



**ANNUAL REPORT 2024**  
**NET DETERGENT JOINT STOCK COMPANY**  
**(NET)**

Dong Nai, 21 March 2025

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## PART 1: GENERAL INTRODUCTION ABOUT THE COMPANY

### 1. GENERAL OVERVIEW

- **Company name:** NET Detergent Joint Stock Company (hereinafter referred to as the “Company” or “NETCO”).
- **Trade name:** NET Detergent Joint Stock Company.
- **Abbreviated name:** NETCO.
- **English name:** NET Detergent Joint Stock Company.
- **Stock code:** NET.
- **Charter capital:** 223,983,740,000 VND.
- **Head office:** D4 Road, Loc An – Binh Son Industrial Park, Binh Son Commune, Long Thanh District, Dong Nai Province, Vietnam.
- **Telephone:** 0251.3682102 – 0251.3682103.
- **Fax:** 0251.3682106.
- **Email:** botgiatnet@netcovn.com.vn.
- **Website:** www.netcovn.com.vn.
- **Business Registration Certificate:** No. 3600642822, initially registered on July 1, 2003, issued by the Business Registration Office of Dong Nai Province, subject to changes from time to time.

### 2. THE FORMATION AND DEVELOPMENT PROCES

- **In 1968**, NET Detergent Company (formerly known as Vietnam Tan Hoa Pham Company) was established.
- **In 1972**, the company completed construction and commenced production with a capacity of 5,800 tons of products per year.
- **In 1975**, after the reunification of Vietnam, Vietnam Tan Hoa Pham Company was nationalized by the Vietnamese government and renamed Dong Nai Detergent Factory. It operated as a dependent accounting unit under the Southern Detergent Company.
- **In 1990**, the factory transitioned from dependent accounting to independent accounting. This was also the year when the company underwent a complete personnel restructuring.
- **In 1992**, the factory was transformed into NET Detergent Company under the Industrial Chemicals and Consumer Chemicals Corporation – Ministry of Heavy Industry. At the same time, it acquired Binh Dong Cosmetics Factory and established the NET branch.
- **In 1994**, the company invested in technological and technical innovations and adopted a new management mechanism in line with actual development trends. For the first time, White NET detergent powder was introduced to the Vietnamese market.
- **In 1998**, the company inaugurated the NET branch in Hanoi, featuring a detergent tower with a production capacity of 10,000 tons of detergent powder per year.

- **In 2003**, the company was officially equitized and renamed NET Detergent Joint Stock Company, with a charter capital of 22 billion VND, of which the state retained a 51% stake.
- **In 2007**, the company increased its charter capital from 22 billion VND to 33 billion VND, sourced from profits and the investment fund.
- **In 2009**, the company further increased its capital from 33 billion VND to 45 billion VND, utilizing profits and the development investment fund. By this time, the production capacity of the factory in Bien Hoa 1 Industrial Park (Bien Hoa City, Dong Nai Province) had been expanded to 140,000 tons per year.
- **In 2010**, the company officially listed its shares on the Hanoi Stock Exchange (HNX), affirming its transparency and commitment to capital mobilization. The company adopted a sustainable development strategy, focusing on maintaining and expanding export markets while strengthening its presence in the domestic market.
- **In 2011**, the company increased its charter capital from 45 billion VND to 79.99 billion VND, sourced from profits and the development investment fund.
- **In 2014**, the company further increased its charter capital to 159.99 billion VND by issuing shares to increase equity capital from its owner's equity.
- **In 2016**, the company raised its charter capital to 223.98 billion VND through a share issuance to increase equity capital, marking a tenfold growth compared to its initial formation. By this time, the production capacity of the Hanoi factory had been expanded to 70,000 tons per year.
- **In 2017**, the company inaugurated a new, modern factory in Loc An – Binh Son Industrial Park, Long Thanh District, Dong Nai Province, featuring maximum automation. This marked the beginning of an era of automation linked to increased productivity and quality.
- **From 2018 to the present**, the company has maintained a stable charter capital with no further changes.

### 3. BUSINESS AND PRODUCTION SECTORS

NO.	CODE	NAME OF THE BUSINESS SECTORS
1	2023 (main)	Manufacturing of cosmetics, soap, detergents, polishing products, and cleaning preparations. Details: Manufacturing of cosmetics, soap, detergents, polishing products, and cleaning preparations.
2	2029	Manufacturing of other chemical products not elsewhere classified.
3	4649	Wholesale of other household goods. Details: Wholesale of perfumes, cosmetics, soap, detergents, polishing products, and cleaning preparations.
4	4669	Other specialized wholesale not elsewhere classified. Details: Wholesale of materials and chemicals for the detergent industry (excluding highly toxic chemicals).



5	4933	Road freight transport. (Only operates when meeting the legal requirements as prescribed by law).
6	6810	Real estate business, land use rights of owners, users, or lessees. Details: Leasing of warehouses, factories, and offices.
7	4610	Agency, brokerage, and auction of goods. Details: Sales agency for goods.

#### 4. DISTRIBUTION SYSTEM OF GOODS

- For the domestic market, the company maintains NETCO's existing traditional GT (General Trade) channel from the South Central region to the Southern region. From the North Central region onward, distribution is integrated with the Masan Consumer Corporation (hereinafter referred to as the “Masan Group”) for both GT and MT (Modern Trade) channels. Currently, Masan Group's distribution network is highly extensive and rapidly expanding, enabling NETCO’s products to achieve wide market coverage and quick access
- With over 20 years of experience in the fast-moving consumer goods (FMCG) sector, in addition to a network of major distributors and agents, Masan Group also owns a retail chain of over 3,000 WinMart supermarkets and WinMart+ convenience stores across Vietnam, serving millions of customers. This extensive network significantly enhances NETCO’s product accessibility to consumers, strengthens the NET brand positioning, and facilitates market expansion into northern Vietnam.
- The company continues to maintain its Horeca (Hotels, Restaurants, Cafés) sales channel for customers in Ho Chi Minh City and neighboring provinces.
- For the export market, NETCO exports its products internationally through OEM (Original Equipment Manufacturing) partnerships with major clients and also exports under the NET brand to highly demanding markets, including Japan, Australia, New Zealand, Cambodia, UAE, Afghanistan, India, Singapore, Papua New Guinea, Mongolia, Gabon, and the Philippines.,...

#### 5. BUSINESS PRODUCTION OPERATING AREA

No.	Names of factories/production facilities/business service branches	Address	Province/City
1	NET Detergent Joint Stock Company ( <i>Head Office</i> )	D4 Road, Loc An – Binh Son Industrial Park, Binh Son Commune, Long Thanh District	Dong Nai
2	NET Detergent Joint Stock Company Branch in Bien Hoa City, Dong Nai Province ( <i>Branch</i> )	No. 8 Road, Bien Hoa I Industrial Park, An Binh Ward, Bien Hoa City	Dong Nai
3	NET Detergent Joint Stock Company Branch in Ho Chi Minh City ( <i>Branch</i> )	617-629 Ben Binh Dong, Ward 13, District 8	Ho Chi Minh Cty

No.	Names of factories/production facilities/business service branches	Address	Province/City
4	NET Detergent Joint Stock Company Branch ( <i>Branch</i> )	KM No. 1, Phan Trong Tue Street, Tam Hiep Commune, Thanh Tri District	Ha Noi



*Company Head Office at D4 Road, Loc An – Binh Son Industrial Park,  
Binh Son Commune, Long Thanh District, Dong Nai Province*

## 6. NOTABLE AWARDS

With continuous efforts in improving product quality and services, NETCO has achieved various awards and certifications.:

### *a) System Certifications:*

- BRC Certification – Global Standard of the British Retail Consortium for consumer products: Personal Care and Household product lines.
- ISO 9001:2015 Certification – Quality Management System.
- ISO 22716:2007 Certification – Good Manufacturing Practices (GMP) for Cosmetics.
- ISO 14001:2015 Certification – Environmental Management System.
- ISO 45001:2018 Certification – Occupational Health and Safety Management System.
- ISO 50001:2018 Certification – Energy Management System.

### *b) Awards:*

- Certificate of Green - Clean - Beautiful Workplace and Occupational Safety, awarded by the Dong Nai Provincial Labor Federation.
- Third-class Labor Medal (1995) and Second-class Labor Medal (2007), awarded by the President of the Socialist Republic of Vietnam.
- Flag of Outstanding Unit in the Emulation Movement, awarded by the Government and the Ministry of Industry and Trade.
- Outstanding Taxpayer Recognition (2007), awarded by the Dong Nai Provincial Tax Department.
- Excellent Product & Service Award (2008), selected by Business and Integration Magazine.
- Top 100 Leading Brands in Vietnam (2008, 2009), selected by Vietnam Brand Magazine.
- Top 100 Reputable Brands and Labels (2013), voted by readers of Business and Investment Magazine and consumers.
- Top 100 Best Products for Families and Children (2019, 2020, 2021), selected by Labor and Social Newspaper.
- Top 329 Publicly Listed Companies Meeting CBTT Standards (2020), selected by the Vietnam Association of Financial Executives (VAFE), Vietstock, and Finance & Life e-Magazine.
- Ranked in PROFIT500 - Top 500 Most Profitable Enterprises in Vietnam (2022), published by Vietnam Report JSC in collaboration with VietnamNet, based on independent research and evaluation.
- 16 consecutive years (2008-2024) awarded “Vietnam High-Quality Goods,” voted by consumers.



## 7. MAIN PRODUCT CATEGORIES OF THE COMPANY

NET Detergent Joint Stock Company provides main products under the NET brand and outsourced products as follows:

*Product lines of detergent powder, liquid detergent, and fabric softener*

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*Dishwashing liquid product line*

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The market for these product categories is divided into three groups:

- **Group of products consumed in the domestic market:**

In the domestic market, NETCO has chosen its own path to reach consumers with the integrity of a genuine manufacturer, always upholding “CREDIBILITY” through “QUALITY & PRICE.” As a result, compared to products from other companies, NETCO’s products have consistently gained acceptance and trust from a large number of consumers.

- **Group of export products:**

NET supplies a large quantity of detergent powder and dishwashing liquid for export markets such as Japan, Australia, New Zealand, Cambodia, UAE, Afghanistan, India, Singapore, Papua New Guinea, Mongolia, Gabon, and the Philippines, ...

- **Group of outsourced products for both domestic and export markets:**

Thanks to a strong foundation in infrastructure, technology, and advanced manufacturing, NETCO has become a strategic partner of Unilever Asia; a partner of customers in New Zealand; and a partner of Masan Consumer Corporation, producing outsourced products under the brands Joins, Homey, Chante, and Sopa.

## **8. ORGANIZATIONAL STRUCTURE**

The company operates under the following structure: General Meeting of Shareholders; Board of Directors (including the Audit Committee); and Chief Executive Officer (CEO).

- The General Meeting of Shareholders consists of all shareholders with voting rights and is the highest decision-making body of the Company. The General Meeting of Shareholders elects the Board of Directors, which is the highest management body. The Board of Directors appoints the Chief Executive Officer (CEO), Deputy CEOs, and Chief Accountant to directly manage the Company. The Company has a well-structured system of specialized departments and a manufacturing plant that meets its current and future business and production needs.
- The Board of Directors makes all important decisions related to the Company that do not fall under the authority of the General Meeting of Shareholders. It is responsible for supervising and directing the CEO and other management personnel in the daily business operations of the Company. Currently, the Company’s Board of Directors consists of

seven members, operating on a five-year term. The current term of the Board of Directors runs from 2021 to 2026.

- The Chairman of the Board of Directors and the CEO are both the legal representatives of the Company.

## 9. SUBSIDIARIES, AFFILIATES, AND OTHER INVESTMENTS

- **Subsidiaries:** None
- **Affiliates:** None.
- **Other investments:** The company has another investment in Can Tho Fruits and Vegetables Joint Stock Company, equivalent to 10.1% of its charter capital. However, this company has ceased operations.

## 10. DEVELOPMENT ORIENTATION

- **Core values:** "Integrity – Respect – Cooperation"
- **Company's operational objectives:**

The company's operational objective is to continuously enhance the benefits of shareholders and employees, aiming to become a leading detergent manufacturer in Vietnam and Asia. The company is committed to sustainable development by applying advanced science, technology, and automation in the production process; ensuring the best working environment for employees; and actively integrating into the global economy.

- **Medium- and Long-Term Development Strategy:**

NETCO believes that its strategic direction will serve as a guiding principle, ensuring the realization of its objectives in a sustainable manner while delivering added value to shareholders, investors, customers, and partners. Specifically, the company has outlined the following medium- and long-term strategies:

- Continue positioning the NET brand, building a product image with good quality and reasonable prices, expanding the distribution system in the domestic market, and further reaching out to the global market. Gradually transform the brand's appearance and enhance its image value to better serve and meet the needs of Vietnamese consumers.
- Analyze market conditions, propose and implement appropriate plans and policies aligned with NETCO's business model to minimize risks affecting the company's development.
- Research customer needs, product designs, and superior quality while diversifying customer segments to serve and target both domestic and export markets. Focus on existing NET-branded product users and potential customers.
- Emphasize production technology, improve manufacturing systems towards automation, reduce labor intensity, increase productivity, and gradually position NETCO as a key player in the detergent supply chain, not only in Vietnam but also at the regional level.

- Develop human resource management, creating a working environment where employees can maximize their potential and contribute to the company's overall success.
- Grow the company based on a sustainable development foundation, alongside social responsibility, by creating valuable products for people, improving workers' quality of life, complying with environmental protection standards, and acting for the benefit of the community.

## 11. RISK FACTORS

### a) Exchange rate risks

- Since the company's raw materials are primarily imported from China and European countries, and its products are distributed in various countries such as Japan, Australia, New Zealand, Cambodia, UAE, Afghanistan, India, Singapore, Papua New Guinea, Mongolia, Gabon, the Philippines, etc., NETCO's business operations are subject to pressure from fluctuations in the international financial market.
- Exchange rate risk is a type of risk where businesses are always in a passive position and have limited ability to respond. Recently, exchange rates have fluctuated significantly and become difficult to predict due to global economic and political uncertainties (economic inflation, political conflicts, etc.). NETCO's export activities do not necessarily benefit from exchange rate increases, as the company also relies on importing raw materials from abroad. The State Bank has adjusted its monetary policies to maintain exchange rate stability, the company still faces difficulties in collecting payments, which could lead to financial imbalances if not properly managed.
- To mitigate this risk, NETCO's management closely monitors exchange rate fluctuations, carefully calculates payment deadlines for raw material import contracts, and balances cash flow and foreign currency planning. At the same time, the company proactively tracks global currency trends to adjust its policies and business plans accordingly.

### b) Risks of raw material price

- The main raw material used in NETCO's detergent production is LAS, which is derived from petroleum-based products (paraffin). Therefore, fluctuations in the global socio-economic landscape directly impact the company's raw material costs. In 2024, the sharp increase in the price of this material affected the company's profit margins.
- To mitigate raw material risks, NETCO has sourced high-quality materials from various suppliers to reduce dependency on a single provider and ensure supply stability in times of market volatility. Additionally, the company's management has engaged in import-export cargo insurance contracts to prevent unexpected financial losses.

### c) Competition risks

- In recent years, the competition in the detergent and cleaning products market has remained intense. Domestic brands, which have yet to establish a solid foothold, must compete not only with one another but also with international brands that possess strong financial capabilities, extensive experience in multinational markets, and aggressive



advertising and promotional strategies. This creates significant challenges for local businesses.

- To enhance its competitiveness, NETCO is gradually solidifying its market position with a distinct strategy. The company continuously seeks high-quality raw materials at lower costs to differentiate itself and improve sales efficiency. Simultaneously, NETCO conducts market research, strengthens brand positioning through marketing efforts, and fully leverages Masan Group's distribution ecosystem to expand its market reach and connect with diverse customer segments.

**d) Change risks of consumer behavior**

- Vietnamese consumers' preferences for detergent and cleaning brands vary by region and are influenced by multiple factors. Consumers are willing to switch brands if they find superior advantages in terms of quality, packaging design, fragrance, advertising, or promotional offers. Without continuous innovation and improvement, the company's products risk being forgotten by consumers.
- Additionally, Vietnam's economy has yet to recover strongly, leading to financial constraints for consumers. As a result, purchasing decisions for cleaning and hygiene products have become more budget-conscious, with a growing preference for lower-cost options.
- To adapt, NETCO actively researches consumer needs and analyzes market trends to develop products that align with customer preferences, offering high quality at reasonable prices. Furthermore, through advertising campaigns and promotional programs, the company enhances brand awareness, sparks consumer curiosity, and encourages product trials. These marketing efforts help build a lasting connection between the brand and consumers.

**e) Legal risks**

- NETCO is obligated to fully and strictly comply with legal regulations such as the Law on Enterprises, the Securities Law, the Accounting & Tax Law, the Chemicals Law, the Commercial Law, the Environmental Protection Law, the Fire Prevention, Fighting and Rescue Law, etc., throughout its production and business operations. These legal regulations are frequently amended; therefore, during operations, the company's leadership continuously monitors and updates them to promptly adjust internal regulations and corporate charters in accordance with legal changes, contributing to improved business efficiency.

**f) Force Majeure risks**

- Other risks such as natural disasters, wars, and fires are considered force majeure events. If they occur, they can cause significant damage to human lives, assets, and the company's production and business activities.
- To minimize potential losses, the company has implemented various measures, including purchasing insurance for employees, property, and factories; installing fire alarm and firefighting systems; conducting fire prevention and safety training for staff; and implementing other security and safety measures.



## PART 2: REPORT ON PRODUCTION AND BUSINESS ACTIVITIES FOR 2024

### 1. BUSINESS PRODUCTION SITUATION IN 2024

- **NETCO achieved net revenue of 1,653 billion VND**, equivalent to 87% of the approved low-target plan for 2024 and a 9% decrease compared to 2023.
- **Net profit after tax reached 207 billion VND**, equivalent to 148% of the approved low-target plan for 2024 and a 16% increase compared to 2023.

Other financial ratios (*Unit: Million VND*):

No.	Net revenue	2024	2023	% increase/ decrease
1	Net revenue	1,652,662	1,809,653	-9%
2	Profit from business activities	257,907	203,090	27%
3	Other profit	399	1,831	-78%
4	Profit Before Tax (PBT)	258,306	204,921	26%
5	Net Profit After Tax (NPAT)	206,624	178,435	16%
6	Basic Earnings per Share (VND/share)	9,225	7,966	16%

*Fluctuations in Net Revenue:*

*Net Revenue Structure from Sales and Services (Unit: Million VND)*

Targets	2024		2023	
	Values	Density	Values	Density
Sales revenue	1,644,578	99.51%	1,800,892	99.52%
Revenue from factory leasing and other services	4,842	0.29%	5,266	0.29%
Other revenue	3,242	0.20%	3,495	0.19%
<b>Total</b>	<b>1,652,662</b>	<b>100%</b>	<b>1,809,653</b>	<b>100%</b>

The Company's net revenue in 2024 reached VND 1.653 trillion, down 9% compared to 2023. Of this, sales revenue accounted for 99.51%. The decline in net revenue was mainly due to a greater decrease in detergent powder and dishwashing liquid sales compared to the increase in liquid detergent sales.

*Revenue structure by market (Unit: Million VND)*

Targets	2024		2023	
	Value	Density	Value	Density
Domestic revenue	1,429,472	86.50%	1,576,108	87.09%

Export revenue	223,190	13.50%	233,545	12.91%
<b>Total</b>	<b>1,652,662</b>	<b>100%</b>	<b>1,809,653</b>	<b>100%</b>

The net revenue analysis by market shows that the domestic market remains dominant, accounting for 86.5%, while the export market makes up 13.5%. Compared to 2023, domestic revenue decreased by 9.3%, equivalent to a decline of approximately VND 147 billion. Meanwhile, export revenue dropped by 4.43%, corresponding to a reduction of about VND 10 billion.

***Cost fluctuations (Unit: Million VND)***

No.	Targets	2024	2023	% 2024/2023
1	Cost of Goods Sold (COGS)	1,225,768	1,332,850	-8%
2	Financial Expenses	11,864	14,722	-19%
3	Selling Expenses	142,764	243,844	-41%
4	General and Administrative Expenses	32,400	38,493	-16%
5	Other Expenses	6	369	-98%
<b>Total</b>		<b>1,412,803</b>	<b>1,630,278</b>	<b>-13%</b>

In 2024, expenses decreased by 13%:

- Cost of Goods Sold (COGS) increased in line with sales growth.
- Financial Expenses rose due to exchange rate fluctuations.
- Selling and administrative expenses declined, primarily due to effective cost control, which significantly contributed to the improvement in the Company's pre-tax profit from business operations.

***Fluctuations in Profit After Corporate Income Tax***

Profit after corporate income tax reached 207 billion VND, increased by 16% compared to the previous year and equivalent to 148% of the approved low-target plan for 2024, mainly due to the following factors:

- The company's profit from operating activities before corporate income tax increased by 29%, driven by the following factors:
  - ✚ Net revenue decreased by 9%, primarily due to a sharper decline in sales of powder detergent and dishwashing liquid, which outweighed the revenue growth from liquid detergent products.
  - ✚ The revenue decline was offset by a larger reduction in operating costs, thanks to effective cost management. Efficient control of operating expenses significantly contributed to the improvement in the company's profit from operating activities before corporate income tax, which increased by 29% compared to the previous year.

- Net financial income decreased by 28% compared to the previous year, primarily due to lower financial income than in the previous year.

## 2. ORGANIZATION AND PERSONNEL

### 2.1 EXECUTIVE BOARD:

#### a) *Members and composition of the Executive Board:*

No.	Members	Position	Ownership Share Percentage (*)
1	Mr. Mai Duc Lam (since March 01, 2024)	Chief Executive Officer (CEO)	0%
2	Mr. Pham Quoc Cuong	Deputy general Director	0%
3	Mr. Nguyen Thanh Luan	Chief Accountant	0%

#### b) *Titles held by the members of the Board of Directors at other companies:*

##### 1. Mr. Mai Duc Lam:

- ◆ Date of Birth: March 23, 1974
- ◆ Academic Qualification: Master of Business Administration (MBA), Bachelor's degree in Chemistry
- ◆ Position at the Company: CEO (held the position since March 1, 2024)
- ◆ Current Positions held in other organizations: None.

##### 2. Mr. Pham Quoc Cuong

- ◆ Date of Birth: January 10, 1971
- ◆ Academic Qualification: Bachelor's degree in Chemistry
- ◆ Current Position at the Company: Deputy CEO
- ◆ Current Positions held in other organizations: None.

##### 3. Mr. Nguyen Thanh Luan

- ◆ Date of Birth: January 1, 1985
- ◆ Academic Qualification: Bachelor's degree in Economics
- ◆ Current Position at the Company: Chief Accountant
- ◆ Current Positions held in other organizations: Member of the Board of Directors and Chairman of the Audit Committee at Vĩnh Hảo Mineral Water Joint Stock Company; Chief Accountant at Masan HG 2 Company Limited; Chief Accountant at Masan Long An Company Limited; Chief Accountant at Nam Ngu Phú Quốc One-Member Company Limited;

### 2.2 LABOR FORCE

#### a) *Number of employees: As of December 31, 2024, the total number of employees at the company is 303 people.*

#### b) *Human Resources and Benefits Policy*

#### **Working Environment**

- The successes that NETCO has achieved today are built by its most valuable asset: a skilled, passionate, and dedicated workforce that has remained committed to the company even through challenging times.
- The company always focuses on building a corporate culture and creating a dynamic, fair work environment that fosters success. It is a place where every employee has the opportunity to work, learn, and develop their career. The company is steadfast in its goal of maintaining a professional work environment that encourages creativity, allows employees to showcase their abilities and skills, and fosters cooperation towards the company's overall growth, as well as the personal development of each individual.

#### **Employee policy**

- Human resources are always a key focus for development and are considered a crucial factor in driving the success of NETCO. Due to the nature of the business, which significantly impacts human health, the company places great importance on employee health care.
- The company is committed to providing employment opportunities and optimizing its workforce management to ensure that employees have the conditions to develop and advance in their careers.
- All employees are treated equally and are protected from any form of discrimination in employment or profession.
- The company is committed to not using child labor or forced labor in any form.
- Human resources policies are essential in retaining employees, especially in today's competitive labor market. Therefore, the company is continuously focused on improving its salary, bonus, training, and development policies to provide every employee with the opportunity to showcase and develop their personal abilities.

#### **Salary and bonus policy**

- NETCO's salary and bonus policy is competitive, based on market salary surveys. The company always complies with labor laws regarding salary regulations and its commitments to employees.
- Salary management is strictly conducted in accordance with labor law regulations, with full adherence to the salary regime and commitments made to employees. Employees benefit from clear income and bonus policies. The bonus policy is implemented based on a comprehensive performance evaluation system to assess job execution.

#### **Welfare policy**

- The company always prioritizes the material and spiritual well-being of its employees, fostering stronger connections and increasing employee satisfaction. The labor benefits policy is continuously improved with the goal of creating a supportive environment that ensures employees feel secure, committed, and engaged in the long term, while maintaining the company's corporate culture. Specifically, insurance policies such as social insurance, health insurance, health care insurance, and accident insurance are fully

implemented. Employees are also provided with regular health check-ups as required by law to create a dynamic and safe working environment.

- Additionally, the company organizes activities that enhance the spiritual life of employees. Regular cultural, artistic, and sports events are held not only to improve knowledge about culture, economics, and socio-political issues but also to build a united and cohesive workforce, contributing to NETCO's unique identity.

#### **Recruitment policy**

- The company places particular emphasis on attracting talented individuals who demonstrate competence, responsibility, discipline, enthusiasm, diligence, and a willingness to listen and collaborate. Recruitment is based on assessing capabilities, experience, and skills that match the specific requirements of each position. Each role or job title has its own criteria and standards for recruitment, along with a clear job description, and the recruitment process is conducted according to the company's established procedures. In recent years, the company has implemented a recruitment policy aimed at hiring young engineers to develop a strong, capable workforce for future succession.
- Furthermore, NETCO values and respects diversity, striving to create a fair environment that does not discriminate based on gender, religion, nationality, or other factors. Career advancement opportunities are always equitable for all employees, based on a clear career development path and defined standards.

#### **Training policy**

- The training policy and activities are centered around the learner, with efforts to encourage proactive, long-term learning and spread progress throughout the organization, to the community, and to NETCO's customers. The training programs and activities are not only designed to help employees enhance their current job skills but also to equip them with the tools necessary for their future career development.
- Every year, the company creates opportunities for employees to improve their professional competence, job-related skills, soft skills, and overall job performance, contributing to the more efficient use of the company's workforce. These training sessions, beyond the goal of sharing knowledge and skills, also foster team bonding and encourage collaboration among employees within the company.

#### **Labor safety policy:**

- When working at the company, employees are provided with all necessary protective equipment, safety measures, and a clean and safe working environment. The company regularly conducts training on labor safety behavior for employees, both when they first join the company and throughout their employment.
- In 2024, the company's Safety-Health-Environment (SHE) department organized labor safety training for all employees working at the company. Specific training sessions included: safety practices for using pressure equipment and boilers, safety for operating

lifting equipment, electrical safety, workplace hygiene and safety, and chemical safety training,...

### 3. STATUS OF INVESTMENT, PROJECT IMPLEMENTATION

There are no major projects arising in 2024.

### 4. FINANCIAL STATUS

**Key financial ratios:**

No.	Targets	2024 (million VND)	2023 (million VND)	% increase/ decrease
1	Total assets	986,305	893,814	10%
2	Net revenue	1,652,662	1,809,653	-9%
3	Profit from business operations	257,907	203,090	27%
4	Other operating income	399	1,831	-78%
5	Profit Before Tax (PBT)	258,306	204,921	26%
6	Net Profit .	206,624	178,435	16%

Targets	Unit	2024	2023	% increase/ decrease
<b>Liquidity ratios</b>				
Current ratio	times	1.57	1.36	15%
Quick ratio	times	1.07	0.98	9%
<b>Ratios of capital structure</b>				
Debt to total assets ratio	%	46%	51%	-10%
Debt to equity ratio	%	86%	106%	-18%
<b>Ratios of operational efficiency</b>				
Inventory turnover	turn	6.08	7.01	-13%
Net revenue/total assets	times	1.76	2.19	-20%
<b>Profitability ratios</b>				
Return on Sales (ROS)	%	13%	10%	27%
Return on Equity (ROE)	%	43%	46%	-8%
Return on Assets (ROA)	%	22%	22%	0%
Operating profit margin	%	16%	11%	39%

### 5. SHAREHOLDER STRUCTURE:

**Total issued shares:**

- **Number of outstanding shares:** 22,398,374 shares

- **Number of treasury shares:** 0 shares
- **Type of shares:** Common stock
- **Par value per share:** VND 10,000 per share

Shareholder structure:

No.	Members of shareholder	Number of shareholders	Share ownership (*)	Percentage
1	<b>Domestic shareholders</b>	<b>558</b>	<b>22,217,810</b>	<b>99.19%</b>
	<i>Major shareholder: Masan HPC Company Limited</i>		11,703,630	52.25%
	<i>Major shareholder: Vietnam National Chemical Group</i>		8,064,498	36%
2	<b>Foreign shareholders</b>	<b>35</b>	<b>180,564</b>	<b>0.81%</b>
	<i>Major shareholder: None</i>			
	<b>Total</b>	<b>593</b>	<b>22,398,374</b>	

(\*)According to the shareholder list dated September 16, 2024.

## 6. CHANGES IN OWNERS' EQUITY:

In 2024, there were no changes in owners' equity.

## 7. REPORT ON ENVIRONMENTAL AND SOCIAL IMPACTS

The production and trading of detergents is an operational area that requires the operation of multiple production lines with a large demand for energy consumption, demanding strict compliance with standards on emissions, wastewater, and waste discharged into the environment. Aware of this, NETCO is always committed to fully and properly complying with all key aspects of environmental regulations in Vietnam, continuously improving energy-saving and efficient solutions, minimizing the impact on the environment during production and business operations.

### a) *Reduction measures of greenhouse gas emissions:*

- Using energy-saving and efficient sources. The Company always prioritizes energy-saving use, ensuring it remains within the limits set by the General Director. Each production line is regularly monitored and statistics on energy usage are compiled to detect and adjust inappropriate usage promptly.
- Maintaining the density of green plant coverage at the Company's factories according to regulations. Regularly caring for and replanting greenery to create a cool atmosphere within the factory premises and prevent dust from spreading to the surrounding environment.



- Strictly controlling and monitoring the air emissions from the Company's production activities to meet the standards of QCVN 19:2009/BTNMT column B.
- Using machinery and equipment with modern technology to minimize emissions during production.
- Arranging machinery and equipment reasonably and regularly maintaining equipment to avoid overloading, which affects the environment.
- Workshops, production areas, and internal roads are regularly cleaned and swept.
- Installing industrial fans and ventilation fans in the production area to create ventilation in the workshops.
- Vehicles entering and exiting the Company must reduce speed and park in designated locations. When unloading goods, drivers are required to turn off the engine and only start the engine to leave the area after unloading materials..

***b) Materials management:***

- The total cost of purchasing raw materials used for production and packaging of products in 2024 was 1,148 billion VND.
- Raw materials used for production meet the Company's standards. All raw materials are quality-checked by the Company's Quality Management Department before being put into production. During the production process, raw materials are checked and cross-referenced between production and supply departments through daily and weekly reports such as raw material import-export-inventory reports, consumption compared to norms, and production raw material - finished product balance to ensure economical use and prevent losses.

***c) Electricity and water consumption***

- Total electricity consumption in 2024: 1,774,037 Kwh, supplied by: VRG Long Thanh Investment and Development JSC.
- Total water consumption in 2024: 61,725 m3, supplied by: VRG Long Thanh Investment and Development JSC.
- The Company always emphasizes and requires all staff and employees to implement electricity and water saving policies in daily life and production. A significant portion of the water used in the production of liquid detergent product groups (dishwashing liquid, floor cleaner, fabric softener) is retained and recycled to become one of the raw materials of the product, helping the Company increase water recovery rates in various areas, save on input water purchase costs, and reduce wastewater treatment costs.

***d) Compliance with laws on environmental protection:***

- In addition to enhancing production and business capacity, the Company always pays attention to environmental protection to move towards a business that produces environmentally friendly products. Accordingly, the Company has a specialized environmental department with high professional qualifications. All employees are disseminated and guided on how to classify waste at the source in production and office activities, as well as environmental sanitation regulations.



- The Company fully implements environmental impact assessments. Throughout the factory's operation, wastewater and air emissions are monitored in accordance with regulations, and all wastewater and air emission indicators meet the standards.
- Wastewater is always treated to meet acceptance standards before being connected to the centralized wastewater treatment system of Loc An - Binh Son Industrial Park.
- Air emissions are treated to meet the standards of column B QCVN 19:2009/BTNMT before being released into the environment.
- Common industrial solid waste, hazardous waste, scrap materials, etc., generated in the Company are classified, collected, and transferred for treatment in accordance with the law.
- To ensure a standard working environment to protect employees' health, the Company strengthens the application of technical measures to ventilate workshops, equips residual current devices, improves safe pedestrian walkway layouts for employees, and installs safety belt hooks when working at heights. At the same time, it periodically measures working environment parameters as required by law.
- In 2024, the results of environmental monitoring of wastewater, air emissions, etc., all meet the permissible limits..

***e) Assessment of corporate responsibility towards local communities***

- Contributes to creating jobs for the local labor force.
- The company operates well, paying the state budget fully.
- The company does not adversely affect the surrounding community by its production and business operations. There are no complaints or lawsuits from surrounding residents regarding noise, odor, wastewater, etc., affecting the residential environment.
- Our factories all conduct environmental impact assessments and commit to environmental protection before going into operation. Throughout the operation, the factories monitor wastewater, air emissions, etc., in accordance with regulations, and all wastewater and air emission indicators meet the standards.
- Actively participates with local authorities in Loc An, Binh Son, and Long An communes and the Long Thanh district Fatherland Front in caring for life and giving gifts to poor households in difficult circumstances during the Lunar New Year or local government fundraising events. The leadership and all employees actively participate in social activities to contribute to building a developed local community.

## PART 3: CEO'S REPORT

### 1. REVIEW OF PRODUCTION AND BUSINESS ACTIVITIES IN 2024:

- As predicted in previous years, the Home & Personal Care (HPC) industry is one of the attractive business sectors in Vietnam and is projected to continuously grow in the coming years, becoming a fiercely competitive playing field for domestic and foreign enterprises with strong financial potential and market positions. 2024 has clearly shown this. NETCO Joint Stock Company always faces competitive pressure from competitors, not only in the domestic market but also in the export market. This contributes to reducing the Company's revenue, especially export revenue.
- In addition, the Vietnamese economy is gradually recovering but not strongly enough, and the global economy remains unstable, causing production material prices (main raw materials, packaging) to increase abnormally, which has contributed to difficulties for the Company's production and business operations in the past year.
- At the end of 2024, NETCO Joint Stock Company achieved a net revenue of 1,653 billion VND, equivalent to 87% of the 2024 (low) plan and a 9% decrease compared to 2023. However, with many efforts from the frontline sales team, new product launch programs from marketing, and efforts to optimize and reduce costs from the supply chain, the Company has completed an important business target, which is profit. Specifically, the Company's net profit after tax reached 207 billion VND, equivalent to 148% of the 2024 (low) plan and 16% higher than the 2023 business results.

	Unit	Implementation 2024	Implementation 2023	Fluctuation Value	%
<b>Net revenue</b>	Billion dong	1,653	,1810	-157	<b>-9%</b>
<b>Profit After Tax</b>	Billion dong	207	178	28	<b>16%</b>

	Unit	Plan 2024 (*)	Implementation 2024	Implementation vs plan Giá trị	%
<b>Net revenue</b>	Billion dong	1,900	1,653	-247	<b>87%</b>
<b>Profit After Tax</b>	Billion dong	140	207	67	<b>148%</b>

(\*)Low-end 2024 business plan

*Some highlights of business activities in 2024:*

- Certified with BRC Certification - Global Standard for Consumer Products: Personal Care and Household, and ISO 50001:2018 Energy Management System certification.
- Implemented projects:
  - + Cleaning the roof of the detergent tower area by improving the efficiency of Cyclone 6&8 to help remove and prevent dust from the detergent tower, complying with environmental protection laws and regulations, while saving more than 28 million VND/year in tower roof cleaning labor costs and making a significant contribution to the CO2 absorption and emission reduction project in production.

- + The project to eliminate 70% of PE film in production has helped reduce plastic waste by about 21,853 kg/year and has the potential to reduce 129.15 tons of CO2 equivalent through plastic recycling.
- + Converting 100% of forklifts to electric operation.
- + Reducing 50% of CO2 from CNG gas emissions, helping to reduce 42% of CO2 compared to the current process, and serving as a premise to apply for ISO 14064-1 certification (greenhouse gas management) in 2025.

## **2. BUSINESS OBJECTIVES FOR 2025**

- The year 2025 is assessed to be much more challenging, therefore, the Executive Board needs to carefully consider and will propose the 2025 targets at the upcoming 2025 Annual General Meeting of Shareholders.

## **3. BUSINESS STRATEGY AND PLAN FOR 2025:**

- Continue to orient ourselves as a major manufacturer in the region, participating in the global Homecare supply chain.
- Continue to strive to apply green production solutions throughout the production system for sustainable development, linking production and business with environmental protection and safety for the social community.
- Maximize the strength of the distribution channels from MASAN and NETCO to bring NET-branded products and OEM brands such as HOMEY, CHANTE, and SOPA into the cosmetics market to reach consumers widely and effectively.
- Continue to build the NET brand, focusing on creative new product development, applying advanced techniques and technologies to enhance product quality, and expanding product lines to *"Daily, we take care of the material and spiritual life of Vietnamese people"*.

## PART 4: REPORT OF THE BOARD OF DIRECTORS

### 1. REPORT ON BUSINESS OPERATIONS IN 2024:

- In 2024, the Company's Board of Directors gradually directed and implemented the production and business plan, focusing on resolving key issues to help the Executive Board organize and complete the set plan targets.
  - Key achievements:
    - ✚ In terms of net revenue: reached 1,653 billion VND, equivalent to 87% of the approved 2024 plan (low-end) and a 9% decrease compared to the 2023 performance.
    - ✚ In terms of profit after tax: reached 207 billion VND, achieving 148% of the approved 2024 plan (low-end) and a 16% increase compared to the 2023 performance.

	Unit	2024	2023	Comparison of 2024/2023	
Charter capital	Billion dong	224	224	-	0%
Owner's equity	Billion dong	529	434	95	22%
Total assets	Billion dong	986	894	92	10%
Net revenue	Billion dong	1,653	1,810	-157	-9%
Profit from business operations	Billion dong	258	203	55	27%
Profit before tax (PBT)	Billion dong	258	205	53	26%
Profit After Tax (PAT) attributable to the company's shareholders	Billion dong	207	178	28	16%
Basic earnings per share	dong/share	9,225	7,966	1,259	16%

- Production and business activities are stable, and employee employment is ensured.
- Over the past year, the Company has consistently complied fully with labor safety, chemical use, fire prevention, environmental, and other legal regulations, without any significant violations.

### 2. REPORT ON THE PERFORMANCE OF THE BOARD OF DIRECTORS' FUNCTIONS AND DUTIES:

- Based on the targets approved by the 2024 Annual General Meeting of Shareholders and pursuant to the Company's Charter and the Board of Directors' Operating Regulations, the Board of Directors has conducted oversight of the Executive Board; corporate governance; production, business, and investment strategies, etc., in a careful, serious, and decisive manner, complying with legal regulations and the Company's internal regulations. All members have a high sense of responsibility, fulfilling their roles and responsibilities to help the Board of Directors effectively implement its role in guiding the Company's development.

- The Board of Directors has also formulated business policies and strategies that closely align with market fluctuations, responding quickly and promptly to effectively address issues, bringing about overall operational efficiency for the Company and enhancing NETCO Joint Stock Company's position in the industry.

### **3. BOARD OF DIRECTORS' ASSESSMENT OF THE EXECUTIVE BOARD'S PERFORMANCE:**

- 2024 was a challenging year for production and business. The General Director and the Executive Board promptly updated and forecasted difficulties and obstacles, proposed and requested guidance from the Board of Directors; focused on proactively researching technical improvement solutions, rearranging production lines, allocating appropriate human resources, saving input raw materials and fuels for production, and improving production packaging; proactively produced goods to ensure stable supply to the market even during peak times.
- In the process of managing and operating production and business, the Executive Board has always been cautious and complied with legal regulations, the Company's Charter, and aligned with the Group's general policies.
- The Board of Directors assesses that the Executive Board has well fulfilled its functions, duties, and roles through timely and flexible production and business management solutions, consistent with the Board of Directors' policies and orientations. The directives issued by the Board of Directors were fully, quickly, and effectively implemented by the Executive Board and detailed reports were provided at periodic Board of Directors meetings with a high sense of responsibility.
- During the year, the Board of Directors of NETCO Joint Stock Company held quarterly regular meetings and sought members' opinions in writing. 100% of the meetings were conducted in accordance with procedures with the full, active participation, contribution of opinions, and voting approval of all Board of Directors members.

The Board of Directors issued a total of 09 Resolutions and Decisions to approve the following contents:

- Approved the closing of the shareholder list (last registration date) to attend the 2024 Annual General Meeting of Shareholders.
- Approved the change of the General Director and Legal Representative of the Company.
- Appointed the General Director.
- Approved the matters submitted to the 2024 Annual General Meeting of Shareholders for approval.
- Approved the 2024 internal audit plan.
- Approved related transactions.
- Approved the increase in the Vietcombank loan limit.
- Appointed a member of the Audit Committee to replace Ms. Nguyen Thi Phuong Thuy, who is no longer a member of the Company's Board of Directors.
- Approved the payment of 2023 cash dividends.

#### 4. 2025 OPERATIONAL PLAN

- **Promote research and development of new products to boost the personal and home care product lines.**
- Continue the NET brand positioning efforts, gradually transforming its appearance and enhancing brand image value to serve and meet the needs of Vietnamese consumers.
- Promote research and development of new products to boost the personal and home care product lines.
- Other new cosmetic and chemical products will be breakthroughs in creating new demands and capitalizing on brand building and consumer demand fulfillment.
- Focus on production technology, improve the production system towards automation, reduce human labor, and increase labor efficiency.
- Develop human resource management, becoming a company with a working environment where employees can maximize their potential and contribute to the company's overall achievements.

## PART 5: CORPORATE GOVERNANCE ACTIVITIES

### 1. BOARD OF DIRECTORS

#### a) *Members and Composition of the Board of Directors:*

No.	Members	Position	Capital representative	
			% charter capital	Equivalent number of shares
1.	Mr. Truong Cong Thang	Chairman of Board of Directors	0%	-
2.	Ms. Nguyen Hoang Yen	Member	0%	-
3.	Mr. Huynh Viet Thang	Member	0%	-
4.	Mr. Vu Quoc Tuan	Member	0%	-
5.	Mr. Tran Quoc Cuong	Member	16%	3,584,216 (*)
6.	Ms. Luu Thanh Hong	Member	10%	2,240,141 (*)
7.	<i>Mr. Nguyen Hong Hai (appointed from April 17, 2024, replacing Ms. Nguyen Thi Phuong Thuy who resigned)</i>	Member	10%	2,240,141 (*)

#### Remark:

(\*)Mr. Tran Quoc Cuong, Mr. Nguyen Hong Hai, and Ms. Luu Thanh Hong represent the capital contribution of the shareholder Vietnam National Chemical Group.

#### b) *The positions held by the members of the Board of Directors at other companies.:*

##### 1. Mr. Truong Cong Thang

- ◆ Date of birth: March 6, 1973.
- ◆ Educational qualification: Bachelor of Economics - University of Economics and Business.
- ◆ Current position at NET Detergent Joint Stock Company: Chairman of the Board of Directors.
- ◆ Positions held at other organizations:
  - ✚ Chairman of the Member Council and Director - Masan Brewery Co., Ltd.
  - ✚ Board Member and CEO - Masan Consumer Corporation.
  - ✚ Board Member - Mobicast Corporation.
  - ✚ Director - Masan Consumer (Thailand) Limited.
  - ✚ Board Member - VCM Trading and Service Development Joint Stock Company.
  - ✚ Board Member - The CrownX Joint Stock Company.
  - ✚ Board Member - Phúc Long Heritage Joint Stock Company.
  - ✚ Organization in which Mr. Truong Cong Thang holds a controlling stake - Green Garden Real Estate Joint Stock Company.
  - ✚ Organization in which Mr. Truong Cong Thang holds a controlling share - VN Nam Dan Van An Co., Ltd.

- ✦ Organization in which Mr. Truong Cong Thang holds a controlling stake - Technology Group for Life Corporation.

## **2. Ms. Nguyen Hoang Yen**

- ✦ Date of birth: July 30, 1963.
- ✦ Educational qualification: Bachelor of Russian Language and Literature.
- ✦ Current position at the Company: Board Member.
- ✦ Positions held at other organizations:
  - ✦ Member of Board of Directors – Masan Corporation;
  - ✦ Member of Board of Directors - Masan Group Corporation;
  - ✦ Member of Board of Directors and Deputy General Director - Masan Consumer Corporation;
  - ✦ Member of Board of Directors - Vinacafé Bien Hoa Joint Stock Company;
  - ✦ Chairman of Board of Directors - Masan PQ Corporation;
  - ✦ Chairman of Bpard of Members and Chief Executive Officer - Cat Trang Co., Ltd.;
  - ✦ Chairman of the Company Nam Ngư Phú Quốc One Member Co., Ltd.;
  - ✦ Chairman of the Company - Masan Long An Co., Ltd.

## **3. Mr. Huynh Viet Thang**

- ✦ Date of birth: August 14, 1973.
- ✦ Educational qualification: Bachelor of Economics.
- ✦ Current position at the Company: Board Member; Chairman of the Audit Committee.
- ✦ Positions held at other organizations:
  - ✦ Chief Financial Officer - Masan Consumer Corporation.
  - ✦ Board Member and Chairman of the Audit Committee - Quảng Ninh Mineral Water Joint Stock Company.
  - ✦ Board Member - Masan MEATLife Joint Stock Company.

## **4. Mr. Vu Quoc Tuan**

- ✦ Date of birth: January 5, 1965.
- ✦ Educational qualification: Master's in Industrial Systems Management.
- ✦ Current position at the Company: Board Member.
- ✦ Positions held at other organizations: CEO - Masan Industrial One Member Co., Ltd.

## **5. Mr. Tran Quoc Cuong**

- ✦ Date of birth: October 3, 1983.
- ✦ Educational qualification: Bachelor of Economics.
- ✦ Current position at the Company: Board Member.



- ◆ Positions held at other organizations: Member of the Member Council - Apatit Vietnam One Member Co., Ltd..

## **6. Ms. Luu Thanh Hong**

- ◆ Date of birth: August 14, 1989.
- ◆ Educational qualification: Bachelor of Finance and Banking.
- ◆ Current position at the Company: Board Member; Member of the Audit Committee.
- ◆ Positions held at other organizations: None.

## **7. Mr. Nguyễn Hồng Hải**

- ◆ Date of birth: September 23, 1987.
- ◆ Educational qualification: Master of Business Administration, Chemical Engineering.
- ◆ Current position at the Company: Board Member.
- ◆ Positions held at other organizations: None.

**c) Activities of the Board of Directors' subcommittees:** None.

### **d) Activities of the Board of Directors:**

- The Board of Directors is elected by the General Meeting of Shareholders to supervise the Company's activities. Board members meet regularly to discuss strategic decisions proposed by the CEO.
- The Board of Directors has provided strategic development directions for business production, appropriate medium- and long-term investment plans, and fully implemented the goals and tasks according to the resolutions of the 2024 Annual General Meeting of Shareholders.
- Board meetings are organized and discussed openly and democratically. Board members always attend meetings and vote thoroughly with high responsibility and their management experience. The issues on which the Board provides opinions are thoroughly, carefully, and thoughtfully discussed to reach a unanimous decision before issuing Resolutions or Decisions, always ensuring timeliness.
- In the past year, the Board of Directors has effectively carried out its work:
  - Supervise and direct the CEO in managing the daily business operations of the Company.
  - Collaborate closely with the CEO to provide guidance and address business requirements in a timely manner.
  - During Board meetings, review the implementation of resolutions, decisions, and the quarterly and cumulative production and business performance, and discuss and approve Resolutions for the CEO to use as a basis for implementation.
- In 2024, there were no transactions between the Company and the members of the Board of Directors.

## 2. UDIT COMMITTEE OF THE BOARD OF DIRECTORS::

### a) *Members and Structure of the Audit Committee:*

- The Audit Committee is a specialized body directly under the Board of Directors and must have at least two members. The Chairman of the Audit Committee must be an independent member of the Board of Directors, and the other members of the Audit Committee must be non-executive members of the Board.
- At NET Detergent Joint Stock Company, the Audit Committee consists of two members, all of whom are independent/non-executive members of the Board of Directors. The Board of Directors defines the competence of the members, as well as the powers and responsibilities of the Audit Committee through the Committee's operational regulations.

No.	Member	Position	Capital Representative (for representatives):	
			% charter capital	Equivalent number of shares:
1.	Mr. Huynh Viet Thang	Chairman of the Audit Committee	0%	-
2.	Ms. Luu Thanh Hong (*)	Member of the Audit Committee	10%	2,240,141

#### Remark:

- (\*)Ms. Luu Thanh Hong has been appointed as a member of the Audit Committee from April 17, 2024, replacing Ms. Nguyen Thi Phuong Thuy, who resigned..

### b) *Background Information of the Audit Committee:*

- 1. Mr. Huynh Viet Thang:** Please refer to the information presented in part 3, item 1.2 of the biographies of Board of Directors.
- 2. Ms. Luu Thanh Hong:** Please refer to the information presented in part 6, item 1.2 of the biographies of Board of Directors.

### c) *Activities of the Audit Committee in the past year:*

- The Audit Committee makes decisions through voting at meetings or solicits opinions in writing as per the Company's Charter and the regulations governing the Committee's activities. Each member has one vote.
- In 2024, the Audit Committee was primarily responsible for reviewing issues and key judgments in the Company's quarterly, semi-annual, and annual financial statements to ensure the accuracy of the financial reports, internal control systems, and internal audits. It also ensured compliance with legal regulations related to the Company's business activities, reviewed related party transactions within the authority of the Board of Directors or the General Meeting of Shareholders, and made recommendations on transactions requiring approval from the Board of Directors or the General Meeting of Shareholders, or transactions that could cause conflicts of interest.

- Additionally, the Audit Committee monitors and evaluates the independence and objectivity of the auditing firm and the effectiveness of the audit process. It reviews reports from the independent auditor and the Company's internal control systems before presenting them to the Board of Directors for approval. It also consults on the appointment of the independent auditing firm.
- Through two regular meetings during the year, the Audit Committee reached consensus and approved the following matters:
  - A meeting to discuss and agree on the objectives and action plans of the Audit Committee for the year 2024; agree on the contents of the draft Internal Audit Plan for 2024 presented by the Internal Audit Department to the Board of Directors.
  - Agree on the Internal Audit Evaluation Report for 2024 presented by the Internal Audit Department to the Board of Directors; evaluate the implementation of the Board of Directors' resolutions; evaluate related transactions that the company has carried out in 2024.

### 3. SALARY, BONUS, AND REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE, AND THE CEO INCURRED IN 2024:

No.	Member	Position	Remuneration (VND)
<b>I. Member of the Board of Directors:</b>			
1.	Truong Cong Thang	Chairman of the Board of Directors	0
2.	Nguyen Hoang Yen	Member of the Board of Directors	0
3.	Huynh Viet Thang	Member of the Board of Directors, Chairman of the Audit Committee	0
4.	Vu Quoc Tuan	Member of the Board of Directors	0
5.	Tran Quoc Cuong	Member of the Board of Directors	48,000,000
6.	Nguyễn Thị Phương Thùy	Member of the Board of Directors ( Relieved from duty starting from April 17, 2024)	34,000,000
7.	Nguyễn Hồng Hải	Member of the Board of Directors (appointed from April 17, 2024)	14,000,000
8.	Luu Thanh Hong	Member of the Board of Directors	48,000,000
<b>Total</b>			<b>144,000,000</b>
<b>II. Member of Audit Committee:</b>			
1.	Huynh Viet Thang	Chairman of the Audit Committee	0
2.	Luu Thanh Hong	Member of of the Audit	0

(appointed from April 17, 2024). Committee

### III. Chief Executive Officer:

1.	Phan Trong Chinh	Chief Executive Officer (As of February 29, 2024)	733,537,342
2.	Mai Duc Lam	Chief Executive Officer (từ March 1, 2024)	2,260,791,910

#### 4. TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES; OR BETWEEN THE COMPANY AND MAJOR SHAREHOLDERS, INTERNAL MEMBERS, OR RELATED PARTIES OF INTERNAL MEMBERS IN 2024

- a) Transactions of shares by internal shareholders and related parties of internal members in 2024: None.
- b) Transactions between the company and related parties of the company; or between the company and major shareholders, internal members, or related parties of internal members in 2024:

No.	Company name	Relationship related to the company.	Address	Content, transaction value (VND)
1	Masan Consumer Corporation	Related organization of the Company's personnel	23 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City	Sales of goods and services: 359,969,302,879 VND Purchasing goods: 8,225,885,067 VND
2	Masan Industrial One Member Limited Liability Company	Related organization of the Company's personnel	Lot 06, Tan Dong Hiep A Industrial Park, Di An Town, Binh Duong Province	Purchasing goods: 14,400,000 VND Sale of fixed assets: 277,919,307 VND
3	Mobicast Joint Stock Company	Related organization of the Company's personnel	4 <sup>th</sup> Floor, V1 Home City, 177 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Hanoi City.	Purchase of services: 119,247,475 VND
4	Bien Hoa Chemical Plant – Southern Basic Chemicals Joint Stock Company	Related organization of the Company's personnel	Street No. 5, An Binh, Bien Hoa City, Dong Nai Province	Purchase of goods: 23,685,695,000 VND
5	Southern Chemicals Export-Import	Related organization of the Company's	130 Tran Hung Dao Street, Pham Ngu Lao Ward, District 1, Ho Chi Minh	Purchase of goods: 13,045,540,000

	Joint Stock Company	personnel	City	VND
6	Masan Brewery Distribution One Member Limited Liability Company.	Related organization of the Company's personnel	10 <sup>th</sup> Floor, Central Plaza Building, 17 Le Duan Street, District 1, Ho Chi Minh City	Purchase of goods: 46,080,000 VND

## 5. IMPLEMENTATION OF CORPORATE GOVERNANCE REGULATIONS

- The company's governance is always ensured in compliance with the law, the Articles of Association, internal regulations, and criteria to ensure the smooth operation of the company; pursuing objectives that benefit the company and its shareholders, as well as creating favorable conditions for effective supervision of the company's activities. This, in turn, encourages the company to use resources in the best possible way, enhance business efficiency, improve access to capital, reduce capital costs, and build trust with shareholders and investors.

## PART 6: AUDITED FINANCIAL REPORT 2024



**NET Detergent Joint Stock Company**

Financial Statements  
for the year ended 31 December 2024



## NET Detergent Joint Stock Company

### Corporate Information

#### Enterprise Registration Certificate No.

3600642822

1 July 2003

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 5 March 2024. The Enterprise Registration Certificate and its amendments were issued by the Department of Planning and Investment of Dong Nai Province.

#### Board of Directors

Mr. Truong Cong Thang	Chairman
Ms. Nguyen Hoang Yen	Member
Mr. Huynh Viet Thang	Member
Mr. Tran Quoc Cuong	Member
Mr. Nguyen Hong Hai	Member
	(from 17 April 2024)
Ms. Nguyen Thi Phuong Thuy	Member
	(until 16 April 2024)
Mr. Vu Quoc Tuan	Member
Ms. Luu Thanh Hong	Member

#### Audit Committee

Mr. Huynh Viet Thang	Chairman
Ms. Luu Thanh Hong	Member
	(from 17 April 2024)
Ms. Nguyen Thi Phuong Thuy	Member
	(until 16 April 2024)

#### Board of Management

Mr. Mai Duc Lam	General Director
	(from 1 March 2024)
Mr. Phan Trong Chinh	General Director
	(until 29 February 2024)
Mr. Pham Quoc Cuong	Deputy General Director of
	Technology and Production
Mr. Cao Tran Dang Khoa	Quality Director

#### Registered Office

D4 Street, Loc An - Binh Son Industrial Park  
Binh Son Commune, Long Thanh District  
Dong Nai Province  
Vietnam

#### Auditor

KPMG Limited  
Vietnam



**NET Detergent Joint Stock Company**  
**Statement of the Board of Management**

**STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Board of Management of NET Detergent Joint Stock Company ("the Company") presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2024.

The Company's Board of Management is responsible for the preparation and true and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Company's Board of Management:

- (a) the financial statements set out on pages 5 to 40 give a true and fair view of the financial position of the Company as at 31 December 2024, and its results of operations and of its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Company's Board of Management has, on the date of this statement, authorised the accompanying financial statements for issue.

On behalf of the Board of Management



Mai Duc Lam  
General Director

Dong Nai Province, 24 February 2025

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KPMG Limited Branch  
10th Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
+84 (28) 3821 9266 | kpmg.com.vn

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders NET Detergent Joint Stock Company**

We have audited the accompanying financial statements of NET Detergent Joint Stock Company ("the Company"), which comprise the balance sheet as at 31 December 2024, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 24 February 2025, as set out on pages 5 to 40.

### **Management's Responsibility**

The Company's Board of Management is responsible for the preparation and true and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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### Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of NET Detergent Joint Stock Company as at 31 December 2024 and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

### KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 24-01-01290-25-1



Trương Vinh Phúc  
Practicing Auditor Registration  
Certificate No. 1901-2023-007-1  
Deputy General Director

Ho Chi Minh City, 24 February 2025

Nguyen Thi Thuy  
Practicing Auditor Registration  
Certificate No. 3463-2022-007-1



**NET Detergent Joint Stock Company**  
**Balance sheet as at 31 December 2024**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>714,889,274,816</b>	<b>625,160,914,563</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>346,842,018,387</b>	<b>263,529,637,698</b>
Cash	111		25,942,018,387	19,029,637,698
Cash equivalents	112		320,900,000,000	244,500,000,000
<b>Short-term financial investments</b>	<b>120</b>		<b>85,100,000,000</b>	<b>119,000,000,000</b>
Held-to-maturity investments	123	6	85,100,000,000	119,000,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>53,404,766,484</b>	<b>66,690,256,372</b>
Accounts receivable from customers	131	7	47,836,026,902	62,611,417,844
Prepayments to suppliers	132		4,171,323,622	1,601,744,485
Other short-term receivables	136	8	1,397,415,960	2,477,094,043
<b>Inventories</b>	<b>140</b>	<b>9</b>	<b>227,903,963,244</b>	<b>175,459,650,739</b>
Inventories	141		228,438,527,915	196,572,990,214
Allowance for inventories	149		(534,564,671)	(21,113,339,475)
<b>Other current assets</b>	<b>150</b>		<b>1,638,526,701</b>	<b>481,369,754</b>
Short-term prepaid expenses	151		1,170,501,575	479,295,288
Deductible value added tax	152		2,853,083	2,074,466
Taxes receivable from State Treasury	153		465,172,043	-

*The accompanying notes are an integral part of these financial statements*

**NET Detergent Joint Stock Company**  
**Balance sheet as at 31 December 2024 (continued)**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>Long-term assets</b> (200 = 220 + 230 + 240 + 250 + 260)	<b>200</b>		<b>271,416,043,825</b>	<b>268,653,284,857</b>
<b>Fixed assets</b>	<b>220</b>		<b>203,515,065,821</b>	<b>209,729,591,479</b>
Tangible fixed assets	221	10	199,779,295,274	209,439,049,788
<i>Cost</i>	222		407,750,841,108	400,512,388,310
<i>Accumulated depreciation</i>	223		(207,971,545,834)	(191,073,338,522)
Intangible fixed assets	227	11	3,735,770,547	290,541,691
<i>Cost</i>	228		4,531,881,407	549,000,000
<i>Accumulated amortisation</i>	229		(796,110,860)	(258,458,309)
<b>Investment property</b>	<b>230</b>	<b>12</b>	<b>4,165,584,044</b>	<b>5,749,808,985</b>
<i>Cost</i>	231		34,505,676,919	34,505,676,919
<i>Accumulated depreciation</i>	232		(30,340,092,875)	(28,755,867,934)
<b>Long-term work in progress</b>	<b>240</b>		<b>11,869,496,889</b>	<b>8,008,841,929</b>
Construction in progress	242	13	11,869,496,889	8,008,841,929
<b>Long-term financial investments</b>	<b>250</b>		<b>-</b>	<b>-</b>
Equity investments in other entities	253		716,390,400	716,390,400
Allowance for diminution in the value of long-term financial investments	254		(716,390,400)	(716,390,400)
<b>Other long-term assets</b>	<b>260</b>		<b>51,865,897,071</b>	<b>45,165,042,464</b>
Long-term prepaid expenses	261	14	42,521,282,196	43,273,076,919
Deferred tax assets	262	15	9,344,614,875	1,891,965,545
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>986,305,318,641</b>	<b>893,814,199,420</b>

*The accompanying notes are an integral part of these financial statements*



**NET Detergent Joint Stock Company**  
**Balance sheet as at 31 December 2024 (continued)**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>457,378,341,545</b>	<b>459,519,739,914</b>
<b>Current liabilities</b>	<b>310</b>		<b>456,281,761,682</b>	<b>459,341,029,914</b>
Accounts payable to suppliers	311	16	208,854,987,326	157,056,143,754
Advances from customers	312		7,875,918,376	7,812,041,961
Taxes payable to State Treasury	313	17	26,727,970,671	12,320,435,052
Payables to employees	314		76,639,214	46,273,051
Accrued expenses	315	18	56,833,777,959	62,120,556,294
Other short-term payables	319	19	5,560,457,121	645,022,789
Short-term borrowings	320	20	144,378,922,202	213,367,468,200
Bonus and welfare fund	322	21	5,973,088,813	5,973,088,813
<b>Long-term liabilities</b>	<b>330</b>		<b>1,096,579,863</b>	<b>178,710,000</b>
Other long-term payables	337		100,000,000	178,710,000
Long-term provisions	342		996,579,863	-
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>528,926,977,096</b>	<b>434,294,459,506</b>
<b>Owners' equity</b>	<b>410</b>	<b>22</b>	<b>528,926,977,096</b>	<b>434,294,459,506</b>
Share capital	411	23	223,983,740,000	223,983,740,000
Investment and development fund	418	25	28,929,813,094	28,929,813,094
Undistributed profits after tax	421		276,013,424,002	181,380,906,412
- Undistributed profits after tax brought forward	421a		69,389,036,412	2,946,148,174
- Undistributed profit after tax for the current year/prior year	421b		206,624,387,590	178,434,758,238
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>986,305,318,641</b>	<b>893,814,199,420</b>

24 February 2025

Prepared by:



Nguyen Thi Thuy Dieu  
General Accountant

Approved by:



Nguyen Thanh Luan  
Chief Accountant



Mai Duc Lam  
General Director

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*The accompanying notes are an integral part of these financial statements*

**NET Detergent Joint Stock Company**  
**Statement of income for the year ended 31 December 2024**

**Form B 02 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2024 VND	2023 VND
Revenue from sales of goods and provision of services	01	27	1,703,790,590,058	1,831,351,012,651
Revenue deductions	02	27	51,128,680,961	21,698,164,891
Net revenue (10 = 01 - 02)	10	27	1,652,661,909,097	1,809,652,847,760
Cost of sales and services provided	11	28	1,225,768,389,569	1,332,850,151,835
Gross profit (20 = 10 - 11)	20		426,893,519,528	476,802,695,925
Financial income	21	29	18,042,023,716	23,346,620,048
Financial expenses	22	30	11,864,312,078	14,722,491,653
<i>In which: Interest expense</i>	23		6,220,016,003	9,258,002,806
Selling expenses	25	31	142,764,354,293	243,843,986,221
General and administration expenses	26	32	32,400,004,056	38,492,665,503
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		257,906,872,817	203,090,172,596
Other income	31		404,297,641	2,200,067,371
Other expenses	32		5,575,192	369,017,385
Results of other activities (40 = 31 - 32)	40		398,722,449	1,831,049,986
Accounting profit before tax (50 = 30 + 40)	50		258,305,595,266	204,921,222,582
Income tax expense – current	51	34	59,133,857,006	28,378,429,889
Income tax benefit – deferred	52	34	(7,452,649,330)	(1,891,965,545)
Net profit after tax (60 = 50 - 51 - 52) (carried forward to the next page)	60		206,624,387,590	178,434,758,238



*The accompanying notes are an integral part of these financial statements*

**NET Detergent Joint Stock Company**  
**Statement of income for the year ended 31 December 2024 (continued)**

**Form B 02 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2024 VND	2023 VND
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60		206,624,387,590	178,434,758,238
<b>Earnings per share</b>				
Basic earnings per share	70	35	9,225	7,966

24 February 2025

Prepared by:



Nguyen Thi Thuy Dieu  
General Accountant

Approved by:



Nguyen Thanh Luan  
Chief Accountant




Mai Duc Lam  
General Director

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*The accompanying notes are an integral part of these financial statements*



**NET Detergent Joint Stock Company**  
**Statement of cash flows for the year ended 31 December 2024**  
**(Indirect method)**

**Form B 03 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	2024 VND	2023 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Accounting profit before tax	01	258,305,595,266	204,921,222,582
Adjustments for			
Depreciation and amortisation	02	21,680,985,503	21,268,077,785
Allowances and provisions	03	978,918,637	25,315,546,124
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	327,067,562	116,885,920
Profits from investing activities	05	(13,285,561,512)	(18,462,144,384)
Interest expense	06	6,220,016,003	9,258,002,806
<b>Operating profit before changes in working capital</b>	<b>08</b>	<b>274,227,021,459</b>	<b>242,417,590,833</b>
Change in receivables and other assets	09	12,387,365,583	11,953,440,153
Change in inventories	10	(52,426,651,279)	3,787,157,461
Change in payables and other liabilities	11	49,878,825,635	(45,156,604,810)
Change in prepaid expenses	12	372,680,086	2,052,253,673
		<b>284,439,241,484</b>	<b>215,053,837,310</b>
Interest paid	14	(6,221,796,350)	(9,307,729,757)
Corporate income tax paid	15	(44,698,597,332)	(18,035,285,481)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>233,518,847,802</b>	<b>187,710,822,072</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for additions to fixed assets and other long-term assets	21	(18,671,490,932)	(13,156,813,714)
Proceeds from disposals of fixed assets	22	1,639,855,333	582,000,000
Placements of term deposits at banks	23	(278,100,000,000)	(408,000,000,000)
Withdrawals of term deposits at banks	24	312,000,000,000	295,500,000,000
Receipts of interest	27	13,939,200,153	16,293,889,895
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>30,807,564,554</b>	<b>(108,780,923,819)</b>

*The accompanying notes are an integral part of these financial statements*

**NET Detergent Joint Stock Company**  
**Statement of cash flows for the year ended 31 December 2024**  
**(Indirect method – continued)**

**Form B 03 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	2024 VND	2023 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings	33	646,596,637,329	635,439,093,344
Payments to settle loan principals	34	(715,585,183,327)	(564,760,223,730)
Payments of dividends	36	(111,990,420,000)	(78,393,294,000)
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>(180,978,965,998)</b>	<b>(7,714,424,386)</b>
<b>Net cash flows during the year</b> <b>(50 = 20 + 30 + 40)</b>	<b>50</b>	<b>83,347,446,358</b>	<b>71,215,473,867</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>263,529,637,698</b>	<b>192,322,689,219</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>	<b>(35,065,669)</b>	<b>(8,525,388)</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 5)</b>	<b>70</b>	<b>346,842,018,387</b>	<b>263,529,637,698</b>

24 February 2025

Prepared by:



Nguyen Thi Thuy Dieu  
General Accountant

Approved by:



Nguyen Thanh Luan  
Chief Accountant



Maí Duc Lam  
General Director

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*The accompanying notes are an integral part of these financial statements*

**NET Detergent Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## **1. Reporting entity**

### **(a) Ownership structure**

NET Detergent Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam.

### **(b) Principal activities**

The principal activities of the Company are to:

- manufacture of washing powder and detergents;
- trade of washing powder, hygiene products and cleaning chemicals; and
- rental of warehouses and factories.

### **(c) Normal operating cycle**

The normal operating cycle of the Company is generally within 12 months.

### **(d) The Company’s structures**

As at 31 December 2024, the Company had a head office located in Long Thanh District, Dong Nai Province and 3 dependent branches, which are Ha Noi Branch, Ho Chi Minh City Branch and Bien Hoa Branch (1/1/2024: 3 dependent branches).

As at 31 December 2024, the Company had 303 employees (1/1/2024: 316 employees).

## **2. Basis of preparation**

### **(a) Statement of compliance**

These financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

### **(b) Basis of measurement**

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the indirect method.



**NET Detergent Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(c) Annual accounting period**

The annual accounting period of the Company is from 1 January to 31 December.

**(d) Accounting and presentation currency**

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statements presentation purposes.

**3. Significant accounting policies**

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements.

**(a) Foreign currency transactions**

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.

**(b) Cash and cash equivalents**

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.





## Form B 09 – DN

### (c) Investments

Held-to-maturity investments are those that the Company's Board of Management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. These investments are stated at costs less allowance for doubtful debts.

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

Trade and other receivables are stated at cost less allowance for doubtful debts.

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and the estimated costs to sell.

The Company applies the perpetual method of accounting for inventories.

**NET Detergent Joint Stock Company****Notes to the financial statements for the year ended 31 December 2024 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***(f) Tangible fixed assets****(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 – 40 years
▪ machinery and equipment	5 – 15 years
▪ motor vehicles	6 – 10 years
▪ office equipment	3 – 15 years

**(g) Intangible fixed assets****Software**

Cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible fixed asset. Software cost is amortised on a straight-line basis over their estimated useful lives ranging from 7 years to 10 years.

**(h) Investment property held to earn rental****(i) Cost**

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its buildings, infrastructures and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Management. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repair and maintenance cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

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**NET Detergent Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DN**  
(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of investment property. The estimated useful lives are as follows:

- |                   |               |
|-------------------|---------------|
| ▪ buildings       | 20 – 25 years |
| ▪ infrastructures | 5 – 20 years  |

**(i) Construction in progress**

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

**(j) Long-term prepaid expenses**

**(i) Infrastructure usage fees**

Infrastructure usage fees are prepaid expenses incurred in connection with securing the use of infrastructure in the industrial park. These costs are amortised on a straight-line basis over the term of the contract for using the infrastructure of 47 years.

**(ii) Tools and instruments**

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Costs of tools and instruments are amortised on a straight-line basis over a period ranging from 2 years to 3 years.

**(k) Trade and other payables**

Trade and other payables are stated at their costs.

**(l) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.





**NET Detergent Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DN**  
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***Severance allowance***

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company are excluded.

**(m) Share capital**

***Ordinary shares***

Ordinary shares are classified as equity. Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issuance of shares, net of tax effects. Such costs are recognised as a deduction from share premium. The excess of proceeds from issuance of shares over the par value of shares issued is recorded as share premium.

**(n) Taxation**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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**(o) Revenue and other income**

**(i) Sales of goods**

Revenue from sales of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue from sales of goods is recognised at the net amount after deducting sale discounts stated on the invoice.

**(ii) Rental income**

Rental income from leased property under operating lease is recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

**(iii) Interest income**

Interest income is recognised in the statement of income on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

**(p) Borrowing costs**

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

**(q) Operating lease payments**

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense, over the term of the lease.

**(r) Earnings per share**

The Company presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

The profit or loss attributable to the ordinary shareholders of Company is determined after deducting any amounts appropriated to bonus and welfare fund for the year.

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**(s) Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Company's Board of Management assesses that the Company only operates in one main business segment, which is manufacturing and trading washing powder and detergents. Therefore, the Company's primary format for segment reporting is based on geographical segments.

**(t) Related parties**

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

**(u) Comparative information**

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Company's financial position, results of operations or cash flows for the prior year.

The comparative information as at 1 January 2024 was derived from balances and amounts reported in the Company's audited financial statements as at and for the year ended 31 December 2023.

#### 4. Segment reporting

In presenting information on the basis of geographical segments, segment revenue is allocated based on the geographical location of customers, which is located in Vietnam (“Domestic”) or countries other than Vietnam (“Overseas”). All segment assets and capital expenditure are allocated in Vietnam. The Company’s geographical segments are as follows:

	Domestic		Overseas		Total	
	2024 VND	2023 VND	2024 VND	2023 VND	2024 VND	2023 VND
Net revenue from sales of goods and provision of services	1,429,472,362,066	1,576,107,623,939	223,189,547,031	233,545,223,821	1,652,661,909,097	1,809,652,847,760
Cost of sales and services provided	1,074,460,739,463	1,173,337,681,488	151,307,650,106	159,512,470,347	1,225,768,389,569	1,332,850,151,835
Gross profit	355,011,622,603	402,769,942,451	71,881,896,925	74,032,753,474	426,893,519,528	476,802,695,925



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	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Cash on hand	96,608,111	96,608,111
Cash in banks	25,845,410,276	18,933,029,587
Cash equivalents	320,900,000,000	244,500,000,000
Cash and cash equivalents in the statement of cash flows	346,842,018,387	263,529,637,698

Cash equivalents represented term deposits at banks with original terms to maturity of three months or less from their transaction dates.

**6. Held-to-maturity investments**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Short-term deposits at banks	85,100,000,000	119,000,000,000

Held-to-maturity investments represented term deposits at banks with original terms to maturity of more than three months from the transaction dates and remaining terms to maturity of not greater than twelve months from the end of the annual accounting period.

**7. Accounts receivable from customers****Accounts receivable from customers who are related parties**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
<i>Parent of the parent company</i>		
Masan Consumer Corporation	18,114,013,543	50,191,064,962
<i>Other related parties</i>		
MEATDeli HN Company Limited	-	14,863,268
MEATDeli HN Company Limited – Ha Nam 02 Branch	-	12,344,070

The trade related amounts due from related parties were unsecured, interest free and are receivable within 30 days from invoice issued date.

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	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Accrued interest receivable from term deposits at banks	1,240,387,260	2,263,019,315
Deposits	103,200,000	103,200,000
Others	53,828,700	110,874,728
	<b>1,397,415,960</b>	<b>2,477,094,043</b>

**9. Inventories**

	<b>31/12/2024</b>		<b>1/1/2024</b>	
	<b>Cost VND</b>	<b>Allowance VND</b>	<b>Cost VND</b>	<b>Allowance VND</b>
Goods in transit	2,985,519,371	-	2,855,317,174	-
Raw materials	165,354,389,355	(259,703,247)	149,792,881,267	(21,113,339,475)
Tools and supplies	1,579,739,031	-	560,226,854	-
Finished goods	55,640,537,216	(274,861,424)	43,178,000,326	-
Merchandise inventories	83,629,293	-	186,564,593	-
Goods on consignment	2,794,713,649	-	-	-
	<b>228,438,527,915</b>	<b>(534,564,671)</b>	<b>196,572,990,214</b>	<b>(21,113,339,475)</b>

Movements of allowance for inventories during the year were as follows:

	<b>2024 VND</b>	<b>2023 VND</b>
Opening balance	21,113,339,475	562,154,745
Allowance made during the year	4,408,440,581	25,315,546,124
Allowance utilised during the year	(20,561,113,578)	(4,764,361,394)
Written back during the year	(4,426,101,807)	-
Closing balance	<b>534,564,671</b>	<b>21,113,339,475</b>

Included in inventories at 31 December 2024 was VND535 million (1/1/2024: VND21,113 million) of slow-moving inventories.

## 10. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Cost</b>					
Opening balance	228,308,924,086	162,549,171,876	7,566,918,136	2,087,374,212	400,512,388,310
Additions during the year	-	168,750,000	229,000,000	-	397,750,000
Transfer from construction in progress	1,589,601,903	9,182,863,513	-	-	10,772,465,416
Disposals	-	-	(3,931,762,618)	-	(3,931,762,618)
Closing balance	229,898,525,989	171,900,785,389	3,864,155,518	2,087,374,212	407,750,841,108
<b>Accumulated depreciation</b>					
Opening balance	71,738,479,503	113,180,013,513	4,550,923,189	1,603,922,317	191,073,338,522
Charge for the year	10,666,523,344	8,208,750,923	520,062,338	163,771,406	19,559,108,011
Disposals	-	-	(2,660,900,699)	-	(2,660,900,699)
Closing balance	82,405,002,847	121,388,764,436	2,410,084,828	1,767,693,723	207,971,545,834
<b>Net book value</b>					
Opening balance	156,570,444,583	49,369,158,363	3,015,994,947	483,451,895	209,439,049,788
Closing balance	147,493,523,142	50,512,020,953	1,454,070,690	319,680,489	199,779,295,274

Included in tangible fixed assets as at 31 December 2024 were assets costing VND86,395 million (1/1/2024: VND82,940 million) which were fully depreciated, but still in active use.



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	Software VND
<b>Cost</b>	
Opening balance	549,000,000
Transfer from construction in progress	3,982,881,407
Closing balance	4,531,881,407
<b>Accumulated amortisation</b>	
Opening balance	258,458,309
Charge for the year	537,652,551
Closing balance	796,110,860
<b>Net book value</b>	
Opening balance	290,541,691
Closing balance	3,735,770,547

	Buildings VND	Infrastructures VND	Total VND
<b>Cost</b>			
Opening and closing balances	31,727,073,211	2,778,603,708	34,505,676,919
<b>Accumulated depreciation</b>			
Opening balance	26,338,976,919	2,416,891,015	28,755,867,934
Charge for the year	1,520,393,292	63,831,649	1,584,224,941
Closing balance	27,859,370,211	2,480,722,664	30,340,092,875
<b>Net book value</b>			
Opening balance	5,388,096,292	361,712,693	5,749,808,985
Closing balance	3,867,703,000	297,881,044	4,165,584,044

The fair value of investment property held to earn rental has not been determined as the Company has not performed a valuation.

**13. Construction in progress**

	<b>2024 VND</b>
Opening balance	8,008,841,929
Additions during the year	18,928,093,433
Transfer to tangible fixed assets	(10,772,465,416)
Transfer to intangible fixed assets	(3,982,881,407)
Transfer to long-term prepaid expenses	(312,091,650)
Closing balance	<u>11,869,496,889</u>

Constructions in progress at the end of the annual accounting period were as follows:

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Buildings and structures	676,128,000	-
Machinery and equipment	10,800,408,889	6,956,919,646
Others	392,960,000	1,051,922,283
	<u>11,869,496,889</u>	<u>8,008,841,929</u>

**14. Long-term prepaid expenses**

	<b>Infrastructure usage fees VND</b>	<b>Tools and instruments VND</b>	<b>Total VND</b>
Opening balance	40,993,076,274	2,280,000,645	43,273,076,919
Additions during the year	-	1,721,902,000	1,721,902,000
Transfer from construction in progress	-	312,091,650	312,091,650
Amortisation for the year	(1,128,249,805)	(1,657,538,568)	(2,785,788,373)
Closing balance	<u>39,864,826,469</u>	<u>2,656,455,727</u>	<u>42,521,282,196</u>

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**15. Deferred tax assets****Recognised deferred tax assets**

	31/12/2024 VND	1/1/2024 VND
Accrued promotion, sale support expenses and sale discounts	6,903,622,814	1,018,904,737
Others	2,440,992,061	873,060,808
	<hr/> 9,344,614,875	<hr/> 1,891,965,545

**16. Accounts payable to suppliers****Accounts payable to suppliers who are related parties**

	Cost/Amount within repayment capacity	
	31/12/2024 VND	1/1/2024 VND
<i>Other related parties</i>		
Bien Hoa Chemicals Plant – Branch of South Basic Chemicals Joint Stock Company	2,444,950,440	4,157,088,480
Masan Brewery MB Company Limited	38,500,000	-
Mobicast Joint Stock Company	12,917,405	-
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The trade related amounts due to related parties were unsecured, interest free and are payable within 30 days from invoice issued date.

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**17. Taxes payable to State Treasury**

	1/1/2024 VND	Incurred VND	Paid/Net-off VND	Reclassified VND	31/12/2024 VND
Value added tax	3,427,243,693	145,022,871,210	(145,007,300,755)	-	3,442,814,148
Value added tax of import goods	-	23,767,105,314	(23,767,105,314)	-	-
Corporate income tax	8,842,366,453	59,133,857,006	(44,698,597,332)	-	23,277,626,127
Import tax	-	751,843,222	(751,843,222)	-	-
Personal income tax	50,824,906	2,610,334,445	(3,118,800,998)	465,172,043	7,530,396
Others	-	37,953,272	(37,953,272)	-	-
	12,320,435,052	231,323,964,469	(217,381,600,893)	465,172,043	26,727,970,671

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	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Promotion, advertising and sale support expenses	31,314,254,166	42,470,253,851
Bonus and 13th salary	8,825,841,579	9,996,821,594
Logistic expenses	6,102,569,879	3,309,556,195
Sales discounts	2,923,859,904	1,282,624,000
Exhibition expenses	280,000,000	252,404,000
Interest expense	85,636,725	87,417,072
Others	7,301,615,706	4,721,479,582
	<hr/> 56,833,777,959	<hr/> 62,120,556,294

**19. Other short-term payables**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Deposits received	4,907,106,249	210,000,000
Union fees, social insurance	58,245,682	55,952,206
Dividend payables	11,126,430	9,676,430
Others	583,978,760	369,394,153
	<hr/> 5,560,457,121	<hr/> 645,022,789



## 20. Short-term borrowings

	1/1/2024 Carrying amount/ Amount within repayment capacity VND	Movements during the year			31/12/2024 Carrying amount/ Amount within repayment capacity VND
		Additions VND	Paid VND	Revaluation VND	
Short-term borrowings	213,367,468,200	646,596,637,329	(715,585,183,327)	-	144,378,922,202

Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	Annual interest rate	31/12/2024 VND	1/1/2024 VND
Unsecured bank loans	VND	3.8% - 4.5%	144,378,922,202	182,722,757,031
Unsecured bank loans	USD	-	-	30,644,711,169
			144,378,922,202	213,367,468,200

As at 31 December 2024 and 1 January 2024, the Company did not have any overdue borrowings including principal and interest.

## 21. Bonus and welfare fund

Bonus and welfare fund was appropriated from undistributed profits after tax in accordance with the resolution of the Annual General Meeting of Shareholders. This fund is used to pay bonus and welfare to the Company's employees in accordance with the Company's bonus and welfare policies.

There were no movements of bonus and welfare funds during the year.

## 22. Changes in owners' equity

	Share capital VND	Investment and development fund VND	Undistributed profits after tax VND	Total VND
<b>Balance as at 1 January 2023</b>	223,983,740,000	15,706,553,642	94,563,716,626	334,254,010,268
Net profit for the year	-	-	178,434,758,238	178,434,758,238
Dividends (Note 24)	-	-	(78,394,309,000)	(78,394,309,000)
Appropriation to investment and development fund (Note 25)	-	13,223,259,452	(13,223,259,452)	-
<b>Balance as at 1 January 2024</b>	223,983,740,000	28,929,813,094	181,380,906,412	434,294,459,506
Net profit for the year	-	-	206,624,387,590	206,624,387,590
Dividends (Note 24)	-	-	(111,991,870,000)	(111,991,870,000)
<b>Balance as at 31 December 2024</b>	223,983,740,000	28,929,813,094	276,013,424,002	528,926,977,096



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The Company's authorised and issued share capital were as follows:

	31/12/2024		1/1/2024	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	22,398,374	223,983,740,000	22,398,374	223,983,740,000
<b>Issued share capital</b>				
Ordinary shares	22,398,374	223,983,740,000	22,398,374	223,983,740,000
<b>Share in circulation</b>				
Ordinary shares	22,398,374	223,983,740,000	22,398,374	223,983,740,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at shareholder's meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

There were no movements of share capital during the year.

**24. Dividends**

The Annual General Meeting of Shareholders of the Company on 17 April 2024 resolved to distribute dividends by cash amounting to VND111,992 million (2023: VND78,394 million).

**25. Investment and development fund**

Investment and development fund was appropriated from undistributed profits after tax in accordance with the resolution of the Annual General Meeting of Shareholders. This fund is established for the purpose of future business expansion.

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**26. Off balance sheet items**

**(a) Lease commitment**

The future minimum lease payments under non-cancellable operating leases were as follows:

	31/12/2024 VND	1/1/2024 VND
Within one year	4,913,334,399	3,417,616,538
From two to five years	8,627,849,904	9,842,466,152
More than five years	44,777,969,390	56,009,841,371
	58,319,153,693	69,269,924,061

**(b) Capital expenditure commitment**

The Company had the following outstanding capital commitment approved but not provided for in the balance sheet:

	31/12/2024 VND	1/1/2024 VND
Approved but not contracted	13,446,645,258	2,345,153,150
Approved and contracted	16,139,388,141	7,007,508,332
	29,586,033,399	9,352,661,482

**(c) Foreign currencies**

	31/12/2024		1/1/2024	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	431,119	10,845,266,716	677,461	16,326,799,737
EUR	181	4,729,566	191	5,055,815
		10,849,996,282		16,331,855,552

**27. Revenue from sales of goods and provision of services**

Total revenue represented the gross value of goods sold and services rendered, exclusive of value added tax.

	2024 VND	2023 VND
Total revenue		
▪ Revenue from sales of goods	1,695,706,907,578	1,822,590,338,299
▪ Revenue from factory rental and other services	4,842,237,092	5,266,236,290
▪ Others	3,241,445,388	3,494,438,062
	1,703,790,590,058	1,831,351,012,651
Less revenue deductions		
▪ Sale discounts	30,358,518,467	8,569,752,920
▪ Sale returns	20,770,162,494	13,128,411,971
	51,128,680,961	21,698,164,891
Net revenue	1,652,661,909,097	1,809,652,847,760

**28. Cost of sales and services provided**

	2024 VND	2023 VND
Total cost of sales and services provided		
▪ Goods sold	1,222,339,262,637	1,304,615,346,518
▪ Factory rental and other services	2,587,837,915	2,739,255,865
▪ Other cost of goods sold	858,950,243	180,003,328
▪ Allowance for inventories	(17,661,226)	25,315,546,124
	1,225,768,389,569	1,332,850,151,835

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**29. Financial income**

	<b>2024 VND</b>	<b>2023 VND</b>
Interest income	12,916,568,098	18,006,799,621
Foreign exchange gains	5,125,455,618	5,339,820,427
	<hr/> 18,042,023,716	<hr/> 23,346,620,048 <hr/>

**30. Financial expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Interest expense	6,220,016,003	9,258,002,806
Foreign exchange losses	5,644,296,075	5,464,488,847
	<hr/> 11,864,312,078	<hr/> 14,722,491,653 <hr/>

**31. Selling expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Promotion, advertising and sale support expenses	67,793,667,035	171,547,119,722
Logistic expenses	36,576,176,975	32,097,280,647
Staff costs	23,492,679,101	27,300,994,493
Depreciation and amortisation	3,917,537,312	3,511,059,948
Others	10,984,293,870	9,387,531,411
	<hr/> 142,764,354,293	<hr/> 243,843,986,221 <hr/>

**NET Detergent Joint Stock Company**  
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**32. General and administration expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Staff costs	13,207,562,530	18,186,969,523
Depreciation and amortisation	3,611,989,223	3,560,355,573
Office materials and equipment	1,297,603,744	831,168,139
Others	14,282,848,559	15,914,172,268
	<hr/>	<hr/>
	32,400,004,056	38,492,665,503

**33. Production and business costs by elements**

	<b>2024 VND</b>	<b>2023 VND</b>
Raw material costs included in production costs	1,147,702,772,656	1,257,770,711,559
Labour costs and staff costs	75,512,548,548	82,478,089,369
Depreciation and amortisation	21,680,985,503	21,268,077,785
Others	156,036,441,211	253,669,924,846
	<hr/>	<hr/>

**34. Corporate income tax**

**(a) Recognised in the statement of income**

	<b>2024 VND</b>	<b>2023 VND</b>
<b>Current tax expense</b>		
Current year	59,133,857,006	28,378,429,889
	<hr/>	<hr/>
<b>Deferred tax benefit</b>		
Origination and reversal of temporary differences	(7,452,649,330)	(1,891,965,545)
	<hr/>	<hr/>
Income tax expense	51,681,207,676	26,486,464,344



**NET Detergent Joint Stock Company****Notes to the financial statements for the year ended 31 December 2024 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***(b) Reconciliation of effective tax rate**

	<b>2024 VND</b>	<b>2023 VND</b>
Accounting profit before tax	258,305,595,266	204,921,222,582
Tax at the Company's tax rate	51,661,119,053	40,984,244,516
Tax incentives	-	(14,576,512,315)
Change in temporary differences	-	(18,626,143)
Non-deductible expenses	20,088,623	97,358,286
	<b>51,681,207,676</b>	<b>26,486,464,344</b>

**(c) Applicable tax rates**

In accordance with the corporate income tax law, the Company has an obligation to pay the government income tax at rate of 20% of taxable profits. In addition, the Company has the expansion project in geographical areas eligible for incentives under the provisions of Decree No. 218/2013/ND-CP and meets one of the conditions as stipulated by the Circular No. 78/2014/TT-BTC which was amended and supplemented by Circular No. 96/2015/TT-BTC, and therefore the Company is eligible to apply the tax exemption and reduction period for additional taxable profits generated from the expansion project (not eligible for incentive tax rate) as follows:

- Exempted from income tax for 2 years starting from the first year the expansion project generates taxable profits (2018 - 2019); and
- Entitled to a 50% of income tax for 4 succeeding years (2020 - 2023).

**(d) Tax contingencies**

The taxation laws and their application in Vietnam are subject to interpretation and change over time as well as from one tax office to another. The final tax position may be subject to review and audit by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. These facts may create tax risks in Vietnam that are substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation, including transfer pricing requirements and computation of corporate income tax. However, the relevant authorities may have different interpretations and the effects could be significant.





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**35. Earnings per share**

**(a) Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2024 was based on the profit attributable to ordinary shareholders of the Company after deducting the amounts appropriated to bonus and welfare fund for the year and a weighted average number of ordinary shares in circulation during the year, calculated as follows:

**(i) Net profit attributable to ordinary shareholders**

	<b>2024 VND</b>	<b>2023 VND</b>
Net profit attributable to ordinary shareholders	206,624,387,590	178,434,758,238

**(ii) Weighted average number of ordinary shares**

	<b>2024 Shares</b>	<b>2023 Shares</b>
Weighted average number of ordinary shares during the year	22,398,374	22,398,374

**(iii) Basic earnings per share**

	<b>2024 VND</b>	<b>2023 VND</b>
Basic earnings per share	9,225	7,966

**(b) Diluted earnings per share**

As at 31 December 2024 and 1 January 2024, the Company did not have any dilutive potential ordinary shares. Therefore, the presentation of diluted earnings per share is not applicable.

**NET Detergent Joint Stock Company****Notes to the financial statements for the year ended 31 December 2024 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC**dated 22 December 2014 of the Ministry of Finance)***36. Significant transactions with related parties**

In addition to related party balances disclosed in other notes to the financial statements, the Company had the following significant transactions with related parties during the year:

	<b>Transaction value</b>	
	<b>2024</b>	<b>2023</b>
	<b>VND</b>	<b>VND</b>
<i>Parent of parent company</i>		
<b>Masan Consumer Corporation</b>		
Net sales of goods and services	359,969,302,879	441,400,060,021
Purchases of goods	8,225,885,067	35,149,077,903
Management fees	-	3,996,446,998
<i>Parent company</i>		
<b>Masan HPC Company Limited</b>		
Dividend declared	58,518,150,000	40,962,705,000
<i>Other related parties</i>		
<b>Bien Hoa Chemicals Plant – Branch of South Basic Chemicals Joint Stock Company</b>		
Purchases of goods	23,685,695,000	54,747,686,600
<b>South Chemicals Import – Export Joint Stock Company</b>		
Purchases of goods	13,045,540,000	14,987,301,306
<b>Vietnam National Chemical Group</b>		
Dividend declared	40,322,490,000	28,225,743,000
<b>Mobicast Joint Stock Company</b>		
Purchases of services	119,247,475	139,408,448
<b>MEATDeli HN Company Limited</b>		
Sales of goods	12,440,478	24,200,110
<b>MEATDeli Sai Gon Company Limited</b>		
Sales of goods	21,449,100	11,450,900
<b>MEATdeli HN Company Limited – Ha Nam 02 Branch</b>		
Sales of goods	10,510,059	21,909,930
<b>3F Viet Food Company Limited</b>		
Sales of goods	10,724,550	17,634,386
<b>Masan Industrial One Member Company Limited</b>		
Sales of fixed assets	277,919,307	-
Sales of goods	-	7,849,274
Purchases of goods	14,400,000	-

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	Transaction value	
	2024 VND	2023 VND
<b>Masan JinJu Joint Stock Company</b>		
Sales of goods	-	9,160,720
<b>WinCommerce General Commercial Services Joint Stock Company</b>		
Purchases of goods	286,417,145	15,690,150
<b>Masan Brewery MB Company Limited</b>		
Purchases of services	315,000,000	-
<b>Masan Brewery Distribution One Member Company Limited</b>		
Purchases of goods	46,080,000	-
<b>Key management personnel</b>		
Remuneration	4,532,947,715	4,140,446,998

Included in the remuneration to key management personnel, the actual board fees, salary and bonus for each member of Board of Directors, Audit Committee and General Director of the Company were as follows:

Name	Position	2024 VND	2023 VND
<b>Board of Directors</b>			
Mr. Truong Cong Thang	Chairman	-	-
Ms. Nguyen Hoang Yen	Member	-	-
Mr. Huynh Viet Thang	Member	-	-
Mr. Tran Quoc Cuong	Member	48,000,000	48,000,000
Mr. Nguyen Hong Hai	Member	-	-
	(from 17 April 2024)	34,000,000	-
Ms. Nguyen Thi Phuong Thuy	Member	-	-
	(until 16 April 2024)	14,000,000	48,000,000
Mr. Vu Quoc Tuan	Member	-	-
Ms. Luu Thanh Hong	Member	48,000,000	48,000,000
<b>Audit Committee</b>			
Mr. Huynh Viet Thang	Chairman	-	-
Ms. Luu Thanh Hong	Member	-	-
	(from 17 April 2024)	-	-
Ms. Nguyen Thi Phuong Thuy	Member	-	-
	(until 16 April 2024)	-	-

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**Board of Management**

Mr. Mai Duc Lam	General Director (from 1 March 2024)	2,260,791,910	-
Mr. Phan Trong Chinh	General Director (until 29 February 2024)	733,537,342	3,099,714,990

**37. Post balance sheet events**

There has been no significant event occurred after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

24 February 2025

Prepared by:



Nguyen Thi Thuy Dieu  
General Accountant

Approved by:



Nguyen Thanh Luan  
Chief Accountant




Mai Duc Lam  
General Director

Legal representative

