Exchange approving the additional listing of 1,000,000 shares issued as dividends for the year 2009, in accordance with Resolution No. 01/2010/NQ-ĐHĐCĐ of the Annual General Meeting of Shareholders.
- On February 16, 2012, the Hanoi Stock Exchange issued Decision No. 70/QĐ-SGDHN approving the additional listing of 2,500,000 shares issued under the Public Offering Certificate No. 762/UBCK-GCN.
- On August 31, 2012, the Hanoi Stock Exchange issued Decision No. 436/QĐ-SGDHN approving the additional listing of 14,849,578 shares.
- In 2019, Nagakawa issued an additional 1,039,058 shares to pay dividends in shares to shareholders in accordance with the 2019 General Meeting of Shareholders’ resolution.
- In 2021, Nagakawa issued an additional 793,988 shares to pay dividends in shares to shareholders in accordance with the 2020 General Meeting of Shareholders’ resolution.
- In 2022, Nagakawa Vietnam JSC was approved for the additional listing of 13,965,400 shares issued under Public Offering Certificate No. 148/GCN-UBCK dated May 30, 2022.
- In 2022, Nagakawa issued an additional 998,517 shares to pay dividends in shares to shareholders in accordance with the 2022 General Meeting of Shareholders’ resolution.
- In 2024, Nagakawa issued an additional 2,531,228 shares to pay dividends in shares to shareholders in accordance with the 2024 General Meeting of Shareholders’ resolution.
- In December 2024, Nagakawa issued 1,582,300 shares under the Employee Stock Ownership Plan (ESOP).
- Treasury Share Transactions: 02 shares

● Report on Environmental and Social Impacts

- Increased use of renewable resources and energy-saving materials.
- Application of advanced governance standards and procedures in both corporate operations and customer service delivery.
- Promotion of energy-saving awareness among employees and environmental protection to combat climate change.
- Strict compliance with environmental laws and regulations.
- Improved monitoring and control over energy and water consumption in production and business activities; periodic monthly monitoring of electricity, water, and fuel usage.
- Compliance with environmental protection regulations:
 - + Number of violations penalized due to non-compliance with environmental laws and regulations: None
 - + Total amount of penalties imposed: None



- Employee-Related Policies

+ Employee numbers and average salary: Nagakawa continues to focus on developing a team of strategic consultants with deep industry knowledge, business modeling expertise, and technological acumen to deliver enhanced value to customers. Furthermore, Nagakawa views human resources as the most valuable asset of any enterprise and invests in employee capacity-building programs to contribute to the company's growth.

+ Policies to ensure employee health, safety, and welfare: To protect workers' rights, Nagakawa Group JSC registered the minimum wage with the Department of Labor, Invalids, and Social Affairs at VND 4,730,000 per person/month and established a salary scale applicable to all employees across the company.



Development Orientation

• Key Objectives of the Company

The development orientation of Nagakawa Group for the 2022–2026 period is to become a strong, multi-sector conglomerate consistently ranked among the Top 500 largest enterprises in Vietnam, with a commitment to delivering "Comprehensive Peace of Mind" to everyone experiencing Nagakawa's products and services. In addition, there are specific development orientations for each product line and business sector, such as:

TOP 5

Air conditioner manufacturing and distribution brands in Vietnam;

With over 20 years of innovation and dedication, Nagakawa Group has become a trusted brand and reliable companion in improving living standards and comfort for Vietnamese families.

Vietnam's tropical monsoon climate and 100 million population result in annual consumption of approximately 2 million air conditioners (according to the Vietnam Society of Refrigeration and Air-Conditioning Engineers). Research&Market reports that Vietnam is one of Asia's largest air conditioner markets, projected to reach USD 2.9 billion by 2025. In addition to residential air conditioners, industrial growth drives demand for cooling in office buildings, shopping malls, hospitals, factories, etc. These segments require higher-capacity, more complex solutions, offering Nagakawa a strategic advantage with its two decades of expertise in refrigeration. Focusing on the commercial air conditioning segment as a niche market to gain market share is seen as a smart strategy.





Driven by a “Customer-Centric” approach and deep knowledge of Vietnamese architecture, geography, climate, and user behavior, Nagakawa continually invests in R&D and applies modern technology to develop durable, superior commercial air conditioners. Features include 7-layer protective outdoor unit casing, anti-corrosion Golden Fin heat exchangers, and self-maintenance and error diagnostics. Inverter and energy-saving technologies enhance durability, stability, and cost-efficiency for projects.

In 2024, Nagakawa will continue expanding into new markets and distribution channels, grow its presence in Southern Vietnam, strengthen traditional sales in the North, and invest more heavily in e-commerce, project sales, and consumer electronics retail. This includes enhancing partnerships with Điện Máy Xanh and other Northern retail chains. Additionally, Nagakawa will introduce attractive policies to boost presence at over 12,000 sales points nationwide, making its products more accessible to Vietnamese consumers.

LEADING BRAND in premium kitchen appliances in Vietnam

Become a leading brand in the premium kitchenwares industry in Vietnam market. Nagakawa Corporation wishes to bring to consumers a kitchen space: Comfort - Luxury – High-class, the Nagakawa premium kitchenwares set is considered an ideal choice to contribute to perfecting the system. Modern kitchen ecology. Nagakawa products are aimed at new technologies, sophisticated design, meeting the smallest needs of housewives, turning the kitchen space into a place that brings a sense of relaxation and peace to every Vietnamese family.

In September 2023, Nagakawa launched the 2024 Premium Kitchen Appliance product line under the theme of "Dedication and Perseverance," drawing creative inspiration from the everlasting diamond.

The most impressive highlight in the Nagakawa Premium Kitchenwares collection is the induction cooker product line. Equipped with dual IGBT processors and a magnetic tray made of more than one hundred pure copper fibers with a special structure, the Nagakawa induction cooker maintains durable operation with high performance, suitable even for the most demanding applications. areas with unstable voltage. In addition, Nagakawa electric stove products are equipped with many product lines with glass surfaces from the world's most famous brands such as Schott Ceran, Kanger and Eurokera, which are safe with durability and great heat resistance. up to 700 degrees Celsius, both bringing a luxurious and durable appearance to the kitchen and ensuring safety during cooking.





With inverter technology to save power consumption, Nagakawa electric stove products have the ability to automatically identify the bottom material of the pot to give the appropriate frequency of current, thereby optimizing and controlling the power level preset capacity, maintaining the desired heat level while ensuring the durability of the stove. Combined with the booster function, the Nagakawa induction cooker helps housewives shorten the cooking time, no need to worry about power consumption, comfort and peace of mind every time they enter the kitchen.

Besides the high-end induction cooker, the product line up, the other two products in Nagakawa's kitchen ecosystem, including the hood and the dishwasher, also focus on "quality", in accordance with the needs and culture. of Vietnamese consumers.

As a pioneer in D-combine integrated technology, Nagakawa introduces the first-ever 4in1 and 6in1 combo units in Vietnam, encompassing multiple appliances in just 1m2 of space. These combos include an induction cooker, range hood, dish dryer, deep fryer, sink, dishwasher, waste disposer, water purifier, and food sterilizer. Furthermore, Nagakawa presents touchless smart range hoods, NaFresh 360 air-drying dishwashers, and high-frequency electric rice cookers with unique starch-reduction cooking capabilities.

With the message "Peace of mind in the Kitchen", the Nagakawa premium kitchenwares set not only brings consumers high quality products but also brings peace of mind and relaxation to users in the kitchen.

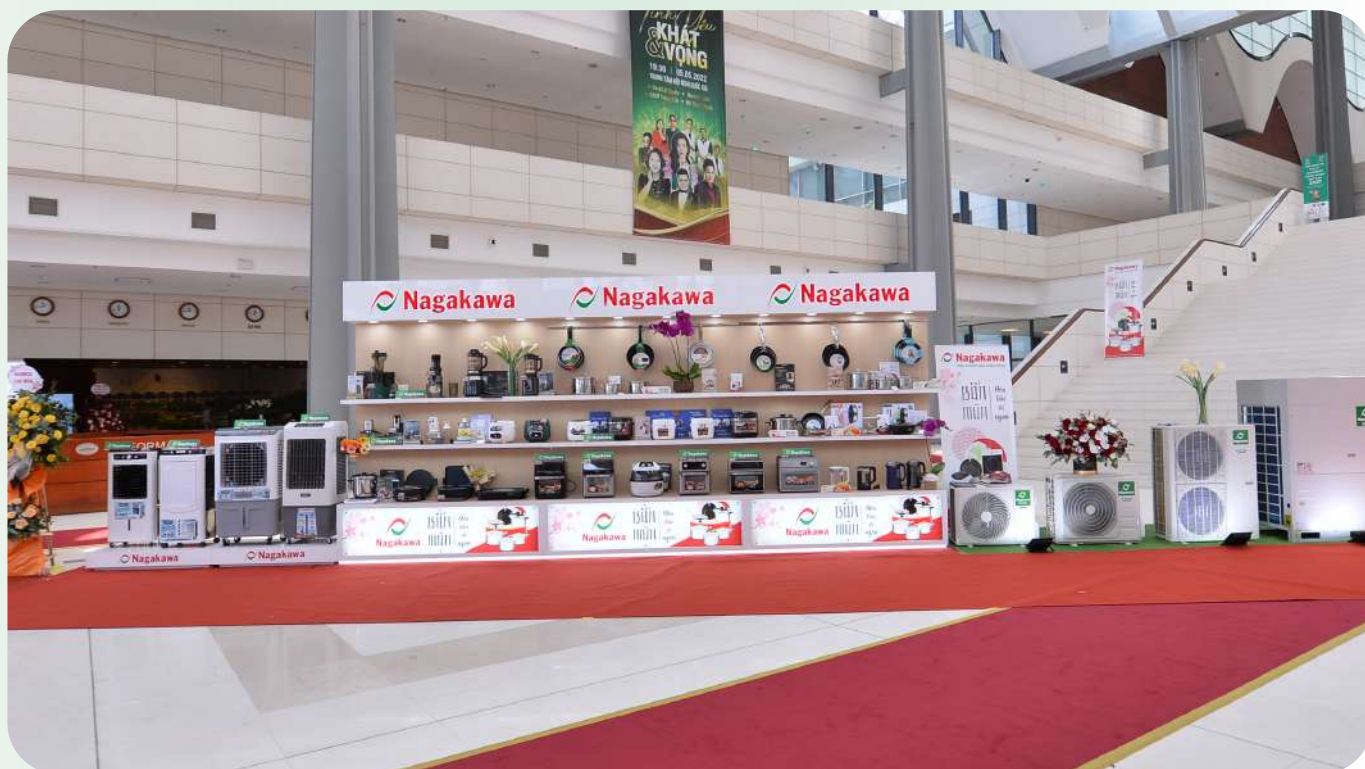
HOME APPLIANCE INDUSTRY

Products in the mid to high-end segment for the health of Vietnamese consumers.

Changing the positioning of the Home Appliance industry from the mid-low segment to the mid-high segment, Nagakawa's Home Appliance sector marks its transformation by optimizing technology, enhancing quality, and innovating in design, providing users with new experiences. Notably, the incorporation of the latest modern technologies, such as SUS 304 technology (also known as premium 304 stainless steel), full-layer technology, PFOA and APEO-free Whitford non-stick technology, and Bakelite heat and impact-resistant technology, has been instrumental.

In September 2023, Nagakawa also launched the 2024 Home Appliance product line, showcasing its dedication to innovative solutions for the health of the Vietnamese people, utilizing high-quality materials certified by the US FDA as safe for health and the environment. The most outstanding feature is the Hydroxyl technology-based disinfection appliances, which have been certified for their effectiveness by the National Institute of Food Safety and Hygiene Testing - Ministry of Health, with a disinfection rate of up to 99.99% and the removal of up to 76% of harmful residues.

Embracing the core value of "Creative," Nagakawa welcomed the spring of 2024 by introducing a luxurious red packaging for its products, symbolizing prosperity and the Lunar New Year. This marked Nagakawa as the first home appliance manufacturer in the Vietnamese market to offer special products for the Lunar New Year. This not only demonstrated creativity in product packaging but also affirmed Nagakawa's pioneering position in the home appliance industry by setting a trend of practical and unique Tet gifts with long-term utility value in the context of a still-struggling market economy, where consumers continue to prioritize savings and efficiency during the Lunar New Year celebration.





These product lines have made a lasting impression on users and have contributed to the distinctive identity of Nagakawa's home appliances during this transitional period. The Nagakawa Group has received numerous positive feedback from the community. Additionally, in 2024, Nagakawa took the lead in conducting safety certifications for its premium home appliance products through a series of evaluations by the Nutrition Institute - Ministry of Health.

Nagakawa is spearheading a new trend in premium home appliances and kitchen equipment, providing not only convenience, health safety, and durability but also offering homemakers moments of "safety, peace of mind, and comfort" in their well-equipped and cozy kitchens.

Nagakawa provides a comprehensive ecosystem to meet every need and create a comfortable life for every family. With a customer-centric approach, Nagakawa takes pride in delivering one million premium home appliance products to serve consumers, raising the living standards of the Vietnamese people. This transformation is not only a significant step forward for Nagakawa's home appliances but also a reaffirmation of the company's role and mission in elevating the overall living standards in Vietnam.

Over the years in the market, Nagakawa's home appliance products have firmly secured their position and have been favored and chosen by millions of Vietnamese consumers.

Nagakawa

HEALTHY

*and green,
a refreshing*

SUMMER



CORPORATE GOVERNANCE

Improve the quality of corporate governance.

The corporation continues to vigorously implement digital transformation projects to ensure the unified, transparent, and seamless operations of the Group, aiming towards a real-time company operating model. This is also one of the crucial factors that help Nagakawa ensure the health, safety, and efficiency goals of its employees. Digital transformation is becoming a key strategy for enterprises and organizations in the fourth industrial revolution.

Particularly in the current challenging context, the wave of digital transformation is happening more robustly than ever before. This impact profoundly changes the order, economic structure, management methods, and social life, forcing Vietnamese businesses to adjust by enhancing internal capabilities, focusing on domestic market development, fostering digital economy, digital society, and e-commerce. Not being left behind this trend, Nagakawa Group has been proactively adapting, actively seeking new directions, and applying digital transformation in production, operations, and customer engagement.

EXPORT

Products of Nagakawa brand to the Asian market and surrounding areas.

Exporting Nagakawa brand products to the Asian market and surrounding areas. The goal is that by 2026, Nagakawa will perfect the management apparatus, production process, and improve product quality to serve as a premise to export Nagakawa branded products to the international market; bring Nagakawa products to conquer the world.

PROMOTE MARKETING

In order to introduce Nagakawa products consumers across the country, so that Nagakawa Brand becomes familiar to all Vietnamese consumers.

Enhancing marketing communication activities to bring Nagakawa products closer to consumers nationwide, aiming to make the Nagakawa brand familiar to all Vietnamese consumers.

Developing a brand development strategy for each product category with a clear, consistent direction, and a long-term roadmap to effectively capture the Vietnamese consumers step by step.

Implementing a comprehensive 360-degree marketing campaign to optimize brand recognition, enhance brand awareness, bring the Nagakawa brand and products closer to every household, and captivate Vietnamese customers through product quality and services. This is the most sustainable path of development.

CONSOLIDATE THE EXISTING MARKET

Strengthening the existing markets, increasing additional investments in weaker markets, and developing new markets and channels of distribution.

Sustainable development report

● Sustainable Development Goals

Dedication and innovation over the past 20 years have been key factors in Nagakawa's remarkable growth, consistently ranking among the top 50 outstanding growth enterprises in Vietnam for four consecutive years and climbing 54 spots in the Top 500 largest enterprises in Vietnam. In the face of increasingly fierce competition, Nagakawa remains steadfast in its sustainable development strategy while recognizing the need for flexibility and appropriate adjustments to deliver even greater value and achieve significant goals.

Leveraging its own strengths, Nagakawa has been and continues to collaborate closely with the Government, provinces, organizations, businesses, and the community to overcome challenges, share successes, and create the most meaningful values towards a prosperous life and a thriving nation.

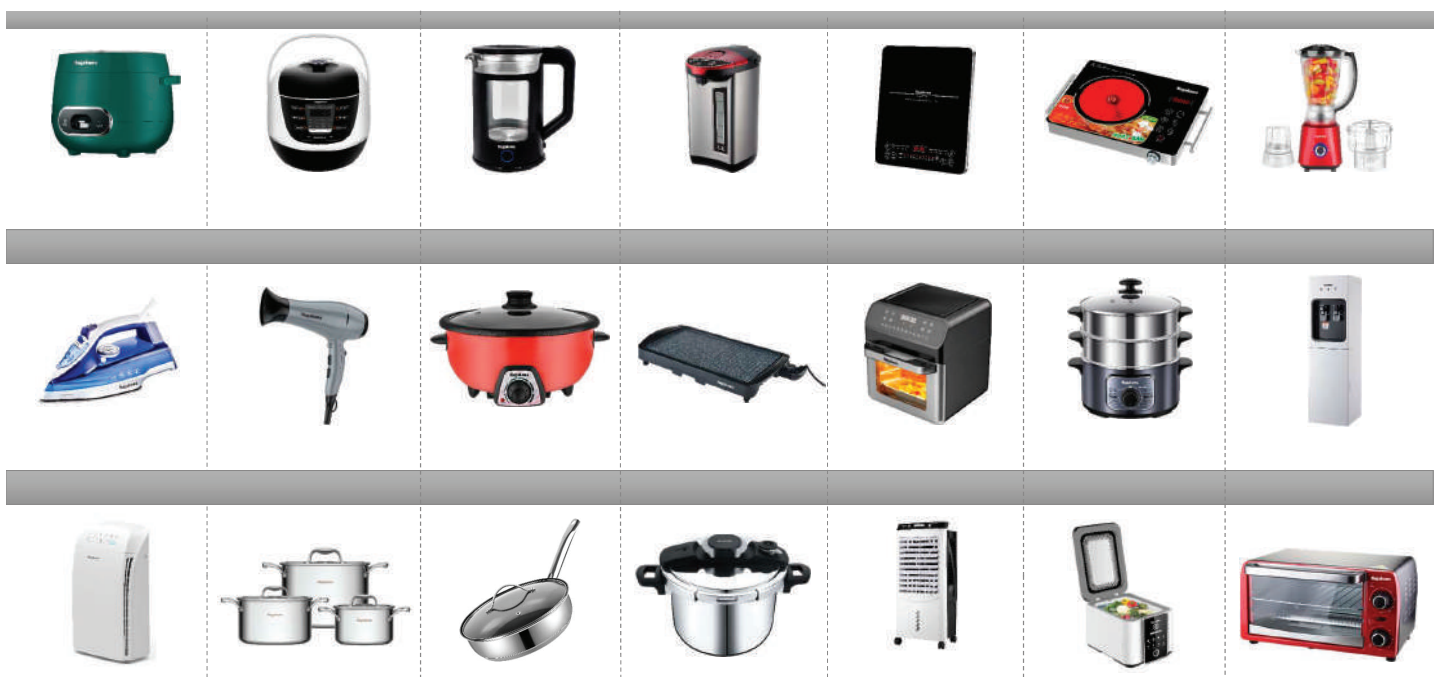
● Economic Development

In order to achieve sustainable development, Nagakawa Group always establishes strategic orientations as long-term development guidelines and corporate governance, including scenarios to adapt and operate the company in the face of major fluctuations. Risk management is also addressed by preparing scenarios for unforeseen risks and fluctuations.

In business management, Nagakawa builds reserves of financial resources and human resources to ensure operational contingency funds and a competent workforce for the company. Additionally, Nagakawa consistently updates market conditions, evaluates competitors, assesses customer needs, conducts research, and introduces attractive product lines at reasonable prices. The company also develops and flexibly implements various promotional and sales programs to reach the target customer segments and achieve set objectives.

● Expanding Business Areas:

The Nagakawa brand is known as an expert in the air conditioning industry, with its core product being air conditioners. In 2017, Nagakawa officially invested in the Home Appliances sector and continued to introduce a premium Kitchen Appliances product line in 2020. Simultaneously, the company has also been developing the textile and garment industry. Continuously seeking opportunities to expand into industries that align with its capabilities, Nagakawa has further diversified its business portfolio into new areas such as technology services, financial investments, and industrial real estate.



• Expanding Customer Segments:

Previously, with the mission of popularizing the use of air conditioners in millions of Vietnamese households and buildings, Nagakawa's air conditioning product line targeted the mass market segment. Upon entering the Home Appliances sector, Nagakawa conducted extensive research and development, resulting in hundreds of products with superior quality and successful expansion into the mid to high-end market segments. The premium Kitchen Appliances product line, on the other hand, aims to provide comprehensive peace of mind to all customers through clear positioning as a premium product with the best market policies and services. Nagakawa offers a diverse range of tens of thousands of products catering to various customer segments.

• Launch of AN ERP – A Comprehensive Enterprise Management Solution

AN ERP is a modern, cutting-edge platform that combines user-friendliness, fast deployment, and adaptability to the unique needs of each business. Its mission is to support Vietnamese enterprises in digital transformation, offering optimal enterprise resource planning from initial implementation to long-term success.

AN ERP: A Comprehensive Management Platform for Enterprises

Automates processes and streamlines task monitoring
Centralized information management
Ensures transparency in operations

AN OFFICE: A Complete Digital Office Solution

Digital project and document management
Cost and paperwork optimization
Maximum security

AN HRMs: Process Automation – Empowering the Workforce

Centralized employee record management
Clear KPIs and performance evaluation
HR management from onboarding to promotions and rewards

AN WAREHOUSE: Total Warehouse Oversight

Easy warehouse management and operations
Smart reporting
Versatile inventory control

AN WARRANTY: Retaining Customers with Care

Efficient warranty management
Quick handling and tracking of warranty cases
Professional customer care

Notable AN ERP Projects include:

Comprehensive digital transformation in commercial distribution
Full-scale digitization in the apparel industry
Sustainable forestry digitization
Digital transformation in supporting industrial engineering

AN ERP

NỀN TẢNG QUẢN TRỊ NGUỒN LỰC DOANH NGHIỆP TOÀN DIỆN

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MỘT SẢN PHẨM CỦA TẬP ĐOÀN NAGAKAWA

● Community Support

Alongside production and business development, Nagakawa consistently places strong emphasis on social welfare. The company embraces the philosophy of sharing and contributing its achievements to those in difficult circumstances, treating it as a mission that accompanies business growth. This also reflects the deeply rooted Vietnamese tradition of “the healthy leaves protecting the torn ones.”

Nagakawa, together with its nationwide network of distributors, not only maintains strong business partnerships but also collaborates to create greater value for society.

In 2024, Nagakawa organized and sponsored numerous programs to join hands with the community in pursuit of a better life.

Throughout its operations, Nagakawa Group understands that the success of a brand is not only measured by recognized business achievements or durable, aesthetically pleasing, high-quality products, but also by the meaningful contributions it brings to society. The ultimate purpose of these programs is to generate long-lasting positive impacts rather than offering short-term relief in emergencies. As such, Nagakawa also encourages non-material contributions within the company, aiming for the dual goal of community development and contributing to a happier nation.



Gender Equality:



Female Labor
Participation Rate:
45,6%



Female Representation
in Leadership Positions:
49,5%

Women make up nearly half of the world's population, yet they currently contribute only 37% to global GDP. Empowering women's equal participation in the economy can help increase global GDP growth to \$28 trillion by 2025. It is estimated that women globally own approximately 33% of all businesses. If women-led businesses were to grow at the same rate as male-led businesses, global GDP would increase by an additional \$2 trillion - equivalent to 2% to 3% of global GDP - and create between 288 million to 433 million new jobs.

Nagakawa has joined a network of businesses committed to supporting the Women's Empowerment Principles (WEPs) - a global initiative aimed at empowering women in the workplace, marketplace, and community. This initiative is organized by the Vietnam Chamber of Commerce and Industry (VCCI), the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), and the European Union Delegation to Vietnam. Currently, over 6,000 businesses worldwide have pledged their support to the WEPs, with over 120 businesses participating in Vietnam.

The 7 Women's Empowerment Principles (WEPs) applied at Nagakawa are as follows:

- 1

Senior leadership promotes gender equality within the organization.
- 2

Fair treatment and respect for the rights of both men and women in the workplace, without discrimination.
- 3

Ensuring the health, safety, and well-being of female and male workers.
- 4

Encouraging education, training, and career development for women.
- 5

Implementing business, supply chain, and marketing practices that empower women.
- 6

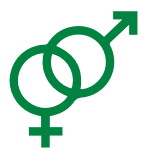
Promoting equality through initiatives and community engagement.
- 7

Assessing and publicly reporting on progress towards gender equality.



At Nagakawa, there is no gender-based discrimination, no complaints of inequality or differential treatment, and especially no forced labor or child labor. Everyone has equal access to opportunities and resources, as well as equal compensation for equivalent work without gender distinctions.

Nagakawa promotes gender equality in the workplace through the following measures:



Balancing gender representation in the workforce.



Changing entrenched perceptions of standards in recruitment and evaluation.



Investing in the development of high-level leadership capabilities to drive cultural change.



Providing flexible working arrangements to balance work and family responsibilities.



Prioritizing the development of women with potential in their careers and providing them with opportunities in key positions.



Ensuring that male employees have considerations and access to childcare and family care benefits to share family responsibilities.

The influence of women on businesses is at an unprecedented level in human history and has become one of the most powerful forces that can either break or make the success of a business. Empowering women's economic power and gender equality in the workplace will help sustain sustainable development and generate profits for the business.



• Environmental Protection

As a conscientious and responsible enterprise that values the community and the environment, Nagakawa Group is committed to reducing greenhouse gas emissions, minimizing carbon footprint in the industrial production chain, and incorporating energy-saving solutions into Nagakawa's products. This commitment is exemplified by Nagakawa's active participation in the project to phase out substances that deplete the ozone layer, organized by the World Bank and the Climate Change Bureau of the Ministry of Natural Resources and Environment.

In the field of refrigeration, electronics, and household appliances, Nagakawa Group is at the forefront of eliminating the use of HCFC-22 technology and transitioning to HFC-32 technology in air conditioning production in Vietnam. Furthermore, with a focus on eco-friendliness, Nagakawa-branded products utilize materials that are safe for both humans and the environment.

In the current context, Nagakawa aspires to become a green business and a green factory, providing products that contribute to green projects throughout the country. Particularly, Nagakawa aims to collaborate with the government in promoting awareness among the public about the importance of environmental protection, energy conservation, and the avoidance or cessation of using products that can have adverse impacts on the environment.



CHAPTER 03

CORPORATE GOVERNANCE

Corporate governance report

Report of the Board of Directors

Report on the performance of the
Administrative Council in 2024

Risk Management

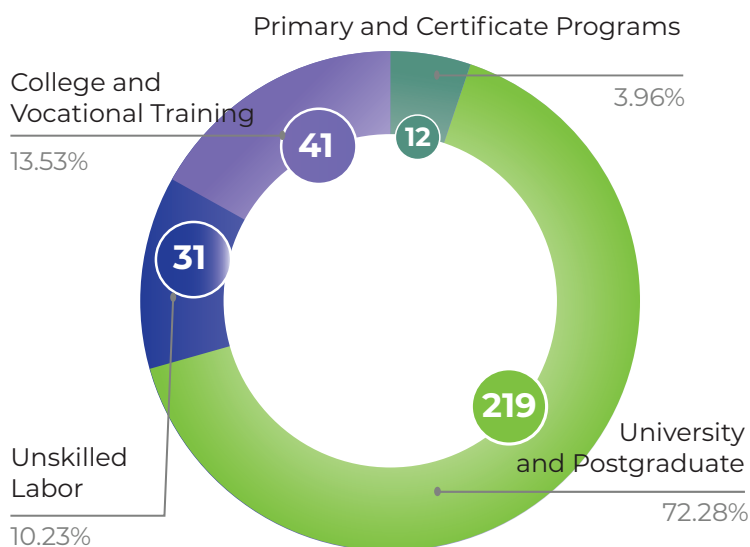




Corporate governance report

ORGANIZATIONAL PERSONAL STRUCTURE CHART

(Unit: person)



BY EDUCATIONAL QUALIFICATION

• Training Policy:

Nagakawa consistently invests in training and human resource development. The company proactively implements training programs to help employees update and access new knowledge, improve work and problem-solving skills, and develop management and leadership abilities. In 2024, Nagakawa organized more than 310 training courses, providing 5,362 training sessions covering knowledge, professional expertise, and sales skills, with an average of 32 training hours per employee.



BY EMPLOYMENT CONTRACT TYPE



• Compensation and Benefits Policy:

Nagakawa's compensation and benefits policy is built upon the following principles: Commensurate with job performance and individual contributions. Competitive within the market, encouraging enhanced productivity and work quality. Fair and transparent, this policy includes:

Basic salary (paid over 12 months)

13th-month salary paid during the Lunar New Year

Various allowances: phone, lunch, business travel, concurrent roles, etc.

Social welfare benefits: social insurance, health insurance, unemployment insurance, and annual health check-ups

Recruitment policy: Strict compliance with labor laws, ensuring adherence to legal standards for working hours and conditions

• Focus on Building Corporate Culture:

“Putting people at the center” is the guiding principle behind all of Nagakawa's business and human resources strategies. Every idea and activity originates from the needs and aspirations of people—especially the employees who are tirelessly dedicated to the company. Nagakawa places people at the heart of its mission, constantly striving to create a workplace environment that offers comprehensive peace of mind, where understanding and connection form the foundation of a cohesive corporate family.

Nagakawa is driven by four core values: Dedication, Creativity, Friendliness, and Trustworthiness. Adhering to these values in work and behavior has been the key to maintaining trust with partners and customers over the years, creating competitive advantages and supporting sustainable growth.

The company believes that respect for the law, compliance with ethical standards, and upholding its core values are the foundation of sound decision-making by every member—not only in business and production, but also in life.



Since its establishment in 2002, Nagakawa's core values and business philosophy have been built and sustained by every employee. Therefore, no matter what role or position an individual holds within the company, their decisions and actions represent the company's reputation and are vital to the sustainable development of the organization.

To preserve and promote these values and philosophies, Nagakawa Group has developed a Code of Conduct, which outlines the highest guiding principles and requires all members to fully comply with both its content and spirit in all activities. In the coming period, this Code will continue to be updated and supplemented as part of efforts to build a unified corporate culture.





Within the Group, Nagakawa prioritizes internal programs and activities that support and connect employees. Special emphasis is placed on policies that assist employees in difficult circumstances. Leadership is also deeply involved in organizing internal events that strengthen team spirit and unity, such as sports competitions, birthday celebrations, Mid-Autumn Festival events, and Lunar New Year gatherings.

These annual activities are implemented with the hope that every employee will feel that Nagakawa is not just a place to work—but also a second home.



Report and Assessment of the Board of Directors

● Evaluation of Business Performance

01. Leadership and Management Results.

The Executive Board continues to affirm its leadership role alongside the efforts of department managers, subsidiary units, and all employees. The company has steadily pursued strategic goals, reinforced the Nagakawa brand in the market, and maintained control over operations. Key accomplishments include:

- ✓ 2024 business results across all sectors met or exceeded targets, with group-wide revenue surpassing the plan.
- ✓ Leadership capacity was enhanced amidst challenges, with reliable oversight of all business activities.
- ✓ Management continued analyzing global trends, especially from Industry 4.0, to implement new business models. Investment in management software improved both labor productivity and operational efficiency



02. Organization and Management

The company reviewed and aligned with the 2022–2026 development strategy approved by the AGM, using it as a foundation for building the 2025 plan and future targets.

Programs for leadership development, high-level staff rotation, and organizational restructuring were executed to enhance governance and accountability.

The ESOP program was launched to attract and retain high-quality personnel. Compensation and bonus policies were improved to ensure stable livelihoods for employees.

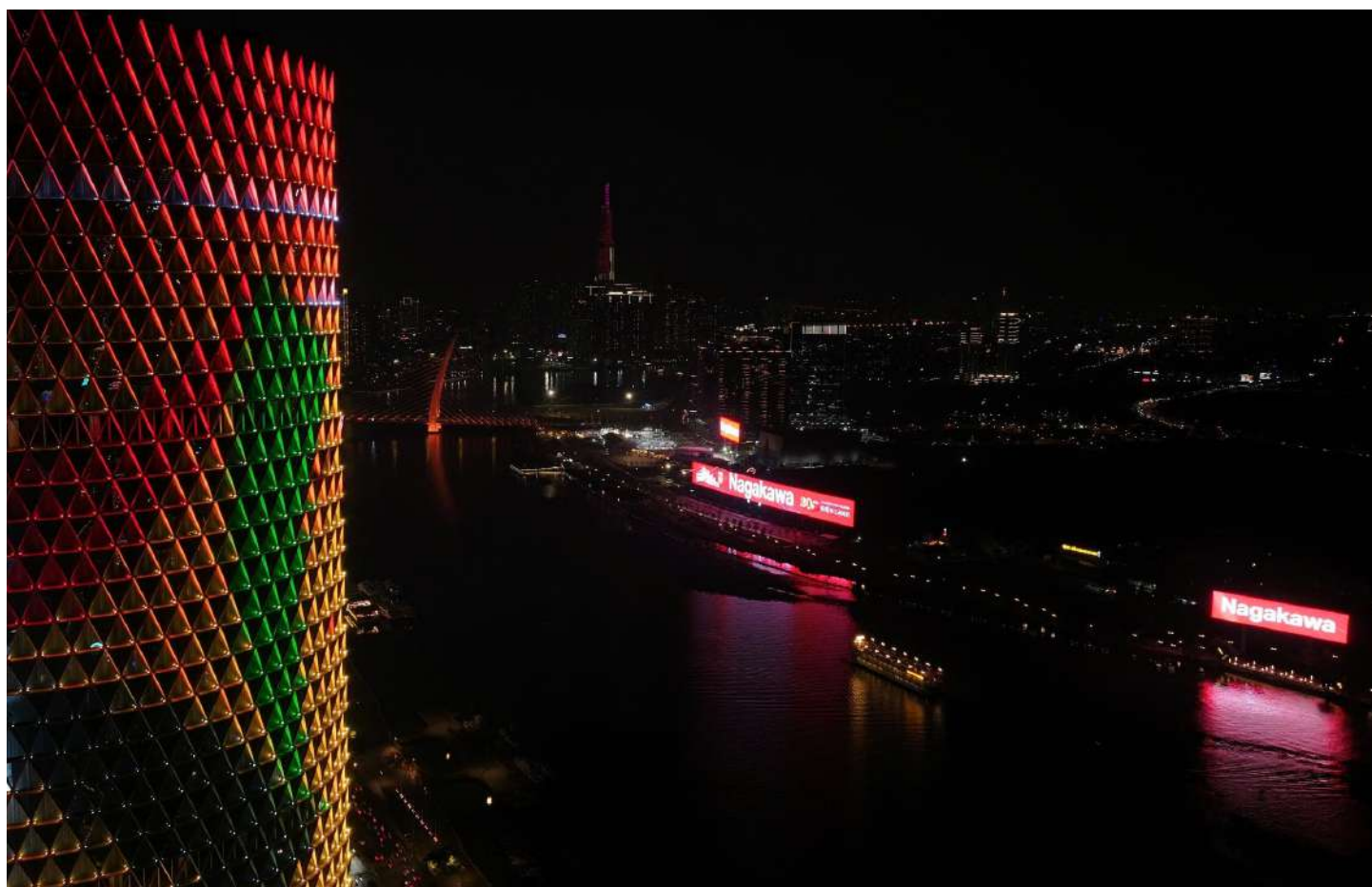
Recruitment of new personnel and leadership training was carried out to boost management competencies.

Training became a core, continuous activity within the Group.

03. Marketing Efforts

In alignment with the 2022–2026 strategy, in 2025, Nagakawa continued to optimize marketing costs and enhance effectiveness. The brand development strategy followed a clear roadmap built on a solid foundation with early successes in 2024. New technologies, including AI Marketing, were applied to tailor brand campaigns, content, and customer experiences across all platforms.

In parallel with business development and brand building, Nagakawa remained committed to social welfare, environmental protection, and gender equality. The company was a pioneer in promoting workplace gender equality and saw CSR not just as a moral duty but as an essential pillar for sustainable development.



04. Financial and Accounting Activities

Financial reporting and audits were conducted in accordance with regulations. Cash flow was effectively managed, with successful mobilization of low-cost short- and long-term capital for business and investment needs.

Financial planning and risk forecasting were provided to leadership and the Board of Directors.

Capacity building for the finance and accounting team was prioritized to meet evolving Group demands.

Internal control procedures and regulations were continually reviewed and strengthened.

05. Business Operations

Following the 2022–2026 strategy and vision to 2030, Nagakawa aims to remain in the top 5 air conditioner brands in Vietnam and become the leading premium kitchen appliance brand. Efforts included market research, detailed strategic planning, strengthening governance in each business segment, workforce development, and R&D investment for competitive, high-quality, smart products.



The company expanded into new markets and distribution channels—especially in Southern Vietnam—and strengthened its presence in the North. E-commerce, project channels, and partnerships with electronics supermarket chains like Điện Máy Xanh were emphasized. Policies were introduced to reinforce the brand's visibility at over 12,000 retail points nationwide.

06. Product Development

Remaining true to the “Customer-Centric” strategy, Nagakawa continues to research customer needs in order to gain deeper insights, thereby creating products, services, or solutions that better satisfy those preferences and demands. Moreover, Nagakawa emphasizes the application of Design Thinking in the production process. This approach focuses on the “user outcome” rather than just responding to customer requests or the subjective assumptions of the manufacturer as in the past.

In 2024, Nagakawa Group continued investing in research and development to create health-conscious product lines with higher quality, greater aesthetic appeal, and more advanced technologies. This effort aims to elevate the Nagakawa brand to a new level, positioning it within the premium product segment with competitive attributes such as durability, luxurious design, feature-rich comfort, and optimal customer experience.

In the air conditioner sector, Nagakawa Group in 2024 continued to develop innovative and environmentally friendly models while still ensuring advanced features to meet rising consumer demands, such as air purification, antibacterial properties, energy saving, and smart sensors.

In the home appliances sector, Nagakawa remained committed to becoming a top player in the Vietnamese market. The company expanded its market presence and maintained its pledge to develop high-tech, health-focused products by applying modern technologies to create offerings suited to Vietnamese consumer behavior, psychology, and cultural preferences.

In the kitchen appliances sector, Nagakawa continued to release premium product lines with high technology content and modern design. These products are expected to help the company realize its goal of becoming Vietnam's leading premium kitchen appliance brand.

The company closely monitored market developments and competitor strategies in order to devise suitable product development plans.

Nagakawa also continued investing in advanced manufacturing technology and R&D to create products that match the psychology and preferences of Vietnamese consumers.

07. Customer Consulting and Care

In 2024, Nagakawa Group significantly increased investment in its Customer Service Center, placing special emphasis on the customer consulting and care department. It implemented management solutions and supportive policies to ensure the best possible service for customers.

The company accelerated the application of Industry 4.0 digital technologies in its management system, developed applications to enhance customer experience with Nagakawa's services, and progressively built a Big Data database of customer profiles. At the same time, it established a Digital Services network to provide post-sale services that are comprehensive, dedicated, and professional.



BOARD OF DIRECTORS' ASSESSMENT OF COMPANY OPERATIONS

1. Evaluation of Company Activities by the Board of Directors

In 2024, the global economy—and Vietnam's economy in particular—showed many signs of improvement, although the recovery remained slow and uneven across different countries and economies. Overall, the economic outlook became less gloomy and provided a brighter foundation for 2025, which is expected to offer many opportunities.

Air conditioning remains the core business of Nagakawa Group Joint Stock Company. However, this is also one of the most fiercely competitive sectors in the current market. On the one hand, climate change has brought new opportunities for the industry; on the other, it has also intensified competition as more companies have entered the market, driving already-thin profit margins even lower.

Faced with both opportunity and competitive pressure, the Board of Directors closely followed developments and implemented specific strategies that allowed the company to seize opportunities and overcome challenges—ensuring business continuity and stability throughout 2024.

The company's 2024 business results reflect the collective efforts of all employees, as it achieved significant revenue growth and captured key market segments:

- + Consolidated Revenue: VND 2,744,023,280,166
- + Consolidated Net Profit After Tax: VND 26,944,177,745
- + Return on Average Equity (ROAE): 6.49%

2. Evaluation of the Executive Board's Performance

In 2024, the Board of Directors highly appreciated the efforts of the Executive Boards of subsidiary companies in driving business activities, building effective management systems, and minimizing costs to improve the overall efficiency of the Group.

The Board of Directors supervised the CEO and subsidiaries through regular and ad hoc reporting, resolutions, and by addressing emerging issues in business operations.

Supervisory activities included:

Reviewing separate and consolidated financial reports with subsidiaries for 2024.

Overseeing the activities of subsidiary Executive Boards.

Participating in regular meetings with subsidiaries.

The Board of Directors issued resolutions, policies, and regulations within its authority. It ensured that the CEO and all units implemented operations effectively, safely, and in full compliance with the law and the company's charter.

According to the supervisory findings, the CEO and subsidiaries have fulfilled their functions, duties, and powers in accordance with the company's charter.



Corporate governance report

● Activities of the Board of Directors

Pursuant to the Company Charter and Corporate Governance Regulations, the Board of Directors (BOD) supervised the activities of the CEO and the Executive Board in managing business operations and implementing resolutions of the General Meeting of Shareholders (GMS) and the BOD in 2024 as follows:

Supervision Method: The BOD participated in meetings to review the implementation of resolutions, quarterly and accumulated business performance, and discussed and approved resolutions to guide the CEO and Executive Board in execution. Additionally, BOD members, according to their assigned responsibilities, regularly communicated with the Executive Board via online meeting software, email, and phone regarding matters of interest for oversight.

Supervision Results: Despite market challenges in 2024, the BOD conducted evaluations and acknowledged the significant efforts of the CEO and Executive Board in fulfilling their assigned duties. They strictly complied with applicable laws and the Company's operational regulations. The Executive Board effectively managed production and business activities, ensured employment, safeguarded employee health, and maintained high responsibility toward stakeholders.

● BOD Meeting Attendance:

No.	Board of Directors Members	Number of Board Meetings Attended	Attendance Percentage	Reasons for Non-Attendance
1	Mr. Nguyen Ngoc Quy	11/11	100%	
2	Ms. Nguyen Thi Huyen Thuong	11/11	100%	
3	Ms. Truong Dao Hai Ha	11/11	100%	
4	Mr. Doan Duc Hoa	11/11	100%	
5	Mr. Pham Anh Tuan	11/11	100%	

● Resolutions/Decisions of the Board of Directors:

Stt	Số NQ/QĐ	Ngày	Nội dung
1	01/HĐQT/QĐ-NAG	05/01/2024	Business operation plan for Q1 2024
2	01/HĐQT/NQ-NAG	06/03/2024	Plan to organize the 2024 Annual General Meeting of Shareholders
3	02/HĐQT/QĐ-NAG	15/ 04/2024	Q1 2024 business results and Q2 2024 business plan
4	03/HĐQT/QĐ-NAG	11/07/2024	Mid-year business review and H2 2024 business plan
5	04/HĐQT/NQ-NAG	02/08/2024	Implementation plan for stock dividend payout for 2023
6	05/HĐQT/NQ-NAG	13/08/2024	Plan to organize the Extraordinary General Meeting of Shareholders 2024

Stt	Số NQ/QĐ	Ngày	Nội dung
7	06/HĐQT/NQ-NAG	09/09/2024	Change in plan to organize the Extraordinary General Meeting 2024
8	11/HĐQT/NQ-NAG	04/11/2024	Notice of record date for 2023 stock dividend payment
9	09/HĐQT/NQ-NAG	06/11/2024	Implementation of employee stock option program (ESOP)
	10/HĐQT/NQ-NAG		Issuance regulations and approval of ESOP participants list
	11/HĐQT/NQ-NAG		Approval of ESOP issuance plan file to submit to SSC
10	10A/HĐQT/NQ-NAG	20/12/2024	Amendment of ESOP regulations and list of eligible employees
	11A/HĐQT/NQ-NAG		Amendment of ESOP issuance plan file to submit to SSC
11	12/HĐQT/NQ-NAG	27/12/2024	Business results for 2024 and business plan for 2025

● **Transactions, Remuneration, and Benefits of the Board of Directors, Executive Board, and Supervisory Board / Audit Committee**

Salaries, Bonuses, Remuneration, and Other Benefits

The remuneration levels for the members of the Board of Directors and the Supervisory Board of Nagakawa Group Joint Stock Company in 2024 are as follows:

STT	Item	Remuneration Amount (VND)
1	Remuneration for the Board of Directors	706.000.000
2	Remuneration for the Supervisory Board	176.000.000

● **Evaluation of Corporate Governance Compliance**

- Continuing the effective activities from previous years, in 2024, the Investor Relations Department has continued to present Nagakawa to investors as a professional, efficient, transparent, and highly credible enterprise.
- Key activities during the year included:
 - + Complying with regulations on information disclosure, ensuring timely and punctual disclosure;
 - + Publishing quarterly business results to the State Securities Commission, the Hanoi Stock Exchange, and public media;
 - + Maintaining regular updates on business operations through monthly newsletters and quarterly earnings announcements to investors;
 - + The Investor Relations section on the Group's official website consistently provides the most up-to-date and accurate information to investors.



● Business Operations:

In line with the 2022 - 2026 strategic objectives and the 2030 vision, to prepare for the ambition of becoming one of the top 5 air conditioning manufacturing and distribution brands in Vietnam and the leading brand in the premium kitchen appliances market in the Vietnamese market, the Nagakawa Group has focused on market research, strategic planning, and developing clear, detailed plans to step-by-step achieve the above objectives. In addition to streamlining the management structure of each business line, the focus has been on developing resources at the source, improving the quality of human resources, and investing in research and product development to deliver more competitive, higher-quality, and smarter products.

Nagakawa Group continues to expand and develop new markets and new distribution channels, specifically focusing on investing to rebuild the Southern market, strengthening the traditional sales channels in the North, further developing the E-commerce channel, project-based initiatives, and expanding the business into the appliance supermarket channel, starting with a partnership with the Dien May Xanh supermarket system and other northern supermarket chains.

Furthermore, Nagakawa Group continues to focus on consolidating and expanding the nationwide distribution channel network, reaching 12,000 sales points across the country so that all Vietnamese citizens can easily purchase products under the Nagakawa brand.



● Communications and Marketing

In order to materialize the strategy and direction for the period of 2022-2026, in 2024, Nagakawa continued to optimize costs and maximize the effectiveness of marketing activities. Nagakawa has a consistent brand development strategy, a clear implementation roadmap, and a solid foundation, along with initial successes in implementation activities in 2023. Along with the application of new technologies and the integration of AI Marketing into each step to optimize the effectiveness of brand promotion, providing content and marketing campaign scenarios that satisfy the customer experience on all platforms from offline to online, creating goodwill and customer loyalty. The trust and support of shareholders, partners, and customers is the most sustainable marketing path that Nagakawa always strives for.

In addition to building the brand and developing production and business, Nagakawa also always focuses on social welfare, environmental protection, and gender equality. We believe that the sustainable development of the enterprise is proportional to the social responsibility of the enterprise. In 2024, in addition to the annual social support programs that demonstrate a high sense of responsibility to the community in general, Nagakawa is also one of the leading enterprises in promoting gender equality in the workplace, in the market, and in the community. With a 60% female leadership ratio, gender equality is not only a well-implemented social responsibility at Nagakawa, but also a smart business strategy that helps us develop sustainably. Gender balance and empowerment of women contribute to enhancing innovative and creative capacity, improving governance efficiency, business growth, and attracting and retaining talent. In the new context, fulfilling the social responsibility of enterprises is not only an ethical and corporate cultural issue, but also an essential factor for the sustainable development of enterprises.



Product Research

Adhering to the "Customer-centric" strategy, Nagakawa constantly researches and explores customer preferences and needs, striving to gain a deep understanding of their requirements. This enables the company to develop products, services, or solutions that cater to those preferences and needs. Furthermore, Nagakawa emphasizes the application of design thinking in its production process. Design thinking focuses on the "end-user experience" rather than solely relying on user requirements or subjective desires of the manufacturer as in the past.

Building on the impressive milestones achieved in 2023, the Nagakawa Group will continue to invest in research and development to create healthier products, offering enhanced quality, superior aesthetics, and more advanced technologies. This will gradually elevate the Nagakawa brand to a new position, positioning its premium-segment products with strong competitive advantages, such as durability, elegant design, convenient features, and optimized customer experiences in product services.

In the air conditioning segment, Nagakawa will continue to develop innovative air conditioners in 2024, incorporating groundbreaking technologies and exceptional features to meet the ever-increasing demands of consumers, such as air filtration, bacteria elimination, energy efficiency, and intelligent sensor capabilities.

Continuing to develop the household appliances segment, Nagakawa has set a goal of becoming a leading unit in the household appliances industry in Vietnam. Expanding the market, the company is committed to developing high-tech products that are beneficial to user health and applying advanced technologies to create products suited to the needs, psychology, and consumption culture of Vietnamese people.

In 2024, Nagakawa's premium kitchen appliances line will continue to introduce high-end product sets featuring advanced technology and modern design. This new product lineup is expected to help Nagakawa achieve the objective of establishing its premium kitchen appliances brand as the market leader in Vietnam.

The company closely monitors the market, closely follows the changes and policies of competitors, in order to develop appropriate product strategies.

Nagakawa continues to invest in research and application of advanced processes, technologies, and machinery in production, as well as product development, aligned with the consumption psychology of Vietnamese consumers.



● Administrative Organization

In 2024, Nagakawa will streamline its entire management structure, prioritizing the recruitment of senior personnel with extensive experience working at major corporations. This will assist in redesigning work processes and professionalizing the management apparatus through the application of productivity-optimizing technologies.

Nagakawa will continue to refine the organizational structure of its Ho Chi Minh City operations, supplementing resources to better exploit the highly promising southern market.

The company will intensify its campaign and performance recognition efforts, ensuring they are closely aligned with actual requirements and achieve tangible results.

Nagakawa will roll out comprehensive training programs, including on-site instruction, to enhance the quality of its human resources.

● Financial and Accounting

Nagakawa will conduct financial reporting and auditing in accordance with regulatory requirements. The company will implement its 2024 financial plan and a 5-year financial strategy. It will exercise effective cash flow management to secure low-cost, short-term and long-term capital necessary to support the Group's production, business operations, and investment needs.

Nagakawa will advise the leadership and Board of Directors on short-term and long-term financial planning, financial risk forecasting, and provide guidance to its units on implementation.

The company will enhance the capabilities of its finance and accounting personnel to meet the evolving requirements of the Group's development.

Particular emphasis will be placed on refining and applying internal management regulations and processes.

● Advisory and Customer Service

Alongside product enhancements, in 2024 the Nagakawa Group will restructure its Customer Service Center, with a particular focus on the customer advisory and care function. It will devise optimal management solutions, customer care approaches, and support policies.

The Nagakawa Group has formulated specific strategies and policies to develop its advisory and customer service capabilities. These include applying Industry 4.0 technologies to system management, developing applications to optimize customer experience with Nagakawa services, gradually building a comprehensive customer Big Data repository, and establishing a Digital Services network to deliver the most thorough, dedicated, and professional aftersales care.

● Digital Transformation Efforts

Focused on driving business operations towards digital transformation, accelerating the development of digital services; supporting management and business operations; consolidating and stabilizing system operations; enhancing and ensuring cybersecurity and compliance; continuing to implement centralized operations.

Digitization and Information Technology Deployment: The Group has embarked on a comprehensive, well-resourced, and concentrated investment plan for a holistic digital transformation of its business activities, keeping pace with the inevitable global trends.

● Conclusion

With the above-mentioned orientations and strategies, the Board of Directors is confident that through the concerted efforts and determination to overcome difficulties and challenges, combined with the unity of all employees, Nagakawa will accomplish its 2024 plan, enabling Nagakawa to grow stronger and deliver maximum returns on shareholders' investments.

RISK MANAGEMENT

01 Economic Risks

The growth of the global economy in general and the domestic economy in particular creates the business environment for enterprises. Therefore, changes in the economy have a significant impact on the efficiency of business operations and require enterprises to adapt in a timely manner to the fluctuations of the macroeconomy.

With the current main business areas being the trading of air conditioners, home appliances, and kitchen equipment, the Company's business performance results depend on the overall economic growth rate and the level of consumer spending. Vietnam has achieved strong growth, attracting investment and production from abroad. However, in 2024, it is expected to face numerous challenges due to the forecast of a global recession. Therefore, the company's management team needs to closely monitor the macroeconomic environment to identify future trends and critical business impacts, and then make appropriate decisions and strategies.

02 Inflation Risk

In addition to the growth of the economy, the inflation rate is also a macroeconomic factor that affects the business operations of enterprises. Increasing inflation will drive up the prices of raw materials and the general costs of the enterprise, impacting the company's profit margins.

In 2023, the global economy experienced the highest inflation rates ever recorded due to surging energy prices and geopolitical instabilities. As the direct impact of inflation on the company's production costs, the company constantly monitors the situation closely to make timely adjustments to its business operations.

03 Interest Rate Risk

Interest rate is a sensitive economic variable, and changes in interest rates will impact the production and consumption behavior of society. For an enterprise, interest rate risk is the risk that the company's borrowing costs are higher than its ability to generate profits, and the level of interest rate risk also varies across industries depending on the debt structure of that industry.

In 2023, the high lending interest rates had a negative impact on the repayment of loans and hindered the company's access to new borrowings. The fluctuations in interest rates have created the risk of higher borrowing costs, which affects the company's profitability. Therefore, to mitigate the impact of interest rates on the company's costs, the management team has been studying plans to access other sources of capital besides loans.

04 Foreign Exchange Rate Risk

Fluctuations in exchange rates directly impact the operations of import-export enterprises. When the exchange rate increases, exporting enterprises benefit, but for importing enterprises, it leads to higher import costs, transportation fees, and other expenses.

Nagakawa has import activities of electrical, household, and other products from countries such as Indonesia, Malaysia, and China. Therefore, exchange rate volatility is one of the factors affecting the company's business operations. As a result, Nagakawa needs to apply measures to monitor and evaluate the factors impacting the exchange rate, and then adjust its sales policies accordingly to align with the actual situation.

05 Legal Risks

All of the company's business activities are subject to the regulation of the current legal documents such as the Enterprise Law, Securities Law, Corporate Income Tax Law, and others. The laws and subordinate legal documents regarding these matters are still in the process of being revised and supplemented to be consistent with the changes in the Civil Law and Criminal Law. This will impact the company's business operations and stock trading activities.

To control legal risks, the company has a legal department that regularly monitors, forecasts, and updates changes in the law and their impact on the company's business projects. At the same time, the company has established an internal governance system in accordance with the provisions of the law.

06 Cost of input commodity risk

Nagakawa's main business activity is the distribution of imported refrigeration and household appliances directly from international suppliers. As a result, the prices and quantities from suppliers may fluctuate and be influenced by both objective and subjective factors. Additionally, the company's logistics costs and freight charges are also directly impacted by fluctuations in global oil prices, as well as the prolonged effects of the pandemic causing disruptions in global supply chains and stagnation in goods circulation, significantly reducing the company's business efficiency.

To minimize the risks associated with raw material procurement costs, the company has proactively sought out reputable suppliers to ensure stable procurement costs, on-time delivery, and product quality assurance.

07 Competitive Risks

Vietnam's participation in international trade organizations (WTO) and the signing of EVFTA and CPTPP agreements have created both opportunities and challenges for domestic enterprises, requiring them to enhance their competitiveness and develop in accordance with international standards and practices.

The opening of the market will create intense competitive pressure for all enterprises operating in the refrigeration and household appliance business. Foreign-invested enterprises with strong financial resources, modern technology, and scientific management methods will be fierce competitors for domestic enterprises.

Currently, the distribution market for refrigeration and household appliances has many domestic and foreign enterprises competing directly with Nagakawa, include:

- International brands: Daikin, Panasonic, LG, Sharp, Mitsubishi, Casper,
- Domestic brands: Funiki, Sunhouse, Asanzo, Kangaroo, Goldsun, and HappyCook.

To adapt to the increasingly fierce competition in the market, the Company needs to focus on enhancing its competitiveness by continuously improving product quality, diversifying product models, strengthening brand communication and marketing activities to consumers, as well as after-sales policies. Additionally, the Company needs to closely monitor market information and track the activities of competitors to adjust its policies accordingly to ensure its competitive market share.

Community Investment and Community Development Activities

With the goal of becoming a leading enterprise in the high-end refrigeration, household appliances, kitchen appliances, and textile industries, Nagakawa has always focused on building a stable and sustainable business that provides the highest satisfaction for shareholders, creates a professional and safe working environment for employees, ensures harmonious interests for all stakeholders, and makes a positive contribution to the development of the community.





● **Some Highlighted Activities:**

● **"Nurturing Green Buds – Giving Hope" Program**

In December 2024, Nagakawa organized a social welfare program titled "Nurturing Green Buds – Giving Hope" in Quang Tri Province. Together with its distributors, Nagakawa delivered practical gifts to disadvantaged families and children in need.





As part of this meaningful program, Nagakawa Group awarded the "Green Buds" scholarships to 10 outstanding students from disadvantaged backgrounds, along with small gifts to celebrate the "Nurturing Green Buds – Giving Hope" festival.





● "Knowledge for Students" Program

Also in December 2023, the "Knowledge for Students" book donation program organized by the Nagakawa Group aimed to inspire, build, and nurture good habits in students, such as reading, physical activity, and intellectual development. This helps students accumulate a substantial knowledge base for the future, enabling them to become useful and well-rounded citizens in the new era. With sponsorship from the Education Publishing House, Nagakawa donated 45,000 books worth up to 1.5 billion VND to primary, secondary, and high schools in the provinces of Bac Ninh, Ninh Binh, and Hanoi City. Additionally, Nagakawa provided meaningful gifts to support the daily lives of the students and schools, creating a better learning environment that motivates the students to strive and become productive members of society.





• Co-Organizing the 29th Nagakawa Cup Bac Ninh Newspaper Run



The Nagakawa Cup Bac Ninh Newspaper Run is an annual collaborative event between the Nagakawa Group and the Department of Culture, Sports and Tourism, the Provincial Youth Union, Bac Ninh Newspaper, the Department of Education and Training, the Radio and Television Station, and the Bac Ninh Provincial Police. The goal is to encourage and promote physical fitness activities among all levels of society, contributing to improved health that supports education, work, production, and national defense.

The run attracted a large participation from the community, including youth, students, and members of the armed forces, who actively engaged in physical training to support their studies, work, production, and national protection. The expansion of the recreational event drew thousands of registrations, making it the largest edition to date with nearly 3,000 athletes, creating a joyful and enthusiastic atmosphere.



The Nagakawa Cup Bac Ninh Newspaper Run "Be Healthy to Establish a Career and Defend the Nation" is one of the many social initiatives spearheaded and supported by the Nagakawa Group. The aim is to promote and encourage people from all walks of life, regardless of occupation, age, education level, or gender, to come together and cultivate a habit of physical fitness, thereby contributing to the improved stature and physical well-being of the Vietnamese people. Nagakawa has consistently emphasized and supported sports and physical fitness activities to enhance the physical and mental health of every employee and member of the community.

Nagakawa believes that its persistent efforts in business operations and its unwavering commitment to community responsibility over the past two decades will contribute to the continued prosperity and happiness of Vietnam.



CHAPTER

04

FINANCIAL STATEMENT

Financial situation

Key financial indicators

Consolidated accounting balance sheet

Business Scoreboard

Consolidated cash flow statement





Financial Performance

Indicator	2024	2023	% Increase/Decrease
Total assets	1,805,083,492,382	1,590,991,329,373	13.5%
Net revenue	2,723,254,612,787	2,118,135,624,311	28.6%
Operating profit	33,111,080,435	16,034,330,339	106.5%
Other income	2,258,826,405	15,997,334,729	-85.9%
Profit before tax	35,369,906,840	32,031,665,068	10.4%
Net profit after tax	26,944,177,745	25,150,148,589	7.1%
Dividend payout ratio	8%	8%	0%

Key Financial Ratios

Indicator	2024	2023	
1. Liquidity Ratios			
Current ratio	1.19	1.19	
Current assets / Current lia	1.19	1.19	
Quick ratio	0.65	0.57	
2. Capital Structure Ratios			
Debt to Total Assets ratio	0.63	0.62	
Debt to Equity ratio	2.65	2.44	
3. Activity Ratios			
Inventory turnover	3.29	4.91	
Total asset turnover	1.6	2.66	

Indicator	2024	2023
4. Profitability Ratios		
Net profit margin (Net profit / Net revenue)	0.01	0.01
Return on equity (ROE)	0.06	0.06
Return on assets (ROA)	0.01	0.02
Operating profit margin (Operating profit / Net revenue)	0.01	0.01



Audit opinion

"In our opinion, the consolidated financial statements referred to have fairly and reasonably reflected, in all material aspects, the consolidated financial position of Nagakawa Corporation as of December 31, 2024, as well as the results of consolidated operations and consolidated cash flows for the fiscal year then ended, in accordance with accounting standards, Vietnamese enterprise accounting regulations, and relevant legal requirements governing the preparation and presentation of consolidated financial statements."

Consolidated Balance Sheet

Assets	Code	Notes	Closing balance	Opening Balance
A - CURRENT ASSETS	100		1,632,242,146,601	1,412,998,560,904
I. Cash and cash equivalents	110	V.1	71,646,409,892	46,548,089,328
1. Cash	111		21,646,409,892	16,548,089,328
2. Cash equivalents	112		50,000,000,000	30,000,000,000
II. Short-term financial investments	120	V.2	326,625,754,419	198,663,624,959
1. Held for trading Securities	121		-	
2. Provision for devaluation of held for trading securities (*)	122		-	
3. Held to maturity investments	123	V.2	326,625,754,419	198,663,624,959
III. Current receivables	130		486,437,626,352	419,056,123,819
1. Current trade receivables	131		410,181,287,521	384,435,061,207
2. Current advanced payments to suppliers	132		32,794,597,855	13,547,258,566
3. Intra-company current receivables	133		-	
4. Receivables based on stages of construction contract schedule	134		-	
5. Current loans receivable	135	V.3	35,096,000,000	20,600,000,000
6. Other current receivables	136	V.4	13,059,730,141	5,151,625,759
7. Provision for current doubt debts (*)	137		(4,693,989,165)	(4,677,821,713)
8. Shortage of assets awaiting solution	139		-	
IV. Inventories	140	V.5	739,136,355,910	737,231,226,953
1. Inventories	141	V.5	743,349,146,847	740,401,658,350
2. Provision for devaluation of inventories (*)	149		(4,212,790,937)	(3,170,431,397)
V. Other current assets	150		8,396,000,028	11,499,495,845
1. Current prepaid expenses	151	V.7	3,108,368,785	5,424,438,603
2. Deductible VAT	152		5,245,907,999	6,034,350,194
3. Tax and other receivables from the State	153	V.6	41,723,244	40,707,048
4. Government bond trading transaction	154		-	
5. Other current assets	155		-	-

Assets	Code	Notes	Closing balance	Opening Balance
B - NON-CURRENT ASSETS	200		172,841,345,781	177,992,768,469
I. Non-current receivables	210		2,167,151,526	2,281,160,820
1. Non-current trade receivables	211		-	-
2. Non-current advanced payments to suppliers	212		-	-
3. Working capital provided to sub-units	213		-	-
4. Intra-company non-current receivables	214		-	-
5. Non-current loan receivables	215		-	-
6. Other non-current receivables	216		2,167,151,526	2,281,160,820
7. Provision for non-current doubt debts(*)	219		-	-
II. Fixed assets	220		94,436,662,507	102,807,476,706
1. Tangible fixed assets	221	V.8	87,940,523,560	96,442,324,418
- Cost	222		179,098,245,872	177,184,240,888
- Accumulated depreciation (*)	223		(91,157,722,312)	(80,741,916,470)
2. Finance lease fixed assets	224			
- Cost	225		-	-
- Accumulated depreciation (*)	226		-	-
3. Intangible fixed asset	227	V.9	6,496,138,947	6,365,152,288
- Cost	228		8,687,008,519	7,987,008,519
- Accumulated depreciation (*)	229		(2,190,869,572)	(1,621,856,231)
III. Investment property	230			
- Cost	231		-	-
- Accumulated depreciation (*)	232		-	-
IV. Non-current property in progress	240		193,780,000	613,780,000
1. Non-current work in progress	241		-	-
2. Construction in progress	242		193,780,000	613,780,000
V. Non-current financial investments	250		48,134,609,114	35,904,790,933
1. Investments in subsidiaries	251		-	-
2. Investments in associates and joint ventures	252		28,134,609,114	15,904,790,933

Assets	Code	Notes	Closing balance	Opening Balance
3. Investments in equity of other entities	253		-	-
4. Provision for devaluation of non-current financial investments (*)	254			-
5. Held to maturity investments	255	V.10	20.000.000.000	20.000.000.000
VI. Other non-current assets	260		27,909,142,634	36,385,560,010
1. Non-current prepaid expenses	261	V.11	4,391,473,182	9,352,031,088
2. Deferred income tax assets	262	V.19	3,611,655,954	3,855,294,027
3. Non-current equipment, supplies and spare parts for replacement	263		-	-
4. Other non-current assets	268		-	-
VII. Commercial advantage	269		19,906,013,498	23,178,234,895
TOTAL ASSETS (270 = 100 + 200)	270		1,805,083,492,382	1,590,991,329,373
RESOURCES				
C - LIABILITIES	300		1,376,101,070,986	1,189,350,082,750
I. Current liabilities	310		1,374,609,613,734	1,187,854,744,156
1. Current trade payables	311		182,004,186,374	136,596,419,806
2. Current deferred revenue	312		14,778,405,623	37,362,995,977
3. Tax and payables to the State	313	V.14	22,949,340,668	18,472,544,763
4. Payables to employees	314		4,284,315,817	4,676,334,939
5. Current payable expenses	315	V.15	5,188,714,834	3,284,778,959
6. Intra-Company current payables	316			
7. Payables based on stages of construction contract schedule	317		-	
8. Current unrealized revenue	318		-	
9. Other current payables	319	V.16	2,902,233,669	2,610,642,825
10. Current loans and finance lease liabilities	320	V.12	1,137,306,992,519	980,284,289,358
11. Provision for current payables	321	V.17	3,891,581,609	3,661,552,972
12. Bonus, welfare fund	322		1,303,842,621	905,184,557
13. Price stabilization fund	323		-	-
14. Government bond purchased for resale	324		-	-

Assets	Code	Notes	Closing balance	Opening Balance
II. Non-current liabilities	330		1,491,457,252	1,495,338,594
1. Non-current trade payables	331		-	-
2. Non-current deferred revenue	332		-	-
3. Non-current payable expenses	333		-	-
4. Intra company payables for operating capital received	334		-	-
5. Non-current payables	335		-	-
6. Non-current unrealized revenue	336		-	-
7. Other non-current payables	337		-	-
8. Non-current loans and finance lease liabilities	338	V.13	-	-
9. Transition bonds	339		-	-
10. Preference stocks	340		-	-
11. Deferred income tax payable	341	V.20	1,491,457,252	1,495,338,594
12. Provision for non-current payables	342	V.18	-	-
13. Science and technology development fund	343		-	-
D- OWNERS' EQUITY	400		428,982,421,396	401,641,246,623
I. Owners' equity	410	V.21	428,982,421,396	401,641,246,623
1. Paid-in capital	411		341,777,690,000	316,465,410,000
- Capital surplus	411a		341,777,690,000	316,465,410,000
- Preferred stock	411b		-	-
2. Capital surplus	412		5,348,010,000	5,348,010,000
3. Conversion option on convertible bonds	413		-	-
4. Owners' other capital	414		-	-
5. Treasury stocks (*)	415		(20.000)	(20.000)
6. Differences upon asset revaluation	416		-	-
7. Exchange rate differences	417		-	-
8. Development investment fund	418		9,827,781,376	8,570,273,947
9. Enterprise reorganization assistance fund	419		-	-
10. Other equity fund	420		-	-

Assets	Code	Notes	Closing balance	Opening Balance
11. Undistributed profit after tax	421		52,265,629,264	52,365,799,875
- Undistributed profit after tax brought forward	421a		25,293,009,474	27,910,522,319
- Undistributed profit after tax for the current period	421b		26,972,619,790	24,455,277,556
12. Capital contrustion investment	422		-	-
13. Construction investment fund	429	V.22	19,763,330,756	18,891,772,801
II. Other funds	430			
1. Funds	431		-	-
2. Funds that form fixed assets	432		-	-
TOTAL RESOURCES	440		1,805,083,492,382	1,590,991,329,373

Business Scoreboard

Target	Code	Notes	Accumulation from the beginning of the year to the end of the year (This year)	Accumulation from the beginning of the year to the end of the year (Previous year)
1. Revenue from sales of merchandises and services rendered	01	VI.1	2,744,023,280,166	2,140,625,746,499
2. Revenue deductions	02	VI.1	20,768,667,379	22,490,122,188
3. Net revenue from sales of merchandises and services rendered	10		2,723,254,612,787	2,118,135,624,311
4. Costs of goods sold	11	VI.2	2,425,860,285,621	1,809,730,124,663
5. Gross profit from sales of merchandises and services rendered	20		297,394,327,166	308,405,499,648
6. Revenue from financing activity	21	VI.3	25,038,825,613	15,934,966,929
7. Financial expenses	22	VI.4	77,496,228,258	81,927,246,233
-Of which: Interest expense	23		63,701,223,983	75,384,010,583
8. Profit&loss in the joint venture company			229,818,181	209,458,282
9. Selling expenses	24	VI.5	169,619,119,432	177,727,264,997
10. General administration expenses	25	VI.6	42,436,542,835	48,861,083,290
11. Net profit from operating activity	30		33,111,080,435	16,034,330,339
12. Other income	31	VI.7	4,652,757,619	17,747,935,208

Target	Code	Notes	Accumulation from the beginning of the year to the end of the year (This year)	Accumulation from the beginning of the year to the end of the year (Previous year)
13. Other expenses	32	VI.8	2,393,931,214	1,750,600,479
14. Other profit	40		2,258,826,405	15,997,334,729
15. Total accounting profit before tax	50		35,369,906,840	32,031,665,068
16. Current corporate income tax expense	51	VI.9	8,185,972,364	9,262,265,638
17. Deferred corporate income tax expense	52	VI.10	239,756,731	(2,380,749,159)
18. Profit after corporate income tax	60		26,944,177,745	25,150,148,589
18.1. Profit after tax of shareholders of holding company	61		26,972,619,790	24,455,277,556
18.2. Profit after tax of non-controlling shareholders	62		(28,442,045)	694,871,033
19. Basic earnings per share (*)	70	VI.11	773	701
20. Diluted earnings per share	71	VI.12	773	701

Consolidated cash flow statement

Target	Code	Notes	Accumulation from the beginning of the year to the end of the year (This year)	Accumulation from the beginning of the year to the end of the year (Previous year)
I. Cash flow generated from (used in) operating activity				
1. Profit before tax	01		35,369,906,840	32,031,665,068
2. Adjustments for				
- Depreciation of fixed assets	02		11,848,781,365	10,656,667,519
- Provisions	03		1,288,555,629	(5,484,259,413)
- Exchange rate differences from revaluation of monetary items denominated in foreign currencies	04		(180,171,314)	406,401,833
- Profit and losses from investing activities	05		(21,287,000,746)	(17,773,237,016)
- Interest expense	06		63,701,223,983	75,384,010,583
- Other Adjustments	07			
3. Operating profit before changes in working capital	08		90,741,295,757	95,221,248,574
- Increase/decrease in accounts receivable	09		(41,929,951,052)	33,689,726,847
- Increase/decrease in inventory	10		(2,947,488,497)	(50,368,360,562)

Target	Code	Notes	Accumulation from the beginning of the year to the end of the year (This year)	Accumulation from the beginning of the year to the end of the year (Previous year)
- Increase/decrease in accounts payable	11		32,378,152,811	16,245,549,303
- Increase/decrease in prepaid expenses	12		7,276,627,724	(791,945,843)
- Increase/decrease in securities trading	13		-	-
- Interest paid	14		(64,199,417,841)	(74,924,338,228)
- Income tax paid	15		(9,886,161,629)	(5,837,628,637)
- Other receipts from operating activities	16			(15,823,269,500)
- Other payment for operating activities	17		(104,344,908)	(46,738,000)
Net cash flow from operating activities	20		11,328,712,365	(2,635,756,046)
II. Cash flow from investment activities				
1.Payment for purchasing, construct fixed assets and other long-term assets	21		(3,057,967,166)	(31,702,252,763)
2.Receipts from the liquidation, assignment or sale of fixed assets and other long-term assets	22		150,000,000	5,664,644,600
3.Payments to provide loans, to acquire debt instruments of other units	23		335,774,194,942	(179,059,915,728)
4.Receipts from the recovery of loans provided, from the Re-sale of debt instruments of other units	24		(478,232,324,402)	132,071,285,808
5.Payments of investments in capital contributions to other units	25		(12,000,000,000)	
6.Cash recovered from investments in capital contributions to other units	26			
7.Receipts from interests, dividends and earned profits	27		14,113,001,664	10,090,896,247
Net cash flow from investment activities	30		(143,253,094,962)	(62,935,341,836)
III. Cash flow from financial activities				
1.Proceeds from the issuance of shares or reception of capital contributed by owners	31			
2.Repayments of contributed capital to owners or for redemption of shares by the issuing enterprise	32			
3.Receipts from borrowings	33		2,616,068,927,092	2,142,532,485,901

Target	Code	Notes	Accumulation from the beginning of the year to the end of the year (This year)	Accumulation from the beginning of the year to the end of the year (Previous year)
4.Repayments of principals of borrowings	34		(2,459,046,223,931)	(2,030,848,734,849)
5.Repayments of financial leasing debts	35			-
6. Cash payments of dividends or profits to owners or shareholders	36			(14,302,782,772)
Net cash flow from financial activities	40		157,022,703,161	97,380,968,280
Net cash flow in year	50		25,098,320,564	31,809,870,398
Cash and cash equivalents at the beginning of the year	60		46,548,089,328	14,738,218,930
The effect of changes in exchange rate	61			-
Cash on hand and closing amount	70		71,646,409,892	46,548,089,328

NAGAKAWA GROUP JOINT STOCK COMPANY

VICE PRESIDENT OF THE BOARD OF DIRECTORS/CEO



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Nguyễn Thị Huyền Chương

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