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PVI INSURANCE CORPORATION
(Incorporated in the Socialist Republic of Vietnam)



AUDITED FINANCIAL STATEMENTS
For the year ended 31 December 2024



PVI INSURANCE CORPORATION

PVI Tower, No. 01 Pham Van Bach, Cau Giay District
Hanoi, S.R. Vietnam

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PVI INSURANCE CORPORATION

PVI Tower, No. 01 Pham Van Bach, Cau Giay District
Hanoi, S.R. Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of PVI Insurance Corporation (the "Corporation") presents this report together with the Corporation's financial statements for the year ended 31 December 2024.

THE MEMBERS' COUNCIL AND THE BOARD OF MANAGEMENT

The members of the Members' Council and the Board of Management of the Corporation during the year and to the date of this report are as follows:

Members' Council

Mr. Duong Thanh François	Chairman
Mr. Do Tien Thanh	Vice Chairman
Mr. Pham Anh Duc	Member
Mr. Phung Tuan Kien	Member
Mr. Tung Sing Lau	Member
Mr. Tran Duy Cuong	Member (Appointed on 19 April 2024)

Board of Management

Mr. Pham Anh Duc	Chief Executive Officer
Mr. Do Tien Thanh	Deputy Chief Executive Officer
Mr. Vu Van Thang	Deputy Chief Executive Officer
Ms. Le Hong Linh	Deputy Chief Executive Officer
Mr. Pham Thanh Vinh	Deputy Chief Executive Officer
Mr. Nguyen Anh Tuan	Deputy Chief Executive Officer
Ms. Nguyen Vu Tam	Deputy Chief Executive Officer (Appointed on 01 May 2024)

THE BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Corporation is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Corporation as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and

PVI INSURANCE CORPORATION

PVI Tower, No. 01 Pham Van Bach, Cau Giay District
Hanoi, S.R. Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of Management of the Corporation is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Corporation and that the financial statements comply with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Corporation has complied with the above requirements in preparing these financial statements.

For and on behalf of the Board of Management,



Pham Anh Duc

Chief Executive Officer

Hanoi, 20 February 2025

No.: 0458 /VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

**To: The Members' Council and Board of Management
PVI Insurance Corporation**

We have audited the accompanying financial statements of PVI Insurance Corporation (the "Corporation"), prepared on 20 February 2025 as set out from page 05 to page 44, which comprise the balance sheet as at 31 December 2024, the statement of income and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Management's Responsibility for the Financial Statements

The Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating 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.

Auditors' 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 from 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 auditors' judgment, 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 auditors consider internal control relevant to the Corporation's preparation 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 Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to financial reporting.



Trần Huy Công
Deputy General Director
Audit Practising Registration Certificate
No. 0891-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

20 February 2025
Hanoi, S.R. Vietnam

Nguyen Khuong Duy
Auditor
Audit Practising Registration Certificate
No. 5063-2025-001-1

BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS (100=110+120+130+140+150+190)	100		22,409,067,632,661	16,773,689,256,205
I. Cash	110	4	266,195,682,544	282,292,980,159
1. Cash	111		266,195,682,544	282,292,980,159
II. Short-term financial investments	120	5	6,586,295,000,000	4,294,452,980,142
1. Short-term investments	121		6,754,267,628,907	4,462,425,609,049
2. Provision for impairment of short-term investments	129		(167,972,628,907)	(167,972,628,907)
III. Short-term receivables	130		2,217,633,658,767	1,863,939,057,438
1. Short-term trade receivables	131	6	2,211,160,710,425	1,836,353,907,160
1.1. Receivables of insurance contracts	131.1		1,754,374,915,131	1,463,921,095,860
1.2. Other trade accounts receivable	131.2		456,785,795,294	372,432,811,300
2. Short-term advances to suppliers	132		4,441,251,061	11,750,445,179
3. Other receivables	135	7	48,633,359,770	75,783,587,340
4. Provision for short-term doubtful debts	139	8	(46,601,662,489)	(59,948,882,241)
IV. Inventories	140		2,390,896,623	1,158,874,766
1. Inventories	141		2,390,896,623	1,158,874,766
V. Other short-term assets	150		598,046,771,810	502,287,242,664
1. Short-term prepayments	151	9	597,923,867,953	501,665,947,201
1.1. Unallocated commission expenses	151.1		358,951,086,369	302,365,422,127
1.2. Other short-term prepaid expenses	151.2		238,972,781,584	199,300,525,074
2. Value added tax deductibles	152		122,903,857	621,295,463
VI. Reinsurance assets	190	15	12,738,505,622,917	9,829,558,121,036
1. Unearned premium reserve for outward reinsurance	191		5,012,672,628,781	3,045,182,747,065
2. Claim reserve for outward reinsurance	192		7,725,832,994,136	6,784,375,373,971
B. NON-CURRENT ASSETS (200=210+220+250+260)	200		3,335,422,142,645	4,064,824,336,363
I. Long-term receivables	210		25,360,262,450	21,240,670,338
1. Other long-term receivables	218		25,360,262,450	21,240,670,338
1.1. Insurance deposit	218.1		10,000,000,000	9,000,000,000
1.2. Other long-term receivables	218.2		15,360,262,450	12,240,670,338
II. Fixed assets	220		112,674,366,977	127,081,152,907
1. Tangible fixed assets	221	10	62,864,527,732	60,321,954,311
- Cost	222		200,202,552,737	195,110,335,701
- Accumulated depreciation	223		(137,338,025,005)	(134,788,381,390)
2. Intangible assets	227	11	49,606,449,245	66,759,198,596
- Cost	228		179,183,791,493	179,183,791,493
- Accumulated amortisation	229		(129,577,342,248)	(112,424,592,897)
3. Construction in progress	230		203,390,000	-
III. Long-term financial investments	250	5	3,019,994,558,525	3,737,795,732,942
1. Other long-term investments	258		3,022,817,598,487	3,740,094,434,487
2. Provision for impairment of long-term financial investments	259		(2,823,039,962)	(2,298,701,545)
IV. Other long-term assets	260		177,392,954,693	178,706,780,176
1. Long-term prepayments	261	9	161,621,643,078	165,597,464,539
2. Deferred tax assets	262		15,771,311,615	13,109,315,637
TOTAL ASSETS (270=100+200)	270		25,744,489,775,306	20,838,513,592,568

The accompanying notes are an integral part of these financial statements

BALANCE SHEET (Continued)

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES (300=310+330)	300		21,383,865,341,231	17,129,010,263,952
I. Current liabilities	310		21,381,933,802,197	17,105,523,208,253
1. Trade accounts payable	312		3,477,718,828,583	2,768,545,913,671
1.1. Payables of insurance contracts	312.1	12	3,471,315,188,845	2,761,493,125,548
1.2. Other payables to suppliers	312.2		6,403,639,738	7,052,788,123
2. Advances from customers	313		194,174,483,812	68,298,574,592
3. Taxes and amounts payable to the State budget	314	13	124,288,656,245	166,628,608,188
4. Payables to employees	315		260,453,562,345	369,173,542,226
5. Accrued expenses	316		86,281,558,073	71,379,078,183
6. Short-term unearned revenue	318	14	21,390,000,000	21,448,602,740
7. Other current payables	319	14	172,967,528,831	241,589,073,383
8. Unearned commission income from outward reinsurance	319.1	14	590,416,787,728	427,766,147,182
9. Bonus and welfare funds	323		4,720,792,723	7,364,044,093
10. Underwriting reserves	329	15	16,449,521,603,857	12,963,329,623,995
10.1. Unearned premium reserve for direct insurance and inward reinsurance	329.1		7,293,743,577,819	5,157,245,216,524
10.2. Claim reserve for direct insurance and inward reinsurance	329.2		8,922,444,457,987	7,572,987,994,571
10.3. Catastrophe reserve	329.3		233,333,568,051	233,096,412,900
II. Long-term liabilities	330		1,931,539,034	23,487,055,699
1. Long-term unearned revenue	338	14	657,369,865	22,047,369,863
2. Other long-term payables	333		135,000,000	135,000,000
3. Long-term provisions	336		1,139,169,169	1,304,685,836
D. EQUITY (400=410)	400		4,360,624,434,075	3,709,503,328,616
I. Owner's equity	410	16	4,360,624,434,075	3,709,503,328,616
1. Owner's contributed capital	411		3,900,000,000,000	3,300,000,000,000
2. Compulsory reserve fund	419		331,284,949,810	301,319,713,795
3. Retained earnings	421		129,339,484,265	108,183,614,821
TOTAL RESOURCES (440=300+400)	440		25,744,489,775,306	20,838,513,592,568


Pham Thanh Cong
Preparer

Nguyen Vuong Huynh
Chief AccountantPham Anh Duc
Chief Executive Officer

Hanoi, 20 February 2025

INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND

PART I: GENERAL INCOME STATEMENT

ITEMS	Codes	Current year	Prior year
1. Net revenue from insurance activities	10	6,566,034,507,740	5,530,879,288,287
2. Financial income	12	880,616,323,904	810,948,198,495
3. Other income	13	126,334,764,066	90,747,151,082
4. Total expenses for insurance activities	20	5,795,109,287,176	4,700,858,057,900
5. Financial expenses	22	371,324,704,368	319,046,874,640
6. General and administration expenses	23	521,029,518,725	528,229,353,544
7. Other expenses	24	122,659,749,775	89,449,310,444
8. Total accounting profit before tax (50 = 10+12+13-20-22-23-24)	50	762,862,335,666	794,991,041,336
9. Current corporate income tax expense	51	166,219,611,364	161,292,845,436
10. Deferred corporate tax income	52	(2,661,995,978)	(2,284,556,542)
11. Net profit after corporate income tax (60 = 50-51-52)	60	599,304,720,280	635,982,752,442

The accompanying notes are an integral part of these financial statements

INCOME STATEMENT (Continued)

For the year ended 31 December 2024

Unit: VND

PART II: INCOME STATEMENT BY ACTIVITY

ITEMS	Codes	Notes	Current year	Prior year
1. Insurance premium (01=01.1 + 01.2 - 01.3)	01	18	16,049,916,146,033	11,879,008,620,783
- Direct insurance premium	01.1		13,346,213,755,341	11,002,077,073,236
- Inward reinsurance premium	01.2		4,840,200,751,987	1,610,833,392,946
- Increase in unearned premium reserves for direct insurance and inward reinsurance	01.3		2,136,498,361,295	733,901,845,399
2. Outward reinsurance premium (02=02.1 - 02.2)	02	19	10,695,209,110,559	7,386,067,753,325
- Total outward reinsurance premium	02.1		12,662,698,992,275	7,851,228,696,971
- Increase in unearned premium reserve for outward reinsurance	02.2		1,967,489,881,716	465,160,943,646
3. Net insurance premium (03= 01 - 02)	03		5,354,707,035,474	4,492,940,867,458
4. Commission income from outward reinsurance and other income from insurance activities (04 = 04.1 + 04.2)	04		1,211,327,472,266	1,037,938,420,829
- Commission income from outward reinsurance	04.1	20	1,046,766,632,248	989,749,000,137
- Other income from insurance activities	04.2		164,560,840,018	48,189,420,692
5. Net revenue from insurance activities (10 = 03 + 04)	10		6,566,034,507,740	5,530,879,288,287
6. Claim settlement expenses (11= 11.1 - 11.2)	11		5,434,265,639,210	3,920,622,440,397
- Total claim settlement expenses	11.1		5,462,113,556,699	3,951,411,725,697
- Deductions (Receipt of claim from third party, receipt of 100% claim for goods)	11.2		27,847,917,489	30,789,285,300
7. Claims receipts from ceded policies	12		3,493,899,339,133	2,096,480,288,597
8. Increase/(decrease) in claim reserves for direct insurance and inward reinsurance	13		1,349,456,463,416	(47,364,563,009)
9. Increase/(decrease) in claim reserve for outward reinsurance	14		941,457,620,165	(73,318,667,517)
10. Total insurance claim settlement expenses (15 = 11 - 12 + 13 - 14)	15	21	2,348,365,143,328	1,850,096,256,308
11. Increase in catastrophe reserve Including: Claim settlement from catastrophe reserve	16		237,155,151 55,000,000,000	26,116,817,692 21,500,000,000
12. Other expenses for insurance activities (17 = 17.1 + 17.2)	17	22	3,446,506,988,697	2,824,644,983,900
- Insurance commission expense	17.1		856,528,659,121	699,800,483,627
- Other expenses for insurance activities	17.2		2,589,978,329,576	2,124,844,500,273
13. Total expenses for insurance activities (18 = 15 + 16 + 17)	18		5,795,109,287,176	4,700,858,057,900
14. Gross profit from insurance activities (19 = 10 - 18)	19		770,925,220,564	830,021,230,387

The accompanying notes are an integral part of these financial statements

INCOME STATEMENT (Continued)

For the year ended 31 December 2024

Unit: VND

PART II: INCOME STATEMENT BY ACTIVITY (Continued)

ITEMS	Codes	Notes	Current year	Prior year
15. Financial income	23	23	880,616,323,904	810,948,198,495
16. Financial expenses	24	24	371,324,704,368	319,046,874,640
17. Gross profit from financial activities (25 = 23-24)	25		509,291,619,536	491,901,323,855
18. General and administration expenses	26	25	521,029,518,725	528,229,353,544
19. Net profit from operating activities (30 = 19 + 25 - 26)	30		759,187,321,375	793,693,200,698
20. Other incomes	31	26	126,334,764,066	90,747,151,082
21. Other expenses	32	27	122,659,749,775	89,449,310,444
22. Profit from other activities (40 = 31 - 32)	40		3,675,014,291	1,297,840,638
23. Accounting profit before tax (50 = 30 + 40)	50		762,862,335,666	794,991,041,336
24. Current corporate income tax expense	51	29	166,219,611,364	161,292,845,436
25. Deferred corporate tax income	52		(2,661,995,978)	(2,284,556,542)
26. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		599,304,720,280	635,982,752,442


Pham Thanh Cong
Preparer

Nguyen Vuong Huynh
Chief AccountantPham Anh Duc
Chief Executive Officer

Hanoi, 20 February 2025

CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. Cash flows from operating activities			
1. Receipt from insurance premium and commissions	01	16,774,159,987,039	13,118,664,763,011
2. Receipt from deducted expenses	03	113,221,197,400	105,067,874,657
3. Receipt from other operating activities	04	2,701,375,419,468	1,998,222,445,172
4. Payment for claim settlements	05	(2,853,972,815,697)	(2,808,836,413,271)
5. Payment for commissions and other insurance activities	06	(8,464,430,233,282)	(5,791,256,992,201)
6. Payment to suppliers of goods and services	07	(1,566,506,655,526)	(1,362,737,727,389)
7. Payment to employees	08	(1,198,155,617,558)	(885,545,232,296)
8. Loan interest paid	09	(19,893,782,888)	(23,241,345,109)
9. Payment for taxes and obligations to the State budget	10	(1,272,163,350,295)	(922,936,529,975)
10. Payment for other payables	11	(2,824,500,884,786)	(2,101,399,868,863)
11. Advances to employees and suppliers	12	(399,231,348,744)	(374,958,278,134)
Net cash generated by operating activities	20	989,901,915,131	951,042,695,602
II. Cash flows from investing activities			
1. Acquisition of fixed assets	21	(14,976,096,456)	(15,719,772,147)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	300,000	227,500,000
3. Cash outflow for lending, buying debt instruments of other entities	23	(6,878,488,359,440)	(6,393,793,247,629)
4. Cash recovered from lending, selling debt instruments of other entities	24	5,286,765,656,066	5,096,480,846,562
5. Cash recovered from investments in other entities	26	17,083,600,000	-
6. Interest earned, dividends and profits received	27	600,957,363,969	589,272,866,781
Net cash (used in) investing activities	30	(988,657,535,861)	(723,531,806,433)
III. Cash flows from financing activities			
1. Receipt from the owner's contribution	31	600,000,000,000	-
2. Proceeds from borrowings	33	837,687,247,457	696,083,802,426
3. Repayment of borrowings	34	(837,687,247,457)	(725,081,802,426)
4. Profit paid to the owner	36	(618,016,270,228)	(501,439,597,315)
Net cash (used in) financing activities	40	(18,016,270,228)	(530,437,597,315)
Net decreases in cash (50=20+30+40)	50	(16,771,890,958)	(302,926,708,146)
Cash at the beginning of the year	60	282,292,980,159	583,386,027,801
Effects of changes in foreign exchange rates	61	674,593,342	1,833,660,504
Cash at the end of the year (70=50+60+61)	70	266,195,682,544	282,292,980,159


 Pham Thanh Cong
Preparer


 Nguyen Vuong Huynh
Chief Accountant


 Pham Anh Duc
Chief Executive Officer

Hanoi, 20 February 2025

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

PVI Insurance Corporation (the "Corporation") was incorporated and has operated following the model of a limited liability company under Business License No. 63 GP/KDBH dated 28 June 2011 issued by the Ministry of Finance and the latest amended Business License No. 63/GPDC24/KDBH dated 20 August 2024.

The Corporation's owner (the parent company) is PVI Holdings, which was formerly known as Petro Vietnam Insurance Joint Stock Corporation. PVI Holdings owns 100% of the charter capital of the Corporation.

The Corporation has officially come into operation from 01 August 2011 and continuously inherited all rewards and obligations relevant to insurance business that occurred before 01 August 2011 of PVI Holdings.

The number of employees of the Corporation as at 31 December 2024 was 2,311 (as at 31 December 2023: 2,316), of which the number of female employees is 1,346.

Business sector

Business sector of the Corporation includes insurance and financial services.

Principal activities

The Corporation's main principal activities include:

- Direct insurance business;
- Re-insurance business;
- Claim loss survey;
- Auxiliary insurance services; and
- Fund management, capital investment and other activities under law.

Normal operating cycle

The Corporation's normal operating cycle is carried out for a time period of 12 months or less.

The Corporation's structure

The Corporation has the main office located on Floor 24, PVI Tower, No. 01 Pham Van Bach, Cau Giay District, Hanoi and 43 members directly under the Corporation.

Disclosure of information comparability in the financial statements

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2023.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to financial reporting.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Corporation's financial year begins on 01 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Corporation in the preparation of these financial statements, are as follows:

Estimates

The preparation of financial statements in conformity with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Financial instruments

Initial recognition

Financial assets

At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets.

Financial assets of the Corporation comprise cash, short-term and long-term investments, trade receivables and other receivables.

The fair value of cash are defined as the book value. The fair value of the receivables is measured at cost less provision for doubtful debts.

The fair value of the investments is determined as follows:

- The fair value of long-term equity investments is determined via the method of the net asset value based on the latest financial information of the investees after adjusting according to the Corporation's accounting policies (if any) and relevant information obtained by the Corporation as at the reporting date.

- The fair value of deposits at domestic commercial joint stock banks is determined by book value due to short maturities and/or unavailability of information in the market to determine the fair value at the reporting date.
- The fair value of bond investments is determined by book value as their interest rate is subject to fluctuation of market interest rates.
- Fair value of investment trusts including bond entrusted investments are determined by book value as the interest rate is subject to changes of market interest rates.

Financial liabilities

At the date of initial recognition, financial liabilities are recognized at cost plus transaction costs that are directly attributable to the issuance of the financial liabilities.

Financial liabilities of the Corporation comprise trade payables, other short-term and long-term payables and accruals.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

Cash

Cash comprise cash on hand, bank demand deposits and cash in transit.

Financial investments

a) Held-to-maturity investments

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including bank term deposits, investments in bonds and trust investments.

Held-to-maturity investments are recognized on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognized in the income statement on an accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

b) Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence. Equity investments in other entities are carried at cost less provision for impairment of investments. Provision

for impairment of equity investments in other entities is made when there is sufficient evidence that there is a decline in value of these investments at the balance sheet date.

As at 31 December 2024, the Corporation's long-term investments in PVI Opportunity Investment Fund (POF) and PVI Infrastructure Investment Fund (PIF) accounted for 43.41% and 47.07% respectively of total capital contributed to POF and PIF. However, the control over the policies and decisions of POF and PIF is of PVI Holdings, who is a capital contributor to POF and PIF and also the Corporation's parent company, hence, the Corporation's ability to influence these policies and decisions of POF and PIF is insignificant. The financial report data of the two Funds are consolidated in the consolidated financial statements of PVI Holdings. The Corporation, therefore, presented its long-term investments in POF and PIF in the "Other long-term investments" item.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts. Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	25
Motor vehicles	6
Office equipment	3 - 8

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognised in the income statement.

Intangible assets and amortization

Intangible assets are stated at cost less accumulated amortization.

Intangible assets represent accounting software, software copyright licenses/certificates, management software (collectively referred to as "computer software") and land use rights. Computer software is amortized using the straight-line method over the estimated useful life of 3 years. Land use rights are amortized using the straight-line method over the time period of using the land lots. Pursuant to prevailing regulations, an indefinite-term land use right is not amortized.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including prepayments for office, warehouse rentals, insurance commission, agency support expense, tools and supplies issued for consumption, e-commerce service expense and other prepayments.

Office and warehouse rentals represent rentals that have been paid in advance. Prepaid office and warehouse rentals are charged to the income statement using the straight-line method over the lease term.

Other prepayments comprise costs of tools, supplies issued for consumption, other prepaid service fees which are expected to provide future economic benefits to the Corporation. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method in accordance with the prevailing accounting regulations.

The accounting policy for prepayment for insurance commissions, agency support expense and e-commerce service expense are presented in the accounting policy section for some specific insurance business activities, the "Expenditure" section.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates of the commercial bank where the Corporation usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognized in the income statement.

Other payable provisions

Other payable provisions are recognized when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation. Payable provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation at the balance sheet date.

Underwriting reserves

Underwriting reserves are made in accordance with Circular No. 67/2023/TT-BTC issued by the Ministry of Finance dated 02 November 2023 ("Circular 67") and the approved letters No. 3654/BTC-QLBH dated 30 March 2018, No. 4370/BTC-QLBH dated 10 April 2020 and No. 14484/BTC-QLBH dated 21 December 2021 from the Department of the Insurance Supervisory Authority – Ministry of Finance. Details are as follows:

a) Non-life insurance lines

Unearned premium reserve:

Unearned premium reserves are made by a factor of period of direct policies, in which:

- For energy insurance: Applying the method of making unearned premium reserve on a daily basis
- For cargo insurance, motor vehicle insurance, credit and financial risk insurance, business interruption insurance, agricultural insurance and aviation insurance (except for inward reinsurance): Applying the method of making unearned premium reserve on a daily basis.

- For other types of insurance: Applying the 1/24 method of making unearned premium reserve.

Claim reserve: For losses incurred and reported, the Corporation provides for claim reserves for direct insurance and inward reinsurance and outward reinsurance using the statistic of retention liabilities for each estimated loss incurred and reported.

For losses incurred but not reported ("IBNR"), claim reserves are made based on statistic rate on claim in 3 consecutive years. The Board of Management believes IBNR reserve has been prudently evaluated and fully recorded.

Catastrophe reserve: Under Vietnamese Accounting Standard No. 19 "Insurance Contract", reserves for possible claims that are neither incurred nor exist at the reporting date (including catastrophe reserve) are not necessary. However, the Corporation follows the reserve policy in accordance with Circular 67, accordingly, catastrophe reserve for all types of insurance services was consistently made at 1% of total retained premium in the period.

b) Health insurance lines

Mathematical reserve

For health insurance and reinsurance contracts (insurance contracts) with a term of more than 01 year, mathematical reserves are made by a factor of period of direct policies, which is in line with the method of making reserve on a daily basis according to the gross premium valuation.

Unearned premium reserve

For health insurance and reinsurance contracts (insurance contracts) with a term of less than 01 year, the reserves are made in line with the method of making unearned premium reserve on a daily basis.

Claim reserve: For losses incurred and reported, the Corporation provides for claim reserves for direct insurance and inward reinsurance and outward reinsurance using the statistic of retention liabilities for each estimated loss incurred and reported.

For losses incurred but not reported ("IBNR"), claim reserves are made based on statistic rate on claim in 3 consecutive years. The Board of Management believes IBNR reserve has been prudently evaluated and fully recorded.

Equalization reserve: The Corporation's equalization reserve is consistently provided at 1% of the premium retained in the year and recorded in Catastrophe reserve in the balance sheet.

Reserves for the Corporation's direct insurance and inward reinsurance are not offset with reserve for outward reinsurance. Such reserves should be presented under separate items in the balance sheet. Accordingly, unearned premium reserve and claim reserve for direct insurance and inward reinsurance and catastrophe reserve are recognized as payables while unearned premium reserve for outward reinsurance and claim reserve for outward reinsurance are recognized as reinsurance assets.

Insurance deposits

The Corporation is obliged to pay a deposit equal to 2% of the legal capital, the deposit shall receive interest in accordance with the agreement reached with the bank into which it is paid and the Corporation may withdraw the whole amount of their deposit upon termination of its operation. The

Corporation may only use its insurance deposit to meet undertakings to purchasers of insurance when its solvency is inadequate and upon written approval of the Ministry of Finance.

Enterprise funds

The compulsory reserve fund is made up at the rate of 5% of the Corporation's profit after tax until it is equal to 10% of the Corporation's charter capital.

Bonus and welfare funds

Bonus and welfare funds can be allocated from the Corporation's profit after tax under PVI Holdings' approval or allocated from PVI Holdings, used for social security activities and activities that are indirectly related to business.

Unearned revenue

Unearned revenue is the amounts received in advance relating to results of operations of for multiple accounting periods for commission income from outward reinsurance and deposit interest that have been yet earned. The Company recognizes unearned revenue in proportion to its obligations that the Company will have to perform in the future. When the revenue recognition conditions are satisfied, unearned revenue will be recognized in the income statement for the year corresponding to the portion that meets the revenue recognition conditions.

Revenue recognition

Direct insurance premium

Direct insurance premium revenue is recognized when the Corporation has the ability to receive economic benefits that can be reliably determined. The following specific recognition conditions must also be met before premium is recognized. Accordingly, direct insurance premium revenue is recognized when the following conditions are met:

- The insurance policy has been signed between the insurance corporation and the insurance buyer and the buyer has fully paid the insurance premium;
- There is evidence that the insurance contract has been conducted and the insurance buyer has fully paid insurance premium;
- When the insurance policy is signed, the Corporation has an agreement with the insurance buyer on the insurance premium payment term (including the extension period), at that time, revenue is recognized from the insurance premium that the policyholder is required to pay according to the terms of the insurance contract at the beginning of the insurance period;
- When the insurance policy has been conducted and there is an agreement for the policyholder to pay the premium in installments under the insurance policy, revenue is recognized from the premium corresponding to the period or periods of premium that have incurred, and is not recognized from the premium that has not yet come due for the policyholder to pay according to the agreement under the insurance policy.

The insurance premium payment term must be specified in the insurance contract in which the premium payment period does not exceed 30 days from the start date of the insurance period. In case of paying insurance premiums in installments, the Corporation accounts insurance premium revenue corresponding to the period or periods in which insurance premiums have incurred. In case the insurance buyer does not pay the insurance premium in full by the premium payment due date, the insurance policy will automatically terminate at the end of the premium payment due date.

Insurance premiums received in advance before the policy effective date at the end of the year are recorded as "Advances from customers" on the Balance sheet.

Deduction in direct insurance premiums are tracked and recorded separately for each insurance policy and transferred to Direct insurance premium revenue to calculate net revenue at the end of the year.

Reinsurance premium

Inward reinsurance premium is recorded when the liability is incurred, at the amount stated on the reinsurers' statement sent to the Corporation and confirmed by the Corporation.

Outward reinsurance premium is recorded at the premium amount to be ceded to reinsurers, corresponding to the direct insurance premium and inward reinsurance premium earned in the year.

Commission income from outward reinsurance is recognized corresponding to outward reinsurance premium incurred in the year. In the year, the entire outward reinsurance commission under outward reinsurance contracts signed in accordance with regulations of the financial regime is presented in the "Commission income from outward reinsurance" item.

At the year end, the Corporation should determine unearned commission income from outward reinsurance corresponding to outward reinsurance premium not yet recognized in this year so as to allocate to the subsequent financial years in accordance with the above-mentioned method.

Other income from reinsurance activities is recognized when incurred.

Other revenues

Interest income from deposits and bonds is accrued on an accrual basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Expenditure recognition

Claim settlement expenses for direct insurance are recorded as incurred, that is, when the Corporation accepts to settle the insured's claims following respective settlement notice.

Claim settlement expenses for inward reinsurance are recorded as incurred following the statement of accounts sent by the reinsurers to the Corporation and the claim is accepted by the Corporation.

Claim receipts from ceded policies are recognized based on the receivable amount incurred corresponding to the claim settlement expenses recorded in the year and the ceded ratios.

Commission expenses for direct insurance and inward reinsurance are recognized corresponding to direct premium and inward reinsurance premium incurred in the year. In the year, the entire commission expenses for direct insurance and inward reinsurance under inward reinsurance contracts signed in accordance with regulations of the financial regime are presented in the items "Commission expenses for direct insurance" and "Commission expenses for inward reinsurance".

At the year end, the Corporation should determine unearned commission expenses for direct insurance and inward reinsurance which have not been recognized as expenses for the year corresponding to unearned direct premium and inward reinsurance premium so as to allocate such commission expenses to the subsequent financial years in accordance with the above-mentioned method.

Sales support expenses, including agency support expenses and e-commerce service expenses are recognized in proportion to direct premium and allocated during the year in proportion to premium income. The unallocated sales support expenses will be recognized as a prepaid expense and be allocated to insurance business expenses for the following years.

Other expenses are recognized when incurred.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs".

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled, or the asset is realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	1,555,464,437	1,835,682,949
Bank demand deposits	257,126,179,290	272,756,312,367
Cash in transit	7,514,038,817	7,700,984,843
	<u>266,195,682,544</u>	<u>282,292,980,159</u>



5. FINANCIAL INVESTMENTS

	Closing balance			Opening balance		
	Cost	Fair value	Provision	Cost	Fair value	Provision
	VND	VND	VND	VND	VND	VND
a) Held-to-maturity investments	8,196,766,933,394	8,028,794,304,487	(167,972,628,907)	6,607,298,749,536	6,439,326,120,629	(167,972,628,907)
Current investments	6,754,267,628,907	6,586,295,000,000	(167,972,628,907)	4,462,425,609,049	4,294,452,980,142	(167,972,628,907)
- Term deposits (i)	6,492,155,000,000	6,492,155,000,000	-	4,186,417,916,142	4,186,417,916,142	-
- Bonds (ii)	167,972,628,907	-	(167,972,628,907)	167,972,628,907	-	(167,972,628,907)
- Entrusted investment (iii)	94,140,000,000	94,140,000,000	-	108,035,064,000	108,035,064,000	-
Non-current investments	1,442,499,304,487	1,442,499,304,487	-	2,144,873,140,487	2,144,873,140,487	-
- Term deposits (iv)	1,042,499,304,487	1,042,499,304,487	-	1,844,729,304,487	1,844,729,304,487	-
- Bonds (v)	200,000,000,000	200,000,000,000	-	200,000,000,000	200,000,000,000	-
- Entrusted investment (vi)	200,000,000,000	200,000,000,000	-	100,143,836,000	100,143,836,000	-
b) Equity investments in other entities	1,580,318,294,000	1,610,207,515,993	(2,823,039,962)	1,595,221,294,000	1,631,031,769,216	(2,298,701,545)
- Investments in other entities (vii)	1,574,181,820,000	1,606,927,954,065	-	1,574,181,820,000	1,608,428,892,198	-
+ PVI Opportunity Investment Fund (POF)	868,181,820,000	884,788,247,855	-	868,181,820,000	887,337,996,842	-
+ PVI Infrastructure Investment Fund (PIF)	706,000,000,000	722,139,706,210	-	706,000,000,000	721,090,895,356	-
- Investments in other entities via entrusted investment contract (viii)	6,136,474,000	3,279,561,928	(2,823,039,962)	21,039,474,000	22,602,877,018	(2,298,701,545)

- (i) Represent deposits at domestic joint stock commercial banks with original term of more than 3 months and remaining term of 12 months or less from the reporting date, with interest rate ranging from 4.1% per annum – 10.5% per annum (as at 31 December 2024: 4.3% per annum – 11.5% per annum).
- (ii) Represent investment in corporate bonds of Song Da Thang Long with the amount of VND 167,972,628,907. Investment in Song Da Thang Long's bond matured in February 2013. As at 31 December 2024, the Corporation has provided for total principal of this bond and interest receivable with the amount of VND 167,972,628,907 and VND 12,794,444,444 correspondingly.
- (iii) Represents investments under the Trust Contract for PVI Asset Management JSC to manage and implement investments with the remaining term of 12 months or less from the reporting date.

- (iv) Represent deposits at domestic joint stock commercial banks with the remaining term of more than 12 months from the reporting date, with interest rate ranging from 4.45% per annum – 11.9% per annum (as at 31 December 2024: 5.7% per annum – 11.9% per annum).
- (v) Represent the investment in bank bonds with the remaining period of more than 12 months from the reporting date.
- (vi) Represents investments under the Trust Contract for PVI Asset Management JSC to manage and implement investments with the remaining term of more than 12 months from the reporting date.
- (vii) Represent capital contributions to other companies with the holding period of more than 01 year from the reporting date.
- (viii) Represents the Corporation's investment under the investment entrusted contract with PVI Fund Management Joint Stock Company.

6. RECEIVABLES OF INSURANCE CONTRACTS

	Closing balance VND	Opening balance VND
a) Receivables of insurance contracts		
Receivables regarding direct insurance premium	576,578,210,073	661,053,766,544
<i>Including:</i>		
- Receivable from policy holders	576,578,210,073	661,053,766,544
Receivables regarding inward reinsurance	99,812,996,003	124,500,237,759
Receivables regarding outward reinsurance	731,022,151,372	432,525,823,276
Receivable regarding claims from co-insurers	75,589,051,004	71,867,890,049
Other receivables	271,372,506,679	173,973,378,232
	1,754,374,915,131	1,463,921,095,860
b) Other trade accounts receivable		
Accrual interest earned from financial investment activities	456,785,795,294	372,432,811,300
	456,785,795,294	372,432,811,300

7. OTHER RECEIVABLES

	Closing balance		Opening balance	
	Amount	Provision	Amount	Provision
	VND	VND	VND	VND
Receivables from employees	6,966,319,818	-	7,995,942,710	-
Short-term deposits	824,756,432	-	556,523,163	-
Receivable from collecting remuneration on behalf of social insurance and health insurance	20,048,044,968	-	18,733,073,711	-
Others	20,794,238,552	3,153,967,414	48,498,047,756	7,504,018,394
	48,633,359,770	3,153,967,414	75,783,587,340	7,504,018,394

8. PROVISIONS FOR SHORT-TERM DOUBTFUL DEBTS

	Closing balance			Opening balance		
	Historical cost	Recoverable amount	Provisions	Historical cost	Recoverable amount	Provisions
	VND	VND	VND	VND	VND	VND
- The total value of the receivables past due or not past due but impaired	532,329,207,070	485,727,544,581	46,601,662,489	242,796,531,407	182,847,649,166	59,948,882,241
+ Receivables regarding direct insurance	43,146,865,781	25,615,310,813	17,531,554,968	70,373,293,829	43,411,114,230	26,962,179,599
+ Receivables regarding reinsurance	463,323,327,933	450,301,632,270	13,021,695,663	134,339,787,997	121,751,548,193	12,588,239,804
+ Compensation advanced	100,000,000	-	100,000,000	100,000,000	-	100,000,000
+ Advances to employees	793,379,849	793,379,849	-	812,284,963	812,284,963	-
+ Receivables regarding investment activities	12,794,444,444	-	12,794,444,444	12,794,444,444	-	12,794,444,444
+ Other receivables	12,171,189,063	9,017,221,649	3,153,967,414	24,376,720,174	16,872,701,780	7,504,018,394

Recoverable amount is measured at cost less provision for doubtful debts.

9. PREPAID EXPENSES

	Closing balance VND	Opening balance VND
a) Current		
Unallocated commission expenses	358,951,086,369	302,365,422,127
Cost of tools and supplies issued for consumption	8,332,149,620	13,170,610,972
Agent supporting expenses	46,208,596,258	61,489,536,976
E-commerce services expenses	145,862,246,891	96,830,612,777
Other short-term prepaid expenses	38,569,788,815	27,809,764,349
	<u>597,923,867,953</u>	<u>501,665,947,201</u>
b) Non-current		
Office rental at PVI Tower	115,295,338,049	119,473,717,421
Warehouse rental at PVI Tower	4,223,700,000	4,371,900,000
Other long-term prepaid expenses	42,102,605,029	41,751,847,118
	<u>161,621,643,078</u>	<u>165,597,464,539</u>

10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Motor vehicles VND	Office equipment VND	Total VND
COST				
Opening balance	50,588,793,779	73,543,995,548	70,977,546,374	195,110,335,701
Additional	-	11,990,871,853	1,299,204,255	13,290,076,108
Write off	-	-	(8,079,768,163)	(8,079,768,163)
Other decreases	-	(118,090,909)	-	(118,090,909)
Closing balance	<u>50,588,793,779</u>	<u>85,416,776,492</u>	<u>64,196,982,466</u>	<u>200,202,552,737</u>
ACCUMULATED DEPRECIATION				
Opening balance	15,901,767,570	49,922,125,376	68,964,488,444	134,788,381,390
Charge for the year	2,034,177,273	6,875,250,839	1,728,184,423	10,637,612,535
Write off	-	-	(8,079,768,163)	(8,079,768,163)
Other decreases	-	(8,200,757)	-	(8,200,757)
Closing balance	<u>17,935,944,843</u>	<u>56,789,175,458</u>	<u>62,612,904,704</u>	<u>137,338,025,005</u>
NET BOOK VALUE				
Opening balance	<u>34,687,026,209</u>	<u>23,621,870,172</u>	<u>2,013,057,930</u>	<u>60,321,954,311</u>
Closing balance	<u>32,652,848,936</u>	<u>28,627,601,034</u>	<u>1,584,077,762</u>	<u>62,864,527,732</u>

The cost of the Corporation's tangible fixed assets includes VND 99,340,033,633 of assets which have been fully depreciated but are still in use as at 31 December 2024 (as at 31 December 2023: VND 106,495,959,522).

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Computer software VND	Land use rights VND	Total VND
COST			
Opening balance	136,143,226,600	43,040,564,893	179,183,791,493
Closing balance	136,143,226,600	43,040,564,893	179,183,791,493
ACCUMULATED AMORTISATION			
Opening balance	110,504,758,622	1,919,834,275	112,424,592,897
Charge for the year	16,992,422,168	160,327,183	17,152,749,351
Closing balance	127,497,180,790	2,080,161,458	129,577,342,248
NET BOOK VALUE			
Opening balance	25,638,467,978	41,120,730,618	66,759,198,596
Closing balance	8,646,045,810	40,960,403,435	49,606,449,245

The cost of the Corporation's intangible assets includes VND 85,755,307,213 of intangible assets which have been fully amortised but are still in use as at 31 December 2024 (as at 31 December 2023: VND 84,981,712,213).

12. PAYABLES OF INSURANCE CONTRACTS

	Closing balance VND	Opening balance VND
Payables regarding outward reinsurance premium	2,125,071,114,939	1,966,196,575,480
Payables to co-insurers	247,479,489,578	190,280,417,798
Payables regarding claim compensation	658,732,369,319	288,542,736,198
Commission and insurance brokerage payables	90,447,998,524	88,254,969,643
Other payables for insurance activities	349,584,216,485	228,218,426,429
	3,471,315,188,845	2,761,493,125,548

13. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	Opening balance VND	Payable during the year VND	Paid/Offset during the year VND	Closing balance VND
Value added taxes on goods and services sold domestically	102,247,931,967	887,862,924,681	919,205,644,533	70,905,212,115
Corporate income tax	52,220,167,642	166,219,611,364	186,567,959,238	31,871,819,768
Personal income tax	9,955,885,077	158,789,053,731	151,004,218,032	17,740,720,776
Other taxes and charges payable	2,204,623,502	16,951,808,576	15,385,528,492	3,770,903,586
	166,628,608,188	1,229,823,398,352	1,272,163,350,295	124,288,656,245

14. OTHER PAYABLES

	Current year VND	Prior year VND
a) Unearned commission income from outward reinsurance		
Opening balance	427,766,147,182	445,407,919,737
Unearned commission income incurred in the year	1,209,417,272,794	972,107,227,582
Commission income allocated in the year	(1,046,766,632,248)	(989,749,000,137)
Closing balance	<u>590,416,787,728</u>	<u>427,766,147,182</u>
	Closing balance	Opening balance
	VND	VND
b) Other current payables		
Trade union fee	5,679,785,267	4,072,360,109
Social, health, unemployment insurance	2,236,760,730	2,060,291,372
Payables for profits transferred to PVI Holdings	85,000,000,000	179,000,000,000
Others	80,050,982,834	56,456,421,902
	<u>172,967,528,831</u>	<u>241,589,073,383</u>
c) Short-term unearned revenue		
Interest income from deposit contracts received in advance	21,390,000,000	21,448,602,740
	<u>21,390,000,000</u>	<u>21,448,602,740</u>
d) Long-term unearned revenue		
Interest income from deposit contracts received in advance	657,369,865	22,047,369,863
	<u>657,369,865</u>	<u>22,047,369,863</u>

15. UNDERWRITING RESERVES

Claim reserve and unearned premium reserve:

	Closing balance			Opening balance		
	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net reserve	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net reserve
	VND	VND	VND	VND	VND	VND
Claim reserve and unearned premium reserve						
1. Unearned premium reserve	7,293,743,577,819	5,012,672,628,781	2,281,070,949,038	5,157,245,216,524	3,045,182,747,065	2,112,062,469,459
2. Claim reserve	8,922,444,457,987	7,725,832,994,136	1,196,611,463,851	7,572,987,994,571	6,784,375,373,971	788,612,620,600
- Reserve for claims not yet settled	8,569,735,080,054	7,436,476,359,326	1,133,258,720,728	7,145,560,830,948	6,427,898,895,732	717,661,935,216
- Reserve for loss incurred but not reported (IBNR)	352,709,377,933	289,356,634,810	63,352,743,123	427,427,163,623	356,476,478,239	70,950,685,384
Total	<u>16,216,188,035,806</u>	<u>12,738,505,622,917</u>	<u>3,477,682,412,889</u>	<u>12,730,233,211,095</u>	<u>9,829,558,121,036</u>	<u>2,900,675,090,059</u>

In details:

	Current year			Prior year		
	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net unearned premium reserve	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net unearned premium reserve
	VND	VND	VND	VND	VND	VND
1. Unearned premium reserve						
Opening balance	5,157,245,216,524	3,045,182,747,065	2,112,062,469,459	4,423,343,371,125	2,580,021,803,419	1,843,321,567,706
Provided in the year	2,136,498,361,295	1,967,489,881,716	169,008,479,579	733,901,845,399	465,160,943,646	268,740,901,753
Closing balance	<u>7,293,743,577,819</u>	<u>5,012,672,628,781</u>	<u>2,281,070,949,038</u>	<u>5,157,245,216,524</u>	<u>3,045,182,747,065</u>	<u>2,112,062,469,459</u>



	Current year			Prior year		
	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net claim reserve	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net claim reserve
	VND	VND	VND	VND	VND	VND
2. Claim reserve						
Opening balance	7,572,987,994,571	6,784,375,373,971	788,612,620,600	7,620,352,557,580	6,857,694,041,488	762,658,516,092
(Reversed)/provided in the year	1,349,456,463,416	941,457,620,165	407,998,843,251	(47,364,563,009)	(73,318,667,517)	25,954,104,508
Closing balance	<u>8,922,444,457,987</u>	<u>7,725,832,994,136</u>	<u>1,196,611,463,851</u>	<u>7,572,987,994,571</u>	<u>6,784,375,373,971</u>	<u>788,612,620,600</u>

Catastrophe reserve

	Current year	Prior year
	VND	VND
Opening balance	233,096,412,900	206,979,595,208
Provided for in the year	55,237,155,151	47,616,817,692
Used in the year (*)	(55,000,000,000)	(21,500,000,000)
Closing balance	<u>233,333,568,051</u>	<u>233,096,412,900</u>

(*) The catastrophe reserve used in the year is to compensate for some kinds of insurance of which losses under retention are higher than the retained premium less (-) unearned premium reserve and unsettled claim reserve.

16. OWNER'S EQUITY

	Owner's contributed capital VND	Compulsory reserve fund VND	Retained earnings VND	Total VND
For the year ended 31 December 2023				
Prior year's opening balance	3,300,000,000,000	269,520,576,174	26,927,561,709	3,596,448,137,883
Profit for the year	-	-	635,982,752,442	635,982,752,442
Allocated to compulsory reserve fund	-	31,799,137,621	(31,799,137,621)	-
Profit transferred to PVI Holdings	-	-	(522,927,561,709)	(522,927,561,709)
Prior year's closing balance	3,300,000,000,000	301,319,713,795	108,183,614,821	3,709,503,328,616
For the year ended 31 December 2024				
Current year's opening balance	3,300,000,000,000	301,319,713,795	108,183,614,821	3,709,503,328,616
Profit for the year	-	-	599,304,720,280	599,304,720,280
Capital contributions (i)	600,000,000,000	-	-	600,000,000,000
Allocated to compulsory reserve fund (ii)	-	29,965,236,015	(29,965,236,015)	-
Appropriation to bonus and welfare funds (iii)	-	-	(24,167,344,593)	(24,167,344,593)
Profit transferred to PVI Holdings (iv)	-	-	(524,016,270,228)	(524,016,270,228)
Current year's closing balance	3,900,000,000,000	331,284,949,810	129,339,484,265	4,360,624,434,075

- (i) During the year, the Corporation has increased its charter capital by VND 600 billion through cash capital contribution from the Parent Company according to Resolution No. 80/NQ-PVI dated 31 October 2023 and Resolution No. 49/NQ-PVI dated 21 May 2024. The Corporation's charter capital according to Amended License No. 63/GPDC24/KDBH dated 20 August 2024 is VND 3,900 billion.
- (ii) Compulsory reserve fund is allocated from profit after tax at the rate of 5% until its balance is equal to 10% of the charter capital as stipulated in Article 54, Decree No. 46/2023/ND-CP dated 01 July 2023 of the Government.
- (iii) The bonus and welfare fund is appropriated from profits after corporate income tax of 2023 after deducting the compulsory reserve fund at a rate of 4% according to Resolution No. 11/NQ-PVIBH dated 27 February 2024.
- (iv) As at the year end, profit after tax has been transferred to PVI Holdings in accordance with the Corporation's financial policies and approved business plan. Total amount of current year's profit after tax payable to PVI Holdings according to Resolution No. 123/NQ-PVI dated 26 December 2024 is VND 440 billion from 2024 profit and the retained profit exceeds the plan in 2023 after deducting the bonus and welfare fund represented in (iii) with the amount of VND 84,016,270,228.

Details of owner's contributed capital are as follows:

100% of owner's capital as at 31 December 2024 belongs to PVI Holdings.

17. OFF BALANCE SHEET ITEMS

ITEMS	Unit	Closing balance	Opening balance
1. Direct insurance contract of which liabilities has not yet incurred	VND	2,924,149,061,113	2,715,097,450,673
2. Claims receivable from third parties	VND	82,123,670,526	95,475,458,103
3. Bad debts written off	VND	91,931,888,480	72,108,598,368
4. Foreign currencies			
United States Dollar	USD	1,952,132.73	4,613,190.32
Euro	EUR	190,738.38	212,968.65
Russian Ruble	RUB	64,736.88	1,265,840.32

18. INSURANCE PREMIUM

	Current year VND	Prior year (Restated) VND
Direct insurance premium	13,538,554,184,422	11,168,420,636,680
Personnel insurance	2,220,221,341,246	1,957,316,833,106
Property insurance	4,123,618,590,721	3,828,773,887,937
Cargo and transportation insurance	365,055,139,799	318,750,613,240
Aviation insurance	434,176,348,005	479,297,887,479
Motor vehicle insurance	1,658,197,827,347	1,412,602,879,906
Fire insurance	3,005,157,506,719	1,613,650,345,843
Hull and P&I insurance	1,128,697,432,788	1,025,823,771,421
General liability insurance	324,535,482,648	259,382,006,331
Credit and financial risk insurance	22,651,821,652	22,761,697,751
Agriculture insurance	25,882,972,885	25,558,173,027
Guarantee insurance	1,000,000	30,000,000
Other interruption insurance	230,358,720,612	224,472,540,639
Deductions from direct premium	(192,340,429,081)	(166,343,563,444)
Inward reinsurance premium	4,877,622,611,218	1,644,728,519,070
Personnel insurance	226,383,290,269	150,456,274,254
Property insurance	4,038,400,883,224	996,858,260,529
Cargo and transportation insurance	19,663,638,681	32,923,252,671
Aviation insurance	293,878,508,961	301,232,316,746
Motor vehicle insurance	3,425,415,024	86,925,205,910
Fire insurance	16,259,346,538	8,396,726,372
Hull and P&I insurance	40,228,108,600	53,469,193,177
General liability insurance	171,383,382,616	11,860,133,035
Agriculture insurance	87,115,611	54,631,987
Other interruption insurance	67,912,921,694	2,552,524,389
Deductions from inward reinsurance premium	(37,421,859,231)	(33,895,126,124)
(Increase) in unearned premium reserves for direct insurance and inward reinsurance	(2,136,498,361,295)	(733,901,845,399)
	16,049,916,146,033	11,879,008,620,783

19. OUTWARD REINSURANCE PREMIUM

	Current year VND	Prior year (Restated) VND
Total outward reinsurance premium	12,662,698,992,275	7,851,228,696,971
Personnel insurance	407,037,156,504	549,883,539,538
Property insurance	7,130,696,158,757	3,847,653,639,665
Cargo and transportation insurance	216,446,967,753	189,558,384,287
Aviation insurance	622,486,745,569	690,218,937,324
Motor vehicle insurance	110,963,856,943	27,810,596,805
Fire insurance	2,584,181,694,505	1,333,970,976,851
Hull and P&I insurance	1,004,084,258,242	837,849,639,361
General liability insurance	368,106,380,822	151,792,089,774
Credit and financial risk insurance	22,161,218,448	22,374,186,995
Agriculture insurance	23,716,880,754	24,527,890,946
Other interruption insurance	172,817,673,978	175,588,815,425
(Increase) in unearned premium reserves for outward reinsurance	(1,967,489,881,716)	(465,160,943,646)
	<u>10,695,209,110,559</u>	<u>7,386,067,753,325</u>

20. COMMISSION INCOME FROM OUTWARD REINSURANCE

	Current year VND	Prior year VND
Commission from outward reinsurance	1,122,647,184,838	1,058,819,928,649
Commission deductibles	(75,880,552,590)	(69,070,928,512)
	<u>1,046,766,632,248</u>	<u>989,749,000,137</u>

21. TOTAL CLAIM SETTLEMENT EXPENSES

	Current year VND	Prior year (Restated) VND
Total claim settlement expenses	5,462,113,556,699	3,951,411,725,697
Personnel insurance	1,172,719,967,472	1,149,680,355,065
Property insurance	2,611,261,706,089	1,108,070,546,165
Cargo and transportation insurance	102,288,180,963	120,927,162,036
Aviation insurance	216,174,840,744	93,553,984,478
Motor vehicle insurance	745,362,036,583	956,074,325,846
Fire insurance	196,981,928,169	93,046,994,839
Hull and P&I insurance	313,877,031,945	349,455,739,375
General liability insurance	69,588,017,466	15,042,047,394
Credit and financial risk insurance	2,260,191,924	2,461,222,374
Agriculture insurance	992,744	13,080,328
Other interruption insurance	31,598,662,600	63,086,267,797
Deductions from claim settlement expenses	(27,847,917,489)	(30,789,285,300)
Claims receipts from ceded policies	(3,493,899,339,133)	(2,096,480,288,597)
Increase/(decrease) in claim reserves for direct insurance and inward reinsurance	1,349,456,463,416	(47,364,563,009)
(Increase)/decrease in claim reserve for outward reinsurance	(941,457,620,165)	73,318,667,517
	<u>2,348,365,143,328</u>	<u>1,850,096,256,308</u>

22. OTHER EXPENSES FOR INSURANCE ACTIVITIES

	Current year VND	Prior year VND
Commission expense	856,528,659,121	699,800,483,627
Agents management expense	119,307,308,791	132,871,672,357
Expense for insured risk assessment	4,923,137,145	4,469,042,041
Expense for risk limitation	6,883,757,695	5,458,212,004
Others	2,458,864,125,945	1,982,045,573,871
	3,446,506,988,697	2,824,644,983,900

23. FINANCIAL INCOME

	Current year VND	Prior year VND
Deposit interest	527,121,323,184	549,266,216,423
Dividend, profit received	130,574,049,240	144,127,633,800
Gain from bond and entrusted investments	49,790,465,799	35,320,336,201
Foreign exchange gain	173,129,240,730	82,233,972,027
Other financial income	1,244,951	40,044
	880,616,323,904	810,948,198,495

24. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	19,888,051,461	23,241,345,109
Investment entrustment fee	4,623,573,530	1,582,353,067
Foreign exchange loss	139,051,906,448	90,838,118,544
Addition of provision for investment devaluation	524,338,417	-
Labor	169,443,646,233	167,039,634,100
Other financial expenses	37,793,188,279	36,345,423,820
	371,324,704,368	319,046,874,640

25. GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Labor	283,452,713,247	285,218,435,635
Office equipment expense	18,034,925,388	16,587,190,827
Depreciation and amortization	16,066,997,981	16,198,409,100
Taxes, fees and charges	44,174,573,622	32,764,084,396
Provision costs	(7,677,785,971)	9,683,829,825
Out-sourced services	114,895,211,302	115,390,618,113
Conference, advertising and training expenses	37,840,669,706	27,270,008,639
Others	14,242,213,450	25,116,777,009
	521,029,518,725	528,229,353,544

26. OTHER INCOME

	Current year VND	Prior year VND
Income from collection of social insurance and health insurance on behalf	124,584,128,811	88,999,745,375
Other income	1,750,635,255	1,747,405,707
	<u>126,334,764,066</u>	<u>90,747,151,082</u>

27. OTHER EXPENSES

	Current year VND	Prior year VND
Expenses for collection of social insurance and health insurance on behalf	117,556,958,078	87,933,865,767
Other expenses	5,102,791,697	1,515,444,677
	<u>122,659,749,775</u>	<u>89,449,310,444</u>

28. OPERATION COSTS BY NATURE

	Current year VND	Prior year VND
Cost of insurance activities	3,353,967,240,389	2,735,441,098,156
Labor costs	1,067,697,961,325	958,491,080,733
Office expenses	97,834,801,242	94,186,984,008
Depreciation and amortization	26,091,064,868	25,267,433,049
Taxes, fees and charges	44,174,573,622	32,764,084,396
Provisions expenses	(7,677,785,971)	9,683,829,825
Out-sourced services	1,719,681,421,972	1,347,781,702,716
Other monetary expenses	14,369,528,454	25,471,198,561
	<u>6,316,138,805,901</u>	<u>5,229,087,411,444</u>

29. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Profit before tax	762,862,335,666	794,991,041,336
Adjustments for taxable profit	(54,974,460,884)	(55,397,064,316)
- Adjustment of expenditures in previous years for which additional CIT is calculated	(37,222,217,430)	(32,324,116,235)
- Foreign exchange (gain) arising from revaluation of cash and receivables	(10,671,209,105)	(9,082,977,375)
- Dividends and profits received	(7,081,034,349)	(13,989,970,706)
Add back: non-deductible expenses	47,201,573,436	32,616,146,543
- Remuneration of Controllers	4,777,454,546	540,000,000
- Accrued expenses	13,309,979,890	17,255,282,708
- Other non-deductible expenses	29,114,139,000	14,820,863,835
Taxable profit	755,089,448,218	772,210,123,563
Normal tax rate	20%	20%
Corporate income tax expense based on taxable profit in the current year	151,017,889,644	154,442,024,713
Adjustments of prior year's corporate income tax expense to the current year's corporate income tax expense	7,444,443,485	6,850,820,723
Adjust according to the tax inspection report in 2024 for the period 2021-2023	7,757,278,235	-
Total current corporate income tax expense	166,219,611,364	161,292,845,436

30. SOLVENCY MARGIN

	Closing balance VND	Opening balance VND
I. Credit-worthiness (I=(1)-(2)-(3)-(4))	2,940,545,089,303	2,355,162,781,388
1. Difference between assets and liabilities	4,360,624,434,075	3,709,503,328,616
2. Less illiquidity of fully liquid assets	-	-
3. Less illiquidity of fully illiquid assets	771,338,756,735	687,552,515,418
4. Less illiquidity of partly illiquid assets	648,740,588,037	666,788,031,810
II. Minimum of credit-worthiness [Maximum value of (a) and (b)]	2,273,301,813,416	1,576,613,808,273
(a) 25% of total retained premium	1,380,928,878,763	1,190,420,442,303
(b) 12.5% of total direct premium and inward reinsurance premium	2,273,301,813,416	1,576,613,808,273
III. Comparison between (I) and (II)		
In absolute amount	667,243,275,887	778,548,973,115
In percentage	129.35%	149.38%

31. FINANCIAL INSTRUMENTS

Capital risk management

The Corporation manages its capital to ensure that the Corporation will be able to continue as a going concern while maximizing the return to the owner through the optimization of the debt and equity balance.

The capital structure of the Corporation consists of owner's equity (comprising contributed capital, compulsory reserves and retained earnings).

Gearing ratio

The gearing ratio of the Corporation as at the balance sheet date was as follows:

	Closing balance	Opening balance
	VND	VND
Borrowings	-	-
Less: Cash	266,195,682,544	282,292,980,159
Net debt	-	-
Equity	4,360,624,434,075	3,709,503,328,616
Net debt to equity ratio	0.0%	0.0%

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets, financial liabilities and equity instruments are disclosed in Note 3.

Categories of financial instruments

	Closing balance		Opening balance	
	Carrying amounts	Fair value	Carrying amounts	Fair value
	VND	VND	VND	VND
Financial assets				
Cash	266,195,682,544	266,195,682,544	282,292,980,159	282,292,980,159
Trade and other receivables	2,221,586,350,338	2,221,586,350,338	1,856,433,339,887	1,856,433,339,887
Short-term investments	6,586,295,000,000	6,586,295,000,000	4,294,452,980,142	4,294,452,980,142
Long-term investments	3,019,994,558,525	3,052,706,820,480	3,737,795,732,942	3,775,904,909,703
	<u>12,094,071,591,407</u>	<u>12,126,783,853,362</u>	<u>10,170,975,033,130</u>	<u>10,209,084,209,891</u>
Financial liabilities				
Trade and other payables	3,642,769,811,417	3,642,769,811,417	3,004,137,335,573	3,004,137,335,573
Accrued expenses	86,281,558,073	86,281,558,073	71,379,078,183	71,379,078,183
	<u>3,729,051,369,490</u>	<u>3,729,051,369,490</u>	<u>3,075,516,413,756</u>	<u>3,075,516,413,756</u>

The fair value of financial assets and financial liabilities is stated at the value of convertible financial instruments in a current transaction between the involved parties, except where required to sell or liquidation. The Corporation uses the following methods and assumptions to estimate the fair value:

- The fair value of investments is determined as presented in Note 5.
- The fair value of short-term items including cash, cash equivalents, trade receivables, other receivables, loans, trade payables, accrued expenses, and other short-term amounts is equivalent to the book value of these items due to their short or undetermined terms.
- For financial assets and financial liabilities with insufficient information in the market to determine the fair value at the reporting date, the book value of these items is shown instead of the fair value.

Financial risk management objectives

The Corporation has set up risk management system to identify and assess the risks exposed by the Corporation and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Corporation's operations.

Financial risks include market risk (including foreign currency risk and price risk), credit risk, liquidity risk and insurance risk.

Market risk

The Corporation's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and prices. The Corporation does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Foreign currency risk management

The Corporation undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Corporation's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

	Assets		Liabilities	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
United States Dollar (USD)	703,775,976,171	536,125,693,443	1,317,645,493,335	1,283,827,491,934
Euro (EUR)	20,895,109,585	25,713,183,069	18,582,429,564	20,434,477,642
South Korean Won (KRW)	2,959,101,703	9,938,584,106	5,328,664,584	16,660,736,521
Russian Ruble (RUB)	642,850,186	894,783,604	841,724,116	1,113,722,065
Others	16,229,367,647	11,179,231,244	19,776,775,692	9,206,366,155
	<u>744,502,405,292</u>	<u>583,851,475,466</u>	<u>1,362,175,087,291</u>	<u>1,331,242,794,317</u>

Foreign currency sensitivity analysis

The Corporation is mainly exposed to United States Dollar.

For a 5% increase/decrease in the United States Dollar against Vietnam Dong, the profit before tax in the year of the Corporation would decrease/increase by about VND 30,693 million. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the Board of Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the period end for a 5% change in the foreign currency rate.

Share price risk management

Shares held by the Corporation are affected by market risks arising from the uncertainty about future prices of such shares. The Corporation manages this risk exposure by setting up investment limits. The Corporation's Members' Council also assesses and approves decisions on share investments such as operating industry, investees, etc. The Corporation assesses the share price risk to be immaterial.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation. The Corporation has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Board of Management assesses that the Corporation does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any year is kept to manageable levels relative to the amount of funds that the Corporation believes can generate within that year. The Corporation's policy is to regularly monitor current and expected liquidity requirements to ensure that the Corporation maintains sufficient reserves of cash and adequate committed funding from its owner to meet its liquidity requirements in the short and longer terms.

The following table details the Corporation's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Corporation can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Corporation's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year	More than 1 year	Total
	VND	VND	VND
Closing balance			
Cash	266,195,682,544	-	266,195,682,544
Trade and other receivables	2,206,226,087,888	15,360,262,450	2,221,586,350,338
Short-term investments	6,586,295,000,000	-	6,586,295,000,000
Long-term investments	-	3,019,994,558,525	3,019,994,558,525
	<u>9,058,716,770,432</u>	<u>3,035,354,820,975</u>	<u>12,094,071,591,407</u>
Closing balance			
Trade and other payables	3,642,769,811,417	-	3,642,769,811,417
Accrued expenses	86,281,558,073	-	86,281,558,073
	<u>3,729,051,369,490</u>	<u>-</u>	<u>3,729,051,369,490</u>
Net liquidity gap	<u>5,329,665,400,942</u>	<u>3,035,354,820,975</u>	<u>8,365,020,221,917</u>
	Less than 1 year	More than 1 year	Total
	VND	VND	VND
Opening balance			
Cash	282,292,980,159	-	282,292,980,159
Trade and other receivables	1,844,192,669,549	12,240,670,338	1,856,433,339,887
Short-term investments	4,294,452,980,142	-	4,294,452,980,142
Long-term investments	-	3,737,795,732,942	3,737,795,732,942
	<u>6,420,938,629,850</u>	<u>3,750,036,403,280</u>	<u>10,170,975,033,130</u>
Opening balance			
Trade and other payables	3,004,002,335,573	135,000,000	3,004,137,335,573
Accrued expenses	71,379,078,183	-	71,379,078,183
	<u>3,075,381,413,756</u>	<u>135,000,000</u>	<u>3,075,516,413,756</u>
Net liquidity gap	<u>3,345,557,216,094</u>	<u>3,749,901,403,280</u>	<u>7,095,458,619,374</u>

The Board of Management assessed the liquidity risk at low level. The Board of Management believes that the Corporation will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

Insurance risk

A risk arising from any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the claims payments. As the nature of an insurance contract, this risk is random and therefore unpredictable.

To achieve the goal of managing insurance risk, the Corporation has established and applied a full range of risk assessment processes before accepting insurance, insurance risk transfer processes (reinsurance), damage assessment processes and claim settlement processes.

For premium operations, the Corporation has diversified the types of insurance services, insurance products as well as geographical areas to minimize concentrations of insurance risk. Besides, the Corporation has also applied different criteria in risk selection, implemented various measures in risk assessment to build an appropriate premium level. The Corporation does not accept insurance risks that highly likely occur or are subject to self-interested profit-maximizing behaviours.

For insurance risks accepted for the year ended 31 December 2024, the Corporation redefines the premium rates applicable to each risk group based on historical loss statistics and forecasts the trend of risks, inflation, level of industry competition and related regulations.

- With regard to the risk groups having increasing rates of losses and premiums, the Corporation will only accept insurance risk if the insured accepts to increase the premium correspondingly or limit the insurance coverage and increase deductibles;
- With regard to the risk groups having loss rate increasing but still at an acceptable level and ensuring insurance profit, the Corporation has adopted a policy on increasing the proportion of acceptable insurance risk to have its market share risen, and also takes advantage of cash inflows from insurance premiums for the purpose of investments.

The Corporation has also conducted thorough and strict measures to transfer insurance risks to other insurance companies in order to minimize the risks which may occur but still ensure the effectiveness of insurance businesses through building a reasonable level of retained premium for each type of insurance products, reinsurance arrangements and co-insurances.

The Corporation has been undertaking the policy on the acceleration of the damage assessment and settlement of compensation to minimize the risks which may arise during the compensation assessment process, such as exchange rate risk, inflation risk, increased loss risk, ethical risk, etc. The damage assessment and compensation settlement are conducted by the Corporation at two different levels depending on the complexity and nature of damage:

- For large and complicated cases, the damage assessment and compensation settlement will be conducted at the Corporation's office;
- For small cases where the Corporation's member companies have practical experience and sufficient resources to implement, the work will be handled by the Corporation's members.

32. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the year:

<u>Related parties</u>	<u>Relationship</u>
PVI Holdings	Parent company
Hanoi Reinsurance Joint Stock Corporation (Hanoi RE)	Fellow subsidiary of PVI Holdings
PVI Asset Management Joint Stock Company	Fellow subsidiary of PVI Holdings
PVI Opportunity Investment Fund (POF)	Fellow subsidiary of PVI Holdings
PVI Infrastructure Investment Fund (PIF)	Fellow subsidiary of PVI Holdings
Vietnam Oil and Gas Group (PVN)	PVI Holdings' major shareholder
HDI Global SE	PVI Holdings' major shareholder
Members of Vietnam Oil and Gas Group	Fellow subsidiaries of PVN
Talanx Group	Owner of HDI Global SE
Hannover Rück Se	Subsidiary of Talanx Group
HDI Global Network AG	Subsidiary of Talanx Group
HDI Global Insurance Limited Liability Company	Subsidiary of Talanx Group



In the year, the Corporation entered into the significant transactions with its related parties as follows:

	Current year VND	Prior year VND
PVI Holdings		
Capital contributed	600,000,000,000	-
Profit to be transferred	524,016,270,228	522,927,561,709
Profit paid	618,016,270,228	501,439,597,315
Investment received	195,038,794,521	-
Office rental	9,406,617,660	10,155,056,049
Services expenses	100,757,009,461	97,392,290,932
Hanoi Reinsurance Joint Stock Corporation		
Transfer of outward reinsurance premium	1,350,785,809,067	1,251,612,901,136
Commission income from outward reinsurance	345,505,069,914	306,332,259,583
Other income from outward reinsurance	206,275,243	561,380,189
Inward reinsurance premium	242,128,127,626	252,678,293,550
Returned inward reinsurance premium	3,834,639,899	4,874,473,699
Commission expenses for inward reinsurance	59,800,103,035	63,947,557,273
Claim settlements for inward reinsurance	68,197,791,184	66,227,386,925
Other expenses for inward reinsurance	645,592,464	1,129,810,854
Other expenses for outward reinsurance	1,266,802,958	672,306,814
Inward reinsurance brokerage fees	370,322,056	1,289,135,432
Claim receipts from outward policies	492,152,845,538	365,356,991,933
PVI Asset Management Joint Stock Company		
Expense of investment portfolio management and advisory contract	4,908,573,530	1,425,628,615
Direct insurance premium	281,418,557	-
Dividends, profits received	1,491,140,000	-
PVI Opportunity Investment Fund (POF)		
Dividends, profits received	71,190,909,240	78,136,363,800
Investment received	-	119,037,916,142
PVI Infrastructure Investment Fund (PIF)		
Dividends, profits received	57,892,000,000	63,540,000,000
Investment received	-	40,487,962,021
Hannover Rück Se		
Transfer of outward reinsurance premium	251,269,461,556	247,627,608,373
Commission income from outward reinsurance	92,355,921,277	75,349,812,921
Claim receipt from outward policies	30,619,267,637	46,084,206,598
HDI Global SE		
Transfer of outward reinsurance premium	5,538,684,196	17,121,261,478
Commission income from outward reinsurance	449,416,868	2,534,022,886
Inward reinsurance premium	804,407,985	-
Commission expenses for inward reinsurance	140,771,396	-
Other expenses for inward reinsurance	8,220,084	(18,132,607)
Claim receipt from ceded policies	4,294,168	626,490
HDI Global Network AG		
Transfer of outward reinsurance premium	133,684,314,873	127,935,026,750
Commission income from outward reinsurance	9,300,445,866	10,065,913,948
Other income from outward reinsurance	4,300,728,902	1,827,770,228
Inward reinsurance brokerage fees	-	3,681,980,224
Outward reinsurance brokerage fees	10,941,177	(65,715,092)
Claim receipt from outward policies	461,696,961	4,489,001,173

	Current year VND	Prior year VND
HDI Global Insurance Limited Liability Company		
Inward reinsurance premium	-	36,359,622,309
Claim settlements for inward reinsurance	17,790,129,073	4,224,563,129
Commission expenses for inward reinsurance	-	2,220,188,363
Outward reinsurance brokerage fees	-	3,682,716,769
Other members in Vietnam Oil and Gas Group		
Direct insurance premium	1,624,726,962,421	1,587,399,403,585
Claim settlements for direct policies	104,816,343,934	166,336,433,768

Significant related parties' balances at the balance sheet date were as follows:

	Closing balance VND	Opening balance VND
PVI Opportunity Investment Fund		
Capital contribution	868,181,820,000	868,181,820,000
PVI Infrastructure Investment Fund		
Capital contribution	706,000,000,000	706,000,000,000
Hanoi Reinsurance Joint Stock Corporation		
Receivables	211,899,925,228	112,320,384,384
Payables	143,744,939,966	111,972,982,324
PVI Holdings		
Payables	23,794,929,449	196,097,311,561
Long-term prepaid expenses	126,273,960,651	123,845,617,421
PVI Asset Management Joint Stock Company		
Accruals	1,889,464,901	656,724,452
Hannover Rück Se		
Receivables	137,980,808,119	30,897,345,865
Payables	209,072,011,923	102,823,783,434
HDI Global SE		
Receivables	750,935,967	253,539,529
Payables	401,814,686	1,739,286,531
HDI Global Network AG		
Receivables	1,733,350,291	1,956,361,408
Payables	16,234,094,262	31,671,775,943
Members in Vietnam Oil and Gas Group		
Receivables	359,576,940,405	394,750,923,255
Payables	514,171,418,287	80,936,376,818

Remuneration of the Board of Management

Remuneration paid to the Board of Management during the year was VND 49,679,831,769 (the year ended 31 December 2023: VND 17,649,673,898).

33. SUMMARY OF CLAIM SITUATION

Year of losses	2020	2021	2022	2023	2024	Accumulated claim reserve/ paid claim amount accumulated to the current year
	VND	VND	VND	VND	VND	VND
Accumulated claim reserve amount						
At the end of year of losses	3,521,573,734,448	5,391,010,222,930	5,408,342,389,513	3,398,946,339,574	6,636,636,497,178	6,636,636,497,178
After 1 year	3,299,505,898,762	5,314,806,526,572	6,010,516,783,073	5,276,052,624,645	-	5,276,052,624,645
After 2 years	3,271,470,696,853	5,131,198,220,246	5,529,105,463,039	-	-	5,529,105,463,039
After 3 years	3,279,422,256,614	4,245,396,876,356	-	-	-	4,245,396,876,356
After 4 years	3,387,077,215,818	-	-	-	-	3,387,077,215,818
Claim reserve amount accumulated to the current year (1)	3,387,077,215,818	4,245,396,876,356	5,529,105,463,039	5,276,052,624,645	6,636,636,497,178	25,074,268,677,036
Accumulated paid claim amount						
At the end of year of losses	1,525,992,784,966	1,267,796,931,796	1,901,269,664,176	2,245,848,524,450	2,159,052,504,985	2,159,052,504,985
After 1 year	2,901,232,069,060	2,569,342,340,391	3,296,284,366,719	4,404,901,029,435	-	4,404,901,029,435
After 2 years	3,077,451,225,037	2,652,223,456,463	3,790,313,939,417	-	-	3,790,313,939,417
After 3 years	3,151,820,057,065	3,482,847,962,693	-	-	-	3,482,847,962,693
After 4 years	3,213,838,212,186	-	-	-	-	3,213,838,212,186
Paid claim amount accumulated to the current year (2)	3,213,838,212,186	3,482,847,962,693	3,790,313,939,417	4,404,901,029,435	2,159,052,504,985	17,050,953,648,716
Total outstanding claim reserve (3)=(1)-(2)	173,239,003,632	762,548,913,663	1,738,791,523,622	871,151,595,210	4,477,583,992,193	8,023,315,028,320
Outstanding claim reserve for losses incurred in 2019 and before and outstanding inspection fees						546,420,051,734
Total outstanding claim reserve at the year-end						8,569,735,080,054

34. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Proceeds from/repayments of borrowings during the year do not include VND 1,069,229,228,736 which are loans with a payment term of less than 3 months, presented on a net basis.

35. COMPARATIVE FIGURES

During the period, the Board of Management of the Corporation decided to restate certain items of the notes on insurance premium, outward reinsurance premium and total claim settlement expenses to reflect more accurately the nature of the insurance policy according to each line of insurance business as prescribed in Circular No. 67/2023/TT-BTC dated 02 November 2023. This restatement does not affect other items in the Corporation's financial statements, other than figures in Notes 18, 19 and 21 are restated. Details are as follows:

Items	Prior year (Reported) VND	Restatement VND	Prior year (Restated) VND
Direct insurance premium	7,906,387,311,607	-	7,906,387,311,607
Personnel insurance	1,957,518,005,326	(201,172,220)	1,957,316,833,106
Property insurance	4,017,919,867,331	(189,145,979,394)	3,828,773,887,937
Fire insurance	1,613,650,275,843	70,000	1,613,650,345,843
General liability insurance	259,180,834,111	201,172,220	259,382,006,331
Credit and financial risk insurance	58,118,328,996	(35,356,631,245)	22,761,697,751
Guarantee insurance	-	30,000,000	30,000,000
Other interruption insurance	-	224,472,540,639	224,472,540,639
Inward reinsurance premium	999,410,784,918	-	999,410,784,918
Property insurance	998,749,129,518	(1,890,868,989)	996,858,260,529
Credit and financial risk insurance	661,655,400	(661,655,400)	-
Other interruption insurance	-	2,552,524,389	2,552,524,389
Total outward reinsurance premium	4,747,292,271,397	-	4,747,292,271,397
Personnel insurance	549,875,209,079	8,330,459	549,883,539,538
Property insurance	3,989,995,155,718	(142,341,516,053)	3,847,653,639,665
General liability insurance	151,800,420,233	(8,330,459)	151,792,089,774
Credit and financial risk insurance	55,621,486,367	(33,247,299,372)	22,374,186,995
Other interruption insurance	-	175,588,815,425	175,588,815,425
Total claim settlement expenses	1,173,618,036,336	-	1,173,618,036,336
Property insurance	1,169,765,941,328	(61,695,395,163)	1,108,070,546,165
Credit and financial risk insurance	3,842,409,658	(1,381,187,284)	2,461,222,374
Other interruption insurance	9,685,350	63,076,582,467	63,086,267,797



Pham Thanh Cong
Preparer



Nguyen Vuong Huynh
Chief Accountant



Pham Anh Duc
Chief Executive Officer

Hanoi, 20 February 2025