



**NET Detergent Joint-Stock Company**

Interim financial statements for the  
six-month period ended 30 June 2020



**NET Detergent Joint-Stock Company**  
**Corporate Information**

**Investment Certificate No.** 47221001006 29 March 2013

The Company's Investment Certificate has been amended once, the most recent of which is by Investment Certificate No. 47221001006 dated 27 October 2016. The initial Investment Certificate and its amendment were issued by Dong Nai Industrial Zones Authority and are valid for 50 years from the date of initial Investment Certificate.

**Business Registration Certificate No.** 3600642822 1 July 2003

The Company's Business Registration Certificate has been amended several times, the most recent of which is by Business Registration Certificate No. 3600642822 dated 26 May 2017. The Business Registration Certificate and its amendments were issued by the Department of Planning and Investment of Dong Nai Province.

<b>Board of Management</b>	Mr. Tran Quoc Cuong	Chairman
	Ms. Thai Thi Hong Yen	Member
	Mr. Pham Quang Hoa	Member
	Mr. Nguyen Manh Hung	Member
	Ms. Nguyen Thi Phuong Thuy	Member

<b>Board of Directors</b>	Ms. Thai Thi Hong Yen	General Director
	Mr. Pham Quoc Cuong	Deputy General Director/ Production Director
	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 Directors**

The Board of Directors of NET Detergent Joint-Stock Company (“the Company”) presents this statement and the accompanying interim financial statements of the Company for the six-month period ended 30 June 2020.

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

- (a) the interim financial statements set out on pages 5 to 39 give a true and fair view of the financial position of the Company as at 30 June 2020, and of the results of operations and the cash flows of the Company for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim 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 Board of Directors has, on the date of this statement, authorised the accompanying interim financial statements for issue.



Dong Nai Province, 14 August 2020



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115 Nguyen Hue Street, Ben Nghe Ward  
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## **INTERIM FINANCIAL STATEMENTS REVIEW REPORT**

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

We have reviewed the accompanying interim financial statements of Net Detergent Joint Stock Company (“the Company”), which comprise the balance sheet as at 30 June 2020, the statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Directors on 14 August 2020, as set out on pages 5 to 39.

### **Management’s Responsibility**

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

### **Auditor’s Responsibility**

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410 – *Review of interim financial information performed by the independent auditor of the entity*.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the financial position of NET Detergent Joint-Stock Company as at 30 June 2020 and of its results of operations and its cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

## Other Matter

The financial statements of the Company for the year and six-month period ended 31 December 2019 and 30 June 2019, respectively, were audited and reviewed by another firm of auditors whose reports dated 2 March 2020 and 5 August 2019 expressed an unqualified opinion and an unqualified conclusion on those statements.

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



Review Report No.: 20-01-00335-20-1

Chang Hung Chun  
Practicing Auditor Registration  
Certificate No. 0863-2018-007-1  
Deputy General Director

Pham Thi Hoang Anh  
Practicing Auditor Registration  
Certificate No. 3434-2017-007-1

Ho Chi Minh City, 14 August 2020

**NET Detergent Joint-Stock Company**  
**Balance sheet as at 30 June 2020**

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

	Code	Note	30/6/2020 VND	1/1/2020 VND
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>366,637,908,967</b>	<b>254,792,224,647</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>8</b>	<b>59,528,347,631</b>	<b>36,532,947,546</b>
Cash	111		16,828,347,631	8,432,947,546
Cash equivalents	112		42,700,000,000	28,100,000,000
<b>Short-term financial investments</b>	<b>120</b>		<b>95,300,000,000</b>	<b>63,500,000,000</b>
Held-to-maturity investments	123	9	95,300,000,000	63,500,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>62,645,728,470</b>	<b>49,704,850,015</b>
Accounts receivable from customers – short-term	131	10	57,772,479,927	47,480,165,795
Prepayments to suppliers – short-term	132		1,858,620,985	304,021,168
Other short-term receivables	136	11	3,014,627,558	1,920,663,052
<b>Inventories</b>	<b>140</b>	<b>12</b>	<b>145,275,444,190</b>	<b>104,650,353,578</b>
Inventories	141		145,275,444,190	104,650,353,578
<b>Other current assets</b>	<b>150</b>		<b>3,888,388,676</b>	<b>404,073,508</b>
Short-term prepaid expenses	151		376,560,000	-
Deductible value added tax	152		3,511,828,676	404,073,508

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

**NET Detergent Joint-Stock Company**  
**Balance sheet as at 30 June 2020 (continued)**

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

	Code	Note	30/6/2020 VND	1/1/2020 VND
<b>Long-term assets</b> (200 = 220 + 230 + 240 + 250 + 260)	<b>200</b>		<b>312,536,936,029</b>	<b>321,698,917,596</b>
<b>Fixed assets</b>	<b>220</b>		<b>254,762,974,152</b>	<b>262,541,372,831</b>
Tangible fixed assets	221	13	254,250,182,479	262,355,164,494
Cost	222		380,382,170,989	378,756,573,807
Accumulated depreciation	223		(126,131,988,510)	(116,401,409,313)
Intangible fixed assets	227	14	512,791,673	186,208,337
Cost	228		549,000,000	205,000,000
Accumulated amortisation	229		(36,208,327)	(18,791,663)
<b>Investment property</b>	<b>230</b>	<b>15</b>	<b>11,267,108,316</b>	<b>12,031,275,655</b>
Cost	231		34,505,676,919	34,505,676,919
Accumulated depreciation	232		(23,238,568,603)	(22,474,401,264)
<b>Long-term work in progress</b>	<b>240</b>		<b>236,481,220</b>	<b>20,000,000</b>
Construction in progress	242		236,481,220	20,000,000
<b>Long-term financial investments</b>	<b>250</b>	<b>16</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>46,270,372,341</b>	<b>47,106,269,110</b>
Long-term prepaid expenses	261	17	46,270,372,341	47,106,269,110
<b>TOTAL ASSETS</b> (270 = 100 + 200)	<b>270</b>		<b>679,174,844,996</b>	<b>576,491,142,243</b>

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

**NET Detergent Joint-Stock Company**  
**Balance sheet as at 30 June 2020 (continued)**

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

	Code	Note	30/6/2020 VND	1/1/2020 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>302,131,954,242</b>	<b>267,201,753,442</b>
<b>Current liabilities</b>	<b>310</b>		<b>302,031,954,242</b>	<b>267,101,753,442</b>
Accounts payable to suppliers				
– short-term	311	18	220,624,802,725	170,411,435,582
Advances from customers – short-term	312	19	8,333,238,389	29,938,604,170
Taxes payable to State Treasury	313	20	6,957,904,641	2,562,508,365
Payables to employees	314		14,933,195,030	12,935,604,490
Accrued expenses – short-term	315	21	19,313,954,584	18,481,070,432
Unearned revenue – short-term	318		-	385,404,000
Other short-term payables	319	22	10,694,459,954	13,183,950,939
Short-term borrowings	320	23	13,640,542,300	9,446,409,810
Bonus and welfare funds	322		7,533,856,619	9,756,765,654
<b>Long-term liabilities</b>	<b>330</b>		<b>100,000,000</b>	<b>100,000,000</b>
Other payables – long-term	337		100,000,000	100,000,000
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>377,042,890,754</b>	<b>309,289,388,801</b>
<b>Owners' equity</b>	<b>410</b>	<b>24</b>	<b>377,042,890,754</b>	<b>309,289,388,801</b>
Share capital	411	25	223,983,740,000	223,983,740,000
– Ordinary shares with voting rights	411a		223,983,740,000	223,983,740,000
Investment and development fund	418	26	15,706,553,642	15,706,553,642
Retained profits	421		137,352,597,112	69,599,095,159
– Retained profits brought forward	421a		63,297,420,359	12,884,420,663
– Profit for the current period/prior year	421b		74,055,176,753	56,714,674,496
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>679,174,844,996</b>	<b>576,491,142,243</b>

14 August 2020

Prepared by:

  
Tran Thi Ai Lien  
General Accountant

Approved by:

  
  
Thai Thi Hong Yen  
General Director

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



**Net Detergent Joint Stock Company**  
**Statement of income for the six-month period ended 30 June 2020**

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

	Code	Note	Six-month period ended	
			30/6/2020 VND	30/6/2019 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>29</b>	<b>727,387,831,753</b>	<b>533,236,604,371</b>
<b>Revenue deductions</b>	<b>02</b>	<b>29</b>	<b>1,163,066,360</b>	<b>-</b>
<b>Net revenue from sales of goods and provision of services (10 = 01 - 02)</b>	<b>10</b>		<b>726,224,765,393</b>	<b>533,236,604,371</b>
<b>Cost of sales and services provided</b>	<b>11</b>	<b>30</b>	<b>558,073,974,791</b>	<b>433,801,892,763</b>
<b>Gross profit (20 = 10 - 11)</b>	<b>20</b>		<b>168,150,790,602</b>	<b>99,434,711,608</b>
Financial income	21	31	5,287,267,966	2,577,976,515
Financial expenses	22	32	1,723,641,065	1,871,385,787
<i>In which: Interest expense</i>	23		<i>311,308,391</i>	<i>1,154,800,748</i>
Selling expenses	25	33	72,202,212,024	50,810,130,826
General and administration expenses	26	34	15,024,307,121	12,402,197,524
<b>Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}</b>	<b>30</b>		<b>84,487,898,358</b>	<b>36,928,973,986</b>
Other income	31		563,293,042	31,004,622
Other expenses	32		177,939,695	15,199,998
<b>Other profit (40 = 31 - 32)</b>	<b>40</b>		<b>385,353,347</b>	<b>15,804,624</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>84,873,251,705</b>	<b>36,944,778,610</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>36</b>	<b>10,818,074,952</b>	<b>2,082,719,077</b>
<b>Net profit after tax (60 = 50 - 51)</b>	<b>60</b>		<b>74,055,176,753</b>	<b>34,862,059,533</b>

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

**NET Detergent Joint-Stock Company**

**Statement of income for the six-month period ended 30 June 2020 (continued)**

**Form B 02a – DN**

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

	Code	Note	Six-month period ended	
			30/6/2020 VND	30/6/2019 VND
<b>Earnings per share</b>				
Basic earnings per share	70	37	3,306	1,556

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14 August 2020

Prepared by:

  
Tran Thi Ai Lien  
General Accountant

Approved by:

  
Thai Thi Hong Yen  
General Director



**Net Detergent Joint Stock Company**  
**Statement of cash flows for the six-month period ended 30 June 2020**  
**(Indirect method)**

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

	Code	Note	Six-month period ended	
			30/6/2020 VND	30/6/2019 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Accounting profit before tax</b>	<b>01</b>		<b>84,873,251,705</b>	<b>36,944,778,610</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		10,512,163,200	10,899,961,140
Exchange arising from revaluation of monetary items denominated in foreign currencies	04		(156,474,325)	206,318,335
Profits from investing activities	05		(3,729,212,285)	(2,076,184,211)
Interest expense	06		311,308,391	1,154,800,748
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>91,811,036,686</b>	<b>47,129,674,622</b>
Change in receivables	09		(14,913,852,949)	(5,934,041,435)
Change in inventories	10		(40,625,090,612)	(4,811,713,031)
Change in payables and other liabilities	11		26,055,470,533	1,186,003,334
Change in prepaid expenses	12		459,336,769	206,830,092
			<b>62,786,900,427</b>	<b>37,776,753,582</b>
Interest paid	14		(311,140,110)	(1,126,404,651)
Corporate income tax paid	15		(6,295,711,826)	(2,235,440,313)
Other payments for operating activities	17		(1,822,000,000)	(1,508,578,440)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>54,358,048,491</b>	<b>32,906,330,178</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(2,186,078,402)	(523,310,545)
Receipts from collecting loans of other entities	24		-	36,000,000
Payments for term deposits at banks	25		(59,600,000,000)	(25,300,000,000)
Collections from term deposits at banks	26		27,800,000,000	9,500,000,000
Receipts of interest	27		2,747,659,955	1,678,531,880
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(31,238,418,447)</b>	<b>(14,608,778,665)</b>

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

**Net Detergent Joint Stock Company**  
**Statement of cash flows for the six-month period ended 30 June 2020**  
**(Indirect method – continued)**

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

	Code	Note	Six-month period ended	
			30/6/2020 VND	30/6/2019 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	33		62,067,125,640	118,549,172,605
Payments to settle loan principals	34		(57,714,926,780)	(136,648,132,712)
Payments of dividends	36		(4,479,674,800)	-
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(127,475,940)</b>	<b>(18,098,960,107)</b>
<b>Net cash flows during the period</b> (50 = 20 + 30 + 40)	<b>50</b>		<b>22,992,154,104</b>	<b>198,591,406</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>		<b>36,532,947,546</b>	<b>90,315,322,234</b>
<b>Effect of exchange rate fluctuations</b>	<b>61</b>		<b>3,245,981</b>	<b>(1,460,045)</b>
<b>Cash and cash equivalents at the end of the period</b> (70 = 50 + 60 + 61)	<b>70</b>	<b>8</b>	<b>59,528,347,631</b>	<b>90,512,453,595</b>

14 August 2020

Prepared by:

  
Tran Thi Ai Lien  
General Accountant

Approved by:

  
  
Thai Thi Hong Yen  
General Director

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

## **NET Detergent Joint-Stock Company**

### **Notes to the interim financial statements for the six-month period ended 30 June 2020**

**Form B 09a – 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 interim financial statements.

## **1. Reporting entity**

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

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

As at 30 June 2020, the Company has 2 dependent branches which are Hanoi Branch and Ho Chi Minh City Branch (1/1/2020: 2 dependent branches).

The Company’s shares were listed on Hanoi Stock Exchange (“HNX”) in accordance with Decision No. 599/QD-SGDHN issued by the Hanoi Stock Exchange on 24 August 2010.

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

The principal activities of the Company are to:

- manufacture of washing power and detergents;
- wholesale of washing power, hygiene products and cleaning chemicals; and
- rental of warehouses, factories and offices, real estate business.

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

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

### **(d) Company structure**

As at 30 June 2020, the Company had 550 employees (1/1/2020: 552 employees).

## **2. Basis of interim financial statements preparation**

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

The interim financial statements have been prepared in accordance with Vietnamese Accounting Standard No.27 – *Interim financial reporting*, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

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

The interim 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 interim financial statements for the six-month period ended 30 June 2020 (continued)**

**Form B 09a – 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. The interim financial statements are prepared for the six-month period ended 30 June 2020.

#### **(d) Accounting and presentation currency**

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

### **3. Summary of significant accounting policies**

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

The accounting policies that have been adopted by the Company in the preparation of these interim financial statements are consistent with those adopted in the preparation of the latest annual financial statements.

#### **(a) Foreign currency transactions**

Transactions in currencies other than VND during the period 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 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.

**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)**

**Form B 09a – DN**

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

**(c) Investments**

**(i) *Held-to-maturity investments***

Held-to-maturity investments are those that the Company's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks with original term to maturity of more than three months. These investments are stated at costs less allowance for doubtful debts.

**(ii) *Investments in equity instruments of other entities***

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 values if the investee has suffered a loss, except where such a loss was anticipated by the Company's management before making the investment. 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.

**(d) Accounts receivable**

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

**(e) Inventories**

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 direct selling expenses.

The Company applies the perpetual method of accounting for inventories.

**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)**

**Form B 09a – 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 and maintenance and overhaul cost, is charged to the statement of income in the period in which the costs are 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 new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis within 8 – 10 years.

**(h) Investment property**

**(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 purchase price, cost of land use rights 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 Directors. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the statement of income in the period in which the expenditure 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.



**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020  
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**(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 |
| ▪ structures | 5 – 20 years  |

**(i) Construction in progress**

Construction in progress represents the cost of construction and machinery 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**

Infrastructure usage expenses 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. Cost of tools and instruments are amortised on a straight-line basis over 2 to 3 years.

**(k) Accounts payable to suppliers and other payables**

Accounts payable to suppliers and other payables are stated at their cost.

**(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 interim financial statements for the six-month period ended 30 June 2020  
(continued)**

**Form B 09a – DN**

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**(m) Share capital**

***Ordinary shares***

Ordinary shares are stated at par value. Excess of cash received from share issues over par value is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

**(n) Taxation**

Income tax on the profit or loss for the period 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 to equity, in which case it is recognised in equity.

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

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 amount of assets and liabilities using the tax rates enacted or substantively enacted at the end of the 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 differences 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.

**(o) Revenue and other income**

**(i) *Sales of goods***

Revenue from the sale of goods is recognised in the statement of income when 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 possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)**

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**(ii) Processing services**

Revenue from processing services is recognised in the statement of income when the goods have been processed and accepted by the client. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(iii) Rental income**

Rental income from leased property 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.

**(iv) 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 period 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.

**(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 period. 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 funds for the period.

## **NET Detergent Joint-Stock Company**

### **Notes to the interim financial statements for the six-month period ended 30 June 2020 (continued)**

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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 Board of Directors assessed that the Company only operates in one main business segment, which is producing detergents and chemicals. 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.

#### **4. Seasonality of operations**

The Company's operations is not subject to seasonal fluctuations.

#### **5. Changes in accounting estimates**

In preparing these interim financial statements, the Board of Directors has made several accounting estimates. Actual results may differ from these estimates. There is no significant changes in accounting estimates for the six-month period ended 30 June 2020 compared to those made in the most recent annual financial statements or those made in the same interim period of the prior year.

#### **6. Changes in the composition of the Company**

These was no change in the composition of the Company for the period.

**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020 (continued)**

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**7. Segment reporting**

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers, which is located in Vietnam (“Domestic”) or countries other than Vietnam (“Overseas”). Segment assets and capital expenditure are not presented since the location of assets and production is in Vietnam. The Company’s geographical segments are as follows:

	Domestic (Customers in Vietnam)		Overseas (Customers in countries other than Vietnam)		Total	
	Six-month period ended		Six-month period ended		Six-month period ended	
	30/6/2020	30/6/2019	30/6/2020	30/6/2019	30/6/2020	30/6/2019
	VND	VND	VND	VND	VND	VND
Net revenue from sales of goods and provision of services	527,759,711,494	385,686,295,259	198,465,053,899	147,550,309,112	726,224,765,393	533,236,604,371
Cost of sales and services provided	407,095,132,221	317,872,438,439	150,978,842,570	115,929,454,324	558,073,974,791	433,801,892,763
Gross profit	120,664,579,273	67,813,856,820	47,486,211,329	31,620,854,788	168,150,790,602	99,434,711,608

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***8. Cash and cash equivalents**

	<b>30/6/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Cash on hand	927,846,631	745,564,577
Cash in banks	15,900,501,000	7,687,382,969
Cash equivalents	42,700,000,000	28,100,000,000
	<hr/>	<hr/>
	59,528,347,631	36,532,947,546

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

**9. Held-to-maturity investments**

	<b>30/6/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Term deposits at banks	95,300,000,000	63,500,000,000

Held-to-maturity investments represented term deposits at banks with terms to maturity of more than 12 months from the reporting date. Term deposits are denominated in VND and earned interest at rates ranging 5.1% - 7.0% per annum (2019: 6.2% - 6.7% per annum).

**10. Accounts receivable from customers – short-term****(a) Accounts receivable from customers detailed by significant customers**

	<b>30/6/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Saigon Union of Trading Co-operatives	12,717,901,969	7,849,514,445
Vincommerce General Commercial Services Joint Stock Company - Ho Chi Minh City Branch	9,640,082,887	-
Unilever Vietnam International Company Limited	4,576,162,264	2,942,960,595
Bach Hoa Xanh Trading Joint Stock Company	4,309,779,647	7,534,243,707
Masan Consumer Corporation	2,505,672,158	-
Other customers	24,022,881,002	29,153,447,048
	<hr/>	<hr/>
	57,772,479,927	47,480,165,795

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***(b) Accounts receivable from customers who are related parties**

	<b>30/6/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Vincommerce General Commercial Services Joint Stock Company - Ho Chi Minh City Branch	9,640,082,887	-
Masan Consumer Corporation	2,505,672,158	-

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

**11. Other short-term receivables**

	<b>30/6/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Interest accrued on deposits	1,871,717,261	890,164,931
Deposits	938,200,000	858,000,000
Advances	37,972,000	43,571,700
Others	166,738,297	128,926,421
	<b>3,014,627,558</b>	<b>1,920,663,052</b>

**12. Inventories**

	<b>30/6/2020</b>		<b>1/1/2020</b>	
	<b>Cost</b>	<b>Allowance</b>	<b>Cost</b>	<b>Allowance</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
Goods in transit	9,967,617,003	-	-	-
Raw materials	98,901,418,963	-	75,903,916,053	-
Tools and supplies	174,593,487	-	250,910,227	-
Work in progress	2,966,327,433	-	1,152,034,298	-
Finished goods	33,265,487,304	-	27,343,493,000	-
	<b>145,275,444,190</b>	<b>-</b>	<b>104,650,353,578</b>	<b>-</b>

**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020 (continued)**

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*dated 22 December 2014 of the Ministry of Finance)*

**13. Tangible fixed assets**

<b>Cost</b>	<b>Buildings and structures VND</b>	<b>Machinery and equipment VND</b>	<b>Motor vehicles VND</b>	<b>Office equipment VND</b>	<b>Total VND</b>
Opening balance	226,254,905,055	140,571,375,313	10,566,998,772	1,363,294,667	378,756,573,807
Additions	398,318,182	320,000,000	391,054,364	-	1,109,372,546
Transfers from construction in progress	516,224,636	-	-	-	516,224,636
Closing balance	227,169,447,873	140,891,375,313	10,958,053,136	1,363,294,667	380,382,170,989
<b>Accumulated depreciation</b>					
Opening balance	29,924,272,088	79,398,246,161	6,176,805,521	902,085,543	116,401,409,313
Charge for the period	5,101,335,251	4,206,288,294	381,267,880	41,687,772	9,730,579,197
Closing balance	35,025,607,339	83,604,534,455	6,558,073,401	943,773,315	126,131,988,510
<b>Net book value</b>					
Opening balance	196,330,632,967	61,173,129,152	4,390,193,251	461,209,124	262,355,164,494
Closing balance	192,143,840,534	57,286,840,858	4,399,979,735	419,521,352	254,250,182,479

Included in tangible fixed assets were assets costing VND56,250 million which were fully depreciated as at 30 June 2020 (1/1/2020: VND47,989 million), but which are still in active use.



**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***14. Intangible fixed assets**

	<b>Software VND</b>
<b>Cost</b>	
Opening balance	205,000,000
Transfers from construction in progress	344,000,000
	<hr/>
Closing balance	549,000,000
	<hr/>
<b>Accumulated amortisation</b>	
Opening balance	18,791,663
Charge for the period	17,416,664
	<hr/>
Closing balance	36,208,327
	<hr/>
<b>Net book value</b>	
Opening balance	186,208,337
Closing balance	512,791,673
	<hr/>

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***15. Investment property**

	<b>Buildings VND</b>	<b>Structures VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening and closing balance	31,727,073,211	2,778,603,708	34,505,676,919
<b>Accumulated amortisation</b>			
Opening balance	20,326,063,075	2,148,338,189	22,474,401,264
Charge for the period	716,085,396	48,081,943	764,167,339
Closing balance	21,042,148,471	2,196,420,132	23,238,568,603
<b>Net book value</b>			
Opening balance	11,401,010,136	630,265,519	12,031,275,655
Closing balance	10,684,924,740	582,183,576	11,267,108,316

Included in investment property were assets costing VND4,073 million which were fully depreciated as at 30 June 2020 (1/1/2020: VND2,593 million), but which are still in active use.

The Company has not determined fair value of investment in property held to earn rental as at reporting date for disclosure in the financial statements, there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair value of the investment in property held to earn rental referenced to market price may differ from its carrying amount.

**16. Long-term financial investments**

Equity investments in other entities represented an investment in Can Tho Vegetables Joint Stock Company amounting to VND716,390,400. The Company holds 6,600 shares, par value is VND100,000 per share, equivalent to 10.1% of the charter capital of Can Tho Vegetables Joint Stock Company. Currently, Can Tho Vegetables Joint Stock Company has stopped their operation due to prolonged loss and it has also carried out procedures to dissolve the enterprise. The Company's Board of Directors has made a provision of 100% for all the above investments with the amount of VND716,390,400.

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***17. Long-term prepaid expenses**

	<b>Infrastructure usage VND</b>	<b>Tools and instruments VND</b>	<b>Total VND</b>
Opening balance	45,506,075,490	1,600,193,620	47,106,269,110
Additions	-	274,790,000	274,790,000
Amortisation for the period	(564,124,902)	(546,561,867)	(1,110,686,769)
Closing balance	44,941,950,588	1,328,421,753	46,270,372,341

**18. Accounts payable to suppliers – short-term****(a) Accounts payable to suppliers detailed by significant suppliers**

	<b>Cost/Amount within payment capacity</b>	
	<b>30/6/2020 VND</b>	<b>1/1/2020 VND</b>
Branch of TICO Joint Stock Company	34,754,070,450	2,632,909,904
UIC Vietnam Company Limited	29,322,952,608	37,975,076,884
Quang Thang Trading Company Limited	22,459,667,450	12,042,886,733
Other suppliers	134,088,112,217	117,760,562,061
	220,624,802,725	170,411,435,582

**(b) Accounts payable to suppliers who are related parties**

	<b>Cost/Amount within payment capacity</b>	
	<b>30/6/2020 VND</b>	<b>1/1/2020 VND</b>
Bien Hoa Chemicals Plant - South Basic Chemicals Joint Stock Company	8,180,192,790	7,787,459,020
South Chemicals Import - Export Joint Stock Company	2,202,082,740	4,311,109,000

The trade related amounts due to the parent company were unsecured, interest free and are payable within 30 days from invoice date.

**Net Detergent Joint Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***19. Advances from customers – short-term**

	<b>30/6/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Rahman Amin Karwan Ltd.	3,531,971,276	3,683,158,483
Fujikura Ltd.	1,395,921,258	1,937,321,744
Royal Consumer Company Limited	653,478,784	2,227,337,343
Thai Think Shoes Corporation	170,000,000	14,096,008,344
Other customers	2,581,867,071	7,994,778,256
	<hr/>	<hr/>
	8,333,238,389	29,938,604,170
	<hr/>	<hr/>

**20. Taxes payable to State Treasury**

	<b>1/1/2020</b> <b>VND</b>	<b>Incurred</b> <b>VND</b>	<b>Paid/net-off</b> <b>VND</b>	<b>30/6/2020</b> <b>VND</b>
Value added tax	205,577,194	53,383,217,178	(53,366,227,900)	222,566,472
Corporate income tax	1,720,744,327	10,818,074,952	(6,295,711,826)	6,243,107,453
Personal income tax	636,186,844	591,694,879	(1,068,189,778)	159,691,945
Others	-	885,674,790	(553,136,019)	332,538,771
	<hr/>	<hr/>	<hr/>	<hr/>
	2,562,508,365	65,678,661,799	(61,283,265,523)	6,957,904,641
	<hr/>	<hr/>	<hr/>	<hr/>

**21. Accrued expenses – short-term**

	<b>30/6/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Promotion and support expenses	10,799,064,317	10,289,080,657
Transportation expenses	5,001,274,103	4,645,668,454
Sales commission expenses	2,255,321,735	1,825,137,325
Interest expenses	4,671,417	4,503,136
Others	1,253,623,012	1,716,680,860
	<hr/>	<hr/>
	19,313,954,584	18,481,070,432
	<hr/>	<hr/>

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***22. Other short-term payables**

	<b>30/6/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Payable to employees	6,103,740,653	6,491,021,896
Deposits received	1,144,000,000	1,144,000,000
Union fee	532,436,166	325,599,439
Others	2,914,283,135	5,223,329,604
	<hr/>	<hr/>
	10,694,459,954	13,183,950,939
	<hr/>	<hr/>

**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020 (continued)**

**Form B 09a – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
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**23. Short-term borrowings**

	1/1/2020		Movements during the period			30/6/2020	
	Carrying amount VND	Amount within repayment capacity VND	Addition VND	Decrease VND	Unrealised revaluation VND	Carrying amount VND	Amount within repayment capacity VND
Short-term borrowings	9,446,409,810	9,446,409,810	62,067,125,640	(57,714,926,780)	(158,066,370)	13,640,542,300	13,640,542,300

The loans dominated in USD are unsecured and bear annual interest rate of 2.5% (2019: 2.5%).

**NET Detergent Joint-Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2020 (continued)**

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**24. Changes in owners' equity**

	Share capital VND	Investment and development fund VND	Retained profits VND	Total VND
<b>Balance at 1 January 2019</b>	223,983,740,000	15,706,553,642	49,718,135,787	289,408,429,429
Net profit for the period	-	-	34,862,059,533	34,862,059,533
Appropriation to bonus and welfare funds	-	-	(1,313,000,000)	(1,313,000,000)
<b>Balance at 30 June 2019</b>	223,983,740,000	15,706,553,642	83,267,195,320	322,957,488,962
<b>Balance at 1 January 2020</b>	223,983,740,000	15,706,553,642	69,599,095,159	309,289,388,801
Net profit for the period	-	-	74,055,176,753	74,055,176,753
Dividends (Note 27)	-	-	(4,479,674,800)	(4,479,674,800)
Appropriation to bonus and welfare funds	-	-	(1,822,000,000)	(1,822,000,000)
<b>Balance at 30 June 2020</b>	223,983,740,000	15,706,553,642	137,352,597,112	377,042,890,754

## NET Detergent Joint-Stock Company

### Notes to the interim financial statements for the six-month period ended 30 June 2020 (continued)

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

## 25. Share capital

The Company's authorised and issued share capital are:

	30/6/2020		1/1/2020	
	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 shares</b>				
Ordinary shares	22,398,374	223,983,740,000	22,398,374	223,983,740,000
<b>Shares currently 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 dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

There was no movements in share capital for the six-month period ended 30 June 2020 and 30 June 2019.

## 26. Investment and development fund

Investment and development funds were appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. These funds were established for the purpose of future business expansion.



**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***27. Dividends**

The General Meeting of Shareholders of the Company No. 01/NQ/-ĐHĐCD-NET/2020 dated on 25 June 2020 resolved to distribute profit after tax in 2019 as follows: dividend of VND71,675 million equivalent to 32% of charter capital (dividend advanced in 2019 were VND17,919 million, equivalent to 8% of charter capital). Dividend payable is recognised when Board of Management has approved and list of shareholders receiving dividend has been finalised.

According to Resolution No.07/NQ-HĐQT-NET/2020 dated on 12 May 2020, Board of Management has approved dividend amounting to VND4,480 million, equivalent to 2% of charter capital and announced the finalised list of shareholders receiving dividend was dated on 15 June 2020.

According to Resolution No.18/NQ-HĐQT-NET/2020 dated on 29 July 2020, Board of Management has approved dividend amounting to VND49,276 million, equivalent to 22% of charter capital and announced the finalised list of shareholders receiving dividend was dated on 12 August 2020.

**28. Off balance sheet items****(a) Leases**

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

	<b>30/6/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Within one year	2,225,209,297	2,306,588,947
From two to five years	7,183,318,587	7,279,318,587
More than five years	43,856,675,257	44,754,590,080
	<hr/>	<hr/>
	53,265,203,141	54,340,497,614
	<hr/>	<hr/>

**(b) Foreign currencies**

	<b>30/6/2020</b>		<b>1/1/2020</b>	
	<b>Original currency</b>	<b>VND equivalent</b>	<b>Original currency</b>	<b>VND equivalent</b>
▪ USD	99,351.14	2,297,001,128	1,347.61	31,131,947
▪ EUR	228.92	5,863,742	234.38	6,050,667
		<hr/>		<hr/>
		2,302,864,870		37,182,614
		<hr/>		<hr/>

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***(c) Capital expenditure commitments**

At the reporting date, the Company had the following outstanding capital commitments approved but not provided for in the balance sheet:

	<b>30/6/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Approved and not contracted	2,989,647,750	-
Approved and contracted	9,030,352,250	1,210,142,250
	<hr/>	<hr/>
	12,020,000,000	1,210,142,250
	<hr/>	<hr/>

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

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

	<b>Six-month period ended</b>	
	<b>30/6/2020</b>	<b>30/6/2019</b>
	<b>VND</b>	<b>VND</b>
Total revenue		
▪ Sales of finished goods	699,130,346,968	513,982,573,174
▪ Processing services	22,873,785,262	14,281,980,583
▪ Factory rental	2,060,334,540	1,910,544,630
▪ Other revenue	3,323,364,983	3,061,505,984
	<hr/>	<hr/>
	727,387,831,753	533,236,604,371
	<hr/>	<hr/>
Less revenue deductions		
▪ Sales discounts	1,163,066,360	-
	<hr/>	<hr/>
Net revenue	726,224,765,393	533,236,604,371
	<hr/>	<hr/>

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***30. Cost of sales**

	Six-month period ended	
	30/6/2020	30/6/2019
	VND	VND
Total cost of sales		
▪ Finished goods sold	536,451,984,762	419,436,064,812
▪ Processing expenses	19,428,567,807	11,099,114,438
▪ Depreciation of factory for rent	1,200,213,386	1,307,673,892
▪ Others	993,208,836	1,959,039,621
	<hr/>	<hr/>
	558,073,974,791	433,801,892,763
	<hr/>	<hr/>

**31. Financial income**

	Six-month period ended	
	30/6/2020	30/6/2019
	VND	VND
Interest income	3,729,212,285	2,076,184,211
Realised foreign exchange gains	1,401,581,356	501,792,304
Unrealised foreign exchange gains	156,474,325	-
	<hr/>	<hr/>
	5,287,267,966	2,577,976,515
	<hr/>	<hr/>

**32. Financial expense**

	Six-month period ended	
	30/6/2020	30/6/2019
	VND	VND
Interest expense	311,308,391	1,154,800,748
Realised foreign exchange losses	1,412,332,674	510,266,704
Unrealised foreign exchange losses	-	206,318,335
	<hr/>	<hr/>
	1,723,641,065	1,871,385,787
	<hr/>	<hr/>

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***33. Selling expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2020</b>	<b>30/6/2019</b>
	<b>VND</b>	<b>VND</b>
Supporting expenses for distributors, agents, supermarkets	23,612,963,238	17,567,666,793
Transportation expenses	19,497,474,559	13,873,477,196
Staff costs	14,149,600,570	10,613,057,551
Promotion expenses	11,285,710,808	3,308,712,124
Packaging expenses	1,066,565,446	923,342,900
Depreciation and amortisation	193,482,708	2,897,724,319
Other expenses	2,396,414,695	1,626,149,943
	<hr/>	<hr/>
	72,202,212,024	50,810,130,826

**34. General and administration expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2020</b>	<b>30/6/2019</b>
	<b>VND</b>	<b>VND</b>
Staff costs	5,922,163,139	4,445,601,011
Depreciation and amortisation	1,861,263,843	1,917,656,836
Tax, fees and duties	1,605,762,444	1,603,062,445
Office materials and equipments	791,206,548	687,184,278
Outside services	295,885,633	218,410,613
Other expenses	4,548,025,514	3,530,282,341
	<hr/>	<hr/>
	15,024,307,121	12,402,197,524

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

	<b>Six-month period ended</b>	
	<b>30/6/2020</b>	<b>30/6/2020</b>
	<b>VND</b>	<b>VND</b>
Material expenses	518,226,301,640	409,868,319,378
Labour costs and staff costs	36,425,054,077	25,721,940,846
Depreciation and amortisation	10,512,163,200	10,899,961,140
Other expenses	80,136,975,019	50,523,999,749

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***36. Income tax****(a) Reconciliation of effective tax rate**

	<b>Six-month period ended</b>	
	<b>30/6/2020</b>	<b>30/6/2019</b>
	<b>VND</b>	<b>VND</b>
Accounting profit before tax	84,873,251,705	36,944,778,610
Tax at the Company's tax rate	16,974,650,341	7,388,955,722
Tax incentives	(6,164,107,079)	(5,332,181,828)
Non-deductible expenses	7,531,690	25,945,183
	<b>10,818,074,952</b>	<b>2,082,719,077</b>

**(b) Applicable tax rates**

In accordance with Corporate Income Tax Law, the Company has an obligation to pay the government income tax rate of 20% of taxable profits. According to Degree No. 96/2015/TT-BTC issued by Ministry of Finance on 22 June 2015, the Company is exempted from corporate income tax for 2 years starting from the first year it generates taxable profit (2018 - 2019) and entitled to a 50% reduction in corporate income tax for the 4 succeeding years (2020 - 2023) for the new expansion investment project, regulated in Circular 218/2013/NĐ-CP.

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***37. Earnings per share****(a) Basic earnings per share**

The calculation of basic earnings per share for the six-month period ended 30 June 2020 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds for the accounting period, of VND74,055 million (the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds for six-month period ended 30 June 2019: VND34,862 million) and a weighted average number of ordinary shares outstanding of 22,398,374 (six-month period ended 30 June 2019: 22,398,374), calculated as follows:

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

	Six-month period ended	
	30/6/2020	30/6/2019
	VND	VND
Net profit attributable to ordinary shareholders	74,055,176,753	34,862,059,533

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

	30/6/2020	30/6/2019
	Weighted average number of ordinary shares for the period ended	22,398,374

**(iii) Basic earnings per share**

	Six-month period ended	
	30/6/2020	30/6/2019
	VND	VND
Basic earnings per share	3,306	1,556

**(b) Diluted earnings per share**

As at 30 June 2020, the Company did not have potential diluted shares. Therefore, the presentation of diluted earnings per share is not applicable.

**NET Detergent Joint-Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***38. Significant transactions with related parties**

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

	Transaction value	
	Six-month period ended 30/6/2020 VND	30/6/2019 VND
<i>Other related parties</i>		
<b>Bien Hoa Chemicals Plant - South Basic Chemicals Joint Stock Company</b>		
Purchase of goods	22,299,723,800	18,017,583,300
<b>South Chemicals Import - Export Joint Stock Company</b>		
Purchase of goods	12,706,669,650	5,008,875,000
<b>Masan Consumer Corporation</b>		
Sales of finished goods	39,473,785,118	-
<b>Vincommerce General Commercial Services Joint Stock Company - Ho Chi Minh City Branch</b>		
Sales of finished goods	771,185,390	-
<b>Members of Board of Management and Board of Directors</b>		
Remuneration	1,104,000,000	700,770,000

**39. Post balance sheet event**

Referring to Note 27 to the interim financial statements, according to Resolution No.18/NQ-HĐQT-NET/2020 dated on 29 July 2020, Board of Management has approved dividend amounting to VND49,276 million, equivalent to 22% of charter capital and announced the finalised list of shareholders receiving dividend was dated on 12 August 2020 and dividend payments was dated on 26 August 2020.

**NET Detergent Joint-Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2020  
(continued)**

**Form B 09a – DN**

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

**40. Corresponding figures**

Corresponding figures were derived from the balances and amounts reported in the Company's financial statements as at and for the year ended 31 December 2019 and the balances and amounts reported in the interim financial statements for the six-month period ended 30 June 2019.

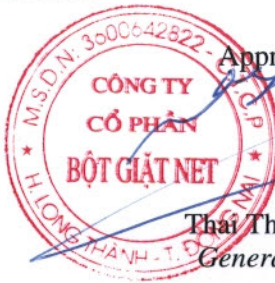
14 August 2020

Prepared by:



Tran Thi Ai Lien  
General Accountant

Approved by:



Thái Thi Hong Yen  
General Director





